

MORTGAGE CLEARING CORPORATION

MCC Correspondent

User Guide

5/20/2022

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Doing Business with MCC Correspondent Lending

General This Guide provides you general information you will need in order to transact business with Mortgage Clearing’s Correspondent Division. Please direct questions to the Correspondent Division associates at their direct numbers and addresses shown below.

MCC Business Hours and Holiday Schedule Correspondent business hours are between 8:30 a.m. and 5:00 p.m. (CT), Monday through Friday. MCC is closed on the following holidays:

- | | |
|------------------|-------------------------------|
| New Year’s Day | Thanksgiving Day |
| Memorial Day | The Friday after Thanksgiving |
| Independence Day | Christmas Day |
| Labor Day | |

Correspondent Division Manager Mark W. Franks
Vice-President 918-749-2274 Ext. 234
markfranks@mortgageclearing.com

Correspondent Operations Ben Overton
Lead Underwriter 918-749-2274 Ext. 238
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John Nolte
Funding & Acquisition Manager 918-749-2274 Ext.242
jnolte@mortgageclearing.com

Lock Desk And Loan Registration locks@mortgageclearing.com 8:30 a.m. – 6:00 p.m. CST

Loan Servicing Faith Crenshaw
Servicing Portfolio Manager 918-749-2274 Ext. 212
faithc@mortgageclearing.com

Doing Business with MCC Correspondent Lending

Wire Transfer	Send Wire To:	The Bankers Bank
	Routing Number/ABA:	1030 0361 6
	For Credit Of:	Triad Bank, National Association
	Account Number:	90304
	For Further Credit:	Mortgage Clearing Corporation
	Account Number:	100-6940
	Attention:	Chris Jones

Mortgagee Clause	Mortgage Clearing Corporation ISAOA 5612 South Lewis Ave. Tulsa, OK 74105
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FHA ID	3931809996
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VA ID	86501100007
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USDA ID	12345678910
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Fannie Mae	12230-000-5
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UCDP	Aggregator ID KPF351
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Mailing Address	Mortgage Clearing Corporation 5612 South Lewis Avenue Tulsa, OK 74105
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Eligible Mortgage Loans

Eligible Property Status

All loans must be secured by a first lien mortgage on a one-to-two family residential dwelling located in the following states:

- Arizona
- Arkansas
- Colorado
- Kansas
- Missouri
- Nevada
- New Mexico
- Oklahoma
- Texas
- Utah

Clients are responsible for adhering to all federal, state, and local laws and/or regulatory lending guidelines and licensing requirements.

Eligibility Restrictions

Property Types Not Eligible: :

- Conventional Condos
- Cooperatives
- Manufactured Homes
- 3-4 Unit Properties
- Unique Properties
- non-conforming with Fannie Mae, FHA, VA, HUD 184, & USDA
- Properties with appraisal condition and Quality ratings exceeding C4 and Q5
- Collateral Underwriter risk assessment rating of 999 without MCC approval.
- Properties that are encumbered with a private transfer fee.

Loan Types Not Eligible:

- High Cost Loans *Sec. 32*
- Temporary Interest Rate buy-downs
- Loans with non-MCC approved DPA programs
- non-conforming with Fannie Mae, FHA, VA, HUD 184, & USDA guidelines

Seasoned Loans:

Borrower Restrictions

- Loans rejected by or repurchased from another investor
- non-conforming with Fannie Mae, FHA, VA, HUD 184, & USDA

Borrower Types Not Eligible:

- Borrowers without Social Security Numbers
- Non-Permanent Resident Aliens
- Trusts-Purchase Transactions

Loan Registration and Lock Policies

- Daily Rates** Rate sheets are published and distributed daily via email at approximately 8:30 Central Time. Rates and prices are valid until 6:00 p.m. Central Time without overnight protection. Rates are subject to change without notice.
- Registration and Lock Procedures** Lock Desk Email address: locks@mortgageclearing.com
- All loan registrations and/or locks must be completed online at www.mcc-correspondent.com.
- Lock confirmations are validated upon submission. An assigned loan number will be emailed back to the sender.
- All loans must have a registered lock no later than one (1) day prior to delivery.
- Lock Policies** “Best efforts” delivery is expected on all locked loans. If a loan is locked and subsequently closed, it must be delivered to MCC for purchase. Violations will be subject to pair off fees and termination of the correspondent relationship.
- Lock periods are available for 15, 30, 45, 60, 75, and 90 day terms.
- Lock confirmations are tied to the property address.
- Locks with expiration dates that fall on a weekend or federal holiday will expire on the first business day following the stated expiration date.
- Loan amount changes by more than 10% of the original principle balance will be subject to the worse of current market or original lock date price applied to the difference between the final loan amount and the loan amount on the original lock.
- Loans must be closed, disbursed, and delivered within the lock period to avoid a price adjustment.

Loan Registration and Lock Policies

Lock Policies Lock extensions must be completed prior to expiration. A loan may be extended up to 3 times for a maximum of 30 days after which worst case pricing will apply.

Extension Fees

- 5 day = 12.5 bps
- 10 day = 25.0 bps
- 15 day = 37.5 bps
- 30 day = 62.5 bps

Re-locks and expired rate locks are reviewed on a case-by-case basis.

Lock renegotiations are evaluated on a case-by-case basis.

Loan fallouts are to be reported to the Lock Desk within 1 business day.

