



Fannie Mae Conforming and High Balance

Primary Residence

Loan Purpose	Minimum Fico*	Units	Conforming Max LTV/CLTV	High Balance Max LTV/CLTV
Purchase or No Cash-out Refinance	620	1	Fixed 97% ¹	95% ¹
		Manufactured ²	95%	NA
		2 Units	95% ^{1, 2}	85%
		3-4 Units	95% ^{1, 2}	75%
Cash-Out	620	1	80%	80%
		Manufactured	65%	65%
		2-4 Units	75%	75%

Second Home

Loan Purpose	Minimum Fico*	Units	Conforming Max LTV/CLTV	High Balance Max LTV/CLTV
Purchase or No Cash-Out Refinance	620	1	90%	90%
		Manufactured ²	85%	NA
Cash-out		1	75%	75%
		Manufactured ²	NA	NA

Investment Property

Loan Purpose	Minimum Fico*	Units	Conforming Max LTV/CLTV	High Balance Max LTV/CLTV
Purchase	620	1	85%	85%
		Manufactured ²	NA	NA
		2-4 Units	75%	75%
Limited Cash-Out		1-4	75%	75%
		Manufactured ²	NA	NA
Cash-Out		1	75%	75%
		Manufactured ²	NA	NA
		2-4 Units	70%	70%

¹ A CLTV ratio may be permitted up to 105% when secondary financing is a community second

² Conforming Loan limits only

*Minimum Fico requirements determined by DU all borrowers must have a fico score.
Loan pricing and MI pricing will be determined by the lowest mid score rather than the eligibility score.

Matrix Updates in Yellow		Overlays in Green	Product Types	
Maximum Loan Limits			Fixed Rate: 10-30 Year terms in annual increments Arm²: 30 Year Term Only, no ARMs for TX 50(a)(6)	
Property Type	Conforming Loan Limits ¹	High Balance Loan Limits		
1 Unit	\$845,000	\$1,267,500	Property Types	
2 Unit	\$1,081,950	\$1,622,925	SFRs, PUDs, Warrantable Condo, 2-4 Unit, Multi-wide Manufactured Homes	
3 Unit	\$1,307,800	\$1,961,700	AUS	
4 Unit	\$1,625,350	\$2,438,025	All loans must receive DU Approve/Eligible Findings	
¹ Actual loan limits for specific counties in high-cost areas, as determined by FHFA, may be lower than the max permitted loan limit listed above.			Minimum Loan Amount	\$75,000
			HELOCs	
			Qualifying payment is either monthly payment as shown on credit report or monthly statement, or 1.5% of the outstanding balance when no payment amount noted	



Mortgage Insurance					
Standard mortgage insurance is used when required. Lender Paid MI with single premium is permitted. BPMI monthly and Single Premium allowed.					
Loan Term	LTV				
	80.01-85%	85.01-90%	90.01-95%	95.01-97%	
25- & 30-Year Terms, Manufactured	12%	25%	30%	35%	
10, 15 & 20 Year	6%	12%	25%	35%	
Eligibility Requirements					
95.01-97% LTV	Must meet the following: • Must be Fixed Rate up to 30 years • 1-unit Primary Residence only. Manufactured not allowed. • Non-occupants are not allowed. All borrowers must occupy. Purchase • At least one borrower must be a first-time home buyer, as indicated on 1003 declarations reflecting "No" to ownership interest in a property in the last three years. • If all borrowers are first-time homebuyers, homeownership education is required. Limited Cash-Out • Must document that the existing loan being refinanced is owned by FNMA.				
	Temporary Buydowns Buydown Options: • 3-2-1- LTV is capped at 90% • 2-1 • 1-1 • 1-0 Offering Seller Paid Buydown options only • Non-Owner Transactions are ineligible • Refinance Transactions are ineligible • Temporary buy downs are not permitted on ARM products CLICK HERE for Buydown Calculator				
Adjustable-Rate Mortgages					
ARM Product Requirements	Adjustable rates and Margin offered: • 5/6, 7/6, 10/6 • 2.75 Margin • ARMs must be 30-year terms. Index: the 30-day average of the overnight Secured overnight financing rate (SOFR) as published by the Federal Reserve Bank of New York. Life Floor is the Margin				
	Interest Rate Caps & Adjustments	Product	First	Subsequent	Lifetime
		5/6	2%	1%	5%
		7/6 & 10/6	5%	1%	5%
	Change Date	5/6	The first change date is the 61st payment due date. Subsequent change dates are every 6 months thereafter		
		7/6	The first change date is the 85th payment due date. Subsequent change dates are every 6 months thereafter		
10/6		The first change date is the 121st payment due date. Subsequent change dates are every 6 months thereafter.			



