## *theLender Fannie Mae* – Conforming & High Balance

Primary Residence – Owner Occupied						
Transaction	FICO	Number of Units	Maximum LTV/CLTV			
Purchase / Rate Term	620	1 Unit	97% Conforming. 95% High Balance/ARM			
		2-4 Units	<mark>95</mark>			
Cash-Out Refinance	620	1 Unit	80			
Odsil-Out Kelinanee	020	2-4 Units	75			
Manufactured Home - Primary Residence – Owner Occupied						
Transaction	FICO	Number of Units	Maximum LTV/CLTV			
Purchase / Rate Term	640	1 Unit	95			
Cash-Out Refinance	640	1 Unit	65			
Second Home						
Transaction	FICO	Number of Units	Maximum LTV/CLTV			
Purchase / Rate Term	620	1 Unit	90			
Cash-Out Refinance	620	1 Unit	75			
Manufactured Home – Second Ho	ome					
Transaction	FICO	Number of Units	Maximum LTV/CLTV			
Purchase / Rate Term	640	1 Unit	85			
Investment Property – Non-Ow	ner Occupied					
Transaction	FICO	Number of Units	Maximum LTV/CLTV			
Purchase	620	1 Unit	85			
Purchase		2-4 Units	75			
Rate / Term	620	1-4 Units	75			
Cash-Out Refinance	620	1 Unit	75			
		2-4 Units	70			

	High Balance Minimum – All States, All Counties			
Transaction	1 Unit	2 Units	3 Units	4 Units
All types	\$726,200	\$929,850	\$1,123,900	\$1,396,800

• DU will return an ineligible result. We will accept Approve/Ineligible (DU) due **only** to the loan amount more than the 2023 loan limits.

• A full appraisal is required for the expanded loan limits.

- Appraisal waivers are not allowed with an ineligible decision.
- Area within the current 2023 high-cost limits, appraisal waivers remain eligible.
- Loans more than current 2023 County loan limits, and up to the expanded loan limits, will be eligible and priced as conforming high balance.

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## **Program Details**

Topic	Guideline
	Fannie Mae Guidelines:
Guidelines	https://www.fanniemae.com/singlefamily/originating-underwriting
	Note: Located under "Selling Guide" FHFA Conforming Loan Limits:
Loan Limits	
	https://www.fhfa.gov/DataTools/Downloads/Pages/Conforming-Loan-Limits.aspx
Minimum Loan Amounts	Minimum Loan amount \$50,000
1031 exchanges	Allowed     Transformed empreised are OK subject to conditions
	<ul> <li>Transferred appraisal are OK subject to conditions</li> <li>All appraisals must be ordered through an AMC</li> </ul>
	<ul> <li>All appraisals must be ordered through an AMC</li> <li>The broker cannot be the Lender/Client</li> </ul>
Appraisal	<ul> <li>Appraisals must be uploaded to UCDP and receive a "successful" Submission Summary</li> </ul>
, pp. a.ca.	Report (SSR).
	Appraisals by appraisers & supervisory appraisers on the Fannie Mae AQM list are not
	eligible.
Assets	Third party validation of all checking and savings accounts is required
AUS	DU® Approve/Eligible required.
	Manual underwrites not allowed
	Maximum 4 borrowers per loan.
	Maximum 4 loans to 1 borrower and up to \$1.5M
	<ul> <li>All non-U.S. citizen Borrowers must provide documentation of lawful permanent or non- normagenet regidence.</li> </ul>
Borrower Eligibility	<ul> <li>Permanent residency</li> <li>All Borrowers must be a natural person or an eligible inter vivos revocable trust. (Also</li> </ul>
	<ul> <li>All borrowers must be a natural person of an eligible inter vivos revocable trust. (Also see Leasehold Estates and Land Trusts.)</li> </ul>
	Borrowers who are Foreign Politically Exposed Persons or who have Diplomatic
	Immunity are not eligible.
Condo Eligibility	New construction and gut rehabilitation condos are not allowed.
	<ul> <li>Subject property with unit size less than 650 square feet</li> </ul>
	<ul> <li>Condo projects with any units less than 400 square feet</li> </ul>
	Manufactured home condo projects (MHCP).
Condominiums –	Condotels, Hotel Condos, hotel/motel conversions including:     Condo prejects that, both include registration convises and effect the rental of
ineligible property types	<ul> <li>Condo projects that: both include registration services and offer the rental of units for a term of ≤30 days;</li> </ul>
	$\circ$ share facilities with a hotel or motel;
	<ul> <li>offer services typically provided in a hotel or motel such as maid service,</li> </ul>
	management desk, bellman, etc.;
	<ul> <li>restrict owner's ability to occupy the unit.</li> </ul>
Credit	<ul> <li>Installment debt must be paid in full to be excluded. Borrowers may not pay down installment debts to lease them 40 menuties to exclude the debt for muslificing.</li> </ul>
Cradit agara	installment debts to less than 10 months to exclude the debt for qualifying.
Credit score Credit Report	Each borrower must generate a traditional credit score from at least one repository.
Down Payment	<ul> <li>RMCR or traditional tri-merge is required for all borrowers on all loans.</li> <li>Must be approved by Credit Management</li> </ul>
Assistance (DPA)	<ul> <li>Must be approved by Credit Management</li> <li>Government and Quasi-government entities only</li> </ul>
Energy Efficient	
Mortgage	Not Allowed
Escrow / Impounds	Unless in violation of applicable state law, LTVs >80% require escrows. For primary
	residences & second homes, mandatory flood insurance must be escrowed, unless paid
	by HOA as a common expense.
Escrow Holdback	Not Allowed
Geographic Restrictions	Any state theLender is not licensed in – see <u>www.thelender.com</u>
Housing Authority	<ul> <li>Section 8 vouchers, Housing Authority subsidies are not eligible.</li> </ul>
Subsidies	,,,

