



# Seller Guide Update

CORRESPONDENT UPDATE 2016-06 | June 20, 2016

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## NATIONSTAR MORTGAGE ANNOUNCES EXPANDED CREDIT OFFERINGS

We recognize the importance of continually monitoring how we do business with our Correspondent clients and how our suite of product offerings compares to the current market. Recognizing the confidence established between our organizations, we are pleased to announce that effective with new loan registrations on and after **June 20, 2016**, our newly expanded credit offerings are available, which includes expanded lending parameters for Government (FHA/VA/USDA) and Conventional (FNMA/FHLMC) deliveries.

These expanded credit offerings provide us the opportunity to bring an enhanced approach to our overall credit offering while continuing to align with the current risk environment within today’s marketplace.

### GOVERNMENT (FHA/VA/)

- **Standard FHA/ Products:** FICO scores from 620-639
- **Standard VA Products:** FICO scores from 620-659
- **FHA Streamline and VA IRRRL Products:** FICO scores from 640-659
- **DTI** up to 55%

**Note:** All loans must continue to meet FHA/VA/USDA guidelines.

### CONVENTIONAL (FNMA/FHLMC)

- **FICO** scores from 620-639
- **DTI** >50% (Must have AUS approval)
- **6 Financed Properties** Permitted (up to 10 on FNMA)
- **LTV/CLTV** limits match Agency limits

**Note:** All loans must continue to meet FNMA/FHLMC guidelines.





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## SIMPLIFIED AND STREAMLINED PRODUCT MATRICES

We know that your time is precious, and as such, we strive daily to find new and innovative ways to become your investor of choice. Hence, over the last few months, you've heard us say that one of our top goals is to make doing business with us as easy as possible – whether it is the service we provide, the products we offer or the way in which we present our credit guidelines.

Based on valuable feedback and research, we decided it was time to simplify and streamline our Correspondent Product Matrices. In short, you'll find that we took our previously published 8 matrices and condensed them into 3 easy-to-use, simplified documents.

As a part of the simplification process, not only did we find opportunities to combine products where it made sense, but we also used this opportunity to refer to agency guidelines (Fannie, Freddie, FHA, VA and/or USDA), where possible. Our intention is to streamline and simplify the product matrices in order to draw attention to the areas where Nationstar differs from not only our agency partners, but also what is available in the market today. With these changes, the end-user can find the Nationstar-specific guideline or nuance much easier. Here's how the simplification and streamline process breaks down by product:

Previous Matrices	Newly Simplified and Streamlined Matrices
<ul style="list-style-type: none"> <li>Form 4 – Overlay Matrix</li> </ul>	<ul style="list-style-type: none"> <li>Items on the Overlay Matrix have now been relocated into each specific product matrix for ease-of-use. Please refer to the numbered items within each product matrix.</li> </ul>
<ul style="list-style-type: none"> <li>Form 5 – Agency Matrix</li> <li>Form 6 – Agency High Balance</li> </ul>	<ul style="list-style-type: none"> <li><b>New Form 4 (Attached)</b> - Newly Combined Agency and Agency High Balance/Super Conforming Matrix</li> </ul>
<ul style="list-style-type: none"> <li>Form 7 – FHA Matrix</li> <li>Form 9 – USDA/RD Matrix</li> <li>Form 10 – VA Matrix</li> </ul>	<ul style="list-style-type: none"> <li><b>New Form 5 (Attached)</b> – Newly Combined Full Doc Government Matrix (FHA Purchase, FHA Refinance, VA Purchase, VA Refinance, USDA Purchase and USDA Refinance)</li> </ul>
<ul style="list-style-type: none"> <li>Form 8 – FHA Streamline Matrix</li> <li>Form 11 – VA IRRRL Matrix</li> </ul>	<ul style="list-style-type: none"> <li><b>New Form 6 (Attached)</b> – Newly Combined FHA Streamline and VA IRRRL Matrix</li> </ul>

## RATE SHEET AND PRICING

We have updated and attached the **Nationstar Correspondent Rate Sheets (Mandatory and Best Efforts)** with complete details regarding Rates and Loan Level Price Adjusters (LLPAs). It's also important to note that should a loan be delivered with characteristics that differ from how the loan was originally locked and priced, the price is subject to change taking into consideration any such characteristics upon delivery.

