



AXIS FHA 1st						
Primary Residence						
Loan Purpose	Minimum Fico ¹	Units	Min/Max LTV ²	Minimum Loan amount	Terms	AUS
Purchase	600	1 – 2 Units, Manufactured	96.5%	\$75,000	25 & 30 Year Fixed	DU/LPA Approve/ Accept
Purchase	600	1 – 2 Units, Manufactured	96.5%	\$75,000	25& 30 Year Fixed	Manual UW DTI to follow FHA Guidelines
¹ Manual underwrites are allowable with a minimum fico of 600.						
² LTV must be 96.5% (may not be less than or greater than)						
Maximum Loan Limits ¹			AUS			
FHA County Loan Limits			Approve/Eligible or Accept Findings Only ¹ DU/LP Acceptable			
¹ Actual loan limits for specific counties in high-cost areas, as determined by FHA, may be lower than the max permitted loan limit listed above.			FHA Condo Search			
			FHA Approved Condo Search			
Property Types						
SFRs, PUDs, Condos (cannot be in litigation), 2-Unit Properties, Double-Wide Manufactured home.						
Upfront Mortgage Insurance Premiums						
All Mortgages: 1.75% of Base Loan Amount						
Matrix Updates in Yellow			Overlays in Green			
Annual Mortgage Insurance Premiums (MIP)						
Mortgage Terms: 20, 25, 30 Years						
Base Loan Amount	LTV		MIP		Duration	
≤ \$726,200	≤ 90%		50		11 Years	
	90.01 – 95%		50		Life of Loan	
	95.01% and above		55		Life of Loan	
>\$726,200	≥ 90%		70		11 Years	
	90.01 – 95%		70		Life of Loan	
	95.01% and above		75		Life of Loan	
Mortgage Terms: 10, 15 Years						
≤ \$726,200	≤ 90%		15		11 Years	
	>90%		40		Life of Loan	
	≤78%		15		11 Years	
>\$726,200	78.01% - 90.00%		40		11 Years	
	90.01 and above		65		Life of Loan	
General Eligibility						
Temporary Interest Rate Buydowns	Buydown Options: • 2-1 Offering seller-paid buydown options only • 30-year Fixed transactions only CLICK HERE for Buydown Calculator					



Credit Requirements	
Age of Documents	120 Days for Credit Report, Income, Assets 180 Days for Appraisals 90 days for Title All items are measured from disbursement date.
LTV Requirements	- First mortgages LTV must remain at 96.5% - LTV cannot be lowered, or the loan will not qualify for Axis program.
Authorized User	Accounts for which the Borrower is an authorized user must be included in a Borrower's DTI ratio unless the primary account holder can document that all required payments on the account for the previous 12 months are made. If there are less than three payments required on the account in the previous 12 months, the payment amount must be included in the Borrower's DTI.
Bankruptcy	AUS Approve: > 2 years since date of discharge at time of case number assignment. Borrower must have re-established satisfactory credit or have chosen not to incur new debt. Manual Underwrite Min Fico 600, DTI to follow FHA guidelines. Chapter 7: If < 2 years, but not < 12 months, may be acceptable under documented extenuating circumstances. Evidence that borrower has overcome the extenuating circumstance and was not due to financial mismanagement. In addition, re-established satisfactory credit after the occurrence and ability to repay is required. Chapter 13: Open Chapter 13 allowed after 1 yr. of pay-out period, satisfactory payment history and permission from the BK court for transaction.
Borrower Eligibility	Eligible Borrowers: Must have legal residency and valid Social Security Number: - US Citizens, - Permanent Residents - Inter-Vivos Revocable Trusts At least one borrower must receive housing counseling from a HUD Approved non-profit housing counseling agency. https://www.hud.gov/program_offices/housing/sfh/hcc/hcc_home Ineligible Borrowers: Non-Permanent Residents Foreign Nationals Limited and General Partnerships Irrevocable Trusts ITIN borrowers
CAIVRS	Clear CAIVRS for each borrower is required for all transactions
Charged Off Accounts	Charge-off accounts do not need to be included in the debt. Repossessions are treated as charge-offs unless specifically notated that the account was sent to collections. Guidelines for collections are followed in those instances.
Closed End Debts less than 10 Months	Closed-end debts do not have to be included if they will be paid off within 10 months from the date of closing and the cumulative payments of all such debts are less than or equal to 5 percent of the Borrower's gross monthly income. The Borrower may not pay down the balance to meet the 10-month requirement.



