

Conforming						
Primary Residence						
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance			
Property Type	Max LTV/TLTV ²		Min Credit Score	Property Type	Max LTV/TLTV	Min Credit Score
1 Unit	DU ¹	LPA	620	1 Unit	80%	620
	97%	95%				
Second Home						
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance			
Property Type	Max LTV/TLTV ²		Min Credit Score	Property Type	Max LTV/TLTV	Min Credit Score
1 Unit	90%		620	1 Unit	75%	620
Footnotes						
¹ 95.01-97% LTV/CLTV <ul style="list-style-type: none"> • Purchase: At least one borrower must be a first-time homebuyer (DU), see homeownership education below • Limited Cash-Out (LCO) Refinance: Existing loan must be owned (or securitized) by Fannie Mae (Loan Lookup Tool) • Non-occupant borrowers are ineligible 						
² Loans with > 80% LTV will require Mortgage Insurance and are subject to MI guidelines						

High Balance and Super Conforming						
Primary Residence						
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance			
Property Type	Max LTV/TLTV ¹		Min Credit Score	Property Type	Max LTV/TLTV	Min Credit Score
1 Unit	95%		620	1 Unit	80%	620
Second Home						
Purchase & Limited/No Cash-Out Refinance			Cash-Out Refinance			
Property Type	Max LTV/TLTV ¹		Min Credit Score	Property Type	Max LTV/TLTV	Min Credit Score
1 Unit	90%		620	1 Unit	75%	620
Footnotes						
¹ Loans with > 80% LTV will require Mortgage Insurance and are subject to MI guidelines						

COVID-19 Temporary Process Effective 03/23/20	<p>Refer to Fannie Mae and Freddie Mac Temporary Guideline Relief Bulletin for additional guidance.</p> <p>Employed Borrowers: 10-Day Pre-Closing Verbal Verification of Employment (VVOE) Due to COVID-19, there may be difficulty in obtaining the VVOE due to disruption to operations of the borrower's employer. An attempt to obtain the VVOE in accordance with existing requirements must be made. The following alternatives are allowed if a VVOE cannot be obtained:</p> <ul style="list-style-type: none"> • Written VOE <ul style="list-style-type: none"> ◦ E-mail must originate from employer's e-mail address / domain (e.g. @loanDepot.com) ◦ Name and title of individual verifying the borrower's current employment status • YTD Paystub from the pay period that immediately precedes the note date • Bank statements evidencing the payroll deposit from the pay period that immediately precedes the note date <p>Note: Follow LPA Feedback Certificate for 10-Day Pre-Closing VVOE documentation relief using Asset and Income Modeler (AIM).</p>
	<p>Self-employed Borrowers: Continuity of Income Given the current economic climate associated with COVID-19 and its impact on employment and income, LDW must apply additional due diligence to ensure the most recent information is obtained. LDW must ensure that any disruption to borrowers' employment (or self-employment) and/or income due to COVID-19 is not expected to negatively impact their ability to repay the loan.</p> <p>The health of the business should be constantly checked throughout the full loan process. Recommendation is to validate the borrower's business is operational at each phase of the process from application to closing.</p>
	<p>Appraisal Due to COVID-19, appraisal inspection and reporting requirements have been revised. The following table provides appraisal requirements based on mortgage purpose, loan-to-value (LTV) ratio, occupancy type and mortgage ownership:</p>
	<p>Note: These flexibilities are not permitted for new construction properties.</p>



