

Loan Program: FHA FIXED 30 YEAR
 FHA FIXED 15 YEAR
 FHA FIXED 30 YEAR JUMBO

Loan Program Code: GFF30 – Standard (Max loan \$417,000)
 GFF15 - Standard
 GFF30J – Jumbo

STATUTORY MAX LOAN AMOUNT:

Determined by HUD, by county. Please refer to hud.gov for up to date changes.

Owner Occupied only**

As of 4/7/08 County Name	One- Family	Two-Family	Three- Family	Four-Family	Last Revised
FAIRFIELD	\$708,750	\$907,350	\$1,096,750	\$1,363,000	1/1/2009
LITCHFIELD	\$375,000	\$480,050	\$580,300	\$721,150	1/1/2009
HARTFORD	\$440,000	\$563,250	\$680,850	\$846,150	1/1/2009
MIDDLESEX	\$440,000	\$563,250	\$680,850	\$846,150	1/1/2009
TOLLAND	\$440,000	\$563,250	\$680,850	\$846,150	1/1/2009
NEW HAVEN	\$387,500	\$496,050	\$599,600	\$745,200	1/1/2009
NEW LONDON	\$398,750	\$510,450	\$617,050	\$766,850	1/1/2009
WINDHAM	\$272,500	\$348,850	\$421,650	\$524,050	1/1/2009

**Loans greater than \$417,000 are priced as Govt JUMBO – see ratesheet

**Loans greater than \$417,000 have additional underwriting criteria. Please refer to special considerations in the loan program description.

MAXIMUM LTV, FICO & Loan Amount: Loan size is the **LESSER** of the statutory limits above or the following chart based on the Property County.

**STANDARD LOAN SIZE
Owner Occupied**

Units	MAXIMUM BASE ¹ Loan Amount	Transaction Type						
		Special Considerations	Min FICO	Min FICO Streamline	Purchase	Rate/Term Refi	Cash-Out Refinance	
					LTV/CLTV ²	LTV	Min FICO	LTV/CLTV
1	\$417,000	Standard pricing & standard UW guidelines	620	640	96.5%/100%	97.75%/97.75%	620	85%
2	\$533,850	Standard pricing & standard UW guidelines	620	640	96.5%/100%	97.75%/97.75%	620	85%
3	\$645,300	Standard pricing & standard UW guidelines	620	640	96.5%/100%	97.75%/97.75%	620	85%
4	\$801,950	Standard pricing & standard UW guidelines	620	640	96.5%/100%	97.75%/97.75%	620	85%

¹Loan size is limited to the lesser of this grid or Statutory Grid. All loan sizes >417,000 regardless of number of units may require second appraisal. Please refer to appraisal section of loan program description.

² When combined with FHA first mortgage, government subordinate liens are not limited to 100%.

**JUMBO LOAN SIZE
Owner Occupied**

Units	MAXIMUM BASE ² Loan Amount	Transaction Type					
		Special Considerations	Min FICO	Purchase	Rate/Term Refi	Cash-Out Refinance	
				LTV/CLTV	LTV	Min FICO	LTV/CLTV
1	>=417,001 to County Max	Jumbo pricing & Jumbo U/W overlays	620	96.5%/100%	97.75%/97.75%	660	85%
2	>=\$533,851 to County Max	Jumbo pricing & Jumbo U/W overlays	620	96.5%/100%	97.75%/97.75%	660	85%
3	>=\$645,301 to County Max	Jumbo pricing & Jumbo U/W overlays	620	96.5%/100%	97.75%/97.75%	660	85%
4	>=\$801,951 to County Max	Jumbo pricing & Jumbo U/W overlays	620	96.5%/100%	97.75%/97.75%	660	85%

