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**Conforming/Super Conforming Product Matrix**
**Primary Residence**

Purchase & Rate/Term				Cash-Out			
Units	LTV / TLTV	Credit Score*	Max DTI*	Units	LTV / TLTV	Credit Score*	Max DTI*
1 Unit	95.00%	Per LPA		1 Unit	80.00%	Per LPA	Per LPA
2 Unit	95.00% <sup>3</sup>	Per LPA		2 Unit	75.00%	Per LPA	Per LPA
3-4 Unit	95.00% <sup>3</sup>	Per LPA		3-4 Unit	75.00%	Per LPA	Per LPA
Manufactured Home	95.00%	Per LPA		Manufactured Home (No 30yr Fixed)	65.00%	Per LPA	Per LPA

\*Based upon LPA Accept findings. Loan must still be underwritten to credit risk.

**Second Home**

Purchase & Rate/Term				Cash-Out			
Units	LTV / TLTV	Credit Score*	Max DTI*	Units	LTV / TLTV	Credit Score*	Max DTI*
1 Unit	90.00%	Per LPA		1 Unit	75.00%	Per LPA	Per LPA
Manufactured Home	85.00%	Per LPA		N/A	N/A	N/A	

\*Based upon LPA Accept findings. Loan must still be underwritten to credit risk.

**Investment**

Purchase & Rate/Term				Cash-Out			
Units	LTV / TLTV	Credit Score*	Max DTI*	Units	LTV / TLTV	Credit Score*	Max DTI*
1 Unit	85.00%	Per LPA		1 Unit	75.00%	Per LPA	Per LPA
2 Unit	75.00%	Per LPA		2 Unit	70.00%	Per LPA	Per LPA
3-4 Unit	75.00%	Per LPA		3-4 Unit	70.00%	Per LPA	Per LPA

\*Based upon LPA Accept findings. Loan must still be underwritten to credit risk.

**Conforming Loan Amounts<sup>1</sup>**

Units	Contiguous States, DC		Alaska, Hawaii (All Counties)	
	2026 <sup>2</sup>	2025 <sup>2</sup>	2026 <sup>2</sup>	2025 <sup>2</sup>
1 Unit	\$832,750	\$806,500	\$1,249,125	\$806,500
2 Unit	\$1,066,250	\$1,032,650	\$1,599,375	\$1,032,650
3 Unit	\$1,288,800	\$1,248,150	\$1,933,200	\$1,248,150
4 Unit	\$1,601,750	\$1,551,250	\$2,402,625	\$1,551,250

**Super Conforming Loan Amount<sup>1</sup>**

Units	Contiguous States, DC, Alaska, Hawaii (Other Counties)		Hawaii (Kalawao & Maui Counties)	
	2026 <sup>2</sup>	2025 <sup>2</sup>	2026 <sup>2</sup>	2025
1 Unit	\$1,249,125	\$1,209,750	\$1,299,500	N/A
2 Unit	\$1,599,375	\$1,548,975	\$1,633,600	N/A
3 Unit	\$1,933,200	\$1,872,225	\$2,010,950	N/A
4 Unit	\$2,402,625	\$2,326,875	\$2,499,100	N/A

\*Based upon LPA Accept findings. Loan must still be underwritten to credit risk.

<sup>1</sup> Maximum Super Conforming loan amounts differ by County but may never exceed these limits. For county level limits, refer to [Conforming Loan Limits](#) for further detail.

<sup>2</sup> Minimum Loan Amount - \$50,000 (\$150,000 for Investment Properties)

<sup>3</sup> 95% LTV available on Conforming Loan Amounts only. Super Conforming Loan Amounts are limited to Max 85% LTV for 2-Unit Properties / 80% LTV for 3-4 Unit Properties.

