

Primary Residence							
Purchase and No Cash-Out Refinance							
Conforming			Super Conforming				
Property Type	Maximum LTV/TLTV		Minimum Credit Score	Property Type	Maximum LTV/TLTV		Minimum Credit Score
	Fixed Rate	ARM			Fixed Rate	ARM	
1 Unit	97% ¹	95/95%	Per LPA ²	1 Unit	95%	95%	Per LPA ²
2 Units	95/95%			2 Units	85%	85%	
3-4 Units		75/75%		3-4 Units	80%	75%	

Footnotes
¹ Non-Occupant Borrowers
 • Max 95% LTV/TLTV
² MI company guidelines require minimum credit score 620

COVID-19 Temporary Process Effective 03/23/20	<p>Refer to COVID-19 Communications 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 VVOE <ul style="list-style-type: none"> Email 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 Must confirm borrower's business is open and operating within 20 business days of the note date.</p> <p>See COVID-19 Communications above for additional self-employed guidance.</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>Appraisal waiver offers remain acceptable when eligible and provided through LPA.</p>																						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <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>Purchase Transaction, including new construction properties¹</td> <td>Refer to Program Matrix</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 rowspan="2">No Cash-out Refinance²</td> <td rowspan="2">Refer to Program Matrix</td> <td rowspan="2">Primary Residence</td> <td>Mortgage being refinanced owned by Freddie Mac</td> <td>Interior and exterior inspection appraisal or exterior-only inspection</td> </tr> <tr> <td>Mortgage being refinanced not owned by Freddie Mac</td> <td>Interior and exterior inspection appraisal</td> </tr> </tbody> </table> <p>¹ New constructions loans are not eligible for exterior-only appraisals ² Verify the final AUS submission matches the agency (Freddie Mac) that owns the existing mortgage • Loan Product Advisor (LPA) must be used for Freddie Mac to Freddie Mac transactions</p>	Appraisal Requirements					Mortgage Purpose	LTV Ratio	Occupancy Type	Ownership of Mortgage being refinanced	Permissible appraisals	Purchase Transaction, including new construction properties ¹	Refer to Program Matrix	Primary Residence	N/A	Interior and exterior inspection appraisal, desktop appraisal or exterior-only appraisal	No Cash-out Refinance ²	Refer to Program Matrix	Primary Residence	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
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<p>Geographic Restrictions</p> <ul style="list-style-type: none"> Texas Refinances <ul style="list-style-type: none"> Primary residence transactions ineligible, refer to Texas 50 (a)(6) matrix Second homes and investment property transactions eligible (subject property must not be the only property owned in Texas) 																							
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	<ul style="list-style-type: none"> o Condo (low/high rise) 	<ul style="list-style-type: none"> • Earth homes, and geodesic domes 			
	¹ ACE for solar is allowed with evidence of a secondary source of electricity (current electric bill affirming connection to the grid)				
Co-ops	<ul style="list-style-type: none"> • Subordinate financing is permitted • IL, NJ, and NY states only • Fixed rate only • Requires loanDepot Project Eligibility Desk review and approval 				
Minimum Loan Amount	Conforming	Super Conforming			
	\$60,000	\$1 > Conforming loan limit for the number of units for high cost areas			
Borrower Types	Eligible	Ineligible			
