

| Features | FNMA | FNMA HomeReady | FHLMC | FHLMC Home Possible |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GENERAL | | | | |
| Loan Type | Purchase, Limited C/O Refi, & Cash-out Refi | Purchase & Limited C/O Refi | Purchase, Limited C/O Refi, & Cash-out Refi | Purchase & Limited C/O Refi |
| Underwriting | DU Approve/Eligible required | DU Approve/Eligible required w/Community Lending product reflected SFC 900 | LPA Accept required | LPA Accept required w/Home Possible as Affordable Program Identifier |
| Min Credit Score | 550* * For LTVs > 80%, the minimum FICO is 600 and subject to additional FICO PMI requirements | 550* * For LTVs > 80%, the minimum FICO is 600 and subject to additional FICO PMI requirements | 550* * For LTVs > 80%, the minimum FICO is 600 and subject to additional FICO PMI requirements | 550* * For LTVs > 80%, the minimum FICO is 600 and subject to additional FICO PMI requirements |
| Loan Terms | 30, 25, 20, 15, 10 year fixed 10/6, 7/6 & 5/6 ARMs | 30, 25, 20, 15, 10 year fixed | 30, 25, 20, 15, 10 year fixed 10/6, 7/6 & 5/6 ARMs | 30, 25, 20, 15, 10 year fixed |
| Max LTV Purchase & Limited C/O Refi | <p><u>Primary residence</u> 1-4 units - 97% Max LTV/CLTV*</p> <p><u>Second home</u> 90% Max LTV/CLTV</p> <p><u>Investment property</u> 1 unit Purchase - 85% Max LTV/CLTV Limited C/O Refi - 75% Max LTV/CLTV 2-4 units Purchase & Limited C/O refi - 75% Max LTV/CLTV</p> <p>* Max 95% for High-balance loans; for Purchase transactions with LTV > 95%, at least one borrower must be a first-time homebuyer</p> <p>* Up to 105% CLTV with approved subordinate financing</p> | <p>Purchase & Limited C/O refi only</p> <ul style="list-style-type: none"> • 1 unit - 97% Max LTV/HTLTV* • 2-4 units - 95% Max LTV/HTLTV <p>* Up to 105% CLTV with approved subordinate financing * Max 95% LTV for High-balance loans</p> | <p><u>Primary residence</u> 1-4 units - 95% LTV/CLTV*</p> <p><u>Second home</u> 90% Max LTV/CLTV</p> <p><u>Investment property</u> 1-unit - 85% Max LTV/CLTV 2-4 units - 75% Max LTV/CLTV</p> <p>* Up to 105% CLTV with approved subordinate financing</p> | <p>Purchase & Limited C/O refi only</p> <ul style="list-style-type: none"> • 1 unit - 97% Max LTV/HTLTV* • 2-4 units - 95% Max LTV/HTLTV <p>* Up to 105% CLTV with approved subordinate financing</p> |
| Max LTV Cash-out Refi | <p><u>Primary residence</u> 1 unit - 80% LTV 2-4 unit - 75% LTV</p> <p><u>Second home</u> 1 unit - 75% LTV</p> <p><u>Investment property</u> 1 unit - 75% LTV 2-4 unit - 70% LTV</p> | Not permitted | <p><u>Primary residence</u> 1 unit - 80% LTV 2-4 unit - 75% LTV</p> <p><u>Second home</u> 1 unit - 75% LTV</p> <p><u>Investment property</u> 1 unit - 75% LTV 2-4 unit - 70% LTV</p> | Not permitted |
| Minimum Loan Amount | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Max Loan Amount | \$832,750 General \$1,249,125 High-Cost* * \$1,299,500 - Kalawao & Maui County, HI | \$832,750 General \$1,249,125 High-Cost* * \$1,299,500 - Kalawao & Maui County, HI | \$832,750 General \$1,249,125 High-Cost* * \$1,299,500 - Kalawao & Maui County, HI | \$832,750 General \$1,249,125 High-Cost* * \$1,299,500 - Kalawao & Maui County, HI |
| DTI | Per DU findings | Per DU findings | Per LPA findings | Per LPA findings |
| Property Types | SFR PUD Condo 2-4 Unit Manufactured Homes | SFR PUD Condo 2-4 Unit Manufactured Homes | SFR PUD Condo 2-4 Unit Manufactured Homes | SFR PUD Condo 2-4 Unit Manufactured Homes |
| Reserves | Per DU findings | Per DU findings | Per LPA findings | Per LPA findings |
| Eligible Borrowers | US Citizen Permanent Res Non-Permanent Res | US Citizen Permanent Res Non-Permanent Res | US Citizen Permanent Res Non-Permanent Res | US Citizen Permanent Res Non-Permanent Res |
