

Primary Residence

Purchase

Property Type	Maximum Base Loan Amount		Min Credit Score ¹	Max LTV/CLTV ¹
1-4 Units	Standard	(non HI): ≤ Conforming Loan Limits (HI): ≤ Conforming Loan Limits	620	100%
	High Balance	(non HI): \$1 > Conforming Loan Limits - \$1,000,000 (HI): \$1 > Conforming Loan Limits -\$1,000,000	620	
1 Unit	Super Max	\$1,000,001 - \$2,000,000	660	

Cash-Out Refinance

Property Type	Maximum Base Loan Amount		Min Credit Score ¹	Max LTV/CLTV ¹
1-4 Units	Standard	(non HI): ≤ Conforming Loan Limits (HI): ≤ Conforming Loan Limits	660	90%
	High Balance	(non HI): \$1 > Conforming Loan Limits - \$1,000,000 (HI): \$1 > Conforming Loan Limits -\$1,000,000	660	
1 Unit	Super Max	\$1,000,001 - \$2,000,000	660	

Footnotes

	Purchase & Type I Cash-Out			Type II Cash-Out
	≤ \$1 Million	>\$1 Mil-\$2 Million	All Loan Amounts	All Loan Amounts
	620	660	≥680	≥660
¹ Minimum Credit Score Restrictions	<ul style="list-style-type: none"> Maximum 50% DTI w/AUS Approval Maximum 90% LTV No Manual U/W 		<ul style="list-style-type: none"> AUS Approval: <ul style="list-style-type: none"> Maximum 50% DTI Maximum 100% LTV Manual Underwrite requires: <ul style="list-style-type: none"> Maximum 41% DTI Maximum 90% LTV Compensating factors are not allowed to offset credit score or DTI restrictions 	<ul style="list-style-type: none"> Maximum 45% DTI w/AUS Approval Maximum 90% LTV No Manual underwrite

Funding Fee Table - Effective 1/1/2020

Type of Loan	Down Payment	% for First Time Use	% for Subsequent Use ¹
Purchase and Construction	None	2.30%	3.60%
	5%, but less than 10%	1.65%	1.65%
	10% or more	1.40%	1.40%
Cash-Out Refinance	N/A	2.30%	3.60%

¹The subsequent use fee does not apply if the veteran's only prior use of entitlement was for a manufactured home loan.

- All VA loans require a VA funding fee unless the veteran is exempt from paying the funding fee. Exempt status includes veterans with service-connected disabilities, surviving spouses of veterans who died in service or from service-connected disabilities as well as other exemptions determined by the VA. The exempt status is reflected on the Certificate of Eligibility.
- All or part of the funding fee may be paid in cash at loan closing or may be fully or partially financed in the loan amount.

Entitlement/Guaranty	Loan Amount	Maximum Potential Guaranty
	Less than/Equal to \$45,000	50% of the loan amount
	\$45,001 - \$56,250	\$22,500
	\$56,251 - \$144,000	40% of the loan amount or maximum \$36,000
	≥ \$144,001	25% of the loan amount
<ul style="list-style-type: none"> In cases where a surviving spouse is also a veteran, entitlement for the surviving spouse must be used (not the entitlement for the deceased veteran/spouse). Note: While a Veteran may use the VA Home Loan Guaranty benefit to acquire a property up to 4 units in size, VA's maximum guaranty amount will be based on the 1-unit (single family residence) limit allowed for the subject property's county. Partial Entitlement for loan amounts ≥ \$144,001: the maximum amount of guaranty may not exceed the lesser of 25% of the <i>Loan Amount</i> OR <i>Freddie Mac Conforming Loan Limit</i>. <p>Entitlement/Guaranty on Joint Loans:</p> <ul style="list-style-type: none"> Guaranty is limited to that portion of the loan allocable to the veteran's interest in the property. 		

LDW: 09.04.20

Page 1 of 7



Temporary Guidance Due to COVID-19 - Refer to [COVID-19 Communications](#) for additional guidance.

Income Verification Guidelines – Effective for all loans closed on, or after **March 27, 2020**.

