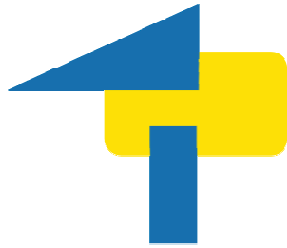


WINTRUST MORTGAGE™

BULLETIN # 10-0830-W

August 30, 2010

- **801 – Quality Conforming Fixed with FNMA™ High Balance Option**
- **802 – Quality Conforming LIBOR ARMs**
 - *The following policy changes are **effective for loans locked on or after Monday August 30, 2010, and apply to the above-mentioned programs.***
 - **Credit section – Major Adverse Credit** (judgments, past due collection liens, and charge-off accounts) – 1-Unit Primary Residence follow AUS findings unless the total balance of all accounts is >\$5000 which must be paid off.
 - Reminder:** Open past due accounts (not reported as a collection) must be paid off. Satisfaction of tax liens is a condition of mortgage loan approval. When the credit report or title show federal, state or local tax liens, a letter of explanation and proof that the lies is paid are required.
 - **Liabilities Paid by the Business** – When a Borrower indicates on the loan application that certain liabilities are paid by the business, a minimum of twelve (12) months evidence documenting that the debt is paid by the business is required.
 - **Credit Score Qualification** – WMC requires a minimum of two (2) reported credit scores for each Borrower. If the Borrowers do not have two (2) reported credit scores, document credit using non-traditional credit guidelines and contact secondary marketing at secondary@wintrustmortgage.com for price adjustment.
 - **Documentation section – Retirement Accounts** – Vested amount less 40% permitted for consideration for reserves.
 - **Proposed Rental Income** – A family member, individual with an established relationship or an interest party to the transaction may not sign the lease agreement as the tenant.
 - **Mortgage Insurance section** – The maximum gross LTV is restricted to 95% (LTV including financed MI) when financing mortgage insurance.
 - **Property Types Ineligible section** – Properties without a full kitchen (cabinets, working sink and stove).
 - **Freddie Mac® Detached Condo** – Investment Property ineligible.
 - **Sales Concessions section** – Mortgages with any abatements (funds provided to a lender or third party by an interested party to pay or reimburse any of the monthly PITI, HOA dues and other assessments on the borrower's behalf in excess of prepaids/escrows are ineligible.



WINTRUST MORTGAGE™

BULLETIN # 10-0830-W

August 30, 2010

- **803 – Quality FHA Insured Fixed:**

- *The following policy changes are effective for loans locked on or after Monday August 30, 2010, and apply to the above-mentioned program.*
- **Appraisal section – HUD REO**-An Individual Loan Level Certification for HUD REO properties is required.
- **Credit section** – The payoff or paydown of revolving debt for qualification purposes is not permitted. All revolving debt, regardless of the outstanding balance must be included in the monthly debt obligations for qualification.
- **DU™/LP™ & Underwriting Submission Procedures section** – Events that will require the Underwriter to manually downgrade an “Approve” recommendation to a “Refer”:
 - Disputed credit accounts or public records reflected on the credit report.
 - Mortgage trade lines showing any of the following during the most recent twelve (12) months:
 - Three (3) more late payments of greater than thirty (30) days; *or*
 - One (1) or more late payments of sixty (60) days plus one (1) or more thirty (30) day late payments; *or*
 - One (1) payment greater than ninety (90) days late.

- **306 – VA Guaranteed Fixed Rate with High Balance Option:**

- *The following policy changes are effective for loans locked on or after Monday August 30, 2010, and apply to the above-mentioned program.*
- **Occupancy section – Pending Sale of Current Primary Residence**-When the Borrower’s current primary residence is not going to close prior to the closing of the new primary residence, the Borrower must have a minimum of six (6) months PITI reserves for both properties or two (2) months PITI reserves if there is 30% equity documented in the retained property.