	Appraisal Requirements				
	Mortgage Purpose	LTV Ratio	Occupancy Type	Ownership of Mortgage being refinanced	Permissible appraisals
	Purchase Transaction	Refer to Program Matrix	Primary Residence	N/A	Interior and exterior inspection appraisal, desktop appraisal or exterior-only appraisal
		≤85%	Second Homes	N/A	Interior and exterior inspection appraisal, desktop appraisal or exterior-only appraisal
		>85%	Second Homes	N/A	Interior and exterior inspection appraisal
	No Cash-out Refinance	Refer to Program Matrix	Primary Residence and Second Homes	Mortgage being refinanced owned by Freddie Mac	Interior and exterior inspection appraisal or exterior-only inspection
				Mortgage being refinanced not owned by Freddie Mac	Interior and exterior inspection appraisal
	Cash-out Refinance	Refer to Program Matrix	Primary Residence and Second Homes	Mortgage being refinanced owned or not owned by Freddie Mac	Interior and exterior inspection appraisal
Geographic Eligibility	<ul style="list-style-type: none"> Eligible States: Illinois (IL), New Jersey (NJ) and New York (NY) 				
Restrictions	<ul style="list-style-type: none"> No investment properties allowed Maximum pro-rata share of the underlying mortgage is 35% Maximum concentration within any complex is 20% 				
Minimum Loan Amount	Conforming		High Balance / Super Conforming		
	\$60,000		\$1 > Conforming loan limit for the number of units for high cost areas		
Subordinate Financing	<ul style="list-style-type: none"> DU loans: subordinate financing is not allowed LPA loans: allowed on primary residences only 				
Interested Party Contributions	Primary Residence and Second Home				
	> 90% LTV/CLTV/TLTV	75.01 -90% LTV/CLTV/TLTV	< 75% LTV/CLTV/TLTV		
	3%	6%	9%		
AUS Requirements	<ul style="list-style-type: none"> AUS Approval <ul style="list-style-type: none"> DU Approve/Eligible LPA Eligible/Accept Minimum credit score is required regardless of AUS decision Manual Underwriting not permitted 				
Reserves	<ul style="list-style-type: none"> Per AUS 				
Ratios	<ul style="list-style-type: none"> Per AUS 				
Qualifying Rate	<ul style="list-style-type: none"> Qualify at the Note Rate 				
Appraisal Requirements	<ul style="list-style-type: none"> At least two comps must be outside the project 				
Cash-Out Restrictions	<ul style="list-style-type: none"> If property was purchased in the past 6 months, borrower is ineligible for a cash-out refinance unless following delayed financing guidelines DU loans only: Cash-out on a second home is ineligible 				
Properties Listed for Sale	<ul style="list-style-type: none"> Limited/No Cash-Out and Cash-Out transactions: Property must be taken off the market on or before the disbursement date and the borrower must confirm their intent to occupy the subject property (primary residence refinance transaction only) 				
Credit	Mortgage/Rental History				
	<ul style="list-style-type: none"> Per AUS <ul style="list-style-type: none"> 60 day or more delinquencies reported within 12 months prior to the credit report date not acceptable 				
	Installment/Revolving				
	<ul style="list-style-type: none"> Per AUS 				
	Bankruptcy, Foreclosure, Deed-in-Lieu/Short Sale, Pre-foreclosure				
	Derogatory Event		Discharge/Dismissal		



	Bankruptcy — Chapter 7 or 11	4 years			
	Bankruptcy — Chapter 13	2 years from discharge date 4 years from dismissal date			
	Multiple Bankruptcy Filings	5 years from dismissal or discharge date			
	Foreclosure	7 years			
	Deed-in-Lieu/Short Sale	4 years			
	Pre-foreclosure Sale	4 years			
Mortgage Insurance	<ul style="list-style-type: none"> • BPMI (monthly and single premium) is eligible • Split MI is eligible • Financed MI is not available • Custom or reduced MI not eligible • Acceptable renewal types are Level/Constant and Non-refundable • Approved MI companies are Arch, Genworth, MGIC, National, Essent, and Radian 				
	Standard – Required MI Coverage				
	Loan Term	LTV			
		80.01-85.00%	85.01-90.00%	90.01-95.00%	95.01%-97.00%
25 and 30 Year	12%	25%	30%	35%	
10, 15, and 20 Year	6%	12%	25%	35%	
	<ul style="list-style-type: none"> • 				
Homeownership Education and Housing Counseling	Required for FNMA purchase transactions with LTV/CLTV, ratios greater than 95%, when <ul style="list-style-type: none"> ◦ All borrowers are first-time homebuyers, at least one borrower must participate in homeownership education <ul style="list-style-type: none"> • Fannie Mae Homeownership Education and Housing Counseling 				
Net Tangible Benefit	<ul style="list-style-type: none"> • Net Tangible Benefit Requirements – All refinance transactions must meet the more restrictive of loanDepot Net Tangible Benefit Policy or agency/program Net Tangible Benefits Requirements. 				

Conforming		
	Description	Term
Fixed Only	10 Year Fixed (DU only)	Fully Amortizing 10 Years
	15 Year Fixed	Fully Amortizing 15 Years
	20 Year Fixed	Fully Amortizing 20 Years
	25 Year Fixed	Fully Amortizing 25 Years
	30 Year Fixed	Fully Amortizing 30 Years
High Balance and Super Conforming		
	Description	Term
Fixed Only	15 Year Fixed	Fully Amortizing 15 Years
	25 Year Fixed	Fully Amortizing 25 Years
	30 Year Fixed	Fully Amortizing 30 Years

