

## NOVA Home Loans – Overlay Matrix

**NOVA Home Loans Underwriting Overlay Matrix**

This document provides a summary of most overlays to the NOVA Home Loan Programs (Fannie Mae, Freddie Mac, FHA, VA, and USDA). Program requirements of Fannie Mae, Freddie Mac, FHA, VA, and USDA are determined by the individual agency. This should be used in conjunction with the appropriate Agency guidelines.

Topic	Overlay/Modification	CONV	FHA	VA	USDA	Jumbo/Portfolio	
<b>Eligibility</b>	Energy Efficient Mortgages not permitted	X	X	X	X		
	Non-Warrantable condos not permitted	X	X	X	X		
	Escrow for Maintenance & Replacement of Individual Water Purification Systems not permitted	X	X	X	X		
<b>Manufactured Home</b>	Manufactured Home Advantage Properties are not eligible	X					
	ARMs not allowed	X	X	X	X	X	
	Single-width Manufactured Homes are eligible	X	X	X	X		
<b>MI</b>	MI with Loan Level Price Adjustments (FNMA) or Custom MI Coverage not permitted	X					
<b>Underwriting</b>	AUS Approval Required (Manual Underwriting Not Permitted)	X					
	Credit – When a valid score is available, the minimum score required is 580* (non-traditional credit is allowed)		X	X			
	Credit –When a valid score is available, the minimum score required is 620 (non-traditional credit is allowed)				X		
	Credit – Streamline and IRRRL transactions requires Mortgage Only reports with Score		X	X	X		
<b>Temporary Interest Rate Buydown</b>	Credit – 640 Minimum FICO				X		
	Credit – 600 Minimum FICO		X	X			
	Manufactured Homes are allowed	X	X	X	X		
	Purchase transactions only	X	X	X	X		
	ARMs not allowed	X	X	X	X	X	
	Borrower funded buydown funds not allowed (directly or indirectly)	X	X	X	X	X	
<b>Minimum Loan Amount</b>	\$40,000	X	X	X	X		
<b>Max Loan Amount</b>	\$1,500,000 (2 <sup>nd</sup> Level Underwriting Review required when the loan amount exceeds the Conforming Loan Limit (CLL))			X			
<b>Cash-Out</b>	LTV 100%*						
	<ul style="list-style-type: none"> <li>• Manual Underwriting not allowed</li> <li>• MFH not Allowed (90% Max LTV)</li> <li>• Maximum Loan Amount \$1,500,000                             <ul style="list-style-type: none"> <li>○ \$1,500,000 720 FICO, DTI Per AUS Approval</li> <li>680 FICO DTI 55%</li> <li>○ \$1,000,000                                     <ul style="list-style-type: none"> <li>▪ 680 FICO, DTI Per AUS Approval</li> </ul> </li> <li>○ \$650,000                                     <ul style="list-style-type: none"> <li>▪ 580 FICO, DTI Per AUS Approval</li> </ul> </li> </ul> </li> </ul>			X			
	*LTV is based off of TLTV in the case of a VA Cash-out per memo 26-19-05						
	Texas cash-out transactions are not permitted		X	X	X		