

	<ul style="list-style-type: none"> • Meets any applicable requirements of the estate or local health authority with jurisdiction. • Is located entirely on the subject property. If any part of the system is located on an adjacent property (e.g., leach lines), evidence such as a perpetual encroachment easement must be recorded to establish the rights of the property owner's permitted use. • Is operating properly and has the capacity to dispose of all domestic wastes in a manner that will not create a nuisance or endanger public health. <p>Wastewater/Septic – Community Owned If the property is served by a community wastewater system operated by a private corporation or nonprofit property owner's association, the lender must ensure that the system:</p> <ul style="list-style-type: none"> • Meets any applicable requirements of the state or local health authority with jurisdiction. • Is licensed, operating properly and has the capacity to dispose of all domestic wastes in a manner that will not create a nuisance or endanger public health. • Is subject to a legally binding agreement that allows interested third parties to enforce the obligation of the operator to provide satisfactory service. <p>Required Inspections and Documentation The lender must obtain documentation that the wastewater system meets state and local standards as discussed in this section. All documentation must remain in permanent loan file.</p> <p>Street Access The site must be contiguous to, and have direct access from, a public or private street, road, or driveway. If the driveway is shared, there must be a permanently recorded easement for ingress and egress. This agreement must be binding to successors and title. A copy of a title report may be used to evidence the easement. Private streets must have a permanently recorded easement or be owned and maintained by a home owners association (HOA). All recorded easements must be reviewed and approved by the approved lender's underwriter and documented in the lender's permanent loan file.</p> <p>Street Maintenance Streets and roads must be hard surfaced or all-weather surfaced. An all-weather surface is a road surface over which emergency and the area's typical passenger vehicles can pass at all times. A publicly maintained road is automatically assumed to meet this requirement. If an HOA is responsible for maintaining streets and roads, it must meet the criteria set forth by Fannie Mae, Freddie Mac, the U.S. Department of Housing and Urban Development (HUD), or U.S. Department of Veterans Affairs (VA).</p> <p>Private Road Maintenance Agreements Properties located on private roads require evidence in the loan file of a permanent recorded easement (nonexclusive, non-revocable roadway/driveway easement without trespass from the property to a public street/road). Private road maintenance agreements are not required.</p>
Student Loans	<p>May <u>not</u> be excluded from the DTI at any time.</p> <p>Lenders must include the required payment as applicable:</p>

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	<ul style="list-style-type: none"> • Fixed payment loans: A permanent amortized, fixed payment may be used in the debt ratio when the lender retains documentation to verify the payment is fixed, the interest rate is fixed, and the repayment term is fixed. The fixed payment will fully amortize/pay in full the debt at the end of the term. • Non-Fixed payment loans: Payments for deferred loans, Income Based Repayment (IBR), Income Contingent (IC), Graduated, Adjustable, and other types of repayment agreements which are not fixed must use the greater of the following: 1. One half (.50) percent of the outstanding loan balance documented on the credit report or creditor verification, or 2. The current documented payment under the approved repayment plan with the creditor. • Student loans in the applicant's name alone but paid by another party remain the legal responsibility of the applicant. The applicable payment must be included in the monthly debts. • Student loans in a "forgiveness" plan/program remain the legal responsibility of the applicant until they are released of liability from the creditor. The applicable payment must be included in the monthly debts.
Underwriting	<p>The Guaranteed Underwriting System (GUS) was developed to automate the process of credit risk evaluation for the SFHGLP. GUS is a tool that helps evaluate the credit risk of the loan request. It compliments but DOES NOT replace the considered judgment of experienced underwriters.</p> <p>No borrower should be denied a SFHGLP guarantee solely on the basis of a risk assessment generated by GUS. Mitigating circumstances according to Agency standard guidelines may be considered.</p> <p>GUS Resubmission Policy (Ch. 5) If data changes during the loan application stage, after Conditional Commitment or prior to loan closing, the GUS underwriting recommendation could be compromised.</p> <p><u><i>Under the following conditions, lenders must resubmit the loan through GUS for an updated evaluation:</i></u></p> <ul style="list-style-type: none"> • Borrowers were either added or deleted from the loan application or critical information has changed. • A decrease in the borrower's income and/or cash assets/reserves. • An increase in loan amount or interest rate on the mortgage loan request. • Any changes that would negatively affect the borrower's ability to repay the mortgage. • Information regarding the property changes—such as a change in sales price or value. <p>Some data changes do not affect the outcome of an underwriting recommendation. Once a mortgage loan has been sent to the Agency as a "Final Submit," the <u><i>following data changes do not require</i></u> that the GUS loan application be updated:</p> <ul style="list-style-type: none"> • A decrease in loan interest rate • A decrease in loan amount • A decrease of mortgage or personal liabilities • An increase of assets

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