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IRS 4506-T       • IRS Form 4506-T must be signed prior to underwriting for borrowers whose income is documented with tax returns. Authorization must coincide with the years of tax returns obtained for qualification.         IRS 4506-T       • Borrowers whose income has been validated through the DU validation service must sign IRS Form 4506-T at closing even if DU waives the requirement.         Leasehold Estates and Land Trusts. Community Land Trusts, including Illinois land trusts, "Indian Leased Land" are not eligible.         Manfactured Home       • Eligible         Mortgage Credit       • Cash-out, 20 year max term         Confficate       Not allowed         Mortgage Insurance       Minimum or reduced mortgage insurance coverage is not permitted. Obtain standard coverage.         Reduced       Acceptable MI Types:         Borrower Paid Single Premium       • Englishing         Property Deed       Deorower Paid Single Premium         Restrictions       • No 'Conereal' POA. POA must be "specific and identify property.         Property Plipping, Purchase Contract       • No 'Conereal' POA. POA Roust be "specific and identify property.         Property Flipping, Purchase Contract       • Refinance transactions are not eligible if there is evidence of churning and/or Net Transactions with property lipping or rapid resale within 90 days require additional scrutify for propertig         Property Flipping, Purchase Contract that have been assigned are not eligible.       • Refinance ransactions with property flipping or rapid resale w				
Leade Trusts         Land Trusts, Community Land Trusts, including Illinois land trusts, "Indian Leased Land" are not eligible.           Manufactured Home         Eligible Gash-out, 20 year max term           Mortgage Credit Cortificate         Not allowed           Mortgage Insurance Reduced         Minimum or reduced mortgage insurance coverage is not permitted. Obtain standard coverage.           Acceptable MI Types: Borrower Paid Monthly         Acceptable MI Types: Borrower Paid Monthly           Mortgage Insurance         Common Paid Monthly Borrower Paid Single Premium           Finance: Restrictions         Refmance: Trosmer Paid Single Premium           Forperty Deed Restrictions         Dead restricted properties are not eligible in there is evidence of churning and/or Net Transactions with property flipping, Purchase Contract           Property Flipping, Purchase Contract         Purchase Contracts that have been assigned are not eligible: If Bisted within prior of months, must be removed from market on or prior to disbursement date of new loan.           Fragerity, Ineligible types and Condition         Easter Board and care facilities         Boarding houses           Boarding houses         Boarding houses         Boarding houses         Boarding houses           Boarding houses         Boarding houses         Boarding houses         Boarding houses           Boarding houses         Boarding houses         Boarding houses         Boarding houses           Boarding h	IRS 4506-T	<ul> <li>documented with tax returns. Authorization must coincide with the years of tax returns obtained for qualification.</li> <li>Borrowers whose income has been validated through the DU validation service must</li> </ul>		
Manufactured Home         Eligible           Mortgage Credit         640 min FICO           Cash-out, 20 year max term         Mortgage Insurance -           Reduced         Not allowed           Mortgage Insurance -         Reduced           Acceptable MI Types:         Borrower Paid Single Premium           Financed: Gross LTV cannot exceed theLender's program maximum         Ender Paid Single Premium           Power of Attorney         No "General" POA. POA must be "specific and identify property.           Power of Attorney         No "General" POA. POA must be "specific and identify property.           Property Deed         Deed restricted properties are not eligible futhere is evidence of churning and/or Net Tansactions with property flipping.           Purchase Contract         Refinance transactions with property flipping or rapid resale within 90 days require additional sorutiny for price manipulation           Assignments, Churning         The following are not eligible:           Assisted living         Assisted living           Board and care facilities         Board and care facilities		Land Trusts, Community Land Trusts, including Illinois land trusts, "Indian Leased Land" are not		