Loan Registration and Purchase Procedures

General	All closed loans are required to be delivered by 3:00 pm CST on or prior to the lock expiration date. Loans not received by the expiration date must be extended or relocked in accordance with the Lock Policies.
Documents	<p>All documents must conform to Fannie Mae, Ginnie Mae, FHA, VA, USDA, and ONAP 184, Insurer, Guarantor, Agency, and document custodial requirements, as applicable for the loan product and terms.</p> <p>All documentation obtained in originating, processing, underwriting, and closing the loan must be delivered to Mortgage Clearing Corporation.</p> <p>Borrower names and property addresses must be identical on the Note, Security Instrument, Title Commitment, Flood Certificate, Appraisal, Hazard Insurance Policy, and AUS findings.</p> <p>For amortizing payments Mortgage Clearing Corporation calculates interest using a 30/360 calendar year. Interest per diem is calculated using a 365 calendar year.</p>
Interest Calculation	Loans closed more than 60 days prior to delivery to Mortgage Clearing Corporation are not eligible for delivery.
Age of Loan	Loan packages must be delivered to Mortgage Clearing Corporation's Servicing Center utilizing our File Transfer Protocol or by mail to:
Delivering Loan Packages	Mortgage Clearing Corporation Correspondent Lending 5612 S. Lewis Ave. Tulsa, OK 74105-7107

Loan Registration and Purchase Procedures

Document Transfer Engine

MCC Correspondent Lending provides a transport mechanism for your organization to electronically transfer your loan documents (preferably in a PDF format) to our secure Web site using off-the-shelf FTP software. Your documents are transferred to a secure, password protected folder designed specifically for your organization.

MCC Correspondent Lending will assign a person in your organization with a security **user id** and **password** which automatically points their server or PC to a private and secure transport folder on the MCC Correspondent Lending website. Only your organization and MCC Correspondent Lending can “see” this folder.

The only requirement is for your organization to arrange the loan file in the MCC Correspondent Lending preferred stacking order before transmission. This enables our purchasing manager to quickly find and verify the contents of the loan file.

When we receive the mortgage note via overnight mail, we will “accept” the file and transfer it to our on-site digital mortgage server. It is then deleted from our website.

We strongly recommend **FileZilla** which can be easily downloaded to your local PC from:

<https://filezilla-project.org/download.php?type=client>

Documents can be sent 24 hours a day, 7 days a week.

There are several ways to package and send these loan documents. One loan at a time or, several loans at a time. Assigning a loan number and last name as the file name is the preferred nomenclature.

MCC Correspondent Lending will provide more detailed information including the **secure** user id and password when you are ready to proceed.

Loan Delivery and Purchase Procedures

On-Time Delivery	Loans must be closed, dispersed, and delivered within the lock period to avoid a price adjustment.
Late Delivery	A loan delivered after the lock expiration is considered a late delivery. Late delivery loans will be re-priced to the "worse of" extended original price or current market price.
Purchase Evaluation Process	<p>MCC will perform a thorough review of every closed loan file prior to purchase to ensure quality and marketability. Every file will be reviewed for, but not limited to, the following:</p> <ul style="list-style-type: none">• Underwriting & Program Guidelines• Required Credit & Compliance documentation• Collateral/Property• Required Closing documents & forms• Secondary Marketing requirements
Suspended Loans	MCC will notify via e-mail if any documentation is missing or needs correction. The Correspondent shall have five (5) business days, including the date of notification, to correct deficiencies for any loan that had "on-time" delivery as noted above. (Note: To avoid extension fees, MCC must purchase the loan on or before the fifth 5th business day.)
Fees to be Net-Funded	Fees and escrow impounds shall be deducted from each wire upon purchase of the loan.
Wiring Instructions	As noted on the Closed Loan Checklist, please include a copy of the wiring instructions with each file to expedite funding.
Purchase/Funding Certificate (Funding Break-Down Sheet)	MCC will provide a funding schedule via fax or e-mail for each loan on the date of purchase. The summary will itemize the principal balance, purchase price, fees, interest, etc.

Loan Delivery and Purchase Procedures

Seasoning/Amortizing the Principal Loan Balance	Loans with less than 15 days between MCC's purchase/funding date and the borrowers "first" and/or "next" payment due date will require MCC to "season" (reduce) the loan balance prior to purchase based on Correspondents payment letter including escrow funds. If additional principal or escrow impounds are received the Correspondent must forward them immediately. (Note: MCC will require a pay history on all loans that have had a payment made by the borrower to the Correspondent).
Flood Insurance Certificates and Flood Insurance:	<p>Flood Certifications - MCC requires a FEMA Standard Flood Zone Determination Certificate with Life of Loan Monitoring on all mortgage loans.</p> <p>Flood Insurance - Flood insurance is required if the certification indicates that the property is located within a flood zone. The minimum coverage required would be equal to the loan amount or the maximum insurance available under the National Flood Insurance Program whichever is less. The maximum deductible is the higher of \$1,000 or 1% of the face value of the policy on all loans submitted.</p>
Note Endorsement	<p>The Note must have a complete endorsement chain ending with Mortgage Clearing Corporation.</p> <p>The Correspondent name on the front of the Note and in the endorsement language must match exactly.</p> <p>Only officers authorized on the most recent Corporate Resolution may execute the endorsement.</p> <p>The endorsements to the Note should indicate the following:</p> <p><i>Pay to the order of Mortgage Clearing Corporation without recourse (Lender printed name) By: (Signature of Authorized Officer) Name: (Printed) Title: (Printed)</i></p>