Open-End or 30-Day Accounts	• 30 Day accounts that are paid monthly are not included in the Borrower's DTI. • Verification that the borrower paid the outstanding balance in full on every 30-day account each month for the past 12 months. • If the credit report reflects any late payments in the last 12 months, 5 percent of the outstanding balance must be used as the Borrower's monthly debt to be included in the DTI. • Borrower must have sufficient funds documented to cover the balance of each 30-day account balance on the credit report, these funds are in addition to any closing costs or reserves required
Collection Accounts	Collection account balances of \$2000 or greater: • Verify that debt is paid in full at or prior to closing using acceptable source of funds; or • Use 5% of the outstanding balance Manual Underwrites: All Collections accounts regardless of age must be explained with back up documentation.
Condominiums	• Single Project Approvals are eligible. • Case Number will not be issued until project is approved by HUD. • Appraisal cannot be ordered until project is approved by HUD and case number released. • Form #9991 HUD Questionnaire is required on HUD approved Condos and SUA.
Contingent Liabilities	Cosigned Debts • Documentation that the other party is obligated to the debt, AND • Documentation that the other party obligated has been making regular on-time payments during the previous 12 months had there is no history of delinquency payments on the loan.
Credit Score	All borrowers must have a credit score. Non-Borrowing spouse's credit report is required in community property states and debts must be included in the ratios per HUD 4000.1.
Debt Paid by Borrower's Business	The account payment does not need to be considered as part of the borrower's DTI ratio if: • The account in question does not have a history of delinquency, AND • The business provides acceptable evidence that the obligation was paid out of company funds (such as 12 months of canceled company checks), and • Tax returns show that cash flow analysis of the business took payment of the obligation into consideration.
Disputed Derogatory Account	Disputed Derogatory Credit Accounts refer to disputed Charge Off Accounts, disputed collection accounts, and disputed accounts with late payments in the last 24 months. If the credit report of the Borrower has \$1,000 or more collectively in Disputed Derogatory Credit Accounts, the Mortgage must be downgraded to a Refer. Exclusions from the \$1,000 cumulative balance include: • disputed medical accounts; and • disputed derogatory credit resulting from identity theft. To exclude these balances, a copy of the police report or other documentation from the creditor to support the status of the accounts must be provided.



Disputed Derogatory Account Con't	- Accounts of a non-borrowing spouse in a community property state - Non-derogatory disputed accounts Non-Derogatory Disputed Accounts include the following types of accounts: - disputed accounts with zero balance - disputed accounts with late payments aged 24 months or greater - disputed accounts that are current and paid as agreed		
Federal Income Tax Installment Agreements	- Tax liens may remain unpaid if the Borrower has entered into a valid repayment agreement with the federal agency owed to make regular payments on the debt and the Borrower has made timely payments for at least 3 months of scheduled payments. - The Borrower cannot prepay scheduled payments to meet the required minimum of 3 months of payments. Except for federal tax liens, the lien holder must subordinate the tax lien to the FHA Mortgage. Payment must be included in the DTI.		
Housing History (Mortgage / Rental)	Purchase and Rate and Term refinances that have an AUS Approve/Eligible: Follow the AUS. Loans must be downgraded to a Refer and manually underwritten if any mortgage tradeline, including lines of credit, during the 12 months prior to case number assignments reflect any of the following: 3x30 or more. 1x60 plus at least 1x30. 1x90 in the 12 months. - Borrower(s) made less than three consecutive payments since completion of a mortgage forbearance plan prior to the case assignment date. - Manually underwritten transactions refer to the 4000.1 for specifics as borrower must meet satisfactory credit requirements.		
Installment Payment History	For AUS Approve/Eligible loans, follow the AUS. For manually underwritten loans, refer to the 4000.1 for specifics, borrower must meet satisfactory credit requirements		
Max Ratios for downgrades and Manual Underwrites	Lowest Minimum Decision Credit Score	Maximum Qualifying Ratios (%)	Acceptable Compensating Factors
	600 and above	31/43	No compensating factors required
	600 and above	37/47	One of the following: - verified and documented 3 months PITI for 1-2 units; - minimal increase in housing payment; or - residual income.
	600 and above	40/40	No discretionary debt
	600 and above	40/50	Two of the following: - Verified and documented 3 months PITI for 1-2units; - Minimal increase in housing payment - Significant additional income not reflected in Effective income; and/or residual income



