



FHA LOW FICO SCORE - PROGRAM 3030LF

620-639 Credit scores allowed!

Highlights and underwriting guidelines below

Credit

- No late on credit report in the past 12 months.
- No judgments, tax liens, BK's (7 OR 13), short sales, foreclosures or "settled" accounts in the past 36 months.
- All borrowers must have at least 1 credit score
- Minimum 3 trade lines with 12 month history for all borrowers (if joint report, 3 combined is acceptable)
- Acceptable 12 month VOR required regardless of AUS finding (if rent is paid to an individual, 12 months cancelled checks is required)

Ratios

- If paying off debt to qualify, can have No late payments in the past 24 months
- Ratios 39.9/49.9 with NO GIFTS
- Ratios 35/48 with Gift

Income

- Minimum 2 year documented history & breakdown from employer of overtime, bonus, commission OR any 2nd job/part time job to include income (No exceptions)

Assets

- Gift funds not allowed to pay off or pay down revolving or installment debts
- 1 month cash reserves after closing

Property

- SFR or FHA approved Condos, PUDs: NO UNITS
- No flips less than 90 days if more than 20% increase over seller's acquisition
- No Escrow holdbacks allowed for any reason
- No 203K's

Other Program Guides

- Non-occupant co-borrowers are not allowed
- AUS Accept only
- Purchase or fully qualifying Refinance (no streamlines)
- Maximum cash in hand on refinance: \$25,000
- Maximum loan amount \$417,000 (or max for county)
- Vacating residence: must use 25% vacancy factor and provide lease, security deposit receipt from tenant & deposit to borrowers account
- Available in California - Ventura County and South
- Notaries cannot be associated or employed with broker, Essex Mortgage, realtors or anyone else who receives a fee on the HUD-1 other than the notary fee (NO broker owned escrows allowed and all loan documents must be notarized in escrow)
- Pre-locks are not allowed. Investor must review the appraisal and AUS prior to rate lock and a "clear to close" obtained.

