

Friday, June 24, 2022

Bulletin #2022-R-006

NOTICE TO RETAIL LOAN ORIGINATORS

Improvements to the Second Mortgage HELOC and Closed End Second Mortgage Guidelines

We are pleased to announce improvements in the credit guidelines of our Piggyback HELOC and Closed End Second Mortgage Products. The new requirements are noted in blue font in the matrix below. Please refer to the guidelines for additional details.

Second Mortgage HELOC and Closed End Second Mortgages	
Old Guides	New Guides
<ul style="list-style-type: none">Maximum acreage is 5	<ul style="list-style-type: none">Maximum acreage is 10
<p>Minimum income documentation for Self-Employed Borrowers:</p> <ul style="list-style-type: none">2 years of personal and business tax returns with all schedules regardless of AUS findings on the first mortgageAudited YTD Profit and Loss, orUnaudited YTD Profit and Loss with three (3) months of business bank account statements <p>For businesses impacted by the pandemic, follow FNMA seller's guides including Lender Letters such as LL-2020-03 and subsequent updates</p>	<p>Minimum income documentation for Self-Employed Borrowers:</p> <ul style="list-style-type: none">Follow AUS for personal and business tax returns requirements plusYTD Profit and Loss <p>For businesses impacted by the pandemic, follow FNMA seller's guides including Lender Letters such as LL-2020-03 and subsequent updates</p>
<p>Self-Employed Borrowers are eligible on Primary Residence occupancy</p> <ul style="list-style-type: none">A maximum Credit Limit of \$200,000 and a Maximum HCLTV of 85% on Primary Residences	<p>Self Employed Borrowers are eligible for</p> <ul style="list-style-type: none">Maximum Credit Limit \$250,000 and a Maximum HCLTV of 85% on Primary ResidencesMaximum Credit Limit \$250,000 and a Maximum HCLTV of 70% on Second Homes

To access our most recently updated Temporary Policies Related to COVID-19 (**version 46**) please [click here](#).

If you have any questions, please contact your [Account Executive or Client Relations Representative](#).