Loan Delivery and Purchase Procedures

Alonge to the Note	The Alonge must indicate the following information and be fully executed by an authorized agent: (a) Borrower(s) Name (b) Subject Property Address (c) MCC Assigned Loan Number (d) Note Date (e) Loan Amount (f) Investor # (if applicable)
Interest Credit Closing	MCC will purchase loans utilizing interest credits when the loan disbursed between the 1 st and the 15th of the month subject to loan program restrictions.
Escrow Impounds	MCC requires a 2-month cushion for escrow impounds on all loans.
Escrow Waiver	A minimum FICO Indicator Score of 680 is required for an Escrow Waiver.
Escrow Waiver Letter	If the loan does not have escrows collected on the HUD-1, an Escrow Waiver Letter should be in the file and contain the following borrower acknowledgements: <ul style="list-style-type: none">• Borrower(s) are responsible to pay the taxes/insurance on the subject property.• Borrower(s) will provide MCC with proof of payment annually.• Borrower(s) are aware that if they fail to pay the taxes/insurance, MCC has the right to revoke the Escrow Waiver and force place insurance, and pay the taxes and charge the borrower(s) accordingly.
Insurance Mortgage Clause	Mortgage Clearing Corporation, its successors and/or assigns, 5612 South Lewis, Tulsa, OK 74105.
Mortgage Insurance Requirements	Standard MI insurance is required. MCC will permit the minimum required MI percentage of coverage allowable per the DU Findings. Reduced MI is not accepted.

Post Purchase Procedures

General	The following steps are required to ensure a seamless transfer of servicing responsibilities.
Goodbye Letter to Borrower	Correspondents are required to notify the borrower(s) upon transfer of servicing. A copy of the "Goodbye Letter" shall be provided in the loan submission file to MCC. (Note: This letter should not be provided to the Borrowers at closing OR sent out prior to MCC's purchase of the loan file).
Transfer of Servicing Letter	The Correspondent is responsible for preparing a notification of loan sale and/or change of servicer form, which must be sent to all applicable parties. (Note: These letters are required to be sent to all applicable parties, only AFTER the loan has been purchased by MCC. Please indicate MCC's servicing address and phone #, etc. on all out-going letters).
FHA Servicer/Holder Transfer	Servicer/Holder transfer must be processed within 30 days of purchase via The FHA Connection.
Escrow Payments and Disbursements to MI Co., Tax Offices, and Insurance Co.	<p>Monthly Mortgage Insurance Premiums. If the Borrowers monthly MI premium is due prior to MCC's purchase of the loan, the Correspondent will be responsible for forwarding all monthly MI disbursements to the MI Company in order to keep the MI policy active and the Borrower payments up to date and current.</p> <p>Tax Payments due at closing or prior to MCC's purchase. The Correspondent will be responsible for collecting and disbursing all subsequent tax payments due at closing or due 45 days after closing. Taxes are to be paid on the "due" date NOT the delinquency date.</p> <p>Hazard Insurance Payments. On a purchase transaction, the Correspondent is responsible for ensuring that the annual hazard insurance policy premium is paid in full at closing. On a refinance transaction the Correspondent will be responsible for the next "annual" payment due if the current policy expires 30 days after closing.</p>

Post Purchase Procedures

- Final Documents** Final documents (recorded Mortgage/Deed of Trust, recorded Assignment, MICs, LGCs, Final Title, etc.) should be forwarded to MCC. Final documents must be received within 60 days of purchase.
- Payment Processing** After MCC's purchase of the loan, Borrowers should send monthly payments to the following address:
- Mortgage Clearing Corporation
P.O. Box 702100
Tulsa, OK 74170
- Year End Interest Reporting** MCC will report, to the IRS, interest paid by the borrower starting with the "first" payment received by MCC after the purchase of the loan. The Correspondent is responsible for reporting to the IRS any discount points and interest paid by the borrower to them, in full. (Note: Interest may include, any interest paid by the borrower where a Correspondent may have had to collect one or more Mortgage payments from the borrower prior to MCC's purchase).

Product Descriptions

Conventional Products

Fannie Mae Fixed Rate

FHA Products

FHA Fixed Rate

HUD Products

Section 184 Fixed Rate

USDA Products

USDA Rural Development Fixed Rate

VA Products

VA Fixed Rate

Please note:

To access any website link supplied in the sections below, please copy and paste the complete address into your browser.

FANNIE MAE FIXED RATE

DESCRIPTION	<ul style="list-style-type: none"> ▪ First lien, fully amortizing, Fannie Mae Fixed Rate 30, 25, 20, 15 or 10 year term ▪ Product codes: C30, C25, C20, C15, C10
ELIGIBLE STATES	<ul style="list-style-type: none"> ▪ Arizona, Arkansas, Colorado, Kansas, Missouri, Nevada, Oklahoma, Texas, Utah
MAXIMUM LTV/CLTV/HCLTV	<ul style="list-style-type: none"> ▪ Follow Fannie Mae Eligibility Matrix https://www.fanniemae.com/content/eligibility_information/eligibility-matrix.pdf
MINIMUM LOAN AMOUNT	<ul style="list-style-type: none"> ▪ \$50,000.
MAXIMUM LOAN AMOUNT	<ul style="list-style-type: none"> ▪ 1-2 Unit - \$647,200 ▪ High balance loans: Eligible areas in Colorado and Utah only: https://www.fanniemae.com/singlefamily/loan-limits
AGE OF LOAN / PRIOR REJECTS	<ul style="list-style-type: none"> ▪ Loans must have been closed no more than 60 days prior to delivery. ▪ Loans previously rejected by or repurchased from MCC are ineligible. ▪ Loans rejected by or repurchased from another investor are ineligible.
ASSUMPTIONS	<ul style="list-style-type: none"> ▪ Not allowed
BOND PROGRAMS	<ul style="list-style-type: none"> ▪ Not allowed
BUYDOWNS	<ul style="list-style-type: none"> ▪ Not allowed
COMMUNITY SECONDS	<ul style="list-style-type: none"> ▪ Not Allowed
PURCHASE TRANSACTIONS TO TRUSTS	<ul style="list-style-type: none"> ▪ Not Allowed

