

Standard and High Balance Fixed – Primary Residence ¹					
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance ⁴		
Property Type	Max LTV/CLTV/TLTV ²	Min Credit Score	Property Type	Max LTV/CLTV/TLTV	Min Credit Score
1 Unit	95/97% ³	620	1 Unit	80%	620
2 Units	95%		2-4 Units	75%	
3-4 Units	95%				
Standard and High Balance Fixed - Second Home ¹					
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance ⁴		
Property Type	Max LTV/CLTV/TLTV ¹	Min Credit Score	Property Type	Max LTV/CLTV/TLTV	Min Credit Score
1 Unit	90%	620	1 Unit	75%	620
Standard and High Balance Fixed – Investment Property ¹					
Purchase					
Property Type		Max LTV/CLTV/TLTV		Min Credit Score	
1 Unit		80%		620	
2-4 Unit		75%			
Limited Cash-Out Refinance			Cash-Out Refinance ³		
Property Type	Max LTV/CLTV/TLTV	Min Credit Score	Property Type	Max LTV/CLTV/TLTV	Min Credit Score
1 Unit	75%	620	1 Unit	75%	620
2-4 Units	75%		2-4 Units	70%	
Footnotes					
¹ Hawaii and Texas transactions: refer to the Geographic Restrictions section for additional guidance					
² > 80% LTV requires a minimum 620 credit score and mortgage insurance (MI) Refer to the Mortgage Insurance section for additional guidance					
³ 95.01-97% LTV/CLTV/TLTV: Conforming loan limits and first-time homebuyer only. High Balance loans are limited to 95% max LTV/CLTV/TLTV <ul style="list-style-type: none"> • Purchase: At least one borrower must be a first-time homebuyer (DU), see homeownership education below • Limited/No Cash-Out Refinance: Existing loan must be owned (or securitized) by Fannie Mae • Non-occupant borrowers are ineligible 					
⁴ No limit on cash-out amount					

Standard and High Balance ARMs – Primary Residence ¹					
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance ³		
Property Type	Max LTV/CLTV/TLTV ²	Min Credit Score	Property Type	Max LTV/CLTV/TLTV	Min Credit Score
1 Unit	95%	620	1 Unit	80%	620
2 Units	95%		2-4 Units	75%	
3-4 Units	95%				
Standard and High Balance ARMs – Second Home ¹					
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance ³		
Property Type	Max LTV/CLTV/TLTV ²	Min Credit Score	Property Type	Max LTV/CLTV/TLTV	Min Credit Score
1 Unit	90%	620	1 Unit	75%	620
Standard and High Balance ARMs – Investment Property					
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance ³		
Property Type	Max LTV/CLTV/TLTV		Property Type	Max LTV/CLTV/TLTV	Min Credit Score
1 Unit	Purchase	LCO Refi	1 Unit	75%	620
	85%	75%			
2-4 Units	75%		2-4 Units	70%	
Footnotes					
¹ Hawaii and Texas transactions: refer to the Geographic Restrictions section for additional guidance					
² > 80% LTV requires a minimum 620 credit score and mortgage insurance (MI) Refer to Mortgage Insurance section for additional guidance					
³ No limit on cash-out amount					

COVID-19 Temporary Process Effective 03/23/20	Refer to Agency Guidelines for requirements on COVID-19 Temporary Guidelines	
Conventional Lending Resource	<ul style="list-style-type: none"> All loans must be underwritten to the standards contained within this matrix If guidance is not provided on this matrix refer to the Agency Selling Guides 	
Ineligible Transactions	<ul style="list-style-type: none"> Down payment assistance options Mortgage Credit Certificate (MCC) programs 	
Geographic Restrictions	<ul style="list-style-type: none"> Hawaii <ul style="list-style-type: none"> Hawaiian Home Land transactions are ineligible Properties in Lava Zones 1 or 2 not permitted (verify the appraisal to confirm if property may be in a lava zone) Texas Limited Cash-Out and Cash-Out Refinances <ul style="list-style-type: none"> 1-Unit primary residence transactions <ul style="list-style-type: none"> Ineligible Refer to Texas Homestead Refinance Matrix Second home and 1-unit investment property transactions <ul style="list-style-type: none"> Eligible when the borrower owns a primary residence homestead in the state of Texas 	
Minimum Loan Amount	Conforming	High-Balance
	\$60,000	\$1 > Conforming loan limit for the number of units for high cost areas
Eligible Loan Amount	<ul style="list-style-type: none"> Standard: Conforming loan limits only 	
Debt-To-Income (DTI)	<ul style="list-style-type: none"> Per DU 	
AUS Requirements	<ul style="list-style-type: none"> DU Approve/Eligible: Fannie Mae guidelines apply Manual underwriting not permitted 	
Documentation	<ul style="list-style-type: none"> Per DU 	
Qualifying Ratios	<ul style="list-style-type: none"> Per DU 	
Qualifying Rate	Initial Fixed-Rate Period ≤ 5 years	Initial Fixed Rate Period > 5 years
	Qualify at the greater of the Fully Indexed Rate or the Note Rate + 2.0%	Qualify at the greater of the Fully Indexed Rate or the Note Rate
	<i>Per DU Approve/Eligible findings; loans with MI may have more restrictive requirements</i>	
Income/Employment	The following is general guidance and subject to AUS approval. Subject to additional documentation at the underwriter's discretion.	
	<ul style="list-style-type: none"> Two-year employment history must be verified 	
	Salaried Borrowers	
	<ul style="list-style-type: none"> Current paystub dated within 120 days from the Note date W2s per AUS 	
	Rental Income	
	Rental income is an acceptable source of stable income if it can be established that the income is likely to continue.	
	<ul style="list-style-type: none"> Rental income derived from the subject property must be one of the following: <ul style="list-style-type: none"> 2-4 unit principal residence in which the borrower occupies one of the units, or 1-4 unit investment property Rental income derived from non-subject property have no restrictions on the property type 	
Self-Employed Borrower		
<ul style="list-style-type: none"> Business in existence for at least two years (as stated on application) Personal signed individual tax returns, including all pages and schedules as required by DU Corporate or partnership signed tax returns, including all schedules as required by DU 		
Asset Documentation	<ul style="list-style-type: none"> Refer to the Agency guidelines 	
Reserves	<ul style="list-style-type: none"> Per DU 	
Interested Party Contribution	Primary Residence and Second Home	
	> 90% LTV/CLTV/TLTV	75.01 -90% LTV/CLTV/TLTV
	< 75% LTV/CLTV/TLTV	
	3%	6%
		9%
<ul style="list-style-type: none"> Investment Properties: 2% regardless of LTV/CLTV 		

