



Mortgage Services III, LLC  
 A Subsidiary of First State Bank Member FDIC

# Quick Reference Product Sheet Correspondent Lending Conforming Products

Posted 4/09/12

## Conforming Fixed Rate Products

### Loan Parameters – Agency FRM 30 Year

Transaction Type	Units	Maximum			Minimum FICO (1)	Maximum DTI (1)
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Owner Occupied - Primary</b>						
Purchase and Limited Cash Out Refinance	1	95.00	90.00	95.00	680 (2) (4)	41%
	2	80.00	75.00	80.00	660 (3)	45%
	3-4	80.00	75.00	80.00	640	45%
Cash Out Refinance	1 (5)	85.00	85.00	85.00	720	41%
	1	80.00	80.00	85.00	640	45%
	2 4	75.00	70.00	75.00	640	45%
<b>Second Home</b>						
Purchase	1	90.00	90.00	90.00	720 (2)	45%
Limited Cash Out Refinance	1	90.00	90.00	90.00	720 (2)	45%
Cash Out Refinance	1	75.00	75.00	75.00	640	45%

**Notes:**

- (1) The more restrictive MI or AUS will supersede this minimum. Loans must meet the maximum DTI **and** receive an "eligible" Approve or Accept to be purchased by MSI. **For Primary Residence**, MSI Prior Approval Underwriting, Max DTI may be increased to 50% if permitted by the AUS and MI (if required). Delegated Lenders may not exceed 45%.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 640; DTI may be 45% (See #1).
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 640.
- (4) FICO ≥ 720, DTI may be 45%. (See #1)
- (5) Condo projects are ineligible for Cash Out >80.00%.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo –Attached PUD Restrictions:** AZ and NV are restricted to a maximum 90.00% LTV, unless further restricted by the AUS or MI. All other states may use the published single family LTV/CLTV. See the [Underwriting Chapter](#) for condo/attached PUD details/requirements.
- ✓ Florida properties are not eligible for MSI. Prepayment Penalty features are not permitted. 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ Lender Paid Single Premium is permitted for Primary, Purchase/Rate-Term Refinance. See the [Conforming Product Suite](#) and [Underwriting Chapter](#) for full restrictions and details.
- ✓ **Subject to MI guidelines/limitations when MI is required.**
- ✓ **All LTV/CLTV subject to the more restrictive of MSI/applicable AUS guidelines and limits. Cash Out to 85.00% permitted only by DU. DU has additional restrictions for 3-4 Unit Properties, use LP.**

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# Quick Reference Product Sheet Correspondent Lending Conforming Products

## Conforming Fixed Rate Products, Continued

### Loan Parameters – Agency FRM 30 Year, Continued

Transaction Type	Units	Maximum			Minimum FICO (1)	Maximum DTI (1)
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Investment Properties – Condos Permitted-Maximum 75.00% LTV</b>						
Purchase	1	80.00	80.00	85.00	640	45%
	2-4	75.00	70.00	75.00	640	45%
Limited Cash Out Refinance	1	75.00	75.00	75.00	640	45%
	2-4	75.00	70.00	75.00	640	45%
Cash Out Refinance (4)	1	75.00	75.00	75.00	700	45%
	2-4	70.00	70.00	70.00	680	45%

**Notes:**

- (1) The **more restrictive** MI or AUS will supersede this minimum. Loans must meet the maximum DTI **and** receive an “eligible” Approve or Accept to be purchased by MSI.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 640.
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 640.
- (4) DU Approve/Eligible Only; See Investment (NOO) Cash Out for additional guidelines/restrictions.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo Restrictions:** See the [Underwriting Chapter](#) for condo requirements regarding CPM.
- ✓ **Geographic Restrictions:** Florida properties are not eligible for MSI.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ Lender Paid MI is not permitted for Investment Properties.
- ✓ **Subject to MI guidelines/limitations when MI is required.**
- ✓ **All LTV/CLTV subject to the more restrictive of MSI/applicable AUS guidelines and limits.**

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# Quick Reference Product Sheet Correspondent Lending Conforming Products

## HomePath®

### Summary

HomePath® is a special financing product provided by Fannie Mae and offered by MSI for the purchase of Fannie Mae-held Real Estate Owned (REO).