FANNIE MAE FIXED RATE

- CREDIT SCORE**
- Lenders must request credit scores for each borrower from each of the three credit repositories with a three in-file merged credit report.
 - See LLPA matrix on rate sheet for FICO minimums.
 - Borrowers with no score Non-traditional credit are allowed subject to Fannie Mae guidelines with AUS approval.
- DEBT TO INCOME RATIO**
- Max 50.00% with 700 + FICO
 - Max 45.00% with < 700 FICO
- UNIFORM APPRAISAL DATASET**
- Minimum Condition Rating accepted-C4
 - Minimum Quality Rating accepted-Q5
- ESCROW HOLDBACKS**
- Escrow Holdbacks must be completed prior to loan purchase, as evidenced by satisfactory final inspection
- ESCROW WAIVERS**
- Not allowed on LTV's greater than 80%.
 - A minimum FICO Indicator Score of 680 required.
 - If the subject property is located in a special flood hazard zone requiring flood insurance, escrow of the flood insurance premium is required.
 - An escrow waiver fee is applicable for any escrow waiver.
- INELIGIBLE PROPERTY TYPE**
- Tribal Land
 - Leasehold
 - Cooperatives
 - Condominiums
 - Manufactured Housing & Mobile Homes
 - Unique properties
 - Properties that are encumbered with a private transfer fee.

FANNIE MAE FIXED RATE

INTEREST CREDIT AT CLOSING

- Cannot exceed 7 calendar days and must be used to reduce closing costs. Cannot result in cash back to the borrower at closing.

NATURAL DISASTER POLICY

- Correspondent represents and warrants the existence and condition of the subject property at time of purchase.
- A Property Condition Certification is required for appraisals completed within 90 days of the disaster declaration.

MORTGAGE INSURANCE

- Eligible Mortgage Insurers are Essent Guaranty, Genworth, MGIC, Radian, and United Guaranty.
- Single premium financed MI permitted.
- LPMI permitted per Fannie Mae Guidelines.
- Reduced MI is not accepted

NON-ARM'S LENGTH TRANSACTIONS

- For the purchase of newly constructed properties, if the borrower has a relationship or business affiliation (any ownership interest, or employment) with the builder, developer, or seller of the property, MCC will only purchase mortgage loans secured by a principal residence.
- MCC will not purchase mortgage loans on newly constructed homes secured by a second home or investment property if the borrower has a relationship or business affiliation with the builder, developer, or seller of the property.

UNDERWRITING

- DU Approve/Eligible required with findings finalized and released to MCC.
- Third-party contract underwriting not accepted by MCC unless approved
- Underwriters must be employees of the Correspondent.

FANNIE MAE FIXED RATE

To access the following web site addresses please copy and paste the address into your browser.

Each loan must comply with all Fannie Mae Guide requirements. Fannie Mae Guidelines may be accessed from Fannie Mae's website www.efanniemae.com or on AllRegs.

Fannie Mae Seller Guide:

<https://www.fanniemae.com/singlefamily/delivering>

Fannie Mae Eligibility Matrix:

https://www.fanniemae.com/content/eligibility_information/eligibility-matrix.pdf

Fannie Mae DU QuickSteps Guide:

<https://www.efanniemae.com/lc/technology/du/index.jsp>

FHA FIXED RATE

DESCRIPTION	<ul style="list-style-type: none"> ▪ First lien, fully amortizing FHA Fixed Rate ▪ FHA Section 203(b) & 234(c) ▪ 30, 25, 20, & 15 year terms ▪ Product codes: F30, F25, F20, F15
ELIGIBLE STATES	<ul style="list-style-type: none"> ▪ Arizona, Arkansas, Colorado, Kansas, Missouri, New Mexico, Nevada, Oklahoma, Texas, Utah
MIN/MAX LOAN AMOUNT	<ul style="list-style-type: none"> ▪ Follow FHA guidelines for the applicable county/MSA, FHA program section, and loan purpose. ▪ Minimum loan amount \$100,000.
AGE OF LOAN / PRIOR REJECTS	<ul style="list-style-type: none"> ▪ Loans must have been closed no more than 60 days prior to delivery. ▪ Loans previously rejected by or repurchased from MCC, FHA or GNMA are ineligible. ▪ Loans previously rejected by or repurchased from a private investor, unless such prior rejection / repurchase is fully and specifically disclosed to MCC in the loan file and MCC determines the loan is eligible for purchase regardless of the prior investor's determination.
CREDIT SCORE	<ul style="list-style-type: none"> ▪ Each borrower must have a minimum of two credit scores. Minimum 660 FICO indicator score.
DEBT TO INCOME RATIO	<ul style="list-style-type: none"> ▪ Max 50.00% with 700+ FICO ▪ Max 45.00% with <700 FICO
ASSUMPTIONS	<ul style="list-style-type: none"> ▪ Owner occupied full qualifying only.
BOND PROGRAMS	<ul style="list-style-type: none"> ▪ MCC must be the Master Servicer.
BUYDOWNS	<ul style="list-style-type: none"> ▪ Not allowed.

