

KHC'S FIRST MORTGAGE FUNDING SOURCE QUICK REFERENCE CARD



To **successfully** originate KHC mortgages you should begin with *prequalified* applicants and properties meeting FHA, VA, RHS, Fannie Mae or Freddie Mac Conventional guidelines. The applicant (s) must be purchasing or refinancing a single family, one-unit (with or without ADU) or duplex, owner-occupied property, located in Kentucky. Then follow the steps below.

1. The purchase price or refinance amount is at or below:
 - **\$566,354** with Secondary Market
 - **\$566,354** with MRB (purchase only)

2. The applicant (s) meet KHC's simple **credit overlays**:
 - **660** credit score for Conventional
 - **620** credit score for FHA, VA, and RHS
 - Max ratio caps for all loans of **50%**
 - **AUS Approval** required except on FHA, VA or RHS

3. Do a quick check to see if below both Mortgage Revenue Bond (MRB) and Secondary Market **income limits**. If household is over MRB income limits, then select the Secondary Market funding source. If under both limits, check the interest rates and decide accordingly. If rates are the same, use the table below to guide you to the right funding source.

MRB Funding	Secondary Market Funding
<ul style="list-style-type: none"> • MRB Household Income Limit <ul style="list-style-type: none"> ○ Applicant(s) and non-borrowing occupant(s) taking title to property • First-time home buyers in non-targeted areas • All home buyers in targeted areas • <u>Purchase Only</u>: – FHA, RHS, and VA. • Duplexes must be 5 years old or in a targeted area. 	<ul style="list-style-type: none"> • Applicants Income Only • First-time and repeat home buyers statewide • Purchase: FHA, VA, RHS and Conventional • Refinance: FHA, RHS and VA IRRRL

4. Does borrower require down payment and closing costs assistance with their Conventional, FHA, VA, or RHS first mortgage? **Attach Regular DAP.**