



Lock date PRIOR to March 1, 2018
WSHFC Home Advantage & House Key - Fannie Mae HFA Preferred Loan Program
(Correspondent)

Owner-Occupied transactions only				
Maximum FICO, LTV/CLTV	Number of Units	LTV	CLTV	FICO
	1 Unit Only	97%	105%	<u>620</u>
Eligible Products	<ul style="list-style-type: none"> • CWA300 Fannie Mae HFA Preferred 30 Year Fixed Rate • CWA330 Conventional House Key 			
Income Limits	<ul style="list-style-type: none"> • Home Advantage: Refer to Home Advantage Program Manual • House Key – Refer to House Key Program Manual 			
Loan Limits	<ul style="list-style-type: none"> • Home Advantage - Refer to Home Advantage Program Manual • House Key – Refer to House Key Program Manual 			
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> 			
First Time Homebuyer	<ul style="list-style-type: none"> • Home Advantage: Borrower does not need to be a first time homebuyer. <ul style="list-style-type: none"> ◦ Restrictions may apply when combined with DPA programs • House Key: The Borrower(s) must be a first-time homebuyer. Refer to House Key Program Manual for additional details. 			
AUS/Underwriting	<ul style="list-style-type: none"> • <u>Fannie Mae Desktop Underwriter (DU) must provide an 'Approve/Eligible' recommendation</u> • <u>Manual Underwriting is not permitted</u> 			
Credit Requirements	<ul style="list-style-type: none"> • A borrower with no credit score may be eligible as long as an occupant borrower(s) has a credit score that meets the minimum representative credit score requirement, subject to AUS and Mortgage Insurance approval. • All borrowers with a credit score must meet the minimum representative credit score • <u>Use of non-traditional credit is not permitted</u> 			
DTI	<ul style="list-style-type: none"> • Maximum debt to income ratio cannot exceed 50% 			
Tax Liens	<ul style="list-style-type: none"> • Refer to the Fannie Mae Selling Guide 			
Employment/Income Verification	<ul style="list-style-type: none"> • Home Advantage: Employment and income documentation must comply with the requirements of the DU Findings and the Fannie Mae Selling Guide • House Key – Refer to House Key Program Manual for additional details. • Transcript Requirements: <ul style="list-style-type: none"> ◦ W2/W9 transcripts will not be required for a borrower when all income for that borrower is derived from W-2 wage earner and/or 1099 fixed income sources. ◦ <u>Tax transcripts are required in the following circumstances:</u> <ul style="list-style-type: none"> ▪ <u>When tax returns are used to qualify a borrower. The number of years provided must be based on the DU findings. Income verified via tax returns includes but is not limited to the examples listed below.</u> <ul style="list-style-type: none"> • <u>Self-employment income</u> • <u>Commission Income ≥ 25%</u> • <u>Rental Income</u> • <u>Employment by Family Members</u> • <u>Other Income Sources (i.e. Dividend Interest, Capital Gains, Alimony etc.)</u> ◦ <u>When a written VOE form 1005 is used as standalone income verification</u> 			
Assets	<ul style="list-style-type: none"> • Asset documentation must comply with the requirements of DU findings and the Fannie Mae Selling Guide 			
Eligible Properties	<ul style="list-style-type: none"> • 1-Unit Single Family Residence (including condominium/PUDs that are Fannie Mae eligible) 			

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Ineligible Properties	<ul style="list-style-type: none"> • <u>Cooperatives</u> • Mobile Homes • Condotels • Hotel Condominiums • Timeshares • Geodesic Domes • Working Farms and Ranches • Unimproved Land • <i>Manufactured Homes</i> 										
Appraisal Requirements	<ul style="list-style-type: none"> • Determined by AUS Findings • Appraisal Condition Rating of <u>C5/C6</u> or a Quality Rating of Q6 is not permitted • <u>Lakeview will require successful UCDDP Submission Summary Reports (SSRs) from Fannie Mae. Lakeview will not purchase loans that include the recently added proprietary messages that indicate 100% of the loans submitted with appraisals from the identified appraiser or supervisory appraiser will be reviewed</u>, or that Fannie Mae will not accept appraisals from the identified appraiser or supervisory appraiser as applicable. 										
Escrow Holdbacks	<ul style="list-style-type: none"> • 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 Lakeview'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 Lakeview confirmation of all work completed and that escrow funds have been released. 										
Sales Concessions/IPC's	<ul style="list-style-type: none"> • Permitted in accordance with the <u>Fannie Mae Selling Guide</u> 										
Homebuyer Education	<ul style="list-style-type: none"> • Homebuyer Education is required for all borrowers listed on the Note and Deed of Trust. Refer to http://www.wshfc.org/sf/index.htm for details 										
Mortgage Insurance	<ul style="list-style-type: none"> • The following MI types are permitted: <ul style="list-style-type: none"> ○ Borrower paid monthly premium ○ Borrower paid single premium ○ Split Premium MI • Financed mortgage insurance premium must be included in the LTV and CLTV <table border="1" data-bbox="436 911 848 1047"> <thead> <tr> <th>LTV</th> <th>Coverage</th> </tr> </thead> <tbody> <tr> <td>95.01-97%</td> <td>18%</td> </tr> <tr> <td>90.01-95%</td> <td>16%</td> </tr> <tr> <td>85.01-90%</td> <td>12%</td> </tr> <tr> <td>80.01-85%</td> <td>6%</td> </tr> </tbody> </table>	LTV	Coverage	95.01-97%	18%	90.01-95%	16%	85.01-90%	12%	80.01-85%	6%
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Underwriting Authority	<ul style="list-style-type: none"> • Delegated Underwriting only 										
Buydowns	<ul style="list-style-type: none"> • Temporary buydowns are not permitted 										
Special Feature Code	<ul style="list-style-type: none"> • SFC 741 should be used to identify all HFA Preferred loans, and other SFCs as applicable. 										
Non-Occupant Co-borrowers/Co-signers	<ul style="list-style-type: none"> • Home Advantage <ul style="list-style-type: none"> ○ Non-Occupant Co-borrowers/Co-signers are permitted. Refer to <u>Home Advantage Program Manual</u> for requirements. • House Key <ul style="list-style-type: none"> ○ Not Permitted. Refer to <u>House Key Program Manual</u> for requirements. 										
Subordinate Financing	<ul style="list-style-type: none"> • Refer to http://www.wshfc.org/sf/index.htm for subordinate financing requirements 										
High Priced Mortgage Loans	<ul style="list-style-type: none"> • Permitted in accordance with the <u>Fannie Mae Selling Guide</u> 										
High Cost Loans	<ul style="list-style-type: none"> • <u>Lakeview will not purchase High Cost Loans, as defined by the CFPB</u> 										
Assignment of Mortgage	<ul style="list-style-type: none"> • All first mortgage loans must be registered with MERS at the time of delivery to Lakeview, and MERS transfer of beneficial rights of servicing rights must be initiated by the Seller, to Lakeview, within 24 hours of purchase. 										

