

STANDARD ¹					
	Owner Occupied	Second Home	Investment		
Property Type ³	Max LTV/CLTV ³	Max LTV/CLTV	Max LTV/CLTV		
Fixed Rate (Purchase & Limited Cash Out Refinance)					
1 Unit	97%/97% ²	90%/90%	Purch 85%/85% Refi 75%/75%		
2-4 Units	95%/95%		75%/75%		
Fixed Rate (Cash Out Refinance) ⁴					
1 Unit	80%/80%	75%/75%	75%/75%		
2-4 Units	75%/75%		70%/70%		
HIGH BALANCE ¹					
	Owner Occupied	Second Home	Investment		
Property Type	Max LTV/CLTV	Max LTV/CLTV	Max LTV/CLTV		
Fixed Rate (Purchase & Limited Cash Out Refinance)					
1 Unit	95%/95%	90%/90%	Purch 85%/85% Refi 75%/75%		
2 Units	85%/85%		75%/75%		
3-4 Units	75%/75%				
Fixed Rate (Cash Out Refinance) ⁴					
1 Unit	80%/80%	75%/75%	75%/75%		
2-4 Units	75%/75%		70%/70%		
Footnotes:					
¹ See Eligibility Matrix .					
² 97% LTV/CLTV:					
• NOT ELIGIBLE for: High Balance Loans, MFH not under MH Advantage, or HomeReady Loans with sweat equity. • No Income limits. • Standard MI Coverage. • No Non-Occupant Borrowers. • Fixed Rate Only. ARM rate- Max 95% LTV/CLTV. • For Purchase Loans- At least one borrower must be a first-time homebuyer. At least one borrower is required to complete a homeownership education class. • For Limited Cash Out Loans- FNMA must be owner of existing mortgage.					
³ Manufactured Homes, See FNMA Chapter B5-2, Manufactured Housing :					
• Purchase and Limited Cash Out Transactions- Max 95% LTV/CLTV. • Cash Out Transactions- Max 65% LTV/CLV with max 30 Years Term. • Minimum FICO 620. • Conforming loan amounts only. • 1 unit, Double-Wide, Owner-Occupied Only.					
³ 105% CLTV Ratio/Community Seconds*: The CLTV ratio may exceed the limits stated in the matrices up to 105% only if the loan is part of a Community Seconds transaction. See FNMA B5-5.1, Community Seconds .					
⁴ Cash-out refinances: Minimum reserves apply to DU loan casefiles with DTI ratios exceeding 45%. See B2-1.3-03, Cash-Out Refinance Transactions .					
LTV > 80%					
Mortgage Insurance	• 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 – Require MI Coverage				
	Loan Term	LTV			
		80.01%-85%	85.01%-90%	90.01%-95%	95.01%-97%
		25 and 30 Year	12%	25%	30%

	10, 15, and 20 Year	6%	12%	25%	35%
GUIDELINES					
FNMA Lending Resource	- All loans must be underwritten to the standards contained within this matrix. - Any guide published on this matrix DOES NOT supersede the FNMA Seller Guide. - If guidance is not provided on this matrix, refer to the FNMA Seller Guide.				
Ineligible Transactions	- Energy Efficient Mortgage - High-Cost Mortgage				
Assumability	FNMA loans are not assumable.				
Geographical Restrictions	Hawaii				
Maximum Loan Amount	2025 Baseline Loan Limits				
	Units	Contiguous States District of Columbia & Puerto Rico		Alaska, Guam, Hawaii and US Virgin Islands	
	One	\$832,750		\$1,249,125	
	Two	\$1,066,250		\$1,599,375	
	Three	\$1,288,800		\$1,933,200	
	Four	\$1,601,750		\$2,402,625	
	High-Cost Area Loan Limits ¹				
	Units	Contiguous States District of Columbia & Puerto Rico		Alaska, Guam, Hawaii and US Virgin Islands	
	One	\$1,249,125		Not Applicable	
	Two	\$1,599,375			
	Three	\$1,933,200			
	Four	\$2,402,625			
	¹ Several states (including Alaska, Hawaii) Guam, Puerto Rico and the US Virgin Islands do not have any high-cost areas in 2025.				