FHA FIXED RATE

- | | |
|-----------------------------------|--|
| CREDIT REJECT | <ul style="list-style-type: none">Loans with a Credit Reject on FHA Connection not allowed. |
| DOWN PAYMENT ASSISTANCE | <ul style="list-style-type: none">All down payment assistance programs must be approved by MCC. Government entity approved DPA programs only. |
| ESCROW HOLDBACKS | <ul style="list-style-type: none">Escrow Holdbacks must be completed prior to loan purchase, as evidenced by satisfactory FHA final inspection. |
| ESCROW WAIVERS | <ul style="list-style-type: none">Not allowed. |
| INELIGIBLE PROPERTY TYPE | <ul style="list-style-type: none">LeaseholdCooperativesSecond HomesManufactured Housing & Mobile HomesUnique propertiesInvestment |
| INTEREST CREDIT AT CLOSING | <ul style="list-style-type: none">Cannot exceed 7 calendar days and must be used to reduce closing costs (e.g., cannot result in cash back to the borrower at closing). |
| NATURAL DISASTER POLICY | <ul style="list-style-type: none">Correspondent represents and warrants the existence and condition of the subject property at time of purchase.A Property Condition Certification is required for appraisals completed within 90 days of the disaster declaration. |

FHA FIXED RATE

- NON-ARM'S LENGTH AND CONFLICT OF INTEREST**
- Not allowed if new construction and the borrower is the builder or affiliated with the builder/developer.
- OCCUPANCY**
- Primary only.
- PRINCIPAL CURTAILMENT AT CLOSING**
- May not exceed lesser of 2% of loan amount or \$500.
 - Must be reflected as a Principal Curtailment on the HUD-1.
- STREAMLINE REFINANCE**
- Streamline refinances must have a **660** minimum FICO Indicator Score.
 - Manual underwrite only.
 - No late mortgage payments in the last 12 months.
 - Documentation required:
 - ✓ Tri-merge credit report,
 - ✓ Verification of sufficient assets to close
 - ✓ Income verification:
 - A. Salaried -
 - i. most recent paystub
 - ii. written VOE
 - iii. employment and income completed on 1003
 - B. Self-employed
 - i. Executed 4506
 - ii. employment and income completed on 1003
- UNDERWRITING**
- DU Approve/Eligible through FHA TOTAL Scorecard required.
 - Clear CAIVRS, LDP and GSA search required.

Each loan must comply with all FHA requirements. FHA Guidelines are available at www.hud.gov or on All Regs.

HUD SECTION 184

DESCRIPTION	<ul style="list-style-type: none">▪ HUD Section 184, Indian Home Loan Guarantee Program▪ First lien, fully amortizing Fixed Rate▪ 30 year term▪ Primary Residences only▪ One Unit dwellings only▪ Fee simple ownership only▪ Product Code HUD184
ELIGIBLE STATES	<ul style="list-style-type: none">▪ Arizona, Arkansas, Colorado, Kansas, Missouri, New Mexico, Nevada, Oklahoma, Texas, Utah
MIN/MAX LOAN AMOUNT	<ul style="list-style-type: none">▪ Follow HUD 184 guidelines for the applicable HUD 184 loan purpose.▪ Minimum loan amount \$100,000.
AGE OF LOAN / PRIOR REJECTS	<ul style="list-style-type: none">▪ Loans must have been closed no more than 60 days prior to delivery.▪ Loans previously rejected by or repurchased from MCC, FHA or GNMA are ineligible.▪ Loans previously rejected by or repurchased from another investor are ineligible
ASSUMPTIONS	<ul style="list-style-type: none">▪ Not allowed
BUYDOWNS	<ul style="list-style-type: none">▪ Not allowed
CREDIT SCORE	<ul style="list-style-type: none">▪ Each borrower must have a minimum of two credit scores. Minimum 660 FICO score indicator.

HUD SECTION 184

- | | |
|---------------------------------|--|
| DOWN PAYMENT ASSISTANCE | <ul style="list-style-type: none">▪ All down payment assistance programs must be approved by MCC. Government entity approved DPA programs only. |
| DEBT TO INCOME RATIO | <ul style="list-style-type: none">▪ DTI > 41% requires prior approval by ONAP.▪ Max 43% DTI allowed. |
| ESCROW HOLDBACKS | <ul style="list-style-type: none">▪ Escrow Holdbacks must be completed prior to loan purchase, and evidenced by satisfactory final inspection. |
| ESCROW WAIVERS | <ul style="list-style-type: none">▪ Not allowed |
| INELIGIBLE PROPERTY TYPE | <ul style="list-style-type: none">▪ Tribal Land▪ Leasehold▪ Investment▪ Cooperatives▪ Second Homes▪ Condominiums▪ Manufactured Housing & Mobile Homes▪ Unique properties |
| NATURAL DISASTER POLICY | <ul style="list-style-type: none">▪ Correspondent represents and warrants the existence and condition of the subject property at time of purchase.▪ A Property Condition Certification is required for appraisals completed within 90 days of the disaster declaration. |

HUD SECTION 184

NON-ARM'S LENGTH AND CONFLICT OF INTEREST

- Not allowed if new construction and the borrower is the builder or affiliated with the builder/developer.

OCCUPANCY

- Primary only.

PRINCIPAL CURTAILMENT AT CLOSING

- May not exceed lesser of 2% of loan amount or \$500.
- Must be reflected as a Principal Curtailment on the HUD-1.

UNDERWRITING

- Must be manually underwritten by Correspondent ONAP approved Direct Underwriter Approval (DUA) Underwriter, or prior approved by ONAP.
- Clear CAIVRS, LDP and GSA search required.