## ONGOING COMMITMENT TO OUR CLIENTS

As part of our ongoing commitment to our client's satisfaction, we will continue to evaluate how we do business with a keen eye on enhancing processes and overall business functions. And, as always, we will continue to closely monitor the quality and performance of loans delivered to ensure that our overall focus on client performance and quality standards is achieved and goals for those standards are met. We appreciate your ongoing commitment and partnership to Nationstar Mortgage, and hope that this announcement reflects our commitment to you.





# Seller Guide Update

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## IN FOCUS: CLIENT PERFORMANCE MANAGEMENT TOOLS AND RESOURCES

- **Quick Reference Guide**
- **Best Practices**
  - TILA/RESPA Integrated Disclosure Rule (TRID) Frequently Asked Question (FAQ)
- **Focus Flashes**
  - 2015 Publications
    - In Focus – Common Suspense Deficiencies – January 22, 2015
    - In Focus – Completing HUD Forms – April 16, 2015
    - In Focus – Top Suspense Deficiencies – May 18, 2015
    - In Focus – FNMA’s Collateral Underwriter™ (CU™) – October 5, 2015
    - In Focus – Common Suspense Deficiencies – October 14, 2015
    - In Focus – Common TRID Related Errors – November 19, 2015
  - 2016 Publications Coming Soon

## QUESTIONS

Please use the main Correspondent Lending toll-free number: 1-855-683-3100, then:

Department and Phone Option	E-mail Address
• Option 1 – Mandatory Pricing	• <a href="mailto:NSM_Mandatory@nationstarmail.com">NSM_Mandatory@nationstarmail.com</a>
• Option 2 – Operations	• <a href="mailto:Corr.Solutions@nationstarmail.com">Corr.Solutions@nationstarmail.com</a>
• Option 3 – Best Efforts Pricing	• <a href="mailto:BestEffortsRateLock@nationstarmail.com">BestEffortsRateLock@nationstarmail.com</a>
• Option 4 – Post-Purchase Reconciliation	• <a href="mailto:NSM.corrpi@nationstarmail.com">NSM.corrpi@nationstarmail.com</a>
• Option 5 – Correspondent Repurchase and Defect Resolution	• <a href="mailto:CRADR@nationstarmail.com">CRADR@nationstarmail.com</a>

You may also visit our website at [Nationstarcorrespondent.com](http://Nationstarcorrespondent.com). Thank you again for choosing Nationstar Correspondent Lending.





Correspondent Lending

Nationstar Agency & Agency High Balance/Super Conforming Matrix

Effective Date  
6/20/2016

(Fannie Mae / Freddie Mac)

Follow published Guidelines by FNMA/ Freddie Mac unless otherwise noted below. Any updated guideline bulletins from FNMA/Freddie Mac dated after the effective date of this matrix do not become effective until a subsequent updated matrix/announcement is delivered directly from NSM specific to the topic(s) in question

QM/ATR guidelines must be met including full income documentation per investor guidelines, ATR and income worksheets completed as well as points and fee requirements for all loans

Purchase & Rate/Term Refi

Occupancy/Units		Maximum Loan Amount		Maximum LTV / CLTV ***All of the below LTV/CLTV maximums mirror DU/LP***		Minimum FICO	Maximum DTI	Mortgage/Rental History (last 12 months)
		Agency	High Balance/ Super Conf	FNMA	FHLMC			
Primary	1 unit	\$417,000 (see county limits)	\$625,500 (see county limits)	97% Fixed (17,18,27) 90% ARM	95% Fixed & ARM (18,27)	620	Per DU/LP	Per DU/LP
Primary	2 unit	\$533,850 (see county limits)	\$800,775 (see county limits)	85% Fixed 75% ARM	80% Fixed & ARM	620	Per DU/LP	Per DU/LP
Primary	3-4 unit	3- \$645,300 4- \$801,950 (see county limits)	3- \$967,950 4- \$1,202,925 (see county limits)	75% Fixed 65% ARM	80% Fixed & ARM	620	Per DU/LP	Per DU/LP
Second Home	1 unit	\$417,000 (see county limits)	\$625,500 (see county limits)	90% Fixed (27) 80% ARM	85% Fixed & ARM (27)	620	Per DU/LP	Per DU/LP
Investment	1 unit	\$417,000 (see county limits)	\$625,500 (see county limits)	85% Purch Fixed (27) 75% Purch ARM 75% R/T Refi Fixed 65% R/T Refi ARM	85% Fixed & ARM (5,27)	620	Per DU/LP	Per DU/LP
Investment	2-4 unit	2- \$533,850 3- \$645,300 4- \$801,950 (see county limits)	2- \$800,775 3- \$967,950 4- \$1,202,925 (see county limits)	75% Fixed 65% ARM	75% Fixed & ARM	620	Per DU/LP	Per DU/LP

