

Loans are manually underwritten by a mortgage professional. Quorum’s underwriters review each loan to assess risk and streamline the approval process. Quorum follows Fannie Mae underwriting guidelines as it related to income, asset and collateral verification; however, Quorum’s underwriting guidelines are not the only criteria for a final credit decision. Layering risk factors and compensating factors may be considered for loans that fall outside the product features and guidelines. For any additional requirements not addressed in this product matrix, refer to FNMA Selling Guide for details. **Contact your Account Executive if you have any questions regarding our guidelines or a scenario.**

LAND LOAN FEATURES																		
LOAN TERM	10 YEAR FIXED																	
INTEREST RATE	FIXED																	
QUALIFYING PAYMENT	USE PRINCIPAL & INTEREST PAYMENTS AT THE PREVAILING RATE AMORTIZED OVER A TEN (10) YEAR TERM TO CALCULATE DTI.																	
BORROWER PAYMENT	PRINCIPAL & INTEREST																	
PREPAYMENT PENALTY	NO PREPAYMENT PENALTY																	
GENERAL ELIGIBILITY																		
ELIGIBLE BORROWERS	<ul style="list-style-type: none">• US CITIZENS• PERMANENT RESIDENT ALIEN																	
INELIGIBLE BORROWERS	<ul style="list-style-type: none">• NON-PERMANENT RESIDENT ALIENS• LAND TRUSTS• LIFE ESTATES																	
ELIGIBLE TRANSACTIONS	<ul style="list-style-type: none">• NON-OCCUPANT BORROWER• TENANCY IN COMMON• PROPERTY OWNED IN A LIMITED LIABILITY CORPORATION (LLC)<ul style="list-style-type: none">◦ PERSONAL GUARANTEE REQUIRED.◦ FOR ALL LOANS HELD IN AN LLC A BUSINESS MEMBERSHIP ACCOUNT MUST BE ESTABLISHED PRIOR TO CLOSING.																	
MAXIMUM BORROWERS	FOUR (4) BORROWERS PER LOAN																	
MINIMUM LOAN AMOUNT	\$50,000																	
MAXIMUM LOAN AMOUNT	\$500,000																	
MAX PROPERTIES OWNED	TOTAL OF TEN PROPERTIES OWNED (COMBINED FOR ALL BORROWERS & INCLUDES PROPERTIES IN AN LLC.)																	
LIEN POSITION	FIRST LIEN ONLY																	
ELIGIBLE LOAN PURPOSE TYPES	<ul style="list-style-type: none">• PURCHASE• REFINANCE																	
STATE ELIGIBILITY	AVAILABLE IN ALL STATES																	
HIGH-COST LOANS	NOT ELIGIBLE																	
CREDIT																		
MAXIMUM HOUSING RATIO	43%																	
MAXIMUM DEBT RATIO	43%																	
CREDIT REPORT	A TRIPLE MERGE CREDIT REPORT IS REQUIRED FOR ALL BORROWERS AND WILL USE OUR SCORE FOR QUALIFYING THE BORROWER. QUORUM FOLLOWS FANNIE MAE GUIDELINES FOR DETERMINING THE BORROWERS QUALIFYING CREDIT SCORE. NEW APPLICATIONS AND RESUBMISSIONS REQUIRE A NEW CREDIT REPORT. APPROVAL IS VALID FOR 45 DAYS.																	
MINIMUM FICO	680																	
MINIMUM TRADELINES	A MINIMUM OF TWO (2) TRADELINES, OPEN OR CLOSED, THAT HAVE BEEN EVALUATED FOR AT LEAST TWENTY-FOUR (24) MONTHS IS REQUIRED. CANNOT INCLUDE SELF-REPORTED OR AUTHORIZED USER TRADELINES.																	
CONTINGENT LIABILITY	<ul style="list-style-type: none">• NON-MORTGAGE DEBT AND MORTGAGE DEBT NOT ON THE SUBJECT PROPERTY CAN BE EXCLUDED FROM THE DEBT RATIO BASED ON FNMA GUIDELINES.• ALL MORTGAGES ON SUBJECT PROPERTY WILL BE INCLUDED IN THE OVERALL DEBT RATIO REGARDLESS OF WHETHER THE BORROWER IS OBLIGATED ON THE MORTGAGE DEBT.																	