## Home One - 97% Product Option

Home One	Mortgage Purpose	Subordinate Financing	Max LTV/HTLTV/TLTV
	Purchase	None	97%/97%/97%
		Affordable Second	97%/97%/105%
		Other Second	97%/97%/97%
	Limited Cash-Out Refinance*	None	97%/97%/97%
		Affordable Second**	97%/97%/105%
		Other Second	97%/97%/97%

*\* Existing Mortgage(s) being refinanced MUST be owned or securitized by FHLMC*  
*\*\* Existing Mortgage(s) being refinanced DOES NOT need to be owned or securitized by FHLMC*

- Home One loans must receive Accept risk assessment from Loan Product Advisor (LPA)
- Must be fixed rate mortgage
- Must be secured by 1-unit properties – no manufactured homes allowed
- All borrowers must occupy the property as their primary residence.
- Maximum LTVs
  - Max LTV = 97%
  - TLTV for 2<sup>nd</sup> mortgages with Affordable Seconds = 105%
    - TLTV capped at 97% for HELOCs or 2<sup>nd</sup> mortgages that are not Affordable Seconds
- Loan Purpose:
  - Purchase
  - Limited Cash-Out Refinance
    - For loans with LTV/TLTV greater than 95% and TLTV with secondary financing that is not an Affordable Second greater than 95%, the mortgage being refinanced must be owned in whole or in part or securitized by FHLMC
    - For loans with TLTV > 95% with secondary financing that is an Affordable Second, the mortgage being refinanced does not have to be owned or securitized by FHLMC.
    - Use the [FHLMC Loan Look-Up Tool](#) to identify if FHLMC owns the Mortgage.
- Borrower Eligibility:
  - For purchase transactions and limited cash-out refinance mortgages, at least one borrower on the transaction must have a usable credit score as determined by Loan Product Advisor (LPA)
  - For purchase transactions, at least one borrower must be a First-Time Homebuyer
- Homeownership Education – For purchase transactions, when all borrowers are First-Time Homebuyers, at least one borrower must participate in a homeownership education program and complete it prior to the Note date.
  - Homeownership education must not be provided by an interested party to the transaction.
  - Homeownership education programs may use different formats and require different lengths of time to complete. The following are acceptable:
    - Programs provided by HUD-approved counseling agencies, Housing Finance Agencies (HFAs) or Community Development Financial Institutions (CDFIs)
    - Programs provided by mortgage insurance companies
    - Programs that meet the standards of the National Industry Standards for Homeownership Education and Counseling ([www.homeownershipstandards.com](http://www.homeownershipstandards.com))
    - As an alternative to the programs listed above, FHLMC's free financial literacy curriculum, [CreditSmart®](#), meets the homeownership education requirements, provided:
      - The Borrower completes the on-line Credit Smart – Steps to Homeownership Tutorial – With Certificate
- A copy of Homeownership Education Certification or another document (such as the CreditSmart – Steps to Homeownership certificate of completion) containing comparable information must be retained in the Mortgage file
- Mortgage Insurance is required: Standard rates apply; LPMI is allowed; Financed Mortgage Insurance is allowed – qualifying LTV must include MI

**\*\*\* All loans must adhere to FHLMC guidelines except where noted \*\*\***

<b>Guidelines</b>	
<b>Eligible Transactions</b>	<ul style="list-style-type: none"> <li>• Purchase, Limited Cash-Out/No Cash-Out and Cash-Out Refinance eligible on all occupancy types. <ul style="list-style-type: none"> <li>○ As with all purchase transactions, the lesser of the final sales price or appraised value must be utilized when establishing the LTV/TLTV ratios. *See NY MI</li> <li>○ All refinance transactions must meet Continuity of Obligation requirements</li> </ul> </li> <li>• For certain LPA mortgage transactions, FHLMC may accept the “value” to be the lender provided estimate of value or the purchase price as the basis for the underwriting of the mortgage.</li> </ul>
<b>Ineligible Transactions</b>	<ul style="list-style-type: none"> <li>• Manual Underwrite</li> <li>• A Minus LPA Finding Recommendation</li> <li>• NY CEMA</li> <li>• MCC (Mortgage Credit Certificate) programs; allowed after closing (cannot be used for qualifying purposes)</li> <li>• Land Trusts (Community Land Trusts are eligible)</li> <li>• Non-Traditional Credit</li> <li>• Loans subject to Private Transfer Fees (PTFs) <ul style="list-style-type: none"> <li>○ Excluding loans with private transfer fees paid to homeowners’ associations, condominiums, and certain tax-exempt organizations that use private transfer fee proceeds to benefit the property. Fees that do not directly benefit the property would disqualify mortgages from being from being purchased by Homebridge.</li> </ul> </li> <li>• Assumptions</li> <li>• Prepayment Penalties</li> <li>• Property Inspection Alternative</li> <li>• Loans with PACE or HERO programs as a secondary/subordinate financing option (all states).</li> <li>• Loans with qualifying income earned from state-legalized marijuana businesses, as this is not considered as legally derived income based on Federal law.</li> <li>• Loans where a borrower(s) has a Deferred Action for Childhood Arrivals (DACA) status.</li> </ul>