Minimum Loan Amount	\$75,000				
Documentation	- Per AUS findings. - All borrowers must have a valid Social Security Number. - A fully executed IRS Form 4506-C is required for each borrower on the loan. Refer to IRS Form 4506-C and Tax Transcripts. 4506-C is required for each self-employed business (1065, 1120s, 1120).				
AUS Requirements	- All loans must be submitted through FNMA Desktop Underwriter. - Manual underwriting IS NOT ALLOWED.				
Debt-to-Income (DTI)	Per AUS approval.				
Qualifying Rate	- Fixed Rate: Note Rate. 5/6 ARMS: Greater of the Initial note rate + 2% or the fully indexed rate (index plus margin rounded to the nearest one eighth percent). (Use Encompass Arm Type: FM GENERIC, 5 YR). 7/6 and 10/6 ARMS: Greater of the Initial Note rate or the fully indexed rate (index plus margin rounded to the nearest one eighth percent). (Use Encompass Arm Type: FM GENERIC, 7 YR, FM GENERIC, 10 YR).				
Asset Documentation	Allowable Assets for down payment and closing: - Checking / Savings. 401K -100% of vested balance minus any outstanding loans may be used. - Stock, Bonds, and Mutual Funds. - Life Insurance – 100% of cash value. - Business funds can be used for down payment, closing costs, and reserves: - The amount of business assets that can be used must correspond to the borrower’s percentage of ownership in the business. (Note: Underwriter will need to complete a cash flow analysis). - Provide 3 months of business bank statements for cash flow analysis.				

Gift Funds	- Permitted and must be documented in accordance with standard FNMA guidelines. - Funds cannot come from an unallowable source, including a business account, unless the donor is a sole proprietorship or the borrower's employer. - Cash is not an acceptable source of gift funds.	
	Reserves	
Borrower Eligibility	Eligible	Ineligible
	- US Citizens - Permanent Residents - Non-Permanent Alien Residents - Inter-Vivos Revocable Trusts	- Business Entity - Non-profit
Credit	FICO Score	
	- A minimum credit score is not required. DU will assess the borrower's creditworthiness. Loan must have an AUS approve/eligible. - No FICO score is allowed for Owner Occupied and only on Purchase and Limited Cashout with an AUS-approved/eligible. Not eligible for Manufactured Home. See Non Traditional Credit guidelines and FNMA B3-5.4-01. - Blended FICO Score allowed subject to DU approval. Pricing and mortgage insurance is subject to the lowest middle score. If less than 620, use a FICO score of 620 for pricing. For pricing with no FICO score use FICO 620 for pricing. No Score is only allowed for Owner occupied, and only on Purchase and R/T refinance transaction subject to DU approval. See FNMA B3-5.1-02.	
	Mortgage/Rental History	
	- Per AUS Findings. - Positive Rent Payment History- See FNMA B3-2-03, Risk Factors Evaluated by DU.	
	Installment/Revolving	
	- Installment debt with 10 payments or fewer does not need to be included in DTI. AUS to determine exclusion. Cannot be manually excluded. - Lease Payment must be included in the DTI regardless of # of remaining payments. - Revolving charge accounts that do not show the required minimum payment, a payment of 5% of the outstanding balance will need to be included in the DTI.	
	Student Loans	
	Refer to FNMA B3-6-05.	
	Open 30-day Charge Account	
	- An open 30-day charge account with a balance is not required to be included in the DTI; however, sufficient assets must be documented to cover the full balance. - AUS to determine exclusion and reduction of assets to cover balance of open 30-day accounts.	
	Disputed Credit Report Tradelines	
	Per AUS Findings.	
	Foreclosure, Bankruptcy, Deed-in-Lieu, Short Sale, or Consumer Credit Counseling	
	All seasoning requirements must be met from incident date to the proposed Note Date.	
	Derogatory Event	Waiting Period
	Bankruptcy Chapter 7/11	4 years from discharge date
	Bankruptcy Chapter 13	2 years from discharge date & 4 years from dismissal date
	Multiple BK Filings	5 years if more than 1 filing within the past 7 years.
	Foreclosure	7 years from title transfer
	Deed-in-Lieu of Foreclosure	4 years from title transfer
	Pre-foreclosure / Short Sale	4 years from title transfer
	Past Due, Collection and Charge-Off of Non-Mortgage Accounts	
	Past Due	Accounts that are reported as due (not collection accounts) must be brought current.

