homebridgecorrespondent
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Standalone Digital HELOC Quick Reference Guide

Homebridge Help Desk: hbheloc@nftydoor.com

Product Description

- Term: 5-year interest only draw; 25-year repayment
- Maximum Loan Amount: $750,000
- Minimum Loan Amount: $25,000
- Maximum DTI: 680+: 50%
  640-679: 45%
- Eligible Properties: SFR, 2-4 units, PUDs, Condos

	Owner-Occupied	2nd Home	Investment
Minimum FICO	**Maximum CLTV**	**Maximum CLTV**	**Maximum CLTV**
760+	80%	75%	70%
740-759	80%	75%	70%
720-739	80%	70%	70%
700-719	80%	70%	70%
680-699	75%	65%	N/A
660-679	70%	60%	N/A
640-659	65%	60%	N/A

Eligibility Criteria

General Application Requirements	• Co-Borrowers are permitted; must occupy the subject property and must be vested on title
	  • Non-Occupant Co-Borrowers are allowed (not eligible in TX)
	    o Borrower 1 must be vested on title
	    o The occupying borrower must receive income
	• Changes are allowed after the loan application is completed in certain instances by contacting Borrower Support; refer to the **Standalone Digital HELOC FAQ**

Credit	• Primary wage earner borrower must have a minimum 640 credit score • Credit is valid for 90 days from the time of closing
Draw Terms and Structure	• Minimum 75% initial draw disbursed at closing • 5-year interest-only draw period; 25-year repayment period (fully amortizing) **NOTE**: Tennessee Exception: 5-year interest-only; 10-year repayment period (fully amortizing)
Eligible States	• Eligible in all states • Brokers must be licensed in the state where the subject property is located • Refer to the State Specific Information section for state specific details
Employment	• Employment verified via The Work Number, TRUV or Plaid (Third-Party Vendors)
Fees/Closing Costs	• Most fees and closing costs are netted against loan proceeds at closing • Fees/closing costs netted against the loan proceeds include: one-time origination fee and nominal costs for credit report, loan document prep, notary, recording fees, etc.

Income	• **Maximum DTI:** FICO 680+: 50%
	  640-679: 45%
	• Wage earner or self-employed income eligible
	• Borrowers may validate income using one of the following options:
	  o **Wage Earner Borrowers:**
	    ➢ The Work Number, ***OR***
	    ➢ Link income information from employer payroll system (TRUV), ***OR***
	    ➢ Upload two most recent paystubs **and** most recent W-2
	  o **Self-employed Borrowers:**
	    ➢ Link bank account information (Plaid), ***OR***
	    ➢ Upload prior two year's tax returns

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Eligibility Criteria (cont.)	

Late Payments, Collections and Derogatory Events	• Mortgage/rent history requires 0x30 in past 6 months and maximum 1x30 in last 12 months
	• Past-due consumer debt can be no more than 90 days past due at closing. Debts > 90 days must be paid off prior to closing
	• No bankruptcy in last 4 years
	• No foreclosure proceedings in the last 7 years
	• No charge-off, short payoff, deed-in-lieu, short sale, pre-foreclosure of any mortgage in last 4 years
	• Judgments and tax liens must be paid off prior to or at closing
	• Collections may remain open as follows:
	  o < 24 months old with a maximum balance of $2,000
	  o 24 months old with a maximum balance of $2,500 per occurrence
	  o Charge-offs and collections that exceed the above balances must be paid in full prior to closing
	• Medical collections may remain open regardless of balance

Lien Position	HELOC may be in first or second lien position
Prepayment Penalty	No prepayment penalty applies

Property	• SFR, 2-4 units, PUDs, Condos
	• Fee Simple or Inter Vivos Revocable Trust eligible as Title Holder; LLC ineligible as Title Holder
	• Property value must be supported as follows:
	  o Loan Amounts ≤ $500,000: AVM
	  o Loan Amounts >$500,000: Full Appraisal required
	• Minimum Property Value is $100,000
	• Properties located in a FEMA disaster declaration area require a Property Condition Report
	• Properties currently listed for sale or listed in the last 60 days are ineligible

Rate	• Rates are published each Monday in the Portal • The rate is based on Prime plus variable Margin

State Specific Information	• **Hawaii, Illinois, Massachusetts, New Mexico, New York, Ohio, Rhode Island, Utah, Washington D.C.**
	  o CLTV cap dependent on credit score
	• **Tennessee**
	  o CLTV cap dependent on credit score
	  o Draw Terms and Structure: 5-year interest-only; 10-year repayment period
	• **Texas Home Equity (Owner Occupied)**
	  o There is a required a minimum 12 day "cooling off" period between signing the initial disclosures to the closing date
	  o 2.00% max origination fee
	  o If the borrower pulled out cash via a 50(a)(6) then we cannot do a loan as borrowers/ owners can only have one 50(a)(6) at a time
	  o The property **MUST** be less than 10 acres
	  o Must be a Homestead
	  o Non-occupant co-borrowers are **not allowed**
	  o The borrower **cannot** have had a home equity loan in the last 12 months
	• **All Texas Properties (Owner Occupied / Second Homes / Investment Properties)**
	  o Remote Online Notary – Not Available
	• **2.74% Origination Fee except as follows:**
	  o 3.00%: DC
	  o 2.75%: PA
	  o 2.50%: NJ
	  o 2.00%: IA, TN, TX
	  o 1.99%: MD
	  o 1.75%: IN, NC, WA
	  o Origination fee not allowed: LA, ME, RI, VT