



GIANT LENDING FHA Matrix 100% Financing

Transaction Type	Number of Units	Maximum LTV/CLTV/HCLTV		Minimum Credit Score
FHA Purchase	1-2 Units	FHA DPA	96.50% LTV + 3.5% DPA = 100% CLTV	600 for AUS 660 for Manual
		DPA Plus	96.50% LTV + 3.5% DPA = 100% CLTV	
		DPA Deluxe	96.50% LTV + 5.0% DPA = 101.5% CLTV	
¹ Row Homes in Baltimore City, MD: External-only BPO secondary valuation required within 10% tolerance				

PRODUCT OFFERINGS	
Fixed Rate Products	30 year fixed

GIANT FHA DPA is designed to increase homeownership opportunities for low-to-moderate income individuals and families nationwide (excluding New York). Unless otherwise specified here as an overlay, GIANT adheres to all posted guidelines for FHA eligibility, as found in the [FHA Single Family Housing Handbook 4000.1](#).

Down Payment Assistance is available to achieve 100% or 101.5% (DPA Deluxe only) CLTV with these three options:

- 1) FHA DPA** - 2nd lien is a zero percent (0.00%) Note rate, with a deferred, forgivable payment (WA ineligible)
- 2) DPA Plus** - 2nd lien that has an interest rate equal to the first lien rate plus 2% with a 10-year amortization and monthly payments required
- 3) DPA Deluxe** - 2nd lien that has an interest rate equal to the first lien rate plus 2% with a 10-year amortization and monthly payments required

TOPIC	BORROWER ELIGIBILITY
Credit Score	600 Minimum Credit Score for AUS Approve/Accept findings 660 Minimum Credit Score for Manual Underwriting - Must meet all FHA credit standards per FHA Single Family Housing Handbook 4000.1
Debt-to-Income Ratio (DTI)	- Follow AUS findings (Approve/Eligible or Accept findings required) - Manual Underwriting – Maximum DTI is 45% and Minimum Credit Score of 660 FHA DPA Plus and FHA DPA Deluxe - Payment for the 2nd lien must be included in qualifying ratios (2nd rate equal to first lien rate plus 2% and a 10-year amortization) - Underwriter must resubmit AUS after loan is locked

TOPIC	BORROWER ELIGIBILITY
Eligible Borrowers	- US Citizens - Permanent Residents - Non-Permanent Residents with: Case numbers assigned prior to May 25, 2025, are allowed under the following conditions: - Acceptable Visa evidence provided - Borrower eligible to work in the U.S., as evidenced by EAD issued by the USCIS - Borrower has valid Social Security Number (SSN) - Borrower satisfies the same requirements, terms, and conditions as those for U.S. citizen - DACA: With Category C33 work status under deferred action, DACA borrowers allowed: - EAD must be current (if expiring within one year, evidence history of renewals) - Income source must be stable with a two-year work history - Diplomatic Immunity: Borrowers with Diplomatic Immunity ineligible Case numbers assigned on or after May 25, 2025, are ineligible except for citizens of Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau that have an EAD Category Code A08. Refer to FHA Single Family Housing Policy Handbook 4000.1 for additional requirements.
Eligible Properties	- Condominium (must not be in litigation, must meet FHA guidelines) - Double-wide manufactured housing allowed (single-wide not allowed) - Planned Unit Development (PUD) - SFR (1-2 Units) - Townhouse
Income	- Follow FHA Single Family Housing Handbook 4000.1 guidelines - The following types of income are unacceptable: - Income that is not in accordance with all applicable federal, state and local laws, rules and regulations - Any income generated from the cannabis or hemp industry - Income Limits: - No restrictions
Occupancy	- Primary Residence only - Non-occupant co-borrowers allowed per FHA Single Family Housing Handbook 4000.1 - No First-time Homebuyer requirement

TOPIC	FHA 1st TD with 2nd DPA Lien
1003 – Initial and Final	- Initial and Final URLA are both required, per FHA guidelines - At least one of the URLAs must be signed by the Mortgage Loan Originator (MLO), and at least one must have the 'Present Housing Expense' section completed (no exceptions)
Borrower Contribution	Borrower's minimum contribution is \$0.00
Cash Back to Borrower	Borrower may not receive any cash back from DPA proceeds (except earnest money deposit)
Credit Report – Tradelines	Borrower whose only credit history is built from 'Authorized User' account is not eligible
Down Payment Assistance (DPA) and Closing Costs Assistance	- OCMBC allows Down Payment Assistance (DPA) as outlined below: - Up to 5.0% of the Sales Price or Appraised Value (lesser of the two) - DPA proceeds may be used for down payment and/or closing costs - DPA proceeds may not be used for cash back to the borrower(s) FHA DPA 2nd lien allows up to 3.5% and is a zero percent (0.00%) Note rate, fully amortized over 30 years, with a forgivable option DPA Plus and DPA Deluxe 2nd liens have an interest rate equal to first lien rate plus 2% and a 10-year amortization with monthly payments required
Fees and Compensation	N/A
First Mortgage Loan Types and Terms	Loan Types (FHA; in accordance with FHA Guidelines) 203(b) 203(b)(2) 234(c) Loan Term 30-Year Fixed with Full Amortization Maximum Loan Amount - Conforming Limit (HUD FHA Mortgage Limits Lookup Tool) or High Balance Loans Maximum LTV/CLTV - Max LTV of 96.50% for First Mortgage - Down Payment Assistance (DPA) of up to 5.0% Allowed - Max CLTV of 101.5%

