

FANNIE MAE STANDARD CONFORMING AND HIGH-BALANCE LTV MATRIX							
OCCUPANCY	PROPERTY TYPE <sup>7</sup>	FIXED RATE			ARM <sup>5,6</sup>		
		MAX LTV/CLTV/HCLTV			MAX LTV/CLTV/HCLTV		
		PURCH	LTD C/O	C/O	PURCH	LTD C/O	C/O
PRIMARY RESIDENCE	SFR/PUD/CONDO <sup>6</sup>	97% <sup>1</sup>	97% <sup>1</sup>	80%	95%	95%	80%
	MANUFACTURED <sup>2</sup>	95%	95%	65%			
	2 UNITS <sup>3</sup>	95%	95%	75%	95%	95%	75%
	3-4 UNITS <sup>4</sup>	95%	95%	75%	95%	95%	75%
SECOND HOME	SFR/PUD/CONDO <sup>6</sup>	90%	90%	75%	90%	90%	75%
	MANUFACTURED <sup>2</sup>	90%	90%				
INVESTMENT PROPERTY	SFR/PUD/CONDO <sup>6</sup>	85%	75%	75%	85%	75%	75%
	2-4 UNITS	75%	75%	70%	75%	75%	70%

<sup>1</sup> Max LTV 95% for High Balance Loans and MH that is not MH Advantage  
<sup>2</sup> Manufactured Homes: limited to 1-unit property  
<sup>3</sup> Max 85% LTV for High Balance 2 units  
<sup>4</sup> Max 75% LTV for High Balance 3-4 units  
<sup>5</sup> 620 minimum FICO required on all ARM transactions  
<sup>6</sup> ARM loans: Condos that require a limited review have the following LTV restrictions: 90% max LTV for primary residence and 75% max LTV for 2<sup>nd</sup> home & investment  
<sup>7</sup> Row Homes in Baltimore City, MD: External-only BPO secondary valuation required within 10% tolerance

FANNIE MAE SELECT CONFORMING AND HIGH-BALANCE LTV MATRIX					
OCCUPANCY	PROPERTY TYPE <sup>4</sup>	MINIMUM FICO	FIXED RATE <sup>1</sup>		
			MAX LTV/CLTV/HCLTV		
			PURCH	LTD C/O	C/O
PRIMARY RESIDENCE	SFR/PUD/CONDO	700	80%	80%	80%
	MANUFACTURED <sup>2</sup>	700	80%	80%	65%
	2 UNITS	700	80%	80%	75%
	3-4 UNITS <sup>3</sup>	700	80%	80%	75%
SECOND HOME	SFR/PUD/CONDO	700	80%	80%	75%
	MANUFACTURED <sup>2</sup>	700	80%	80%	
INVESTMENT PROPERTY	SFR/PUD/CONDO	700	80%	75%	75%
	2-4 UNITS	700	75%	75%	70%

<sup>1</sup> 15, 30 year fixed rate terms available  
<sup>2</sup> Manufactured homes: limited to 1-unit property  
<sup>3</sup> Max 75% LTV for High Balance 3-4 unit properties  
<sup>4</sup> Row Homes in Baltimore City, MD: External-only BPO secondary valuation required within 10% tolerance

FANNIE MAE HOMEREDY LTV MATRIX					
PROPERTY TYPE	PRODUCT <sup>1,2</sup>	MAX LTV/CLTV/HCLTV		MAX LTV/CLTV/HCLTV	
		PURCHASE		LIMITED CASH OUT REFINANCE	
		SINGLE LIEN	W/APPROVED 2 <sup>ND</sup> 4	SINGLE LIEN	W/APPROVED 2 <sup>ND</sup> 4
SFR/PUD/CONDO	CONFORMING	95.01 – 97%	97%/105%	95.01 – 97% <sup>3</sup>	105%/105%
	HIGH BALANCE	95%	95%/105%	95%	95%/95%
2–4 UNITS	CONFORMING	95%	N/A	95%	N/A

<sup>1</sup> Primary Residence only  
<sup>2</sup> ARM loans ineligible  
<sup>3</sup> Loan must be currently owned by Fannie Mae  
<sup>4</sup> OCMBC does not provide financing for 2nd mortgage; broker must source approved 2nd lien financing that meets FNMA guidelines and would subordinate at closing

