

Primary Residence					
Conforming Purchase & Limited Cash-Out Refinance			High-Balance Purchase & Limited Cash-Out Refinance		
Property Type	Max LTV/CLTV	Min Credit Score	Property Type	Max LTV/CLTV	Min Credit Score
1 Unit	97%/NA	620	1 Unit	95%	620
	95%		2 Unit	85%	
2 Units	85%		3-4 Units	75%	
3-4 Units	75%				
Second Home					
Conforming Purchase & Limited Cash-Out Refinance			High-Balance Purchase & Limited Cash-Out Refinance		
Property Type	Max LTV/CLTV	Min Credit Score	Property Type	Max LTV/CLTV	Min Credit Score
1 Unit	90%	620	1 Unit	90%	620

Footnotes

¹95.01%-97% LTV

- **Purchase:** At least one borrower must be a first-time homebuyer, see homeownership education below
- **Limited Cash-Out (LCO) Refinance:** Existing loan must be owned (or securitized) by Fannie Mae (Loan Lookup Tool)
- Non-occupant co-borrower ineligible
- Subordinate financing ineligible

²Loans with > 80% LTV will require Mortgage Insurance and are subject to MI guidelines

<p>COVID-19 Temporary Process Effective 03/23/20</p>	<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"> ◦ Email must originate from the employer's email 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: If employment has been validated by the Desktop Underwriter (DU) validation service, the validation will remain eligible for representation and warranty relief on employment provided the lender complies with the "close by" date in the DU message. Otherwise, the guidance provided above applies.</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. 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 or Fannie Mae HomeStyle Renovation.</p>																												
	<table border="1"> <thead> <tr> <th colspan="5">Appraisal Requirements</th> </tr> <tr> <th>Mortgage Purpose</th> <th>LTV Ratio</th> <th>Occupancy Type</th> <th>Ownership of Mortgage being refinanced</th> <th>Permissible appraisals</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Purchase Transaction</td> <td>Up to 97%</td> <td>Primary Residence</td> <td>N/A</td> <td>Interior and exterior inspection appraisal, desktop appraisal or exterior-only appraisal</td> </tr> <tr> <td>≤85%</td> <td>Second Homes</td> <td>N/A</td> <td>Interior and exterior inspection appraisal, desktop appraisal or exterior-only appraisal</td> </tr> <tr> <td>>85%</td> <td>Second Homes</td> <td>N/A</td> <td>Interior and exterior inspection appraisal</td> </tr> <tr> <td>Limited Cash-out Refinance</td> <td>Refer to Program Matrix</td> <td>Primary Residence or Second Homes</td> <td>Fannie Mae Owned</td> <td>Interior and exterior inspection appraisal or</td> </tr> </tbody> </table>	Appraisal Requirements					Mortgage Purpose	LTV Ratio	Occupancy Type	Ownership of Mortgage being refinanced	Permissible appraisals	Purchase Transaction	Up to 97%	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	Limited Cash-out Refinance	Refer to Program Matrix	Primary Residence or Second Homes	Fannie Mae Owned	Interior and exterior inspection appraisal or
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					exterior-only inspection									
				Not Fannie Mae Owned	Interior and exterior inspection appraisal									
Conventional Lending Resource	All loans must be underwritten to the standards contained within this matrix and the loanDepot Wholesale Underwriting Guidelines <ul style="list-style-type: none"> Any guidance published on this matrix supersedes any guidance referenced within the Wholesale Underwriting Guidelines If guidance is not provided on this matrix or within the Wholesale Underwriting Guidelines, refer to the Fannie Mae Selling Guide 													
Ineligible Transactions	<ul style="list-style-type: none"> Down payment assistance options ARMs Second mortgages 													
Geographic Restrictions	<ul style="list-style-type: none"> Hawaii <ul style="list-style-type: none"> Hawaiian Home Land transactions are ineligible Properties in Lava Zones 1 and 2 not permitted (verify the appraisal to confirm if property may be in a lava zone) Texas <ul style="list-style-type: none"> Texas 50(a)(6) ineligible 													
Minimum Loan Amount	Conforming		High-Balance											
	\$60,000		\$1 > Conforming loan limit for the number of units for high cost areas											
Debt-To-Income (DTI)	<ul style="list-style-type: none"> Per DU 													
AUS Requirements	DU Approve/Eligible <ul style="list-style-type: none"> Manual Underwriting not permitted 													
Documentation	<ul style="list-style-type: none"> Per DU 													
Qualifying Ratios	<ul style="list-style-type: none"> Per DU 													
Temporary Buydown Requirements	<ul style="list-style-type: none"> Buydown plan must be a written agreement All terms of buydown must be disclosed to the MI company and the property appraiser Mortgage instruments must reflect permanent payment terms rather than terms of the buydown plan. In no event may the buydown plan change the terms of the note Terms of the Buydown: <ul style="list-style-type: none"> Buydown period is 12 months Buydown interest rate is 1% below the note rate for the buydown period Loan must be underwritten at the note rate Buydown funds requirements: <ul style="list-style-type: none"> Buydown accounts must be established and fully funded by the time loan funds The borrower's only interest in buydown funds is to have them applied toward payments as they come due under the Note Buydown funds are not refundable unless the mortgage is paid off before all the funds have been applied Buydown funds cannot be used to pay past-due payments Buydown funds cannot be used to reduce the mortgage amount or LTV ratio 													
Income/Employment	The following is general guidance and subject to DU approval. Subject to additional documentation at the underwriter's discretion. <ul style="list-style-type: none"> Two-year employment history must be verified Explanation for any gaps of employment of 30 days or more is required 													
	Salaried Borrowers													
	<ul style="list-style-type: none"> Current paystub dated within 120 days from the Note date W2s per DU 													
	Rental Income													
	<ul style="list-style-type: none"> Rental income is an acceptable source of stable income if it can be established that the income is likely to continue. Rental income derived from the subject property must be one of the following: <ul style="list-style-type: none"> 2-4 unit principal residence in which the borrower occupies one of the units, or 1-4 unit investment property Rental income derived from non-subject property have no restrictions on the property type 													
	Self-Employed Borrower													
	<ul style="list-style-type: none"> Business in existence for at least two years (as stated on application) Personal signed individual tax returns, including all pages and schedules per DU Corporate or partnership signed tax returns, including all pages and schedules per DU Profit and loss generally not required 													
Asset Documentation	<ul style="list-style-type: none"> Refer to loanDepot Wholesale Underwriting Guidelines 													
Reserves	<ul style="list-style-type: none"> Per DU 													
Interested Party Contribution	<table border="1"> <thead> <tr> <th colspan="3">Primary Residence and Second Home</th> </tr> <tr> <th>> 90% LTV/CLTV/TLTV</th> <th>75.01 -90% LTV/CLTV/TLTV</th> <th>< 75% LTV/CLTV/TLTV</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">3%</td> <td style="text-align: center;">6%</td> <td style="text-align: center;">9%</td> </tr> </tbody> </table>					Primary Residence and Second Home			> 90% LTV/CLTV/TLTV	75.01 -90% LTV/CLTV/TLTV	< 75% LTV/CLTV/TLTV	3%	6%	9%
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Borrower Eligibility	Eligible		Ineligible											
	<ul style="list-style-type: none"> U.S. Citizens Permanent Resident –Refer to Non-U.S. Citizens 		<ul style="list-style-type: none"> LLC Irrevocable Trusts 											



