



IMPORTANT UPDATE BULLETIN 39 08242021

Issued to: All Channels
Date: 8-24-2021
Subject: GHMC Expanded Jumbo Guideline Updates
Effective: Immediately

Great news! GHMC has expanded our Jumbo Guidelines to better serve your customers with a more competitive Jumbo Program. These changes are effective immediately with new locks as of **Monday, August 23, 2021**. If there is an active loan in your pipeline that would benefit from the expanded guidelines, please reach out to your Account Executive for assistance.

The expanded guideline changes are highlighted in **RED** below:

Fixed Rate						
Primary Residence Purchase, Rate and Term Refinance						
Transaction Type	Units	FICO	Maximum LTV/ CLTV/ HCLTV	Maximum Loan Amount ¹		
Purchase or Rate and Term Refinance	1	740	89.99% ³	\$1,500,000		
		720	85% ³			
		700 ²	80%			
		720	75%	\$2,000,000		
		720	70%	\$2,500,000		
	680 ²	60%	\$1,000,000			
	2	700 ²	65%	\$1,000,000		
		720	60%	\$1,500,000		
Primary Residence Cash-Out Refinance						
Transaction Type	Units	FICO	Maximum LTV/ CLTV/ HCLTV	Maximum Loan Amount	Maximum Cash-Out	
Cash-Out Refinance	1	700 ²	75%	\$1,000,000	\$500,000	
			70%	\$1,500,000		
		720	60%	\$2,000,000		
			50%	\$2,500,000	\$750,000	
	2	700 ²	60%	\$1,000,000	\$500,000	
Second Home Purchase, Rate and Term Refinance						
Transaction Type	Units	FICO	Maximum LTV/ CLTV/ HCLTV	Maximum Loan Amount		
Purchase	1	720	80%	\$1,000,000		
			75%			
Purchase or Rate and Term Refinance				70%	\$1,500,000	
				65%	\$2,000,000	
				50%	\$2,500,000	

Second Home Cash-Out Refinance					
Transaction Type	Units	FICO	Maximum LTV/CLTV/ HCLTV	Maximum Loan Amount	Maximum Cash-Out
Cash-Out Refinance	1	740	60%	\$1,500,000	\$500,000
			50%	\$2,000,000	\$750,000

¹ First-Time Homebuyer maximum loan amount is \$1,500,000. See First-Time Homebuyer section for additional requirements for loan amounts over \$1,000,000 and up to \$1,500,000.

² Self-Employment income: Minimum 720 FICO when any Self-Employment income is required for qualifying purposes. If the Self-Employment income is not needed for qualifying purposes, then the 720 FICO minimum is not applicable.

³The following requirements apply for transactions with LTVs greater than 80%:

- MI not required
- Secondary financing not allowed
- Maximum DTI 36%
- Non-permanent resident aliens not allowed
- Gift funds not allowed
- Escrow/Impound accounts required for LTVs greater than 80% unless prohibited by applicable laws.

Expanded guidelines are highlighted in **RED**

The Following are now allowed:		
• COVID-19 related Forbearance	• Use of business funds	• Restricted stock and stock options (RSU) income

GHMC Updated Jumbo Guidelines	
Topic	New Guides
DTI	<ul style="list-style-type: none"> • 43% for LTVs ≤ 80% • 36% for LTVs > 80%
Self-Employed	<ul style="list-style-type: none"> • Removed LTV & DTI Restrictions • Cash-Out transactions now allowed
Relaxed Credit Requirements	<ul style="list-style-type: none"> • Minimum three (3) tradelines are required; the following requirements apply <ul style="list-style-type: none"> ○ One (1) tradeline must be open for twenty-four (24) months and active within the most recent six (6) months ○ Two (2) remaining tradelines must be rated for twelve (12) months and may be opened or closed • Or • Minimum two (2) tradelines are acceptable if the borrower has a satisfactory mortgage rating for at least twelve (12) months (opened or closed) within the last twenty-four (24) months and one (1) additional open tradeline.
New Alternative Appraisal Allowance	<ul style="list-style-type: none"> • Collateral Underwriter (CU) with a score of 2.5 or less is allowed in lieu of a CDA • Maximum LV 80% • Maximum loan amount \$1,500,000

Lowered Reserve Requirements		
Reserve Requirements (# of Months of PITIA) ^{1, 2}		
Occupancy	Loan Amount	# of months
Primary Residence	≤\$1,000,000 with LTV ≤ 80%	6
	\$1,000,001 - \$1,500,000 with LTV ≤ 80%	9
	≤\$1,000,000 with LTV > 80%	12
	\$1,000,001 - \$1,500,000 With LTV > 80%	15
	\$1,500,001 - \$2,000,000	12
	\$2,000,001 - \$2,500,000	24
Second Home	≤\$1,000,000	12
	\$1,000,001 - \$1,500,000	18
	\$1,500,001 - \$2,000,000	24

	\$2,000,001 - \$2,500,000	36
First-Time Homebuyer	≤\$1,000,000 with LTV ≤ 80%	12
	\$1,000,001 - \$1,500,000 with LTV ≤ 80%	15
	≤\$1,000,000 with LTV > 80%	15
	\$1,000,001 - \$1,500,000 With LTV > 80%	18
Additional 1-4 Unit Financed REO	<ul style="list-style-type: none"> • Additional six (6) months reserves PITIA for each property is required based on the PITIA of the additional REO. • If eligible to be excluded from the count of multiple financed properties, reserves are not required. • Max of four (4) financed properties may be owned. 	
¹ Borrowed funds (secured or unsecured) are not allowed for reserves. ² Minimum of three (3) months reserves must be liquid and from non-retirement sources. Retirement funds considered liquid are allowed for borrowers of retirement age.		
Expanded guidelines are highlighted in RED		

For complete details, please review the [Jumbo Expanded Guidelines](#) which are posted in the Resource Center in the [Product Guidelines](#) - [Conventional](#) sub-folder.

Please contact your Account Executive for assistance.

We appreciate your business!