



## **Attention Please!!**

Due to the unprecedented impact of the coronavirus on the industry, temporary guidance has been issued regarding a number of different topics. To ensure your borrower is accurately qualified in this challenging time, please refer to the [Temporary Guidance due to COVID-19](#) document.

This document is organized similar to our internal guidelines, and contains all temporary guidance in a single location.

The direction on that document supersedes standard guidance contained in the Guideline documents and matrices. Please be sure to verify that all temporary direction is being applied.

# Symmetry HELOCs

MiMutual works directly with Symmetry to offer simultaneous secondary financing in the form of a HELOC. These are not permitted to be submitted through the correspondent channel – they must be brokered, with MiMutual as the lender. These HELOCs must close with a corresponding first lien; they cannot be closed as standalone seconds.

## Eligibility Matrix

	<b>Piggyback HELOC   Purchase or Refinance</b>	
<b>Occupancy</b>	Primary Residence	Second Home
<b>Maximum CLTV</b>	89.99% CLTV	85.00% CLTV
<b>Minimum FICO<sup>1</sup></b>	680	720
<b>Transaction Type</b>	Purchase or Refinance	
<b>Maximum Line Amount</b>	\$500,000	\$250,000
<b>Minimum Initial Draw</b>	\$50,000	
<b>Maximum Combined Amount</b>	\$2,000,000	
<b>Tradeline Requirements</b>	1 Open/Active with DU/LPA Approval	
<b>Max Properties Owned</b>	Maximum 3 properties owned by all borrowers	
<b>Property Type</b>	SFR, PUD, Townhome, Condo, 1-2 Units // No acreage limit if common for market	
<b>Qualifying HELOC Payment</b>	Fully drawn line at Start Rate + 2.0% amortized over 30 year term	
<b>Piggyback Definition</b>	Any HELOC that is closed concurrently with the closing of a 1 <sup>st</sup> mortgage on the same property	
<b>Eligible Geography</b>	AL, AZ, CA, CO, DE, FL, GA, IA, IL, IN, KS, KY, MD, MN, MI, NC, NJ, NV, OH, OK, OR, PA, TN, UT, WA, WI	

<sup>1</sup>minimum FICO requirement must be met by the primary wage earner's middle score, using Symmetry's tri-merged credit report

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## HCLTV Matrix

See [Symmetry Rate Sheet](#) for current prime rate and eligibility.

## Symmetry Qualification Worksheet

Symmetry has developed a [worksheet](#) that will aid users in qualification. After key data points are entered, the worksheet will perform a number of calculations to determine whether the information entered meets program requirements.

## Additional UW Criteria

### **Eligibility**

- HELOCs may be combined with any type of first lien (Conventional, FHA, RD, or VA), providing the first lien allows for institutional subordinate financing at the desired HCLTV, and the guidance of MiMutual, the applicable Agency, and HELOC direction contained within this document is met
- Non-Resident Visa Requirements:
  - Symmetry requires a valid unexpired Visa, unless expired within 90 days and documented with an I-797A form provided to verify an extended expiration date
  - For TN/NAFTA, unexpired EAD card or I-94 document along with a valid passport
  - The following Visa types are ineligible for a Symmetry HELOC:
    - A-3, B-1, B-2, C-3, OPT, F-1, H-1C, I, J-1, K-1, M-1, M-2, O-2, P-1, P-2, P-3, Q-1, Q-2, R-1, U-1, U-2, U-3, U-4, U-5
  - An EAD alone is not sufficient
- Symmetry will utilize the 1<sup>st</sup> mortgage titlework on HELOCs of \$250k or less when closed as a piggyback. Separate titlework will be obtained for HELOCs exceeding \$250,000
- Credit union membership will be required at closing, at no additional cost to the consumer

### ***Ineligible Features***

- Standalone HELOCs
- “Piggyback” HELOCs that do not close simultaneously with first lien
- Processor’s Certification for inquiries

### **Credit**

- Symmetry will pull its own tri-merged credit report on each borrower when they receive the submission. The Symmetry mid score for the primary wage earner must meet the minimums for each program
- Symmetry follows FNMA guidance for seasoning requirements on short sales, foreclosures, deeds-in-lieu, bankruptcy, and other significant derogatory events
  - No 60 day lates are permitted post-derogatory event
- Any deferral or forbearance plan cannot be active. Documentation must be provided.
- All recent credit inquiries must be explained via an LOX from the borrower. Any new debt must be verified and factored into the DTI.
- AmEx / open accounts: calculate payment based upon 5% of the outstanding balance