Guidelines		
	Conforming Loan Amounts	Super Conforming Loan Amounts
	<ul style="list-style-type: none"> <li>Agency Fixed Rate: 10, 15, 20, 25, 30 Year</li> <li>Agency SOFR ARM: 5/6 – 2/1/5 Caps* *Not eligible if HPML</li> <li>Agency SOFR ARM: 7/6 – 5/1/5 Caps</li> <li>Agency SOFR ARM: 10/6 – 5/1/5 Caps</li> <li>Temporary Buydown</li> <li><b>Qualifying Payment:</b> <ul style="list-style-type: none"> <li>Initial fixed rate period of 5 years or less (6 Month to 5 Year ARM) – Borrower qualified at no less than the greater of the Note Rate plus two (2) percentage points or the fully indexed rate</li> <li>Initial fixed rate period greater than 5 years (7 Year &amp; 10 Year ARM) – Borrower qualified at no less than the Note Rate for Mortgages that are not Higher-Price Mortgage Loans (HPML) <ul style="list-style-type: none"> <li>Borrower qualified at no less than the greater of the Note Rate or fully indexed rate for mortgages that are HPMLs.</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Agency Fixed Rate: 15, 20, 30 Year</li> <li>Temporary Buydown</li> </ul>
<b>Eligible Products</b>		
<b>Eligible Properties</b>	Must conform to FHLMC guidelines.	
<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>Non-Warrantable Condos &amp; New Attached Condo Projects</li> <li>Cooperatives</li> <li>Condotel / Hotel Condominiums</li> <li>Timeshares</li> <li>Working Farms, Ranches and Unimproved land</li> <li>Property currently in litigation</li> <li>Property Condition Rating of C5/C6 or Quality Rating of Q6</li> <li>Properties located in Lava Zone 1</li> <li>Manufactured homes located in the state of New York</li> </ul>	

<b>Guidelines</b>	
<b>Age of Documents</b>	<ul style="list-style-type: none"> <li>The appraisal, credit report, employment, income and assets for all loans (existing and new construction), must be no more than 120 days old on the date the Note is signed. <ul style="list-style-type: none"> <li>Year-to-Date Paystubs must also be dated within 30 days of the application date.</li> </ul> </li> <li>Preliminary title policies must be no more than 120 days before the Note date.</li> </ul>
<b>Appraisal</b>	<ul style="list-style-type: none"> <li>The Seller must have appraisal policies in place including but not limited to: AIR, AMC (if applicable), ROV.</li> <li>All appraisals must adhere to FHLMC guidelines.</li> <li>For additional appraisal requirements, refer to the Homebridge Seller Guide.</li> </ul>
<b>Appraisal Requirements – Super Conforming</b>	<p>The Seller must obtain an appraisal with an interior and exterior inspection that meets FHLMC requirements, unless the last Loan Product Advisor (LPA) feedback certificate includes an automated collateral evaluation offer stating that the mortgage is eligible for collateral representation and warranty relief with an appraisal waiver and the Seller has accepted the offer. Refer to the FHLMC Selling Guide for more information on automatic collateral evaluation.</p>
<b>Appraisal Management Companies (AMCs)</b>	<p>The Seller must be responsible for selecting, retaining, and providing for payment of all compensation to the appraiser or AMC. A TPO may not have any involvement in selecting, retaining or providing payment to the appraiser or the AMC. Homebridge will not accept any appraisal report completed by an appraiser selected, retained, or compensated in any manner by the borrower or any other third party (including Mortgage Brokers, Loan Originators, and real estate agents). Refer to the <a href="#">FNMA AIR FAQ document</a> for additional information.</p>
<b>Appraisal Review Process – FHLMC Loan Collateral Advisor (LCA)</b>	<p>All appraisals submitted to Homebridge must meet UAD guidelines and standards and all appraisal forms must comply with UAD requirements. UAD requires condition and quality ratings be assigned to the property by the appraiser. FHLMC condition ratings are C1 to C6 and quality ratings are Q1 to Q6.</p> <p>Homebridge will only accept the following ratings:</p> <ul style="list-style-type: none"> <li>Conditions ratings of C1, C2, C3, C4 and C5 are eligible.</li> <li>Quality ratings of Q1, Q2, Q3, Q4 and Q5 are eligible.</li> </ul> <p>All high risk and overvaluation messages must be addressed.</p>

