

**LEGACY TEXAS: ITIN Loan Program: Brokered Loan**  
**Effective Date: 05-18-17; version 15**

Product Code	CRA5 - ITIN
MAX LTV/ CLTV	90% LTV or 80% LTV - reduce rate by .375%
Loan Type and Term	Conventional 20 yr
Product Overview	Conventional first lien. One or both borrowers has an unexpired ITIN. It is acceptable for one borrower to have a valid SSN. Borrower may only have one open ITIN loan with LTB at any given time.
Pricing / Rate	Fixed rate only - call for pricing
Occupancy	Primary Residence / Owner Occupied Only - Non Occupant CoBorrowers are not allowed
Property Type	SFR-detached - No condo's or townhomes
Loan Purpose	Purchase or Refi - cash out not allowed
MAX DTI	48
Credit & Credit Score - Derogatory Disputes to be removed or resolved.	a. 600 - Min. 3 trade lines with no lates for 12 mos. w/in the past 24 mos. \$0 balance or closed acceptable. b. No Score: Min 3 Alt lines that are open and active for the most recent 12 mos. with no lates. VOR may count as a tradeline - see VOR reqmnts.
Identification	Valid Drivers license, Passport and or Metricula ID in addition to the proof of ITIN
Mortgage Ins.	NA
Escrows	Required
Taxes: Homestead Exemption	Borrower must have valid driver's license to obtain exemption. If DL not provided then the full tax amount must be collected and used for qualifying.
Documentation and Compliance	Follow FNMA full documentation guidelines unless stated otherwise in the information above. Each loan must comply with all regulatory requirements as it relates to disclosures and compliance.
Appraisal	As is 1004 Interior/Exterior with interior photos. No escrows for repairs allowed.
Product Qualifications	Property located in a Low; Mod. or High Minority Census Tract or 80% of the HUD median income.
Geographical Restriction /Bank Assessment Area Only	Dallas, Collin, Denton, Tarrant, Jack, Parker and Wise Counties only
80% Income: May not exceed the amount listed by county.	Dls, Collin, Denton -\$57,360; Tarrant, Wise, Parker - \$55,440; Jack-\$38,254
Census Tract Info: See below	Go to : <a href="http://www.ffiec.gov">www.ffiec.gov</a> . Steps on how to use the site are below
Loan Size Limit	Minimum \$50,000; Maximum \$417,000
Down Pymt Asst.	NA
VOR: most recent 12 months	<p>Payment shock: if monthly payment increases more than \$850 over what is currently being paid – 2 months reserves required, cash on hand or gift allowed.</p> <p>Commercial landlord acceptable documentation-  Provide one of the following: VOR, credit supplement, 12 mos cancelled checks, 12 mos bank stmts, or 12 mos paid receipts signed &amp; dated by landlord (May be used as an alternate tradeline)</p> <p>Individual landlord acceptable documentation-  Provide the following: VOR and copy of CAD to confirm VOR signor is owner of property (Not acceptable as alternate tradeline)</p> <p>To use as alternate tradeline, provide one of the following in addition to the above: 12 mos cancelled checks, 12 mos bank stmts.</p> <p>Living Rent Free-  If borrower is living rent-free with owner of current residence, provide signed &amp; dated LOE from owner and copy of CAD (Meets VOR requirement but not acceptable as alternate tradeline)</p> <p>If borrower is living rent-free with tenant/renter of current residence, provide signed &amp; dated LOE from tenant AND VOR or lease agreement confirming tenant's name (Meets VOR requirement but not acceptable as alternate tradeline)</p>
Assets -Note: cash on hand - verifications should indicate limited or no use of credit and a limited or no relationship with a bank.	*Standard allowed FNMA. Or * Cash on hand allowed: purchase only. Funds must be deposited into a bank account for verification. Written statement from borrower that discloses the source of funds and states that the funds are not borrowed.
Reserves	None - See VOR requirements
Gift Funds	Allowed
Cash Back	NA
Past Due and Collection Accounts on Credit Report	Past Due Accounts: must be brought current. Collections: Medical is OK. No housing related w/in past 24 months. If all collections total \$2000 or more:*Pay it. or* Use 5% of balance in DTI as a payment. Or*show a paymnt plan.
Letters of explanation (standard as needed)	Required for inquiries, gaps of employment, large deposits, cash on hand explanation. Conflicting ID info (borrower should attest to the fact that an invalid ID is no longer being provided to obtain credit or employment.)
SSN OR ITIN validation.Invalid #'s can be detected on the credit report or income documentation.** Note if a borrower applies with an invalid SSN or ITIN the file is an automatic decline.	*Only 1 invalid SSN acceptable. * Borrower to attest to the fact that an invalid ID is no longer being provided to obtain new credit or new employment. **If invalid SSN appears on employment docs, broker must pull invalid SSN credit report. This report must confirm: no additional SSN's, additional debt must be included in DTI and derogs must meet guideline reqmnts.
Underwriting	Manual - Submit to Legacy Texas for Final Loan Approval
Seller Contribution	6%
Interest Only/ Neg. Am./ Cash Out/ Man. House/Temp Buydown	Not available
Education: 1 <sup>st</sup> time homebuyers required	HUD approved homebuyer education. At least one borrower must attend and a copy of the certificate to be retained in the file.
Loan Closing	Must close in the name of Legacy Texas Bank
Submission to Legacy Texas:electronic	A fully processed and underwritten loan (include approval and conditions) is uploaded to Legacy Texas.

Using the FFIEC website to determine Tract Income Level and Tract Location

- [www.ffiec.gov/geocode](http://www.ffiec.gov/geocode)
- Enter client's address, Click "Search"
- Click "Census Demographic Data" button to obtain:
- Tract Income Level (remember "Low" or "Moderate" qualify for LTB CRA Loan program)
- Tract Code
- Tract Minority % - 50.01% or higher is a high minority tract