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- All borrowers contributing income for qualifying must *collectively* meet the following tradeline requirements:
  - For all piggyback loans submitted **with** FNMA DU or FHLMC LPA approval, Symmetry has the following minimum tradeline requirements:
    - One tradeline reporting that is open, active, and current, OR
    - One tradeline reporting that was once open and paid as agreed for a minimum of five (5) years
  - For all piggyback loans submitted **without** FNMA DU or FHLMC LPA approval (manual underwrites), Symmetry has the following minimum tradeline requirements:
    - One tradeline reporting that is open for 24 months and active within the most recent 6 months; **and**
    - Either:
      - Two remaining tradelines that are rated for 12 months and may be open or closed, **or**
      - Both:
        - One active tradeline reporting that is a paid-as-agreed mortgage for a minimum of 12 months and is active within the most recent 24 months, **and**
        - One remaining tradeline that is open and active
- Maximum 3 properties owned by all borrowers

### **Income/Employment/DTI**

- Symmetry follows FNMA guidelines regarding income with limited overlays
- Non-occupant coborrower income: not allowed
- Must have one paystub
  - Dated no more than 60 days prior to the Symmetry submission date
  - Must include all YTD earnings
- Income documentation:
  - When a piggyback is submitted with AUS findings, Symmetry will follow the income documentation requirements outlined in those findings, including Day 1 Certainty, when DU findings allow
  - Paystubs must be dated within 30 days of submission to Symmetry
  - Self-employed borrowers require a P&L dated within the past 30 days. If the P&L is borrower-prepared, two months bank statements are also required to support.
    - Business income from a Schedule C business cannot be used unless the borrower is 100% owner
- Rental income requirements:
  - Executed lease agreement with an initial duration of 12 months
  - Verification of Deposit matching the monthly lease agreement **or** verification of deposit of the security deposit on a newly-executed lease
  - Symmetry will NOT accept Form 1007 or Form 1025 or any other rent schedule for rental income calculations
- Declining income (self-employed, commission, bonus): Symmetry will typically use a 24 month average
  - If income is declining by > 20%, calculation will be based on the most recent 12 months earnings
  - If income is declining due to a one-time event (e.g. medical leave), income may be adjusted to exclude that time period. This is analyzed by Symmetry on an exception basis
- For Trust income, a minimum of 12 months of consistent receipt must be documented
- Alimony/child support is considered a liability. It is not deducted from income

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- Qualifying payment: Symmetry uses applicable qualifying rates for payments on the 1<sup>st</sup> mortgage
  - Qualify for the Symmetry HELOC with a 30 year P&I payment, at the approved HELOC amount, at the Start Rate + 2.0%. Refer to [Symmetry Pricing Guide](#) for Start Rate
- Debt to Income Ratio (DTI):
  - Primary Residence: max 45.00% back-end DTI (there are no front-end DTI requirements)
  - Second Homes: max 43.00% back-end DTI (there are no front-end requirements)
- Tax Calculation: Symmetry will use 1.25% for the standard Real Estate Tax calculation for new construction, and all CA properties. Supporting documentation allowed to evidence lower tax rates.
- Unallowable 1<sup>st</sup> Mortgage Types: Symmetry will not allow 1<sup>st</sup> mortgages that have interest-only or negative amortization payment terms
- Installment Debts: may be excluded from DTI calculation when 10 or fewer months remain
- Alimony/Child Support Payments: payments must be included in DTI calculation as installment debt
- Mortgage Credit Certificates: Symmetry will not allow these to be used as income

## **Collateral**

- Symmetry Lending accepts appraisals submitted by originating mortgage partners, subject to Symmetry Lending's Appraisal Desk Review
- Age of appraisal: must not be older than 120 days at the date of submission to Symmetry
  - Loan must be submitted less than 120 days from the date of the appraisal
  - Loan must close less than 150 days from the date of the appraisal
- BPOs (interior and exterior inspection):
  - Will be ordered by Symmetry when submitted with DU findings allowing PIW, or the appraisal is older than 120 days at submission
    - CLTV+ program requires a full appraisal. PIW not allowed.
  - All BPOs are subject to Symmetry's Desk Review
  - BPOs only allowed for Symmetry loan amounts less than \$250,000
- Appraisals and/or BPOs, when ordered by Symmetry, will be charged to the borrower
- Symmetry will not pass along costs of the Desk Review when BPO or Appraisal is ordered by Symmetry
- Condominiums: Symmetry generally follows FNMA guidelines
  - Symmetry does not require a condo questionnaire
  - Max CLTV for condos is 89.99%
- Ineligible Property Types: Symmetry does not accept loans with collateral of the following types:
  - 3-4 unit properties, mobile homes, dome homes, earth or berm homes, vacant land, non-residential homes, income-producing properties, condotels, leasehold estates, and manufactured homes that are single-wide and/or built before 1976
  - No investment properties permitted
  - Properties that are not typical to market with supporting comps
  - Symmetry does not have maximum acreage limitations

