

## MATRIX:

### Manufactured FHA Standard:

Primary Residence – Owner Occupied				
Transaction	FICO	Number of Units	Maximum LTV	Maximum CLTV
Purchase	580	1-4	96.50	96.50 <sup>1</sup>
No Cash Out / Simple Refinance	580	1-4	97.75 <sup>4</sup>	97.75 <sup>4</sup>
Cash Out	580	1-4	80	80
Streamline w/out appraisal	580	1-4	100 <sup>2,3</sup>	125 <sup>2</sup>

#### Footnotes:

1. In some cases (i.e. provided by a family member, government agency, etc...) subordinate financing may be as high as 100% CLTV.
2. LTVs/CLTVs for Streamline refinances W/O appraisals are based on the original loan amount.
3. Non-Credit Qualifying Streamlines: The new base loan amount may not exceed the original base loan amount.
4. 85% LTV for No Cash Out refinances where the borrower has occupied the subject property fewer than 12 months prior to case number assignment or if owned less than 12 months, has not occupied the property for that entire period of ownership.

### FHA Manufactured Home

30 Year Fixed	8000-99
15 Year Fixed	8300-99

### FHA Manufactured Home Highlights

<b>Minimum Loan Amounts</b>	<ul style="list-style-type: none"> <li>• Min loan amount \$60,000</li> <li>• Min loan amount \$75,000 for properties located in NY and TX</li> </ul>
<b>1031 Exchange</b>	Funds from 1031 Tax Deferred Exchanges are not eligible.
<b>IRS Form 4506-C</b>	<ul style="list-style-type: none"> <li>• IRS Form 4506-C must be signed at closing for each borrower whose income is used to qualify.</li> <li>• IRS Form 4506-C must be signed at closing for the business tax return transcript(s) when business returns are used to qualify.</li> </ul>
<b>Assets</b>	Cryptocurrency, such as Bitcoin or Ethereum may NOT be used for down payment or closing funds. These types of funds must be backed out of the borrower's assets.
<b>AUS</b>	DU, LPA, or Total Scorecard  Note: Manual underwrite / Downgrade are not permitted, with the exception of Streamline Refinances.
<b>Borrower Eligibility</b>	Maximum four borrowers per transaction.  All borrowers must have a valid Social Security number.  The following are eligible: <ul style="list-style-type: none"> <li>• Permanent Resident Aliens with proof of lawful residence.</li> <li>• Non-Permanent Resident Aliens who are eligible to work in the U.S. as evidenced by an Employment Authorization Document (EAD Card) issued by the USCIS.               <ul style="list-style-type: none"> <li>▪ The Employment authorization Document is required to substantiate work status.</li> <li>▪ If the Employment Authorization Document will expire within one year and a prior history of residency status renewals exists, determine the likelihood or renewal based on information from the USCIS.</li> </ul> </li> </ul> The following are ineligible: <ul style="list-style-type: none"> <li>• Borrowers with Diplomatic Immunity</li> </ul>

