

USDA Standard			
Purchase		Rate and Term Refinance	
LTV/CLTV	FICO Range	LTV/CLTV	FICO Range
101.01%	640+	101.01%	640+
USDA Advantage			
Purchase		Rate and Term Refinance	
LTV/CLTV	FICO Range	LTV/CLTV	FICO Range
101.01%	550-639	101.01%	550-639
<p><b>NOTE:</b> Up to 101.01% LTV (over 100% LTV <i>only if</i> the Guarantee Fee is financed; the loan amount may exceed the appraised value by the amount of the financed Guarantee Fee.</p>			
Guidance			
<b>Loan Amount</b>	<ul style="list-style-type: none"> <li>• \$50,000 minimum loan amount on all products</li> <li>• \$75,000 on Manufactured Singlewide</li> <li>• Maximum loan amount is derived by the limitations applied when considering the maximum annual income at the program's maximum DTI</li> <li>• USDA high balance loans are ineligible for purchase by TMS</li> </ul>		
<b>Ability to Repay (ATR) and Qualified Mortgage (QM) Rule</b>	<ul style="list-style-type: none"> <li>• The ATR/QM rule requires that you made a reasonable, good faith determination before or when you consummate a mortgage loan that the Borrower has a reasonable ability to repay the loan. TMS follows <a href="#">HUD</a> and <a href="#">CFPB</a> guidance in regards to QM.</li> <li>• Safe Harbor and Rebuttable Presumption QM loans are considered for purchase review with no additional overlays.</li> <li>• Sellers are responsible for providing evidence of compliance with the ATR/QM rules.</li> </ul>		
<b>High Cost/High Priced</b>	<ul style="list-style-type: none"> <li>• High-cost loans are ineligible for purchase by TMS</li> <li>• Higher priced mortgage loans (HPML) are eligible for purchase review</li> </ul>		
<b>Guarantee Fee</b>	<ul style="list-style-type: none"> <li>• 1.0%* upfront</li> <li>• 0.35%* annually</li> </ul>		

<b>Age of documents</b>	<ul style="list-style-type: none"> <li>• Credit documents must be no more than 120-days-old from the disbursement date, including credit reports, employment, income, and asset documents.</li> <li>• Preliminary Title Policy cannot be more than 180 days from the date of the Promissory Note signing date.</li> </ul>
<b>Appraisal Requirements</b>	<ul style="list-style-type: none"> <li>• A full appraisal completed on Fannie Mae Form 1004D or equivalent, accompanied by form 1004MC, is required for all submissions (excluding Streamlines).</li> <li>• Appraisers may perform an update of a previously completed appraisal using Fannie Mae Form 1004D/Freddie Mac Form 442/March 2005 when requested by the Mortgagee.</li> </ul>
<b>AUS</b>	<ul style="list-style-type: none"> <li>• GUS approval; or</li> <li>• Manual underwriting acceptable with USDA Conditional Commitment</li> </ul>
<b>Credit</b>	<ul style="list-style-type: none"> <li>• Minimum FICO of 550</li> <li>• USDA loans to borrowers with no FICO are acceptable with USDA Conditional Commitment</li> </ul>
<b>Borrower Eligibility/Title Vesting</b>	<ul style="list-style-type: none"> <li>• U.S. citizens</li> <li>• Permanent resident aliens with proof of lawful permanent residence</li> <li>• Non-permanent resident alien immigrants with proof of lawful permanent residence</li> </ul> <p>Borrowers may hold title individually, as joint tenants, as tenants in common, or inter vivos (except if Texas Home Equity transaction).</p> <p>Titles held in the following are not eligible for purchase consideration:</p> <ul style="list-style-type: none"> <li>• Corporations</li> <li>• Partnerships</li> <li>• Real estate syndications</li> <li>• Irrevocable trusts are not eligible for purchase consideration.</li> </ul>
<b>Product Type</b>	30-year fixed rate
<b>Amortization Type</b>	Fully amortized

