

## WSHFC/IHFA Program Matrix – Home Advantage--Fannie Mae HFA Preferred & Freddie Mac HFA Advantage Conventional Loans

*Overlays to Investor guidelines are underlined and in italics. Red indicates changes from previous matrix.*

Further guidance can be found in the Commission’s manuals: <http://www.wshfc.org/sf/downloads.html>

### Owner-Occupied Purchase transactions only

	Investor	Property Type	FICO	LTV	CLTV
Maximum FICO, LTV/CLTV	Fannie Mae HFA Preferred	1-Unit	<u>620</u>	97%	105%
	Fannie Mae Standard Manufactured Home	1-Unit	<u>620</u>	95%	105%
	Fannie Mae MH Advantage Manufactured Home	1-Unit	<u>620</u>	97%	105% <a href="#">See Fannie Mae Guide</a>
	<b>Freddie Mac HFA Advantage</b>	<b>1-Unit</b>	<b><u>620</u></b> <b><i>660 for manual underwrite</i></b>	<b>97%</b>	<b>105%</b> <b>See <a href="#">Freddie Mac Guide</a></b>

<sup>1</sup> Exclusive of Financed Guaranty Funding Fees

Eligible Products/Programs	<ul style="list-style-type: none"> <li>• Fannie Mae – 30 Year Fixed</li> <li>• <b>Freddie Mac –30 Year Fixed</b></li> </ul>
Loan Limits/Acquisition Cost	<ul style="list-style-type: none"> <li>• Home Advantage:               <ul style="list-style-type: none"> <li>• Fannie Mae – Maximum Loan Amount cannot exceed <a href="#">Fannie Loan limits</a>.</li> <li>• <b>Freddie Mac -Maximum Loan Amount cannot exceed <a href="#">Freddie Mac Loan limits</a>.</b></li> </ul> </li> </ul>
Income Limits	<ul style="list-style-type: none"> <li>• Refer to <a href="http://www.wshfc.org/buyers/HomeAdvantage.htm">http://www.wshfc.org/buyers/HomeAdvantage.htm</a> for income limits</li> </ul>
Borrower Eligibility	<ul style="list-style-type: none"> <li>• A U.S. citizen, or a Non-US Citizen(s) who are lawfully present in the United States. This includes both Permanent Qualified Resident Aliens and Non-Permanent Qualified Aliens. See section 3 of the Home Advantage manual. <a href="http://www.wshfc.org/sf/downloads.html">http://www.wshfc.org/sf/downloads.html</a>. See <a href="#">Matrix</a>.</li> <li>• <u>Loans to Limited Liability Corporations (LLC) are not permitted</u></li> <li>• <u>Loans in a Trust or closing in a trust is not permitted.</u></li> </ul>
AUS/Underwriting	<ul style="list-style-type: none"> <li>• Fannie Mae Desktop Underwriter (DU) with ‘Approve/Eligible’ recommendation, Freddie Mac Loan Prospect Advisor (LPA) with ‘Accept’ recommendation are required. <b>LPA must be used with Freddie Mac loan product.</b></li> <li>• Other customized automated underwriting systems are not permitted</li> <li>• ‘Approve/Eligible or Accept’ findings for escrow holdback or repair escrow.</li> <li>• For Fannie Mae conventional, mortgages secured by manufactured homes must be underwritten by DU as required by the Selling Guide. Manual underwrite for Fannie Mae conventional manufactured homes are not permitted. <b>Manufactured Homes under Freddie Mac are not eligible under the program.</b></li> <li>• <b>Conventional:</b> Manual Underwriting is permitted, see section 2 of Home Advantage manual <a href="http://www.wshfc.org/sf/downloads.html">http://www.wshfc.org/sf/downloads.html</a>. Follow agency guidelines.</li> </ul>
DTI	<ul style="list-style-type: none"> <li>• <u>Maximum Debt-to-Income ratio cannot exceed 50.00%, unless further restrictions apply.</u></li> </ul>
Credit Requirements	<ul style="list-style-type: none"> <li>• Fannie Mae-All borrowers and all co-signers with a credit score must meet the minimum representative credit score of 620.</li> <li>• Fannie Mae-A Borrower with no credit score may be eligible as long as an occupant borrower(s) has a credit score that meets the minimum credit score requirement.</li> <li>• Use of non-traditional credit is permitted, lender to follow appropriate agency guidelines.</li> <li>• <b>Freddie Mac-All borrowers with a credit score must meet the minimum representative credit score of 620.</b></li> <li>• <b>Freddie Mac-Borrowers with no credit score, loan can be submitted to LPA provided LTV is not greater than 95%, with “Accept” findings, findings other than accept may be manually underwritten subject to the following:</b></li> <li>• <b>At least one borrower must have a credit score and an Indicator Score must be established and must meet the required limits. If none of the borrowers have a usable credit score they are not eligible under the program.</b></li> <li>• <b>Minimum credit score is 660 and max DTI 45%. Follow agency guidelines.</b></li> </ul>

