



VA Cash-Out > 90% LTV										
Primary Residence										
Loan Purpose	Maximum Total Loan Amount	Minimum Fico ¹	Min/Max LTV/CLTV	Units	Max DTI	AUS	Terms Available			
Cash-out	1,000,000	580	90.01-100% ^{1,2}	1-4 Unit Primary Residence	55%	Approve/ Accept	30-year Fixed			
		680			AUS	Approve/ Accept				
	1,500,000 ³	680	90.01-100% ^{1,2}		55%	Approve/ Accept				
		700 ³			50% ³	Manual UW				
		720			AUS	Approve/ Accept				
	2,000,000	700	90.01-100% ^{1,2}		45%	Approve/ Accept				
		720			55%	Approve/ Accept				
	2,500,000	720	95%		45%	Approve/ Accept				
	¹ LTV/CLTV May not be exceeded by Funding Fee, funding fee must be included in the LTV/CLTV Calculation.									
	² AZ and UT are not eligible for Cash-Out over 90% LTV									
³ Manual underwrites Loan amount cannot exceed 1.5mm, fico cannot be lower than 700 with a max DTI of 50% with comp factors										
VA Maximum Loan Limits				AUS						
FHFA County Limit Lookup				Approve/Eligible or Accept Findings Only ³ DU and LP Allowable						
Property Types				VA Condo Search						
SFR, PUDs, VA Approved Condos, 2-4 Unit				VA Approved Condo Look-up						
Matrix Updates in Yellow				Overlays in Green						
VA Funding Fee for Non-Exempt										
Transaction		Down Payment		% for First Time Use		% of Subsequent Use				
Cash-out		NA		2.15%		3.30%				
General Requirements										
High Cost/HPML		Not permitted on VA C/o over 90% LTV								
Entitlement/Guaranty		25% Guaranty is required. For loan amounts \$144,000 and below, only the first \$36,000 of basic entitlement may be used to guaranty the loan. If the veteran has no basic entitlement available, VA loan is ineligible. For loan amounts over \$144,000: Veterans with Full Entitlement: - Veterans with full entitlement: VA will guaranty 25% regardless of the County Conforming Loan Limit. Down payment or equity is not required. - Veterans with partial entitlement: VA will guaranty 25% of the lesser of the loan amount or the 1-unit County Conforming Limit less used entitlement. Down payment or equity may be required to meet the 25% guaranty.								



VA Cash-Out Seasoning	Seasoning is applicable to all VA Refinances (IRRRL & Non-IRRRL) regardless of the type of loan being paid off through our transaction. The new note must be on or after the later of: • The date is 210 days after the date on which the first monthly payment was due on the mortgage being refinanced, and • The date on which six full monthly payments have been made on the mortgage being refinanced. For modified loans, the new note date must be on or after the later of: • The date that is 210 days after the date on which the first modified monthly payment was due on the mortgage being refinanced, and • The date on which six modified payments have been made on the mortgage are being refinanced.
Note Required	• Must have a copy of the note and most recent mortgage statement, • If note is not available reasonable alternatives can be considered to validate the loan being paid off was not subject to a recent modification
Dual Capacity	• Loan officer may not act as realtor in a single transaction
Manual Underwriting	Only permitted when: • Fico is 700 or above • with a maximum DTI of 50%, • must have compensating factors or DTI is capped at 41% • loan amount cannot exceed 1.5mm A manual downgrade must be performed if additional information is not considered by the AUS affects the overall insurability or eligibility of the mortgage
Compensating Factors	When DTI exceeds 41% some compensating factors that can be considered but are not limited to: • excellent credit history • conservative use of credit • minimal consumer debt • long-term employment • significant liquid assets • sizable down payment • Low LTV for refinance loans • Minimal increase in housing expenses. • High residual income • Low DTI ratio
Net Tangible Benefit	All refinance transactions must meet one or more of the items for NTB: a) The new loan eliminates monthly mortgage insurance; or b) Loan term of the new loan is less than the loan term of the loan being refinanced; or c) Interest rate of the new loan is less than the interest rate of the loan being refinanced. (Note: If the loan being refinanced had an adjustable interest rate or was modified, the current interest rate must be used when determining if this requirement has been met.); or d) The monthly P&I payment of the new loan is less than the monthly P&I payment of the loan being refinanced; or e) The Veteran's monthly residual income is higher because of the new loan. (Residual income, including refinancing monthly PITI payment vs. current residual income, including monthly PITI payment of the loan being refinanced.) In cases where TI amounts are changing between the application date and the closing date of the refinance



