

## Achiever Expanded Credit Updates:

The Achiever Expanded Credit Product Guidelines have been updated to include changes to the following:

- [Eligibility Matrix](#)
- [First-Time Homebuyer Requirements](#)
- [Non-Arm's Length Transactions](#)
- [Asset Documentation](#)
- [Requirements for Each "Financed Property Owned"](#)
- [Credit](#)
- [Tradelines](#)
- [Bank Statement Program](#)
- [Maximum Cash Back \(No Cash-Out Refinance\)](#)

The 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.

### Eligibility Matrix

The Eligibility Matrix was updated to align the Grade and FICO requirements. The Grade Determination matrix was added to this section of the product guides.

#### Updated Achiever Expanded Credit Guide Topic

- 1.8 Expanded Credit Eligibility Matrix

#### Effective Date

This change is effective immediately.

### First-Time Homebuyer Requirements

The minimum FICO and reserve requirements for First-Time Home Buyers (FTHB) has been updated as follows:

- **FTHB with 12+ Month Rental History:**
  - Minimum FICO requirement has been lowered to  $\geq 580$
  - The six (6) month reserve requirement has been removed
- **FTHB with <12 Month Rental History:**
  - Minimum FICO requirement has been lowered to  $\geq 580$
  - Reserves have been added based on length of rental history:
    - $1 \leq 5$  months = six (6) month additional reserves required
    - $6 \leq 11$  months = three (3) month additional reserves required
- **FTHB Rent-Free Borrower:**

- Minimum FICO requirement has been lowered to  $\geq 620$
- Six (6) month additional reserves required

### Updated Achiever Expanded Credit Guide Topic

- 3.7 First-Time Homebuyer with 12+ Month Rental History
- 3.8 First-Time Homebuyer with <12 Month Rental History
- 3.9 First-Time Homebuyer Rent-Free Borrower

### Effective Date

These changes are effective as of February 10<sup>th</sup>, 2020.

## Non-Arm's Length Transactions

Clarification in bold was added to the following requirement:

Family-to family sales require a 12 month mortgage history for the seller's mortgage (bank statements showing the monies transferred from the borrower(s) account into the seller(s) account is acceptable).

**Payment history must support loan is current with no derogatory history in the past 12 months.**

### Updated Achiever Expanded Credit Guide Topic

- 4.4 Non-Arm's Length Transactions

### Effective Date

This change is effective immediately.

## Asset Documentation

The verbiage in the requirement below was updated from "opening" to "average".

Large disparities between the current and **average** balances will require additional verification and/or supporting documentation.

### Updated Achiever Expanded Credit Guide Topic

- 10.1 Asset Documentation

### Effective Date

This change is effective immediately.

## Requirements for Each "Financed Property Owned"

Clarification in bold was added to the following requirement:

Each "Financed Property Owned" requires one (1) month of reserves, using the **qualifying payment of the** subject property Principal, Interest, Taxes, Insurance, and Association Dues (PITIA).

### Updated Achiever Expanded Credit Guide Topic

- 10.5.1 Requirements for Each "Financed Property Owned"

### Effective Date

This change is effective immediately.

## Credit

Clarification in bold was added to the following requirement:

A signed and dated Letter of Explanation (LOE) is required for all derogatory credit **in the past 12 months**.

### Updated Achiever Expanded Credit Guide Topic

- 11 Credit

### Effective Date

This change is effective immediately.

## Tradelines

The following requirement was added to the Tradelines section:

A Verification of Rent (VOR) completed by a property management firm may be considered an acceptable tradeline. The length of rental verification (12 or 24 months) is dependent on the number of reporting active tradelines.

The following requirements apply when qualifying with Limited Tradelines:

- Maximum 75% LTV
- Six (6) month reserves required
- Primary residence only

### Updated Achiever Expanded Credit Guide Topic

- 11.17.1 Minimum Tradelines
- 11.17.2 Limited Tradelines

### Effective Date

These changes are effective immediately.

## Bank Statement Program

The requirement of “Assets being utilized must be owned solely by the applicant(s)” was removed from the Bank Statement section and added to the 12 and 24 Self-Employed Personal Bank Statement sections of the product guide.

### Updated Achiever Expanded Credit Guide Topic

- 12.8 Bank Statement Program (requirement removed)
- 12.8.5.1 Self-Employed Personal Bank Statements (12 mo) Documentation
- 12.8.6.1 Self-Employed Personal Bank Statements (24 mo) Documentation

## Effective Date

This change is effective immediately.

## Maximum Cash Back (No Cash-Out Refinance)

The verbiage in the requirement below was updated from “greater” to “lesser”.

For a no cash-out transaction, the **lesser** of 1% of the loan amount or \$2,000 in cash back is permitted.

## Updated Achiever Expanded Credit Guide Topic

- 13.3 Maximum Cash Back (No Cash-Out Refinance)

## Effective Date

This change is effective immediately.

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