

2-4 UNITS COMPARISON MATRIX

(Owner Occupied)



	CONFORMING		FHA	VA
	2 Unit	3-4 Unit	2 Unit	2 Unit
Max DTI	Determined by DU / LPA (typically 50%)		55%	60%
Minimum FICO*	620 DU / LPA		580	580
Max LTV	80% DU / 85% LPA	80% DU / LPA	96.50%	100%
Home Possible Home Ready				
Appraisal	Full with Interior Photos (1003/70) & Rent Schedule (1007/1000)		Full with Interior Photos (1003/70) & Rent Schedule (1007/1000)	Full with Interior Photos (1003/70) & Rent Schedule (1007/1000)
Landlord Experience	Not Required		Not Required	Not Required
Rent Loss	Not Required		Not Required	Not Required
Reserves	Determined by DU / LPA (Typically 2 - 6 months)	6 months	Not Required (typically 2 months is desired)	<ul style="list-style-type: none"> • None if rental income is NOT used for qualifying • Minimum of 6 months if rental income IS used for qualifying
Rental Income	<ul style="list-style-type: none"> • 75% of Gross Rents • Allowed with no Landlord Experience 		<ul style="list-style-type: none"> • 100% of Net Rents • Allowed with no Landlord Experience 	<ul style="list-style-type: none"> • 75% of Net Rents • 100% of Net Rents may be used if the Borrower has a min of 2 years Landlord experience AND 6 months reserves
Gifts	<ul style="list-style-type: none"> • Only Allowed from blood relatives after the borrower has 5% of their own funds • Cannot be used to meet reserve requirements 		Allowed from a blood relative or close family friend	<ul style="list-style-type: none"> • Allowed from a blood relative • Cannot be used to meet reserve requirements

*DU or LPA Approval is required. Max DTI and Minimum FICO Score on this table are for reference purposes only. DU and LPA will determine the actual Minimum FICO Score and Maximum DTI.