Each loan must comply with all ONAP Section 184 Indian Home Loan Guarantee Program

https://www.hud.gov/program_offices/public_indian_housing/ih/homeownership/184

USDA RURAL DEVELOPMENT

DESCRIPTION	<ul style="list-style-type: none">▪ USDA Rural Development Guaranteed Fixed Rate▪ First lien, fully amortizing Fixed Rate▪ 30 year term▪ Primary Residences only▪ Product code RD30
ELIGIBLE STATES	<ul style="list-style-type: none">▪ Oklahoma
PROPERTY ELIGIBILITY	<ul style="list-style-type: none">▪ Property Eligibility must be verified at the following link, and retained in the file: http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@11
MIN/MAX LOAN AMOUNT	<ul style="list-style-type: none">▪ Follow USDA RD Guaranteed Loan Program Guidelines for maximum loan amounts, property location, income limits, and loan purpose.▪ Minimum loan amount \$100,000.
AGE OF LOAN / PRIOR REJECTS	<ul style="list-style-type: none">▪ Loans must have been closed no more than 60 days prior to delivery.▪ Loans previously rejected by or repurchased from MCC, FHA or GNMA are ineligible.▪ Loans previously rejected by or repurchased from another investor are ineligible.
ASSUMPTIONS	<ul style="list-style-type: none">▪ Not allowed
BOND PROGRAMS	<ul style="list-style-type: none">▪ Not allowed
BUYDOWNS	<ul style="list-style-type: none">▪ Not allowed
CREDIT SCORE	<ul style="list-style-type: none">▪ Each borrower must have a minimum of two credit scores. Minimum 660 FICO score indicator.

USDA RURAL DEVELOPMENT

- DOWN PAYMENT ASSISTANCE**
- Not allowed
- DEBT TO INCOME RATIO**
- Maximum 45% DTI allowed.
- ESCROW HOLDBACKS**
- Escrow Holdbacks must be completed prior to loan purchase, and evidenced by satisfactory final inspection.
- ESCROW WAIVERS**
- Not allowed
- INCOME RESTRICTIONS**
- Income Eligibility must be verified at the following link, with results retained in the file:
<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@11>
- INELIGIBLE PROPERTY TYPE**
- Leasehold
 - Investment
 - Cooperatives
 - Second Homes
 - Condominiums
 - Manufactured Housing & Mobile Homes
 - Unique properties
- NATURAL DISASTER POLICY**
- Correspondent represents and warrants the existence and condition of the subject property at time of purchase.
 - A Property Condition Certification is required for appraisals completed within 90 days of the disaster declaration.
- NON-ARM'S LENGTH AND CONFLICT OF INTEREST**
- Not allowed if new construction and the borrower is the builder or affiliated with the builder/developer.

USDA RURAL DEVELOPMENT

OCCUPANCY

- Primary only.

PRINCIPAL CURTAILMENT AT CLOSING

- May not exceed lesser of 2% of loan amount or \$500.
- Must be reflected as a Principal Curtailment on the HUD-1.

UNDERWRITING

- Must be manually underwritten by an Underwriter employed by Correspondent and must receive a GUS ACCEPT/ELIGIBLE Underwriting Recommendation.
- Clear CAIVRS, LDP and GSA search required.
- File must be submitted to the RD office in the state the property is located to obtain a Conditional Commitment prior to closing.

Loans must comply with all USDA RD requirements. USDA RD Guidelines are available at www.usda.gov or on AllRegs.

USDA PROPERTY ELIGIBILITY

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@11>

LOANS INCOME LIMITS

<http://eligibility.sc.egov.usda.gov/eligibility/incomeEligibilityAction.do?pageAction=state&NavKey=income@11>

USDA RD DOCUMENTATION MATRIX

<http://www.rurdev.usda.gov/SupportDocuments/MN-SFH-DocumentationMatrix.pdf>

VETERANS ADMINISTRATION

DESCRIPTION	<ul style="list-style-type: none"> ▪ First lien, fully amortizing Fixed Rate ▪ 30 or 15 year term ▪ Primary residences only ▪ Product Codes VA30, VA15
ELIGIBLE STATES	<ul style="list-style-type: none"> ▪ Arizona, Arkansas, Colorado, Kansas, Missouri, Nevada, Oklahoma, Texas, Utah
MIN/MAX LOAN AMOUNT	<ul style="list-style-type: none"> ▪ Follow VA Guidelines for the applicable county/MSA, VA program section, and loan purpose. ▪ Primary Residences only. ▪ VA Cash-Out Refinances are limited to 90% LTV. ▪ VA IRRRL's are limited to 90% LTV based on a current 1004. ▪ Veteran must have entitlement for a minimum 25% guaranty. ▪ \$100,000 minimum loan amount.
AGE OF LOAN / PRIOR REJECTS	<ul style="list-style-type: none"> ▪ Loans must have been closed no more than 60 days prior to delivery. ▪ Loans previously rejected by or repurchased from MCC, VA, or GNMA are ineligible. ▪ Loans previously rejected by or repurchased from another investor are ineligible.
ASSUMPTIONS	<ul style="list-style-type: none"> ▪ Not allowed
BUYDOWNS	<ul style="list-style-type: none"> ▪ Not allowed
CREDIT SCORE	<ul style="list-style-type: none"> ▪ Each borrower must have a minimum of two credit scores. Minimum 660, regardless of DU findings.
DOWN PAYMENT ASSISTANCE	<ul style="list-style-type: none"> ▪ All down payment assistance programs must be approved by MCC. Government entity approved DPA programs only.
DEBT TO INCOME RATIO	<ul style="list-style-type: none"> ▪ Max 50% with 700+ FICO ▪ Max 45% with <700 FICO

VETERANS ADMINISTRATION

SEASONING ON REFINANCE TRANSACTIONS (IRRRL AND NON IRRRL)

- When refinancing any loan to a new VA loan, the new note date must be on or after the later of:
 - The date that is 210 days after the date on which the **first monthly payment was made** on the mortgage being refinanced, and
 - The date on which **6 full monthly payments** have been **made** on the mortgage being refinanced.