<p><b>NOTE:</b> All properties must be typical to market, with supporting comps utilized in the valuation</p>
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## Closing Costs / Fees

- Annual Loan Maintenance Fee \$99
- Closing costs:
  - Piggyback: \$217.40 (appraisal review fee \$150, credit report \$22.90, flood cert \$7.50, doc prep fee \$37) + recording + third party fees
  - Piggyback with PIW: \$222.40 (BPO \$155, credit report \$22.90, flood cert \$7.50, doc prep fee \$37) + recording + third party fees
  - If HELOC is greater than \$250k, a full appraisal will be required at market-determined cost. The cost of the appraisal will be paid by the borrower in place of the BPO fee

## Miscellaneous Info

- Power of Attorney: if the loan is closing with a PoA, the Symmetry Loan Coordinator must be contacted as early in the process as possible, as these loans must be pre-approved
- Mortgagee Clause:
  - Cenlar  
ISAOA/ATIMA  
PO Box 202028  
Florence SC 29502
- Servicing statements: borrowers should be informed that their statements will come from Cenlar, as they are Symmetry Lending's sub-servicer. A detailed first payment letter is included in every closing package.
  - Should the borrower need customer service for their Symmetry loan, they can contact Cenlar directly at 855.839.6470 or [customerservice@loanadministration.com](mailto:customerservice@loanadministration.com).
- Payments are due on the 5<sup>th</sup> of the month. Billing cycles end on the 10<sup>th</sup> of the prior month.
- There is a [Frequently Asked Questions](#) document on Symmetry's website

## Turntimes

- First communication & acknowledgement of submission: within 24 hours
- Conditional approval: 3-4 business days
- Appraisal review: 2-3 business days
- From the time final conditions are submitted to CTC and loan docs to title/escrow: 1-2 business days

## Eligible States

Alabama, Arizona, California, Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Oregon, Tennessee, Pennsylvania, Utah, Virginia, Washington, Wisconsin.

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## Process Flow

- Broker will register loan within the wholesale portal, designating a Symmetry HELOC is being requested
- Symmetry's Broker to Consumer Authorization must be signed by all borrowers
  - If the loan is initially registered with a HELOC, this will be included in the disclosure package
  - If adding a HELOC after the loan has been disclosed, you can find the authorization on [Symmetry's website](#)
- Broker will upload their submission package to MiMutual and include in the package the completed [Symmetry Eligibility Worksheet](#)
- MiMutual will deliver the loan to Symmetry for approval upon receipt of all credit/income docs
- Symmetry mails the Initial Disclosure Package to the borrowers
  - No returned documents required
  - HELOCs are open-ended credit, and not subject to TRID; therefore, Symmetry does not issue an LE or CD.
- Symmetry will pull a tri-merged credit report when the submission is received, then complete an initial review and advance the file to their underwriting department. The desk review will be ordered when the file is advanced to underwriting.
  - The Symmetry mid score (primary wage earner) must meet the minimum for each program
- Symmetry will issue the conditional approval.
- Symmetry closing docs are sent directly to escrow/title.
- Loans fund by wire. Symmetry will coordinate with the title/escrow company to wire funds in time for the closing, concurrent with the first mortgage.
  - Symmetry's wire cutoff time is 2:00p CST

## Overlays

### **Symmetry Overlays to Agency Guidance**

- 45% maximum back-end ratio (no front-end ratio requirement)
- Self-employed borrowers require a P&L dated within the last 30 days. If the P&L was borrower-prepared, then two months bank statements are required to support.
- Any deferral or forbearance plan cannot be active. Documentation required.
- 1.25% property tax calculation must be used for all CA properties
- The highest wage earner's mid score must be used to qualify
- Alimony/child support is considered a liability. It is not deducted from income.
- Maximum 3 properties can be owned by all borrowers, regardless of whether lien'd or free & clear
- No 60 day lates post-derogatory event
- Investment properties ineligible
- Paystubs must be dated within 30 days of submission to Symmetry
- Trust income must be received for a minimum of 12 months
- Calculate qualifying payment at 5% of outstanding balance for AmEx / Open Accounts
- Business income from a Schedule C business cannot be used unless the borrower is 100% owner
- Non-occupant coborrowers not permitted
- An EAD card alone is not sufficient citizenship documentation

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## **MiMutual Overlays to Symmetry Guidance**

- No standalones
- No piggybacks that do not close concurrently with first lien
- No processor's cert for inquiries

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