

Lending Guide Announcement

IMPORTANT

ClearPoint Funding is providing an outline of our most recent updates and guideline clarifications as detailed below.

100 – Conventional

Page 100-70	<p><u>Rental Income</u> - Generated from Subject Property, Primary Residence 2-4 Units</p> <ul style="list-style-type: none"> ✓ Removed the 6 months PITI reserve requirement
Page 100-80 & 82	<p><u>Self-Employed Income History</u></p> <ul style="list-style-type: none"> ✓ Added for any CPA letter utilized for verifying the existence of the business to be dated within 30 days of loan closing.
Page 100-120	<p><u>Transferred Appraisals</u></p> <ul style="list-style-type: none"> ✓ A copy of the appraiser’s license is now required to be emailed to UWHELP@clearpointfunding.com in order to confirm the appraiser’s name, license number and the state of license.
Page 100-198	<p><u>Approved MI Companies</u></p> <ul style="list-style-type: none"> ✓ Added United Guaranty

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200 – Conventional Product Summary

Page 200-28	<p><u>Qualifying Ratios</u></p> <ul style="list-style-type: none"> ✓ With the addition of United Guaranty as a MI Partner, the section has been modified to read as stated below for LTV >80% and requiring mortgage insurance. Note all other DTI details remain unchanged.
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The loan characteristics are...	Maximum DTI
AUS Recommendation	>80%
	Ranges from 41 to 45% depending on the selected MI Partner and their applicable overlays; refer to specific MI Partner's guidelines for details.

Page 200-42	<p><u>Net Tangible Benefit DU Refi Plus</u></p> <p>The monthly principal and interest payment is decreasing.</p> <ul style="list-style-type: none"> ✓ Payment increases are only permitted if the loan is refinancing into a more stable product (i.e. ARM to Fixed, IO to fully amortizing, shorter term, etc.) and the increase may not exceed 20%.
Page 200-46	<p><u>DU Refi Plus Matrix</u></p> <ul style="list-style-type: none"> ✓ Minimum credit score for Second Homes and Investment properties is increased to 680.

300 – FHA

Page 300-44 & 55	<p><u>Self-Employed Income History</u></p> <ul style="list-style-type: none"> ✓ Added for any CPA letter utilized for verifying the existence of the business to be dated within 30 days of loan closing.
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600 – VA

Page 600-27	<p><u>Self-Employed Income History</u></p> <ul style="list-style-type: none"> ✓ Added for any CPA letter utilized for verifying the existence of the business to be dated within 30 days of loan closing.
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700 – Jumbo

Page 700-29

Self-Employed Income History

Added for any CPA letter utilized for verifying the existence of the business to be dated within 30 days of loan closing.

900 – MI Appendix

Page 900-2

MGIC – updated condo criteria

- ✓ Requirements for condo projects with 3 or fewer units include the following:
 - Construction of the project or phase must be complete.
 - If the project is a conversion, common elements and renovation work for all units must be completed.
 - One unit in the project or phase (not counting the subject unit) must be sold and conveyed to owner occupants for use as a primary residence or second home.
 - All facilities related to the project must be owned by the homeowners' association or unit owners.
 - None of the units may be owned by an investor.
 - No single entity may own more than one of the units in the project.
 - No space within the development may be used for commercial purposes.
 - Condominium documents must be enforceable against unit owners by binding arbitration.
 - MGIC may insure up to one unit in the project.
 - MGIC will manually underwrite the file.

Pages 900-7 through 11

United Guaranty – New Section!