Cash-Out Refinance

Occupancy/Units		Maximum Loan Amount		Maximum LTV / CLTV ***All of the below LTV/CLTV maximums mirror DU/LP***		Minimum FICO	Maximum DTI	Mortgage/Rental History (last 12 months)
		Agency	High Balance/ Super Conf	FNMA	FHLMC			
Primary	1 unit	\$417,000 (see county limits)	\$625,500 (see county limits)	80% Fixed 75% ARM	80% Fixed & ARM	620	Per DU/LP	Per DU/LP
Primary	2-4 unit	2- \$533,850 3- \$645,300 4- \$801,950 (see county limits)	2- \$800,775 3- \$967,950 4- \$1,202,925 (see county limits)	75% Fixed 65% ARM	75% Fixed & ARM	620	Per DU/LP	Per DU/LP
Second Home	1 unit	\$417,000 (see county limits)	\$625,500 (see county limits)	75% Fixed 65% ARM	75% Fixed & ARM	620	Per DU/LP	Per DU/LP
Investment	1 unit	\$417,000 (see county limits)	\$625,500 (see county limits)	75% Fixed 65% ARM	75% Fixed & ARM	620	Per DU/LP	Per DU/LP
Investment	2-4 unit	2- \$533,850 3- \$645,300 4- \$801,950 (see county limits)	2- \$800,775 3- \$967,950 4- \$1,202,925 (see county limits)	70% Fixed 60% ARM	70% Fixed & ARM	620	Per DU/LP	Per DU/LP

Underwriting Guideline Requirements

Products

1 Ineligible Products	HARP Products, FNMA HomeStyle Renovation, FNMA My Community Mortgage, FHLMC HomeSteps, FHLMC Renovation Products, Construction to Perm one time closing loans, Balloon loans or loans with prepayment penalties.
2 Purchase Date/Note Aging	Closed loans must be delivered for purchase consideration no later than 60 days from the Closing/Disbursement date.
3 Loan Terms Available	DU/LP Fixed Rate Products: 30 yr., 25 yr., 20 yr., 15 yr. (Fixed 10 year available on FNMA only) DU/LP ARM Products: 3/1, 5/1, 7/1 and 10/1.
4 Adjustable Rate Mortgages (ARMs)	Qualifying rate = Greater of Note rate plus 2% or fully-indexed rate on 3/1 and 5/1 ARMs, greater of the Note rate or fully indexed rate for 7/1 and 10/1 ARMs. Fully-indexed rate = Index + Margin, rounded to the nearest 1/8th percent. <ul style="list-style-type: none"> <li>• Index = Wall Street Journal 1-year LIBOR</li> <li>• Margin = 2.25%</li> <li>• Terms available = 3/1, 5/1, 7/1, 10/1</li> <li>• Caps (initial / periodic / lifetime) : 2/2/6 (3/1 ARM), 2/2/5 (5/1 ARM), 5/2/5 all others</li> </ul>
5 FHLMC 1-Unit Investment - R & T Refinances	LTV is capped at 75% for loans with settlement dates prior to 03/28/2016
6 Cash-Out Refinance	Maximum \$200,000 cash out
7 Seasoning/ Delayed Financing	Purchase and Rate/Term Refis only on properties with < 6 mos. seasoning. Cash-out transactions (Delayed Financing) are not eligible.
8 Recommendations Allowed	DU Approve Eligible; LP Accept Refer, EA/Caution and Ineligible ratings are not permitted for delivery to NSM
9 Manual Underwrites	Not eligible.
10 Mortgage Insurance	Loans with the minimum level mortgage insurance option, monthly lender paid mortgage insurance, financed mortgage insurance or split premium option are not eligible.
11 HPML Transactions	Not eligible.
12 Non Arm's Length Transactions	Eligible for 1 unit Primary Residence only.
13 TX 50(a)(6)	<ul style="list-style-type: none"> <li>• Living "Inter Vivos" Revocable Trusts not eligible</li> <li>• ARM products not eligible</li> <li>• POA not permitted</li> </ul>
14 Escrow Holdbacks	Any loans with incomplete repairs/rehab escrows are ineligible. A final inspection is required prior to purchase of loan.