ESCROW HOLDBACKS

- Escrow Holdbacks must be completed prior to loan purchase, and evidenced by satisfactory final inspection.

ESCROW WAIVERS

- Not permitted.

INELIGIBLE PROPERTY TYPE

- Leasehold
- Investment
- Cooperatives
- Second Homes
- Condominiums
- Manufactured Housing & Mobile Homes
- Unique properties

INTEREST CREDIT AT CLOSING

- Cannot exceed 7 calendar days and must be used to reduce closing costs (e.g., cannot result in cash back to the borrower at closing).

NATURAL DISASTER POLICY

- Correspondent represents and warrants the existence and condition of the subject property at time of purchase.
- A Property Condition Certification is required for appraisals completed within 90 days of the disaster declaration.

NON-ARM'S LENGTH AND CONFLICT OF INTEREST

- Not allowed if new construction and the borrower is the builder or affiliated with the builder/developer.

OCCUPANCY

- Primary only

MCCCorrespondent
Lending *Since 1957*
Mortgage Clearing Corporation

VETERANS ADMINISTRATION

PRINCIPAL CURTAILMENT AT CLOSING

- May not exceed lesser of 2% of loan amount or \$500.
- Must be reflected as a Principal Curtailment on the HUD-1.

IRRRL REFINANCES

- Minimum tri-merge credit report with a FICO indicator score of **660**.
- Desktop appraisal supporting max base loan amount of 90% LTV.
- No 30 day delinquencies allowed in the past 12 months.
- Verification of sufficient assets to close.
- Verification of the ability to repay.
- Executed 4506.

UNDERWRITING

- Must be underwritten by a VA Automatic & LAPP approved Underwriter employed by Correspondent.
- DU Approve/Eligible through VA TOTAL Scorecard required.
- Clear CAIVRS, LDP and GSA search required.

Each loan must comply with all VA requirements. VA Guidelines are available at www.VA.gov or on AllRegs.

Mortgage Limits

http://benefits.va.gov/HOMELOANS/documents/docs/2013_county_loan_limits.pdf

Lender's Handbook

http://www.benefits.va.gov/warms/pam26_7.asp

MCC Required File Stacking Order

For all FTP Documents sent to MCC please refer to the following pages for the correct shipping/stacking order requirements:

File Stacking Order--Conventional

Closing

- Lock Confirmation Sheet
- Payment History
- Wiring Instructions
- First Payment Letter
- UCD Findings Report
- Closing Disclosure (Buyer and Sellers for Purchases)
- Rescission Notice
- Closing Disclosure
- Initial Escrow Account Disclosure
- Original Mortgage Note (Endorsed to Mortgage Clearing Corporation)
- Certified copy of Mortgage/Deed of Trust with any riders
- Certified copy of Assignment to Mortgage Clearing Corporation
- Title Commitment
- Survey
- Deed
- Termite Inspection
- Treasurer's Tax Information Sheet
- Hazard Policy with paid receipt
- Copy of Hazard transfer letter
- Life of Loan Flood Certification
- Copy of Servicing Transfer Notice for the Flood Certification
- Flood Policy with paid receipt
- Copy of Flood transfer letter
- PMI Certificate
- 4506-T executed at closing
- USA Patriot Act Information Form

Processing

- Transmittal Summary 1008
- DU Underwriting Findings
- Payoff Statement on Refinances
- Final Application 1003
- Pre-closing Soft Pull Credit Report
- Credit Report
- CHECK OFAC (on credit report)
- LDP (Limited Denial of Participation)
- GSA (Excluded Parties List)
- Divorce Decree
- Bankruptcy Papers
- Proof of Sale of Prior Home
- Asset Verification
- Gift Letter & Supporting Documentation
- Income Verification (paystubs, W-2's, and / or tax returns w/ all schedules)
- Income Re-verification
- IRS Transcripts
- 4506-T executed at application
- Home Valuation Code of Conduct
- Contract (If a Purchase)
- UCDP SSR Certificate
- Residential Appraisal Report & Addenda
- Final Inspection
- Initial Application
- Loan Estimate
- Misc. Documentation
- Proof of sale
- Taxpayer Consent Form

Final Shipping

- Original recorded Mortgage/Deed of Trust
- Original recorded Assignment
- Title Policy
- Notice of Assignment, Sale or Transfer of Servicing Rights

All documents requested should be no older than 120 days prior to closing.

