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This document is a summary of key Wintrust Mortgage overlays to Fannie Mae and Freddie Mac requirements for loans submitted under a Seller’s delegated and non-delegated underwriting authorities.

This document should be used as a reference tool in conjunction with the Wintrust Mortgage published guidelines and is not meant to be used as a replacement to the published guidelines.

Subject	Wintrust Mortgage Policy Overlay	DU	LPA
4506-T and Tax Return Transcripts	<ul style="list-style-type: none"> • 4506-T is required for each borrower on the loan and for each business tax return used to under the loan. • For loans not receiving full income validation through Desktop Underwriter (DU) validation service, no transcripts are required when all income information used to decision a loan is made up exclusively of wage earner income reported on a W-2 and/or fixed income reported on a 1099 (e.g., social security or VA benefits), unless required by the AUS. Seller to request and include the most recent year’s 1040 IRS tax return transcript for all other transactions. 	X	X
Appraisals	<ul style="list-style-type: none"> • Transfer of appraisal is not permitted. • Document age <ul style="list-style-type: none"> ✓ If the appraisal is older than 120 but is less than one year old from the date printed on the Note, an appraisal update is required indicating the property value has not declined. ✓ If the effective date of the appraisal exceeds one year or the value has declined, a new appraisal is required. • Interior photographs must be provided in addition to standard exhibits. 	X	X
Appraisal Submission Summary Report (SSR)	<ul style="list-style-type: none"> • Both Fannie Mae and Freddie Mac SSRs must be in the closed loan package for all loans with an appraisal. • A <i>Successful</i> UCDP status is required from one or both of the Agencies. 	X	X
Appraiser Policy	<ul style="list-style-type: none"> • A copy of the appraiser’s license/certification must be in the closed loan package. 	X	X
Assets as a Basis for Mortgage Qualification	Freddie Mac’s policy for assets as a basis for mortgage qualification is not permitted.		X
Cash Assets	Not Permitted.	X	X
Citizenship	<ul style="list-style-type: none"> • Each borrower on the loan must have a valid Social Security number. • A copy of the Green Card is required for all permanent resident aliens. A copy of the front and back of the card must be included in the closed loan package. • All non-permanent resident aliens must provide evidence of a valid, acceptable visa or an Employment Authorization Document (EAD). A copy of the visa or EAD must be included in the closed loan package. 	X	X

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Citizenship Cont.	<ul style="list-style-type: none"> • A borrower with an expired visa may be considered, subject to additional requirements. • Loans to foreign nationals, individuals with diplomatic immunity and ITIN (Individual Taxpayer Identification Number) are not permitted. 		
Co-ops	Not Permitted.	X	X
Credit Scores	Minimum FICO 620	X	X
DPAs	Not Permitted.	X	X
Digital Signatures	Allowed.	X	X
Disaster Policy	In the event of a major disaster, Wintrust Mortgage-specific requirements apply for appraisal, property inspections, and property damage (refer to the guidelines for details).	X	X
DU Refi Plus Loans	Not Permitted.	X	X
Escrow Holdback	Weather related only, requires WM approval.	X	X
Fannie Mae High-Balance Mortgage Loans	DU "Approve/Eligible" required.	X	
Fannie Mae HomeReady Program	<ul style="list-style-type: none"> • DU "Approve/Eligible" required. • The following are not permitted: <ul style="list-style-type: none"> ➢ Combination with HomeStyle Renovation loans ➢ Sweat Equity 	X	
Flood Insurance	<p>Additional Wintrust Mortgage-specific guidelines apply for the following (refer to the guidelines and Partner Guide for details):</p> <ul style="list-style-type: none"> • Condo project flood insurance <p>An escrow/impound account must be established for payment of the flood insurance premiums to all loans delivered to Wintrust Mortgage, regardless of the LTV and/or federal exemptions.</p>	X	X
Freddie Mac Home Possible Program	<ul style="list-style-type: none"> • 30-year Fixed Rate only. • Affordable Loan ULDD Data Collection Form must be included in the closed loan package. • Wintrust Mortgage-specific requirements apply for mortgage insurance (refer to the guidelines for details). 		X
Higher-Priced Mortgage Loans (HPML) and High Cost Loans	Not Permitted.	X	X
Home Opportunities Program	Not Permitted.	X	X
Identity of Interest/Non-Arm's Length Transactions	<p>Wintrust Mortgage-specific requirements apply for the following (refer to the guidelines for details):</p> <ul style="list-style-type: none"> • Property Type • Documentation requirements • Appraisal requirements 	X	X
Income and Debt Documentation	<ul style="list-style-type: none"> • Documentation evidencing how the underwriter determined the debt-to-income ratio must be in the closed loan package for all loans. 	X	X
Interest-Only	Not Permitted.	X	X