15 Mortgage Credit Certificates	Loans with MCC's are not eligible.
16 Temporary Buydowns	Not eligible.
17 FNMA's 97% LTV Option	<ul style="list-style-type: none"> <li>Subordinate Financing Maximum CLTV of 97% including subordinate financing from any Community Second</li> <li>Mortgage Insurance Coverage 35% standard coverage required.</li> </ul>
18 FNMA Home Ready/ FHLMC Home Possible	<ul style="list-style-type: none"> <li>Maximum loan amounts are subject to conforming loan limits and eligibility as determined by DU and area median income limits</li> <li>Loan Terms Available - Same as listed under #3 above, <u>except</u> 3/1 ARM not permitted and 5/1 ARM only permitted with 2/2/6 caps</li> <li>Ineligible Collateral - Manufactured Homes, Co-ops and Condotels. Transferred appraisals not permitted.</li> <li>DU recommendation of Approve/Eligible or LP risk class of Accept required, Refer, Caution and Ineligible ratings do not qualify. Manual Underwrites not permitted.</li> <li>640 Minimum FICO for DTI's &lt; 45%, 660 Minimum FICO for DTI's of 45.01 - 50%</li> </ul> <p><u>Note:</u> DTI &gt;45% per DU with Extended Household Income compensating factor (non-borrower household income)</p> <ul style="list-style-type: none"> <li>Non-ARM's length transactions eligible for 1-unit only with maximum LTV/CLTV of 80%.</li> </ul> <p>***See NSM standard agency guidance within this matrix or the NSM selling guide for any topic not mentioned specifically in this section</p>

### Borrower Eligibility

19 Citizenship	<ul style="list-style-type: none"> <li>Foreign Nationals and Individuals with Diplomatic Immunity are not eligible.</li> <li>Non-Permanent Resident Aliens: Require valid VISA or EAD card with no less than 90 days remaining prior to expiration as of the Note date</li> </ul> <p>If VISA or EAD card does expire within 90 days of Note date, proof of renewal or prior renewal will be required.</p>
20 Maximum Number of Financed Properties	6 financed properties (including subject property) Note: 7-10 Financed properties on FNMA only
21 Power of Attorney	<p>The POA must be either a Statutory Form Power of Attorney or specific to the loan transaction.</p> <ul style="list-style-type: none"> <li>If using a specific POA, the individual acting as Attorney-in-Fact must have a familial or fiduciary relationship with the borrower or a personal relationship with an ownership interest in the subject property.</li> <li>Cash out Refinances</li> <li>Any loan where the Attorney-In-Fact is an employee of the Lender, Broker, Title or Realtor are not eligible.</li> <li>POA only allowed in extenuating circumstances where borrower cannot attend the closing</li> </ul> <p>*** LOX from the Borrower or Lender's UW certification required to validate the extenuating circumstances.</p>

### Income / Liabilities

22 4506-T/Transcripts	<ul style="list-style-type: none"> <li>IRS W-2 or 1040 4506T transcripts permitted for all loans where the income used to qualify the loan is made up exclusively of W-2 income (non-self employment W-2)</li> <li>IRS 1040 4506T transcripts required for all loans where other types of income are used to qualify the loan</li> <li>Business Transcripts are required for any self employed borrower with an 1120 Corporation</li> </ul>
23 Divorce Decrees	A copy of the divorce decree is required when confirmation of divorce is on any document in the loan file. Refer to guidance in Sellers Guide Chapter 15RRR-Evidence of Divorce. Prior to suspense for this item, NSM will evaluate each loan situation on an individual basis in an effort to decipher where the request of this decree may become immaterial to the overall risk profile.
24 IRS Taxes Owed	<p>IRS Taxes Owed for the most recently filed tax year of &gt; \$7,500 must be proven as paid off or in a payment plan (with the payment included in DTI)</p> <ul style="list-style-type: none"> <li>If the borrower has enough liquid assets on file to close our transaction and cover the IRS tax amount owed, no additional documentation required</li> <li>If the inclusion of a 5% payment on this IRS taxes owed balance would not cause a &gt; 3% increase (or over 45%) change to DTI, no additional documentation required</li> <li>If the qualifying FICO score is ≥ 700 and the DTI is &lt; 40%, no additional documentation required</li> </ul>

### Collateral

25 Ineligible Collateral	Manufactured homes, properties in redemption periods or properties with resale restrictions
26 Appraisal	<ul style="list-style-type: none"> <li>An appraisal update that supports the original appraised value for loans purchased &gt; 75 days after closing (note date to purchase date) is required. The appraisal update must be dated within 30 days of the date the loan is purchased by Nationstar Mortgage.</li> <li>Loans where a transfer of appraisal has occurred are not eligible.</li> <li>Properties with a condition rating of C5 are not eligible in "as is" condition; deficiencies that caused the rating and/or hypothetical condition must be completed prior to purchase.</li> </ul>
27 FL Condos	<ul style="list-style-type: none"> <li>Established Condo Projects <ul style="list-style-type: none"> <li>Max 95% LTV/CLTV for Primary Residences with CPM/Lender Full Review</li> <li>Investment Condos are not eligible</li> </ul> </li> <li>New or Newly Converted Condos are not eligible</li> </ul>
28 Land Contracts	Must be recorded to be eligible.
29 Properties Listed for Sale	Properties listed for sale at the time of application are not eligible
30 Resale Deed Restrictions	Not eligible.

