



# POLICY OVERLAY FACT SHEET RD/USDA

WHOLESALE & CORRESPONDENT

As of June 1, 2020

SUBJECT GUARANTY HOME MORTGAGE CORPORATION OVERLAY	
Agency Guidelines	USDA: <a href="https://www.rd.usda.gov/publications/regulations-guidelines/handbooks">https://www.rd.usda.gov/publications/regulations-guidelines/handbooks</a>
4506-T and Tax Return Transcripts	
Appraisals	
Assets	
Credit Report Inquiries	
Credit Scores	See Product Matrix and Rate Sheet for minimum credit score requirements
Employment Contract	
Escrow for Completion/ Repairs	
General	
High Balance	
Identity of Interest	
Investment Property	
Maximum Number of Loans with GHMC	GHMC will only finance up to 4 properties for any borrower(s)
Mortgage Credit Certificates	Mortgage Credit Certificates cannot be used for debt-to-income qualification purposes
New Construction	Certificate of Occupancy required
Refinance	
Reserves	
Sale of Personal Property	<p>The following are required to document the sale of personal assets for funds to close:</p> <ul style="list-style-type: none"> <li>• Bill of sale reflecting:               <ul style="list-style-type: none"> <li>o Date of sale</li> <li>o Asset to be sold</li> <li>o Sales price</li> <li>o Signatures of the Buyer &amp; Seller</li> </ul> </li> <li>• Proof of ownership</li> <li>• Proof of value via third party</li> <li>• Transfer of ownership               <ul style="list-style-type: none"> <li>o Copy of check or bank statement showing deposit</li> </ul> </li> </ul>
Sales Contract Changes/ Re-negotiated Purchase Agreements	<p>GTC will not accept renegotiated purchase agreements that increase the sales price after the original appraisal has been completed. The Loan to Value will be based on the lower of the original purchase price or the appraised value, unless;</p> <ul style="list-style-type: none"> <li>• Re-negotiation of only seller paid closing costs and/or pre-pays where seller paid closing costs/pre-pays are common and customary for the market and supported by the comps, <b>or</b></li> <li>• An amended purchase agreement for new construction property is obtained due to improvements that have been made that impact the tangible value of the property. In the event of such changes, an updated appraisal must be obtained to verify the value of modifications.</li> </ul>
Secondary Employment/ Multiple Jobs	

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<b>Significant Derogatory Events</b> (Bankruptcy, Foreclosure, Short Sale and Deed in Lieu)	<ul style="list-style-type: none"><li>• Shorter periods for extenuating circumstances are generally not allowed but may be considered based on product guidelines, on an exception basis</li></ul>
<b>Subordinate Financing</b>	
<b>Termite, Septic and Individual Water Systems</b>	Cisterns, springs and water sources other than dug well are generally not acceptable
<b>Variable Income</b>	
<b>Verbal Verification of Employment (VVOE)</b>	