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### Fannie Mae (DU) Standard & DU High Balance & Freddie Mac (LPA) Standard & High Balance – Fixed Rate

| Fixed Rate – DU & LPA Loans   |               |                                     |                                   |
|-------------------------------|---------------|-------------------------------------|-----------------------------------|
| Transaction Type <sup>2</sup> | Property Type | LTV/CLTV/HCLTV <sup>1</sup>         | Minimum Credit Score <sup>3</sup> |
| <b>Owner Occupied</b>         |               |                                     |                                   |
| Purchase& Rate/Term           | 1 Unit        | 95.01 – 97% (DU & LPA) <sup>1</sup> | 620                               |
|                               | 1 Unit        | 95% (DU / LPA)                      | 620                               |
|                               | 2 Unit        | 85% (DU & LPA)                      |                                   |
|                               | 3 - 4 Units   | 75% (DU) 80% (LPA)                  |                                   |
| Cash Out                      | 1 Unit        | 80% (DU& LPA)                       | 620                               |
|                               | 2 – 4 Units   | 75% (DU / LPA)                      |                                   |
| <b>Second Home</b>            |               |                                     |                                   |
| Purchase& Rate/Term           | 1 Unit        | 90% ( DU & LPA)                     | 620                               |
| Cash Out                      | 1 Unit        | 75% (DU / LPA)                      | 620                               |
| <b>Investment Property</b>    |               |                                     |                                   |
| Purchase                      | 1 Unit        | 85% (DU / LPA)                      | 620                               |
| Rate/Term                     | 1 Unit        | 75% (DU) 85% (LPA)                  |                                   |
| Purchase & Rate/Term          | 2 – 4 Units   | 75% (DU / LPA)                      |                                   |
| Cash Out                      | 1 Unit        | 75% (DU / LPA)                      | 620                               |
|                               | 2 – 4 Units   | 70% (DU / LPA)                      |                                   |

1. For fixed rate loans with LTV/CLTV/HCLTV >95%:
  - Standard Loan amounts only (high balance not permitted)
  - For purchase transactions at least 1 borrower must be a first-time homebuyer as defined by Fannie Mae / Freddie Mac.
  - For DU & LPA transactions, when all borrowers are first-time homebuyers, at least one borrower must participate in homeownership education. LPA: This requirement may be fulfilled with the free online CreditSmart® program or another acceptable homeownership education program. DU: Framework Homeownership, LLC (Framework®) – refer to [Selling Guide B2-2-06](#) for additional information.
  - Gifts are allowed for downpayment; however, gifts are not allowed for reserves.
  - 35%MI Coverage required (Reduced MI not permitted)
  - Maximum CLTV is 105% if the subordinate lien is an eligible Community Seconds loan. For LPA loans, Affordable Seconds are eligible.
  - Non-occupying borrower:
    - LPA – non occupant borrower not permitted. All borrowers must occupy the mortgaged premises as a primary residence.
    - DU - the income of a guarantor, co-signer, or co-borrower is used for qualifying purposes, and that guarantor, co-signer, or co-borrower will not occupy the subject property, the maximum LTV, CLTV, and HCLTV ratio may not exceed 95% (unless a Community Seconds is part of the transaction, in which case the CLTV ratio may not exceed 105% or the maximum stated in the Eligibility Matrix for ARM loans and loans secured by manufactured housing).
  - Manufactured Homes not eligible.
  - For DU Limited Cash Out Refinances, **existing loan must be Fannie Mae owned**: The lender must enter into DU and document that the existing loan being refinanced is owned (or securitized) by Fannie Mae.
  - LPA “No-cash out” refinance mortgages (greater than 95% LTV is assessed by LPA as a “HomeOne” mortgage):
    - LTV and/or HCLTV > 95%: **the Mortgage being refinanced must be owned or securitized by Freddie Mac**
    - TLTV ratios > 95% and secondary financing is not an Affordable Second: the Mortgage being refinanced must be owned or securitized by Freddie Mac
    - TLTV ratios > 95% and secondary financing is an Affordable Second: the Mortgage being refinanced does not have to be owned or securitized by Freddie Mac.
2. For Texas Section 50(a)(6) loans refer to [Part Q – Texas Section 50\(a\)\(6\) Transactions](#). Texas Section 50(a)(6) transactions not permitted on high balance loans.
3. All Borrowers must meet minimum credit score requirements unless meeting FNMA's new eligibility assessment for credit score to average the median scores of all borrowers(09/18/2021). DU approved findings are required to average credit scores and does not apply to Refi Now loans or other features in DU that have minimum credit score criteria (such as multiple financed properties)