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	<ul style="list-style-type: none"> <li>• Borrowers with Temporary Protected Status</li> <li>• Borrowers with Deferred Enforced Departure or Humanitarian Parole Status</li> <li>• Corporations</li> <li>• Foreign Nationals</li> <li>• Foreign Politically Exposed Persons</li> <li>• LLCs or Other Business Entities</li> <li>• Non-Resident Aliens</li> <li>• Partnerships or Other Business Entities</li> </ul>
<b>Building on Own Land</b>	Not Eligible
<b>Cash on Hand</b>	Not Eligible
<b>Co-Borrower or Co-Signer</b>	<ul style="list-style-type: none"> <li>• Must be either a U.S. citizen or have a permanent residence in the U.S.</li> <li>• May not be the seller, builder, real estate agent, etc. unless the co-borrower/co-signer is a family member.</li> </ul>
<b>Condominium</b>	<ul style="list-style-type: none"> <li>• Manufactured homes located in condominium complexes - Not Allowed</li> </ul>
<b>Construction to Permanent</b>	Not Eligible
<b>Credit Reports</b>	<ul style="list-style-type: none"> <li>• A new credit report may not be pulled once the file has been submitted for underwriting.</li> <li>• A new credit report is allowed only after the existing credit report has expired.</li> </ul>
<b>Deed Restrictions</b>	Age related restrictions only
<b>DPA/MCC</b>	Not Eligible
<b>Escrow Holdbacks/Repair Escrows</b>	Not Eligible
<b>E-Signatures</b>	<p>The following loan documents <b>may not</b> be signed using E-Signature:</p> <ul style="list-style-type: none"> <li>• Note and Riders to the Note;</li> <li>• Security Instruments and Riders;</li> <li>• Notice of Right to Cancel; and</li> <li>• Powers of Attorney.</li> </ul>
<b>Family Member Defined</b>	<p>Family member is defined as follows regardless of actual or perceived sexual orientation, gender identity, or legal marital status:</p> <ul style="list-style-type: none"> <li>• Child, parent, or grandparent; <ul style="list-style-type: none"> <li>▪ A child is defined as a son, stepson, daughter, or stepdaughter;</li> <li>▪ A parent or grandparent includes a step-parent/grandparent or foster parent/grandparent;</li> </ul> </li> <li>• Spouse or domestic partner;</li> <li>• Legally adopted son or daughter including a child who is placed with the borrower by an authorized agency for legal adoption;</li> <li>• Foster child;</li> <li>• Brother, stepbrother;</li> <li>• Sister, stepsister;</li> <li>• Uncle;</li> <li>• Aunt; or</li> <li>• Son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the borrower</li> </ul>
<b>Flood Area</b>	<p>Properties in a 100-year flood zone are eligible (File must evidence a FEMA National Flood Insurance Program (NFIP) Elevation Certificate (FEMA Form 086-33) indicating all improvements are at or above the 100-year flood elevation.</p>

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<p><b>Gift Funds</b></p>	<p><b>Cash on hand is not an acceptable source of donor gift funds.</b></p> <ul style="list-style-type: none"> <li>• Obtain a gift letter signed and dated by the donor and the borrower that includes the following: <ul style="list-style-type: none"> <li>▪ The donor’s name, address and telephone number;</li> <li>▪ The donor’s relationship to the borrower;</li> <li>▪ The dollar amount of the gift; and</li> <li>▪ A statement that no repayment is required.</li> </ul> </li> <li>• Verify and document the transfer of the gift funds from the donor to the borrower by providing the following: <ul style="list-style-type: none"> <li>▪ If the gift funds have been verified in the borrower’s account, obtain the <b>donor’s bank statement showing the withdrawal</b> and evidence of deposit into the borrower’s account.</li> <li>▪ If the gift funds are not verified in the borrower’s account, obtain the certified check, money order, cashier’s check, wire transfer or other official check, and a <b>bank statement showing the withdrawal from the donor’s account.</b></li> </ul> </li> <li>• If the gift funds are paid directly to the settlement agent verify that: <ul style="list-style-type: none"> <li>▪ The settlement agent received the funds from the donor for the amount of the gift; and</li> <li>▪ <b>A bank statement showing the withdrawal from the donor’s account.</b></li> </ul> </li> <li>• <b>Only family members may provide equity credit as a gift on property being sold to other family members.</b></li> </ul>
<p><b>Identity-of-Interest Transactions</b></p>	<p>An Identity-of-Interest transaction is a sale between parties with an existing <b>business relationship</b> or between <b>family members</b>.</p> <ul style="list-style-type: none"> <li>• <b>The maximum LTV percentage for Identity-of-Interest transactions on purchase transactions is limited to 85%.</b></li> <li>• <b>The maximum LTV percentage for a transaction where a tenant-landlord relationship exists at the time of sales contract execution is restricted to 85%.</b></li> </ul> <p>The 85% LTV restriction may be exceeded if the borrower purchases as their principal residence:</p> <ul style="list-style-type: none"> <li>• The <b>principal residence of another family member</b>; or</li> <li>• A property owned by a family member where the borrower <b>has been a tenant for at least six months</b> immediately predating the sales contract.</li> <li>• An employee of a builder who is not a family member purchases one of the builder’s new houses or models as a principal residence; or</li> <li>• The current tenant purchases the property where the <b>tenant has rented the property for at least six months</b> immediately predating the sales contract.</li> </ul>
<p><b>Ineligible Manufactured Homes</b></p>	<ul style="list-style-type: none"> <li>• Mobile Homes.</li> <li>• Manufactured homes that are not titled as real estate.</li> <li>• Manufactured homes that were installed or occupied previously at any other site or location. <ul style="list-style-type: none"> <li>▪ The manufactured home may only have moved from the manufacturer’s or dealer’s lot to the current site of the home.</li> </ul> </li> <li>• Manufactured homes installed on site for less than one year.</li> <li>• Newly constructed manufactured homes/foundations.</li> <li>• Properties with a Hobby Farm</li> <li>• Properties with mixed use.</li> <li>• Singlewide Manufactured Homes</li> <li>• 2-4 units</li> </ul>
<p><b>Ineligible Programs</b></p>	<p>The following programs are not eligible:</p> <ul style="list-style-type: none"> <li>• 203(h) Disaster Victims</li> <li>• 203(k) Rehabilitation Program</li> <li>• 235 Refinance of Borrowers in Negative Equity Positions</li> <li>• 247 Hawaiian Homelands</li> <li>• 248 Indian Lands</li> <li>• \$100 Down Program</li> <li>• Building on Own Land</li> </ul>