<b>Guidelines</b>	
<b>AUS</b>	<ul style="list-style-type: none"> <li>• Loan Product Advisor (LPA) Accept Mortgage must be received.</li> <li>• LPA may return an evaluation status of invalid, ineligible or incomplete. If resubmission with corrected information does not correct the status, the loan cannot be processed through LPA and is not eligible.</li> <li>• Homebridge does not permit LPA Accept-minus Mortgage or Manually Underwritten Mortgages.</li> </ul> <p><b>Documentation:</b></p> <ul style="list-style-type: none"> <li>• The documentation level shown on the “last” feedback certificate (LPA Findings) indicates the documentation that Homebridge will accept.</li> <li>• If LPA provides for only obtaining a one (1) year tax return, Homebridge will accept; provided the Borrower is self-employed for at least two (2) full years AND the one (1) year return the Borrower is qualified on is the most current tax year. If the Borrower is on extension for the current tax year, this reduced documentation is not eligible.</li> </ul>
<b>Citizenship – Non-US Citizens</b>	<ul style="list-style-type: none"> <li>• A non-U.S. Citizen who is lawfully residing in the U.S. as a permanent or non-permanent resident alien is eligible for a mortgage on the same terms as a U.S. Citizen</li> <li>• A mortgage to a non-U.S. Citizen who has no lawful residency status in the U.S is not eligible</li> <li>• If borrower(s) has a Deferred Action for Childhood Arrivals (DACA) status, the loan is not eligible.</li> </ul>
<b>Community Seconds</b>	<p>The Seller must approve all Community Second scenarios on a loan level basis. Community seconds must meet all FNMA guidelines.</p>
<b>Credit Inquiries</b>	<ul style="list-style-type: none"> <li>• The borrower(s) must address <b>all</b> inquiries listed on their credit report within the past 90 days.</li> <li>• All inquiries listed on the credit report must be addressed by the borrower, specifically stating the creditor(s) and verifying no extension of credit. <ul style="list-style-type: none"> <li>○ <b>Acceptable response:</b> The inquiries by Chase, Wells &amp; Bank of America have not resulted in any extension of credit.</li> <li>○ <b>Unacceptable response:</b> We have not obtained any additional credit as a result of the inquiries listed on our credit report. (Does not name the creditors - Chase, Wells &amp; Bank of America).</li> </ul> </li> </ul>