UNSECURED DEBT	HIGH USE OF UNSECURED DEBT (> 20% OF ANNUAL INCOME) PRESENTS ADDITIONAL RISK FACTORS AND MAY RESULT IN A DECLINE.																	
STUDENT LOANS	STUDENT LOANS WILL BE UNDERWRITTEN TO FREDDIE MAC GUIDELINES.																	
MORTGAGE LATE	0X30 IN THE LAST 24 MONTHS.																	
TAX LIENS	MUST BE PAID PRIOR TO/AT CLOSING																	
IRS INSTALLMENT PLAN	QUORUM FOLLOWS FANNIE MAE GUIDELINES FOR IRS REPAYMENT PLANS. QUORUM CANNOT ACCEPT THE PAYMENT PLAN IF THE UNPAID TAXES ARE REFLECTED AS A LIEN ON CREDIT OR TITLE.																	
FORECLOSURE, BANKRUPTCY, DEED-IN-LIEU, PRE-FORECLOSURE OR SHORT SALE	UNDERWRITTEN TO FNMA GUIDELINES.																	
MODIFICATION, DEFERMENT OR FORBEARANCE	THREE (3) YEARS SEASONING.																	
INCOME AND EMPLOYMENT																		
EMPLOYMENT HISTORY	VERIFY START/END DATES FOR ALL EMPLOYERS FROM THE MOST RECENT TWO YEARS (WRITTEN VOE OR VERBAL IS ACCEPTABLE).																	
BASE INCOME, VARIABLE INCOME, AND OTHER INCOME TYPES	STANDARD FNMA INCOME VERIFICATION IS REQUIRED.																	
SELF EMPLOYED	<ul style="list-style-type: none">• MOST RECENT ONE YEAR SIGNED PERSONAL AND BUSINESS TAX RETURNS WITH ALL SCHEDULES IS REQUIRED. THE USE OF A TAX EXTENSION (IRS FORM 4868) IS NOT PERMITTED. NOTE: 2024 TAX RETURNS MUST BE FILED TO QUALIFY FOR THE ONE-YEAR OPTION. IF AN EXTENSION IS FILED, 2 YEARS TAX RETURNS WILL BE REQUIRED.• MUST BE SELF-EMPLOYED FOR A MINIMUM OF 2 YEARS.• QUORUM REQUIRES AN EXECUTED 4506C FORM PRIOR TO CLOSING ON ALL SELF-EMPLOYED BORROWERS AND BORROWERS EMPLOYED BY FAMILY.																	
RSU INCOME	PERMITTED USING FREDDIE MAC GUIDELINES.																	
ASSET DEPLETION	ADHERE TO FNMA GUIDELINES																	
COLLATERAL																		
ELIGIBLE OCCUPANCY TYPES	<ul style="list-style-type: none">• INVESTMENT PROPERTIES																	
LOT REQUIREMENTS	<ul style="list-style-type: none">• APPROVED OR NON-APPROVED BUILDABLE LOT MUST BE ZONED FOR RESIDENTIAL USAGE 1-4 FAMILY• LEASEHOLD NOT ELIGIBLE• 20 ACRE LIMIT																	
VALUATION	<ul style="list-style-type: none">• QUORUM WILL ORDER THE APPRAISAL THROUGH A THIRD-PARTY VENDOR.• AGE REQUIREMENTS: APPRAISAL IS GOOD FOR 120 DAYS (RE-CERTIFICATIONS ALLOWED ON A CASE-BY-CASE BASIS).																	
POWER OF ATTORNEY (POA)	NOT PERMITTED																	
TRUST AGREEMENTS	PERMITTED BASED ON FNMA GUIDELINES. IRREVOCABLE TRUSTS NOT PERMITTED. IF THE LOAN IS HELD IN A TRUST, A COPY OF THE FULLY EXECUTED TRUST AGREEMENT WITH ALL AMENDMENTS MUST BE REVIEWED AND APPROVED BY QUORUM PRIOR TO CTC. (MUST BE APPROVED BY TITLE)																	
TITLE INSURANCE	<ul style="list-style-type: none">• TITLE INSURANCE IS REQUIRED.• QUORUM WILL ORDER TITLE AND CLOSING SERVICES UNLESS OTHERWISE SPECIFIED AT THE TIME OF APPLICATION.																	