Reserves	AUS Approve: • 1-2 units: none Manual underwrite: • 1-2 units: additional 1 month's PITI after closing. • Please see compensating factors and additional reserve requirements above. *Gifts are not an acceptable source of reserves on Manual Underwrites.
Solar Panels (Leased or PPA)	• The monthly solar payment is not included in the DTI ratio calculation.
Student Loan Qualification	For outstanding Student Loans, the following must be used regardless of the payment status: • the payment amount reported on the credit report or the actual documented payment, when the payment amount is above zero; or • 0.5 percent of the outstanding loan balance, when the monthly payment reported on the Borrower's credit report is zero. Student monthly debt may only be excluded if there is written documentation from the student loan program, creditor or student loan servicer that indicates that the loan balance for that student loan account is forgiven, canceled, discharged or otherwise paid in full.
Employment / Income / Assets	
Assets	Individual deposits of more than 50% of the total monthly effective income must be sourced and documented.
Conversion of Primary/Depart ure Residence	• If Rental Income is derived from the Property being vacated by the Borrower, the Borrower must be relocating to an area more than 100 miles from the Borrower's current Principal Residence. • A lease agreement of at least one year's duration must be obtained after the Mortgage is closed and evidence of the payment of the security deposit or first month's rent. • An appraisal report including 1007 & 216 supporting 25% equity and fair market rent in departing residence is required.
Qualifying Income	• Must follow FHA guidelines as per the 4000.1
Employment Gap	• For borrowers with gaps in employment of 6 months or more, the borrower's current income may be considered effective income if it can be verified and documented: ○ the borrower has been employed in the current job for at least 6 months at the time of Case Number Assignment Date; AND ○ a two-year work history prior to the absence from employment using standard or alternative employment verification.
Frequent Changes in Employment	If the Borrower has changed jobs more than three times in the previous 12-month period, or has changed lines of work, additional documentation must be provided to document the stability of the Borrower's employment income. Additional analysis is not required for fields of employment that regularly require a Borrower to work for various employers (such as Temp Companies or Union Trades). • transcripts of training and education demonstrating qualification for a new position; or • employment documentation with evidence of continual increases in income and/or benefits.



Income Increase Overlay	Borrowers who have had a 20% or more increase in income within the last 4 months will be subject to additional conditions and management review as per our internal income increase policy.
School Transcript Revalidation Policy	We will revalidate school transcripts when supplied as part of our income review.
Amended Tax Returns	• Amended tax returns must be filed at least 30 days prior to the contract date or application date whichever is earlier • An income increase of 20% or more from the original return will not be allowed or subject to management approval
Tax Transcripts	All loans require a signed 8821 form. Additional 8821 form is required to be signed by borrower's LLC, S-Corp or Corporation Name and EIN. Tax Transcripts are required for: • Self-employed borrowers • Borrower employed by family member • Using rental income to qualify per tax returns • Relationship between the parties. • When C-Corp income is being utilized business transcripts are required
Property	
Accessory Unit (ADU)	• An Accessory Dwelling Unit (ADU) refers to a habitable living unit added to, created within, or detached from a primary one-unit Single Family dwelling, which together constitutes a single interest in real estate. It is a separate additional living unit, including kitchen, sleeping, and bathroom facilities. • An ADU must be a 1-unit property. For any Property with two or more units, a separate additional Dwelling Unit must be considered as an additional unit. A property cannot have more than 1 accessory dwelling unit. • Hotel and Transient Use Form is required when a 1-unit subject property includes an Accessory Dwelling Unit. • Rental income may be used for an ADU as per 4000.1 guidelines
Appraisal Requirements	• Full appraisal is required on all transactions must meet FHA MPR • Transferred appraisals are acceptable
DPA DPA Con't	• Must close concurrently with AXIS DPA 2nd Mortgage • Brokers Origination can be Borrower Paid Compensation or Lender Paid Compensation. • Loans must pass QM 3% points and fees test.
Escrow Accounts / Impounds	Required
Escrow Holdbacks for Minor Repairs	• Allowed for repairs that do not present a health or safety concern and do not affect the structural integrity of the property. • \$5,000 limit on required repairs. • 1.5 times the repair to be held by escrow and released upon clearance by Revolution Funding written authorization. • Repairs to be completed within 10 days of closing.