- ✓ MSI limits the product to FRM only.
- ✓ MSI does not participate in the HomePath® Renovation Program.

### Maximum Loan Limits

- ✓ MSI will permit the standard conforming Fannie Mae loan limits as well as the temporary High Balance limits. See [Loan Limits](#) and [MSI Loan Limits](#) for details.

### Loan Parameters – Standard HomePath® FRM 30 Year

Transaction Type	Units	Maximum			Minimum FICO	Maximum DTI
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Owner Occupied – Primary (3)</b>						
Purchase	1	97.00 (2)	95.00	97.00 (1)	660 (2)	45%
	2	80.00	75.00	80.00	660	45%
	3-4	75.00	70.00	75.00	660	45%
<b>Second Home</b>						
Purchase	1	90.00	85.00	90.00	660	45%
<b>Investment Properties</b>						
Purchase	1	90.00	85.00	90.00	660	45%
	2	80.00	75.00	80.00	660	45%
	3-4	75.00	70.00	75.00	660	45%

#### Notes:

1. 97% permitted only if: Borrower has personal funds for down payment (no gifts or other sources) OR FICO is 720 (with 720 FICO gifts or other sources are permitted.)
  2. If the LTV/CLTV is ≤ 80.00%, the minimum FICO is 640.
  3. **For Primary Residence**, MSI Prior Approval Underwriting, Max DTI may be increased to 50% if permitted by the AUS and MI (if required). Delegated Lenders may not exceed 45%.
- ✓ Arizona, Florida and Nevada properties are **not** eligible for MSI.
  - ✓ Prepayment Penalty features are not permitted
  - ✓ 40-year terms are not permitted

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# Quick Reference Product Sheet Correspondent Lending Conforming Products

## HomePath®, Continued

### Loan Parameters –High Balance HomePath® FRM 30 Year

Transaction Type	Units	Maximum			Minimum FICO	Maximum DTI
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Owner Occupied - Primary</b>						
Purchase	1	90.00	85.00	90.00	700 (1)	45%
	2	75.00	70.00	75.00	740	45%
	3-4	75.00	70.00	75.00	740	45%
<b>Second Home</b>						
Purchase	1	65.00	60.00	65.00	740	45%
<b>Investment Properties</b>						
Purchase	1	65.00	60.00	65.00	740	45%
	2	65.00	60.00	65.00	740	45%
	3-4	65.00	60.00	65.00	740	45%
<b>Notes:</b>						
1. If the LTV/CLTV/TLTV is ≤ 75.00%, minimum 660 FICO is permitted. ✓ Arizona, Florida and Nevada properties are <u>not</u> eligible for MSI. ✓ Prepayment Penalty features are not permitted ✓ 40-year terms are not permitted						

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### DU Refi Plus™

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#### Summary

DU Refi Plus™ is a new refinance option offered by Fannie Mae to achieve the goals set out for the “Making Home Affordable” program announced by the US Department of Treasury on March 4, 2009.

**MSI offers this Fannie Mae program with MSI overlays.**

- ✓ Effective with locks on/after 5/08/09 MSI will purchase this product as long as the loan meets our additional risk overlays. These overlays must be applied “manually” to the DU Approve/Eligible loan.
  - ✓ See the [Conforming Product Suite](#) for the MSI DU Refi Plus™ product option guidelines and parameters.
    - There is not a separate loan parameter matrix for DU Refi Plus™; however LTVs greater than 100% are not acceptable.
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### LP Relief Refinance Mortgage SM

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#### Summary

LP Relief Refinance Mortgage (LP RRM) is a new refinance option offered by Freddie Mac to achieve the goals set out for the “Making Home Affordable” program announced by the US Department of Treasury on March 4, 2009.