| First Time Homebuyer | • At least one borrower must be a First Time Homebuyer for Purchase transactions with LTV/CLTV/HCLTV 95.01 - 97% | • Homeownership education is required when all occupying borrowers are first time homebuyers | N/A | <ul style="list-style-type: none"> • Homeownership education is required when all occupying borrowers are first time homebuyers • Landlord education - 2-4 Unit Primary residence At least one borrower must participate in Landlord education program |
| Non-Occupant Co-Borrowers | Allowed on Purchase, Limited C/O and C/O refi's 95% Max LTV/CLTV* * 105% CLTV with Community Second | Allowed on Purchase & Limited C/O refis 95% Max LTV/CLTV* * 105% CLTV with Community Second • NOCB income is considered part of qualifying income and subject to income limits | Allowed on Purchase and Limited C/O 95% Max LTV/CLTV* * 105%CLTV with Community Second | Must be 1-unit property 95% Max LTV/TLTV* *105% TLTV with Affordable Second |
| Interested Party Contributions | <p><u>Primary & Second Home</u></p> <ul style="list-style-type: none"> • LTV/CLTV > 90% = 3% of lower of sales price or appraised value • 75.01 - 90% LTV/CLTV = 6% • ≤ 75% LTV/CLTV = 9% <p><u>Investment Properties</u> - 2%</p> | <p><u>Primary residence only</u></p> <ul style="list-style-type: none"> • LTV/CLTV > 90% = 3% of lower of sales price or appraised value • 75.01 - 90% LTV/CLTV = 6% • ≤ 75% LTV/CLTV = 9% | <p><u>Primary & Second Home</u></p> <ul style="list-style-type: none"> • LTV/CLTV > 90% = 3% of lower of sales price or appraised value • 75.01 - 90% LTV/CLTV = 6% • ≤ 75% LTV/CLTV = 9% <p><u>Investment Properties</u> - 2%</p> | <p><u>Primary residence only</u></p> <ul style="list-style-type: none"> • LTV/CLTV > 90% = 3% of lower of sales price or appraised value • 75.01 - 90% LTV/CLTV = 6% • ≤ 75% LTV/CLTV = 9% |
| Number of Financed Properties | <ul style="list-style-type: none"> • Max. 10 financed properties • Reserves calculated as percentage of UPB for each property | <ul style="list-style-type: none"> • Occupant borrower(s) may own up to 2 financed properties including subject • Non-occupant co-borrowers are not subject to this restriction | <ul style="list-style-type: none"> • Max. 10 financed properties • Reserves calculated based on PITIA for each property | <ul style="list-style-type: none"> • Occupying borrower(s) must not have ownership interest in more than 2 financed residential properties, including the subject property |
| Temporary Buydown | 2-1 and 1-0 permitted Fixed rate, Purchase transactions only Investment ineligible Single family (1-2 units), PUD & Condo only | 2-1 and 1-0 permitted Fixed rate, Purchase transactions only Investment ineligible Single family (1-2 units), PUD & Condo only | 2-1 and 1-0 permitted Fixed rate, Purchase transactions only Investment ineligible Single family (1-2 units), PUD & Condo only | 2-1 and 1-0 permitted Fixed rate, Purchase transactions only Investment ineligible Single family (1-2 units), PUD & Condo only If secondary financing exists, secondary financing must be fixed rate |

