

Loan Limits for Purchase and Refinance- Primary Residence				
Units	Loan Amount	Max LTV/CLTV	Credit Score	Min Reserves
1 – 4 Units	Standard (non HI): ≤ Conforming Loan Limits Standard (HI): ≤ Conforming Loan Limits	100%	620	Per AUS
			580 <sup>1</sup>	
1 – 4 Units	High Balance (non HI): \$1 > Conforming Loan Limits - \$1,000,000 High Balance (HI): \$1 > Conforming Loan Limits - \$1,000,000	100%	620	Per AUS
1 Unit	Super Max: \$1,000,001 - \$2,000,000	100%	660	Per AUS
<sup>1</sup> FICO Restrictions	600-619	580-599		
	<ul style="list-style-type: none"> <li>No Gift</li> <li>Maximum Payment Shock no more than 20%</li> </ul>	<ul style="list-style-type: none"> <li>No Gift</li> <li>6 Month Reserves Required</li> <li>Maximum Payment Shock no more than 15%</li> </ul>		
<ul style="list-style-type: none"> <li>To determine the maximum loan amount (and guaranty) for a particular property/county, use the following link: <a href="#">VA COUNTY MAXIMUM LOAN LIMIT</a></li> <li>The maximum loan amount (including financed funding fee) cannot exceed \$2,000,000 (refer to the VA maximum loan amount tables for actual limits)</li> <li>The maximum guaranty for loan amounts greater than Conforming Loan Limit varies depending upon the location of the property</li> <li>Use the VA Entitlement Worksheet to calculate maximum loan amount and guaranty</li> </ul>				
<p><b>Calculating Minimum Loan Amount</b></p> <p>Loan amounts up to \$2,000,000 are allowed as long as the VA guaranty or a combination of the VA guaranty plus borrower's down payment and/or equity equal to at least 25% of the lesser of the sales price or the subject properties reasonable value as documented in the NOV. The maximum guaranty on a VA loan is the lesser of the veterans available entitlement or the maximum potential guaranty amount indicated in the chart below:</p>				
Entitlement/Guaranty				
Loan Amount		Maximum Potential Guaranty		
Less than \$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 - \$424,100	25% of the loan amount or maximum \$106,025
\$417,001 - \$2,000,000	25% of the loan amount or maximum \$273,656

\*\*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)

Funding Fee Table			
Purchase Transactions			
Type of Veteran	Down payment	% for First Time Use	% for Subsequent Use
Regular Military	< 5 %	2.15%	3.3%*
	5%- 10%	1.50%	1.50%
	10% or more	1.25%	1.25%
Reserves/National Guard	< 5 %	2.40%	3.3%*
	5%- 10%	1.75%	1.75%
	10% or more	1.50%	1.50%
Cash Out Refinances			
Regular Military	N/A	2.15%	3.3%*
Reserves/National Guard	N/A	2.40%	3.3%*

- All VA loans require a VA funding fee. Exceptions may be made to veterans with service-connected disabilities and to surviving spouses of veterans who die in service or from service-connected disabilities. Exceptions are made by VA when we send in for the certificate of eligibility
- All or part of the fee may be paid in cash at loan closing or may be included in the loan without regard to the reasonable value of the property or the computed maximum loan amount, as appropriate
- \*The higher subsequent use fee does not apply to these types of loans if the veteran's only prior use of entitlement was for a manufactured home loan
- \*\*The funding fee for subsequent use on a Refinance includes changes from a conventional/FHA loan into a VA loan

Fixed Loan Terms	
Program	Term
Standard Fixed Rate	10, 15, 20, 25 and 30 Year Fixed
High Balance Fixed Rate	10, 15, 20, 25 and 30 Year Fixed
Super Max Fixed Rate	10, 15, 20, 25 and 30 Year Fixed

ARM Terms: 30-Year Fully Amortizing ARM, Caps 1/1/5, Index 1-Year CMT, Margin 1.75	
Program	Option
Standard ARM	3/1 and 5/1 ARMs, amortizing over 30 years
High Balance ARM	
Super Max ARM	



For additional VA loan program information, access the VA Lender Handbook - aka Web Automated Reference Material System (WARMS) by [clicking here](#)