**MSI offers this Freddie Mac program with MSI overlays.**

- ✓ MSI will purchase this product only if the loan meets our **additional** risk overlays. These overlays must be applied “manually” to the LP Accept loans.
- ✓ See the [Conforming Product Suite](#) for the MSI LP RRM product option guidelines and parameters.
- ✓ There is not a separate loan parameter matrix for the LP RRM; however, LTVs greater than 100% are not acceptable.

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# Quick Reference Product Sheet Correspondent Lending Conforming Products

## Conforming Adjustable Rate Mortgages

### Loan Parameters – Agency ARM 30-Year

Transaction Type	Units	Maximum			Minimum FICO (1)	Maximum DTI (1)
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Owner Occupied - Primary</b>						
Purchase and Limited Cash Out Refinance	1	95.00	90.00	95.00	680 (2) (4)	41%
	2	80.00	75.00	80.00	660 (3)	45%
	3-4	80.00	75.00	80.00	640	45%
Cash Out Refinance	1 (5)	85.00	85.00	85.00	720	41%
	1	80.00	80.00	85.00	640	45%
	2 4	75.00	70.00	75.00	640	45%
<b>Second Home</b>						
Purchase	1	90.00	90.00	90.00	720 (2)	45%
Limited Cash Out Refinance	1	90.00	90.00	90.00	720 (2)	45%
Cash Out Refinance	1	75.00	75.00	75.00	640	45%

**Notes:**

- (1) The **more restrictive** MI or AUS will supersede this minimum. Loans must meet the maximum DTI **and** receive an “eligible” Approve or Accept to be purchased by MSI. **Effective 6/03/11:** For Primary Residence, MSI Prior Approval Underwriting, Max DTI may be increased to 50% if permitted by the AUS and MI (if required). Delegated Lenders may not exceed 45%.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 640; DTI may be 45% (See #1).
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 640.
- (4) FICO ≥ 720, DTI may be 45% (See #1)
- (5) Condo projects are ineligible for Cash Out >80.00%.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo –Attached PUD Restrictions:** AZ and NV are restricted to a maximum 90.00% LTV, unless further restricted by the AUS or MI. All other states may use the published single family LTV/CLTV. See the [Underwriting Chapter](#) for condo/attached PUD details/requirements.
- ✓ **Geographic Restrictions:** Florida properties are not eligible for MSI.
- ✓ Prepayment Penalty features are not permitted. 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ Single Premium paid by the lender is permitted for Primary, Purchase/Rate-Term Refinance. See the [Conforming Product Suite](#) and [Underwriting Chapter](#) for full restrictions and details.
- ✓ **Subject to MI guidelines/limitations when MI is required.**
- ✓ **All LTV/CLTV subject to the more restrictive of MSI/applicable AUS guidelines and limits. Cash Out to 85.00% permitted only by DU. DU has additional restrictions for 3-4 Unit Properties, use LP.**

Continued on next page

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## Conforming Adjustable Rate Mortgages, Continued

### Loan Parameters – Agency ARM 30 Year, Continued

Transaction Type	Units	Maximum			Minimum FICO (1)	Maximum DTI (1)
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Investment Properties – Condos Permitted-Maximum 75.00% LTV</b>						
Purchase	1	80.00	80.00	85.00	640	45%
	2-4	75.00	70.00	75.00	640	45%
Limited Cash Out Refinance	1	75.00	75.00	75.00	640	45%
	2-4	75.00	70.00	75.00	640	45%
Cash Out Refinance	1	75.00	75.00	75.00	700	45%
	2-4	70.00	70.00	70.00	680	45%

