

WHAT IS THE DIFFERENCE BETWEEN BOND and TBA?

Find out below!

	BOND	TBA
WHAT ARE THE PRIMARY DIFFERENCES BETWEEN BOND AND TBA?	The primary differences between the BOND and TBA Program are: 1. Income and Purchase Price Limits (for BOND) and maximum Loan Amount Limits (for TBA). <u>BOND has lower limits, TBA has higher limits.</u> 2. Rates may vary between the two from day-to-day. You may see a lower rate one day with either option and then a higher rate the next day. Pay attention to the program you select at the time you reserve your loan. Not paying attention can cost your company repricing costs. 3. Co-Signor Requirements. See below. 4. Documentation required to support First Time Buyer eligibility. See below.	
MAXIMUM DEBT TO INCOME RATIO (DTI)	• Max 50% • Max 45% for manufactured housing (MH). • Max 43% for manual underwrites.	
ELIGIBLE FIRST MORTGAGE PROGRAMS	Government Offerings • FL First (FHA, USDA-RD, VA) Fannie Mae Offerings • HFA Preferred up to 80% AMI • HFA Preferred above 80% AMI Freddie Mac Offerings • HFA Advantage up to 80% AMI • HFA Advantage above 80% AMI	Government Offerings • FL First (FHA & VA) Freddie Mac Offerings • HFA Advantage up to 80% AMI • HFA Advantage above 80% AMI
MANUAL UNDERWRITING	Permitted with FHA, Fannie Mae's HFA Preferred, Freddie Mac's HFA Advantage and VA only. Refer to Lakeview's FL Housing program matrices for more information. Please Note: USDA-RD is not eligible for Manual Underwriting.	
ARE THE SAME DPA OPTIONS AVAILABLE WITH BOND & TBA?	Yes. BOND & TBA both offer the below 2nd mortgage programs. • FL Assist • FL Homeownership Loan Program (HLP) Please note: Income limits determine eligible second mortgage option. Refer to the corresponding BOND or TBA guides for more info.	

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WHICH PARTIES HAVE TO QUALIFY AS A FIRST TIME HOMEBUYER?	- Borrowers and spouse, even if spouse is not on the loan. - Non-Occupying Co-Borrowers (Co-Signors) do not have to qualify as a FTHB under BOND since they will not occupy the property as their primary. - Borrowers qualifying under the Veterans Exemption or borrowers purchasing in Federally Designated Targeted Area do not have to qualify as a FTHB.	- All borrowers excluding a Non-Occupying Co-Signor since they will not occupy property as their primary residence. - Borrowers qualifying under the Veterans Exemption or borrowers purchasing in Federally Designated Targeted Area do not have to qualify as a FTHB.
WHAT DOCUMENTATION IS REQUIRED TO CONFIRM FTHB ELIGIBILITY?	Bond requires: - The last three years' tax returns or transcripts, or a combination of the two, for all borrowers, including the non-purchasing spouse (NPS). Co-Signors are exempt from this requirement. - You may also collect a VOR or copy of lease if tax documentation is not available.	TBA requires: The borrowers to complete the Declarations Section of the 1003 accordingly. NPS does not have to qualify as a FTHB since they would not appear on the note.
ARE NON-OCCUPYING BORROWERS ALLOWED (CO-SIGNORS)?	- Non-occupying Co-Borrowers are referred to as Co-Signors in the Program. Permitted with FHA, FNMA and Freddie Mac's HFA Advantage only. - Non-occupying Co-Signors cannot execute mortgage(s) or appear on Deed.	
CO-SIGNOR TERM SHEET	Please see Co-Signor term sheet for more information regarding Co-Signor Requirements. CLICK HERE FOR CO-SIGNOR TERM SHEET	
MANUFACTURED HOUSING	Permitted with FHA, RD, VA, and Fannie Mae. See MH Term Sheet for more information regarding Manufactured Housing requirements.	
CONDOS	Permitted. Follow Agency guidelines. No overlays.	
ARE THE INCOME LIMITS THE SAME FOR BOND AND TBA?	NO. BOND offers lower Income Limits than that of TBA. Refer to the BOND Guide for Income Limits.	NO. TBA offers higher Income Limits than that of BOND. Refer to the TBA Guide for Income Limits.
CONSIDERS CREDIT OR HOUSEHOLD INCOME?	Considers HOUSEHOLD income. Tax code requirements applies therefore, the gross, annual income of all occupants aged 18 and older must be considered in qualifying.	AUS or 1003 income.

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ARE THE PURCHASE PRICE OR MAXIMUM LOAN LIMITS THE SAME FOR BOND AND TBA?	NO. BOND considers Purchase Price Limits. Refer to the BOND Guide for Purchase Price Limits.	NO. TBA considers Maximum Loan Limits. Refer to the TBA Guide for Loan Limits.
ARE THE RATES THE SAME FOR BOND AND TBA?	NO. PAY ATTENTION WHEN RESERVING YOUR LOAN. RATES VARY DAILY AND SELECTING THE INCORRECT PROGRAM (BOND vs TBA) MAY MEAN YOU SELECT A RATE THAT IS HIGHER THAN EXPECTED. RATES ARE PUBLISHED DAILY ON THE EHOUSING WEBSITE FROM 10 AM—8PM EST.	