Guidelines									
Credit Scores	<ul style="list-style-type: none"> <li>• Tri-merge report is required for all Borrowers.</li> <li>• Representative credit score used on each Borrower is; middle of 3, lower of 2 or 1 score (per AUS). <ul style="list-style-type: none"> <li>○ If 2 of the 3 scores are the same, choose the middle of the 3 scores <ul style="list-style-type: none"> <li>▪ For example: 700, 680, 680 = 680 <b>or</b> 700, 700, 680 = 700</li> </ul> </li> </ul> </li> <li>• LP performs its own analysis of the credit report data, but in no case will credit scores be &lt;620.</li> <li>• If there is only one (1) borrower, the single applicable score used to underwrite that borrower is the representative credit score for the mortgage.</li> <li>• If there are multiple borrowers, determine the applicable credit score for each individual borrower and select the lowest applicable score from the group as the representative credit score.</li> <li>• If there is a borrower on the loan who does not have a credit score, determine the representative credit score for the mortgage based on the credit scores of the other borrowers on the mortgage.</li> <li>• Loans where borrowers have a credit score made up of only medical accounts are not eligible.</li> <li>• If the borrower's credit information is frozen at one of the credit repositories for borrowers who have traditional credit, the credit report is still acceptable as long as: <ul style="list-style-type: none"> <li>○ credit data is available from two repositories,</li> <li>○ a credit score is obtained from at least one of those two repositories, AND</li> <li>○ a three in-file merged report was requested.</li> </ul> </li> </ul> <p><b>NOTE:</b> Loans for borrowers with credit data frozen at two or more of the credit repositories will not be eligible.</p>								
Credit Score – Determining the Representative Credit Score	<table border="1"> <thead> <tr> <th colspan="2">Determining the Individual Borrower Representative Score when duplicate scores exist from three (3) repositories</th></tr> <tr> <th>Scores Received:</th><th>FNMA Representative Score: (use the duplicate score)</th></tr> </thead> <tbody> <tr> <td>700, 700, 680</td><td>700</td></tr> <tr> <td>700, 640, 640</td><td>640</td></tr> </tbody> </table>	Determining the Individual Borrower Representative Score when duplicate scores exist from three (3) repositories		Scores Received:	FNMA Representative Score: (use the duplicate score)	700, 700, 680	700	700, 640, 640	640
Determining the Individual Borrower Representative Score when duplicate scores exist from three (3) repositories									
Scores Received:	FNMA Representative Score: (use the duplicate score)								
700, 700, 680	700								
700, 640, 640	640								
Credit – Borrower with Prior Homebridge Foreclosure	<p>If the Borrower(s) on the loan application has a prior foreclosure with Homebridge:</p> <ul style="list-style-type: none"> <li>• The loan must be elevated to Homebridge for prior approval. Contact the <a href="#">Homebridge Secondary Marketing</a> department.</li> <li>• A detailed memo explaining the reason(s) for the foreclosure is required. <ul style="list-style-type: none"> <li>○ The memo must include the factors that are considered the reasons for the foreclosure, as well as the monetary loss incurred by Homebridge.</li> <li>○ The explanation should be for “extraordinary” situations, such as prolonged serious medical condition and/or death of a household wage-earner.</li> </ul> </li> <li>• The loan must otherwise meet all FHLMC guidelines that apply for foreclosure.</li> </ul>								

<b>Guidelines</b>	
<b>Debt Certification</b>	If it is discovered prior to purchase that a Borrower has taken on new debt after the Note date or has incurred new debt not considered prior to the Note date, the loan must be re-qualified.
<b>Duty To Serve</b>	<ul style="list-style-type: none"> <li>• The Duty to Serve program improves access to mortgage financing for those of modest means in three specific housing markets that pose persistent challenges: Manufactured Housing, Rural Housing, and Affordable Housing Preservation.</li> <li>• If the borrower meets agency criteria for Duty to Serve, LLPAs may be waived.</li> <li>• The seller must select one of the following products: <ul style="list-style-type: none"> <li>○ FHLMC Duty to Serve 30yr Fixed</li> <li>○ FHLMC Duty to Serve 20yr Fixed</li> <li>○ FHLMC Duty to Serve 10yr Fixed</li> </ul> </li> <li>• Conforming loan amounts only.</li> </ul>
<b>Escrows/Impounds</b>	<ul style="list-style-type: none"> <li>• FHLMC does not require escrow accounts except with respect to the collection of borrower-paid mortgage insurance and when required by applicable law.</li> <li>• The Seller's determination that escrow accounts are not required must be based on the evaluation of the Borrower's ability to make all payments for the expenses to be paid under the mortgage as they become due. These expenses include, but are not limited to, taxes, special assessments, ground rents and other charges that are or may become first liens on the mortgaged premises, as well as property insurance premiums.</li> <li>• The Seller may not waive the requirement for escrow accounts with respect to collection of borrower-paid mortgage insurance and when escrows are required by law</li> </ul>

## Escrow Waivers

Homebridge allows for the waiving of escrows, depending on the loan type, the LTV, and the borrower(s) financial ability to pay the lump sum payments of taxes and insurance.