	Medical Collection Accounts	Not required to be paid in full.
	Collection Accounts	For 1 Unit Principal residence – borrowers are not required to payoff outstanding collection accounts – regardless of the amount.
		For 2-4 Units Owner & Second Home – collection & non-mortgage charge-offs total more than \$5000 must be paid in full prior or at closing.
		For investment properties, individual collection and non-mortgage charge-off accounts equal to or > \$250 and accounts that total > \$1000 must be paid in full prior or at closing.
	Judgments	All judgments on title must be paid in full prior to closing.
Non-Traditional Credit	Restrictions when no borrower has a credit score: • Must have DU approval. • The transaction must be a purchase or limited cash-out refinance. • Primary 1-4 unit with all borrowers occupying subject. • Max 95% LTV/CLTV. • The loan must be a fixed-rate mortgage. • Reserves may be required as determined by DU. • At least two credit references for each borrower are required (one of which must be housing reference). Each payment reference must have exited for at least the most recent 12 months. • If all borrowers on a purchase transaction do not have a credit score, at least one borrower must complete homeownership education prior to loan closing. See B2-2-06, Homeownership Education and Housing Counseling, for the requirements.	
	Restrictions when at least one borrower has no credit score: • Must have DU approval. • At least one borrower must have at least one credit score. • The transaction must be a purchase or limited cash-out refinance. • Max 95% LTV/CLTV. • The loan must be a fixed-rate mortgage. • Reserves may be required as determined by DU. • If the borrower(s) with a credit score is contributing more than 50% of the qualifying income, the lender is not required to document a nontraditional credit history for the borrower(s) without a credit score. • If the borrower(s) with a credit score is contributing 50% or less of the qualifying income, the lender must document a nontraditional credit history for each borrower without a credit score. At least two credit references for each borrower without a credit score are required (one of which must be housing reference). Each payment reference must have exited for at least the most recent 12 months.	
	Assessment of the Payment History for Nontraditional Credit References For each nontraditional credit reference, the following requirements must be met: • 12 months' VOR/VOM is required as one reference of non-traditional credit. Rent free is not allowed. If at least one borrower on the loan can document a housing payment as a nontraditional credit reference, the loan has met the housing payment history requirement. If two or more borrowers on a loan share the housing-related reference (for example, they are both named on the lease for the property in which they are living), that documentation counts as one nontraditional credit reference for each borrower, even if only one borrower has been making the payments. • There cannot be any delinquency on housing payments within the past 12 months. • Only one account, excluding housing payments, can have a 30-day delinquency in the past 12 months. • No collections (other than medical collections) or judgments have been filed in the past 24 months. • Judgments, liens, collections, and charge-offs of non-mortgage accounts must be satisfied in accordance with B3-5.3-09, DU Credit Report Analysis. Note: A borrower may lack sufficient credit to obtain a credit score. However, the lender must still consider any derogatory credit references that appear on the credit report.	

	Only borrower-paid mortgage insurance (BPMI) mortgage insurance is allowed when using non-traditional credit.		
Income/Employment	- The following is general guidance and subject to AUS approval/findings. - Income documents may be subject to additional document requests at the underwriter's discretion.		
	Salaried Borrowers		
	- Current paystub(s) dated within 30 days of the initial signed URLA. - W-2s and/or written verification(s) of employment per AUS findings.		
	Other Sources of Income		
	- FNMA B3-3.1-09. - Documentation must support the history of receipt, frequency and continuance of income.		
	Self-Employed Borrower		
	- Eligible with at least 2 years of self-employment; Periods of self-employment of less than 2 years, but at least 1 year, may be considered on a case-by-case basis. Personal Tax Returns: - Complete, signed tax returns for the most recent two years, including all pages and schedules, unless otherwise indicated by AUS findings. Business Tax Returns: - Complete, signed tax returns for the most recent two years, including all pages and schedules, unless otherwise indicated by AUS findings.		
Rental Income	Gaps In Employment		
	Gap in employment ≥ 60 days in the past 2 years requires a signed explanation.		