**Notes:**

- (1) The **more restrictive** MI or AUS will supersede this minimum. Loans must meet the maximum DTI **and** receive an “eligible” Approve or Accept to be purchased by MSI.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 640.
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 640.
- (4) DU Approve/Eligible Only; See Investment (NOO) Cash Out for additional guidelines/restrictions. 5/1 and 7/1 ARMS only.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo Restrictions:** See the [Underwriting Chapter](#) for condo requirements regarding CPM.
- ✓ Florida properties are not eligible for MSI.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ LPMI is not permitted for Investment Properties.
- ✓ **Subject to MI guidelines/limitations when MI is required.**
- ✓ **All LTV/CLTV subject to the more restrictive of MSI/applicable AUS guidelines and limits.**

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# Quick Reference Product Sheet Correspondent Lending Conforming Products

## MSI Conventional High Balance

### MSI Loan Limits

The matrix below outlines the minimum loan amounts for the MSI Conventional "Permanent" High Balance product.

- ✓ All "Conventional High Balance" loan amounts are eligible only in specific geographic areas and must be confirmed/validated for the area using the following Web Site
- ✓ <https://entp.hud.gov/idapp/html/hicostlook.cfm> .
  - **Note:** select "Fannie/Freddie" from the <Limit Type> field, then select "CY 2012" from the <Limit Year> field.
- ✓ A copy of the screen print, validating the "high balance" loan amount must be included in the credit section of the loan file.

Number of Units	Minimum Loan Amount
1	\$417,001
2	\$533,851
3	\$645,301
4	\$801,951

**Notes:**

- ✓ MSI does not lend in Alaska, Hawaii or any US Territories (Guam, Puerto Rico, etc).
- ✓ MSI has restricted the maximum loan amount to the current Fannie Mae "permanent High-Cost limits". Loan amounts that exceed the limits posted are not eligible to MSI.

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# Quick Reference Product Sheet Correspondent Lending Conforming Products

## MSI Conventional High Balance, Continued

### Loan Parameters – MSI Conventional High Balance – FRM- Primary Residence

Property	Units	Maximum			Minimum FICO	Maximum DTI
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Owner Occupied – Primary - Purchase</b>						
Single Family Detached PUD	1	90.00 (2, 3)	80.00	90.00	720 (1)	45%
	1	80.00	80.00	90.00	700 (1)	45%
Attached PUD & Condo	1	85.00 (2, 3)	80.00	90.00	720	45%
	1	80.00	80.00	90.00	700 (1)	45%
2-4 Unit	2-4	75.00	70.00	75.00	740	45%
<b>Owner Occupied – Primary - Cash Out Refinance</b>						
SF;PUD & Condo	1	60.00	60.00	60.00	740	45%
2-4 Unit	2-4	Not Permitted				
<b>Owner Occupied – Primary - Rate/Term Refinance</b>						
Property	Loan Amount	Maximum			Minimum FICO	Maximum DTI
		LTV No Second	LTV w/ Second	CLTV/TLTV		
Single Family Detached PUD	≤ \$625,500	90.00 (2)	80.00	90.00	720 (1)	45%
	> \$625,500	80.00	75.00	80.00	700 (1)	45%
Attached PUD Condo	≤ \$625,500	85.00 (2)	80.00	90.00	720 (1)	45%
	> \$625,500	80.00	75.00	80.00	700 (1)	45%
2-4 Units	All	75.00	70.00	75.00	740	45%

**Notes:**

- (1) 700 when LTV > 75%, but ≤ 80% or when CLTV/TLTV > 75%; 660 when LTV/CLTV/TLTV ≤ 75.00%
- (2) When LTV > 80.00% the greater of 2-months verified PITI or standard verified reserves required.
- (3) When the Loan Amount is > \$625,500, the Maximum LTV = 80.00%
- ✓ Temporary Buydowns are not permitted.
- ✓ Prepayment Penalty features are not permitted. 40-year terms are not permitted
- ✓ Texas Section 50a6 (Texas Cash Out) loans are not permitted;
- ✓ **Florida Restrictions:** Properties in Florida are not eligible for purchase.
- ✓ See the applicable Product Suite for details.
- ✓ LPMI or Single Premium paid by the Lender permitted, see the Conforming Product Suite/Underwriting for full details.
- ✓ Subject to MI guidelines when MI is required **and** Subject to more restrictive Fannie Mae AUS findings.
- ✓ All "Conventional High Balance" loan amounts are eligible only in specific geographic areas and must be confirmed/validated for the area using the following Web Site <https://entp.hud.gov/idapp/html/hicostlook.cfm> .
- ✓ **Note:** select "Fannie/Freddie" from the <Limit Type> field, then select "CY 2012" from the <Limit Year> field.