Irrevocable Living Trust	Not Permitted.	X	X
Land Trusts	Wintrust Mortgage-specific requirements apply for loans on properties held in a land trust in Illinois (refer to the guidelines for details): <ul style="list-style-type: none"> • Eligible borrowers • Required documentation • Title and closing 		X
Life Estates	Not Permitted.	X	X
Limited Liability Company	Title Vesting in LLC not permitted.	X	X
Living/"Inter-Vivos" Trusts	Wintrust Mortgage-specific requirements apply for the following (refer to the guidelines for details) <ul style="list-style-type: none"> • Eligible borrowers • Attorney's Opinion Letter and other documentation • Title and closing • Revocable Trust Rider 	X	X
Manual Underwrites	Ineligible	X	X
Manufactured Homes	Not Permitted.	X	X
Mortgage Credit Certificates (MCC)	Allowed.	X	X
Mortgage Insurance	<ul style="list-style-type: none"> • Borrower-paid MI (BPMI) and Lender-paid single premium (upfront) option only • Financed MI and Lender-paid monthly or annual options are not permitted. • Reduced MI not permitted. • Loans originated with custom or lower cost PMI options are not eligible. • Wintrust Mortgage-specific requirements apply for the following (refer to the guidelines for details) <ul style="list-style-type: none"> ➢ BPMI premium plans ➢ Approved MI providers ➢ Documentation for single premiums and split premiums 	X	X
PACE Obligations	Loans secured by properties subject to any PACE new or subordinated obligation that utilizes the municipal tax assessment process or a utility company to ensure payment, including, but not limited to, Property Assessed Clean Energy (PACE) obligations, are ineligible for purchase.	X	X
Power of Attorney	Wintrust Mortgage-specific requirements apply, refer to guidelines.	X	X
Property Types Ineligible	Refer to guidelines.	X	X
Resale – Deed Restrictions	Not Permitted.	X	X
Residual Income Evaluation	<ul style="list-style-type: none"> • Minimum residual income and reserve requirements apply. • Residual income evaluation worksheet or other documentation must be included in the closed loan package. 	X	X

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Sales Contract Changes/Renegotiated Purchase Agreements	Restrictions apply for renegotiated purchase agreements that increase the sales price after the original appraisal has been completed.	X	X
Single Close CtoP	Allowed, refer to guidelines.	X	
Specific Property Locations/State-Specific Requirements	<ul style="list-style-type: none"> • Properties located outside of the United States, or properties located in a Territory, Province, or Commonwealth in which the USA has an interest, are not eligible for financing. Properties that would not be eligible include those located in Guam, Puerto Rico, and the Virgin Islands. • Properties located on the Island of Hawaii in Lava Zones 1 and 2 are not permitted. • Florida – Broward, Miami-Dade and Monroe counties ineligible. • Nevada – Requires WM approval. • New York CEMA – Allowed with approved WM Attorney. • Texas – 50(a)6 not allowed. • HomeReady – Program prohibited in cities that are in declining markets based on FHFA Metropolitan Index. Ineligible Markets as of 9/14/18: None. • Wintrust Mortgage-specific requirements apply for escrows to or replacement of septic systems in Massachusetts (refer to the guidelines). 	X	X
Tax and Insurance Escrows	<ul style="list-style-type: none"> • When flood insurance is required, an escrow/impound account must be established for payment of the flood insurance premiums on all loans delivered to Wintrust Mortgage, regardless of the LTV and/or federal exemptions. • If escrowing, HO6 must be escrowed when applicable. • Otherwise, escrows for taxes and insurance are required for all loans with LTV's greater than 80%. 	X	X
Temporary Buydowns	Not Permitted.	X	X
Texas Refinances	No 50(a)(6)	X	X
Third Party Originated (TPO) Loans	Not Permitted.	X	X