Due to COVID-19, there may be difficulty in obtaining income verification due to disruption to operations of the borrower's employer. An attempt to satisfy the VA requirements for Verification of Employment (VOE) as outlined in the loanDepot VA Lending Guide and in the VA Lenders Handbook, Chapter 4 – Credit Underwriting.

The following alternatives are allowed in lieu of VOE:

- Employment and income verification from third-party services may be utilized.
 - Additional fees associated with these services cannot be charged to the Veteran.
- Employment and income verification that cannot be obtained from the third-party services may use Alternative Sources of Validation:
 - Evidence of direct deposit from a bank statement, and
 - Paystubs covering at least one full month of employment within 30 days of the closing date.**Note:** The payment amounts between the paystubs and direct deposits listed on the bank statements must be reconciled.
- If the above Alternative Sources of Validation cannot be obtained:
 - Minimum 2 months cash reserves PITI is required.**Note:** Must document the effort to obtain the VOE in the Correspondence section of WebLGY.

Underwriter must comment on the VA Form 26-6393, Loan Analysis box 47 remarks section when the above Alternative Sources of Validation and/or cash reserves options are being utilized.

Underwriting Loans

When the borrower is impacted during the COVID-19 period (i.e. furlough, curtailment of income, etc.), VA does not consider that period as a break in employment or income as long as the borrower has returned (or anticipated return) to work in the same capacity and income levels. A copy of the furlough letter must be provided as supporting documentation, if applicable.

Appraisal Validation Practices – Effective for all loans with application dates on, or after **March 13, 2020**.

VA is allowing temporary flexibility to their appraisal inspection and reporting requirements. VA appraisers are still required to follow the same procedures of the VA appraisal process and meet USPAP/State requirements. VA will allow either:

- Exterior-Only appraisal with enhanced assignment conditions, or
- A Desktop appraisal, in limited instances

Requirements

Appraiser must indicate "Exterior-Only" or "Desktop" on page 1 of the Uniform Residential Appraisal Report (URAR), in the Subject section "Map Reference" line.

- Appraisers must boldly and inconspicuously state "Per Department of Veterans Affairs, no interior inspection was provided due to COVID-19".
 - When the appraiser believes the assignment is too complex to be completed by a Desktop or Exterior-Only appraisal, the appraiser is to contact the Regional Loan Center (RLC) and loanDepot to place the assignment on hold.
- The use of Exterior-only valuations will be limited for financed loan amount (i.e. unpaid principal loan amount) that will not be more than one and a half times the maximum 2020 Freddie Mac Conforming Loan Limit for 1-unit limit for the county.
 - The appraiser is in control of the Scope of Work and the type of report will be used based on upon safety.
- The use of Desktop valuations will be limited for financed loan amount (i.e. unpaid principal loan amount) that will not be more than the maximum 2020 Freddie Mac Conforming Loan Limit for 1-unit limit for the county.

Exterior-Only Appraisal

Exterior-only appraisals can be conducted for geographic areas with no restrictions or mandatory quarantine imposed by authorities. Appraisers must refer to their state/local authorities to determine if they are deemed an essential part of the financial transaction for mortgage lending.

The Exterior-Only appraisal report options must be completed for:

- Enhanced assignment condition on FNMA 2055/1075 URAR form

The appraiser must make every effort to complete the enhanced assignment conditions or document in the narrative why one or more conditions could not be met:

- Review full exterior of the property.
- Provide photos of all property sides with detailed notes of exterior and any visible MPRs.
- If obstructed/restricted view, accessibility is not granted or allowed, MLS photos may be utilized and explained in the appraisal report.
- Measurement of the footprint of home must be provided if accessible. It is not to determine gross living area (GLA) but for the appraiser to reconcile with public records.
- Conduct a detailed interview over the phone with the occupant, veteran or real estate professional regarding the property. Any key items that impact market value must be noted in the appraisal report detailing what was provided and by whom.
- Utilize any and all photos available from MLS, provided by the occupant, veteran or real estate professional.
- Comparables must still be viewed and photos provided when possible.