Net Tangible Benefit Con't	transaction, the new TI amount will be used in determining residual income for both the current and refinanced loan); or f) The new loan is used to pay off the Veteran's interim construction loan; or g) The new loan LTV is equal to or less than 90% of the reasonable value of the home, i.e. $LTV \leq 90\%$; or h) Refinance of an ARM to a Fixed-rate mortgage.
Credit Requirements	
Age of Documents	• 180 days for Appraisal • 120 Days for Credit Report, Income and Assets • 90 days Title All items are measured from Disbursement Date
Bankruptcy	Ch.7 Bankruptcy • ≥ 2 years from discharge date • Must have re-established acceptable credit or chosen not to incur new credit obligations Chapter 13: Discharged or Open with: • 12 months of the payout period has elapsed under bankruptcy from the date of application; and • The payout performance has been satisfactory with all required payments made on time; and • The borrower(s) must receive written permission from the bankruptcy court to enter into the mortgage transaction.
Borrower Eligibility	Eligible Borrowers: Must have legal residency and valid Social Security Number Veteran and his or her spouse if the spouse: • is not a veteran, or • is a veteran who will not be using his or her entitlement on the loan. • veteran and fiancé who intend to marry prior to loan closing and take title as veteran and spouse (conditioned upon their marriage) A joint loan is a loan made to: • the veteran and one or more nonveterans (not spouse), or • the veteran and one or more veterans (not spouse) who will not be using their entitlement, or • the veteran and the veteran's spouse who is also a veteran, and both entitlements will be used, or • the veteran and one or more other veterans (not spouse), all of who will use their entitlement. Ineligible Borrowers: • Foreign Nationals • Limited and General Partnerships • Irrevocable Trusts • ITIN borrowers • Any borrower combinations not listed
CAIVRS	Clear CAIVRS for each borrower is required for all transactions
Charged off Accounts	Charged off accounts do not need to be included in the debt. Charged-off accounts must still be considered in reviewing the borrower's overall credit history.



Collection Accounts	Collection accounts do not have to be paid off. However, collection accounts must be considered part of the borrower's overall credit history and unpaid collection accounts should be considered open, recent credit. Borrowers with a history of collection accounts should have reestablished satisfactory credit to be considered a satisfactory credit risk.
Contingent Liabilities	The borrower(s) may have a contingent liability based on co-signing a loan. The debt may be excluded from the monthly obligations if: • There is 12 months evidence that the loan payments are being made by someone else and the obligation is current, and • There is no reason to believe that the borrower will have to participate in repayment of the loan.
Credit Score	• At least one of the borrowers must have a qualifying FICO score that meets our minimum requirements. • Non-Borrowing spouse's credit report is required in community property states and debts must be included in the ratios per VA Handbook.
Foreclosure, Deed in Lieu, Short Sale	• 2 years must have elapsed from date of closing and borrower must have re-established credit • If the foreclosure, deed in lieu or short sale was on a VA-guaranteed loan, then a borrower may not have full entitlement available for the new VA loan. Ensure that the borrower's COE reflects sufficient entitlement. • If the deed in Lieu or short sale was voluntarily surrendered and there was no indication of lates leading up to the event, then a waiting period from the date of transfer may not be necessary.
Disputed Derogatory Account	• If the disputed information is isolated and the overall credit profile is acceptable, it is at underwriter discretion to leave the disputed account open or satisfactorily resolved.
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 in order 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.
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 of the date of closing unless the payment is so large as to have a severe impact on the family's resources for any period of time.
Housing History (Mortgage/Rental)	• Approve/Accept Loans – As per AUS • Manual downgrade is required if: ○ Any mortgage is showing >1x30x12 or ○ Any mortgage or other significant debt is currently ≥ 90 days past due. ○ Forbearance – follow VA guidelines All Derogatory items require a letter of explanation



