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Section 1 – Overview & Underwriting Criteria

This Product Eligibility Policy outlines the parameter requirements for residential mortgage loans submitted to Orion Lending. This document is an integral part of the loan underwriting review process and should be reviewed in conjunction with all potential findings.

All loans will be examined and evaluated to determine whether the proposed loans generally conform to these guideline parameters. The qualifying specifications and procedures are meant to serve as a principal foundation to qualify, and each borrower will be reviewed in its entirety on an individual basis.

Section 2 - Underwriting Criteria

Appendix is intended to reference and supplement FHA’s Seller Guide (4000.1). Refer to the 4000.1 for specific information concerning qualification requirements that are not specifically referenced in the product appendix.

Section 3 – Product Eligibility

3.1 Available Products	<ul style="list-style-type: none"> 5/1 Adjustable Rate Mortgage 10 yr. Fixed Rate Mortgage 15 yr. Fixed Rate Mortgage 20 yr. Fixed Rate Mortgage <ul style="list-style-type: none"> 25 yr. Fixed Rate Mortgage 25 yr. Fixed Rate Mortgage (High Balance) 30 yr. Fixed Rate Mortgage 30 yr. Fixed Rate Mortgage (High Balance) 														
3.2 Adjustable Rate Criteria	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #333; color: white;"> <th>Product</th> <th>Index</th> <th>Margin</th> <th>Initial</th> <th>Periodic</th> <th>Life Cap</th> <th>Floor</th> </tr> </thead> <tbody> <tr> <td>5/1 ARM</td> <td>1 year LIBOR</td> <td>2.00%</td> <td>1%</td> <td>1%</td> <td>5%</td> <td>Margin</td> </tr> </tbody> </table> <p style="text-align: center; margin-top: 10px;">Qualifying Rules greater of Note Rate or the Fully Indexed Rate (rounded)</p>	Product	Index	Margin	Initial	Periodic	Life Cap	Floor	5/1 ARM	1 year LIBOR	2.00%	1%	1%	5%	Margin
Product	Index	Margin	Initial	Periodic	Life Cap	Floor									
5/1 ARM	1 year LIBOR	2.00%	1%	1%	5%	Margin									

Section 4 – Product Matrix

4.1 FHA LTV/CLTV Matrix

PURCHASE					
PROPERTY TYPE	OCCUPANCY	PURPOSE	LOAN AMOUNT	MIN FICO	LTV/CLTV
SFR, Condo, PUD, 2-4 Unit, Manufactured ¹	Primary	Purchase	Per county limits	580	96.5/100
				No FICO	96.5/100

¹Singlewide not allowed

RATE TERM					
PROPERTY TYPE	OCCUPANCY	PURPOSE	LOAN AMOUNT	MIN FICO	LTV/CLTV
SFR, Condo, PUD, 2-4 Unit, Manufactured ¹	Primary	Rate/Term, Simple Refinance	Per county limits	580	97.75
				No FICO	97.75

¹Singlewide not allowed

STREAMLINE					
PROPERTY TYPE	OCCUPANCY	PURPOSE	LOAN AMOUNT	MIN FICO	LTV/CLTV
SFR, Condo, PUD, 2-4 Unit, Manufactured ¹	Primary	Streamline	Per county limits	580	100/125
				No FICO	100/125
				Mtg Only ²	100/125
SFR, Condo, PUD, 2-4 Unit, Manufactured ¹	Investment	Streamline	Per county limits	580	100/125
				No FICO	100/125
				Mtg Only ²	100/125

¹Singlewide not allowed

²A credit score is not required, but may be used for improved pricing. If a score is not provided, the loan will be priced assuming 580 FICO

CASH OUT					
PROPERTY TYPE	OCCUPANCY	PURPOSE	LOAN AMOUNT	MIN FICO	LTV/CLTV
SFR, Condo, PUD, 2-4 Unit, Manufactured ¹	Primary	Cash Out ²	Per county limits	580	85
				No FICO	85

¹Singlewide not allowed

²Borrower must have been on title for 12 months prior to the case number order date.

SECTION 5 - FHA PROGRAM HIGHLIGHTS

5.1 Borrower Eligibility	<ul style="list-style-type: none"> • U.S. Citizens • Permanent resident aliens • Nonpermanent resident aliens
5.2 Credit	<ul style="list-style-type: none"> • Minimum FICO score of 580 • No FICO programs available
5.3 Escrow Holdbacks	<ul style="list-style-type: none"> • Allowed – see Escrow Holdback policy for details
5.5 Ineligible Income	<ul style="list-style-type: none"> • If the income or asset source is not acceptable under all laws, such as income generated through marijuana sales, then the loan is ineligible for Orion Lending; this includes both self-employed borrowers and wage earners working for a company. Likewise, all use of the subject property must be in compliance with all laws. Properties that have mixed-use that do not meet all local, state or federal laws are ineligible for Orion Lending.
5.5 Ineligible Properties	<ul style="list-style-type: none"> • Condotels/Hotel Conversions • Cooperatives • Geodesic Domes • Mobile Homes • Singlewide Manufactured Homes • Timeshares • Unimproved Land and property currently in litigation • Working Farms and Ranches
5.6 Minimum Loan Amount	<ul style="list-style-type: none"> • \$55,000
5.7 State Restrictions	<ul style="list-style-type: none"> • Texas 50 (a) (6) Refinance Mortgages are prohibited
5.8 VVOE – FHA Streamline	<ul style="list-style-type: none"> • VVOE (or third party verification) for income source for salaried and self-employed borrowers. Non W2 and non-self-employed borrowers do not require a VVOE
5.9 FHA Resources	<ul style="list-style-type: none"> • 4000.1 • FHA FAQ