Mortgage Credit Certificate         Not allowed           Mortgage Insurance Reduced         Minimum or reduced mortgage insurance coverage is not permitted. Obtain standard coverage.           Mortgage Insurance         Acceptable MI Types: • Borrower Paid Single Premium • Financed: Gross LTV cannot exceed theLender's program maximum • Lender Paid Single Premium • No "General" POA. POA must be "specific and identify property. • No POA for trusts, cash out, non-owner or non-occupant borrowers.           Property Deed Restrictions         Deed restricted properties are not eligible, unless the restriction is age-related, and otherwise meets the applicable Agency guidelines. • Refinance transactions are not eligible if there is evidence of churning and/or Net Tangible Benefit is not established. • Purchase Contract Assignments, Churning • Transactions with purchase contracts that have been assigned are not eligible. • If listed within prof 6 months, must be removed from market on or prior to disbursement date of new Ioan. • The following are not eligible: • Assisted living • Board and care facilities • Boarding houses • Bed & breakfast • Non-warrantable condo projects • Co-Ops • Exotic or non-traditional types of structures, e.g. dome homes, houseboats, Land loans, vacant or unimproved properties • Mobile homes or on-frame modular • Working farms or ranches • Indian (Native American) tribal or Trust Land, or "Indian Leased Land." • Property Eligibility           Property Condition and Quality Ratings         • Properties with a Quality Rating of C5 – Not Allowed • Properties with a Quality Rating of C5 – Not Allowed • Properties with a Quality Rating of C5 – Not Allowed • Properties with a Quality Rating of C5 – Not Allowed • Properties with a Quality Rating of C5 – Not Allowed • Properties with a Quality Rating of C5 – Not Allowed • Properties		<ul><li>Eligible</li><li>640 min FICO</li></ul>		
Reduced         Minimum of reduced introlugage insufance coverage is not permitted. Obtain standard coverage.           Mortgage Insurance         Acceptable MI Types: Borrower Paid Single Premium Einanced: Cross LTV cannot exceed theLender's program maximum Lender Paid Single Premium Property Deed Restrictions           Property Deed Restrictions         Deed restricted properties are not eligible, unless the restriction is age-related, and otherwise meets the applicable Agency guidelines.           Property Flipping, Purchase Contract Assignments, Churning         Purchase transactions are not eligible if there is evidence of churning and/or Net Transactions with purchase contracts that have been assigned are not eligible. If listed within prior 6 months, must be removed from market on or prior to disbursement daditional scrutiny for price manipulation Assisted living Board and care facilities Board and care facilities				
Borrower Paid Monthly           Mortgage Insurance <ul></ul>		Minimum or reduced mortgage insurance coverage is not permitted. Obtain standard coverage.		
Power of Attorney         • No "General" POA. POA must be "specific and identify property.           Property Deed Restrictions         Deed restricted properties are not eligible, unon-owner or non-occupant borrowers.           Property Flipping, Property Flipping, Purchase Contract         Refinance transactions are not eligible in there is evidence of churning and/or Net Tangible Benefit is not established.           Assignments, Churning         • Refinance transactions with property flipping or rapid resale within 90 days require additional scrutiny for price manipulation           Assignments, Churning         • Transactions with purchase contracts that have been assigned are not eligible.           • If listed within prior 6 months, must be removed from market on or prior to disbursement date of new loan.           The following are not eligible: • Assisted living • Board and care facilities • Boarding houses • Bed & breakfast • Non-warrantable condo projects • Co-Ops • Exotic or non-traditional types of structures, e.g. dome homes, houseboats, Land loans, vacant or unimproved properties • Mobile homes or on-frame modular • Working farms or ranches • Indian (Native American) tribal or Trust Land, or "Indian Leased Land." • Property Condition and Quality Ratings • Properties with a Condition Rating of C5 – Not Allowed • Properties with a Condition Rating of C5 – Not Allowed • Properties with a Condition Rating of C6 – Not Allowed • Properties with a Condition Rating of C6 – Not Allowed • Properties with a Condition Rating of C6 – Not Allowed • Properties with a Condition Rating of C6 – Not Allowed • Properties ReselPode restrictions are not permitted; with the exception of age restricted communities (55+), within program guidelines           Resale Restriction	Mortgage Insurance	<ul> <li>Borrower Paid Monthly</li> <li>Borrower Paid Single Premium</li> <li>Financed: Gross LTV cannot exceed theLender's program maximum</li> </ul>		
