



FHLMC Home Possible Product Matrix

This product summary is provided as a resource to be used in conjunction with FHLMC Seller Guide, and to identify areas in which HomeXpress Mortgage Corp. has additional requirements or restrictions in addition to standard Freddie Mac guidelines. **This matrix does not replace the full requirements in the FHLMC Seller Guide**

Primary Residence				
Purchase & No Cash Out (Rate/Term) Refinance				
Conforming Loan Limits				
Property Type	LTV ¹	TLTV/HTLTV ²	Min Credit Score	Max DTI
1 Unit	97%	105%	Per LPA	Per LPA
1 Unit	95%	95%	Per LPA	Per LPA
2-4 Units	95%	95%	Per LPA	Per LPA
Manufactured Housing	95%	95%	Per LPA	Per LPA
Super Conforming Loan Limits				
1 Unit	95%	95%	Per LPA	Per LPA
2 Unit	85%	85%	Per LPA	Per LPA
3-4 Units	80%	80%	Per LPA	Per LPA
Topic	Requirement			
4506-C/Tax Transcripts	<ul style="list-style-type: none"> A signed 4506-C for all years in which income was used in the underwriting decision are required. Transcripts will be verified where tax returns are utilized for income qualification, or at the underwriter's discretion 			
Appraisal	<ul style="list-style-type: none"> Full appraisal required unless ACE waiver issued by LPA Automated Collateral Evaluation (ACE) appraisal waivers are permitted per LPA findings <ul style="list-style-type: none"> Texas Section 50(a)(6) and Section 50(f)(2) transactions are not eligible. Transferred appraisals permitted in compliance with FHLMC, regulatory requirements, and HomeXpress Policy 			
Borrower Eligibility	<p>The following are ineligible borrowers</p> <ul style="list-style-type: none"> Partnerships Corporations Guardianships Life Estates LLCs Non-Revocable Inter Vivos Trusts Foreign nationals Borrowers with diplomatic immunity Borrowers on deferred action (DACA) <ul style="list-style-type: none"> Each borrower on the loan transaction must have a valid Social Security number; <ul style="list-style-type: none"> ITIN (IRS Tax Identification Numbers) are not allowed. 			
Condominium	Follow project review requirements per LPA/FHLMC requirements			

¹ LTV > 80 must comply with MI guidelines in addition to this guide, and FHLMC

LTV > 95% requirements:

- 1 unit only
- All borrowers must occupy the property; non-occupant co-borrowers not allowed.
- Manufactured Housing not eligible

² Subordinate financing:

- The TLTV up to 105% only if the mortgage is part of an Affordable Second transaction.

Credit	<p>Qualifying Credit Score:</p> <ul style="list-style-type: none"> • A tri-merge credit report is required. • The qualifying score is the lower of two or the middle of three scores. • The lowest qualifying score of all applicants is used to qualify. • Super Conforming mortgages require at least two (2) credit scores per borrower. • At least one borrower must have a valid Credit Score, and obtain LPA approval • Manual underwriting for borrowers without a Credit Score is not allowed. <p>Minimum Credit Score:</p> <ul style="list-style-type: none"> • 620
Escrow Accounts	<ul style="list-style-type: none"> • Escrow accounts are required for the collection of property taxes, hazard insurance and flood insurance where applicable. • Flood insurance premiums where applicable must always be impounded/escrowed
Geographic Restrictions	<ul style="list-style-type: none"> • Hawaii: <ul style="list-style-type: none"> ○ Properties in Lava Flow Zone 1 are not permitted • Texas: Cash out (A6) transactions are not permitted
Homebuyer Education	<ul style="list-style-type: none"> • Prior to the date of the Note, a minimum of 1 borrower on the loan must complete an approved homebuyer education program if all borrowers are first-time homebuyers. • For all other scenarios, participation is recommended but not required.
Income & Employment	<ul style="list-style-type: none"> • Income must be documented per the LPA findings • Income may not exceed 80% of Area Median Income (AMI) for the property's location (this includes properties in low-income census tracts). <p>Refer to Freddie Mac's Home Possible Income & Property Eligibility Tool</p>
Ineligible Transactions	<p>HomeXpress will not accept transactions including, but not limited to, the following:</p> <ul style="list-style-type: none"> • Manual Underwriting • Buydowns • Repair Escrow • Adjustable-Rate Mortgages (ARM) • Borrower may not act as an interested party to a sales transaction for the subject if the builder and/or property seller is a company owned by the borrower or where the borrower is a principal agent, sales agent, loan originator, mortgage broker or partner for the builder or property seller. • Realtor/loan broker acting as the listing agent as well as the mortgage originator/broker. • One time close construction • Borrower is a principal of the title company and/or settlement agent for the subject transaction.
Loan Limits	Standard Conforming and Super Conforming loan limits are eligible.
Manufactured Housing	<ul style="list-style-type: none"> • LPA Accept/Eligible required • Owner occupied properties only • Conforming loan limits only • Must be classified as Real Property • The Manufactured Home must have been built on or after June 15, 1976 • Must be at least 12 feet wide and have a minimum 400 square feet of gross living area • Double-wide minimum width • Leasehold properties are ineligible • Condo or Coop projects comprised of manufactured homes are ineligible • The manufactured home may not have been previously installed or occupied at another location • All manufactured housing must meet Freddie Mac guidelines, LPA feedback certificate, and any restrictions in these Program Guidelines
Max # loans	<ul style="list-style-type: none"> • Borrowers may not have an ownership interest in more than two financed residential properties, including the subject property, as of the Note Date.
Mortgage Insurance	<ul style="list-style-type: none"> • Standard MI coverage is required regardless of LPA findings; custom or reduced MI is not eligible. • Lender Paid MI (monthly or single premium), Financed single premium not eligible.
PACE Obligations	<ul style="list-style-type: none"> • Loan transactions secured by properties with PACE obligations or PACE-like assessments are not eligible. The obligation must be satisfied prior to or at closing.
Property Eligibility	<p>Ineligible Properties:</p> <ul style="list-style-type: none"> • Commercial property • Cooperatives

