



LOANS TO BORROWERS WITH MULTIPLE FINANCED PROPERTIES

Purpose: The product is designed for borrowers who are wanting to finance the **purchase or refinance** of a second home or an investment property, but have **more than four, but ten or less** financed residential homes including their primary residence. **CASH OUT TRANSACTIONS ARE ONLY PERMITTED UNDER SPECIAL CIRCUMSTANCES STATED BELOW.**

Available Investors: Fannie Mae Direct

Eligibility Requirements:

Maximum LTV / Minimum Credit Scores

Transaction Type	#of Units	Max LTV/CLTV/HCLTV	Min Credit Score
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Second Home and Investment Property

TRANSACTION	#UNITS	MAX LTV	CREDIT SCORE
Purchase	1	FRM 75%	720
Limited CO	1	FRM 75%	720
Cash-Out**	1	FRM 70%	720

***Only permitted within 6 months of purchasing the property and when the loan meets the delayed financing guidelines*

Investment Property Only

TRANSACTION	#UNITS	MAX LTV	CREDIT SCORE
Purchase	2-4	FRM 70%	720
Limited CO	2-4	FRM 70%	720
Cash-Out **	2-4	FRM 65%	720

***Only permitted within 6 months of purchasing the property and when the loan meets the delayed financing guidelines*

Underwriting Criteria

1. **DU Approved Eligible**-DU may not be able to determine the exact number of financed properties. However, there will be a general statement regarding the number of financed properties that additional guidelines may apply.
2. **Bankruptcies / Foreclosures**- None in the past 7 years
3. **Mortgage Lates**- 0 in the past 12 months on any mortgaged property
4. **Rental Income**-Rental Income for the subject and other properties may be used to qualify as long as the income is documented in accordance to the FNMA guide—Income must be supported by the most recent signed tax returns. If the property was purchased since the filing of the last tax returns, the lease for the property can be used to document income. Income calculation using a lease should be documented per the FNMA guide.
5. **Minimum Cash Reserves**- In addition to the reserve requirements listed on the DU findings. The borrower must document 6 months reserves for each property owned by the borrower. Allowable reserve sources must meet traditional FNMA guidelines.
6. **Special Feature Code**-For Loans delivered to FNMA use SFC 150.