ARM Product Requirements Continued	ARM Qualifying Rate 5/6 ARM: Greater of the Fully Indexed Rate or the Note Rate + 2% 7/6 and 10/6 ARM: Qualify at Note Rate for loans that are not HPML - HPML is not permitted on 7/6 and 10/6 ARMS.
	ARM Restrictions 5/6 ARM is not permitted on Manufactured homes. - Temporary buy downs are not permitted on ARM products - Conversion options are not available. - ARM Program is not available for TX 50a6
Credit Requirements	
Age of Documents	120 Days for Credit Report, Income, Asset and Appraisal 90 days Title - All items are measured from Note Date
Borrower Eligibility	Eligible Borrowers: - Must have legal residency and valid Social Security Number - US Citizens, Permanent Residents and Non-Permanent Resident Aliens - Inter-Vivos Revocable Trusts Ineligible Borrowers: - Foreign Nationals - Limited and General Partnerships - Irrevocable Trusts - ITIN borrowers
Contingent Liabilities	Contingent liability may be excluded from liabilities when meeting the requirements below. Installment (not including Mortgages), Revolving, Monthly Lease Payment - A party other than the Borrower has been making timely payments for the most recent 12 mos. (regardless of whether the party is obligated on debt) - The party making the payments is not an interested party to the subject real estate or Mortgage transaction. Mortgage debt: Documentation must indicate the following: - A party other than the Borrower has been making timely payments for the most recent 12 months - The party making the payments is obligated on the Note for the Mortgage that is being excluded - The party making the payments is not an interested party to the subject real estate or Mortgage transaction. - No delinquencies in the most recent 12 months - The borrower is not using rental income from the applicable property to qualify
Credit Refresh / Soft Pull/ Undisclosed Debt Monitoring	Required within 10 calendar days of Note date. UDM will be ran on all files. Any additional inquiries found on soft pull/UDM must be addressed by borrower.
Derogatory Credit	Follow per DU Findings
DTI	Per DU Findings
Debt paid by Borrower's Business	When a self-employed Borrower is obligated on a debt that has been paid by the Borrower's business for 12 months or longer, the monthly payment for the debt may be excluded from the monthly debt payment-to-income ratio if the following requirements are met: The account in question does not have a history of delinquency,



	• The business provides acceptable evidence that the obligation was paid out of company funds (such as 12 months of canceled company checks), and • Tax returns show that cash flow analysis of the business took payment of the obligation into consideration.
Federal Income Tax Installment Agreements	The debt may include the monthly payment amount in liabilities (in lieu of requiring payment in full) if: • There is no indication that a Notice of Federal Tax Lien has been filed against the borrower in the county in which the subject property is located. • The lender obtains the following documentation for agreements approved by the IRS: ○ an approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due; and ○ evidence the borrower is current on the payments associated with the tax installment plan. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date. ○ At least one payment must have been made prior to closing. • For installment agreements still pending approval from the IRS: ○ A copy of the application for the installment agreement with the terms of repayment, including the monthly payment amount and total due. ○ Proof installment agreement has been sent to the IRS ○ The greater of the monthly payment amount requested by the borrower or the amount of taxes owed divided by 72 must be included in the DTI.
Interested Party Contributions	Maximum Interested Party Contributions: • >90% LTV, IPC limited to 3% • 75.01-90%, IPC is limited to 6% • 75% or less LTV, IPC is limited to 9%
Non-Occupant Co-Borrower	If the income of non-Occupant borrower(s) is being used to qualify, the max LTV may not exceed 95%.
Open-End or 30-Day Accounts	• When there is no monthly payment listed on the credit report or if there is no documentation indicating a monthly payment amount, the full amount of the outstanding account balance must be included in the DTI or • Monthly payments on 30-day accounts are not required to be included in the liabilities if the Borrower has sufficient funds to pay off the outstanding account balance. The funds must be in addition to any funds used to qualify the Borrower.
Refinance of Payment Deferral due to COVID-19	Rate and Term: Refinance of an existing loan with payment deferral(s) due to COVID-19 as a 2nd lien is allowed. It does not have to be treated as a Cash-Out transaction. The payment deferral or 2nd lien must only be due to a deferral of the 1st lien.
Refinance Seasoning	Limited Cash-Out Refinance: • At least one Borrower on the new loan must be an owner (on title) of the subject property at the time of the initial application. Exceptions are allowed per Fannie Mae guidelines. Cash Out: • At least 1 borrower must have been on title to the subject property for at least 6 months prior to the disbursement date of the new loan • If an existing mortgage is being paid off, that mortgage must be at least 12 months old at the time of refinance.