	<ul style="list-style-type: none"> • Condotels • Geothermal homes • Geodesic Domes • Mobile homes • Non-warrantable condos • Timeshares • Working farms, ranches, orchards • Community land trusts • Properties with C6 quality rating • Properties with C5 or C6 condition rating • Properties secured with PACE obligations or PACE like assessments • Properties on leased Indian Tribal Land
Repair Escrows	Not permitted
Reserves	Determined by LPA
Special Feature Codes/Investor Feature Identifiers (SFC/IFI)	<p>Special Feature Codes:</p> <ul style="list-style-type: none"> • J05 – All Refi Possible loans • 583 – Affordable Second, if applicable • G18 – Affordable Second entered in LPA in the <i>Total Gift Fund</i> field, if applicable
Subordinate Financing	<p>Allowed up to applicable TLTV and HTLTV Limits</p> <p>Existing subordinate financing:</p> <ul style="list-style-type: none"> • May not be satisfied with the proceeds of the new loan • May remain in place if it is resubordinated to the new loan • May be simultaneously refinanced with the existing first lien mortgage, provided that: <ul style="list-style-type: none"> ◦ the unpaid principal balance (UPB) of the new subordinate lien is not more than the UPB of the subordinate lien being refinanced at the time of payoff, and <p>there is no increase in the monthly principal and interest payment on the subordinate lien.</p>
Texas Cash Out	<ul style="list-style-type: none"> • Texas 50(a)(6) and 50(f)(2) are NOT eligible
Tax Transcripts	<p>IRS tax transcripts are required in the following circumstances listed below:</p> <ul style="list-style-type: none"> • Handwritten paystubs are used as verification of income • Borrower(s) is employed by a family member • A relationship exists between the parties to the transaction • Tax returns are required documentation based on the borrower's source of income
Transaction Restrictions	<p>Refinances of Properties Listed for Sale: The listing agreement must be cancelled at least 1 day prior to the loan application.</p>
Underwriting Method	<p>Automated Underwriting:</p> <ul style="list-style-type: none"> • Loans must be underwritten by Loan Product Advisor and receive a risk classification of Accept. • Loans must be submitted or resubmitted to Loan Product Advisor on or after August 30, 2021. • Refer to Freddie Mac Bulletin 2021-17 for additional information. • Loans may follow the LPA Findings Report unless otherwise stated in Plaza's Program Guidelines. Additional may be requested at the discretion of the underwriter. <p>Borrower Benefit: Regardless of LPA findings, the underwriter must verify the Borrower Benefit requirement has been met. The new loan must provide the following benefits to the borrower:</p> <ul style="list-style-type: none"> • A first lien mortgage reduction in interest rate of at least 50 basis points, <u>and</u> • For mortgages with an LTV less than or equal to 80%, a reduction in the first lien mortgage principal and interest payment amount, or • For mortgages with an LTV greater than 80%, a reduction in the first lien mortgage monthly combined principal, interest, and the mortgage insurance payment (if applicable). <ul style="list-style-type: none"> • Manual Underwriting: Manual underwriting is not permitted. All loans must be approved through LPA.