FIXED PRODUCT OFFERINGS	
<b>Fixed Rate Products</b>	<ul style="list-style-type: none"> <li>FNMA Standard - 10, 15, 20, 25, 30 year fixed               <ul style="list-style-type: none"> <li>Nonstandard terms available</li> </ul> </li> <li>FNMA Select – 15, 30 year fixed               <ul style="list-style-type: none"> <li>Nonstandard terms not allowed</li> </ul> </li> </ul>

ARM PRODUCT OFFERINGS							
Product	ARM Caps	Amortization Months	Margin	Index	Floor	Lookback	Qualifying Rate
5/6 SOFR ARM	2/1/5	360	2.75	30-Day Avg SOFR	Margin	45 days	Greater of the fully indexed rate or Note rate plus 2.00%
7/6 SOFR ARM	5/1/5						<b>Note: HPML loans are ineligible</b>
10/6 SOFR ARM							Note rate  IL, MA, MD (Purchase only), NM and PA: Qualifying rate is the greater of the Note rate or the fully indexed rate (index rate + margin). The DU qualifying rate may need to be adjusted.  <b>Note: HPML loans are ineligible</b>
<ul style="list-style-type: none"><li>Nonstandard terms not allowed</li></ul>							

2025 CONFORMING LOAN LIMITS 1-4 UNITS (Click Here)			
UNITS	GENERAL LIMITS	HIGH-COST LIMITS	AK, GUAM, HI, U.S. VIRGIN ISLANDS
1	\$806,500	\$1,209,750	\$1,209,750
2	\$1,032,650	\$1,548,975	\$1,548,975
3	\$1,248,150	\$1,872,225	\$1,872,225
4	\$1,551,250	\$2,326,875	\$2,326,875

TOPIC	CRITERIA
<b>BASIC GUIDELINES</b>	<ul style="list-style-type: none"> <li>Criteria in this matrix apply to FNMA (Fannie Mae)</li> <li>Refer to <a href="#">FNMA Selling Guide</a> for additional guidance</li> <li>Information in this matrix is subject to change without notice</li> </ul>
<b>Amended Tax Returns</b>	<p>Accepted for the following amendment reasons:</p> <ul style="list-style-type: none"> <li>Amended for clerical items only (i.e. modifying a prior ITIN number to a newly issued SSN)</li> <li>Amended for income-related items, under the following conditions: <ul style="list-style-type: none"> <li>Amended at least 60 days before mortgage application taken</li> <li>Amendment shows on transcripts (stamped returns not acceptable)</li> <li>Documentation supplied to support the increase, including but not limited to: <ul style="list-style-type: none"> <li>1099 or W2 showing missed/updated income</li> <li>Canceled checks or bank statements showing missed/updated rental income</li> </ul> </li> </ul> </li> </ul>
<b>ARMs</b>	<ul style="list-style-type: none"> <li>5/6 ARM: Borrowers are limited to owning only one (1) financed property (1-4 unit); if the borrower will own more than one financed property, including the subject property, 5/6 ARMs are ineligible</li> <li>IL, MA, MD (Purchase only), NM and PA: 7/6 and 10/6 ARMs require qualifying rate at the greater of the Note rate or the fully indexed rate (index rate + margin). The DU qualifying rate may need to be adjusted to comply with this requirement.</li> </ul>
<b>Appraisal Alternatives</b>	<ul style="list-style-type: none"> <li>Permitted <ul style="list-style-type: none"> <li>PIW/Value Acceptance</li> </ul> </li> <li>Not Permitted <ul style="list-style-type: none"> <li>Value Acceptance + Property Data</li> <li>Hybrid Appraisals</li> <li>1004D Alternatives</li> </ul> </li> </ul> <p><b>Note:</b> External-only BPO secondary valuation for row homes in Baltimore, City, MD is not required with a PIW</p>
<b>Assets</b>	<ul style="list-style-type: none"> <li>Internet Statements obtained from financial institution's website must contain the same information found on a standard bank statement</li> <li>VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor</li> </ul>
<b>Condominiums</b>	<ul style="list-style-type: none"> <li>Condos with current FNMA PERS approval are eligible</li> <li>Leasehold not permitted</li> <li>Minimum square footage: 400 Sq Ft</li> </ul>

