



FREDDIE MAC CREDIT OVERLAY MATRIX STANDARD CONFORMING AND SUPER CONFORMING

| FREDDIE MAC STANDARD CONFORMING AND SUPER CONFORMING LTV MATRIX | | | | | |
|---|---------------------------------------|--------------------|-------------|--------------------|--------------------|
| OCCUPANCY | PURCHASE & LIMITED CASH OUT REFINANCE | | | CASH OUT REFINANCE | |
| | PROPERTY TYPE** | MAX LTV/CLTV/HCLTV | | PROPERTY TYPE** | MAX LTV/CLTV/HCLTV |
| | | FIXED & ARMs | | | FIXED & ARMs |
| | | PURCH | LIMITED C/O | | CASH-OUT |
| PRINCIPAL RESIDENCE | SFR/PUD/CONDO | 95% | 95% | SFR/PUD/CONDO | 80% |
| | 2 UNITS | 85% | 85% | 2 UNITS | 75% |
| | 3-4 UNITS | 80% | 80% | 3-4 UNITS | 75% |
| SECOND HOME | SFR/PUD/CONDO | 90% | 90% | SFR/PUD/CONDO | 75% |
| INVESTMENT PROPERTY | SFR/PUD/CONDO | 85% | 75% | SFR/PUD/CONDO | 75% |
| | 2-4 UNITS | 75% | 75% | 2-4 UNITS | 70% |

| FREDDIE MAC HOME POSSIBLE LTV MATRIX | | | | | | |
|--------------------------------------|------------------|--------------------|--------------|-----------------------|--------------------|----------|
| OCCUPANCY & PROPERTY TYPE | PRODUCT | PURCHASE | | NO CASH OUT REFINANCE | | |
| | | MAX LTV/CLTV/HCLTV | | PRODUCT | MAX LTV/CLTV/HCLTV | |
| | | SINGLE LIEN | WITH DPA 2ND | | SINGLE LIEN | WITH 2ND |
| PRINCIPAL RESIDENCE SFR/PUD/CONDO | CONFORMING | 95.01 – 97% | 97%/105% | CONFORMING | 95.01 – 97% | 97%/105% |
| | SUPER CONFORMING | 95% | 95%/105% | SUPER CONFORMING | 95% | 95%/105% |
| PRINCIPAL RESIDENCE 2—4UNITS | CONFORMING | 85%/95%/95% | N/A | CONFORMING | 85%/95%/95% | N/A |

Freddie Mac Home Possible Product Page (https://sf.freddiemac.com/content/_assets/resources/pdf/fact-sheet/home_possible_factsheet.pdf); overlays on subsequent pages apply.

| 2021 CONFORMING LOAN LIMITS 1-4 UNITS (CLICK HERE) | | | |
|--|----------------|------------------|-----------------------------------|
| UNITS | GENERAL LIMITS | HIGH COST LIMITS | AK, GUAM, HI, U.S. VIRGIN ISLANDS |
| 1 | \$548,250 | \$822,375 | \$822,375 |
| 2 | \$702,000 | \$1,053,000 | \$1,053,000 |
| 3 | \$848,500 | \$1,272,750 | \$1,272,750 |
| 4 | \$1,054,500 | \$1,581,750 | \$1,581,750 |



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| TOPIC | OVERLAY |
|--------------------------------|--|
| BASIC GUIDELINES | Overlays in this matrix apply to FHLMC (Freddie Mac) conforming guidelines. Refer to FHLMC Single Family Seller/Service Guide for additional guidance. Information in this matrix is subject to change without notice. |
| Amended Tax Returns | Accepted for the following amendment reasons: <ul style="list-style-type: none"> • Amended for clerical items only (i.e. modifying a prior ITIN number to a newly issued SSN) • Amended for income-related items, under the following conditions: <ul style="list-style-type: none"> ○ Amended at least sixty (60) days before mortgage application taken ○ Amendment shows on transcripts (stamped returns not acceptable) ○ Documentation supplied to support the increase, including but not limited to: <ul style="list-style-type: none"> ▪ 1099 or W2 showing missed/updated income ▪ Canceled Checks or Bank Statements showing missed/updated rental income |
| Assets | <ul style="list-style-type: none"> • Internet Statements, obtained from financial institution’s website, must contain same information found on a standard bank statement. • VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor. |
| Condominiums | <ul style="list-style-type: none"> • FHLMC Condo Project Advisor not allowed. • Leasehold not permitted. • Minimum square footage: 400 Sq Ft |
| Credit | All borrowers must have at least one (1) valid credit score to be eligible for an ‘Accept’ recommendation (LPA). Extenuating circumstances are not allowed for Bankruptcy or Foreclosure. |
| Custodial Account | An account in a minor’s name where the borrower is named only as custodian of the funds is not eligible for use as closing costs, down payment, or reserves. |
| Electronic Signatures/eSigning | <ul style="list-style-type: none"> • eSigning is allowed for most documents. • eSigning is <u>not</u> allowed for: <ul style="list-style-type: none"> ○ Note ○ Note Rider(s) ○ Notice of Right to Cancel ○ Security Instrument ○ Security Instrument Rider(s) |
| Family Owned Business | Two years tax returns are required regardless of AUS (DU or LPA) recommendation. |
| Ineligible Programs - FHLMC | <ul style="list-style-type: none"> • A- Risk Grad • Enhanced Relief Refinance • HomeOne Program • Home Possible ARMs and Manual Underwrites • Home Possible Reduced Mortgage Insurance Option |

(Continued)



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| TOPIC | OVERLAY |
|-----------------------------------|---|
| | <ul style="list-style-type: none"> Manufactured Homes Native American Lands PACE Obligations attached to property Renovation Mortgages |
| Ineligible Properties | <ul style="list-style-type: none"> Co-Ops Indian Leased Land Property Flip of Non-Arm's Length Transaction Resale type Deed Restrictions Solar Panels that affect first lien position |
| Minimum Loan Amount | \$75,000 |
| Mortgage Credit Certificate (MCC) | Not permitted |
| Mortgage Insurance (MI): Reduced | Not permitted |
| Multiple Loans to One Borrower | <ul style="list-style-type: none"> Per FHLMC guidelines Minimum 720 score for borrower(s) who own more than 6 financed properties Maximum number of financed properties owned cannot exceed ten (10) for all borrowers Maximum of 20% ownership concentration in any one project or subdivision. |
| Non-Permanent Resident Aliens | <p>These borrowers accepted under the following conditions:</p> <ul style="list-style-type: none"> Acceptable Visa evidence provided Borrower eligible to work in the U.S., as evidenced by EAD issued by the USCIS Borrower has valid Social Security Number (SSN) Borrower satisfies the same requirements, terms, and conditions as those for U.S. citizen DACA: With Category C33 work status under deferred action, DACA borrowers are ineligible Diplomatic Immunity: Borrowers with Diplomatic Immunity ineligible |
| Power of Attorney (POA) | A POA may not be eSigned and must be specific to the transaction. |
| Social Security Number (SSN) | All borrowers must have a valid SSN. |
| Tax Transcripts | Required when tax returns are used to qualify borrower income |
| Underwriting Method | Manual Underwriting not allowed. All loans must receive AUS approval: FHLMC: LPA Accept/Eligible |
| Unpaid Federal Tax Debt | <ul style="list-style-type: none"> LSM considers all unpaid tax debt from prior years as delinquent, even if lien has not been filed; one monthly payment is required Borrower with delinquent Federal Tax Debt is ineligible <p>NOTE: Record of Account can be used in lieu of canceled check or proof of electronic payment.</p> |