	<ul style="list-style-type: none"> • U.S. Citizens • Permanent Resident • Non-Permanent Residents • Inter Vivos Revocable Trusts • Non-Occupant Borrower <ul style="list-style-type: none"> o Non-occupant borrower is eligible for 1 unit only o Funds used to qualify may come from occupying and/or non-occupying borrower • First-Time Homebuyer <ul style="list-style-type: none"> o No requirement for borrower(s) to be a First-Time Homebuyer 	<ul style="list-style-type: none"> • Foreign National 			
Appraisal Requirements	<ul style="list-style-type: none"> • Full interior/exterior appraisal is required unless LPA offers an ACE finding for an appraisal waiver 				
Ineligible Transactions Types	<ul style="list-style-type: none"> • Down payment assistance options • Community Seconds/Grants/Affordable Seconds • Sweat Equity • Texas 50(a)(6) loans • HomeStyle Renovation loans • Multiple loanDepot loans: Maximum 2 loans (including the subject property) for one borrower active at one time 				
Loan Product Advisor (LPA)	<p>LPA Eligible/Accept for loans underwritten using Freddie Mac guidelines</p> <ul style="list-style-type: none"> • Manual Underwriting not permitted • Based on income, LPA will determine the income eligibility for Home Possible Mortgages <p>Note: LPA feedback certificate will return Home Possible Mortgages offer message(s) - "This loan meets Home Possible income limits based on property location for address entered. If you choose to deliver this loan as a Home Possible loan, it must meet all requirements of the Home Possible product selected." Or "This loan meets Home Possible income limits based on property location for address entered. This loan must also meet all other Home Possible product requirements for delivery to Agency."</p> • LPA Offering Identifier Home Possible Mortgages • Standard Agency underwriting and property guidelines apply unless specifically referenced within this matrix 				
Mortgage Insurance	<ul style="list-style-type: none"> • BPMI (monthly and single premium) • LPMI (single premium) is eligible based on program LTV eligibility and 620 credit score <ul style="list-style-type: none"> o LPMI is not available for 5/1 ARM's • 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			
		80.01-85.00%	85.01-90.00%	90.01-95.00%	95.01%-97.00%
	Fixed<=20 year	6%	12%	25%	25%
	Fixed>20 year	12%	25%	25%	25%
Homeownership Education and Housing Counseling	<ul style="list-style-type: none"> • Homeownership Education required prior to Note date for at least one qualifying borrower if all borrower(s) are First-Time Homebuyers • Homeownership education must not be provided by an interested party to the transaction including the originating lender • Homeownership Education Certification (exhibit 20) or similar document (such as the CreditSmart – Steps to Homeownership Certificate of Completion) containing comparable information must be retained in the mortgage file • The following types of Homeownership Education are acceptable: <ul style="list-style-type: none"> o Programs developed by HUD-approved counseling agencies o Homeownership Education programs developed by mortgage insurance companies or other providers' programs that meet the standards of the National Industry Standards for Homeownership Education and Counseling o An alternative to the types listed above, CreditSmart- Steps to Homeownership Tutorial 				
Landlord Education	<ul style="list-style-type: none"> • Purchase Transaction – At least one qualifying borrower must participate in a landlord education program prior to the Note date <ul style="list-style-type: none"> o Landlord education must not be provided by an interested party to the transaction, the seller or the originating Lender 				