Continued on next page

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# Quick Reference Product Sheet Correspondent Lending Conforming Products

## MSI Conventional High Balance, Continued

### Loan Parameters – MSI Conventional High Balance – FRM- Second Home and Investment

Property	Units	Maximum			Minimum FICO	Maximum DTI
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Second Home – Purchase and Rate/Term Refinance</b>						
Single Family PUD & Condo	1	65.00	65.00	65.00	740	45%
<b>Second Home – Cash Out Refinance</b>						
Not Permitted						
<b>Investment Property – Purchase and Rate/Term Refinance</b>						
Single Family PUD & Condo	1	65.00	65.00	65.00	740	45%
<b>Investment Property – Cash Out Refinance</b>						
Not Permitted						

**Notes:**

- ✓ Temporary Buydowns are not permitted.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are not permitted
- ✓ Texas Section 50a6 (Texas Cash Out) loans are not permitted
- ✓ **Florida Restrictions:** Properties in Florida are not eligible for purchase.
- ✓ LPMI is not permitted.
- ✓ Borrower paid single premium insurance is permitted.
- ✓ Subject to MI guidelines when MI is required.
- ✓ Subject to more restrictive Fannie Mae AUS findings.
- ✓ **Investment Property** – Fixed Rate Only; All loans must be underwritten by MSI, no exceptions.
- ✓ All “Conventional High Balance” loan amounts are eligible only in specific geographic areas and must be confirmed/validated for the area using the following Web Site <https://entp.hud.gov/idapp/html/hicostlook.cfm> .
- ✓ **Note:** select “Fannie/Freddie” from the <Limit Type> field, then select “CY 2012” from the <Limit Year> field.

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## MSI Conventional High Balance, Continued

### Loan Parameters – MSI Conventional High Balance – ARM

Property	Units	Maximum			Minimum FICO	Maximum DTI
		LTV No Second	LTV with Second	CLTV/TLTV		
<b>Owner Occupied – Primary - Purchase and Rate/Term Refinance</b>						
Single Family PUD and Condo	1	75.00	75.00	75.00	680	45%
2-4 Unit	2-4	75.00	70.00	75.00	740	45%
<b>Owner Occupied – Primary - Cash Out Refinance</b>						
SF;PUD & Condo	1	60.00	60.00	60.00	740	45%
2-4 Unit	2-4	Not Permitted				
<b>Second Home – Purchase and Rate/Term Refinance</b>						
Single Family PUD & Condo	1	65.00	65.00	65.00	740	45%
<b>Second Home – Cash Out Refinance</b>						
Not Permitted						
<b>Investment Property</b>						
Not Permitted						
<b>Notes:</b>						
<ul style="list-style-type: none"> <li>✓ Temporary Buydowns are not permitted.</li> <li>✓ Prepayment Penalty features are not permitted</li> <li>✓ 40-year terms are not permitted</li> <li>✓ Texas Section 50a6 (Texas Cash Out) loans are not permitted</li> <li>✓ <b>Florida Restrictions:</b> Properties in Florida are not eligible for purchase.</li> <li>✓ LPMI or Single Premium is not permitted.</li> <li>✓ Subject to MI guidelines when MI is required.</li> <li>✓ Subject to more restrictive Fannie Mae AUS findings.</li> <li>✓ All "Conventional High Balance" loan amounts are eligible only in specific geographic areas and must be confirmed/validated for the area using the following Web Site <a href="https://entp.hud.gov/idapp/html/hicostlook.cfm">https://entp.hud.gov/idapp/html/hicostlook.cfm</a> .</li> <li>✓ <b>Note:</b> select "Fannie/Freddie" from the &lt;Limit Type&gt; field, then select "CY 2012" from the &lt;Limit Year&gt; field.</li> </ul>						