Desktop Appraisal

Desktop appraisals can be conducted for geographic areas with restrictions of mandatory quarantine imposed by authorities or not deemed as an essential part of the financial transaction for mortgage lending. loanDepot must confirm acceptance of Desktop appraisal via public notes in WebLGY and by email to the appraiser.

If Desktop appraisal will not be accepted, the appraiser must advise the RLC to place assignment on hold for 30 days, subsequently cancel when status has not changed and annotate public notes in WebLGY with updates on all communication between parties.

- Purchase transactions – appraiser defines scope of work and annotate appraisal report for the source of information provided.
- Cash-out Refinance transactions – appraisers are not required to proceed if information is not available to provide a credible report.

The Desktop appraisal report options must be completed:

- FNMA 1004, 1073, 1004C, and 2025 form, and
- Included in all reports, the appraiser will be required to attach a copy of the [Scope of Work \(SOW\), Exhibit A, Certifications, and Assumptions](#).

Appraisers are not required to accept Desktop valuation order. The use of Assisted Appraisal Processing Program (AAPP) is not eligible for Desktop appraisals. The appraiser may contact the RLC to place assignment on hold when the scope of work is not capable to develop a credible report.

Interior Inspection Appraisal

The appraiser will continue to gain access to view the interior of the property for:

- Purchase Transaction (vacant property) – The interior inspection is allowed, when the appraiser poses no harm to themselves or others.

Water System Acceptability

The Well water test for refinance transactions will be waived when the home is already encumbered by a VA loan.

In areas where water testing is suspended due to COVID-19, the Veteran must provide an acknowledgement of awareness that testing cannot be completed for purchase transactions and on refinances that are not already encumbered by a VA loan. The following is also required:

- The water test must be completed within 180 days from the closing date,
- Prior to loan closing, the Veteran must acknowledge the acceptance of responsibility to install a filtration system at their own expense to correct the issue should the water test fail, and
- The SAR underwriter must annotate in NOV Condition #16, "Other Conditions":
 - Veteran acknowledgement, and
 - 180-day requirement.

Refer to the [Appraisal Valuation Practices – COVID-19 Update](#) Bulletin for additional requirements pertaining to the following topics:

- Reconsideration of Value
- Repair Inspections
- Termite Inspection
- Additional NOV Conditions
- Appraisal Fees

VA Lending Resources	<ul style="list-style-type: none"> • All loans must be underwritten to the standards contained within this matrix and the loanDepot VA Lending Guide • Any guidance published on this matrix supersedes any guidance referenced within the loanDepot VA Lending Guide. • If guidance is not provided on this matrix or within the loanDepot VA Lending Guide, please refer to the VA Lenders Handbook.
Ineligible Transactions	<ul style="list-style-type: none"> • VA Renovation Loans • Energy Efficient Mortgage • Bonds and Down Payment Assistance (DPA) • Non-Traditional Credit • Hawaiian Home Land Transactions • Multiple loanDepot loans: Maximum 2 loans for one borrower active at one time.
Geographic Restrictions	<ul style="list-style-type: none"> • Texas 50(a)(6) loans not permitted. • Hawaii Lava Zones 1 and 2 are ineligible.
Max Cash-Out	<ul style="list-style-type: none"> • No limit to cash out amount.
Minimum Loan Amount	<ul style="list-style-type: none"> • \$60,000
Debt-To-Income (DTI)	<ul style="list-style-type: none"> • Refer to Minimum Credit Score Restrictions above. • AUS: Approve / Accept: per AUS, provided VA Residual Income requirements are also met. • AUS: Refer / Eligible: Manual underwrite is required.
AUS Requirements	<ul style="list-style-type: none"> • All loans must be submitted through AUS. • Manual underwriting is allowed.