The guidelines provided herein is intended to be a summary only and is subject to the complete Nationstar Mortgage, Correspondent Lending Seller's Guide (the "Guide"). In case of any conflict with this document and the Guide, the Guide will govern.

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Follow published Guidelines by HUD/VA/USDA unless otherwise noted below. Any updated guideline bulletins from HUD/VA/USDA dated after the effective date of this matrix do not become effective until an updated matrix/announcement is delivered directly from NSM specific to the topic(s) in question

QM/ATR guidelines must be met including full income documentation per investor guidelines, ATR and income worksheets completed as well as points and fee requirements for all loans.

FHA Purchase								
Occupancy/Units		Maximum Loan Amount	Maximum		Minimum FICO	Maximum DTI	Mortgage History	Any BK discharge
			LTV	CLTV (8)				
Primary Residence	1-2 unit	see county limits	≤ 96.5%	≤ 100%	620	55%	Per AUS	> 2 yrs.
Primary Residence	3-4 unit	see county limits	≤ 96.5%	≤ 100%	620	55%	0x30	> 2 yrs.

FHA Refinance								
Occupancy/Units		Maximum Loan Amount	Maximum LTV/CLTV (8)		MIN FICO	MAX D/R	Mortgage History	Any BK discharge
			R&T	C/O				
Primary Residence	1-2 unit	see county limits	≤ 97.75%	≤ 85%	620	55%	R&T - Per AUS C/O - 0x30	> 2 yrs.
Primary Residence	3-4 unit	see county limits	≤ 97.75%	N/A	620	55%	0x30	> 2 yrs.



VA Purchase							
Occupancy/Units		Maximum Loan Amount	Maximum LTV/CLTV (base loan amount only)	Minimum FICO	Maximum DTI	Mortgage History	Ch 7 BK (11) discharge
Primary Residence	1-2 unit	Up to \$1.0MM	≤100% (excludes VA Funding Fee)	620	55%	1x30	≥ 2 yrs.

VA Refinance								
Occupancy/Units		Maximum Loan Amount (11)	Maximum LTV/CLTV (base loan amount only)		Minimum FICO	Maximum DTI	Mortgage History	Ch 7 BK (11) discharge
			R&T	C/O				
Primary Residence	1-2 unit	Up to \$1.0MM	≤ 95%	≤ 90%	620	55%	0x30	≥ 2 yrs.

Rural Development (USDA) Purchase							
Occupancy/Units		Maximum Loan Amount	Maximum LTV/CLTV (base loan amount only)	Minimum FICO	Maximum DTI	Mortgage History	Ch 7 BK discharge
Primary Residence	1 unit	see RD area limits	≤100% Fair Market Value	640	50%	0x30	≥ 3 yrs.

Rural Development (USDA) Refinance							
Occupancy/Units		Maximum Loan Amount	Maximum LTV/CLTV (base loan amount only) Rate & Term Only	Minimum FICO	Maximum DTI	Mortgage History	Ch 7 BK discharge
Primary Residence	1 unit	see RD area limits	≤100% Fair Market Value	640	50%	0x30	≥ 3 yrs.

Underwriting Guideline Requirements (Color Coded by Investor Type):

Products				
	FHA	VA	USDA	
1 Ineligible Products/Programs	X			Native American Housing Section 184 program, 203h Disaster Victims Mortgages, Energy Efficient Mortgages (EEM), HUD REO \$100 Down program, 203K and 203K Streamline, Texas 50 (a)(6) Mortgages and Loans utilizing FHA's expanded Back to Work program guidelines.
		X		Native American Direct Loan program and VA Energy Efficient Mortgages
			X	Rural Development Streamline Refinance and Rural Development Refinance Pilot
2 Purchase Date/ Note Aging	X	X	X	Closed loans must be delivered for purchase consideration no later than 60 days from the Closing/Disbursement date
3 Loan Terms Available	X	X		Fixed Rate: 15 yr. and 30 yr. (20 yr. applicable to FHA only)  Mortgages (ARMs): <ul style="list-style-type: none"> <li>Qualifying rate = Note Rate</li> <li>Index = Constant Maturity Treasury Rate</li> <li>Margin = 2.00%</li> <li>Terms available: 3/1 and 5/1 (30 yr. amortization term)</li> <li>Caps (initial/periodic/lifetime): 1-1-5</li> </ul> Change Dates -See table to the right
			X	