Solar Panels (Leased or PPA)	• Solar Lease or Power Purchase Agreement must be obtained and reviewed. • If the solar panels are included in Title and UCC fixture filing remain, the solar debt secured in real estate must be included in the CLTV ratio and subordination is required. The solar panel can then be included and given value in the property appraisal based on standard appraisal requirements. • The monthly lease payment must be included in the DTI ratio calculation unless the lease is structured to • provide delivery of a specific amount of energy at a fixed payment during a given period, and • have a production guarantee that compensates the borrower on a prorated basis in the event the solar panels fail to meet the energy output required for in the lease for that period. • Payments under power purchase agreements where the payment is calculated solely based on the energy produced may be excluded from the DTI ratio.
Student Loan Cash-Out Option	• Loan must be ran through DU as a Cash-Out Loan. • At least one student loan must be paid off in full with loan proceeds. No additional debt outside of the mortgage may be paid with loan proceeds. • At least one borrower must be obligated on the student(s) being paid off. • Cash in hand cannot exceed the lessor of 2% of \$2,000. • Standard price adjustment for Cash Out will not apply (FNMA waives the LLPA). Special Feature Code 841 must be applied to the loan
Student Loan Qualification	• If a monthly student loan payment is provided on the credit report, that payment is used. If the credit report does not reflect the correct monthly payment, the monthly payment on the student loan documentation may be used. • If the credit report does not provide a monthly payment or if the credit report shows \$0 as the monthly payment, the following must be determined for qualifying monthly payment: • If the borrower is on an income-driven payment plan and there is documentation to verify the actual monthly payment is \$0. This amount may be used. • For deferred loans or loans in forbearance, calculate ○ a payment equal to 1% of the outstanding student loan balance (even if the amount is lower than the actual fully amortizing payment) or ○ a fully amortizing payment using the documented loan repayment terms.
Income and Assets	
Amended Tax Returns Overlay	• Amended tax returns must be filed at least 30 days prior to the contract date or application date whichever is earlier • An income increase of 20% or more from the original return will not be allowed or subject to management approval
Income Increase Overlay	Borrowers who have had a 20% or more increase in income within the last 4 months will be subject to additional conditions and management review as per the internal income increase policy.
School Transcript Revalidation Policy	School Transcript Revalidation policy



Assets	Per DU Source any single large deposit that exceeds 50% of the total monthly qualifying income for Purchase transactions.	
Rental Income from 2-4 Unit Primary Residence or 1-4 Unit Investment property (subject)	If the borrower....	Then for qualifying purposes...
	- currently owns a principal residence (or has a current housing expense), and - has at least 1 year history of receiving rental income or at least 1 year of documented property management experience	There are no restrictions on the amount of rental income that can be used.
	- Currently owns a principal residence (or has a current housing expense, and - Has less than 1 year of receiving rental income from the related property or documented property management experience	- for a principal residence, rental income in an amount not exceeding PITIA of the subject property can be added to the borrower’s gross income, or - for an investment property, rental income can only be used to offset the PITIA of the subject property (in other words, it is limited to zero positive cash flow).
	- Does not own a principal residence, and - Does not have a current housing expense	Rental income from the subject property cannot be used.
Rental Income from Non-subject	- As per Fannie Mae guidelines Fannie Mae Selling Guide b3-3.1-08 Rental Income	
Tax Transcripts	- All loans require a signed 8821 form. Additional 8821 form is required to be signed by Borrower's LLC, S-Corp or Corporation Name and EIN. - Tax transcripts are required on all loans for: - Self-employed borrowers - Borrower employed by family member - Using rental income to qualify per tax returns - Relationship between the parties	
Reserves	Per DU	
Tax-Exempt (non-taxable) Income	- To gross up the entire amount of the social security income complete tax returns must be provided. 15% of the monthly income can be grossed up without providing additional documentation. Ex: SS income received \$1000 per month, tax returns were not provided. \$150 can be grossed up and used for qualifying purposes.	
Property		
	Standard Appraisal: - Transferred Appraisal Accepted - Fannie Mae SSR score on Appraisal must be 4.9 or below. A risk SSR score of 5 is not acceptable. - Appraisal Waiver/Value Acceptance will accepted per DU except for the following: - Two- to four-unit properties. - Leasehold properties.	