HAZARD/FLOOD/LIABILITY INSURANCE	NOT REQUIRED																	
PROPERTY TAX ESCROW	REQUIRED (NO EXCEPTIONS)																	
ASSETS																		
ASSETS	PERSONAL ASSET RESERVES: <ul style="list-style-type: none">• ASSET RESERVES MUST BE FROM THE BORROWER'S FUNDS.• QUORUM DOES NOT ALLOW GIFT FUNDS TO BE USED AS RESERVES.• REFER TO THE RESERVE MATRIX IN THIS DOCUMENT. BUSINESS ASSETS RESERVES: BORROWERS MUST HAVE 100% OWNERSHIP IN THE BUSINESS TO USE BUSINESS ASSETS. DOCUMENTATION REQUIREMENTS INCLUDE: LETTER FROM CPA, THIRD PARTY OR BORROWER TO DOCUMENT THE FOLLOWING: <ul style="list-style-type: none">• FUNDS WILL NOT HAVE A NEGATIVE EFFECT ON BUSINESS CASH FLOW.• FUNDS ARE NOT AN ADVANCEMENT OR LOAN OF FUTURE EARNINGS OR CASH DISTRIBUTIONS.• 3 MONTHS BANK STATEMENTS.• COPY OF YEAR-TO-DATE P&L.• UNDERWRITER WILL COMPLETE A CASH FLOW ANALYSIS USING MOST RECENT 3 MONTHS BUSINESS BANK STATEMENTS TO DETERMINE IMPACT OF FUNDS WITHDRAWAL FROM THE BUSINESS.																	
MINIMUM BORROWER CONTRIBUTION	20% MINIMUM CONTRIBUTION FROM BORROWER.																	
MINIMUM RESERVE REQUIREMENT	SEE RESERVE MATRIX INCLUDED IN THIS DOCUMENT																	
LAYERING RISKS & COMPENSATING FACTORS (EXAMPLES OF LAYERING RISKS AND COMPENSATING FACTORS CONSIDERED IN UNDERWRITING)																		
LAYERING RISK FACTORS	IF A LOAN REFLECTS ONE OR MORE RISK LAYERS LISTED BELOW, THEN THE LOAN MUST MEET AN EQUAL NUMBER OF COMPENSATING FACTORS. FOR EXAMPLE, 2 LR = 2 CF, 4 LR = 4 CF. <table><tr><td>LR1-Payment Shock</td><td>Payment shock (> 150%)</td></tr><tr><td>LR2-Adverse Credit</td><td>Adverse credit history 1X30 in last 12 months</td></tr><tr><td>LR3-Variable Pay</td><td>Variable pay exceeds 25% of the total income</td></tr><tr><td>LR4-Debt to Qualify</td><td>Paying down/off debt to qualify for DTI purposes</td></tr><tr><td>LR5 –Assets</td><td>Use of gift funds</td></tr><tr><td>LR6-Loan Amount</td><td>≥ \$250,000</td></tr><tr><td>LR7- Rapid Appreciation</td><td>Subject property purchased in the last 24 months reflecting rapid increases >15% annually</td></tr></table>				LR1-Payment Shock	Payment shock (> 150%)	LR2-Adverse Credit	Adverse credit history 1X30 in last 12 months	LR3-Variable Pay	Variable pay exceeds 25% of the total income	LR4-Debt to Qualify	Paying down/off debt to qualify for DTI purposes	LR5 –Assets	Use of gift funds	LR6-Loan Amount	≥ \$250,000	LR7- Rapid Appreciation	Subject property purchased in the last 24 months reflecting rapid increases >15% annually
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ELIGIBILITY MATRIX: MAXIMUM LOAN AMOUNT MATRIX ALL LOANS ARE SUBJECT TO THE UNDERWRITER'S DISCRETION. ADDITIONAL UNDERWRITING CONDITIONS OR OVERLAYS MAY BE REQUIRED																		
FICO	LTV		MAX LOAN AMOUNT															
680+	≤ 80%		\$500,000															
ELIGIBILITY MATRIX: RESERVE MATRIX																		
FICO	LTV		MINIMUM RESERVES															
680+	≤ 50%		0 MONTHS															