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# Quick Reference Product Sheet

## Government Loans

Posted 3/28/12

### FHA Loans

#### FHA – “Standard” Maximum Loan Amounts

Units	Owner Occupied			Second Home			Investment			Maximum DTI (*)
	Maximum		Minimum FICO	Maximum		Minimum FICO	Maximum		Minimum FICO	
	LTV	CLTV		LTV	CLTV		LTV	CLTV		
<b>Purchase</b>										
1 - 4	96.50	100.00	640	Not Permitted		Not Permitted		Not Permitted		Per AUS
<b>Rate/Term and Streamline Refinance (1)</b> (Streamline Refinance follow FHA/MSI guidelines. See <a href="#">Refinance – FHA</a> . See <a href="#">Minimum FICO Requirements</a> .)										
1 - 4	97.75	97.75	640	Not Permitted		Not Permitted		Not Permitted		Per AUS
<b>Cash-Out (C/O) Transactions</b> (Follow FHA/MSI Guidelines. See <a href="#">FHA Refinance Matrix</a> .)										
1 - 4	85.00	85.00	640	Not Permitted		Not Permitted		Not Permitted		Per AUS

(\*) For Refer loans, Maximum DTI is 43% (ratios 31/43%). Streamline Refinance – do not submit to AUS; non-credit qualifying. See Product Suite for additional MSI overlays for DTI. **For Delegated Underwriting** FHA ARM Max DTI is 50% (regardless of AUS).  
 ✓ CLTV for purchase transactions with DAP follow FHA guidelines with MSI restrictions.  
 ✓ 3-4 Unit Cash Out is permitted at Maximum 85.00%. All MSI/FHA guidelines and FHA debt service ratios must be met.

Units	Basic “Floor” Limits	MSI “Standard” FHA Limits	FHA High Cost “Ceiling”
1	\$271,050	\$417,000	\$729,750 (1)
2	\$347,000	\$533,850	\$934,200 (1)
3	\$419,000	\$645,300 (2, 3)	\$1,129,250 (3)
4	\$521,250	\$801,950 (2, 3)	\$1,403,400 (3)

**Notes:**

- (1) Non-Qualifying Streamline Refinance meet FHA guidelines for LTV limits. All other MSI/FHA guidelines must be met. Streamline Refinance, with/without appraisal, CLTV limited to 100.00%.
- (2) Loan amounts exceeding the MSI “Standard” FHA Limits are considered MSI “High Balance” and must follow those specific guidelines, see [MSI FHA High Balance](#) for details.
- (3) **All 3-4 Unit properties must meet the FHA debt service requirements.**
- (4) 3-4 Unit properties that exceed MSI Standard FHA Limits are considered FHA High Balance and are **not** eligible for purchase by MSI.
  - ✓ MSI minimum loan amount is \$40,000. Loan amounts less than \$40,000 are not eligible.
  - ✓ Basic Floor Limits” represent the lowest maximum county limit set nationally **by** FHA while the “High Cost Ceiling” represents the highest. **MSI considers** any FHA loan that exceeds the 2009 Fannie Mae statutory limit for the number of units to be a **MSI** FHA High Balance loan. See [MSI FHA High Balance](#) for details and MSI restrictions.
  - ✓ Check individual county limits for maximum loan amount. Current loans limits may be calculated at <https://entp.hud.gov/idapp/html/hicostlook.cfm>.
  - ✓ All loans must be closed in whole dollar amounts (e.g. a loan amount of \$271,049.50 is not acceptable).
  - ✓ **Base Loan Amounts cannot exceed the limit set for the individual county.**
  - ✓ The LTV/CLTV limits for all FHA loans must meet the most current requirements for High and Low cost states outlined by FHA to ensure that the loan is insurable. The MSI lock system does **not** validate FHA loan amounts.
  - ✓ MSI reserves the right to amend pricing if the final 1008LT or Note differs from the originally committed loan.