Documentation	<ul style="list-style-type: none"> Per AUS or manual underwriting requirements. All borrowers must have a valid social security number. Refer to IRS Form 4506-T and Tax Transcripts in the loanDepot VA Lending Guide for additional guidance.
Qualifying Ratios	<ul style="list-style-type: none"> Fixed & ARM: Qualify at the Note Rate.
Appraisal	<ul style="list-style-type: none"> Appraisals are ordered through VA and must be completed by a VA appraiser. NOV is valid for 6 months and must be issued at the value reflected on the appraisal report. Must meet VA's Minimum Property Requirements (MPRs). The following is general guidance and subject to AUS approval. Additional documentation may be required. Income documents may be subject to additional document requests at the underwriter's discretion.
Income/Employment	Salaried Borrowers
	<ul style="list-style-type: none"> A current paystub dated within 120 days from the signed Note date; and A verbal VOE must be obtained no more than 10 calendar days prior to loan closing, or LES allowed in lieu of VOE if borrower is on active duty; and W-2's: Per AUS or document most recent 2 years.
	Rental Income
	<ul style="list-style-type: none"> Refer to Rental Income in the loanDepot VA Lending Guide. Individual income tax returns, signed and dated, plus all applicable schedules for the previous 2 years, which show rental income generated by the property.
	Self-Employed Borrower
	<ul style="list-style-type: none"> Business must have been in existence for at least two years (as stated on application). Verify the existence of the borrower's business within 30 calendar days prior to the note date. Maximum 1 business owned.
	Personal Tax Returns
<ul style="list-style-type: none"> Complete signed individual tax returns covering the most recent 2 years including all W-2 forms and schedules. 	
Business Tax Returns	
<ul style="list-style-type: none"> Complete signed corporate or partnership tax returns covering the most recent 2 years, including all schedules. However, this requirement may be waived on AUS Accept / Approved loans when the borrower can document ownership of the business for at least five years, income has increased over the last two years and the borrower is using his/her own funds for down payment and closing costs. 	
Profit & Loss (P&L) Statements	
<ul style="list-style-type: none"> Follow AUS approval. YTD P&L Statement and current Balance Sheet for manually underwritten loans are required when the origination date is ≥ 7 months from the business' fiscal year end for which the most recent tax returns provided. 	
Gaps in Employment	
<ul style="list-style-type: none"> An explanation is <u>required</u> for gaps in employment: <ul style="list-style-type: none"> o 60 days or more for AUS Accept / Approved. o 30 days for more for manual. 	
Asset Documentation	<ul style="list-style-type: none"> Follow AUS requirements or 2 months banks statements. Must include all pages.
Reserves	<ul style="list-style-type: none"> Per AUS. Note: If using rental income to qualify the veteran: 2-4 Unit properties require 6 months PITIA; multi-ownership properties requires 3 months PITIA for each property.
Borrower Eligibility	<p>An eligible borrower is:</p> <ul style="list-style-type: none"> a veteran; <ul style="list-style-type: none"> o who currently is serving or served on active duty in the Army, Navy, Air Force, Marine Corps, or Coast Guard, and who (except for a service member on active duty) was discharged or released from active duty under conditions other than dishonorable; and/or o is a member of the National Guard or Reserves, eligible upon completion of 6 creditable years of service (National Guard-Reserve); or an unmarried surviving spouse of a veteran who died as a result of service or service-connected causes; or any other person who has been granted veteran status and has a valid Certificate of Eligibility. <p>An eligible co-borrower is a:</p> <ul style="list-style-type: none"> veteran-spouse that may (joint loan) or may not use their entitlement; or non-veteran spouse; or non-spouse (joint loan) who is or will be jointly obligated on the loan with the veteran borrower(s). Refer to Joint Loans in Chapter 7 of the VA Handbook.



