

AMAC Purchase Money Second Quick Reference

Below is an overview of AMAC’s Open- and Closed-End Purchase Money Guidelines. For complete underwriting requirements, see the [AMAC Reporting Program Manual](#).

CLTV/Loan Amount/Credit Score/DTI Requirements

OCCUPANCY	PROPERTY TYPE	MAXIMUM CLTV*	MAXIMUM LOAN AMOUNT	MINIMUM CREDIT SCORE	MAXIMUM DTI
Primary Residence	1-Unit, SFD/SFA, Warrantable Condos	95%	\$250,000	740	40%
		90%		680	40%

*Open-End Home Equity CLTV must be calculated using the full line amount, regardless of the initial draw.

Additional Requirements:

LOAN TERMS	<ul style="list-style-type: none"> ■ Open-End Home Equity with maximum 10-year draw term and maximum 30-year amortization, including draw period. ■ Closed-End Home Equity: <ul style="list-style-type: none"> ▪ Fixed-rate/fixed-payment only. ▪ Maximum 30-year amortization. ■ Must be in second-lien position.
CREDIT REQUIREMENTS	<ul style="list-style-type: none"> ■ Tri-merge credit report required with “classic” FICO® scores requested from each bureau. ■ Each borrower must have a minimum of two credit scores in addition to sufficient credit depth supported by a minimum of two installment and two revolving accounts with a satisfactory 24-month payment history. ■ See the AMAC Reporting Program Manual for complete requirements.
BORROWER REQUIREMENTS	<ul style="list-style-type: none"> ■ Maximum two borrowers. ■ All borrowers must occupy the subject property as their primary residence. ■ Borrowers must be U.S. citizens or Permanent Residents.
INCOME REQUIREMENTS	All income used to qualify must be verified. See the AMAC Reporting Program Manual for complete details.
MINIMUM BORROWER CONTRIBUTION	<ul style="list-style-type: none"> ■ All funds for the down payment must come from the borrower’s own funds and must be fully documented. ■ Borrowed funds and gift funds are not an acceptable source of down payment.
INTERESTED-PARTY CONTRIBUTIONS	Maximum 3% and must not exceed the total of actual closing costs and prepaids.
APPRAISAL REQUIREMENTS	<p>Full URAR appraisal complete with all exhibits, including interior/exterior inspections.</p> <ul style="list-style-type: none"> ■ Single-family and detached PUDs — Fannie Mae Form 1004/Freddie Mac Form 70. ■ Condominiums — Fannie Mae Form 1073/Freddie Mac Form 465. <p>CLTV based on the lesser of the purchase price or appraised value.</p>

<p>QUALIFYING PAYMENT</p>	<ul style="list-style-type: none"> ▪ Open-End Home Equity: Use 1% of the maximum line amount. ▪ Closed-End Home Equity: Use the fully amortized payment.
<p>OTHER REQUIREMENTS</p>	<p>The insured second lien cannot be behind a first mortgage that has any of the following loan characteristics:</p> <ul style="list-style-type: none"> ▪ Negative amortization. ▪ Option ARM. ▪ ARM with an initial fixed-rate period of less than five years. ▪ Open-end line of credit. ▪ Reverse mortgage. ▪ Amortization term greater than 360 months. ▪ Interest-Only. ▪ Balloon loan. ▪ Privately held.
<p>INELIGIBLE</p>	<ul style="list-style-type: none"> ▪ Properties > 20 acres. ▪ Manufactured Homes. ▪ 2–4 units. ▪ Borrowers with multiple bankruptcies. ▪ Non-Permanent Residents. ▪ Construction and renovation loans. <p>This list is not all-inclusive. For complete requirements, refer to the AMAC Reporting Program Manual.</p>

See the [AMAC Reporting Program Manual](#) for complete requirements.