Ineligible Property Types	• No Land Trusts, Indian Leased Land, Vacant land • Property Condition rating C6 and/or, Quality condition Q6 • Non-Warrantable Condo, Condo-tels, Co-Ops, • Manufactured Condos • Commercial Property, Boarding houses, Bed and Breakfast • Working Farms • Non-FHA Approved Condos • One-Time Close Construction to Perm Loans • Manufactured homes on leased land	
Manufactured Homes	• 1-unit Primary Residence, Fixed Rate, Fee Simple Only • Structural Engineer's report is required that meets HUD requirements. Existing engineer's cert acceptable if there is no new modifications made. • Property must not be in a deed restricted area including restrictions for age and income • HUD Data Plates (Paper Certification located on the interior of the property) or IBTS Verification • Built on or after June 15, 1976 • Built on a permanent chassis in compliance with the applicable Manufactured Homes (HUD Codes) in effect as of the date the Manufactured Home was constructed. • Must be at least 12 feet wide (single-wide not allowed) and have a minimum of 600 square feet of gross living area. • Manufactured Condos not allowed • Dwellings cannot be in Flood Zones A or V are ineligible. It is however acceptable for the land to be located within Flood Zone A or V. • Manufactured homes must be on original site, relocated homes are not permitted • HUD Certification Labels (metal plates attached) or IBTS Verification if not attached to the property • Additions to the property are not permitted if the addition was to add GLA or if there were structural changes to the home (additions such as decks and green rooms without structural changes to the property may be accepted) • Borrower must own the land on which the home is located • Affidavit of Affixture (or its equivalent) to evidence property is classified and taxed as real property	
Maximum Loan Exposure	We will not extend more than 4 active loans to any one individual or an aggregate of \$2 million.	
Multiple FHA Loan Exceptions	The table below describes the only circumstances in which a Borrower with an existing FHA-insured Mortgage for a Principal Residence may obtain an additional FHA-insured Mortgage on a new Principal Residence.	
	Policy	Eligibility Requirements
	Relocation	A Borrower may be eligible to obtain another FHA-insured Mortgage without being required to sell an existing Property covered by an FHA-insured Mortgage if the Borrower is: • relocating or has relocated for an employment related reason; and • establishing or has established a new Principal Residence in an area more than 100 miles from the Borrower's current Principal Residence. If the Borrower moves back to the original area, the Borrower is not required to live in the original



Multiple FHA Loan Exceptions Con't		house and may obtain a new FHA-insured Mortgage on a new Principal Residence, provided the relocation meets the two requirements above.
	Increase in Family Size Increase in Family Size Con't	A Borrower may be eligible for another house with an FHA Mortgage if the Borrower provides satisfactory evidence that: • The Borrower has had an increase in legal dependents, and the Property now fails to meet family needs; and • the LTV ratio on the current Principal Residence is equal to or less than 75% or is paid down to that amount, based on the outstanding Mortgage balance and a current appraisal.
	Vacating a jointly owned property	A Borrower may be eligible for another FHA Mortgage if the Borrower is vacating (with no intent to return) the Principal Residence which will remain occupied by an existing co-Borrower
	Non-Occupying Co-Borrower	• A non-occupying co-Borrower on an existing FHA insured Mortgage may qualify for another FHA-insured Mortgage on a new Property to be their own Principal Residence. • A Borrower with an existing FHA-insured Mortgage on their own Principal Residence may qualify as a non-occupying co-Borrower on other FHA-insured Mortgages
Resale Restrictions (Flip Transaction)	Time Restriction on Transfers of Title - The eligibility of a Property for a Mortgage insured by FHA is determined by the time that has elapsed between the date the seller has acquired title to the Property and the resale date. The Seller's Date of Acquisition refers to the date the seller acquired legal ownership of that Property. The Resale Date refers to the date all parties have executed the sales contract that will result in the FHA-insured Mortgage for the resale of the Property. Restriction on Resales Occurring 90 Days or Less After Acquisition • A Property that is being resold 90 Days or Less following the seller's date of acquisition is not eligible for an FHA-insured Mortgage. Resales Occurring Between 91 Days and 180 Days After Acquisition • A second appraisal by another Appraiser must be obtained if: • The resale date of a property is between 91 and 180 Days following the acquisition of the Property by the seller; and • the resale price is 100 percent or more over the price paid by the seller to acquire the Property. • If the second appraisal supports a value of the Property that is more than 5 percent lower than the value of the first appraisal, the lower value must be used as the Property Value in determining the Adjusted Value. The cost of the second appraisal may not be charged to the Borrower.	
State Restrictions	Please see our approved states Loans in the State Washington are ineligible Rate restrictions apply in the State of Tennessee Separate licensing for Second Mortgages is required in the state of Michigan	