

ServiSolutions Program Matrix - Fannie Mae Home Advantage – All House Key Loans

Overlays to Investor guidelines are underlined and in italics.

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

Owner-Occupied transactions only

Maximum FICO, LTV/CLTV	Investor	Property Type	FICO	LTV	CLTV
	Fannie Mae	1-Unit	<u>620</u>	97%	105%
	FHA	1 Unit	<u>620</u>	96.5%	Refer to HUD Handbook 4000.1
	VA	1-Unit	<u>620</u>	100% ¹	Refer to VA Lenders Handbook
	USDA	1-Unit	<u>620</u>	100% ¹	Refer to USDA SFH Guaranteed Loan Program Handbook (3555)

¹ Exclusive of Financed Guaranty Funding Fees

Eligible Products/Programs	<ul style="list-style-type: none"> • Fannie Mae – 30 Year Fixed • FHA 30 Year Fixed <ul style="list-style-type: none"> • HUD 184 • VA 30 Year Fixed • USDA 30 Year Fixed
Ineligible Products/Programs	<ul style="list-style-type: none"> • FHA: <ul style="list-style-type: none"> • <u>Limited and Standard 203(k) Loans</u> • USDA: <ul style="list-style-type: none"> • <u>Rural Energy Plus Loans</u> • <u>Temporary Buydowns</u> • <u>Interest Only Loans</u>
Loan Limits/Acquisition Cost	<ul style="list-style-type: none"> • Home Advantage: <ul style="list-style-type: none"> • Fannie Mae – Maximum Loan Amount cannot exceed Fannie Loan limits located at https://www.fanniemae.com/singlefamily/loan-limits • FHA: Maximum Loan Amount cannot exceed FHA loan limits for the county in which the property is located at https://entp.hud.gov/idapp/html/hicostlook.cfm • VA: Loan Limits by geographic region can be located at http://www.benefits.va.gov/homeloans/loan_limits.asp • USDA: Loan Limits can be located at: http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do • House Key: <ul style="list-style-type: none"> • Refer to http://www.wshfc.org/buyers/key.htm
Income Limits	<ul style="list-style-type: none"> • Refer to www.wshfc.org for income limits
Borrower Eligibility	<ul style="list-style-type: none"> • Must be a U.S. citizen, permanent resident alien or qualified alien • <u>Loans to Limited Liability Corporations (LLC) are not permitted</u>
AUS/Underwriting	<ul style="list-style-type: none"> • Fannie Mae Desktop Underwriter (DU) with ‘Approve / Eligible’, FHA & VA, DU & LP using FHA Total Scorecard with ‘Approve/Eligible’ or GUS with ‘Accept/Eligible’ findings is required. • Other customized automated underwriting systems are not permitted • ‘Approve/Ineligible findings: permitted only for a repair escrow when the cause of the ‘Ineligible’ is due to the escrow holdback. • FHA or Conventional: <u>Manual Underwriting is not permitted.</u> • VA & USDA: <u>Manual Underwriting is not permitted</u>
DTI	<ul style="list-style-type: none"> • <u>Maximum Debt-to-Income ratio cannot exceed 45.00%</u>
Credit Requirements	<ul style="list-style-type: none"> • <u>The Primary Wage Earner must have a minimum 620 credit score. In the case the primary wage earner has only two scores, the lower of the two scores must be used. In the case the primary wage earner has only one score or does not have a credit score, the borrower would not be eligible for the program. The primary wage earner is defined as the occupying borrower with the highest monthly income. There is no credit score requirement for the non-primary wage earner when the DU underwriting recommendation is Approve/Eligible with no manual downgrades.</u>
First Time Homebuyer	<ul style="list-style-type: none"> • Home Advantage – Borrower does not need to be a first time homebuyer. <i>*Further restrictions apply when using a specialty dpa program.</i> • House Key - <u>The Borrower(s) must be a First-Time Homebuyer unless the Single-Family Residence is located within a Targeted Area or the Borrower is a Veteran. A First-Time Homebuyer is defined as someone who has not owned and occupied a primary residence at any time in the three years preceding the closing of the Mortgage Loan.</u>