Appraisal Requirements	○ Community land trusts or other properties with resale restrictions, which include loans using the Affordable LTV feature. ○ Proposed construction ○ Construction to permanent (both types) ○ Transactions using gift of equity ○ Where the purchase price or estimated value provided to DU is \$1,000,000 or more ○ Purchases of REO properties as identified in sales contract ○ Texas Section 50(a)(6) loans. ○ Manufactured homes Desktop Appraisals: • Must be on form #1004 desktop • 1-Unit Purchase Transactions Only • Max LTV is 90% • Primary Residence transactions only • Condominium and Manufactured homes are ineligible Hybrid Appraisal: • DU must indicate Hybrid Appraisal is acceptable • It must be on form 1004 Hybrid (SFR) or Form 1073 Hybrid (Condo Hybrid report) • Property Data Collection (PDC) must be completed first and provided to appraiser • 2-4 Unit properties & Manufactured homes are ineligible Property Data Report: • DU must indicate Value acceptance + Property Data is acceptable or Hybrid appraisal is acceptable • Must be completed on Property Data Collection form acceptable by DU • Ineligible property types same as Appraisal Waiver ineligibility • All PDC reports must be submitted to Fannie Mae Property Data API.															
Condo Review	• Per DU • Full Review will be required or New and Newly converted condominiums and for LTVs over those notated in the Limited Review chart below. • Waiver of Project Review is not required for Detached Condo units, 2-4 Unit Condo projects, PUDS, FNMA to FNMA Rate/Term (evidenced by loan lookup) with max 80% LTV • Reciprocal reviews are allowable. <table><tr><th colspan="3">Maximum LTV/TLTV Ratios Eligible for Limited Reviews</th></tr><tr><th>Occupancy Type</th><th>Projects Not Located in Florida</th><th>Projects located in Florida</th></tr><tr><td>Primary Residence</td><td>90%</td><td>75%/90%</td></tr><tr><td>Second Home</td><td>75%</td><td>70%/75%</td></tr><tr><td>Investment Property</td><td>75%</td><td>70%/75%</td></tr></table>	Maximum LTV/TLTV Ratios Eligible for Limited Reviews			Occupancy Type	Projects Not Located in Florida	Projects located in Florida	Primary Residence	90%	75%/90%	Second Home	75%	70%/75%	Investment Property	75%	70%/75%
Maximum LTV/TLTV Ratios Eligible for Limited Reviews																
Occupancy Type	Projects Not Located in Florida	Projects located in Florida														
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Second Home	75%	70%/75%														
Investment Property	75%	70%/75%														
Escrow Accounts	Required if LTV is > 90% in CA or > 80% in all other states.															
Escrow Holdback Requirements	• Allowed for repairs that do not present a health or safety concern and do not affect the structural integrity of the property. • \$5,000 limit on required repairs. • 1.5 times the repair to be held by escrow and released upon clearance by Revolution Funding written authorization. • Repairs to be completed within 10 days of closing															