Streamline not allowed on JUMBO

Loan Program:	FHA FIXED 30 YEAR FHA FIXED 15 YEAR FHA FIXED 30 YEAR JUMBO
Loan Program Code:	GFF30 GFF15 GFF30J
Index/Caps/Margin:	n/a
Eligible States:	All licensed states
Term:	30, 15 years
Min/Max Loan Amount:	\$50,000 – FHA individual county limits https://entp.hud.gov/idapp/html/hicostlook.cfm
Purpose:	Purchase, Rate & Term or Cash-Out Refinances
Occupancy:	Owner Occupied • Non Owner Occupant- Contact Account Manager Not allowed on cash out refinances, Jumbo loan sizes or temporary buydowns. • Identity of Interest transactions- Contact Account Manager not allowed on Jumbo loan sizes.
Eligible Properties:	1-4 Units, <i>(3-4 Units require calculation of PITI/Net Rent to be <= 100%)</i> FHA Approved Condos and PUDs
AUS:	DU Approve/Eligible Only
Delegated U/W:	Yes
Mortgage Insurance:	Per FHA
Qualifying Rate:	Note Rate
FICO Requirements:	See LTV grid (page 2)
Lock Period:	60, 45 and 30 Days (Standard) 55, 40 Days (Jumbo)
Eligible Borrowers:	Per FHA guidelines – all borrowers must have social security #'s
Temporary Buydown:	Per FHA guidelines. Not allowed on loan sizes >417,000)
Prepayment Penalty:	None
Secondary Financing:	Per FHA guidelines. Seller Financed DAP loans not allowed.
Price Adjustments:	See ratesheet for price adjustments
Ratios:	Per DU
Down Payment:	Purchase – 3.5% Down Payment

Reserves:	1-2 Units: Per DU. 3-4 Units require 3 months PITI. Cannot be gifted.
Escrow Requirements:	Required for all LTV's
Credit Requirements:	<ul style="list-style-type: none">•Per DU•Non traditional credit is NOT allowed. All qualifying borrowers must have a valid credit score•Bankruptcy must be discharged 2 years from closing date. Foreclosures, deed in lieu or short sale must be released 3 years from application date. <ul style="list-style-type: none">•For loan sizes >\$417,000: refer to JUMBO requirements section for additional credit overlays.•For FHA Streamlines: refer to refinance section page 6 & FHA guidelines•Delinquent Federal Debt including Federal IRS taxes must have a repayment plan between the applicant and the appropriate federal agency that is acceptable to the McCue Mortgage Company. An acceptable repayment plan must NOT BE SECURED by the subject property, be in writing and have a minimum payment history of 12 payments made in accordance with the agreement or note.
Jumbo loan credit requirements:	<ul style="list-style-type: none">•Minimum FICO score 620 (660 if Cash Out Refinance)•Non traditional credit is not allowed•Bankruptcy or Foreclosure, Short sale or deed in lieu not allowed within the most recent 7 years on Cash Out transactions.•Streamlines are not eligible for Jumbo loan sizes•Refer to appraisal section for guidance on Second Appraisals requirements.
Appraisal Requirements:	Full appraisal required. Appraisal expiration is 120 days for existing and new construction properties. Property is not eligible for FHA if resale date is 90 days or less following acquisition from Seller. Loans with resale dates greater than 90 days and up to 6 months may be eligible for FHA with supplemental documentation, including additional appraisal.
Documentation Requirements:	Per DU
Refinance Requirements	No Cash Out refinance: Includes payoff of first lien, any purchase money second mortgage, any junior lien over 12 months old, borrower paid closing costs, prepaid expenses, and discount points. Cash back to borrower may not exceed \$500. If the property was purchased less than 1 year preceding the loan application the mortgage amount must be calculated using the lesser of the appraised value or the original sales price. Cash Out refinances Cash Out refinances must be a DU approve/eligible. If the property was purchased less than 1 year preceding the loan application the mortgage amount must be calculated using the lesser of the appraised value or the original sales price. Non Occupant coborrowers not allowed on cash out refinances.

Previously Listed Properties:

- No Cash-Out Transaction-** The listing must have expired or been withdrawn **30** days prior to the application date.
- Cash-Out Transaction –** The listing must have expired or been withdrawn **90** days prior to the application date. Max LTV limited to 70% unless property has been off the market for 180 days.