First Time Homebuyer	<ul style="list-style-type: none"> <li>• <b>Home Advantage</b> – Borrower does not need to be a first-time homebuyer. <i>*Further restrictions apply when using a specialty dpa program.</i></li> </ul>
Employment/Income Verification	<ul style="list-style-type: none"> <li>• <b>Home Advantage:</b> Follow AUS requirements</li> <li>• <b>Specialty DPA Programs:</b> <i>Full written VOE required for all household members. 2 recent paystubs within 45 days.; 3 years of tax returns required for Borrower and Spouse.</i></li> </ul>
Tax Liens	<ul style="list-style-type: none"> <li>• Follow appropriate agency guidelines</li> </ul>
Flipping	<ul style="list-style-type: none"> <li>• Follow appropriate agency guidelines</li> </ul>
Assets	<ul style="list-style-type: none"> <li>• Allowed per appropriate agency guidelines. <i>*Further restrictions apply when using some specialty dpa programs.</i></li> </ul>
Eligible Properties	<ul style="list-style-type: none"> <li>• 1-Unit Single Family Residence including approved condo/townhome/PUD.</li> <li>• Manufactured homes permitted for Fannie Mae HFA Preferred Conventional. Follow agency guidelines.</li> </ul>
Ineligible Properties	<ul style="list-style-type: none"> <li>• <u>Cooperatives</u></li> <li>• Mobile Homes (not attached to permanent foundation)</li> <li>• Condotels</li> <li>• Hotel Condominiums</li> <li>• Timeshares</li> <li>• Geodesic Domes</li> <li>• Working Farms and Ranches</li> <li>• Unimproved Land</li> <li>• <b>Manufactured home—Freddie Mac</b></li> </ul>
Sales Concessions/IPC's	<ul style="list-style-type: none"> <li>• Permitted in accordance with appropriate agency guidelines.</li> </ul>
Tax Transcripts	<ul style="list-style-type: none"> <li>• Transcripts are required if required per underwriting findings.</li> </ul>
Homebuyer Education	<ul style="list-style-type: none"> <li>• Homebuyer Education is required for all borrowers listed on the Note and Deed of Trust Refer to <a href="http://www.wshfc.org/buyers/education.htm">http://www.wshfc.org/buyers/education.htm</a> for approved education</li> </ul>
Underwriting Authority	<ul style="list-style-type: none"> <li>• Delegated Underwriting only</li> </ul>
Buydowns	Buydowns are not permitted. <a href="http://www.wshfc.org/sf/downloads.html">http://www.wshfc.org/sf/downloads.html</a>
Co-borrowers/Co-signers	<ul style="list-style-type: none"> <li>• <b>Home Advantage:</b></li> <li>• Non-occupant co-borrowers are permitted for Fannie Mae HFA Preferred, follow agency guidelines.</li> <li>• Non-occupant co-signers are permitted for Fannie Mae HFA Preferred, follow agency guidelines.</li> <li>• <b>Non-occupant co-borrowers and non-occupant co-signers are not eligible for Freddie Mac HFA Advantage product.</b></li> </ul>
Subordinate Financing	Refer to <a href="http://www.wshfc.org/sf/downloads.html">http://www.wshfc.org/sf/downloads.html</a> for subordinate financing requirements
Income Calculation	<ul style="list-style-type: none"> <li>• <b>Home Advantage:</b> Follow income as determined by your underwriter per signed transmittal and DU or LPA findings.</li> <li>• <b>Specialty DPA programs:</b> <ul style="list-style-type: none"> <li>• <i>Future projected household income used for all household members 18 years and older. Further information can be found in the Commission manuals located at: <a href="http://www.wshfc.org/sf/downloads.html">http://www.wshfc.org/sf/downloads.html</a></i></li> </ul> </li> </ul>
High Cost Loans	<ul style="list-style-type: none"> <li>• IHFA will not purchase High Cost Loans, as defined by the CFPB</li> </ul>
High Priced Mortgage Loans	<ul style="list-style-type: none"> <li>• Permitted in accordance with Fannie Mae or Freddie Mac guidelines.</li> </ul>
Assignment of Mortgage	<ul style="list-style-type: none"> <li>• All first mortgage loans must be registered with MERS at the time of delivery to IHFA.</li> </ul>
Flood and Hazard Insurance Policies	Please follow guidelines listed in Section 2 of Home Advantage manual: <a href="http://www.wshfc.org/sf/downloads.html">http://www.wshfc.org/sf/downloads.html</a>
Seasoning	<ul style="list-style-type: none"> <li>• All loans must be purchased by IHFA within 60 days of the note date.</li> <li>• Extension fees apply as applicable.</li> </ul>
Fees	<ul style="list-style-type: none"> <li>• IHFA will collect the following fees upon loan purchase: <ul style="list-style-type: none"> <li>• Tax Service Fee \$85.00</li> <li>• Flood Certification Transfer Fee \$10.00</li> <li>• Electronic Upload Fee \$40.00;</li> <li>• Program Application Fee for Second Mortgage (as applicable) - \$40.00</li> </ul> </li> </ul>

**Escrow Repairs**

Escrow repairs are permitted in accordance with all WSHFC loan program guidelines.

- Escrow is permitted for outstanding minor repairs for incomplete construction or for alterations and repairs that cannot be completed prior to loan closing provided the subject property is habitable and safe for occupancy at the time of closing.
- Follow investor guidelines regarding reason, type of improvements, time to complete, quality, disbursements, and post-closing documentation.
- Loans with outstanding escrow repairs must not impact IHFA's ability to deliver/sell the loan to Fannie Mae.
- The correspondent lender or designated escrow company will be responsible for managing and disbursing the escrows.
- The correspondent lender shall deliver loans that were originated in accordance with the first mortgage investor guidelines.
- Correspondent lender or designated escrow company is to retain the escrow funds until all improvements have been completed. Lender to provide IHFA confirmation of all work completed and that escrow funds have been released.

**\*Seller shall deliver loans that were originated in accordance with the Fannie Mae or Freddie Mac and WSHFC Handbooks, unless otherwise noted in this matrix**