



# Product Snapshot

## Reverse Mortgage

The information contained in this matrix may not highlight all requirements of these programs and does not reduce or eliminate any requirements set forth in our guidelines. Guidelines are subject to change without notice. To review our complete guidelines, click here: [Reverse Mortgage User Guide Underwriting Manual](#) or contact your AE for the link.

**Support:** [reverse@plazahomemortgage.com](mailto:reverse@plazahomemortgage.com)

**Reverse Sales/Guidelines:** (858) 404-0166

FHA Loan Limits are \$726,525 for all counties (1-4 units)					
Occupancy	Loan Type	Property Type	Max Loan Amount	LTV	CLTV
Primary Residence Only	Refinancing	1-4 Units	LTV is based on the lesser of the appraised value or \$726,525	See LTV chart below	n/a
	Purchase	1-4 Units			

### Loan Amount Calculation

The amount the homeowner can borrow depends on:

- Age of the youngest borrower (minimum of age 62)
- Current Expected Rate (Qualifying Rate) = 10 Year Swap + Margin
- Lesser of the appraised value of the home, the HECM FHA mortgage limit (\$726,525 for all counties) or the sales price.

The more valuable the home is, the older the borrower(s) are, and the lower the interest rate, the more that can be borrowed. If there is more than one borrower, the age of the **youngest** borrower is used to determine the amount eligible.

**Please note:** This LTV Matrix is based upon an Expected Rate of 4.00%. 3.00% is the FHA / HUD floor rate for all HECM's and will maximize the borrower's available funds. **Expected Rate above 3.00% will cause the LTV to decrease.**

Youngest Borrower's Age	HECM LTV	LESA Years
62	0.470	21
63	0.477	20
64	0.483	19
65	0.490	18
66	0.497	18
67	0.504	17
68	0.511	16
69	0.518	16
70	0.522	15
71	0.522	14
72	0.524	13
73	0.532	13
74	0.539	12
75	0.547	12

Youngest Borrower's Age	HECM LTV	LESA Years
76	0.553	11
77	0.562	10
78	0.571	10
79	0.576	9
80	0.585	9
81	0.595	8
82	0.605	8
83	0.615	7
84	0.625	7
85	0.636	6
86	0.647	6
87	0.658	6
88	0.667	5
89	0.679	5

Youngest Borrower's Age	HECM LTV	LESA Years
90	0.691	5
91	0.703	4
92	0.715	4
93	0.728	4
94	0.741	4
95+	0.750	3

Product Parameter	Refinance	Purchase
<b>Appraisal Requirement</b>	Full FHA interior/exterior appraisal is required.	Full FHA interior/exterior appraisal is required.
<b>AUS</b>	n/a	n/a
<b>Eligible Property Types (see program guidelines for ineligible property types)</b>	Attached/Detached SFR Attached/Detached PUD Low-Rise/High-Rise Condos Manufactured 2-4 Units (Primary Residence Only with FHA Lending Limit: \$726,525)	Attached/Detached SFR Attached/Detached PUD Low-Rise/High-Rise Condos Limit 2 REO plus Subject No Manufactured 2-4 Units (Primary Residence Only with FHA Lending Limit: \$726,525)

Product Parameter	Refinance	Purchase
<b>Income Documentation</b>	Full Income & Asset Underwrite	Full Income & Asset Underwrite
<b>Loan Limits</b>	FHA Limit: \$726,525 LTV based against this value.	FHA Limit: \$726,525 LTV based against this value.
<b>Max Financed Properties</b>	Primary Residence: No restrictions	No more than 3; including subject
<b>Mortgage History</b>	Foreclosure, Deed in Lieu, Short Sale within last 2 years.	No Foreclosure, Deed in Lieu, Short Sale within 2 years.
<b>Minimum Satisfactory Credit (NO LESA)</b>	Mortgage and Installment 0x30 / 12 Months 2x30 / 24 Months  Revolving 3x60/ 12 Months	Mortgage and Installment 0x30 / 12 Months 2x30 / 24 Months  Revolving 3x60 / 12 Months
<b>Property Tax History</b>	24 Months	24 Months
<b>Hazard / Flood (if applicable)</b>	12 Months	12 Months
<b>HOA</b>	24 Months	24 Months
<b>LESA (Loan Expectancy Set Aside) is a future tax and insurance impound account</b>	Required when minimum credit and/or income guidelines are not met. See schedule - Page 1, age of youngest spouse used	Required when minimum credit and/or income guidelines are not met. See schedule - Page 1, age of youngest spouse used
<b>Properties Listed for Sale</b>	Eligible if listing is pulled one-day prior to application	n/a
<b>Seasoning</b>	Borrowers must have owned the property for at least 1-year to be eligible for Cash-out Refinance transaction at higher value than purchase price.	n/a
<b>Un-permitted Additions</b>	Allowed, per program guidelines.	Allowed, per program guidelines.
<b>Mandatory origination date sequence order</b>	1. Counseling 2. Application / Disclosures 3. Case Assignment 4. Appraisal Order / Completed	1. Purchase Contract – Must include FHA Amendatory Clause 2. Counseling 3. Application/Disclosures 4. Case Assignment 5. Appraisal Order / Completed

<b>Change in interest rate</b>	Once a year
<b>Index</b>	One Year LIBOR
<b>Upfront MIP</b>	2% of the Appraisal capped at \$14,530.50
<b>Annual MIP</b>	.5% to Rate
<b>Accessing Available Funds</b>	Liens, closing costs, repairs, funds up to 60% of the principal limit in the first 12 months or 10% of the principal limit
<b>Accessing Available Fund Types</b>	Payments (tenure/term), credit line, cash at close

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Username: plaza  
Password: reverse

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