| Features | FNMA | FNMA HomeReady | FHLMC | FHLMC Home Possible |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| HPCT/HPML Loans | <ul style="list-style-type: none"> • HPML - Higher priced mortgage loans allowed with following restrictions: <ul style="list-style-type: none"> - Must establish escrow account for taxes & insurance - ARM loans ineligible - HPML loans do not allow appraisal waiver • HPCT - Higher priced covered transaction loans ineligible | <ul style="list-style-type: none"> • HPML - Higher priced mortgage loans allowed with following restrictions: <ul style="list-style-type: none"> - Must establish escrow account for taxes & insurance - ARM loans ineligible - HPML loans do not allow appraisal waiver • HPCT - Higher priced covered transaction loans ineligible | <ul style="list-style-type: none"> • HPML - Higher priced mortgage loans allowed with following restrictions: <ul style="list-style-type: none"> - Must establish escrow account for taxes & insurance - ARM loans ineligible - HPML loans do not allow appraisal waiver • HPCT - Higher priced covered transaction loans ineligible | <ul style="list-style-type: none"> • HPML - Higher priced mortgage loans allowed with following restrictions: <ul style="list-style-type: none"> - Must establish escrow account for taxes & insurance - ARM loans ineligible - HPML loans do not allow appraisal waiver • HPCT - Higher priced covered transaction loans ineligible |
| PROPERTY | | | | |
| Appraisal | Per DU findings | Per DU findings | Per LPA findings | Per LPA findings |
| Condo Approval | Per DU findings | Per DU findings | Per LPA findings | Per LPA findings |
| Manufactured Homes | 1-unit only 95% Max LTV/CLTV Fixed rate only | 1-unit only 95% Max LTV/CLTV Fixed rate only | 1-unit only 95% Max LTV/CLTV Fixed rate only | 1-unit only 95% Max LTV/CLTV Fixed rate only |
| CREDIT | | | | |
| Scores | At least 1 score required Lowest middle is decision score | At least 1 score required Lowest middle is decision score | At least 1 score required Lowest middle is decision score | At least 1 score required Lowest middle is decision score |
| Open 30-day charge accounts | Not required to be included in DTI | Not required to be included in DTI | Payment = 5% of the outstanding account balance to be used in DTI unless sufficient funds to payoff the account balance are verified | Payment = 5% of the outstanding account balance to be used in DTI unless sufficient funds to payoff the account balance are verified |
| Collections & Non-mortgage charge-off accounts | Follow DU findings | Follow DU findings | Follow LPA findings | Follow LPA findings |
| Derog Credit Seasoning (BK,SS,FC,DIL) | <ul style="list-style-type: none"> • BK - Chapter 7 or 11 = 4 years from discharge or dismissal date • BK - Chapter 13 = 2 years if discharged; 4 years if dismissed • Multiple BK's = 5 years from most recent discharge/dismissal date <ul style="list-style-type: none"> • Foreclosure = 7 years • DIL/Pre-FC sale/Mortgage charge-off = 4 years from completion date | <ul style="list-style-type: none"> • BK - Chapter 7 or 11 = 4 years from discharge or dismissal date • BK - Chapter 13 = 2 years if discharged; 4 years if dismissed • Multiple BK's = 5 years from most recent discharge/dismissal date <ul style="list-style-type: none"> • Foreclosure = 7 years • DIL/Pre-FC sale/Mortgage charge-off = 4 years from completion date | <ul style="list-style-type: none"> • BK - Chapter 7 or 11 = 4 years from discharge or dismissal date • BK - Chapter 13 = 2 years if discharged; 4 years if dismissed • Multiple BK's = 5 years from most recent discharge/dismissal date <ul style="list-style-type: none"> • Foreclosure = 7 years • DIL/Pre-FC sale/Mortgage charge-off = 4 years from completion date and if DIL/short sale was within the last 7 years, the mortgage must be Primary Residence with 90% max LTV/CLTV or a be No Cash our refinance | <ul style="list-style-type: none"> • BK - Chapter 7 or 11 = 4 years from discharge or dismissal date • BK - Chapter 13 = 2 years if discharged; 4 years if dismissed • Multiple BK's = 5 years from most recent discharge/dismissal date <ul style="list-style-type: none"> • Foreclosure = 7 years • DIL/Pre-FC sale/Mortgage charge-off = 4 years from completion date and if DIL/short sale was within the last 7 years, the mortgage must be Primary Residence with 90% max LTV/CLTV or a be No Cash our refinance |