	50.01% - 65%		3 MONTHS															
	> 65%		6 MONTHS															
ELIGIBILITY MATRIX: VALUATION REQUIREMENT MATRIX																		
LOAN AMOUNT		STANDARD REQUIREMENT																
≤ \$500,000		FULL APPRAISAL																
LAND LOAN RATES RATES EFFECTIVE AS OF: 01/13/2026 RATES ARE SUBJECT TO CHANGE AT ANY TIME																		
LTV %	0-60	60.01-70	70.01-80	MAX LOAN AMOUNT														
FICO																		
800+	9.25%	9.375%	9.50%	\$500,000														
780 - 799	9.25%	9.375%	9.50%	\$500,000														
760-779	9.375%	9.50%	9.625%	\$500,000														
740-759	9.50%	9.625%	9.75%	\$500,000														
720-739	9.625%	9.75%	9.875%	\$500,000														
700-719	9.875%	10.00%	10.125%	\$500,000														
680-699	10.125%	10.25%	10.375%	\$500,000														
RATE ADD-ONS ADJUSTMENTS																		
LOAN AMOUNT < \$100,000			0.50%															
NON-APPROVED BUILDING LOT			2.00%															
LAND LOAN FEES																		
ORIGINATION FEE			\$495															
PROCESSING FEE			\$100															
CREDIT REPORT FEE			\$106.00/\$212.00 (SINGLE/JOINT)															
TAX SERVICE FEE			VARIES (BEGINS AT \$61)															
CLOSING AGENT/SETTLEMENT FEES, RECORDING FEES			VARIES															
PROPERTY REPORT/TITLE REPORT			VARIES															
MORTGAGE/TRANSFER TAX, GOVERNMENT FEES (IF APPLICABLE)			VARIES															
APPRAISAL (IF APPLICABLE)			VARIES															
APPRAISAL FEE DUE AT THE TIME OF APPLICATION ALL OTHER FEES ARE DUE AT CLOSING.																		
BORROWER PAID COMPENSATION (BPC)																		
<ul style="list-style-type: none">• BPC ONLY AVAILABLE TO “APPROVED” TIER 1, TIER 2, OR TIER 3 BROKERS• BROKERS MAY CHARGE:<ul style="list-style-type: none">◦ UP TO 3% FOR LOAN AMOUNTS UNDER \$100,000◦ UP TO 4% FOR LOAN AMOUNTS \$100,000 AND ABOVE• BPC IS CALCULATED BASED ON THE LOAN AMOUNT (NO MAX)• BPC MUST BE SELECTED FROM THE DROP-DOWN MENU AT THE TIME OF APPLICATION SUBMISSION<ul style="list-style-type: none">◦ DROP-DOWN OPTIONS ARE IN 25 BPS INCREMENTS◦ BPC CANNOT BE INCREASED AFTER THE APPLICATION IS SUBMITTED• IF THE SELECTED BPC WOULD RESULT IN A HIGH-COST LOAN, QUORUM WILL REDUCE THE BPC TO ENSURE COMPLIANCE																		
NOT AN APPROVED BROKER? TO LEARN MORE ABOUT PARTNERING WITH US, PLEASE CONTACT MORTGAGESALES@QUORUMFCU.ORG																		
The Fine Print: Interest rates may change at any time. A land loan is secured by the member’s land. The minimum loan amount is \$50,000. There are no application or termination fees, and no prepayment penalty, though the appraisal fee varies. Mortgage tax may apply in some states. This loan is available in all states and is subject to credit approval.																		
Fees: All fees are due at closing, except the appraisal fee, which is collected during loan processing. The borrower is responsible for all fees, including the appraisal and title report.																		