Property Deed Restrictions         Deed restricted properties are not eligible, unless the restriction is age-related, and otherwise meets the applicable Agency guidelines.           Property Flipping, Purchase Contract         • Refinance transactions are not eligible if there is evidence of churning and/or Net Tangible Benefit is not established.           Assignments, Churning         • Purchase transactions with property flipping or rapid resale within 90 days require additional scrutiny for price manipulation           Assignments, Churning         • Transactions with purchase contracts that have been assigned are not eligible.           • Il listed within prior 6 months, must be removed from market on or prior to disbursement date of new Ioan.           The following are not eligible:           • Assisted living           • Board and care facilities           • Board and care facilities           • Boarding houses           • Exotic or non-traditional types of structures, e.g. dome homes, houseboats, Land Ioans, vacant or unimproved properties           • Mobile homes or on-frame modular           • Working farms or ranches           • Indian (Native American) tribal or Trust Land, or "Indian Leased Land."           • Property Condition and Quality Ratings           • Properties with a Quality Rating of C5 – Not Allowed           Property Eligibility           Land Trusts, including Illinois not allowed.           Resale Restrictions         Resale/Deed restrictions are not permi	Power of Attorney	No "General" POA. POA must be "specific and identify property.		
Property Flipping, Purchase Contract <ul> <li>Purchase Contract</li> <li>Assignments, Churning</li> <li>Transactions with property flipping or rapid resale within 90 days require additional scrutiny for price manipulation</li> <li>Transactions with purchase contracts that have been assigned are not eligible.</li> <li>If listed within prior 6 months, must be removed from market on or prior to disbursement date of new loan.</li> </ul> <li>Property, Ineligible types and Care facilities</li> <li>Board on unimproved properties</li> <li>Mobile homes or on-frame modular</li> <li>Working farms or ranches</li> <li>Indian (Native American) tribal or Trust Land, or "Indian Leased Land."</li> <li>Property Condition and</li> <li>Properties with a Quality Rating of C5 – Not Allowed</li> <li>Properties with a Quality Rating of C6 – Not Allowed</li> <li>Resale Restrictions</li> <li>Resale/Deed restrictions are not permitted; with the exception of age restricted communities (55+), within program guidelines</li> <li>Credit and appraisal documents may not be dated more than 120 days from the date of the conversion to permanent financing</li> <li>Subordinate Financting</li> <li>A certified copy of the subordin</li>		Deed restricted properties are not eligible, unless the restriction is age-related, and otherwise		
Property, Ineligible types and Condition       The following are not eligible:         Property, Ineligible types and Condition       Board and care facilities         Boarding houses       Bed & breakfast         Non-warrantable condo projects       Co-Ops         Exotic or non-traditional types of structures, e.g. dome homes, houseboats, Land loans, vacant or unimproved properties         Mobile homes or on-frame modular       Working farms or ranches         Indian (Native American) tribal or Trust Land, or "Indian Leased Land."         Property Condition and Quality Ratings       Property ratings of C5, C6, and Q6 are not allowed unless issues that caused these ratings are cured prior to funding.         Property Eligibility       Land Trusts, including Illinois not allowed.         Resale Restrictions       Resale/Deed restrictions are not permitted; with the exception of age restricted communities (55+), within program guidelines         Construction to Perm       Credit and appraisal documents may not be dated more than 120 days from the date of the conversion to permanent financing         Subordinate Financing       A certified copy of the subordination agreement or equivalent is required, if re-subordinating.         Tax Transcripts       W-2 transcripts for wage earners are acceptable	Purchase Contract	<ul> <li>Tangible Benefit is not established.</li> <li>Purchase transactions with property flipping or rapid resale within 90 days require additional scrutiny for price manipulation</li> <li>Transactions with purchase contracts that have been assigned are not eligible.</li> <li>If listed within prior 6 months, must be removed from market on or prior to disbursement</li> </ul>		