TOPIC	FHA 1st TD with 2nd DPA Lien
Forgivable Option Details (FHA DPA)	2nd lien on FHA DPA (forgivable option) is forgivable IF: - Loan has reached 10 years from Note date, and - A Repayment Event has not occurred, and - Borrower continues to occupy the property as their primary residence Repayment Event: - The First Deed of Trust or Mortgage on property is refinanced, or - The First Deed of Trust or Mortgage on property becomes due and payable for any reason, or - Borrower sells, transfers, or otherwise disposes of Property, including, without limitation, through foreclosure or transfer pursuant to any power of sale Note: Properties located in the state of Washington are ineligible
High-Cost, HPML, and QM Compliance	- HPML transactions are permitted; Lender must comply with CFPB and TRID requirements - High-cost loans are <u>not</u> permitted - All loans must comply with QM/ATR compliance - Loans exceeding 3% maximum points/fees test are not permitted unless a cure is applied - Bona Fide Discount Points must adhere to CFPB and all (if any) state regulations
Homebuyer Education	- At least one borrower must receive housing counseling from a Fannie Mae, Freddie Mac, or HUD-approved non-profit housing counseling agency prior to the Note date - A partial list of options can be found in these links: Fannie Mae HomeView® Freddie Mac CreditSmart® Homebuyer U HUD Housing Counseling Services
Ineligible Features	- Building on own land - Construction-to-Perm - Easements and Deed Restrictions that affect value, marketability, or property accessibility as determined by the appraiser and for which no protective title endorsement is available - Loans with resale Deed Restrictions - Proposed, or Under Construction (New Construction is eligible, provided it is complete at the time of purchase)

TOPIC	FHA 1st TD with 2nd DPA Lien
Ineligible Properties	• 3-4 Unit Properties • Co-Ops • Indian Leased Land • Properties with Solar Panels that affect first lien position • Resale type Deed Restrictions • Single-Wide Manufactured Homes
IRS Transcripts	• Required for self-employed borrowers, or any borrower who needs tax returns for qualifying
Loan Amount	• Maximum loan amount follows standard conforming FHA Guidelines and varies by subject property county (HUD FHA Mortgage Limits Lookup Tool) • Minimum Loan Amount - \$75,000
Loan Purpose	• Purchase only
Manual Underwriting	• Maximum DTI is 45% • Minimum Credit Score is 660 • Except where noted above for max DTI and minimum credit score, must follow FHA guidelines regarding manual underwriting and required compensating factors
Mortgage Insurance (MI)	• Standard FHA Coverage
Product Description	• 1st TD, 30-Year Fixed Rate Term, Full Amortization • FHA DPA 2nd lien is a zero percent (0.00%) Note rate, fully amortized over 30 years, with a forgivable option ○ Properties located in the state of Washington are ineligible • DPA Plus and DPA Deluxe 2nd lien have an interest rate equal to first lien rate plus 2% and a 10-year amortization with monthly payments required
State-specific Overlays	• AZ – Minimum 2nd TD Loan Amount of \$5,000 • NY – Not eligible • SC – Minimum 2nd TD Loan Amount of \$5,000 • WA – FHA DPA 2nd lien (zero percent (0.00%) Note rate with a deferred, forgivable payment) is ineligible
Temporary Buydown	• Allowed with Limitations – see ‘Temporary Buydown Guide’ below for specific terms and conditions

TEMPORARY BUYDOWN GUIDE	
Product Eligibility	• Temporary buydown only applies to first lien and is not applicable to the DPA product • Must meet all terms of FHA DPA program • Seller / Builder funded only
Term of Buydown	• 2/1 Buydown: ○ 24-month term ○ Initial interest rate temporarily reduced by no more than two percent below the note rate and increased by no more than one percent annually for no more than two years, with the non-reduced note rate applying for remaining term of loan
Underwriting Criteria	• Borrowers qualified using note rate, not buydown rate • Standard Interested Party Contribution guidelines apply • Temporary Buydowns do not apply to the DPA transaction – only to the first lien • Seller / Builder funded only