File Stacking Order-- FHA 203b & HUD 184

Closing

- Lock Confirmation Sheet
- Payment History (if applicable)
- Wiring Instructions
- First Payment Letter
- Closing Disclosure and Settlement Certification
- Rescission Notice
- Initial Escrow Account Disclosure Statement
- Original Mortgage Note (Endorsed to Mortgage Clearing Corporation)
- Certified Copy of Mtg/ Deed of Trust w/any riders
- Certified copy of Assignment to Mortgage Clearing Corporation
- Title Commitment
- Survey
- Deed
- Termite Inspection
- Treasurer's Tax Information Sheet
- UFMIP Receipt
- Hazard Policy w/ Paid Receipt
- Copy of Hazard transfer letter
- Life of Loan Flood Certificate
- Copy of Servicing Transfer Notice for Flood Certificate
- Flood policy w/ Paid Receipt
- Copy of Flood Transfer letter
- Final Shipping
- Mortgage Insurance Certificate
- Original recorded mortgage
- Original recorded Assignment
- Title Policy
- Evidence of FHA Case Transfer
- Notice of Assignment, Sale or Transfer of Servicing Rights
- USA Patriot Act Information Form

Processing

- DU Underwriting Findings
- Underwriter Conditions
- Payoff Statement on Refinances
- FHA Transmittal 92900LT
- FHA 92900-A Pages 1-4
- Final Application
- FHA Connection
- FFIEC/ GEO Coding System
- GSA/ LDP List/OFAC
- Credit Report
- Bankruptcy Papers(if applicable)
- Bank Statements
- Gift Letter (if applicable)
- Misc. Asset Verification
- Verification of Employment
- Paystubs
- W-2's(Last two years)
- Self Employed Borrowers DU Requirements/Underwriter Requirements
- Contract(If applicable)
- Direct Endorsement HUD 54114
- Conditional Commitment 92800
- Residential Appraisal Report
- Final Inspection
- Appraisal Conditions
- Initial Application
- Loan Estimate
- Misc. FHA Documentation
- Proof of sale
- Taxpayer Consent Form

All documents requested should be no older than 120 days prior to closing.

File Stacking Order--VA

Closing

- Lock Confirmation Sheet
- Payment History (if applicable)
- Wiring Instructions
- First Payment Letter
- Closing Disclosure
- Rescission Notice
- Initial Escrow Account Disclosure Statement
- Original Mortgage Note (Endorsed to Mortgage Clearing Corporation)
- Certified Copy of Mtg./ Deed of Trust w/ any riders
- Certified copy of Assignment to Mortgage Clearing Corporation
- Title Commitment
- Survey
- Deed
- Termite Inspection
- Treasurer's Tax Information. Sheet
- Funding Fee Receipt
- Report & Certification of Loan Disbursement
- Hazard Policy w/ Paid Receipt
- Copy of Hazard transfer letter
- Life of Loan Flood Certification
- Copy of Servicing Transfer Notice for Flood Certification
- Flood policy w/ Paid Receipt
- Copy of Flood Transfer letter
- Final Shipping
- Guaranty Certificate
- Original recorded mortgage
- Original recorded Assignment
- Title Policy
- Notice of Assignment, Sale or Transfer of Servicing Rights
- USA Patriot Act Information Form

Processing

- VA Transmittal 26-0285
- VA Loan Summary 26-0286
- Payoff Statement on Refinances
- D.U. Report
- VA Loan Analysis 26-6393
- Final Application
- Addendum 26-1802a
- Certificate of VA Benefits 26-8937
- Certificate of Eligibility
- CAVIRS Authorization
- LDP/GSA List/OFAC
- Credit Report
- Bankruptcy Papers(If Applicable)
- Bank Statements
- Gift letter (if applicable)
- Misc. Asset Verification
- Verification of Employment
- Paystubs
- W-2's(Last two years)
- Self Employed Borrowers 2 years signed Federal Tax returns
- Contract(If applicable)
- VA Notice of Value 26-1843a
- VA Appraisal Report
- Copy of D/L & Social Security Card
- VA Signature Documents
- Initial Application
- Loan Estimate
- Copy of DD214
- Interest Rate & Discount Disclosure Statement
- Counseling Checklist for Military Homebuyers
- VA Borrower Certification
- Proof of sale
- Taxpayer Consent Form

All documents requested should be no older than 120 days prior to closing.

File Stacking Order--Rural Development

Closing

- Lock Confirmation Sheet
- Payment History
- Wiring Instructions
- First Payment Letter
- Closing Disclosure
- Rescission Notice
- Initial Escrow Account Disclosure
- Original Mortgage Note
(Endorsed to Mortgage Clearing Corporation)
- Certified copy of Mortgage/Deed of Trust with any riders
- Certified copy of Assignment to Mortgage Clearing Corporation
- Title Commitment
- Survey
- Deed
- Termite
- Treasurer's Tax Information Sheet
- Hazard Policy with paid receipt
- Copy of Hazard transfer letter
- Life of Loan Flood Certification
- Copy of Servicing Transfer Notice for the Flood Certification
- Flood Policy with paid receipt
- Copy of Flood transfer letter
- RD Insuring Documentation
- RD Lender Record Change (copy)
- 4506T executed at closing
- USA Patriot Act Information Form

Processing

- Processing Checklist
- GUS Underwriting Report
- Transmittal Summary
- Final Application
- Credit Report
- CHECK OFAC (on credit report)
- LDP (Limited Denial of Participation)
- GSA (Excluded Parties List)
- Divorce Decree
- Bankruptcy Papers
- Asset Verification
- Gift Letter & Supporting Documentation
- Income Verification
- Income Re-verification (paystubs, W-2's, and / or tax returns w/ all schedules)
- IRS Transcripts
- 4506-T executed as application
- Home Valuation Code of Conduct
- Contract (If a Purchase)
- Residential Appraisal Report & Addenda
- Final Inspection
- Initial Application
- Loan Estimate
- Misc. Documentation
- Proof of sale
- Taxpayer Consent Form

Final Shipping

- Original recorded Mortgage/Deed of Trust
- Original recorded Assignment
- Title Policy
- Notice of Assignment, Sale or Transfer of Servicing Rights

All documents requested should be no older than 120 days prior to closing.