Borrower Eligibility	Eligible		Ineligible		
	<ul style="list-style-type: none"> • U.S. Citizens • Non-U.S. Citizens – Refer to Non-U.S. Citizens policy <ul style="list-style-type: none"> ○ Permanent Residents ○ Non-Permanent Residents • Inter Vivos Revocable Trusts • Non-Occupant Borrowers 		<ul style="list-style-type: none"> • LLC • Irrevocable Trusts • Foreign National 		
Property Types	Eligible¹		Ineligible		
	<ul style="list-style-type: none"> • SFR/PUD (detached/attached) • Condo (low/mid/high rise) • 2-4 Units • Co-ops 		<ul style="list-style-type: none"> • Agricultural/Income producing properties • Non-Warrantable Condo/Condotel • Manufactured housing • Earth homes, and geodesic domes • Properties on more than 10 acres are typically ineligible but will be considered as an exception 		
¹ Properties with solar panels: Appraisal waivers are allowed with evidence of a connection to the public power grid (e.g. current electric bill affirming connection to the grid)					
Properties Listed for Sale	Limited Cash-Out and Cash-Out Refinance transactions: Property must be taken off the market on or before the disbursement date and the borrower must confirm their intent to occupy the subject property (primary residence refinance transaction only)				
Cash-Out Restrictions/Delayed Financing	<ul style="list-style-type: none"> • If property was purchased in the past 6 months, borrower is ineligible for a cash-out refinance unless following delayed financing guidelines or the borrower acquired property through an inheritance or was legally awarded the subject property (divorce, separation, or dissolution of a domestic partnership) • Property majority-owned or controlled by a borrower(s) limited liability corporation (LLC), may be counted towards meeting the borrower’s minimum 6-month ownership requirement. In order to close the new refinance transaction, title ownership must be transferred out of the LLC and into the borrower’s name. <p>Note: Title ownership from LLC to borrower’s name can be transferred at closing</p>				
Multiple Financed Properties	<ul style="list-style-type: none"> • Primary Residence – no limit on financed properties • Second Home or Investment Property: <ul style="list-style-type: none"> ○ Max 10 financed properties, ○ Min 720 credit score for 7- 10 financed properties 				
Homeownership Education and Counseling	<p>Required for FNMA purchase transactions with LTV/CLTV, ratios greater than 95%, when</p> <ul style="list-style-type: none"> • All borrowers are first-time homebuyers, at least one borrower must participate in homeownership education • Fannie Mae Homeownership Education and Housing Counseling 				
Mortgage Insurance	<ul style="list-style-type: none"> • BPMI (monthly and single premium) are eligible • LPMI (single premium) is eligible based on program LTV eligibility • Financed MI is not available • Custom or reduced MI not eligible • Acceptable renewal types are Level/Constant and Non-refundable 				
	Standard – Required MI Coverage				
	Loan Term	LTV			
		80.01-85.00%	85.01-90.00%	90.01-95.00%	95.01-97.00%
	25 and 30 Year	12%	25%	30%	35%
10, 15, and 20 Year	6%	12%	25%	35%	
Credit	Mortgage/Rental History				
	• Per DU				
	Installment/Revolving				
• Per DU					