Down Payment Assistance (DPA)	Allowed per FNMA guidelines
Ineligible Property Types	- No Land Trusts, Community Land Trusts - Indian Leased Land, Vacant land - Property Condition rating C5 or 6, Quality condition Q6 - Non-Warrantable Condo, Condo-tels, Co-Ops, Manufactured Condos - Commercial Property, Boarding houses, Bed and Breakfast - Working Farms - One Time Close Construction to Perm Loans - No Shared Appreciation or Shared Equity
Manufactured Homes	- Primary Residence and Second Home Only - Conforming Loan Limits Only - Fixed Rate, Fee Simple Only - Property must not be located in a deed restricted area including restrictions for age and income - HUD Data Plates (Paper Certification located on the interior of the property) or IBTS Verification - Built on or after June 15, 1976 - Built on a permanent chassis in compliance with the applicable Manufactured Homes (HUD Codes) in effect as of the date the Manufactured Home was constructed. - Must be at least 12 feet wide (single-wide not allowed) and have a minimum of 600 square feet of gross living area. - Must be legally classified as real property; it must be a 1-unit dwelling that is permanently affixed to a permanent foundation Manufactured Condos not allowed - Flood insurance required for properties in flood zone - Manufactured homes must be on original site, relocated homes are not permitted - HUD Certification Labels (metal plates attached) or IBTS Verification if not attached to the property - New Construction will require a Structural Engineer’s report to show that the property is designed to be used as a dwelling with permanent foundation and meets HUD requirements - Additions to the property are permitted under certain conditions outlined in the Fannie Mae selling guide B2-3-02 - Borrower must own the land on which the home is located - Affidavit of Affixture (or its equivalent) to evidence property is classified and taxed as real property
Manufactured Home Refinance	Limited Cash-out Refinance: - The maximum LTV ratio (and CLTV ratio, if applicable) for a limited cash-out refinance transaction for a loan secured by a manufactured home and land will be based on the lower of: - the current appraised value of the manufactured home and land; or - if the manufactured home was owned by the borrower for less than 12 months on the loan application date and: - if the home and land are secured by separate liens, the lowest price at which the home was previously sold during that 12-month period plus the lower of the current appraised value of the land, or the lowest sales price at which the land was sold during that 12-month period (if there was such a sale); - if the home and land are secured by a single lien, the lowest price at which the home and land were previously sold during that 12-month period.



	Cash Out Refinance: • The property must be a multi-width manufactured home. • The borrower must own both the manufactured home and land for at least 12 months preceding the date of the loan application. • The LTV, CLTV, and HCLTV ratios will be based on the current appraised value of the manufactured home and land. • Must be a primary residence
Max Financed Properties	• Subject is Primary - Unlimited financed properties • Subject is 2nd Home and Investment - 10 Financed Properties including subject property
Maximum Loan Exposure	• We will not extend more than 4 active loans to any one individual or an aggregate of \$2 million.
Properties listed for Sale/Listing History	• Cash Out and Rate/Term Transactions: Property must be taken off the market prior to application date and borrowers must confirm the intent to occupy for (primary residence)
State Restrictions	• Please see our approved states
LLPA Waiver Requirements	Purchase Transactions only: • At least one borrower is a First Time Home-buyer • Total qualifying income is at or below 100% of the applicable AMI for non-high-cost areas, and 120% for high-cost areas.
Texas 50(a)(6) Cash Out	• ARM program is not available for TX 50(a)(6). • Max Loan Amount \$819,000 • Max 80% LTV/CLTV, 1 unit Principal residences and claimed as Borrower's homestead • Copy of the current mortgage or Note is required to determine previous terms are not subject to Texas 50 (a)(6). • 12-month seasoning required. • Max 10 acres • Maximum 2% fee limitation for all closing costs, fees and charges • A Texas (a)(6) loan may not close until: ○ 12 days after the borrower submits the loan application or all borrowers sign the 12-day notice, whichever is later ○ 1 day after the borrowers receive a copy of the Initial Closing Disclosure ○ 12 months seasoning of the existing Texas (a)(6) loan
Texas 50(a)(4)	• The TX 50(a)(6) loan being refinanced must be seasoned at least 12 months • No Cash out allowed • Max 80% LTV/CLTV • Borrower/s affidavit acknowledging the refinance of their Texas (a)(6) loan to a no-cash-out Texas(a)(4) refinance loan provided no later than 3 business days after the date of application is received AND at least 12 days before loan closing.