

Eagle Funding

Date: 1-15-09

VA IRRL'S AND FHA STREAMLINE

Due to the volatility in the mortgage industry and the turmoil due to declining property values which has prompted our investors to tighten their underwriting and purchase requirements, Eagle Funding will implement the follow criteria for VA IRRL'S and FHA STREAMLINE REFINANCES.

VA INTEREST RATE REDUCTION REFINANCE LOAN REQUIREMENTS:

1. Tri-merge Credit Report verifying acceptable 12-month credit history.
2. Mortgage rating on subject property that meets VA guidelines
3. Fully completed and signed 1003, including 2- year employment history, current income figures, and current asset listings; verification of data is not required.
4. Verbal VOE. The phone number used to obtain Verbal VOE must be obtained from a 3rd party source: telephone book listing, yellowpages.com or internet
5. Verification of value of property via 1) Core Logic AVM or 2) minimum 2055 Exterior Appraisal
6. Maximum LTV of 105% based on value; exceptions case-by-case with Sr. Mgmt approval
7. No single-wide manufactured homes allowed

FHA STREAMLINE REFINANCE PROGRAM “WITHOUT AN APPRAISAL”:

1. Eagle has suspended this product until further notice

FHA STREAMLINE REFINANCE “WITH AN APPRAISAL” REQUIREMENTS:

Follow FHA guidelines; in addition:

1. Tri-merge Credit Report verifying acceptable 12-month credit history.
2. Mortgage rating on subject property that meets FHA guidelines
3. Fully completed and signed 1003, including 2-year employment history, current income figures and current asset listings; verification of data is not required.
4. Verbal VOE. The phone number used to obtain Verbal VOE must be obtained from a 3rd party source: telephone book listing, yellowpages.com or internet
5. Acceptable FHA appraisal
6. No single-wide manufactured homes allowed
7. **Do not run FHA Scorecard (do not run loan through LP or DU** (if you run the loan through Scorecard via LP or DU, FHA has specifically stated that the loan is no longer eligible for a streamline refinance; it will only be eligible for a fully qualified refinance)

Please note that these guidelines supersede previous guidelines on the subject. **These guidelines are EFFECTIVE IMMEDIATELY FOR SUBMISSIONS TO UNDERWRITING AS OF 1-19-09.**

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for your business.