<b>Subordinate Financing</b>	<ul style="list-style-type: none"> <li>Subordinate financing allowed. CLTV cannot exceed the LTV limits for purchases or cash-out refinances (includes "rate/term" and "cash-out")</li> </ul>
<b>Guidelines</b>	
<b>Eligible Borrowers</b>	<ul style="list-style-type: none"> <li>An eligible veteran is a person who served on active duty in the Army, Navy, Air Force, Marines, 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; or</li> <li>Members of the Reserves and National Guard are eligible upon completion of 6 years of service; or</li> <li>Unmarried surviving spouses of veterans who died as a result of service or service-connected causes</li> </ul>
<b>Documentation</b>	<ul style="list-style-type: none"> <li>All borrowers must have a valid social security number</li> <li>All borrowers must have at least one valid credit score</li> <li>Borrowers using non-traditional credit are not allowed</li> <li>A fully executed IRS form 4506T is required for each borrower on the loan. Refer to <a href="#">Tax Transcripts-4506-T Policy</a> for when transcripts are required</li> </ul>
<b>DTI Ratios</b>	<ul style="list-style-type: none"> <li>AUS Approve/Accept: Per AUS provided VA Residual Income requirements are also met.</li> <li>AUS Refer: Manual approvals are allowed with a general max DTI of 41%. This DTI maximum may be exceeded whenever the loan exhibits sufficient compensating factors as detailed in the VA Manual Underwrite Policy</li> </ul>
<b>ARM Qualifying and ARM Caps</b>	<ul style="list-style-type: none"> <li>3/1 and 5/1 ARM qualify at the note rate</li> <li>CAPS: 1/1/5</li> </ul>



<p><b>Underwriting</b></p>	<ul style="list-style-type: none"> <li>• Minimum credit score required for all borrowers, regardless of AUS decision</li> <li>• Minimum loan amount \$60,000</li> <li>• All loans must be submitted through DU or LPA</li> <li>• All 3/1 and 5/1 Fixed period ARMs must be ran through DU or LPA</li> <li>• CH7 &amp; CH13 Bankruptcy requires 24 months seasoning from discharge date</li> <li>• CH13 bankruptcy acceptable if not discharged 24 months if all of the following are met:             <ol style="list-style-type: none"> <li>1) All payments have been made satisfactorily,</li> <li>2) Minimum 12 months' worth of payments have been made, and</li> <li>3) The Trustee or Bankruptcy Judge approves the new credit</li> </ol> </li> <li>• Foreclosure requires 24 months seasoning from completion</li> <li>• Any credit derogatories will require additional UW review and has the potential to receive a downgraded policy</li> <li>• 2-4 unit properties require 6 months PITIA in reserves if rental income is used to qualify</li> <li>• Mortgage rating must be 0x30 in the last 12 months</li> <li>• Credit report for non-borrowing spouse must be pulled in community property states with individual debts being included in the DTI. This applies if the subject property is located in a community property state or if the borrower's primary residence is in a community property state even though the subject property is not in a community property state</li> </ul>
<p><b>Cash Out Refinance</b></p>	<ul style="list-style-type: none"> <li>• VA/GNMA requirement applies when current loan that is being paid off is FHA, VA or USDA. The Note date of the refinance loan must be on or the later of:             <ul style="list-style-type: none"> <li>○ The date that is 210 days after the date on which the 1<sup>st</sup> payment is made on the loan being refinanced, and;</li> <li>○ The date on which the 6 full monthly payment is made on the loan being refinanced</li> </ul> <p><b>Note:</b> The date on which "the 1<sup>st</sup> payment is made on" must be verified.</p> </li> <li>• Maximum 100% LTV/CLTV for cash out: Based on the property value indicated on the NOV plus VA funding fee. There must be a lien of record and the veteran must occupy the property</li> <li>• Cash-out refinance transactions must pay off a lien secured by the subject property (i.e., mortgages, tax liens, judgment liens, etc.). Cash out refinance of a free and clear property is not allowed</li> <li>• Refinance of the following loan types have additional requirements: construction loans, installment land sale contracts, and loans assumed by veterans where the interest rate was higher than the proposed refinance             <ul style="list-style-type: none"> <li>○ These loans are not limited to 90% LTV/CLTV</li> <li>○ No cash back to the borrower</li> </ul> </li> <li>• Mortgage rating must be 0X30 in the last 12 months</li> <li>• Texas A6 loans not allowed</li> </ul>
<p><b>Purchase</b></p>	<ul style="list-style-type: none"> <li>• Max. loan amount at 100% LTV/CLTV with full entitlement. Use the VA Entitlement Worksheet to calculate maximum loan amount and guaranty</li> <li>• Termite inspection completed and signed by veteran on HUD Form MPMA-33 (or if required by the state, a state specific form). The following states require the use of their state specific form: AL, AZ, CA, FL, GA, HI, LA, OK, MD, MS, NV, NC, SC &amp; TX</li> </ul>