In both cases the appraisal should confirm:

- that the home is currently not listed in the MLS, nor publicly offered for sale by owner,
- the date the listing was withdrawn/expired
- that the home is occupied,
- and the appraised value should be less than the listing price.
- The borrower must provide evidence that the property is no longer for sale (e.g., copy of the canceled agreement).

FHA STREAMLINE REFINANCE

- Streamline w/o appraisals – original appraised value is used to determine monthly MIP.
- A credit report is required evidencing minimum FICO SCORE 640 for all Borrowers
- Current loan must be FHA insured
- Evidence the existing loan is current at time of closing
- 12 month mortgage payment history is required evidencing the loan has not had any 30 day or greater mortgage lates in last 12 months. In addition, the loan may continue to be documented and underwritten as a non-credit qualifying streamline refinance IF the existing mortgage has a MINIMUM of 6 months documented payment history. If unable to document six month payment history, the loan must be documented and underwritten as a credit qualifying streamline.
- Credit qualifying required is the new P&I payment will increase by more than 20% or removal of an existing borrower.
- 1 YR ARM to Fixed Rate: the new interest rate can be no greater than 2% above current rate of ARM
- Borrower must be receiving a net tangible benefit as the result of the streamline refinance in one of the following ways:
 - 5% reduction in total mortgage payment
 - ARM to Fixed Rate
 - Reducing the term of the mortgage
- Evidence borrower is employed and has income at time of application. A current paystub and verbal VOE will be required. If self employed, YTD P&L statement from an accountant will be required.
- If assets are needed to close, borrower must provide evidence of sufficient assets to close.
- If subordinated financing is remaining in place, the max CLTV is 100%. For streamline refinance WITHOUT appraisal, the LTV/CLTV calculation is based on the original appraised value for the property. For streamline refinances WITH appraisal, the CLTV is based on the new appraised value.
- The Maximum Mortgage Amount calculation is as follows:

--Streamline WITHOUT appraisal – the outstanding principal balance minus the applicable refund UFMIP PLUS the new UFMIP. Closing costs CANNOT be added to the mortgage. Original appraised value is used to determine monthly MIP.

--Streamline WITH appraisal – the lower of outstanding principal balance minus the applicable refund UFMIP, plus closing costs, Prepays and the new UFMIP OR 97.75% of the appraised value plus the new UFMIP. Discount Points* MAY NOT be included in the new mortgage. If the borrower agrees to pay discount points, documentation of sufficient assets must be verified.

**Discount points defined as total borrower points greater than 1.00*

Departure of Primary Residence:

Rental income from the property being vacated may not be considered except:

- Relocations: The borrower is relocating due to new employer and/or transferred to different area by current employer. An executed lease agreement for at least one year is required. Underwriters also must obtain evidence of the security deposit and/or evidence the first month's rent was paid.
- Sufficient Equity in Vacated Property: LTV cannot exceed 75% as determined by a current appraisal (no more than 6 months old) residential appraisal or by comparing the unpaid principal balance to the original sales price of the property.

Closing/Legal Documents:

Standard FHA documentation

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Mortgage Insurance Coverage:

For Case Numbers on or after Apr 15, 2010
Mortgage Term greater than 15 Years:

Purpose	LTV	Annual Premium Term	Up-Front	Annual Premium
Purchase & Credit Qualifying Refinance	95.01+%	Minimum 5 years*	2.25	0.55
	<=95.00%	Minimum 5 years*	2.25	0.50
Streamline Refinance	95.01+%	Minimum 5 years*	2.25	0.55
	<=95.00%	Minimum 5 years*	2.25	0.50

*Actual years are determined when loan balance equals 78%, provided the borrower has paid the annual mortgage insurance for at least 5 years.

Mortgage Term less or equal 15 Years:

Purpose	LTV	Annual Premium Term	Up-Front	Annual Premium
Purchase & Credit Qualifying Refinance	<=90.00%	None	2.25	None
	90.01+%	**See below	2.25	.25

**Actual years are determined when loan balance equals 78%