Bankruptcy, Foreclosure, Deed-in-Lieu/Short Sale, Pre-foreclosure or Loan Modification																			
Derogatory Credit	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="background-color: #cccccc;">Note: follow DU Approve findings, regardless of the time frames listed below.</th> </tr> <tr> <th style="background-color: #cccccc;">Derogatory Event</th> <th style="background-color: #cccccc;">Discharge/Dismissal</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Bankruptcy – Chapter 7 or 11</td> <td style="text-align: center;">4 years</td> </tr> <tr> <td style="text-align: center;">Bankruptcy – Chapter 13</td> <td style="text-align: center;">2 years from discharge date 4 years from dismissal date</td> </tr> <tr> <td style="text-align: center;">Multiple Bankruptcy Filings</td> <td style="text-align: center;">5 years from dismissal or discharge date</td> </tr> <tr> <td style="text-align: center;">Foreclosure</td> <td style="text-align: center;">7 years</td> </tr> <tr> <td style="text-align: center;">Deed-in-Lieu/Short Sale</td> <td style="text-align: center;">4 years</td> </tr> <tr> <td style="text-align: center;">Pre-foreclosure Sale</td> <td style="text-align: center;">4 years</td> </tr> <tr> <td style="text-align: center;">Loan Modification</td> <td style="text-align: center;">No Seasoning, DU will evaluate</td> </tr> </tbody> </table>	Note: follow DU Approve findings, regardless of the time frames listed below.		Derogatory Event	Discharge/Dismissal	Bankruptcy – Chapter 7 or 11	4 years	Bankruptcy – Chapter 13	2 years from discharge date 4 years from dismissal date	Multiple Bankruptcy Filings	5 years from dismissal or discharge date	Foreclosure	7 years	Deed-in-Lieu/Short Sale	4 years	Pre-foreclosure Sale	4 years	Loan Modification	No Seasoning, DU will evaluate
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Past-Due, Collection, and Charge-Off of Non-Mortgage Accounts																			
1 Unit Primary Residence	Pay off not required regardless of the amount																		
2-4 Units Owner Occupied & Second Homes	Accounts totaling > \$5,000 must be paid in full prior to or at closing																		
Investment Properties	Individual accounts ≥ \$250 and totaling > \$1,000 must be paid in full prior to or at closing																		
Note: Collection accounts reported as medical collections are not used in DU risk assessment																			
Student Loans	<ul style="list-style-type: none"> • Student loans in repayment, deferment or forbearance: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #cccccc;">Payment Reflected on Credit Report</th> <th style="background-color: #cccccc;">Payment Not Reflected on credit report</th> </tr> </thead> <tbody> <tr> <td>May use that amount for qualifying purposes</td> <td>May use the monthly payment that is on the most recent student loan statement to qualify the borrower</td> </tr> <tr> <td>Credit report shows \$0</td> <td> <ul style="list-style-type: none"> • Use 1% of the outstanding student loan balance (even if this amount is lower than the actual fully amortizing payment), or • a fully amortizing payment using the documented loan repayment terms If income-driven payment plan is \$0: <ul style="list-style-type: none"> • Obtain student loan documentation to verify the actual monthly payment is \$0, then may qualify the borrower with a \$0 payment </td> </tr> </tbody> </table>	Payment Reflected on Credit Report	Payment Not Reflected on credit report	May use that amount for qualifying purposes	May use the monthly payment that is on the most recent student loan statement to qualify the borrower	Credit report shows \$0	<ul style="list-style-type: none"> • Use 1% of the outstanding student loan balance (even if this amount is lower than the actual fully amortizing payment), or • a fully amortizing payment using the documented loan repayment terms If income-driven payment plan is \$0: <ul style="list-style-type: none"> • Obtain student loan documentation to verify the actual monthly payment is \$0, then may qualify the borrower with a \$0 payment 												
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<ul style="list-style-type: none"> • Every refinance transaction must offer a documented, demonstrable, Net Tangible Benefit (NTB) to the borrower • State-required NTB forms must be completed as applicable. 																			
Net Tangible Benefit																			

Conforming Standard and High Balance – DU

	Loan Program Name	Terms	Doc Plan Code
Fixed Rate	FN Conforming 10 yr Fixed	Fully Amortizing 10 Years	Plan Code FN10
	FN Conforming 15 yr Fixed	Fully Amortizing 15 Years	Plan Code FN15
	FN Conforming 20 yr Fixed	Fully Amortizing 20 Years	Plan Code FN20
	FN Conforming 30 yr Fixed	Fully Amortizing 25 Years	Plan Code FN30
	FN High Balance 15 yr Fixed	Fully Amortizing 15 Years	Plan Code FH15
	FN High Balance 30 yr Fixed	Fully Amortizing 30 Years	Plan Code FH30

Standard						High Balance				
	Description	Doc Plan Code	Index	Margin	Caps	Description	Doc Plan Code	Index	Margin	Caps
SOFR ARM PLANS	5/6 ARM		SOFR	2.75	2/1/5	5/6 ARM		SOFR	2.75%	2/1/5
	7/6 ARM				5/1/5	7/6 ARM				5/1/5
	10/6 ARM				10/6 ARM					