



## Barndominium Quick Reference Guide

Principle Lending is pleased to announce that Barndominiums are now an approved property type for all loan types. Please see the below requirements specific to this property type only.

<b>Minimum FICO</b>	620 for all loan types
<b>Maximum DTI</b>	50% for all loan types
<b>AUS</b>	DU and LP eligible, no manual underwrites
<b>Occupancy</b>	Primary and Second Home only, Investment ineligible
<b>Ineligible Loan Parameters</b>	<ul style="list-style-type: none"><li>• Buydowns</li><li>• Life Estates</li><li>• Land Trusts</li><li>• Non-Occupying Co-Borrowers and Co-signors</li><li>• Escrow Holdbacks</li></ul>
<b>Credit</b>	<ul style="list-style-type: none"><li>• No handwritten VOMs</li><li>• Must be 0x12 for previous 12 months mortgage history preceding app date (or case # date for FHA/VA)</li></ul>
<b>Income</b>	<ul style="list-style-type: none"><li>• No income starting post-Note date</li><li>• No handwritten VOEs</li><li>• Transcripts required if tax returns are used for any income type</li></ul>
<b>Assets</b>	<ul style="list-style-type: none"><li>• No sweat equity</li><li>• No gifts or grants derived from the Originator or Lender</li><li>• No cash on hand</li><li>• No VODs</li></ul>
<b>Property</b>	<ul style="list-style-type: none"><li>• Must be able to fully comp out with like properties without excessive adjustments, age of comps, or distance to find additional barndominiums to mete agency requirements for unique properties.</li><li>• No new construction</li><li>• No property flipping less than 180 days</li><li>• No turnkey properties</li><li>• No unpermitted additions</li><li>• Must have a C4 and Q4 rating or better</li><li>• No Property Inspection Waivers (PIWs)</li></ul>
<b>Government Specific</b>	<ul style="list-style-type: none"><li>• VA max cashout LTV 90%</li><li>• No streamlines</li></ul>