

COMPENSATING FACTORS APPROVABLE RATIO REQUIREMENTS

MAX DTI	CREDIT SCORE	COMPENSATING FACTORS/REQUIREMENTS	
31% 43%	MIN 580	NONE REQUIRED	
37% 47%	MIN 580	ONE REQUIRED	<ul style="list-style-type: none"> • 1-3 Months Cash Reserves • Additional income • Monthly residual income • Mortgage payment and payment history
40% 50%	MIN 580	TWO REQUIRED	<ul style="list-style-type: none"> • 1-3 Months Cash Reserves • Additional income • Monthly residual income • Mortgage payment and payment history

SATISFACTORY CREDIT PER FHA HOUSING CREDIT REQUIREMENTS

PAYMENT HISTORY	12 MONTHS	24 MONTHS
Housing & Installment	0 X 30	2 X 30
Revolving	2 x 60 0x 90	-

<input checked="" type="checkbox"/> A combination of all housing and installment debt payments made on time for the previous 12 months.	<input checked="" type="checkbox"/> No major derogatory credit on revolving accounts in the previous 12 months DEFINED AS: Any payment made more than 90 days after due date OR 3 or more payments made more than 60 days after due date.
<input checked="" type="checkbox"/> No more than 2 x 30 day late mortgage or installment payments during the previous 24 months	