

# PRODUCT MATRIX

Program Component	Hobby Farm (\$500+ of annual ag income)	Rural Resident (no ag income)
Property Type and Ownership	Single Family, Primary and Secondary Residences in good condition	
Borrower and Ownership Entities	Individuals only	
Purpose	Purchase, Refinance, Construction Take-out (permanent financing following construction)	
Terms Available	Fixed Rate - 15 or 30-year/fully amortized	
Credit Bureau Scores (all borrowers)	Minimum mid-score of 680	
Bkys., Foreclosures, Short Sales, Tax Liens, etc.	Applications with 4+ years of solid credit history since date of credit event (discharge date for bankruptcies) will be considered	
Ineligible Property Types	Full-time farming/business property, manufactured/mobile homes, berm homes, dome homes	
Appraisal	Fannie Mae 1004/Freddie Mac 70 appraisal forms or Uniform Agricultural Appraisal Report (UAAR). <i>The appraiser should choose the report which best supports the value given to the subject property.</i>	
Debt-to-Income (DTI)	39%; up to 43% w/compensating factors <i>Some examples of compensating factors may include 750+ mid score, 50% owner equity, lower LTV than stated guidelines, or significant cash reserves.</i>	
Self-employed Borrowers	Include a balance sheet and 2 years of taxes (3 for farmers) for each business	
Second Mortgages	Allowed if financed through Financial Institution/Gov't.	
Seller Closing Cost Contribution	Up to 5%(No seller carrybacks allowed)	
Cash Out Restrictions	Actual cash out maximum of \$100,000 or 25% of the loan amount.	Actual cash out maximum of \$2,000 or 1% of the loan amount whichever is greater
LTV/CLTV – Loan Amounts	80%/95%- up to \$750,000 75%/90%- \$750,001 - \$1,200,000 70%/80%- \$1,200,001 - \$2,000,000 Loan amounts over \$2,000,000 case-by-case (55% LTV max.)	80%/95%- up to \$510,400
Home Only Value Restrictions	None	\$327,000 (AV less site and detached outbuilding value)
Home Value to Overall Property Value Percentage	Ideally 30%+, but lower levels considered	Ideally 50%+, but lower levels considered to 30%
2nd Home on the Property	One additional home on the subject property allowed. Two additional allowed on case-by-case basis. The comparable sale analysis should focus on the primary home. Ancillary value can be given to the additional home(s) if the home(s) are not manufactured.	No
Acreage	Properties generally range from 5 to 160 acres. Acreages over 160 considered on a case-by-case basis.	Generally under 5 acres
Property Eligibility	Rural Area	Rural Area or community with less than 2,500 residents
Agricultural Income	Acreages of 5+ need to have reasonable potential to produce \$500/annually. If an applicant has a property under 5 acres (and needs to be classified as a hobby farmer) then the proven annual agriculture income must be \$5,000.	None
Livestock	Generally 50 head or less	None



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