	Subject Property (FNMA B3-3.1-08)		
	History of receiving rental income from subject property	Transaction Type	Documentation
	No	Purchase	Form 1007 or 1025 and copy of the current lease agreements if transferred to the borrower.
	Yes	Refinance	Form 1007 or 1025 AND most recent current federal tax returns with schedule 1 & schedule E OR copy of the current lease & explanation as to why income is not on tax returns.
	No	Refinance	Form 1007 or 1025 AND copy of current lease.
Multiple Financed Properties	Rental Income from Other Property other than the subject property		
	- Completed signed federal income tax returns that include Schedule 1 & schedule E. - Completed signed federal business returns for 1065, 1120s includes IRS form 8825 when rental income is reported on K1 OR - Both above, when rental properties are reported on both personal & business returns.		
Multiple Financed Properties	See FNMA B2-2-03 for requirements on inclusion and exclusion of properties in limitation calculation.		
	Primary Residence – no limit on financed properties.		
	Second Home or Investment Property: - Minimum Fico score of 720 for a borrower with 7 or more financed properties. - Cash-Out Refinance loan on properties purchased greater than six (6) months since the date of acquisition is allowed for borrowers, who own two to ten (2-10) financed properties. - If the seasoning is less than six (6) months, then all delayed financing guidelines must be met. - Financed property has been re-defined as a residential one- to four-unit (1-4) property with a mortgage for which the borrower is personally obligated.		

	○ A property in the name of a Limited Liability Company (LLC) where the borrower has more than twenty-five percent (25%) ownership is no longer included in limitation. • Maximum ten (10) financed properties. • Reserve requirements for other financed properties is calculated by applying a specific percentage based on the aggregate Unpaid Principal Balance (UPB) for all the mortgages and Home Equity Line of Credit (HELOC).	
IPC	• See FNMA B3-4.1-02. • Financing concessions for primary residences and second homes must be within the following allowable percentages: ○ 9% of value with LTV/TLTV ratios less than or equal to 75%. ○ 6% of value with LTV/TLTV ratios greater than 75% up to and including 90%. ○ 3% of value with LTV/TLTV ratios greater than 90% up to and including 97%. • The maximum financing concession for investment properties is 2% regardless of the LTV ratio. • Value is the lesser of appraised value or purchase price.	
Appraisal	• All appraisals must be completed by a licensed appraiser and ordered through OGI Appraisal Desk. • Transferred appraisal is allowed.	
Value Acceptance & Property Data Report	• Allowed per AUS. • Refer to FNMA guidelines including all restrictions that apply to this appraisal type.	
Property Types	Eligible ¹	Ineligible
	• SFR/PUD (detached/attached/semi-detached) • Warrantable Condo • 2-4 Units • Multi-wide Manufactured Homes	• Co-op • Agricultural properties, such as farms or ranches • Condotel • Non-warrantable Condo • Earth Homes and geodesic domes • Houseboats, Boat Slips, Timeshares • Single-wide Manufactured Homes • Boarding Houses • B&B properties • Properties not suitable for year-round occupancy, regardless of location • Properties that are not readily accessible by roads that meet local standards • Vacant or land development properties
	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).	
Condo	Refer to the FNMA B4-2.2-04 – Geographic-Specific Condo Project Considerations for reduced LTVs in restricted states, such as Florida. Full condo project review/CPM (FNMA B4-2.2-02): • All condos require CPM ID. • New projects require a full project review regardless of DU findings. • Follow AUS Findings on existing project. Limited Review Parameters Maximum LTV/CLTV/HCLTV (FNMA B4-2.2-01): • The maximum LTV/CLTV/HCLTV is dependent upon the method by which the loan is evaluated and decided as well as where the property is geographically located Approve/Eligible Loans. ○ Primary Residence: 90%/90%/90% (75% / 90% / 90% for Florida properties). ○ Second Home: ≤75% / 75% / 75% (70% / 75% / 75% for Florida properties). ○ Investor: 75%/ 75%/ 75% (70%/ 75%/ 75% for Florida properties).	

Properties Listed for Sale	For All 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.
Purchases	Seller must be owner of record.