Open 30-day Accounts	For Open 30-day charge accounts, determine if the borrower(s) pays the balance in full each month and has verified funds to cover the account balance in addition to any funds required for closing costs • If there are sufficient funds, the payment does not need to be included in Section D of the VA form 26-6393. • If there are not sufficient funds, a minimum payment of 5 percent of the balance should be considered included in Section D of the VA Form 26-6393, Loan Analysis.
PACE Liens	Outstanding PACE liens need to be paid off prior to closing or with loan proceeds.
Solar Panels (Leased or PPA)	• The monthly solar payment is not included in the DTI ratio calculation.
Student Loan Qualification	• If the borrower(s) provides written evidence that the student loan debt will be deferred at least 12 months beyond the date of closing, a monthly payment does not need to be considered. • If a student loan is in repayment or scheduled to begin within 12 months from the date of VA loan closing, the lender must consider the anticipated monthly obligation in the loan analysis and utilize the payment established by calculating each loan at a rate of five percent of the outstanding balance divided by 12 months. • If the payment(s) reported on the credit report for each student loan(s) is greater than the threshold payment calculation above, the lender must use the payment recorded on the credit report. • If the payment(s) reported on the credit report is less than the threshold payment calculation above, to count the lower payment, the loan file must contain a statement from the student loan servicer that reflects the actual loan terms and payment information for each student loan(s). • The statement(s) must be dated within 60 days of VA loan closing and may be an electronic copy from the student loan servicer's website, or a printed statement provided by the student loan servicer.
Income / Assets	
Amended Tax Return Overlay	• Amended Income Tax Returns Filed Prior to the Application Date: Amended tax returns filed prior to application are acceptable for underwriting purposes. Both the original filed return and the amended return are required. If the tax return was amended 60 days or less prior to the application, evidence of payment must also be provided. A 20% or more increase in income will require management approval. • Amended Income Tax Returns Filed After the Application Date When amended tax returns are filed after the application date, due diligence must be exercised to determine the validity of the amended tax return. Examine the original tax return and the amended tax return for consistency with the previous filings to determine whether the use of the amended return is warranted. The following documentation should be reviewed when income from the amended return is required: • A letter of explanation regarding the reason for the re-file • Evidence of filing; and • Payment and the ability to pay the tax if the check has not been cancelled. • The underwriter must provide justification and commentary regarding its use
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 Re-Validation Policy	We will revalidate school transcripts when supplied as part of income review.				
Employment after the Note Date	The employment start date must be w/in 90 days of the note date.				
Paystubs	If the employer does not provide a computer-generated or typed paystub, the most recent years' income tax returns or tax transcripts are required with a written verification of employment completed in its entirety				
Assets	Verification of veteran's source of funds is not required if closing costs plus difference between sales price of the property and base loan amount is < 4% of the lesser of the Sales Price or Reasonable value established by NOV.				
Rental Income	Borrowers that have multiple properties must have a history of managing property to consider rental income as qualifying income. - individual income tax returns, signed and dated or lender obtained tax transcripts, plus all applicable schedules for the previous 2 years, which show rental income generated by the property and, - documentation of cash reserves totaling at least 3 months mortgage payments (PITI) for each property (NO lien on the property, 3 months reserves to cover expenses such as taxes, hazard insurance, flood insurance, homeowner’s association fees ect is required) The lender may consider the prospective rental income for offset purposes only. Provide a justification on VA Form 26-6393, Loan Analysis - history of managing rental property - lease agreement, or 1007/216 Appraisal Schedules - If rental income will not, or cannot be used, then the full mortgage payment should be considered, and reserves do not need to be considered.				
Reserves	- Equity in the property cannot be used as reserves. - Cash proceeds from a VA refinance cannot be counted as the required PITI on a rental property. The reserve funds must be in the borrower’s account before the new VA loan closes. - Gift funds cannot be used to meet reserve requirements.				
Residual Income Requirements when Credit Qualifyingnt	Residual income is calculated on Credit Qualifying Loans only, the residual income calculated should be greater than or equal to VA requirements below				
	Loan Amounts \$79,999 and below				
	Family Size	Northeast	Midwest	South	West
	1	\$390	\$382	\$382	\$425
	2	\$654	\$641	\$641	\$713
	3	\$788	\$772	\$772	\$859
	4	\$888	\$868	\$868	\$967
	5	\$921	\$902	\$902	\$1,004
	Above 5	Add \$75 for each additional member up to a family of seven			
	Loan Amounts \$80,000 and above				
	Family Size	Northeast	Midwest	South	West
	1	\$450	\$441	\$441	\$491
	2	\$755	\$738	\$738	\$823
	3	\$909	\$889	\$889	\$990
	4	\$1,025	\$1,003	\$1,003	\$1,117
	5	\$1,062	\$1,039	\$1,039	\$1,158
	Above 5	Add \$80 for each additional member up to a family of seven			



Residual Income Requirements Con't	Geographical Regions for Residual Income Guidelines	
	Northeast	CT, ME, MA, NH, NJ, NY, PA, RI, VT
	Midwest	IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI
	South	AL, AR, DE, DC, FL, GA, KY, LA, MD, MS, NC, OK, PR, SC, TN, TX, VA, WV
	West	AK, AZ, CA, CO, HI, ID, MT, NV, NM, OR, UT, WA, WY
Tax Transcripts	All loans require a signed 4506-C or 8821 form. Additional 4506-C or 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 using C-Corp income business transcripts required	
Property		
2-4 Units	Rental income may only be included if there is documented evidence: • Borrower has rental management experience involving property maintenance and collection of rent. • 6 months’ reserves • 2 yrs tax returns when required per VA handbook	
Appraisal Requirements	VA Appraisal within 180 days	
Condo Review	Must already be a VA approved Condo (including Site Condos).	
Escrow Accounts / Impounds	Cannot be waived are 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 Properties	• 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-VA Approved Condos • One Time Close Construction to Perm Loans • 3D Printed homes • Barndominiums • Container homes • Shouses • Tiny Homes • Manufactured homes	
Maximum Loan Exposure	• We will not extend more than 4 active loans to any one individual or an aggregate of \$2 million.	
Properties Listed for Sale / Listing History	• Property must be taken off the market prior to application date and borrowers must confirm the intent to occupy for (primary residence)	
State Restrictions	• TX 50(a)(6) is ineligible • Arizona and Utah are ineligible • Please see our approved states	