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	<ul style="list-style-type: none"> <li>• Energy Efficient Mortgage Program (EEM)</li> <li>• FHA Assumption Program</li> <li>• Good Neighbor/Officer Next Door</li> <li>• Graduated Payment Program</li> <li>• Growing Equity Mortgages</li> <li>• HFA Programs</li> <li>• Hope for Homeowners</li> <li>• Housing Authority Subsidies</li> <li>• HUD REO Program</li> <li>• Indian Reservations (Section 184 mortgage)</li> <li>• Loans to Non-Profit Organizations</li> <li>• Loans with Private Water Purification Systems</li> <li>• Rehabilitation loans</li> <li>• Repair Escrows</li> <li>• Section 8 Vouchers</li> <li>• Short Refinances</li> <li>• Temporary Buy Downs</li> </ul>
<b>Ineligible Properties</b>	<p>The following property types are not eligible:</p> <ul style="list-style-type: none"> <li>• Assisted Living Properties</li> <li>• Bed and Breakfast Establishments</li> <li>• Boarding Houses</li> <li>• Commercial Properties</li> <li>• Condotels, Motels or Hotels</li> <li>• Cooperatives</li> <li>• Hawaii Properties in Lava Zones 1 and 2</li> <li>• Land Trust</li> <li>• Leaseholds secured by Indian/Tribal Lands</li> <li>• Liver Work Units</li> <li>• Native American Indian Trust Lands</li> <li>• Newly Constructed Properties Located in Military Airfield Accident Prone Zone 1</li> <li>• Properties with Condition/Quality Ratings of C5, C6, or Q6</li> <li>• Properties Contaminated by Methamphetamine Production or Use</li> <li>• Properties Located within 75 Feet of an Operating/Proposed Gas or Oil Well</li> <li>• Properties Located within 10 Feet of a Pipeline Easement or High Pressure Gas Line</li> <li>• Properties Located within 300 Feet of Above/Below Ground Stationary Storage Tanks Containing more than 1000 Gallons of Explosive/Flammable Fuel (Includes Gas Stations)</li> <li>• Properties Located in Coastal Barrier Resources Systems (CBRS)</li> <li>• Properties that do not meet FHA MPR/MPS.</li> <li>• Properties with Individual Purification Water Systems</li> <li>• Properties with manufactured home on site being used as storage.</li> <li>• Unique property types (geodesic domes, berms, earth homes, barndominiums, shouses)</li> <li>• Vacation Homes</li> <li>• Working Farms and Ranches</li> </ul>
<b>Land Trusts</b>	Not Eligible
<b>Leasehold</b>	Not Eligible
<b>Loan Limits</b>	Conforming Limits only – High Balance loan amounts not allowed.
<b>Marijuana Related Business/Employment</b>	<ul style="list-style-type: none"> <li>• Income from a marijuana related business or employment – Not Allowed</li> </ul>
<b>New Construction</b>	Newly constructed manufactured housing/foundations are not eligible.
<b>Non-Traditional Credit</b>	Not Eligible
<b>PACE (HERO) Programs</b>	Not Eligible