	Eligible	Ineligible																														
Property Types	<ul style="list-style-type: none"> SFR/PUD (detached/attached) VA Approved Condo¹ 2-4 units 	<ul style="list-style-type: none"> Co-ops Agricultural w/ Income producing properties Manufactured housing Non-Warrantable Condo/Condotel 																														
	¹ Site condominiums in MI are treated as SFR.																															
Community Property States	<ul style="list-style-type: none"> The credit report of the non-borrowing spouse is required. The non-borrowing spouse's liabilities must be considered in the DTI on the Loan Analysis, however the payment history does not affect the veteran's ability to qualify for the loan. This applies if the subject property is located in community property state. (AZ, CA, ID, LA, NV, NM, TX, WA, WI) 																															
Certificate of Eligibility	<ul style="list-style-type: none"> loanDepot must ensure the applicant is an eligible veteran. VA loans must never be closed before eligibility has been established. The COE is the only reliable proof of eligibility for loanDepot. 																															
Credit	Credit Score																															
	<ul style="list-style-type: none"> Minimum credit score is required for all borrowers. Borrowers without a credit score are ineligible. 																															
	Mortgage/Rental History																															
	<ul style="list-style-type: none"> Mortgage Payment History must be 0x30 in the last 12 months. Rental Payment History: No verification of rental payment history required with an AUS approval. <ul style="list-style-type: none"> 24 months rental payment history required on a manual underwrite. 																															
	Installment/ Revolving																															
	<ul style="list-style-type: none"> Obtain direct verification for significant debts not reported on the credit report. <ul style="list-style-type: none"> The debt has a monthly payment exceeding 2% of the monthly income for all borrowers. <p>Note: Perform manual downgrade to Refer if direct verification reveals more than 1x30 day late payment in the past 12 months for any of the debts not on the credit report.</p>																															
	Foreclosure, Bankruptcy, Deed-in-Lieu, Short Sale, or Consumer Credit Counseling																															
	<table border="1"> <thead> <tr> <th>Derogatory Event</th> <th>AUS</th> <th>Refer/Manual</th> </tr> </thead> <tbody> <tr> <td>Bankruptcy — Chapter 7</td> <td>2 years from discharge date</td> <td>Case by case < 2 years from discharge</td> </tr> <tr> <td>Bankruptcy — Chapter 13</td> <td colspan="2">Minimum 12 months of pay-out and court approval for new credit.</td> </tr> <tr> <td>Foreclosure^{1,2}</td> <td>2 years from title transfer</td> <td>Case by case < 2 years</td> </tr> <tr> <td>Deed-in-Lieu of Foreclosure^{1,2}</td> <td>2 years from title transfer</td> <td>Case by case < 2 years</td> </tr> <tr> <td>Pre-foreclosure/Short Sale^{1,2}</td> <td colspan="2"> <ul style="list-style-type: none"> VA does not consider a pre-foreclosure/short sale the same as foreclosure. Written explanation and supporting documentation as applicable from borrower. Underwriter must consider the reason for the pre-foreclosure/short sale and the credit history before and after the event. </td> </tr> <tr> <td>Consumer Credit Counseling</td> <td colspan="2">Minimum 12 months of pay out and counseling agency approval.</td> </tr> <tr> <td>Collections</td> <td colspan="2"> <ul style="list-style-type: none"> Borrowers with a history of collections must have a current satisfactory credit history for at least 12 months. Payoff of non-isolated collections are at underwriter's discretion. </td> </tr> <tr> <td>Charge-offs</td> <td colspan="2"> <ul style="list-style-type: none"> Written explanation required from borrower. Must have re-established credit. Minimum 12 months. Underwriter's discretion to determine creditworthiness. </td> </tr> <tr> <td>Judgments</td> <td colspan="2"> <ul style="list-style-type: none"> Written explanation required from borrower. Must be paid in full or evidence of an established repayment plan with a history of timely payments. </td> </tr> </tbody> </table>		Derogatory Event	AUS	Refer/Manual	Bankruptcy — Chapter 7	2 years from discharge date	Case by case < 2 years from discharge	Bankruptcy — Chapter 13	Minimum 12 months of pay-out and court approval for new credit.		