TOPIC	CRITERIA
<b>Credit</b>	<ul style="list-style-type: none"> <li>All borrowers must have at least one (1) valid credit score to be eligible for a DU 'Approved' recommendation</li> <li>Extenuating circumstances are not allowed for Bankruptcy or Foreclosure</li> </ul>
<b>Custodial Account</b>	<ul style="list-style-type: none"> <li>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</li> </ul>
<b>Day 1 Certainty</b>	<ul style="list-style-type: none"> <li>DU Validation Service is not permitted</li> </ul>
<b>Employment Verification</b>	<ul style="list-style-type: none"> <li>Direct electronic verification of employment by third-party vendors is not permitted.</li> </ul>
<b>Electronic Signatures/eSigning</b>	<ul style="list-style-type: none"> <li>eSigning is allowed for most documents.</li> <li>eSigning is <u>not</u> allowed for: <ul style="list-style-type: none"> <li>Note</li> <li>Note Rider(s)</li> <li>Notice of Right to Cancel</li> <li>Security Instrument</li> <li>Security Instrument Rider(s)</li> </ul> </li> </ul>
<b>Family-Owned Business</b>	<ul style="list-style-type: none"> <li>Two (2) years tax returns are required regardless of AUS (DU) recommendation</li> </ul>
<b>Higher Priced Covered Transaction (HPCT)/ Higher Priced Mortgage Loans (HPML)</b>	<ul style="list-style-type: none"> <li>Higher Priced Covered Transaction (HPCT) loans are ineligible</li> <li>Higher Priced Mortgage Loans (HPML) transactions are eligible. HPML guidelines require: <ul style="list-style-type: none"> <li>Establishment of an escrow account for taxes and insurance premiums on any transaction secured by a principal residence or second home regardless of LTV</li> <li>Must meet all applicable state and/or federal compliance requirements</li> <li>ARM loans that are HPML are ineligible</li> </ul> </li> </ul>
<b>Income</b>	<ul style="list-style-type: none"> <li>The following types of income are unacceptable: <ul style="list-style-type: none"> <li>Income that is not in accordance with all applicable federal, state and local laws, rules and regulations</li> <li>Any income generated from the cannabis or hemp industry</li> <li>Section 8 Housing Choice Vouchers</li> </ul> </li> </ul>
<b>Ineligible Programs – FNMA</b>	<ul style="list-style-type: none"> <li>Community Land Trusts</li> <li>High-LTV Refinance</li> <li>HomePath, HomeStyle</li> <li>HomeReady with Reduced Mortgage Insurance Option</li> <li>Land Trusts</li> <li>Native American Lands</li> <li>PACE Obligations attached to property</li> </ul>