	<ul style="list-style-type: none"> • Non-Permanent Residents • Inter Vivos Revocable Trusts • Non-Occupant Borrowers 	<ul style="list-style-type: none"> • Foreign National 		
Property Types	Eligible¹	Ineligible		
	<ul style="list-style-type: none"> • SFR/PUD (detached/attached) • Condo (low/high rise) • 2-4 Units 	<ul style="list-style-type: none"> • Agricultural/Income producing properties • Non-Warrantable Condo/Condotel • Manufactured housing • Earth homes, and geodesic domes • Properties on more than 10 acres are typically ineligible but will be considered as an exception 		
¹ PIW for solar is allowed with evidence of a secondary source of electricity (current electric bill affirming connection to the grid)				
Properties Listed for Sale	<ul style="list-style-type: none"> • Limited 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) 			
Multiple Financed Properties	<ul style="list-style-type: none"> • Primary Residence – no limit on financed properties • Second Home or Investment Property: <ul style="list-style-type: none"> ◦ Max 10 financed properties, • Min 720 credit score for 7- 10 financed properties 			
Mortgage Insurance	<ul style="list-style-type: none"> • BPMI (monthly and single premium) are eligible • LPMI (single premium) is eligible based on program LTV eligibility • Financed MI is not available • Custom or reduced MI not eligible • Acceptable renewal types are Level/Constant and Non-refundable 			
	Standard – Required MI Coverage			
	Loan Term	LTV		
30 Year	80.01-85.00%	85.01-90.00%	90.01-95.00%	95.01-97.00%
	12%	25%	30%	35%
Homeownership Education and Housing Counseling	Required for purchase transactions with LTV 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 • Fannie Mae Homeownership Education and Housing Counseling 			
Credit	Mortgage/Rental History			
	<ul style="list-style-type: none"> • Per DU <ul style="list-style-type: none"> ◦ Mortgage lates – 0X60 in past 12 months 			
	Installment/ Revolving			
	<ul style="list-style-type: none"> • Per DU 			
	Foreclosure, Bankruptcy, Deed-in-Lieu, Short Sale, Repossession, or Loan Modification			
		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		
	Loan Modification	No seasoning, DU will evaluate		
	Deed-in-Lieu of Foreclosure	4 years		
	Pre-foreclosure Sale			
	Charge-Off of Mortgage Account			
Credit	Collections and Non-Mortgage Charge-Off			
	Transaction Type	Requirement		
	1 Unit, Principal Residence	Payoff not required regardless of amount		
	2-4 Units, Owner Occupied and Second Home	Accounts totaling > \$5,000 must be paid in full prior to or at closing		
	Investment Property	Individual accounts ≥ \$250 and totaling > \$1,000 must be paid in full prior to or at closing		
Note: Collection accounts reported as medical collections are not used in the DU risk assessment				
Student Loans	Student loans in repayment, deferment or forbearance:			
	If	Then		
	Payment Reflected on Credit Report	May use that amount for qualifying purposes		
Payment <i>Not</i> Reflected on credit report	May use the monthly payment that is on the most recent student loan statement to qualify the borrower			



	<p>Credit report shows \$0</p>	<ul style="list-style-type: none"> • Use 1% of the outstanding student loan balance (even if this amount is lower than the actual fully amortizing payment), or • a fully amortizing payment using the documented loan repayment terms <p>If income-driven payment plan is \$0:</p> <ul style="list-style-type: none"> • Obtain student loan documentation to verify the actual monthly payment is \$0, then may qualify the borrower with a \$0 payment 																																					
<p>Additional Underwriting Guidelines</p>	<p>Please access loanDepot’s Wholesale Underwriting Guidelines for additional guidelines. For ease of access, we have included links to popular topics by category:</p>																																						
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<p>Net Tangible Benefit</p>	<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. 																																						

Eligible Terms			
Conforming Fixed		High Balance Fixed	
Description	Term	Description	Term
30 Year Fixed	Fully Amortizing 30 Years	30 Year Fixed	Fully Amortizing 30 Years