(2-4 Unit Primary Residence)	<ul style="list-style-type: none"> ○ Copy of a certificate evidencing successful completion of the landlord education must be retained in the mortgage file ● Refinance Transactions – Landlord education is not required but is recommended by Agency for borrower(s) refinancing particularly those who have not previously attended 										
Borrower Income	<p>The following is general guidance and subject to LPA approval. Follow standard agency income guideline requirements to verify qualifying income in accordance with Agency Guide Chapters 5302 through 5307. Subject to additional documentation at the underwriter's discretion.</p> <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 										
	Qualifying Income Limits										
	<ul style="list-style-type: none"> ● LPA will determine if the qualifying income meets the income limits, or use the Home Possible Income & Property Eligibility Tool ● Determine whether or not the borrower(s) satisfied the income limits, the income must be calculated as described in Agency Guide 4501.9 ● Borrower's qualifying income must not exceed 80% of Area Median Income (AMI) limits ● Income (O.T., bonus, etc.) not used to qualify the borrower is not required to be included in the income limit eligibility 										
	Salaried Borrowers										
	<ul style="list-style-type: none"> ● Current paystub dated within 120 days from the Note date ● W2's per LPA 										
Borrower Income	Rental Income										
	<p>Rental income (boarder income) from a 1 unit primary residence that meets the requirements of Agency Guide Chapter 4501.9 may be considered as stable monthly income or the following:</p>										
	<ul style="list-style-type: none"> ● The person providing the rental income and the borrower: <ul style="list-style-type: none"> ○ Have resided together for at least one year ○ Will continue residing together in the new residence, and ○ The person providing the rental income provides appropriate documentation to evidence residency with the borrower (i.e., copy of a driver's license, bill, bank statement, etc., that shows the address of that person to be the same as the borrower's address) ● Rental income from the person residing in the mortgage premises (subject): <ul style="list-style-type: none"> ○ Has been paid to the borrower for the past 12 months on a regular basis ○ Can be verified by the borrower with evidence showing receipt of regular payments of rental income to the borrower for at least 9 of the past 12 months (i.e., copies of canceled checks) ○ Must be averaged over 12 months for qualifying purposes when fewer than 12 months of payments are documented ○ Rental income does not exceed 30% of total income used to qualify ● The file must contain a written statement from the borrower affirming: <ul style="list-style-type: none"> ○ Source of the rental income ○ The fact that the person providing the rental income has resided with the borrower for the past year and intends to continue residing with the borrower in the new residence for the foreseeable future ● Rental income from 2-4 unit primary residence that meets the requirements of Agency Guide 5306.1 may be used as qualifying income 										
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 LPA ● Corporate or partnership signed tax returns, including all pages and schedules per LPA ● Profit and loss required per LPA ● Maximum 1 business owned 											
Qualifying Ratios	Fixed Rate	5/1 ARM	7/1 ARM and 10/1 ARM								
	<p>Qualify at the Note Rate</p>	<p>Qualify at the greater of the Fully Indexed Rate or the Note Rate + 2.0%</p>	<p>Higher Priced Covered Transactions (HPCTs): Qualify at the greater of the Fully Indexed Rate or the Note Rate Non-HPCT/Non-HPML Transactions: Qualify at the Note Rate</p>								
<p><i>Per LPA Accept/Eligible findings; loans with MI may have more restrictive requirements</i></p>											
Subordinate Financing	<ul style="list-style-type: none"> ● Subordinate financing must comply with Agency Guide 4204.1 ● Permitting standard secondary financing, including HELOCs, for a Mortgage with a TLTV/HTLTV ratio of less than or equal to 97% ● No Affordable Seconds ● Subordinate financing of a seller-held mortgage is ineligible with Home Possible Mortgages 										
Assets	<ul style="list-style-type: none"> ● Minimum contribution from borrower personal funds – Purchase Transaction > 80% LTV: 										
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Two to Four	3%	5%									
<ul style="list-style-type: none"> ● No minimum contribution required for ≤ 80% LTV/TLTV ● Acceptable source of funds for down payment and closing costs: <ul style="list-style-type: none"> ○ Borrower Personal Funds as described in Agency Guide 5501.3(b) 											



