

PURCHASE					RATE/TERM REFINANCE					CASH-OUT REFINANCE				
Occupancy	Units	FICO	Loan AMT	LTV/CLTV <sup>1</sup>	Occupancy	Units	FICO	Loan AMT	LTV/CLTV <sup>1</sup>	Occupancy	Units	FICO	Loan AMT	LTV/CLTV
Primary	1	620	\$647,200	95% <sup>1</sup>	Primary	1	620	\$647,200	95% <sup>1</sup>	Primary	1	620	\$647,200	80%
Primary	2		\$828,700	85% <sup>1</sup>	Primary	2		\$828,700	85% <sup>1</sup>	Primary	2		\$828,700	75%
Primary	3		\$1,001,650	75%	Primary	3		1,001,650	75%	Primary	3		1,001,650	75%
Primary	4		\$1,244,850	75%	Primary	4		\$1,244,850	75%	Primary	4		\$1,244,850	75%
2nd Home	1		\$647,200	90% <sup>2</sup>	2nd Home	1		\$647,200	90% <sup>2</sup>	2nd Home	1		\$647,200	75% <sup>2</sup>
Investment <sup>2</sup>	1		\$647,200	85%	Investment <sup>2</sup>	1		\$647,200	75%	Investment <sup>2</sup>	1		\$647,200	75%
Investment	2		\$828,700	75%	Investment	2		\$828,700	75%	Investment	2		\$828,700	70%
Investment	3		1,001,650	75%	Investment	3		1,001,650	75%	Investment	3		\$1,001,650	70%
Investment	4		\$1,244,850	75%	Investment	4		\$1,244,850	75%	Investment	4		\$1,244,850	70%

**Notes:**

1. CLTV up to 105% eligible with Community Second meeting Fannie Mae requirements.
2. New/newly converted FL condo projects: PERS approval required; Established FL projects with Limited Review:  
 Max 75/90/90% LTV/CLTV/HCLTV primary.  
 2<sup>nd</sup>home 70/75/75% LTV/CLTV/HCLTV.  
 Investment: 70/75/75% LTV/CLTV/HCLTV.

Conforming SOFR ARM DU Product Codes:		
5/6 SOFR ARM	1700-25	
7/6 SOFR ARM	1800-25	
10/6 SOFR ARM	1900-25	

## Highlights

<b>Appraisals</b>	Per DU. Market Condition Addendum ( <b><u>Fannie Mae Form 1004MC</u></b> ) is required on all appraisals. Appraisals must meet UAD & AIR requirements.
<b>Assets</b>	Per DU. All funds used to close must be disclosed on 1003 and input in DU; Cash-on hand ineligible; Single deposits where any unsourced portion is > 50% of combined gross mo. income must be sourced & explained. VOD <u>or</u> bank statements required and cannot be > 45 days from the loan app. date or more recent/ supplemental bank-generated required.
<b>Bankruptcy</b>	Chapter 7 or 11 discharged 4 years; Chapter 13 discharged 2 years or dismissed 4 years; Multiple BK filings 5 years if more than on filing in previous 7 years.
<b>Collections/Charge-off/Judgment</b>	Past due accounts that have not gone to collection <b>must be brought current</b> . Investments: non-mortgage /Individual accounts ≥ \$250 or total balance of all accounts is ≥ \$1000 <b><u>must be paid</u></b> .

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<b>Credit Score &amp; History</b>	<b>Minimum</b> FICO required <b>620</b> , w/ DU "Approve/Eligible" results.
<b>Deed-in-Lieu/Short Sale</b>	Four years regardless of LTV; 2 years with extenuating circumstances.
<b>Doc Type</b>	As determined and evaluated by DU; <b>All loans must receive "Approve/Eligible" AUS results</b> ; Manual underwriting is ineligible.
<b>Employment</b>	2-year history; <ol style="list-style-type: none"> <li>VVOE 10 business days from Note date for wage earners;</li> <li>Self-employed requires valid third-party verification (CPA, Business License) within 30 calendar days of the Note.</li> </ol>
<b>Financed Properties</b>	<ul style="list-style-type: none"> <li>O/O-unlimited; 2nd home &amp; N/O/O - max. 10 financed properties.</li> <li>LTV/CLTV restrictions apply;</li> <li>Maximum 4 loans per borrower up to \$1.5MM in aggregate.</li> </ul>
<b>Florida Condominiums</b>	<ul style="list-style-type: none"> <li>New/newly converted projects require PERS approval.</li> <li>Established projects w/ PERS or Full Review no LTV restrictions;</li> <li>Limited Review: Max 75/90/90% LTV/CLTV/HCLTV primary residence; 2<sup>nd</sup> Home max 70/75/75% LTV/CLTV/HCLTV; Investment: 70/75/75% LTVCLTV/HCLTV.</li> <li>Project review is not required on detached condos or 2-4 units.</li> </ul>
<b>Foreclosure</b>	None in last 7 years; none in last 3 years with documented circumstances & max 90% LTV/CLTV, Primary Residence, Purchase or Rate/Term Refinance only.
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>Allowed; 1-unit O/O &gt; 80% LTV = min. 0% borrower's own funds (must provide MI Cert);</li> <li>2-4 units or 2<sup>nd</sup> home 5% borrower's own funds; ≤ 80% 100% gift funds allowed;</li> <li>investment properties not allowed.</li> </ul>
<b>HPMLs</b>	NOT Allowed
<b>Income</b>	<ul style="list-style-type: none"> <li>Per DU; Wage Earners current paystub with YTD and most recent W-2; (paystub must be dated no earlier than 30 days from initial loan application date).</li> <li>Self-employed tax returns must include min. 12 months self-employed income. Rent loss insurance required if rental income used to qualify.</li> </ul>
<b>Manufactured Homes</b>	Not allowed
<b>Mortgage Insurance</b>	Borrower paid monthly - only.
<b>Product</b>	ARM: The index used must be the SOFR (Secured Overnight Financing Rate). 5/6 Caps are 2/1/5. 7/6 & 10/6 Caps are 5/1/5. Max Margin is 3.00. 5/6 ARMs are qualified at the greater of: Note rate plus 2%; or the fully indexed rate; 7/6 and 10/6 ARMs are qualified at the greater of the note rate or the fully indexed rate.

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## Conventional ARM Conforming - DU



<b>Property Flips</b>	Allowed
<b>Qualifying Ratios</b>	Per DU
<b>Refinance Transactions</b>	Properties listed for sale in last 12 months require acceptable proof of being taken off the market and borrower must provide written confirmation of intent to occupy. New York CEMAs <b>not</b> permitted.
<b>Reserves</b>	Per DU; Six (6) months reserve required on cash-out refinance transactions when the borrower's DTI exceeds 45%.
<b>Seller Contributions</b>	Primary Residence or 2 <sup>nd</sup> Home >90% LTV = 3%; 75.01-90% LTV = 6%; ≤ 75% LTV = 9%; Investment Property: 2%.
<b>Texas 50(a)(6) Transactions</b>	Not Allowed
<b>Texas 50(f)</b>	Texas 50(f) allowed as a standard Rate/Term Refinance (Conventional, FHA/VA) with 365 days seasoning at close; no cash back to the borrower and maximum LTV of 80%. TX Important Notice Concerning Refinancing a Home Equity Loan disclosure must be provided to all borrowers within 3 business days of application and not less than 12 days prior to closing.

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