

JMAC Lending

Government Overlays

In order to reduce the risk of the loans, JMAC Lending has credit overlays in our policy in addition to agency guidelines. Below please find a summary of these credit overlays to help you better understand them.

Please note JMAC Lending, Inc. does not manually underwrite any conforming or government loan.

Topic	Guideline
Borrower	Unrelated borrowers with no history of living together not eligible
Credit	Non-Traditional Credit: All borrowers must have traditional credit history.
Credit	Credit Score: A minimum of 620 credit score is required for FHA loans regardless of AUS approval.
Credit	Mortgage Late: 0x30 days late for the past 12 months
Credit	Unpaid Collection: All unpaid collection must be paid unless it is medical and less than \$1000.00
Income	Qualification: Borrowers must qualify full PITI when there is a non- occupant co- borrower.
Income	Streamline Qualification: All Nevada streamline, credit and income are required to be qualified.
Income	IHSS Income: Will not use IHSS income unless it is the borrower's primary career (not for family member).
Income	Interest Income: case by case
Income	Trust Income: case by case
Income Documentation Streamline	Wage earner: Most recent YTD pay stub. Self Employed: Must verify through third parties.
Asset	Loan over 417K: 2 month reserve required, regardless of AUS approval
Ratio	Max DTI: Max DTI is 50%, High Balance Max DTI is 45%- regardless of AUS approval
Cash Out	Cash Out: Max cash out is 417K, regardless of AUS approval
Short Sales/ Short Payoffs	Short Sales/Short Payoffs: . Borrowers with previous short sales/short payoffs are treated the same as borrowers with a previous foreclosure, regardless of if the borrower was current on their mortgage prior to the short sale/payoff.
Properties listed for	Recently Listed for Sale Policy:

Sale	<ul style="list-style-type: none"> •Rate & term refinance: the listing agreement must be cancelled at least one day prior to the loan application. •Cash-out refinance: the listing agreement must be cancelled 6-months prior to the application date or the loan s subject to a max 70% LTV
FHA Streamlines	Base Loan Amount Limit: JMAC does not allow the base loan amount to exceed HUD county limits on FHA Streamline refinance loans.
Combined Loans Amounts	Combined loan amounts for refinance transactions: The combined amounts of the FHA first lien and any subordinate liens may not exceed the applicable county loan limit.
Eligible Borrowers	Maximum Borrowers: JMAC's will allow a maximum of four borrowers on a transaction.
Eligible Borrowers	Tenants in Common: Not allowed
Eligible Properties	Manufactured Housing, COOPS, 3-4 Units: Not Eligible
Eligible Properties	Multiples APN: Not Eligible
Payoff Demand	Payoff Demand: A payoff demand is required and must reflect that the loan is not more than 30 days delinquent, does not contain charges associated with default/forbearance, does not indicate a curtailment of principal/interest (e.g. short pay), and no mortgage 0x30 in 12mos on all refinance
Real Estate Commission	Excessive Commissions: Any aggregate real estate sales commission greater than 8% of the sales price of the subject property is considered an excessive real estate commission. The portion of the aggregate commission greater than 8% must be deducted from the sales price for underwriting purposes.
Property Flipping	90 – Day Waiver: Not allowed
Deed Restricted Prop.	Deed Restricted Properties: Properties with deed restrictions(a.k.a. Resale restrictions) are ineligible