TOPIC	CRITERIA				
<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>• Co-Ops</li> <li>• Indian Leased Land</li> <li>• Property Flip of Non-Arm's Length Transaction</li> <li>• Resale type Deed Restrictions</li> <li>• Solar Panels that affect first lien position</li> <li>• Properties with condition ratings of C5 or C6</li> </ul>				
<b>Manufactured Housing</b>	<ul style="list-style-type: none"> <li>• Fixed Rate programs only, ARM loans ineligible</li> <li>• Not permitted: <ul style="list-style-type: none"> <li>○ Manufactured Homes that are subject to deed restrictions</li> <li>○ Leased Land property</li> <li>○ Single-wide Manufactured Homes</li> <li>○ New Construction</li> </ul> </li> <li>• Must meet all other FNMA guidelines</li> <li>• 95% Maximum LTV</li> </ul>				
<b>Minimum Loan Amount</b>	<ul style="list-style-type: none"> <li>• \$75,000</li> </ul>				
<b>Mortgage Credit Certificate (MCC)</b>	<ul style="list-style-type: none"> <li>• Not permitted</li> </ul>				
<b>Mortgage Insurance (MI)</b>	<table> <tr> <td>Permitted</td><td>Not Permitted</td></tr> <tr> <td> <ul style="list-style-type: none"> <li>• Borrower Paid</li> <li>• Lender Paid</li> <li>• Financed</li> </ul> </td><td> <ul style="list-style-type: none"> <li>• Reduced Premium</li> <li>• Split Premium</li> </ul> </td></tr> </table>	Permitted	Not Permitted	<ul style="list-style-type: none"> <li>• Borrower Paid</li> <li>• Lender Paid</li> <li>• Financed</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced Premium</li> <li>• Split Premium</li> </ul>
Permitted	Not Permitted				
<ul style="list-style-type: none"> <li>• Borrower Paid</li> <li>• Lender Paid</li> <li>• Financed</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced Premium</li> <li>• Split Premium</li> </ul>				
<b>Multiple Financed Properties</b>	<ul style="list-style-type: none"> <li>• Must comply with FNMA limitations on the maximum number of financed properties</li> </ul>				
<b>Non-Permanent Resident Aliens</b>	<p>These borrowers acceptable under the following conditions:</p> <ul style="list-style-type: none"> <li>• Acceptable Visa evidence provided</li> <li>• Borrower eligible to work in the U.S., as evidenced by EAD issued by the USCIS</li> <li>• Borrower has valid Social Security Number (SSN)</li> <li>• Borrower satisfies the same requirements, terms, and conditions as those for U.S. Citizen</li> <li>• DACA with Category C33 work status under deferred action, DACA borrowers eligible</li> <li>• Diplomatic Immunity: Borrowers with Diplomatic Immunity are ineligible</li> </ul>				
<b>Power of Attorney (POA)</b>	<ul style="list-style-type: none"> <li>• A POA may not be eSigned and must be specific to the transaction</li> </ul>				
<b>Social Security Number (SSN)</b>	<ul style="list-style-type: none"> <li>• All borrowers must have a valid SSN</li> </ul>				
<b>Tax Transcripts</b>	<ul style="list-style-type: none"> <li>• Required when tax returns are used to qualify borrower income</li> </ul>				

TOPIC	CRITERIA
<b>Temporary Buydowns</b>	<ul style="list-style-type: none"> <li>Allowed with limitations on fixed rate loans – see '<a href="#">Temporary Buydown Guide</a>' below for specific terms and conditions</li> <li>ARM loans ineligible</li> </ul>
<b>Underwriting Method</b>	<ul style="list-style-type: none"> <li>All loans must receive FNMA DU Approve/Eligible</li> <li>Manual Underwriting not allowed</li> </ul>
<b>Unpaid Federal Tax Debt</b>	<ul style="list-style-type: none"> <li>Delinquent tax debt that has not become a lien and does not impact title (open liens reflected on credit report will impact title and must be paid off) may remain open provided the following are met: <ul style="list-style-type: none"> <li>Repayment agreement to be provided</li> <li>Evidence of at least one payment made under the plan(s) and payments are current</li> </ul> </li> <li>Delinquent tax debt that has become a lien or does not meet the above requirements is ineligible</li> </ul> <p><b>Note:</b> Record of Account can be used in lieu of canceled check or proof of electronic payment</p>

TEMPORARY BUYDOWN GUIDE	
<b>Product Eligibility</b>	<ul style="list-style-type: none"> <li>30-year fixed rate only</li> <li>Conforming and high-balance loan amounts</li> <li>Primary residence and second home</li> <li>Purchase transactions only</li> <li>Single family (1-2 Units), PUD and Condo only</li> <li>Seller/Builder funded only</li> </ul>
<b>Term of Buydown</b>	<ul style="list-style-type: none"> <li>2/1 Buydown: <ul style="list-style-type: none"> <li>24-month term</li> <li>Initial interest rate temporarily reduced by no more than two (2) percent below the Note rate and increased by no more than one (1) percent annually for no more than two (2) years, with the non-reduced Note rate applying for years three (3) through 30</li> </ul> </li> <li>1/0 Buydown: <ul style="list-style-type: none"> <li>12-month term</li> <li>Initial interest rate temporarily reduced by no more than one (1) percent below the Note rate, with the non-reduced Note rate applying for years two (2) through 30</li> </ul> </li> </ul>
<b>Underwriting Criteria</b>	<ul style="list-style-type: none"> <li>Borrowers qualified using Note rate, not buydown rate</li> <li>Standard Interested Party Contribution guidelines apply</li> <li>Seller/Builder funded only</li> </ul>