| Student Loan Payments | Qualify using CR payment or 1) Income driven payment (even if \$0) or 2) For deferred loans, 1% of outstanding balance or fully amortized payment | Qualify using CR payment or 1) Income driven payment (even if \$0) or 2) For deferred loans, 1% of outstanding balance or fully amortized payment | Qualify using CR payment or .5% of the outstanding loan balance In all cases, an amount greater than \$0 must be used | Qualify using CR payment or .5% of the outstanding loan balance In all cases, an amount greater than \$0 must be used |
| Alimony, Equalization Payments, Separate Maintenance Obligations | Option to reduce qualifying income by the amount of the obligation in lieu of including as monthly payment | Option to reduce qualifying income by the amount of the obligation in lieu of including as monthly payment | Must be deducted from borrower's income | Must be deducted from borrower's income |
| INCOME | | | | |
| Employment and Income Documentation | Follow DU findings | Follow DU findings | Follow LPA findings | Follow LPA findings |
| ADU Income | Allowed with the following restrictions: <ul style="list-style-type: none"> • 1 unit Primary residence • Rental income from only 1 ADU allowed • Purchase or Limited C/O only • Cannot exceed 30% of qualifying income | Allowed on the following: <ul style="list-style-type: none"> • 1 unit Primary residence • 2-4 unit Primary residence • Cannot exceed 30% of qualifying income | Allowed on the following: <ul style="list-style-type: none"> • Subject 1-unit primary residence & 1-unit investment property • Rental income from one or more ADU's on a non-subject investment property allowed • Cannot exceed 30% of qualifying income | Allowed on the following: <ul style="list-style-type: none"> • 1-unit Primary residence • Subject 2-4 unit Primary residence • Non-subject investment property • Cannot exceed 30% of qualifying income |
| Self Employed | Follow DU findings | Follow DU findings | Follow LPA findings | Follow LPA findings |
| Boarder Income | Only allowed under disabled, live-in aide situations Cannot exceed 30% of qualifying income | Allowed; Cannot exceed 30% of qualifying income | Only allowed under disabled, live-in aide situations Cannot exceed 30% of qualifying income | Allowed; Cannot exceed 30% of qualifying income |
| Income Limits | N/A | 80% of area median income (AMI) | N/A | 80% of area median income (AMI) |
| ASSETS | | | | |
| Min. Borrower Contribution | <ul style="list-style-type: none"> • Primary & Second Home - LTV ≤ 80% - No min. borrower contribution required • Primary - 1 unit LTV > 80% - No min. borrower contribution required • Primary - 2-4 unit & Second homes with LTV's > 80% = 5% min. borrower | <ul style="list-style-type: none"> • 1-unit properties - \$0 • 2-4 unit properties - \$0 for LTV/CLTV of 80% or less • 2-4 unit properties - 3% for LTV/CLTV > 80% | <ul style="list-style-type: none"> • Primary residence - None • Second home - 5% of value only when gift funds are used • Investment property - 5% of value must be owner occupant's own funds | <ul style="list-style-type: none"> • 1-unit properties - \$0 • 2-4 unit properties - \$0 for LTV/CLTV of 80% or less • 3% of value for LTV/CLTV > 80% |
| Gift Funds | Not allowed on Investment properties | Follow DU findings | Not allowed on Investment properties | Follow LPA findings |