1st Payment Due Date	1st Rate Change Date	Published Last Day to Purchase	Pool Month
1-Dec			
1-Jan	1-Apr	15-Feb	March
1-Feb			
1-Mar			
1-Apr	1-Jul	15-May	June
1-May			
1-Jun			
1-Jul	1-Oct	15-Aug	September
1-Aug			
1-Sep			
1-Oct	1-Jan	15-Nov	December
1-Nov			

4	AUS Recommendations Allowed	X	X	X	FHA - DU Approve/Eligible, LP Accept Eligible ratings from Total Scorecard VA - DU Approve/Eligible, LP Accept Eligible ratings      USDA - GUS approval required ***VA & USDA loans with Refer and/or Ineligible ratings do not qualify for Nationstar financing. Manual Underwriting is not eligible on VA or USDA loans.
5	Manual Underwriting	X			Eligible with minimum 680 FICO and standard HUD required 31/43% debt ratios
6	High Balance Loans	X	X		Loans that exceed conforming loan limits (base loan amount) for 1-4 units (>\$417,000 for 1 unit and >\$533,850 for 2 units etc.) are considered High Balance loans. ● 30 yr. Fixed Rate only ● VA 2-unit High Balance loans must not exceed the VA 1-unit maximum loan amount
7	HPML Transactions	X			HPML Safe Harbor Loans are eligible for all terms. As evidence of compliance for a QM/ATR loan, NSM will require evidence of a full DTI review. A Residual income evaluation (RIE) is not required on Safe Harbor loans. <b>HPML Rebuttable Presumption loans are not eligible</b>
			X	X	Not Eligible.
8	Subordinate Financing/CLTV	X			Subordinate financing from a government entity may exceed the standard 100% CLTV by an amount equal to 100% of the cost to acquire the property. The cost to acquire the property is defined as the sales price plus allowable borrower paid closing costs, discount points and prepaids.  *** Cash-out Refi Max CLTV is 85%, only re-subordinations of existing subordinate financing allowed.
			X	X	Not Eligible.
9	Temporary Buydowns	X	X	X	Not Eligible.

### Borrower Eligibility

10	Power of Attorney	X	X	X	The POA must be either a Statutory Form Power of Attorney or specific to the loan transaction. ● If using a specific POA, the individual acting as Attorney-in-Fact must have a familial or fiduciary relationship with the borrower or a personal relationship with an ownership interest in the subject property. ● POA usage not permitted on Cash out Refinances or any loan where the Attorney-In-Fact is an employee of the Lender, Broker, Title or Realtor are not eligible. ● <b>POA only allowed in extenuating circumstances where borrower cannot attend the closing</b> *** LOX from the Borrower or Lender's UW certification required to validate the extenuating circumstances.
11	Bankruptcy/Foreclosure	X			Any Bankruptcy (Chapter 7, 13, or otherwise) must be discharged for a minimum of 24 months. Loans between \$417,000 and \$1,000,000 may not have foreclosure/bankruptcy in last 7 years.
			X		Chapter 7 Bankruptcy must be discharged for minimum 24 months. Chapter 13 Bankruptcy must be discharged and requires 12 month satisfactory pay history Loans between \$417,000 and \$1,000,000 may not have foreclosure/bankruptcy in last 7 years
12	Citizenship	X	X	X	● Foreign Nationals and Individuals with Diplomatic Immunity are not eligible. ● Non-Permanent Resident Aliens: Require valid VISA or EAD card with no less than 90 days remaining prior to expiration as of the Note date If VISA or EAD card does expire within 90 days of Note date, proof of renewal or prior renewal will be require
13	Non-Arm's Length/Identity of Interest	X	X	X	Eligible for 1 unit Primary Residence only.

