10.27.26

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	95
Cash-Out Refinance	620	1 Unit	80
		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 Home			
Transaction	**FICO**	**Number of Units**	**Maximum LTV/CLTV**
Purchase / Rate Term	640	1 Unit	85
Investment Property – Non-Owner Occupied			
Transaction	**FICO**	**Number of Units**	**Maximum LTV/CLTV**
Purchase	620	1 Unit	85
		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	$832,750	$1,066,250	$1,288,800	$1,601,750

- DU will return an ineligible result. We will accept Approve/Ineligible (DU) due **only** to the loan amount more than the 2026 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 2026 high-cost limits, appraisal waivers remain eligible.
- Loans more than current 2026 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
Guidelines	Fannie Mae Guidelines: https://www.fanniemae.com/singlefamily/originating-underwriting Note: Located under "Selling Guide"
Loan Limits	FHFA Conforming Loan Limits: https://www.fhfa.gov/DataTools/Downloads/Pages/Conforming-Loan-Limits.aspx
Minimum Loan Amounts	• Minimum Loan amount $50,000
1031 exchanges	• Allowed
Appraisal	• Transferred appraisal are OK subject to conditions • All appraisals must be ordered through an AMC • The broker cannot be the Lender/Client • Appraisals must be uploaded to UCDP and receive a "successful" Submission Summary Report (SSR). • Appraisals & supervisory appraisers on the Fannie Mae AQM list are not eligible. • Appraisal Form - Must be UAD compliant. All UCDP submissions on or after 11/2/2026 must be UAD 3.6 (URAR). UAD 2.6 legacy forms (1004, 1073, 1025) are acceptable only for submissions made prior to 11/2/2026.
Assets	• Third party validation of all checking and savings accounts is required
AUS	DU® Approve/Eligible required. • Manual underwrites not allowed
Borrower Eligibility	• Maximum 4 borrowers per loan. • Maximum 4 loans to 1 borrower and up to $1.5M • All non-U.S. citizen Borrowers must provide documentation of lawful permanent or non-permanent residency • All Borrowers must be a natural person or an eligible inter vivos revocable trust. (Also see Leasehold Estates and Land Trusts.) • 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.

Condominiums – ineligible property types	• Subject property with unit size less than 650 square feet
	• Condo projects with any units less than 400 square feet
	• Manufactured home condo projects (MHCP).
	• Condotels, Hotel Condos, hotel/motel conversions including:
	  ○ Condo projects that: both include registration services and offer the rental of units for a term of ≤30 days;
	  ○ share facilities with a hotel or motel;
	  ○ offer services typically provided in a hotel or motel such as maid service, management desk, bellman, etc.;
	  ○ restrict owner's ability to occupy the unit.

Credit	• Payoff or pay down installment debts to qualify, follow Fannie Mae Selling Guide. • Credit Score Model- Classic FICO® only. VantageScore® 4.0 and FICO® Score 10T are ineligible. • Each borrower must generate a traditional credit score from at least one repository. • RMCR or traditional tri-merge is required for all borrowers on all loans.
Down Payment Assistance (DPA)	• Must be approved by Credit Management • Government and Quasi-government entities only
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 www.thelender.com • Hawaii- Ineligible
Housing Authority Subsidies	• Section 8 vouchers, Housing Authority subsidies are not eligible.
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. • 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	Land Trusts, Community Land Trusts, including Illinois land trusts, "Indian Leased Land" are not eligible.
Manufactured Home	• Eligible; 640 min FICO
Mortgage Credit Certificate	Not allowed

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Mortgage Insurance - Reduced	Minimum or reduced mortgage insurance coverage is not permitted. Obtain standard coverage.
Mortgage Insurance	Acceptable MI Types: • Borrower Paid Monthly • Borrower Paid Single Premium • Financed: Gross LTV cannot exceed theLender's program maximum • Lender Paid Single Premium
Power of Attorney	• 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.
Property Flipping, Purchase Contract Assignments, Churning	• Refinance transactions are not eligible if there is evidence of churning and/or Net Tangible Benefit is not established. • Purchase transactions with property flipping or rapid resale within 90 days require additional scrutiny for price manipulation • 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.
Property, Ineligible types and Condition	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 ratings of C5, C6, and Q6 are not allowed unless issues that caused these ratings are cured prior to funding.
Property Condition and Quality Ratings	• Properties with a Condition Rating of C5 – Not Allowed • Properties with a Quality Rating of Q6 – Not Allowed
Property Eligibility	Land Trusts, including Illinois not allowed.
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
Temporary Buydown	Allowed – See buydown matrix
Texas Cash-out	Fixed rate mortgage only – Subject to Texas 50(a)(6) restrictions

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