Refinance Transactions	Limited Cash Out Refinance (FNMA B2-1.3-02) - At least one borrower on the new loan must be an owner on title of the subject property at time of initial application. Exceptions are allowed if it meets the following: - The borrower acquired the property through an inheritance or was legally awarded the property, such as through divorce or dissolution of a domestic partnership. - Property was previously owned by an inter-vivos revocable trust, and the borrower is the primary beneficiary of the trust. - The borrower is currently obligated on the loan being paid off but not on title (title in LLC and is majority owned/controlled by the borrower). - The borrower is paying off an installment land contract that was executed > 12 months before the date of the application. - Cash back to the borrower does not exceed the greater of 1% of the new refinance loan amount or \$2000. - Properties that were listed for sale must have been taken off the market on or before the disbursement date of the new loan.
	Cash-Out Refinance (FNMA B2-1.3-03) - At least one borrower must have been on title for at least six months prior to the disbursement date of the new loan unless property was acquired through an inheritance or legally awarded through a divorce or domestic partnership. - If an existing first mortgage is paid off through the transaction, the mortgage must be at least 12 months old at the time of the refinance, as measured by the note date of the existing loan the new Note date. - If the DTI > 45%, six months reserves are required. - Properties that were listed for sale must have been taken off the market on or before the disbursement date of the new loan.
	Cash-Out Restrictions/Delayed Financing - 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). - The Property is 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. To close the new refinance transaction, title ownership must be transferred out of the LLC and into the borrower's name. Note: Title ownership from LLC to borrower's name can be transferred at closing. - The original purchase transaction was an arms-length transaction.
	- Every refinance transaction must offer a documented, demonstrable Net Tangible Benefit (NTB) to the borrower. - State-required NTB forms must be completed as applicable.
Subordinate Financing	Subordinate financing is allowed; CLTV cannot exceed the eligible LTV/CLTV limits.
Temporary Interest Rate Buydown	3-2-1, 2-1, 1-1, and 1-0 temporary buydown. - If using the lender's credit to cover the buydown cost, only 1-0 temporary buydown is allowed. Only offer on standard conforming loan amount, not high balance. - All buydown costs need to be from the following third parties, which can be from the seller/builder, listing agent, buying agent, and borrower. If the borrower is paying for the buydown cost, it will be included in points and fees. - Split-buydown credit is acceptable from all parties except if using the lender's credit. - The buydown plan must be a written agreement between the party providing the buydown funds and the borrower.

	• The total closing costs and buydown cannot exceed IPC Limits. • Fixed Rate only, and Qualification is on the full note rate. • Purchase Transaction of a primary residence or second home Only (excluding manufactured homes).
Texas	• TX50(a)(6) can only be for a 1-unit property. Must meet TX Constitution. (FNMA B5-4.1) ○ Primary transaction. ○ 12 months Seasoning required on existing mortgage. ○ Not allowed on student loan cash-out refinance feature code (SFC) 841. ○ Subordinate financing is not allowed on a Texas(a)(6) loan. ○ Maximum LTV is 80%. ○ Full Appraisal is required. ○ Maximum 10 acres. ○ Initial Disclosure: Notice Concerning Extensions of Credit Defined by Section 50(a)(6), Article XVI, Texas Constitution Disclosure (12-Day Letter) has been provided within 3 business days* of the application date. ○ Notice Concerning Extensions of Credit Defined by Section 50(a)(6), Article XVI, Texas Constitution Disclosure (12-Day Letter) is executed 12 business days* prior to note date (Spouse must sign). • TX 50(f)(2). (FNMA B5-4.2): ○ Primary transaction and 1 Unit only. ○ 12 months Seasoning required on existing mortgage. ○ No Cash in Hand. ○ Maximum LTV is 80%. ○ Full Appraisal is required. ○ Maximum 10 acres. ○ Initial Disclosure: Notice Concerning Refinance of Existing Home Equity Loan to Non-Home Equity Loan Under Section 50(f)(2), Article XVI, Texas Constitution Disclosure has been provided within 3 business days* of application date. ○ Affidavit executed by owner and/or spouse, when applicable. • Any existing secondary financing must be subordinated with a recorded subordination agreement (automatic subordination not permitted). ○ A copy of the note and deed for the subordinate financing must be provided. *Texas law counts all days as business days, excluding Saturdays and Holidays.