### Income / Liabilities

14	4506-T/Transcripts	X	X		● IRS W-2 or 1040 4506T transcripts must be executed for all loans where the income used to qualify the loan is made up exclusively of W-2 (non self-employment W-2) income ● IRS 1040 4506T transcripts must be executed on all loans where other types of income are used to qualify the loan
				X	● Must complete and execute IRS Form 4506T for the previous 2 yrs. for each adult household member at application ● IRS transcripts must be received prior to request for Conditional Commitment for Loan Note Guarantee
15	Divorce Decrees	X	X	X	A copy of the divorce decree is required when confirmation of divorce is on any document in the loan file. Refer to guidance in Sellers Guide Chapter 15RRR-Evidence of Divorce. Prior to suspense for this item, NSM will evaluate each loan situation on an individual basis in an effort to decipher where the request of this decree may become immaterial to the overall risk profile.
16	IRS Taxes Owed	X	X		IRS Taxes Owed for the most recently filed tax year of > \$7,500 must be proven as paid off or in a payment plan (with the payment included in DTI) <b>Note:</b> if using a formal IRS payment plan, must have 3 months seasoning ● If the borrower has enough liquid assets on file to close our transaction and cover the IRS tax amount owed, no additional documentation required ● If the inclusion of a 5% payment on this IRS taxes owed balance would not cause a > 3% increase (or over 45%) change to DTI, no additional documentation required ● If the qualifying FICO score is > 700 and the DTI is < 40%, no additional documentation required
				X	2% debt ratio tolerance allowed over ratios stated on GUS findings for real estate taxes and property insurance only (not to exceed 50%)

### Collateral

18	Appraisal	X	X	X	An appraisal update that supports the original appraised value for loans purchased > 75 days after closing (note date to purchase date) is required.
19	Property Listed for Sale	X	X	X	Property can not be listed for sale at the time of application. Properties listed for sale in the past 6 months are ineligible for cash out loans.
20	Ineligible Collateral	X	X	X	Manufactured homes and Co-ops (3-4 unit properties not eligible for VA or USDA)
21	Escrow Holdbacks/ HUD REO	X	X	X	Any loan with incomplete repairs/rehab escrows are ineligible. A final inspection is required prior to purchase of loan.
22	Property Flipping (≤ 90 days)	X	X	X	Properties being resold 90 days or fewer from the seller's date of acquisition/purchase are not eligible

The guidelines provided herein is intended to be a summary only and is subject to the complete Nationstar Mortgage, Correspondent Lending Seller's Guide (the "Guide").

In case of any conflict with this document and the Guide, the Guide will govern.

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Follow published Guidelines by HUD/VA unless otherwise noted below. Any updated guideline bulletins from HUD/VA dated after the effective date of this matrix do not become effective until an updated matrix/announcement is delivered directly from NSM specific to the topic(s) in question

QM/ATR guidelines must be met including full income documentation per investor guidelines, ATR and income worksheets completed as well as points and fee requirements for all loans.

FHA Streamline Refinance							
Occupancy/Units		Maximum Loan Amount	Maximum LTV	Maximum CLTV	Minimum FICO	Maximum DTI	Mortgage History
Primary Residence	1-2 unit	see #3 below	No Max LTV, Original Appraised Value on FHA Refi Authorization	≤ 125%	640	N/A	see #8 below



VA IRRRL							
Occupancy/Units		Maximum Loan Amount	Maximum LTV	Maximum CLTV	Minimum FICO	Maximum DTI	Mortgage History
Primary Residence	1-2 unit	Up to \$1.0MM	≤100% (excludes VA Funding Fee)	≤ 100%	640	N/A	0x30

