



Purpose	Credit Score	Max LTV	Max CLTV
Purchase	560	100.00%	100.00%
<b>General</b>	<ul style="list-style-type: none"> <li>• Purpose - Purchase only</li> <li>• Terms Available - 30 Year Fixed Rate</li> <li>• Occupancy - Primary Residence only</li> <li>• AUS and Manual allowed</li> <li>• Minimum Credit Score - 560</li> <li>• Minimum Loan Amount \$75,000</li> <li>• Conforming Loan Amounts only</li> </ul>		
<b>CREDIT</b>			
<b>Credit</b>	Tri-merge credit required. Each borrower must have at least 1 FICO		
<b>Credit History</b>	<p>Borrowers with derogatory credit may be considered if the credit report indicates satisfactory credit prior to the disaster and any derogatory credit after the date of the disaster is related to the effects of the disaster.</p> <p>Late mortgage payments for the property that was destroyed or damaged may be acceptable if the late payments were the result of the disaster and the borrower was not 3 or more months delinquent on their mortgage at the time of the disaster.</p> <p>Payments that are 3 or more delinquent require documented extenuating circumstances.</p>		
<b>DTI/INCOME/ASSETS</b>			
<b>Income</b>	<ul style="list-style-type: none"> <li>• If prior employment cannot be verified because records were destroyed by the disaster, and the Borrower is in the same/similar field, W-2s and tax returns from the Internal Revenue Service (IRS) are acceptable to confirm prior employment and income.</li> <li>• If the borrower's employer was not impacted by the disaster, a verification of employment (VOE) is required.</li> <li>• Income from short-term employment obtained following the disaster is acceptable.</li> </ul>		
<b>Assets</b>	<ul style="list-style-type: none"> <li>• If traditional asset documentation is not available, bank statements downloaded from the Borrower's financial institution website or a verification of deposit (VOD) may be obtained to confirm sufficient assets to close.</li> <li>• Closing cost and prepaids must be paid with the borrower's own or gift funds from an eligible source.</li> <li>• Reserves are not required. For AUS approved loans, reserves may be used as a compensating factor. Gift funds may not be used as reserves on manually underwritten loans.</li> </ul>		
<b>Liabilities</b>	<ul style="list-style-type: none"> <li>• Borrowers with an existing FHA loan may finance another home utilizing the FHA 203(h) loan program, if the borrower's existing property is not habitable.</li> <li>• When purchasing a new home, the mortgage payment on a destroyed residence located in a disaster area may be excluded from the borrower's liabilities subject to the following: <ul style="list-style-type: none"> <li>◦ Documentation that the borrower is working with the servicing mortgagee to appropriately address their mortgage obligation (RPF requires a signed letter (on the servicing lender's letterhead) confirming the servicing lender is no longer holding the borrower responsible for the liability on the destroyed residence); and</li> <li>◦ Application of any property insurance proceeds to the mortgage of the damaged home.</li> </ul> </li> </ul>		
<b>PROPERTY</b>			
<b>Property Eligibility</b>	The previous residence (owned or rented) must have been located in a PDMDA and destroyed or damaged to such an extent that reconstruction or replacement is necessary. If purchasing a new house, the house need not be located in the area where the previous house was located. A list of the specified affected counties and cities and corresponding disaster declarations are provided by the Federal Emergency management Agency (FEMA).		
<b>Eligible Properties</b>	<ul style="list-style-type: none"> <li>• Attached/Detached SFRs</li> <li>• PUDs</li> <li>• HUD-approved Condos</li> <li>• 1 unit manufactured (primary residence only, max loan amount \$424,100k, double-wide only)</li> </ul>		
<b>Manufactured Homes</b>	<p>Royal Pacific Funding will accept loans for manufactured properties with the following attributes:</p> <ul style="list-style-type: none"> <li>• 620 Minimum Qualifying Credit Score</li> <li>• Primary Residence and Second Home Only</li> <li>• Max \$424,100 Loan Amount, no High Balance Allowed</li> <li>• Mortgage delinquencies in the last 12 months not permitted</li> <li>• Property Specific Information <ul style="list-style-type: none"> <li>◦ Built June 15, 1976 or later</li> <li>◦ Doublewide or larger home with floor area of <math>\geq</math> 600 square feet</li> </ul> </li> </ul>		