	<ul style="list-style-type: none"> o Cash-on-hand permitted as described in Agency Guide 4501.10(i)(2) for requirements <ul style="list-style-type: none"> ▪ Refer to MI company guidelines that would allow cash-on-hand for Home Possible Mortgages o Gift funds as described in Agency Guide 5501.3(c) • Refer to Agency Guide 4501.10 and 5100 for additional asset requirements 												
Reserves	<ul style="list-style-type: none"> • Reserves must be verified as required by the LPA feedback certificate <ul style="list-style-type: none"> o 1-unit: No reserves required o 2-4 unit: 2 months reserves required 												
Interested Party Contribution	<table border="1"> <thead> <tr> <th>LTV/TLVT > 90%</th> <th>LTV/TLVT 75.01 – 90%</th> <th>LTV/TLVT ≤ 75%</th> </tr> </thead> <tbody> <tr> <td>3%</td> <td>6%</td> <td>9%</td> </tr> </tbody> </table>	LTV/TLVT > 90%	LTV/TLVT 75.01 – 90%	LTV/TLVT ≤ 75%	3%	6%	9%						
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Property Ownership	<ul style="list-style-type: none"> • At least one borrower must occupy the property as their primary residence 												
Additional Restrictions	<ul style="list-style-type: none"> • No MCC • No Temporary Buydowns 												
Properties Listed for Sale	<ul style="list-style-type: none"> • No Cash-Out Refinance 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 LPA 												
	Installment/ Revolving												
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	Foreclosure, Bankruptcy, Deed-in-Lieu, Short Sale												
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Student Loans	Collections and Non-Mortgage Charge-Off												
	<ul style="list-style-type: none"> • Per LPA 												
	<p>Student loans in repayment, deferment or forbearance:</p> <table border="1"> <thead> <tr> <th>If</th> <th>Then</th> </tr> </thead> <tbody> <tr> <td>Payment Reflected on Credit Report</td> <td>May use that amount for qualifying purposes</td> </tr> <tr> <td>Payment <i>Not</i> Reflected on credit report</td> <td>May use the monthly payment that is on the most recent student loan statement to qualify the borrower</td> </tr> <tr> <td>Credit report shows \$0</td> <td>Use 0.5% of the outstanding loan balance reported on the credit report</td> </tr> </tbody> </table> <p>Student loan forgiveness, cancellation, discharge and employment-contingent repayment programs:</p> <table border="1"> <thead> <tr> <th>May be excluded from DTI with documentation that indicates</th> </tr> </thead> <tbody> <tr> <td>Monthly payments ≤ 10 remaining until the full balance is forgiven, cancelled, discharged or in the case of an employment-contingent repayment program paid, OR</td> </tr> <tr> <td>The monthly payment is deferred or is in forbearance and the full balance will be forgiven, canceled, discharged or in the case of an employment-contingent repayment program, paid, at the end of the deferment or forbearance period,</td> </tr> <tr> <td>AND the borrower currently meets the requirements for the student loan forgiveness, cancellation, discharge or employment-contingent repayment program, as applicable, and the underwriter is not aware of any circumstances that will make the borrower ineligible in the future</td> </tr> <tr> <td>AND loan file must contain documentation indicating that the borrower is Eligible or Approved for student loan forgiveness, cancellation, discharge or employment-contingent repayment program. Evidence of eligibility or approval must come from the student loan program or the employer, as applicable</td> </tr> </tbody> </table>	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	Credit report shows \$0	Use 0.5% of the outstanding loan balance reported on the credit report	May be excluded from DTI with documentation that indicates	Monthly payments ≤ 10 remaining until the full balance is forgiven, cancelled, discharged or in the case of an employment-contingent repayment program paid, OR	The monthly payment is deferred or is in forbearance and the full balance will be forgiven, canceled, discharged or in the case of an employment-contingent repayment program, paid, at the end of the deferment or forbearance period,	AND the borrower currently meets the requirements for the student loan forgiveness, cancellation, discharge or employment-contingent repayment program, as applicable, and the underwriter is not aware of any circumstances that will make the borrower ineligible in the future
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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. 												

Eligible Terms		
Fixed	Conforming	Super Conforming
	Description/Term	Description/Term
	15 Year Fixed	15-Year Fixed



Home Possible Mortgages (LPA)

	15 Year Fixed LPMI				15-Year Fixed w/ LPMI			
	20 Year Fixed				20-Year Fixed			
	20 Year Fixed LPMI				20-Year Fixed w/ LPMI			
	30 Year Fixed				30-Year Fixed			
	30 Year Fixed LPMI				30-Year Fixed w/ LPMI			
ARM	Conforming				Super Conforming			
	Description	Index	Margin	Caps	Description	Index	Margin	Caps
	5/1 ARM	LIBOR	2.25%	2/2/5	5/1 ARM	LIBOR	2.25%	2/2/5
	7/1 ARM			5/2/5	7/1 ARM			
	7/1 ARM LPMI				7/1 ARM LPMI			
	10/1 ARM				10/1 ARM			