Quality Ratings• Properties with a Quality Rating of Q6 – Not AllowedProperty EligibilityLand Trusts, including Illinois not allowed.Rehabilitation LoansNot AllowedResale RestrictionsResale/Deed restrictions are not permitted; with the exception of age restricted communities (55+), within program guidelinesConstruction to PermCredit and appraisal documents may not be dated more than 120 days from the date of the conversion to permanent financingSubordinate FinancingA certified copy of the subordination agreement or equivalent is required, if re-subordinating.Tax TranscriptsW-2 transcripts for wage earners are acceptableTax Repayment PlanPer agency guidelines		<ul> <li>The following are not eligible:</li> <li>Assisted living</li> <li>Board and care facilities</li> <li>Boarding houses</li> <li>Bed &amp; breakfast</li> <li>Non-warrantable condo projects</li> <li>Co-Ops</li> <li>Exotic or non-traditional types of structures, e.g. dome homes, houseboats, Land loans, vacant or unimproved properties</li> <li>Mobile homes or on-frame modular</li> <li>Working farms or ranches</li> <li>Indian (Native American) tribal or Trust Land, or "Indian Leased Land."</li> <li>Property ratings of C5, C6, and Q6 are not allowed unless issues that caused these</li> </ul>		
Rehabilitation Loans         Not Allowed           Resale Restrictions         Resale/Deed restrictions are not permitted; with the exception of age restricted communities (55+), within program guidelines           Construction to Perm         Credit and appraisal documents may not be dated more than 120 days from the date of the conversion to permanent financing           Subordinate Financing         A certified copy of the subordination agreement or equivalent is required, if re-subordinating.           Tax Transcripts         W-2 transcripts for wage earners are acceptable           Tax Repayment Plan         Per agency guidelines	Quality Ratings	<ul> <li>Properties with a Condition Rating of C5 – Not Allowed</li> <li>Properties with a Quality Rating of Q6 – Not Allowed</li> </ul>		
Resale Restrictions       Resale/Deed restrictions are not permitted; with the exception of age restricted communities (55+), within program guidelines         Construction to Perm       Credit and appraisal documents may not be dated more than 120 days from the date of the conversion to permanent financing         Subordinate Financing       A certified copy of the subordination agreement or equivalent is required, if re-subordinating.         Tax Transcripts       W-2 transcripts for wage earners are acceptable         Tax Repayment Plan       Per agency guidelines		Land Trusts, including Illinois not allowed.		
Resale Restrictions       (55+), within program guidelines         Construction to Perm       Credit and appraisal documents may not be dated more than 120 days from the date of the conversion to permanent financing         Subordinate Financing       A certified copy of the subordination agreement or equivalent is required, if re-subordinating.         Tax Transcripts       W-2 transcripts for wage earners are acceptable         Tax Repayment Plan       Per agency guidelines	Rehabilitation Loans			
Construction to Permit         conversion to permanent financing           Subordinate Financing         A certified copy of the subordination agreement or equivalent is required, if re-subordinating.           Tax Transcripts         W-2 transcripts for wage earners are acceptable           Tax Repayment Plan         Per agency guidelines	Resale Restrictions	(55+), within program guidelines		
Tax Transcripts       W-2 transcripts for wage earners are acceptable         Tax Repayment Plan       Per agency guidelines		conversion to permanent financing		
Tax Repayment Plan         Per agency guidelines	Subordinate Financing			
Tax Repayment Plan         Per agency guidelines				
Texas Cash-out         Fixed rate mortgage only – Subject to Texas 50(a)(6) restrictions				

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