(continued)



<b>Manufactured Homes (con't)</b>	<ul style="list-style-type: none"> <li>o Property may not be in a flood zone</li> <li>o Manufactured Condos not allowed</li> <li>o Property must be permanently attached with towing hitch, wheels and axels removed</li> <li>o Manufactured home must be on original site, relocated homes are not permitted</li> <li>o Additions to the property are not permitted if the addition was to add GLA or if there were structural changes to the home (additions such as decks and green rooms without structural changes to the property may be accepted)</li> <li>o Borrower must own the land on which the home is located</li> <li>o Title must be held fee simple</li> <li>• Property must not be located in a deed restricted area including restrictions for age and income</li> <li>• HUD Certification Labels (metal plates attached) or IBTS Verification if not attached to the property</li> <li>• HUD Data Plates (Paper Certification located on the interior of the property) or IBTS Verification</li> <li>• Affidavit of Affixture (or its equivalent) to evidence property is classified and taxed as real property</li> <li>• New Construction will require a Structural Engineer’s report to show that the property is designed to be used as a dwelling with permanent foundation and meets HUD requirements.</li> <li>• The foundation must be inspected by the appraiser and appraiser to comment that the home is on permanent foundation consisting of either a slab or permanent concrete footings and anchored with tie-downs</li> <li>• Structural Engineer's report to determine if home is designed to be used as a dwelling with a permanent foundation built to FHA criteria. Royal Pacific Funding will consider minor structural additions and modifications (i.e. carport, patio cover) to the property pending a structural engineer's report and inspection by the State Administrative Agency showing the home complies with safety standards. The cost for this inspection must be paid by the borrower.</li> <li>• Finished grade elevation beneath the manufactured home or, if a basement is used, the grade beneath the basement shall be at or above the 100-year return frequency flood elevation. HUD waivers are not accepted. (For properties in flood zone - Elevation Cert and LOMA determination of above will be at cost to borrowers.)</li> <li>• All-weather roadway and adequate vehicular access from a public right of way</li> <li>• Appraiser to review structural engineer's report</li> </ul>
<b>MISCELLANEOUS</b>	
<b>Application Deadline</b>	The FHA Case number must be assigned within one year of the date the PDMDA is declared unless an additional period of eligibility is explicitly provided.
<b>Documentation Requirements</b>	<p>Evidence that the Borrower's previous residence was in the disaster area must be provided as follows:</p> <ul style="list-style-type: none"> <li>o <b>A Copy of FEMA declaration.</b></li> <li>o If only part of the zip code is in the disaster area, provide property search through FEMA website to show that the property was in the area.</li> </ul> <p>Note: If entire zip code is in the disaster area, no further actions are required.</p> <ul style="list-style-type: none"> <li>o If renting, VOR or utility bill to show that the borrower lived in the premises.</li> </ul> <p>Evidence that the Borrower's previous residence was damaged or destroyed to the extent that the borrower cannot occupy the property must be provided as follows:</p> <ul style="list-style-type: none"> <li>o <b>Insurance claim documentation or</b></li> <li>o Documentation from the city/county/borough, etc. showing the home is not habitable.</li> <li>o If neither of the above are available, appraisal to determine extent of damage (can be interior only or exterior only if sufficient to document damage).</li> </ul> <p>Note: Documentation attesting to the damage of the previous house must accompany the mortgage application.</p>
<b>Down Payment</b>	• The borrower is not required to make the Minimum Required Investment (MRI). The maximum LTV is 100% of the adjusted value.
<b>State Restrictions</b>	TX 50 (a)(6) loans not allowed

**\*Additional standard FHA guidelines apply.**