- Homebridge allows for the partial waiver of tax and homeowners insurance escrows. However, if a waiver is chosen for:
  - Taxes – all taxes must be waived. For example, a borrower may not waive county taxes and escrow for school taxes.
  - Insurance – all insurance (hurricane, wind, etc.), except for flood, must be waived.
- Flood insurance escrow waivers are not permitted
- For subject properties not located in CA, Homebridge does not allow for the waiving of escrows when a loan requires mortgage insurance, regardless if the mortgage insurance is lender paid or borrower-paid.
- For subject properties located in CA, an escrow waiver is permitted if the LTV is < 90%.
- Escrow deposit accounts for ALL refinance transactions where the current year or prior year taxes were sixty (60) days or more delinquent and are being included in the new loan amount may not be waived.
- Any conflict between Homebridge policy and state law must default to the state law.

**Refinances** – Escrows/impounds cannot be waived if the new loan amount includes the financing of real estate taxes that are more than sixty (60) days delinquent, unless requiring an escrow account is not permitted by applicable state law or regulation.

Guidelines		
<b>GreenChoice</b>	<ul style="list-style-type: none"> <li>Follow all FHLMC guidelines.</li> <li>The Seller must verify the following prior to purchase: <ul style="list-style-type: none"> <li>All required repairs have been completed</li> <li>Final inspections have been received</li> <li>All funds have been disbursed</li> </ul> </li> <li>The Seller must remain as the servicer until all work is complete and all inspections received.</li> <li>Conforming loan amounts only.</li> <li>No Cash-Out Refinance.</li> <li>No First Time Homebuyers.</li> <li>Borrower's income must be: <ul style="list-style-type: none"> <li>≥80% of Area Median Income (AMI) limit</li> <li>≤100% of AMI limit</li> </ul> </li> </ul>	
<b>HomePossible</b>	<p>Follow all FHLMC guidelines except for the following, which are not eligible:</p> <ul style="list-style-type: none"> <li>Fixed-Rate Loan Terms less than 30 years</li> <li>ARMs</li> <li>Super Conforming Loan Amounts</li> <li>Temporary Buydowns</li> <li>Sweat Equity</li> </ul>	
<b>Income Documentation Requirements</b>	<ul style="list-style-type: none"> <li>The Seller must verify employment income for all borrowers whose income is used to qualify for the mortgage loan in accordance with agency guidelines.</li> <li>Homebridge will only accept a fully completed VOE as a supplement to further explain the type of income earned (example: breakdown of income; Base, OT, Bonus, Commission, etc.).</li> </ul>	
<b>Mortgage Insurance</b>	<b>Acceptable MI Types</b>	<b>Unacceptable MI Types</b>
	<ul style="list-style-type: none"> <li>Borrower Paid Monthly</li> <li>Borrower Paid Single Premium</li> <li>Financed: Gross LTV cannot exceed program maximum</li> <li>Split Premium</li> <li>Lender Paid Single Premium</li> </ul>	<ul style="list-style-type: none"> <li>Lender Paid Monthly</li> <li>Lender Paid Annual</li> <li>Borrower Paid Annual</li> <li>Any MI Type not listed as acceptable</li> <li>Reduced Coverage</li> </ul>

- Loans with >80% LTV, mortgage insurance is required and are subject to MI guidelines. **The more restrictive of Homebridge or MI company guidelines apply.**
- Eligible MI options:
  - Financed MI eligible for BPMI single premium
  - Non-refundable
  - Refundable (eligible with BPMI single premium only)
    - Renewal type, as applicable: Level/constant
- Homebridge approved MI companies: [ARCH MI](#), [Essent Guaranty](#), [Enact](#), [Radian](#), [MGIC](#) and [National](#)
- **LPMI:** Seller must indicate LPMI when locking loan. Refer to the Homebridge Rate Sheet for pricing.

### Guidelines

#### Mortgage Insurance LTV Determination for New York State

Under a New York statute, a mortgage insurer must issue mortgage insurance based on a determination of the “fair market value” of the property. The term “fair market value” is not defined in the statute but has been defined by the NY insurance regulator as being the “appraised value”. The following table identifies the value calculation that is to be used for mortgage loans secured by properties in New York for policies that are based on the LTV ratio.

