

Conventional Overlay Matrix

Chapter	Topic	Overlay
<i>Requirements & Restrictions</i>	Max Number of Borrowers	MMI does not allow any greater than 4 borrowers on a single loan
	Ineligible Terms	1/1, 3/1, 5/5 ARMs
	AUS Requirements	DU Findings reflecting Approve/Eligible, or LP Findings reflecting Accept are required. Recommendations of Refer or loans otherwise requiring manual underwriting are ineligible.
<i>Collateral</i>	Ineligible Property Types	Properties exhibiting commercial/industrial use
		Title held as Leasehold except for properties in MD and CA
		CoOps
		Properties vested in Life Estates
		Land Trusts
		Any land, building, property, structure, etc. in which there is knowledge of an illegal activity based on federal or state law
	UAD Rating	Properties located on repaired sinkholes or with sinkhole activity
	Appraisal Waiver in a Disaster Area	Condition Ratings of C5 and C6 are unacceptable
		Quality Rating of Q6 is unacceptable
Condo Project Approval	For properties in a declared disaster area, where the AUS recommendation allows for a reduced property inspection/appraisal waiver, a full appraisal with an interior and exterior inspection will be required for up to 90 days after the disaster incident period end date.	
Condos	MMI does not offer PERS (Project Eligibility Review Service) as a condo project approval option	
Condo Conversions	New construction condos, newly converted condos, and non-warrantable condos are ineligible.	
<i>Credit</i>	Minimum Score	Conversion projects must be 3 years since conversion (determined by recording date on master deed) and meet GSE definition of an Established Project
	Departure Residence	Borrower(s) with no score are eligible, providing at least one borrower on the loan has a valid credit score.
		If the borrower's current primary residence is pending sale, but the transaction will not close with title transfer to the new owner prior to the subject transaction, and the borrower is purchasing a new principal residence, both the current PITIA and the proposed PITIA must be used in qualifying the borrower for the new mortgage loan unless the home is being sold under an employment relocation program

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<i>Income</i>	Ineligible Income Sources	Projected earnings are ineligible for qualifying income, unless the loan is eligible for delivery prior to documenting receipt of the new earnings (per GSE direction)
		Income derived from an activity that is deemed illegal by federal or state law
<i>Refinances</i>	PACE/HERO Loans	PACE loans are required to be paid off, and cannot remain outstanding after closing.
<i>Private Mtg Insurance (PMI)</i>	Coverage Restrictions	Reduced coverage not permitted. Standard coverage only.
		Borrower-paid single premium cannot be financed
		Split premium not available
<i>General Provisions</i>	Identity Documentation	All borrowers must have a valid SSN. Individual Tax Identification Numbers (ITINs) are not permitted.
	Exposure	Maximum 4 loans to an individual borrower with MiMutual
<i>Repair Escrows</i>	Eligible Repairs	Minor conditions or deferred maintenance items may be remedied. Any items that affect the safety, soundness, or structural integrity of the property are ineligible.
<i>Home Possible</i>	Ineligible Features	Temporary subsidy buydowns
		Construction Conversion and Renovation Mortgages
		Sweat equity
		RHS Leveraged Seconds
<i>HomeStyle Renovation</i>	Available Terms	15 and 30 fixed rate only. ARMs are not permitted. High Balance allowed.
	Ineligible Transactions	When borrower is related to or employed by the contractor or the company doing the renovation
		Second home and investment property transactions that involve non-arm's length and/or identity of interest characteristics
		Loans subject to TX 50(a)(6) guidelines
	Ineligible Programs	HomeStyle Energy
		HomeStyle Reno in conjunction with the HomeReady program

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HomeStyle Renovation (cont'd)	Ineligible Borrowers	Non-profit investor borrowers
		Local government agencies as borrowers
	Assets	Gifts of Equity are ineligible
		MiMutual will not escrow for mortgage payments that come due during the renovation period. The payment on the subject, as well as any housing expense that exist for another residence during construction must both be included in the debt ratio, or the borrower must document sufficient (additional) assets to cover the temporary housing payment for the number of months that construction will be taking place
	MI	Borrower-paid financed MI is not permitted
	Ineligible Repairs	“Do-It-Yourself” borrower repairs (with the exception of appliance purchases)
		Repairs that would result in work not beginning within 30 days of closing
		Razing/demolishing a home and rebuilding
		Moving an existing dwelling to a new site/foundation
		Replacement of an old/damaged foundation
	Any repairs that take greater than 9 months to complete	
Contingency Reserve	The contingency reserve may not be waived on single family residences	
Consultant Requirements	A HUD-approved consultant must be used when: <ul style="list-style-type: none"> any structural work is required (an increase in the gross living area of the property, or any modification/adjustment to the floor plan, such as moving walls, regardless of structural load transfers), or the contractor has no experience with renovation loans. 	
	When a consultant is used, max 3 contractors permitted	
HomeOne	MI	Standard MI coverage only. Custom MI not permitted.
	Credit Score	Minimum 620 required.
	Ineligible Features	HomeOne in conjunction with renovation mortgages or construction conversion loans
Temporary subsidy buydowns		
FNMA High LTV Refinance	AUS	Manual UW (including Alternative Qualification Path) not permitted. Must receive DU Approve/Eligible recommendation.
	Ineligible Features	MiMutual will not provide an incentive to the borrower in the form of a payment to pay off a portion of the loan being refinanced.
	Collateral	CoOps ineligible
	Title	Fee simple only. Leasehold not permitted.

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<i>Manufactured Homes</i>	Collateral	Double-width and larger only. Single-wide homes not permitted.
		Home may not be located in a condominium project (regardless of width)
		Homes that have an addition or have had a structural modification are ineligible
		New construction / buying new home and placing on land is ineligible
	Ineligible Programs	HomeStyle Renovation
		MH Advantage
	Title	Title MUST be surrendered prior to closing.