Continued on next page

For Mortgage Professionals Only.

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**Do not use this Loan Parameter Summary to Underwrite loans.**

See the MSI Seller Guide for full details prior to selling any loans to MSI, as guidelines may have changed.

**Important Note: If a product is not priced, it is not available.**





Mortgage Services III, LLC  
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# Quick Reference Product Sheet

## Government Loans

### FHA Loans, Continued

#### Loan Parameters – MSI FHA High Balance 30 Year – FRM & ARM

Units	Owner Occupied			Second Home			Investment			Maximum DTI
	Maximum		Minimum FICO	Maximum		Minimum FICO	Maximum		Minimum FICO	
	LTV	CLTV		LTV	CLTV		LTV	CLTV		
<b>Purchase</b>										
1 - 2	96.50	96.50	640	Not Permitted		Not Permitted				Per AUS
<b>Rate/Term Refinance</b>										
1 - 2	97.75	97.75	640	Not Permitted		Not Permitted				Per AUS
<b>Cash-Out (C/O) Transactions</b>										
1 - 2	85.00	85.00	660	Not Permitted		Not Permitted				Per AUS

**Notes:**

- ✓ For Delegated Underwriting FHA ARM Max DTI is 50% (regardless of AUS).
- ✓ FHA Streamline loans are permitted for MSI FHA High Balance.
- ✓ 30-year Term only. FRM and 3/1 or 5/1 FHA ARM
- ✓ Loan must meet all current FHA guidelines with additional MSI FHA High Balance Overlays
- ✓ Down Payment Assistance Programs not permitted.
- ✓ Temporary buydowns are not permitted.
- ✓ Minimum 2 FICO scores for each borrower, middle of 3, lower of 2, lowest of borrower scores used to qualify the loan.
- ✓ FHA Total Scorecard through DU or LP required, loan must be approve or accept.
- ✓ Cash out transactions – Foreclosure or Bankruptcy not permitted within most recent 7 years, regardless of AUS.
- ✓ 3-4 Units not permitted.
- ✓ Follow current FHA guidelines for declining markets (ML-2008-09) and MSI where more restrictive. See [Declining Markets Policy](#).
- ✓ To determine the High Balance Limits, go to the following web site: <https://entp.hud.gov/idapp/html/hicostlook.cfm> .
  - For FHA Loans: select "FHA Forward" from the <Limit Type> field, then select the appropriate date of your case number.

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### VA Loans

#### Loan Parameters – VA

Maximum LTV/Loan Type	Maximum Loan Limit
Purchase 100% of reasonable value <sup>1</sup> plus VA funding fee	\$417,000
90% Non-IRRRL and Cash out Refinance	\$417,000
Interest Rate Reduction Refinance Loan VA IRRRL – 100.00% (Per MSI/VA Guidelines)	\$417,000 Principal balance of the existing loan Up to 45 days interest Any late charges and escrow shortages .50% Funding Fee (if applicable) Up to a 2% discount All forward closing costs and prepaid expenses. May not exceed VA statutory limits. The new total loan amount may not exceed the Appraised Value validated by the conventional appraisal.

**Notes:**

- <sup>1</sup> Based on the Veteran's available Entitlement as stated on the Certificate of Eligibility. For purchases, the maximum entitlement is \$104,250. MSI requires the Veteran to have the GNMA-required 25% Entitlement.
- ✓ MSI minimum loan amount is \$40,000. Loan amounts less than \$40,000 are not eligible.
  - ✓ Maximum DTI for VA qualifying loans is 60.00%, regardless of AUS approval.
  - ✓ Maximum CLTV for VA loans:
    - Purchase Transactions = 100.00%
    - Cash-Out Refinance = 90.00%
    - Rate/Term, Fully qualifying and documented rate/term refinance = 90.00%. No new subordinate financing.
    - IRRRL = 100.00% To MSI/VA guidelines – no new subordinate financing.
  - ✓ MSI requires a minimum 640 FICO for all VA loans.