Foreclosure ^{1,2}	2 years from title transfer	Case by case < 2 years	Deed-in-Lieu of Foreclosure ^{1,2}	2 years from title transfer	Case by case < 2 years	Pre-foreclosure/Short Sale ^{1,2}	<ul style="list-style-type: none"> VA does not consider a pre-foreclosure/short sale the same as foreclosure. Written explanation and supporting documentation as applicable from borrower. Underwriter must consider the reason for the pre-foreclosure/short sale and the credit history before and after the event. 		Consumer Credit Counseling	Minimum 12 months of pay out and counseling agency approval.		Collections	<ul style="list-style-type: none"> Borrowers with a history of collections must have a current satisfactory credit history for at least 12 months. Payoff of non-isolated collections are at underwriter's discretion. 		Charge-offs	<ul style="list-style-type: none"> Written explanation required from borrower. Must have re-established credit. Minimum 12 months. Underwriter's discretion to determine creditworthiness. 		Judgments	<ul style="list-style-type: none"> Written explanation required from borrower. Must be paid in full or evidence of an established repayment plan with a history of timely payments. 	
	Derogatory Event	AUS	Refer/Manual																													
	Bankruptcy — Chapter 7	2 years from discharge date	Case by case < 2 years from discharge																													
Bankruptcy — Chapter 13	Minimum 12 months of pay-out and court approval for new credit.																															
Foreclosure ^{1,2}	2 years from title transfer	Case by case < 2 years																														
Deed-in-Lieu of Foreclosure ^{1,2}	2 years from title transfer	Case by case < 2 years																														
Pre-foreclosure/Short Sale ^{1,2}	<ul style="list-style-type: none"> VA does not consider a pre-foreclosure/short sale the same as foreclosure. Written explanation and supporting documentation as applicable from borrower. Underwriter must consider the reason for the pre-foreclosure/short sale and the credit history before and after the event. 																															
Consumer Credit Counseling	Minimum 12 months of pay out and counseling agency approval.																															
Collections	<ul style="list-style-type: none"> Borrowers with a history of collections must have a current satisfactory credit history for at least 12 months. Payoff of non-isolated collections are at underwriter's discretion. 																															
Charge-offs	<ul style="list-style-type: none"> Written explanation required from borrower. Must have re-established credit. Minimum 12 months. Underwriter's discretion to determine creditworthiness. 																															
Judgments	<ul style="list-style-type: none"> Written explanation required from borrower. Must be paid in full or evidence of an established repayment plan with a history of timely payments. 																															
<p>¹If a foreclosure, deed in lieu, pre-foreclosure or short sale process is in conjunction with a bankruptcy, use the latest date of either the discharge of the bankruptcy or transfer of title for the home to establish the beginning date of re-established credit.</p> <p>²Ensure that the veteran's Certificate of Eligibility reflects sufficient entitlement for the subject transaction and if federal debt is owed it must be resolved.</p>																																
Cash-Out	<ul style="list-style-type: none"> Net Tangible Benefit Requirements – All refinance transactions must meet the more restrictive of loanDepot Net Tangible Benefit Policy or agency/program Net Tangible Benefits Requirements. VA considers all non-IRRRL (Interest Rate Reduction Refinance Loan - see the IRRRL Program Matrix) refinances as "cash-out" refinances, regardless of whether or not the borrower receives cash at closing. Refinance transactions must pay off a lien secured by the subject property (i.e., mortgages, tax liens, judgment liens, etc.). A refinance of a free and clear property is not allowed. Refinance of installment land sale contracts: <ul style="list-style-type: none"> No cash back to the borrower. Maximum guaranty is \$36,000. 																															