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<p><b>Power of Attorney</b></p>	<p>Must meet FHA requirements.</p> <p>Powers of Attorney may not be used for the following transaction types:</p> <ul style="list-style-type: none"> <li>• Cash-Out Refinance</li> <li>• Identity-of-Interest Transactions</li> <li>• Non-Occupant Co-Borrowers</li> <li>• Title in Trust</li> </ul>
<p><b>Principal Curtailment</b></p>	<ul style="list-style-type: none"> <li>• Maximum principal curtailment is \$500</li> </ul>
<p><b>Refinance Seasoning Requirements</b></p>	<p><b>Cash-Out Refinances</b> must meet the following seasoning requirements:</p> <ul style="list-style-type: none"> <li>• The Mortgagee must document that the Borrower has made all payments for all their Mortgages within the month due for the previous 12 months or since the Borrower obtained the Mortgages, whichever is less.</li> <li>• Additionally, the payments for all Mortgages secured by the subject Property must have been paid within the month due for the month prior to mortgage Disbursement.</li> <li>• Properties with Mortgages must have a minimum of six months of Mortgage Payments. Properties owned free and clear may be refinanced as cash-out transactions.</li> </ul> <p><b>Streamline Refinances</b> must meet the following seasoning requirements:</p> <ul style="list-style-type: none"> <li>• For a streamline refinance or a cash-out refinance, the borrower must have made at least <b>six consecutive monthly payments</b> on the loan being refinanced beginning with the payment made on the first payment due date; and</li> <li>• The first payment due date of the new loan must occur <b>no earlier than 210 days</b> after the first payment due date of the loan being refinanced..</li> </ul>
<p><b>Refinance Value Requirements</b></p>	<p>For properties <b>acquired by the borrower within 12 months of the case number assignment date</b> the appraised value is the <b>lesser of</b>:</p> <ul style="list-style-type: none"> <li>• The borrower's purchase price plus any documented improvements made after the purchase; or</li> <li>• The appraised value.</li> </ul> <p>Properties acquired by the borrower <b>within 12 months of the case number assignment by inheritance or through a gift from a family member</b> may use the appraised value.</p>
<p><b>Rental Income from a Departure Residence</b></p>	<p>If rental income is being derived <b>from the property being vacated by the borrower, the borrower must be relocating to an area more than 100 miles from the borrower's current principal residence.</b> Obtain the following documentation:</p> <ul style="list-style-type: none"> <li>• A lease agreement of at least one year's duration after the loan closing date;</li> <li>• Evidence of the tenant's payment to the borrower of the security deposit and/or the first month's rent; and</li> <li>• <b>An appraisal evidencing market rent and that the borrower has at least <u>25% equity in the departure property.</u></b></li> </ul>
<p><b>Sales Contracts</b></p>	<p>Assigned Sales Contracts are not allowed</p>
<p><b>Section 8 Housing Voucher</b></p>	<p>Not Eligible</p>
<p><b>State Restrictions</b></p>	<p>The following state restrictions apply:</p> <ul style="list-style-type: none"> <li>• 2-4 Units in New Jersey – Not Allowed</li> <li>• Properties in Hawaii – Not Allowed</li> <li>• Properties in West Virginia – Not Allowed</li> <li>• Properties in Rhode Island – Not Allowed</li> <li>• Properties in U.S. Territories or Possessions – Not Allowed</li> <li>• Texas 50(a)(6) transactions – Not Allowed</li> </ul>

<b>Tax Returns</b>	<ul style="list-style-type: none"> <li>• Amended tax returns that increase the borrower's income – Not Allowed</li> <li>• When the tax return reflects monies are owed to the IRS for the most recent tax year, evidence of payment to the IRS is required.</li> </ul>
<b>Temporary Buy Downs</b>	Not Eligible
<b>Verification of Employment/Verification of Deposit/Verification of Mortgage/Rent</b>	<ul style="list-style-type: none"> <li>• The use of a Verification of Employment (VOE) and/or a Verification of Deposit (VOD) only is not allowed.                         <ul style="list-style-type: none"> <li>▪ At a minimum paystubs and bank statements are required.</li> </ul> </li> <li>• When the borrower's current mortgagee or landlord is a private party, the use of a Verification of Mortgage (VOM) or Verification of Rent (VOR) only is not allowed.                         <ul style="list-style-type: none"> <li>▪ Copies of the borrower's most recent, consecutive 12 months cancelled checks will be required.</li> </ul> </li> </ul>