

Correspondent

(Delegated)



First Guaranty Mortgage Corporation®
 Correspondent Division
 1900 Gallows Road, Suite 800
 Tysons Corner, Virginia 22182
 www.fgmccorrespondent.com

Revised: 05/16/2017

97% LTV – Purchase / Refi
 Standard – Purchase / Refi
 DU Refi plus
 HomeReady®
 HomeStyle®

		97% LTV – Purchase / Refi	Standard – Purchase / Refi	DU Refi plus	HomeReady®	HomeStyle®
Credit:	Follow DU findings & FNMA Selling Guide	✓	✓	✓	✓	✓
AUS Requirement:	DU: Approve/Eligible	✓	✓	✓	✓	✓
	Manual underwriting not permitted	✓	✓	✓	✓	✓
Loan Terms:	Fixed Rate Mortgage: 10 – 30 year terms	✓	✓	✓	✓	✓
	ARM: 5/1, 7/1, 10/1 – Refer to rate sheet for cap information	✓		✓	✓	✓
Max LTV:	Follow FNMA Selling Guide & Eligibility Matrix	✓		✓	✓	✓
	97% LTV		✓			
Max CLTV:	97%; CLTV up to 105% for Community Seconds		✓		✓	✓
	No maximum; lender must calculate the CLTV and provide it at loan delivery			✓		
	Follow FNMA Selling Guide & Eligibility Matrix; Subordinate Financing Permitted	✓		✓	✓	✓
Maximum Financed Properties:	Borrowers are limited to four (4) loans or one and one half million dollars (\$1,500,000) total in loans funded/purchased by FGMC, exclusive of the borrower's primary residence and/or second home.	✓		✓		✓
Property Eligibility:	Single Family Dwelling	✓	✓	✓	✓	✓
	2 – 4 Units	✓		✓	✓	✓
	Condo	✓	✓	✓	✓	✓
	Modular Homes (Off-Frame Modular Only. On-Frame Modular homes are NOT permitted)	✓		✓	✓	✓
	Manufactured (<i>Double-wide or Larger</i>). Manufactured Homes: Must be titled as real property and constructed on or after 06/01/1976.	✓		✓	✓	
	Co-ops not eligible	✓	✓	✓	✓	✓
	Property Assessed Clean Energy (PACE) Not Eligible	✓	✓	✓	✓	✓
Cash to Borrower:	Cash-out refinance/Limited cash-out refinance: Follow FNMA Selling Guide (Disclosed with LE/CD)	✓	✓		✓	
	Investor Rate/Term only—Cash to Borrower not permitted: (Disclosed with GFE/HUD-1)	✓				
	Maximum of \$250			✓		
	Texas Cash Out Refinances NOT eligible	✓	✓	✓	✓	✓
Mortgage Credit Certificate (MCC):	Follow FNMA Selling Guide.	✓	✓	✓	✓	✓
New York CEMA:	Eligible	✓	✓	✓	✓	✓
Not Eligible:	Individual Taxpayer Identification Numbers (ITINs) in lieu of Social Security Numbers	✓	✓	✓	✓	✓

Unless specified otherwise, refer to the applicable agency guidelines.

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Appraisal/Value:	Full appraisal required, unless DU permits Property Inspection Waiver.	✓	✓		✓		
	Property fieldwork waiver as allowed by DU when message appears. Appraisal is required if the subject property is located in a designated disaster area. Other acceptable appraisal field work per requirements of DU if waiver is not provided as an option. Final valuation used for pricing and quality of property.				✓		
	Appraiser to estimate “as-completed” value AFTER renovations – contractors’ plans and specifications must be provided to appraiser to include in appraisal and value analysis.					✓	
Rent/Mortgage History:	Follow DU Findings & FNMA Selling Guide.	✓	✓	✓	✓	✓	
	Purchase: No verification required. Note: At least one borrower must be a first time homebuyer, defined as having no ownership interest in real property within the past 3 years from date of application.		✓				
Mortgage Insurance:	Loan-Level Price Adjustments (LLPA) are not offered for a reduction in MI.	✓	✓	✓	✓	✓	
	Follow FNMA Selling Guide for the transfer of existing coverage to new loan (required). If existing loan does not have MI coverage, no coverage is required.			✓			
	35% coverage required		✓				
	25% coverage for LTV’s 90.01% - 97%				✓		
	Approved Mortgage Insurance Companies						
	▪ Arch MI	▪ National MI					
	▪ Essent Guaranty	▪ Radian Group, Inc.	✓	✓		✓	✓
▪ Genworth MI Corporation	▪ United Guaranty Corporation						
▪ MGIC							
Allowable Renovations:	FNMA requires renovations be permanently affixed and add value to the property					✓	
Contractors & DIY:	“Do-it-Yourself” work is not permitted. Contractors must be registered, reputable and licensed (where applicable) and submit itemized plans and specifications (subject to Lender review).					✓	
Renovations Costs:	Total renovation costs cannot exceed 50% of the “as-completed” value. Follow FNMA Form 1035 – HomeStyle® Renovation Maximum Mortgage Worksheet.					✓	
Contractor Estimates:	All contractor estimates must be signed & dated by the borrower(s) and contractor(s).					✓	
Contingency & PITI:	Minimum 10% contingency reserve and up to six months PITI payments may be included.					✓	
Renovation Documents:	All renovation documents must be provided and approved through FGMC Construction/Renovation Department.					✓	

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