



WHOLESALE ANNOUNCEMENT 2018-17

October 25, 2018

NON-CONFORMING JUMBO: FCM SELECT AND CHOICE

Select QM

- Several Matrix changes have been updated including some credit score enhancements, maximum loan amounts and 2-unit primary residence transaction eligibility.

Select Non- QM

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- Departure residence to be sold clarifications and updates: Appraisal must be dated within 6 months of note date on subject transaction. Equity will be based on lesser of List Price or Appraised value. If residence has been listed for 6 months at the time of Note date, 24 months will be required for departure residence.

Choice Non-QM

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All Select and Choice Programs

- Fannie Mae approved provider Asset Verification reports are acceptable.
- Privately held stock is ineligible asset source.
- Margin and pledged assets must be deducted from available balance on asset statements
- Evidence of access to retirement funds is required for employer-sponsored retirement accounts.
- Tax Transcripts are required to validate Retirement Income
- For borrowers with less than 25% ownership, if the most recent K-1 is more than 90 days aged prior to Note Date a current VOE and YTD income is required.
- If a lease contains a rollover provision and therefore is out of date, the lease must be validated with a rent check matching lease terms.
- Restricted Stock may be used for qualifying income with a 2-year history. Additional requirements apply.
- Site Condos no longer need to be reviewed for warrantability.