LOCKED PRIOR TO MARCH 1, 2018

Disaster Policy	<ul style="list-style-type: none"> • Please refer to the list of affected counties published by FEMA using the following link: http://www.fema.gov/disasters • If FEMA does not identify an area as a disaster, Lakeview reserves the right to declare an area not identified by FEMA as a disaster. In these cases Lakeview will communicate any declarations. • The Disaster Policy should be followed during an ongoing disaster and up to 90 days from the FEMA declaration date. <ul style="list-style-type: none"> ○ If the subject property is located in one of the impacted counties and the appraisal was completed prior to the incident period (as defined by FEMA), Lakeview Loan Servicing will require a post disaster inspection confirming the property was not adversely affected by the disaster. • Full appraisals obtained after the incident period need to indicate that the property has not been impacted by the disaster. • If the inspection notes the property is uninhabitable, unsound, or the condition of the property has been affected by the disaster, a new full appraisal is required. • The following are acceptable inspection formats: <ul style="list-style-type: none"> ○ A property inspection report with photo from a licensed inspector ○ Appraisal Update and/or Completion Report ○ A substitute appraiser may be used when the original appraiser is not available
Seasoning	<ul style="list-style-type: none"> • <u>Loans must not be aged more than 45 days from the loan closing date until the time the loan is delivered to Lakeview for purchase. This includes the date the credit and closing file is received and the loan is eligible for purchase. All loans must be purchased by Lakeview within 60 days of the note date.</u>
Fees	<ul style="list-style-type: none"> • Lakeview 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 ○ Electronic Upload Fee \$40.00; ○ Program Application Fee for Second Mortgage (as applicable) - \$40.00

*Seller shall deliver loans that were originated in accordance with the Fannie Mae Selling Guide and the Commission’s Program Manual, unless otherwise noted in this matrix.
**In the case of conflicting guidelines, lender must follow the more restrictive to meet the credit, income limits, total debt-to-income ratio and loan and property requirements of WSHFC, Fannie Mae, Mortgage Insurer, Lender or Lakeview Loan Servicing.

Version Control			
Author	Section	Date	Update
DM	Employment/Income Verification	11/22/17	<p>Added tax transcript relief overlay as follows:</p> <ul style="list-style-type: none"> • Transcript Requirements: <ul style="list-style-type: none"> ○ W2/W9 transcripts will not be required for a borrower when all income for that borrower is derived from W-2 wage earner and/or 1099 fixed income sources. ○ <u>Tax transcripts are required in the following circumstances:</u> <ul style="list-style-type: none"> ▪ <u>When tax returns are used to qualify a borrower. The number of years provided must be based on the DU findings. Income verified via tax returns includes but is not limited to the examples listed below.</u> <ul style="list-style-type: none"> • <u>Self-employment income</u> • <u>Commission Income ≥ 25%</u> • <u>Rental Income</u> • <u>Employment by Family Members</u> • <u>Other Income Sources (i.e. Dividend Interest, Capital Gains, Alimony etc.)</u> ▪ <u>When a written VOE form 1005 is used as standalone income verification</u>
DM	DTI	11/22/17	<p>Added DTI expansion: • Maximum debt to income ratio cannot exceed 50%</p>

Lock Date 11/22/17 to March 2018

DM	Escrow Holdbacks	12/14/22	<p>Added escrow holdbacks:</p> <ul style="list-style-type: none"> • 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 Lakeview's ability to deliver/sell the loan to Ginnie 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 Lakeview confirmation of all work completed and that escrow funds have been released.
DM	Added clarification	3/XX/18	Matrix applies to loans locked prior to March XX, 2018

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