FANNIE MAE PRODUCT MATRIX
CONFORMING/HIGH BALANCE/HOMEREADY

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

[1] Max LTV 95% for High Balance Loans and MH that is not MH Advantage
[2] Manufactured Homes: limited to 1-unit property
[3] Max LTV 85% for High Balance
[4] 75% max LTV for High Balance 3-4 units
[5] 620 minimum FICO required on all ARM transactions
[6] ARMs: Condos that require a limited review have the following LTV restrictions: 90% max LTV for primary residence and 75% max LTV for 2nd home & investment
[7] Subject properties located in Essex County, NJ and Baltimore City, MD are temporarily ineligible (Subject properties in Baltimore County, MD remain eligible)

FANNIE MAE HOMEREADY LTV MATRIX[3, 7]						
OCCUPANCY & PROPERTY TYPE	PURCHASE			LIMITED CASH OUT REFINANCE		
	PRODUCT	MAX LTV/CLTV/HCLTV		PRODUCT	MAX LTV/CLTV/HCLTV	
		SINGLE LIEN	W/APPROVED 2ND[2]		SINGLE LIEN	W/APPROVED 2ND[2]
PRIMARY RESIDENCE SFR/PUD/CONDO	CONFORMING	95.01 – 97%	97%/105%	CONFORMING	95.01 – 97%[1]	105%/105%
	HIGH BALANCE	95%	95%/105%	HIGH BALANCE	95%	95%/95%
PRIMARY - 2 UNITS	CONFORMING	95%	N/A	CONFORMING	95%	N/A
PRMARY - 3-4 UNITS		95%	N/A		95%	N/A

[1] Loan must be currently owned by Fannie Mae.
[2] OCMBC does not provide financing for 2nd mortgage; broker must source approved 2nd lien financing that meets FNMA guidelines and would subordinate at closing
[3] ARMs ineligible

FIXED PRODUCT OFFERINGS	
Fixed Rate Products	• 10, 15, 20, 25, 30 year fixed • Nonstandard terms available

ARM PRODUCT OFFERINGS							
Product	**ARM Caps**	**Amortizaiton 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% **Note: HPML loans are ineligible**
7/6 SOFR ARM	5/1/5						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. **Note: HPML loans are ineligible**
10/6 SOFR ARM							
Nonstandard terms not allowed							

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	OVERLAY
BASIC GUIDELINES	Overlays in this matrix apply to FNMA (Fannie Mae). Refer to FNMA Selling Guide foradditional guidance. Information in this matrix is subject to change without notice.

TOPIC	OVERLAY

Amended Tax Returns	Accepted for the following amendment reasons:
	• 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:
	  ○ 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:
	    ▪ 1099 or W2 showing missed/updated income
	    ▪ Canceled Checks or Bank Statements showing missed/updated rental income

ARMs	• 5/6 ARMs: 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 • 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.

Appraisal Alternatives	• Permitted
	  ○ PIW/Value Acceptance
	• Not Permitted
	  ○ Value Acceptance + Property Data
	  ○ Hybrid Appraisals
	  ○ 1004D Alternatives

Assets	• 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-PartyVendor.
Condominiums	• Condos with current FNMA PERS approval are eligible • 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 'Approved' recommendation (by DU). Extenuating circumstances are not allowed for Bankruptcyor 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.
Day 1 Certainty	DU Validation Service is not permitted
Employment Verification	Direct electronic verification of employment by third-party vendors is not permitted.

TOPIC	OVERLAY

Electronic Signatures/eSigning	• eSigning is allowed for most documents.
	• eSigning is not allowed for:
	  ○ 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) recommendation.

Higher Priced Covered Transaction (HPCT)/ Higher Priced Mortgage Loans (HPML)	• Higher Priced Covered Transaction (HPCT) loans are ineligible
	• Higher Priced Mortgage Loans (HPML) transactions are eligible. HPML guidelines require:
	  ○ Establishment of an escrow account for taxes and insurance premiums on any transaction secured by a principal residence or second home regardless of LTV.
	  ○ Must meet all applicable state and/or federal compliance requirements
	  ○ ARM loans that are HPML are ineligible

Ineligible Programs – FNMA	• Community Land Trusts • High-LTV Refinance • HomePath, HomeStyle • HomeReady with Reduced Mortgage Insurance Option • Land Trusts • Native American Lands • PACE Obligations attached to property
Ineligible Properties	• Co-Ops • Indian Leased Land • Property Flip of Non-Arm's Length Transaction • Resale type Deed Restrictions • Solar Panels that affect first lien position • Properties with condition ratings of C5 or C6

Manufactured Housing	• Fixed Rate programs only, ARMs ineligible
	• Not permitted:
	  ○ Manufactured Homes that are subject to deed restrictions
	  ○ Leased Land property
	  ○ Single-wide Manufactured Homes
	  ○ New Construction
	• Must meet all other FNMA guidelines
	• 95% Maximum LTV

TOPIC	OVERLAY
Minimum Loan Amount	$75,000
Mortgage Credit Certificate (MCC)	Not permitted
Mortgage Insurance (MI)	Permitted • Borrower Paid • Lender Paid • Financed Not Permitted • Reduced Premium • Split Premium
Multiple Financed Properties	• Per FNMA Guidelines • Maximum 10 for all borrowers on the loan • Minimum credit score of 720 when borrower(s) have more than 6 financed properties • HomeReady products no more than 1 financed property in addition to the subject property
Non-Permanent Resident Aliens	These borrowers accepted under the following conditions: • 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 eligible • Diplomatic Immunity: Borrowers with Diplomatic Immunity are 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
Temporary Buydowns	• Allowed with limitations on fixed rate loans – see 'Temporary Buydown Guide' below for specific terms and conditions • ARM loans ineligible
Underwriting Method	Manual Underwriting not allowed. All loans must receive AUS approval:FNMA DU Approve/Eligible
Unpaid Federal Tax Debt	• 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: ○ Repayment agreement to be provided ○ Evidence of at least one payment made under the plan(s) and payments are current • Delinquent tax debt that has become a lien or does not meet the above requirements is ineligible NOTE: Record of Account can be used in lieu of canceled check or proof of electronic payment.

TEMPORARY BUYDOWN GUIDE	
Product Eligibility	• 30-year fixed rate only • Conforming and high-balance loan amounts • Primary residence and second home • Purchase transactions only • Single family (1-2 Units), PUD and Condo only • Seller/Builder funded only
Term of Buydown	• 2/1 Buydown: o 24-month term o Initial interest rate temporarily reduced by no more than two percent below the note rate and increased by no more than one percent annually for no more than two years, with the non-reduced note rate applying for years three through 30 • 1/0 Buydown: o 12-month term o Initial interest rate temporarily reduced by no more than one percent below the note rate, with the non-reduced note rate applying for years two through 30
Underwriting Criteria	• Borrowers qualified using note rate, not buydown rate • Standard Interested Party Contribution guidelines apply • Seller/Builder funded only