**Important:** All VA loans must meet GNMA loan guarantee (a minimum of 25% coverage and must include the VA Funding Fee in the limit, if it is financed.)

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# Quick Reference Product Sheet

## Government Loans

### VA Loans, Continued

#### Loan Parameters – MSI VA High Balance 30 Year – FRM Only

Maximum LTV/Loan Type	Maximum Loan Amount
Purchase Money Mortgage 100% LTV plus Funding Fee	>\$417,000 to ≤\$625,500
Refinance 90% of reasonable value <sup>1</sup> plus VA funding fee	

**Notes:**

- <sup>1</sup> Based on the Veteran's available Entitlement as stated on the Certificate of Eligibility.
- ✓ Must meet maximum VA county loan limit.
- ✓ MSI minimum loan amount is \$40,000. Loan amounts less than \$40,000 are not eligible.

**Important:**

- ✓ All VA loans must meet GNMA loan guarantee (a minimum of 25% coverage) and must include the VA Funding Fee in the limit, if it is financed.)
- ✓ Loans must be closed/dispursed by the expiration date required by HUD/VA.

**2012:** Sellers must follow current VA guidelines for calculating VA Loan Limits. See the following web sites for details:

- ✓ [http://www.benefits.va.gov/HOMELOANS/loan\\_limits.asp](http://www.benefits.va.gov/HOMELOANS/loan_limits.asp)
- ✓ [http://www.benefits.va.gov/HOMELOANS/docs/Loan\\_Limits\\_2012\\_Dec\\_2011.pdf](http://www.benefits.va.gov/HOMELOANS/docs/Loan_Limits_2012_Dec_2011.pdf)

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# Quick Reference Product Sheet

## Rural Development Loans

Posted 3/15/12

### Rural Development

#### Loan Parameters – Rural Development 30 Year – FRM

Units	Owner Occupied			Second Home			Investment			Maximum DTI
	Maximum		Minimum FICO	Maximum		Minimum FICO	Maximum		Minimum FICO	
	LTV	CLTV		LTV	CLTV		LTV	CLTV		
<b>Purchase</b>										
1	102.00	102.00	640	Not Permitted		Not Permitted				48
<b>Rate/Term Refinance – Permitted only if original (current) loans is Rural Development</b>										
1	101.50	101.50	640	Not Permitted		Not Permitted				48
<b>Cash-Out (C/O) Transactions</b>										
Not Permitted										
<b>Notes:</b>										
<ul style="list-style-type: none"> <li>✓ <b>Loan Limit:</b> Current Fannie Mae/Freddie Mac subject to current USDA income eligibility guidelines. See <a href="#">Loan Limits</a> for details.</li> <li>✓ USDA Guarantee Fee required: Purchase Transaction = 2.00% of loan amount; Refinance Transaction = 1.50% of the loan amount. <b>Subject to USDA change at any time. Maximum LTV/CLTV is based on 100% of the appraised value plus Guarantee Fee)</b></li> <li>✓ See <a href="#">Loan to Value</a> for additional details.</li> <li>✓ USDA has a maximum Housing Ratio of 36%; see <a href="#">Maximum Qualifying Ratios</a> for details.</li> <li>✓ Loans must be submitted to GUS.               <ul style="list-style-type: none"> <li>• All loans must meet the more restrictive of MSI and U.S. Department of Agriculture Rural Development (USDA-RD) guidelines.</li> <li>• Approval by the Delegated Seller Underwriter or MSI and USDA is required. Delegated Sellers may not manually underwrite a USDA loan, it must be submitted to MSI.</li> <li>• Full documentation is required.</li> <li>• Contract Underwriting is <b>not</b> permitted.</li> </ul> </li> <li>✓ Buydowns not permitted.</li> </ul>										

For Mortgage Professionals Only.

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