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## Visionary Investment Updates:

The Visionary Investment Product Guidelines have been updated to include changes to the following:

- [Program Features](#)
- [Product Types](#)
- [Exceptions](#)
- [Max Exposure](#)
- [First-Time Homebuyer](#)
- [Property Eligibility](#)
- [Escrow Holdback](#)
- [Reserve Requirements](#)
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- [Income Requirements](#)
- [Refinance](#)
- [Maximum Cash Back \(Cash-Out Refinance\)](#)

The following updates are noted below including their section(s) of the product guide and their effective date. Each Client should understand the changes and how they would affect their organization.

**Note:** For applications taken prior to 01-17-2020, the Achiever Expanded Credit guidelines in place at that time will be honored in the event the new guidelines are more restrictive.

### Program Features

The program features for the Visionary Investment guidelines have been updated with the following requirements:

- Loan limits have been increased to a maximum of \$5,000,000.
- The maximum LTV/CLTV has been increased to 85%
- The maximum LTV/CLTV for Interest Only has been increased to 80%

#### Updated Visionary Investment Guide Topic

- 1.2.13 Investment Program Features
- 1.8 Investment Eligibility Matrix
- 3.5 Exposure
- 6.7 Loan Limit Maximum

#### Effective Date

This change is effective immediately.

## Product Types

The Visionary Investment now offers these additional products and terms:

- 10/1 Libor ARM
- 10/1 Libor ARM with 10-year Interest Only (IO) feature

### Updated Visionary Investment Guide Topic

- 1.7 Investment Product Types
- 6.2 ARM Qualification

### Effective Date

This change is effective immediately.

## Exceptions

Exceptions to published guidelines for the Visionary Investment are considered on a case-by-case basis. Loans with exception requests should exhibit strong compensating factors. All approved exception requests are subject to a Loan Level Pricing Adjustment (LLPA).

### Updated Visionary Investment Guide Topic

- 1.10 Investment Exceptions

### Effective Date

This change is effective immediately.

## Max Exposure

The maximum exposure to a single borrower with FGMC has been increased to \$5,000,000

### Updated Visionary Investment Guide Topic

- 3.5 Exposure
- 6.7 Loan Limit Maximum

### Effective Date

This change is effective immediately.

## First-Time Homebuyer

The requirements for a first-time homebuyer have been updated as follows:

- When a borrower has no ownership of at least one investment property for a minimum of 12 months in the most recent 12 month period, the borrower is considered a first-time investor.
- Six (6) months reserves required.

### Updated Visionary Investment Guide Topic

- 3.6 First-Time Homebuyer (FTHB) & First-Time Investor

**Effective Date**

This change is effective immediately.

**Property Eligibility**

Property eligibility for the Visionary Investment has been updated as follows:

- Requirements in the Construction to Perm section were listed under “new construction”. This has been corrected to state the requirements are for construction to perm properties.
- Berm Homes, Log Homes, Properties subject to oil and/or gas leases and Tiny Homes were added to the Ineligible Property Types
- Condominiums located in Florida no longer have specific LTV restrictions and are subject to standard loan eligibility.
- Condotel units that have at least 500 square feet of living space are now eligible as owner-occupied or second homes up to a maximum 75% LTV. Refer to the Guide for requirements that apply in addition to the Standard Condominium Requirements.

**Updated Visionary Investment Guide Topic**

- 1.8 Investment Eligibility Matrix
- 7.3 Construction to Perm
- 7.15 Ineligible Property Types
- 8.1 Standard Condominium Requirements
- 8.4 Florida Condominiums (section removed)
- 8.10 Condotels

**Effective Date**

This change is effective immediately.

**Escrow Holdback**

The contingency funds requirement for an escrow holdback on an Investment Visionary loan has been increased. It must be the greater of \$500 or 150% of the estimated cost to complete the improvement(s)/repair(s).

**Updated Visionary Investment Guide Topic**

- 7.5.5 Contingency Funds

**Effective Date**

This change is effective immediately.

**Reserve Requirements**

The reserve requirements have been updated as follows:

- The 12-month cap for total reserve requirements has been eliminated.
- For loans with an LTV greater than 80% require an additional two (2) months reserves, regardless of loan amount.

- Reserve requirements are based on the sum of all loan characteristics (i.e. loan amount, first-time homebuyer, etc.) and are cumulative, with no maximum number of months.

**Updated Visionary Investment Guide Topic**

- 10.5.1 Requirements for Each “Financed Property Owned”
- 10.5.2 Requirements for Subject Property
- 10.5.3 Total Reserve Requirements

**Effective Date**

This change is effective immediately.

**Credit Requirements**

The following credit items for the Visionary Investment have been updated.

- Minimum FICO Calculation for a sole borrower and Debt Service Coverage Ratio:
  - The qualifying credit score is the median score if three (3) credit bureau scores are reported. If two (2) credit bureau scores are reported, the qualifying credit score will be the lower score.
- Minimum FICO calculation when there is more than one (1) borrower:
  - The qualifying credit score is the median credit score of the primary wage earner. When earnings are equal among all borrowers, the higher qualifying credit score is utilized.
- Housing Payment History – The product guide now includes the housing payment history criteria.

**Updated Visionary Investment Guide Topic**

- 11.1.5 Minimum FICO Calculation
- 11.1.5.1 Income Qualifying
- 11.1.5.2 Debt Service Coverage Ratio
- 11.2.1 Housing Payment History

**Effective Date**

These changes are effective immediately.

**Income Requirements**

The following income requirements for the Visionary Investment have been updated.

- Asset Depletion will now only require two (2) month asset statements
- In addition to the Business 24 Month Bank Statement program, a Business 12 Month program is now offered as follows:
  - $\geq 640$  FICO up to 80% LTV
  - 600 – 639 FICO up to 75% LTV
  - 560-599 FICO up to 70% LTV
  - 540-559 FICO up to a 65% LTV

Refer to the Guide for documentation and calculation details regarding the 12 month expense factor and 12 month profit and loss options.

**Updated Visionary Investment Guide Topic**

- 1.9 Investment Income Standards & Income-Based Assets
- 12.1 Income Documentation
- 12.11.1 Asset Documentation
- 12.13.7 Self-Employed Business Bank Statements (12 mo Expense Factor)
- 12.13.7.1 Expense Factor Documentation
- 12.13.7.2 Expense Factor Calculation
- 12.13.8 Self-Employed Business Bank Statements (12 mo Profit & Loss Option)
- 12.13.8.1 Profit and Loss Documentation
- 12.13.8.2 Profit and Loss Calculation

**Effective Date**

These changes are effective immediately.

**Refinance**

Corrected verbiage in the Refinance section to indicate borrower(s) must confirm their intent to rent the subject property.

**Updated Visionary Investment Guide Topic**

- 13 Refinance

**Maximum Cash Back (Cash-Out Refinance)**

The maximum cash back criteria has been updated as follows:

- Maximum \$500,000
- Grade A only:
  - LTV ≤ 80%
  - FICO ≥ 720
- Grade A-, B, B-:
  - LTV ≤ 75%

**Updated Visionary Investment Guide Topic**

- 13.5 Maximum Cash Back (Cash-Out Refinance)

**Effective Date**

This change is effective immediately.

As always, thank you for your continued business and partnership.