**Underwriting Guideline Requirements:**

**Products**

1	<b>Purchase Date/Note Aging</b>	Closed loans must be delivered for purchase consideration no later than 60 days from the Closing/Disbursement date																																																				
2	<b>Loan Terms Available</b>	<p>Fixed Rate: 15 yr. and 30 yr. (20 yr. applicable to FHA only)</p> <p>Adjustable Rate Mortgages (ARMs):</p> <ul style="list-style-type: none"> <li>Qualifying rate = Note Rate</li> <li>Index = Constant Maturity Treasury Rate</li> <li>Margin = 2.00%</li> <li>Terms available: 3/1 and 5/1 (30 yr. amortization term)</li> <li>Caps (initial/periodic/lifetime): 1-1-5</li> </ul> <p>Change Dates -See table to the right</p> <table border="1"> <thead> <tr> <th>1st Payment Due Date</th> <th>1st Rate Change Date</th> <th>Published Last Day to Purchase</th> <th>Pool Month</th> </tr> </thead> <tbody> <tr> <td>1-Dec</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-Jan</td> <td>1-Apr</td> <td>15-Feb</td> <td>March</td> </tr> <tr> <td>1-Feb</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-Mar</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-Apr</td> <td>1-Jul</td> <td>15-May</td> <td>June</td> </tr> <tr> <td>1-May</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-Jun</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-Jul</td> <td>1-Oct</td> <td>15-Aug</td> <td>September</td> </tr> <tr> <td>1-Aug</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-Sep</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1-Oct</td> <td>1-Jan</td> <td>15-Nov</td> <td>December</td> </tr> <tr> <td>1-Nov</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	1st Payment Due Date	1st Rate Change Date	Published Last Day to Purchase	Pool Month	1-Dec				1-Jan	1-Apr	15-Feb	March	1-Feb				1-Mar				1-Apr	1-Jul	15-May	June	1-May				1-Jun				1-Jul	1-Oct	15-Aug	September	1-Aug				1-Sep				1-Oct	1-Jan	15-Nov	December	1-Nov			
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3	<b>Maximum Loan Amount</b>	Lesser of: Principal Balance + Interest & Monthly MIP Due—MIP Refund + New UFMIP or Original Principal balance including financed UFMIP - any refund of UFMIP+ New UFMIP																																																				
4	<b>Texas Home Equity 50(a)(6)</b>	Not Eligible.																																																				
5	<b>High Balance Loans</b>	Loans that exceed conforming loan limits (base loan amount) for 1-4 units (>\$417,000 for 1 unit and >\$533,850 for 2 units etc.) are considered High Balance loans. <ul style="list-style-type: none"> <li>30 yr. Fixed Rate only</li> <li>VA 2-unit High Balance loans must not exceed the VA 1-unit maximum loan amount</li> </ul>																																																				
6	<b>HPML Transactions</b>	FHA HPML Safe Harbor Loans are eligible for all terms. As evidence of compliance for a QM/ATR loan, NSM will require evidence of a full DTI review. A Residual income evaluation (RIE) is not required on Safe Harbor loans. <b>HPML Rebuttable Presumption loans are not eligible</b> VA HPML transactions as not permitted																																																				

**Borrower Eligibility**

7	<b>Bankruptcy</b>	<p><b>FHA Streamline</b> - May not currently be in Bankruptcy and any applicable payment history must meet the "Mortgage History" requirements outlined within HUD Handbook 4000.1</p> <p><b>VA IRRRL</b> - May not currently be in Bankruptcy</p>
8	<b>Mortgage History</b>	<p><b>FHA Streamline only</b> - Non-Credit Qualifying - The Borrower must have made all Mortgage Payments for all Mortgages on the subject Property within the month due for the six months (1-6) prior to case number assignment and have no more than one 30-Day late payment for the previous six months (7-12) for all Mortgages on the subject Property. The Borrower must have made the payments for all Mortgages secured by the subject Property within the month due for the month prior to mortgage Disbursement. Credit Qualifying - The Borrower must have made all Mortgage Payments for all Mortgages on the subject Property within the month due for the six months (1-6) prior to case number assignment. The Borrower must have made the payments for all Mortgages secured by the subject Property within the month due for the month prior to mortgage Disbursement. For all Mortgages on all other Properties, the Borrower must have no more than one 30-Day late payment for the previous six months (7-12)</p>
9	<b>Change in Vesting</b>	<b>VA IRRRL only</b> - Allowed as long as all veterans on the original loan remain on the new note and security instrument

**Collateral**

10	<b>Ineligible Collateral</b>	Co-ops, Condotels, Manufactured Homes, Indian Reservations and 3-4 Unit Properties
11	<b>Appraisal</b>	<p><b>FHA Streamline</b> - HUD does not require an appraisal on Credit Qualifying or Non-Credit Qualifying Streamlines. The receipt of an appraisal does not affect the eligibility or max loan amt.</p> <p><b>Note:</b> If property is in a Disaster Area, an inspection is required.</p> <p><b>VA IRRRL</b> - 2055 required in an amount to cover the total loan amount including the VA Funding Fee</p> <p>An appraisal update that supports the original appraised value for loans purchased &gt; 75 days after closing (note date to purchase date) is required.</p>
12	<b>Property Listed for Sale</b>	Properties listed for sale in the past 6 months are not eligible

The guidelines provided herein is intended to be a summary only and is subject to the complete Nationstar Mortgage, Correspondent Lending Seller's Guide (the "Guide"). In case of any conflict with this document and the Guide, the Guide will govern. This information is for use by mortgage professionals only, is subject to change without notice, and is not to be distributed to consumers.  
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