#### LTV Ratio Calculation

#### Policy

LTV ratio based on the appraised value

- Seller must base their determination of when mortgage insurance (MI) is required solely on the appraised value of the property. If the appraised value exceeds the sales price, this determination may result in MI not being placed on the mortgage loan as would otherwise be required using FNMA’s standard definition.
- If this calculation results in MI not being placed on the loan as would otherwise be required, The Seller must deliver the loan to FNMA using the MI Absence Reason Type of “No MI Based on Original LTV” (Sort ID 429).

	<p>LTV ratio based on the lower of the sales price or appraised value (standard LTV ratio calculation) for all property types</p>	<ul style="list-style-type: none"> <li>• Irrespective of the use of appraised value or sales price for determining whether MI is required, the standard LTV calculation must be used to determine the level of MI coverage that is required on the mortgage loan. (See MI Coverage Requirements for additional information).</li> <li>• The standard LTV ratio calculation must also be used to: <ul style="list-style-type: none"> <li>○ Determine whether the loan satisfies any of FNMA’s other eligibility criteria that are based on the LTV ratio of the loan;</li> <li>○ Determine any loan-level price adjustments that include LTV or CLTV ratios as a risk attribute; and</li> <li>○ When the loan is delivered to FNMA (Sort ID 254). The standard LTV ratio must be delivered, even if the appraised value or sales price is used to determine that mortgage insurance is not required.</li> </ul> </li> </ul>
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<b>Guidelines</b>	
<b>Non-Purchasing Spouse</b>	<ul style="list-style-type: none"> <li>Only the debts of those who will be on the Note are required to be included in the debt-to-income ratio.</li> <li>In community property/marital rights states, the non-borrowing spouse does have an interest in the property and is required to execute the security instrument and all applicable documents as determined by state law.</li> </ul>
<b>Power of Attorney</b>	<p>Please refer to the <a href="#">FHLMC Selling Guide POA Requirements</a>.</p> <p>The original Power of Attorney must be shipped to:  Homebridge Financial Services, Inc.  Attn: Warehouse  99 Wood Avenue South, Suite 301  Iselin, NJ 08830</p>
<b>Prior Mortgage Fraud</b>	<ul style="list-style-type: none"> <li>Homebridge will not purchase any loan when the borrower(s) or any interested parties in the transaction have been previously convicted of mortgage fraud.</li> <li>There are NO exceptions.</li> </ul>
<b>Properties Financed with Homebridge</b>	<p>At the time of purchase, Homebridge will limit our exposure to four (4) finance properties including the subject property. If the Seller has a loan file will result in exceeding the financed four (4) properties, prior approval from Homebridge must be obtained.</p>
<b>Social Security Numbers - Multiple</b>	<ul style="list-style-type: none"> <li>The social security number (SSN) on all loan file documents must match. In addition, the Seller must review the additional social security number(s) section located on the borrower's credit report.</li> <li>If there is any variance of SSN within the loan file or if there are any additional SSNs appearing on the credit report, the Seller must provide documentation of satisfactory resolution.</li> </ul>
<b>Tax Exemptions / Abatements</b>	<ul style="list-style-type: none"> <li>There can be no uncertainty about whether the borrower qualifies for the homestead, abatement or other tax exemption or reduction.</li> <li>For the lower amount to be used for qualifying purposes, evidence the abatement, homestead or exception is unconditionally approved prior to the first mortgage payment for a purchase transaction or is in effect for a refinance transaction and remains in place for a minimum of five (5) years after closing is required.</li> </ul>

Guidelines	
Temporary Buydown	<ul style="list-style-type: none"> <li>Temporary buydowns may be funded by the: <ul style="list-style-type: none"> <li>The Lender (Purchase Only)</li> <li>The Listed or Selling Real Estate Agent (Purchase Only)</li> <li>The Seller (Purchase Only)</li> <li>The Borrower (Purchase and Rate/Term Refi) <ul style="list-style-type: none"> <li><b>Note:</b> Borrower-funded subsidy amounts must be calculated in the QM points/fees cap and pass compliance testing</li> </ul> </li> <li><b>Note:</b> Buydowns may be funded by <u>only one</u> of the above parties. Buydowns may not be split or funded by more than one party.</li> </ul> </li> <li>The following transactions are ineligible for temporary buydowns: <ul style="list-style-type: none"> <li>Investment Properties</li> <li>Cash-Out Refinances</li> <li>Texas 50(a)(6) Refinances</li> </ul> </li> <li>3/2/1, 2/1, 1/1/1, 1/1, and 1/0 options available.</li> </ul>



