

WHEDA Way Home Pilot Eligibility Matrix

WHEDA Manual Underwrite					
Transaction Type	Credit Score ⁽¹⁾	DTI ⁽²⁾	Property Type	Maximum LTV /CLTV /HCLTV	Minimum Reserves
Purchase	No Min. Score	45%	Single Family Condominiums	97%/105%/105%	0
			Manufactured (doublewide)	95%/105%/105%	0
			2- unit	95%/105%/105%	6
⁽¹⁾ For no credit score borrowers, non-traditional tradelines will be required to establish a credit profile.					
⁽²⁾ A DTI up to 50% may be considered with extenuating circumstances and/or compensating factors.					
Category			WHEDA Compliance Requirements		
GENERAL	Loan Term & Amortization		30 year, fully amortized fixed rate mortgage (FRM)		
	Occupancy		Owner-occupied, primary residence for the life of the loan.		
	Borrower		<ul style="list-style-type: none">Cannot be listed on the Wisconsin Child Support Lien Docket.Must be legal U.S. resident with a valid Social Security Number.		
	Servicing		All loans sold servicing-released to WHEDA.		
	Sweat Equity		Ineligible		
	Subordinate Financing		<ul style="list-style-type: none">WHEDA DPA Second Mortgages are eligible.Non-WHEDA that meet Community Seconds standards.		
	HPML		Ineligible		
	Mortgage Insurance		None required.		
	DO/DU Recommendation Approve/Eligible		Ineligible		
INCOME	Rental Income		Borrowers having less than one-year history of receiving rental income or documented property management experience, must have a minimum of a 6-month housing payment or expense history for rental income to be considered.		
CREDIT	Non-traditional Credit		For borrower(s) with no credit score and/or past credit blemishes, a minimum of 3 positive tradelines with a 12-month history must be established and documented. A prior housing payment history must be obtained when possible.		
	Derogatory Credit		An explanation of prior derogatory credit history is required.		
	Non-Applicant Spouse		<ul style="list-style-type: none">Non-applicant spouse’s credit history is required.All outstanding debts must be included in the total debt-to-income ratio.Any outstanding judgments incurred in the interest of the marriage must be paid-in-full.		
	Co-Signor, Guarantor, Non-Occupant Co-Borrower		Co-signors, Guarantors and Non-Occupant Co-Borrowers are not allowed.		
ASSETS	Deposits		Re-occurring non-payroll deposits should be explained and/or sourced to determine if there are other sources of income.		
	Sources of Down Payment and Cash to Close		<ul style="list-style-type: none">Cash On hand may be acceptable.No seasoning requirement for recent deposits.Gifts may be acceptable from non-family members with appropriate documentation.Up to 6% seller credit may be allowable.Up to a \$2,000 WHEDA Closing Cost Credit (Closing Credit + Seller Credit cannot exceed allowable closing costs.)		

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Category		WHEDA Compliance Requirements, continued
COLLATERAL	Property	<ul style="list-style-type: none"> Must be located in Wisconsin. Must receive a condition rate of C5 or better.
	Ineligible Property Types	<ul style="list-style-type: none"> 3 – 4 units Single-wide Manufactured
	Title	<ul style="list-style-type: none"> Only borrowers approved for the loan can take title, or a non-applicant spouse. Only borrower(s) and a Non-applicant spouse, can be listed on the Offer to purchase, Mortgage, final title and Note.
OTHER	Home Buyer Education	<p>Pre-Purchase Home Buyer Education (HBE) is required for:</p> <ul style="list-style-type: none"> First Time Home Buyer(s) When all borrowers are relying solely on nontraditional credit to qualify, ALL borrowers must complete education. <p><i>Costs set by the Home Buyer Education provider must be included in disclosures.</i></p> <p>See the WHEDA Way Home Conventional Underwriting Guide, Section 4.05 for acceptable education sources.</p> <p>⁽¹⁾A First- Time Home Buyer is defined as a person who has not had an ownership interest in a principal place of residence in the last three years.</p>
	Landlord Training	Required if purchasing a 2-unit property.
	Rates and Pricing	See Current Mini-Corr Channel Pricing Sheet.
	Lender Compensation	Mini-Corr Channel – Lender-paid or Borrower-paid compensation plans are eligible, determined by WHEDA approved Pilot Lender.
	Fees	\$500 WHEDA Purchase Review Fee – For Mini-Corr \$65 Tax Service Fee \$35 Wire Fee, if applicable (Note: No fee for funds transferred via ACH)
COMPLIANCE INCOME	Income and Purchase Limits	<p>Must meet WHEDA FTHB Income and Purchase Price Limits</p> <ul style="list-style-type: none"> Refer to the WHEDA Way Home Conventional Underwriting Guide, Section 6.0 Calculating Compliance Income for additional guidance.
	Household Compliance Income	<p>Anticipated income from all Household Occupants, age 18 or older.</p> <ul style="list-style-type: none"> Certification of Zero Income (Form 35) <ul style="list-style-type: none"> Required for all Household Occupants age 18 or older, not receiving any income Compliance Income Evaluation (Form 29) <ul style="list-style-type: none"> Lenders may submit to WHEDA to have household income certified
	Household Occupants	<p>All individuals who intend to occupy property as their primary residence, regardless of their relationship to the borrower or whether they are an applicant for the loan or not.</p> <ul style="list-style-type: none"> Borrower's Affidavit (Form 2) <ul style="list-style-type: none"> Borrower required to complete this form disclosing all household occupants, etc

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Category		WHEDA Compliance Requirements, continued	
COMPLIANCE INCOME CONTINUED	Required Income Documentation	All Borrowers	All Additional Household Occupants, 18 years or older
		2 years tax transcripts Additional requirements as applicable: <ul style="list-style-type: none"> • Paystubs, or Verification of Employment, with year-to-date earnings and a minimum of 30 days of income • 2 years W-2s & 1099's for all income reflected on transcripts • If self-employed, 2 years complete returns with all schedules • Child Support • Pension • Disability • Social Security Award Letter • Certification of Zero Income (Form 35), if applicable 	1 year complete 1040s with all required schedules Additional requirements as applicable: <ul style="list-style-type: none"> • Paystubs, or Verification of Employment, with year-to-date earnings and a minimum of 30 days of income • 1 year W-2s & 1099's for all income reflected on returns • Child Support • Pension • Disability • Social Security Award Letter • Certification of Zero Income (Form 35), if applicable
	Inclusions	Compliance Income Inclusions	
		<ul style="list-style-type: none"> • Earned income for all occupants over the age of 18 • Unearned income for all occupants under the age of 18 • Social Security • Child Support • Alimony • Pension/Retirement • Disability Income • Public Assistance 	<ul style="list-style-type: none"> • Interest and Dividend Income on funds retained after closing • Self-employment income • Rental income from the subject property being used for qualifying on a 2-4 unit purchase • Rental income from other Real Estate owned • Mortgage Credit Certificate income being used for qualifying income
	Exclusions	Compliance Income Exclusions	
		<ul style="list-style-type: none"> • Earned income for all occupants under the age of 18 • Foster care income • Food Share Wisconsin • One-time signing bonus 	Non-recurring payments from: <ul style="list-style-type: none"> • Inheritance • Lottery winning • Insurance settlements • Capital gains • Gambling winning • Settlements for personal loss

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