Tax Liens	<ul style="list-style-type: none"> • <u>Any Borrower or spouse who will hold title with unpaid, unsatisfied, and/or unreleased federal or state tax liens are not permitted under the Program. Loan files with repayment plans for an established lien are also not acceptable. All liens must be satisfied and evidence to support the release included in the loan file. Unpaid state or federal taxes that have been set up on a repayment plan but have not had a lien assessed, will be treated as reoccurring debt and may be considered for inclusion into the Program provided the Borrower(s) supply evidence of the repayment plan, reflecting no 30-day late payments on the repayment history.</u>
FHA Flipping	<ul style="list-style-type: none"> • <u>ServiSolutions follows standard FHA requirements for resale of properties owned less than 90 days (property flipping). However, 90-day waivers are not allowed under the Program.</u>
Employment/Income Verification	<ul style="list-style-type: none"> • Home Advantage: Follow AUS requirements • House Key and Specialty DPA Programs: <u>Full written VOE required for all household members. 2 recent paystubs within 45 days.; 3 years of tax returns required for Borrower and Spouse.</u>
Assets	<ul style="list-style-type: none"> • Allowed per investor guidelines. <u>*Further restrictions apply when using some specialty dpa programs.</u>
Eligible Properties	<ul style="list-style-type: none"> • 1-Unit Single Family Residence including approved condo/townhome/PUD. • Manufactured homes permitted for FHA, VA, and USDA (no conventional). <u>1% borrower contribution required. All borrowers must have a 620 credit score.</u>
Ineligible Properties	<ul style="list-style-type: none"> • <u>Cooperatives</u> • Mobile Homes (not attached to permanent foundation) • Condotels • Hotel Condominiums • Timeshares • Geodesic Domes • Working Farms and Ranches • Unimproved Land
Sales Concessions/IPC's	<ul style="list-style-type: none"> • Permitted in accordance with Fannie Mae, FHA, VA and USDA guidelines. http://www.wshfc.org/sf/00HKtableofcontents.htm
Tax Transcripts	<ul style="list-style-type: none"> • Transcripts are required if required per DU findings.
Homebuyer Education	<ul style="list-style-type: none"> • Homebuyer Education is required for all borrowers listed on the Note and Deed of Trust <ul style="list-style-type: none"> • Refer to www.wshfc.org for approved education
Underwriting Authority	<ul style="list-style-type: none"> • Delegated Underwriting only
Buydowns	<ul style="list-style-type: none"> • Refer to www.wshfc.org
Co-borrowers/Co-signers	<ul style="list-style-type: none"> • Home Advantage: • Non-occupant co-borrowers are permitted. Refer to www.wshfc.org for co-borrower requirements. • Non-occupant co-signers are permitted. Refer to www.wshfc.org for co-signer requirements. • House Key: Not allowed
Subordinate Financing	<ul style="list-style-type: none"> • Refer to www.wshfc.org for subordinate financing requirements
Income Calculation	<ul style="list-style-type: none"> • Home Advantage: Follow income as determined by your underwriter per signed transmittal and DU findings. • House Key and Specialty DPA programs: <ul style="list-style-type: none"> • <u>Future projected household income used for all household members 18 years and older. Further information can be found in the Commission manuals located at: http://www.wshfc.org/sf/downloads.html</u>
High Priced Mortgage Loans	<ul style="list-style-type: none"> • Permitted in accordance with Fannie Mae, FHA, VA or USDA's guidelines.
Assignment of Mortgage	<ul style="list-style-type: none"> • All first mortgage loans must be registered with MERS at the time of delivery to ServiSolutions.
Flood and Hazard Insurance Policies	<ul style="list-style-type: none"> • Please follow guidelines listed in Section 2, page 2.6 of Home Advantage manual:
Seasoning	<ul style="list-style-type: none"> • <u>Lenders will have 40 days from the date of closing to clear the loan exception with no penalty. If the loan is not cleared until 41 days from the date of loan closing, the lender will be charged a late delivery fee of 50 basis points (0.50%) of the principal purchased. Applicable extension fees still apply. If the file is not cleared by the 71st day from the date of loan closing, original Notes will be returned to the lender and the loan(s) will not be purchased.</u>
Fees	<ul style="list-style-type: none"> • ServiSolutions will collect the following fees upon loan purchase: <ul style="list-style-type: none"> • Tax Service Fee \$65.00 • Flood Certification Transfer Fee \$10.00 if not using Corelogic • Electronic Upload Fee \$40.00; • Program Application Fee for Second Mortgage (as applicable) - \$40.00

Escrow Repairs

•All repairs must be complete and escrow holdbacks must be released prior to purchase.

*Seller shall deliver loans that were originated in accordance with the FHA, VA, USDA, Fannie Mae and WSHFC Handbooks, unless otherwise noted in this matrix