## Guidelines

### Texas Home Equity 50(a)(6)

- Cash-out refinance
  - Owner Occupied
  - All borrowers must reside in the home
  - Non-occupant co-borrowers are not allowed
  - Maximum 80% LTV/CLTV
  - 1 Unit SFD, PUD or Condo (2-4 Unit not eligible)
  - Approve/Eligible AUS Findings
  - Maximum of 10 acres
- Maximum 2% fee limitation for all closing costs, fees and charges
  - Excluded: Prepays, Appraisal Costs, Survey Costs, Title Insurance Premiums, Title Examination Report & Bona fide discount points used to buy down the interest rate (borrowers must sign an "Election to pay Discount Points" affidavit at closing).
- Notice Concerning Extension of Credit
  - Borrower & non-borrowing spouse (if applicable) MUST sign a Notice Concerning Extensions and Credit (aka "12 Day Disclosure")
  - 12 days must pass from the time this disclosure is signed and the day the loan is scheduled to close.
- Survey required.
- Loan must be closed at Closing Agents Office; cannot close at borrower's home.
- Borrower(s) cannot sign early (i.e. cannot sign before the date of the closing package).
- Deed of Trust; Trustee must be completed on Security Instrument (must be a Texas resident and is typically an attorney)
  - HE Deed of Trust must be executed at closing
- Home Equity Waiting Periods:
  - "12 Day Disclosure" - the loan cannot close until the Notice Concerning Extensions and Credits has been signed and received by the Seller for 12 days.
  - 24 Hours - must pass after the borrower(s) have signed their final CD and final 1003 loan application before the loan can close
  - 12 Months - the loan may not close sooner than 12 months after the closing of the previous (a)(6) loan.
- Ineligible transactions:
  - FHLMC Open Access/Relief
  - Loans with an interest-only period
  - Loans with a potential for negative amortization
  - Loans with temporary interest rate buy downs
  - Loans with Automated Collateral Evaluation (ACE)
- Fixed rate terms available: 10, 15, 30 years
- ARM terms available: No assumptions and no buydowns allowed. Qualifying Payment: Initial fixed rate period of 5 years or less (6 Month to 5 Year ARM) – Borrower qualified at no less than the greater of the Note Rate plus two (2) percentage points or the fully indexed rate. Initial fixed rate period greater than 5 years (7 Year & 10 Year ARM) – Borrower qualified at the greater of the Note Rate or fully indexed rate.
  - 5/6 SOFR ARM – 2/1/5 caps (not eligible if HPML)
  - 7/6 SOFR ARM – 5/1/5 caps
  - 10/6 SOFR ARM – 5/1/5 caps
- A Power of Attorney is permitted in connection with a Texas Section 50(a)(6) mortgage loan.

Guidelines	
<b>Verbal VOE</b>	<ul style="list-style-type: none"> <li>• A Verification of Employment must be obtained within 120 calendar days prior to the note date.</li> <li>• A Reverification of Employment must be obtained. <ul style="list-style-type: none"> <li>○ For salaried borrowers, the reverification must be within 10 business days prior to the note date.</li> <li>○ For self-employed borrowers, the reverification must be within 20 business days prior to the note date.</li> </ul> </li> <li>• Business License, CPA Letter or Federal Tax ID Certificate required for all Self-Employed Borrowers (3<sup>rd</sup> party verification required).</li> <li>• Minimum of two (2) years employment history must be verified.</li> </ul>
<b>Verification of Deposit</b>	<p>On an exception basis only, Homebridge will allow the use of a completed Verification of Deposit (VOD) in lieu of bank statements with a satisfactory explanation as to why bank statements are not available.</p>