

Loan Amounts > FHFA Max Product Eligibility Matrix: Stable and Declining Markets

Loan Amount	Occupancy	Loan Purpose	Property Type	Retail & Non-Retail Stable Markets		Non-Retail Declining Markets	
				Max LTV/CLTV	Min FICO	Max LTV/CLTV	Min FICO
>FHFA Max to \$650,000	Primary Residence	Purchase or Rate/Term Refinance	Single Family or Condo	90	700	90	720
			Co-op	90	700	N/A	N/A

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Second Homes	Ineligible
Investment Property	Ineligible
Non-Retail	Eligible
Loan Programs	Fixed Rate; 5/1 ARM; 7/1 ARM; 10/1 ARM
Eligible Borrowers	U.S. Citizens; Permanent Resident Aliens; Inter Vivos Revocable Trusts Non Permanent Resident Aliens - ineligible
Appraisal Requirements	Full appraisal (interior and exterior) only Appraisal must be completed "as is," not subject to repair or completion; Property Inspection Waivers (PIW) and Property Inspection Alternatives (PIA) are ineligible
Florida Condominiums	Purchase only; Min 720 FICO
Documentation Type	Full doc only; Alt Doc and all other streamline documentation is ineligible
Credit Requirements	<p>Mortgage Lates: 0 X 30 in last 12 months, 0 X 60 in the last 24 months; Installment/Revolving Lates: 0 X 60 in last 12 months; 1 X 60 in last 24 months; Judgments, Liens, Collections and Charge-Offs: must be paid off; disputed collections may remain open to Max \$250 per account or \$1,000 in total; Borrowers with invalid or no credit bureau score: ineligible; Chap 7 & 11 Previous Bankruptcy: 4 yrs since discharge (2 yrs with documented extenuating circumstances); Chap 13 Previous Bankruptcy: 2 yrs since discharge/4 yrs since dismissal (2 yrs with documented extenuating circumstances); Multiple Bankruptcy Filings in Past 7 Years: ineligible; Foreclosure: 5 yrs since date of title transfer (3 yrs with documented extenuating circumstances); Short Sale/Deed in Lieu: 4 yrs since date of title transfer (2 yrs with documented extenuating circumstances);</p> <p>Minimum 3 traditional trade lines evaluated for at least 12 months for each borrower</p>
Finance Type	Purchase, Rate & Term Refinance (refinances of previously modified loans are ineligible); Cash-Out Refinance ineligible Resubordination of existing financing is eligible
Underwriting Delegation	Non-delegated
Declining Markets*	Non-Retail Declining Markets: Properties located in Arizona, Florida and Nevada are designated as being located in declining markets; see Florida Condominiums eligibility
Income	<p>Salaried/W-2 Borrowers: Past 2 years W-2s or past 2 years IRS tax transcripts; Most recent 30 days paystub indicating year-to-date (YTD) earnings; Pre-funding verbal verification within 10 business days of closing; verification of business phone number and address, must be verified by an independent third party, document name and title of person providing verification</p> <p>Self-Employed Borrowers: 2 years evidence of self-employment required; Most recent 2 years personal and business federal income tax returns; Pre-funding verbal verification within 30 calendar days of closing; verification of the existence of the business, business phone number and address, must be verified by an independent third party, document name and title of person providing verification</p> <p>Capital Gains Income: 2 years personal tax returns if no more than 30% of total income; 3 years personal tax returns if greater than 30% of total income; 2 year average for qualification if tax returns evidence realized capital gains for last 2 years; support for continuance for next 3 years; verification of ownership & control of assets</p>

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Maximum DTI	Max DTI 41%
Eligible Property Types	SFR; Condominiums; Cooperatives; Standard condo and cooperative project approval review required; Cooperatives only eligible in the states of CA, CT, IL, MA, MD, MI, MN, NJ, NY, PA, VA and D.C.
Qualification Rate	Fixed Rate & 7/1 & 10/1 ARMs: Note Rate 5/1 ARM: Greater of the fully indexed fully amortized rate or Note Rate +2%
Reserves	A minimum of 6 months cash reserves (PITIA) required; Two most recent monthly bank statements required to verify funds to close and reserves
Borrower Contributions	5% of borrower's own funds required
Seller Contributions	Max 3%
4506-T	All IRS Form 4506-T must be signed, completed and dated at application and at closing by all borrowers
Ineligible Properties	Manufactured/mobile homes; non-warrantable condominiums; condominium hotels (condo-tels); apartment/hotel conversions; model home leasebacks; vacant lots/land; time-share properties; homes unsuitable for year-round occupancy; unimproved land; earth, berm, dome, log and straw bale homes; >10 acres; working farms, orchards and ranches; student housing projects ("kiddie" condos); 2-4 units
Ineligible Products	Interest only; balloons; loans with scheduled or potential negative amortization; temporary buydowns; streamline refinances; construction loans; renovation loans; loans with terms greater than 30 years; graduated payment mortgages
Ineligible Attributes	Post-closed loans; DU/LP waivers regardless of score; first time homebuyers; non-occupant co-borrowers

* Essent intends to insure a representative mix of a lender's overall mortgage insurance loan production, and will monitor the product mix on an ongoing basis to identify salient credit trends and to protect from potential adverse credit or geographic migrations.

NOTE: Reference the Essent Underwriting Guideline Manual for full details.