- VA Cash-Out refinances are:
 - o Type I - new loan amount does not exceed the existing loan payoff, OR
 - o Type II - new loan amount is greater than the existing loan payoff.
- NOTE:** VA Cash-Out Refinance Net Tangible Benefit Disclosure and Certification must be signed/acknowledged at initial (within 3 days of application) and final. Follow business operational process:
- o Initial – veteran’s signature is required prior to final approval.
 - o Final – veteran’s signature required with closing documents.

TYPE I / TYPE II Requirements Summary Table¹

Requirement	TYPE I (Loan ≤ Payoff)	TYPE II (Loan > Payoff)
LTV Cannot Exceed 100% (Including Funding Fee) ²	✓	
LTV Cannot Exceed 90% (Including Funding Fee)		✓
Net Tangible Benefit Test (Eight Options)	✓	✓
Loan Seasoning (210 Days and 6 Payments) ³	See Ginnie Mae Refinance Seasoning Requirements	
Maximum 36-month Fee Recoupment	✓	
Interest Rate/Discount Points Requirements	✓	

¹Refer to Eligible Transactions in the [loanDepot VA Lending Guide](#) for complete details.

²Limited to non-VA first liens only. Refer to the VA IRRRL program for VA-to-VA first liens.

³Loan seasoned less than or equal to 12 months from the date of closing, obtain a payment history/ledger from the servicing lender and/or credit bureau supplement documenting all payments were made within that timeframe.

Ginnie Mae / VA Refinance Seasoning Requirements

- Seasoning requirement applies when current loan that is being paid off is a government and/or **non-government lien(s)**. Except for loans refinancing:
 - o Non-mortgage debts,
 - o Mortgages without scheduled monthly payments (i.e. reverse mortgages), or
 - o Permanent financing construction loans with less than 6 monthly payments required per the loan note.
 - The new Note date of the refinance loan must be on or after the later of:
 - o The date on which the borrower has made 6 full monthly payments on the loan being refinanced, and;
 - o 210 days after the verified first payment due date (GNMA) or first payment made date whichever is later.
- Note:** Advance/ prepaid payments to meet the 6 scheduled payment requirement is not permitted. Loan must not be in forbearance. (except for CARES Act on or after 6/30/2020 refer to below guidance).

CARES Act on or after 6/30/2020

- CARES Act Forbearance for all VA loans closed on or after 6/30/20 are successfully satisfied if:
- Prior to the application date**
- An explanation for the delinquency/forbearance is provided by the Veteran, and
 - The new loan qualifies for a VA Purchase/Cash-out transaction under the qualifying standards set by VA, and
 - The new loan meets all Loan Seasoning, Fee Recoupment, Discount Points & Net Tangible Benefit Standards, and
 - The Veteran can document that the cause of delinquency/forbearance has been cured and corrected.
- After the application date, but prior to note date**
- An explanation for the delinquency/forbearance must be provided by the Veteran, and
 - The new loan qualifies for a VA Purchase/Cash-out transaction under the qualifying standards set by VA, and
 - The new loan meets all Loan Seasoning, Fee Recoupment, Discount Points & Net Tangible Benefit Standards, and
 - The Veteran can document that the cause of delinquency/forbearance has been cured and corrected, and
 - Any funds used to cure the delinquency/forbearance must be sourced as required under the qualifying standards set by VA.
- At Closing**
- An explanation for the delinquency/forbearance must be provided by the Veteran, and
 - The new loan qualifies for a VA Purchase/Cash-out transaction under the qualifying standards set by VA, and
 - The new loan meets all Loan Seasoning, Fee Recoupment, Discount Points & Net Tangible Benefit Standards, and
 - The Veteran can document that the cause of any delinquency/forbearance has been cured and corrected.
- Refer to CARES Act on or after 6/30/2020 in the VA Lending Guide for complete details.

CARES Act Loss Mitigation / Servicer Solution – On or after 6/30/2020

- The loan being refinanced cured the CARES Act Forbearance through a loss mitigation solution for loans closed on or after 6/30/2020:
 - o Veteran must provide an explanation for the delinquency/forbearance, and
 - o The new loan qualifies for a transaction under the credit qualifying and program standards set by VA and under the CARES Act on or after 6/30/2020 restrictions.
- Refer to CARES Act Loss Mitigation/Servicer Solution on or after 6/30/2020 in the VA Lending Guide for complete details.

Subordinate Financing

- Subordinate Financing allowed. CLTV cannot exceed the eligible LTV/CLTV limits above.

Seller Concessions

- Seller concessions may not exceed 4% of the value of the property as indicated on the NOV.
- Refer to Interested Party Contributions (IPCs) in the [loanDepot VA Lending Guide](#) for complete details.

Overlay Matrix

- [LDW Loan Program Overlays](#)



VA - Eligible Terms & Plan								
Fixed	Conforming				High Balance / Super Max			
	Product Description / Terms				Product Description / Terms			
	10 Year				10 Year			
	15 Year				15 Year			
	20 Year				20 Year			
	25 Year				25 Year			
	30 Year				30 Year			
ARM	Conforming				High Balance / Super Max			
	Description	Index	Caps	Margin	Description	Index	Caps	Margin
	5/1	1-Year CMT	1/1/5	1.75%	5/1	1-Year CMT	1/1/5	1.75%