	<ul style="list-style-type: none"> <li>• No minimum down payment required unless the purchase price exceeds the value of the property</li> <li>• New Construction properties must be covered by either: 1) 1-year VA builder’s warranty (“Not Inspected Acknowledgment” and “Construction Warranty” required), or 2) 10-year insurance-backed protection plan (“Not Inspected Acknowledgment”, and “Ten Year Insured Protection Plan” required). For exceptions, see Lender’s Handbook, Chapter 10.08</li> <li>• VA Amendatory/Escape Clause required</li> </ul>
<p>Manual Underwrite</p>	<ul style="list-style-type: none"> <li>• AUS “Refer/Eligible” finding allowed on an exception basis subject to manual underwriting requirements (i.e. loan cannot have layered risk, compensating factors are required)</li> <li>• Subject to manual underwriting downgrade if additional information is identified in the loan file that was not considered in the AUS “Approve/Eligible” findings</li> </ul>
<p>Reserve Requirements</p>	<ul style="list-style-type: none"> <li>• Per AUS</li> </ul>
<p>Eligible Property Types</p>	<ul style="list-style-type: none"> <li>• 1-unit attached and detached SFR, PUD, condominium (VA-approved) homes</li> <li>• 2-4 Units- Standard and High Balance loan amounts up to \$1,000,000</li> <li>• Owner Occupied Primary Residence only</li> <li>• MCC now approved in Hawaii- coming soon- contact AE for additional details</li> </ul>
<p>Ineligible Transactions/ Geographic Restrictions</p>	<ul style="list-style-type: none"> <li>• Second Homes and investment properties</li> <li>• Down payment assistance options</li> <li>• Texas 50(a)(6) loans</li> <li>• 2-4 Units with a loan amount over \$1,000,000</li> <li>• Manufactured Homes</li> <li>• Co-ops</li> <li>• Properties located in <a href="#">Hawaii Lava Zones 1 &amp; 2</a></li> <li>• Hawaiian Home Land Transactions</li> <li>• Condominiums in projects that are not approved by VA</li> </ul>
<p>Appraisal Requirements</p>	<ul style="list-style-type: none"> <li>• VA required appraisal only (all loan amounts)</li> <li>• SAR may request an appraisal review product (e.g. desk or field review) at their discretion</li> <li>• The NOV is valid for 6 months and FNMA form 1004MC is required for all appraisals.</li> <li>• Appraisers may require a termite report at their discretion</li> </ul>
<p>Seller Contributions / Concessions</p>	<ul style="list-style-type: none"> <li>• Seller concessions may not exceed 4% of the value of the property as indicated on the NOV. Concessions include, but are not limited to the following: payment of the buyer’s VA funding fee, prepayment of the buyer’s property taxes and insurance, gifts such as a TV or microwave oven, payment of extra points to provide permanent interest rate buydowns, provision of escrowed funds to provide temporary interest rate buydowns, and payoff of credit balances or judgments on behalf of the buyer. Concessions do not include payment of the buyer’s closing costs or payment of points as appropriate to the market</li> <li>• The seller, lender or any other party may pay fees and charges, including discount point, on behalf of the borrower. There is no limit on the amount of fees and charges that can be paid on behalf of the buyer by other parties</li> </ul>



**Additional Underwriting Guidelines**

Please access [loanDepot Wholesale Underwriting Guidelines](#) for a complete set of guidelines. For ease of access, we have included links to popular topics by category:

Assets	Credit	Eligibility	Income	Property	Misc. Topics
<a href="#">Business Assets</a>	<a href="#">Contingent Liabilities</a>	<a href="#">Continuity of Obligation</a>	<a href="#">Employment History</a>	<a href="#">Accessory Units</a>	<a href="#">Age of Documentation</a>
<a href="#">Gift Funds</a>	<a href="#">Disputed Accounts</a>	<a href="#">First Time Home Buyer</a>	<a href="#">Non Borrowing Spouse</a>	<a href="#">Hobby Farms</a>	<a href="#">Delayed Financing</a>
<a href="#">Gift of Equity</a>	<a href="#">Payoff and Paydown of Debt</a>	<a href="#">Multiple Financed Properties</a>	<a href="#">Retirement Income</a>	<a href="#">Leasehold</a>	<a href="#">Departure Primary Residence</a>
<a href="#">Large Deposits</a>	<a href="#">Student Loans</a>	<a href="#">Non Arms Length Transactions</a>	<a href="#">Temporary Leave</a>	<a href="#">Non Permitted Additions</a>	<a href="#">Non Borrowing Spouse</a>
		<a href="#">Non Occupant Co- Borrower</a>	<a href="#">Tax Transcripts</a>	<a href="#">Property Flips</a>	<a href="#">Power of Attorney</a>
		<a href="#">Non U.S Citizens</a>			<a href="#">Transferred Appraisals</a>

See Also: [VA Lenders Handbook](#)

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