<b>Occupancy</b>	Primary residence only
<b>Disaster policy</b>	<ul style="list-style-type: none"> <li>• If an appraisal was completed on or prior to the incident period date(s) of the disaster, an interior and exterior re-inspection completed on either Form 1004D, or Form 2075 will be required. <ul style="list-style-type: none"> <li>○ Lender Certification may be provided in lieu of Reinspection (see TMS <a href="#">Seller's Manual</a> for Lender Certification guideline).</li> </ul> </li> <li>• If the appraisal was inspected after the disaster incident period date(s), for a period of 90 days from the incident period end date the appraisal must include written certification from the Appraiser that: <ul style="list-style-type: none"> <li>○ The subject property is free from damage and the disaster has had no effect on the value or marketability</li> <li>○ If the appraisal indicates damage, the extent of the damage must be addressed. Completion of repairs is required as evidenced by Form 1004D/442, Appraisal Update, and/or Completion report (with photos) prior to the closing of the loan. If an appraisal was not required due to a property inspection waiver or product type (e.g., FHA streamline or VA IRRRL), a re-inspection on either Form 1004D or Form 2075.</li> </ul> </li> </ul> <p><b>Note:</b> Please refer to <a href="#">FEMA's</a> website for recent updates on disaster areas.</p>
<b>Loan Purpose</b>	<ul style="list-style-type: none"> <li>• Purchase</li> <li>• Rate &amp; term refinance (RD to RD only)</li> <li>• Cash-out refinances are not eligible for purchase review by TMS</li> </ul>
<b>Appraisal</b>	<ul style="list-style-type: none"> <li>• A full appraisal (Form 1004D or equivalent) required for all submissions</li> <li>• Appraisal cannot be older than 120 days from the date the Promissory Note was signed</li> </ul>
<b>Mortgage Insurance</b>	<ul style="list-style-type: none"> <li>• USDA loans are guaranteed for the life of the loan by the Department of Rural Development</li> <li>• USDA Guarantee Fee may be paid upfront by the borrower or subject property's seller or financed into the loan amount</li> </ul>
<b>Qualifying Ratios</b>	<ul style="list-style-type: none"> <li>• 29/41 percent on GUS Refer or manual underwrites</li> <li>• Ratio waivers allowed with USDA approval</li> </ul>
<b>Income Limits</b>	<ul style="list-style-type: none"> <li>• Visit USDA Income and Property Eligibility website to determine income and property eligibility: <a href="https://www.rd.usda.gov/files/RD-DirectLimitMap.pdf">https://www.rd.usda.gov/files/RD-DirectLimitMap.pdf</a></li> <li>• Borrowers adjusted gross income may not exceed RD guidelines for the specific area</li> </ul>

<p><b>Interested Party Contributions (IPC)</b></p>	<ul style="list-style-type: none"> <li>• Up to 6%</li> </ul>
<p><b>Eligible Properties</b></p>	<ul style="list-style-type: none"> <li>• 1-unit primary residence located in a rural development designated rural area</li> <li>• All condos must be approved by FHA, VA, Fannie Mae, and Freddie Mac</li> <li>• Manufactured homes</li> </ul>
<p><b>Ineligible Properties</b></p>	<ul style="list-style-type: none"> <li>• Commercial properties including, but not limited to, bed and breakfasts, assisted living, boarding houses, working farms and ranches</li> <li>• Non-traditional home types (e.g., log homes, geo-dome)</li> <li>• Hawaiian properties located in lava zones 1 or 2, as determined by the USGS</li> <li>• Mixed-use</li> <li>• Cooperatives</li> <li>• Condotels</li> <li>• Hotel condominiums</li> <li>• Timeshares</li> <li>• Unimproved land and property currently in litigation</li> <li>• Commercial enterprises</li> <li>• Properties with deed restrictions are not eligible for purchase review by TMS</li> <li>• 2-4 units</li> <li>• No escrow waivers</li> </ul>
<p><b>Transaction Overlays</b></p>	<ul style="list-style-type: none"> <li>• No assigned purchase contracts</li> <li>• Non-resident aliens and foreign nationals are not eligible</li> <li>• No negative amortization or balloon payments on subordinate financing</li> </ul>