



Conforming High Balance Loan Matrix

Documentation Standards	All loans must meet standard loan documentation and qualification requirements			
Exceptions	Exceptions are not allowed on HB products- must have AUS approval			
Minimum Loan Amount	\$726,201			
Products and terms	<ul style="list-style-type: none"> • 30 and 15 Year terms under Conforming High Balance product • Custom amortizations available under Retained product only • Fannie Mae HomeStyle 30 year Term (retained product) 			
Transaction Type		Purchase/Rate Term Refinance		Cash Out Refinance
Maximum LTV/CLTV	Property Type	95%		Up to \$726,200 FRM
Owner Occupied	1 Unit/Condo/PUD	95%		80%
	2 Unit	85%		75%
	3-4 Unit	75%		75%
Second Home	1 Unit/Condo/PUD	90%		75%
	2 Unit	N/A		N/A
	3-4 Unit	N/A		N/A
Investment Property	1 Unit/Condo/PUD	85%/75%		75%
	2 Unit	75%		70%
	3-4 Unit	75%		70%
DU/LP Eligibility	<ul style="list-style-type: none"> • DU Approve or LP approval – AUS approval required • No Manual Underwrites 			
Qualifying Ratios	<ul style="list-style-type: none"> • Per DU/LP 			
Fannie Mae Originating and Underwriting link	<ul style="list-style-type: none"> • https://www.fanniemae.com/singlefamily/originating-underwriting 			
Fannie Mae Eligibility Matrix	<ul style="list-style-type: none"> • https://www.fanniemae.com/content/eligibility_information/eligibility-matrix.pdf 			
Fannie Mae Day 1 Certainty Link Validation Services	<ul style="list-style-type: none"> • https://www.fanniemae.com/singlefamily/day-1-certainty 			
Freddie Mac Eligibility Matrix	<ul style="list-style-type: none"> • http://www.freddiemac.com/singlefamily/factsheets/sell/ltv_tltv.htm 			
Credit Scores	<ul style="list-style-type: none"> • Minimum Credit Score 620 • Full Tri Merged Credit Report (minimum 2 scores) • All borrowers must have open active trade lines • No non-traditional credit 			
Eligible Borrowers	<ul style="list-style-type: none"> • US Citizens • Permanent Resident Aliens • Non-Permanent Resident Alien • All borrowers must have valid S/S# 			



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Down Payment	<ul style="list-style-type: none"> • 1 unit properties do not require 5% down payment from borrower. All funds can come from acceptable gift sources. • 2-4 unit properties require a minimum 5% from borrower's own funds. Gift funds permitted after 5% down payment has been met. • Investment Property- requires borrowers own funds for down payment • Gift funds not permitted on Investment Property purchases. They are treated as an inducement and deducted dollar for dollar from the sales price for purposes of calculating LTV • Second homes require minimum of 5% borrowers own funds
Seller Assistance	<ul style="list-style-type: none"> • Standard FNMA guidelines apply. • Seller side disbursements are examined closely. All real estate commissions and non-lien related expenses (marketing expense, finder's fee, referral fees, and consultant fees) must not exceed 8% of the sales price. • Any combination of these disbursements exceeding 8% will treated like an inducement and deducted dollar for dollar from the sales price for purposes of calculating LTV
3rd Party Processing Services	<ul style="list-style-type: none"> • If utilizing a 3rd party for processing services- The loan must be locked and submitted under the Retained Product
Non Occupant Co-borrower	<ul style="list-style-type: none"> • LP or DU allowed. Preferred AUS DU
Bankruptcy and/or Foreclosure	<ul style="list-style-type: none"> • BK Discharge must be seasoned 4 years • Foreclosure must be seasoned 7 years • Short sale charge off must be seasoned 4 years
Property Type	<p>The following property/occupancy types are permitted</p> <ul style="list-style-type: none"> • 1-4 unit residences (no manufactured housing) • Condominiums • Freddie Mac does not allow limited review in Florida • Townhouse • PUD • Subject property over 20 acres must be submitted on Retained Product
Number of Financed Properties	<ul style="list-style-type: none"> • 5-10 Financed Properties Permitted (Retained product only) • Click n' Close, Inc. will not extend more than 4 loans to any one individual
4506C	<ul style="list-style-type: none"> • Required on all files. Please review IRS transcript policy on page 3 of this document
Cash Out	<ul style="list-style-type: none"> • A loan is defined as cash out if the amount exceeds \$2000 or 2% of the loan amount. Non purchase money seconds are considered cash out. Previous note date must be greater than 6 months from application date • Texas Cash out. Please indicate A06 product in pricing engine for appropriate product delivery
Properties Flipping	<ul style="list-style-type: none"> • Follow FNMA Guidelines
Temporary Buy downs	<ul style="list-style-type: none"> • Not Permitted
Mortgage Insurance	<ul style="list-style-type: none"> • Mortgage insurance is required on all loans over 80% LTV • Do allow financed Single Premium mortgage insurance • LPMI is available



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Reserves	<ul style="list-style-type: none"> • Must meet AUS • Please verify requirements that are determined by # of financed properties owned in your AUS findings
DP Assistance	<ul style="list-style-type: none"> • Down payment programs are not permitted
Appraisals	<ul style="list-style-type: none"> • Appraisals must be ordered via an approved Click n' Close, Inc. (AMC) • If Correspondent- Correspondent must order through the AIR compliant AMC and the appraisal must be in the correspondents name
Properties Listed For Sale	<ul style="list-style-type: none"> • On any refinance transaction, property may not be listed for sale at time of application. For cash out transactions, if listed for sale within the last 6 months, the property must be taken off the market prior to application date and the max LTV/CLTV is 70%
Non Arm's Length Transactions	<ul style="list-style-type: none"> • Flip transactions are not permitted. Family transfers/Title changes examined closely.
Eligible States	<ul style="list-style-type: none"> • Eligible in all Click n' Close, Inc. licensed states
IRS Tax Transcripts and W2 Transcript policy	<ul style="list-style-type: none"> • No Transcripts are required when all income information used to decision a loan is made exclusively of wage earner income reported on a W-2 and /or fixed income reported on a 1099 (Ex. Social Security or VA benefits), unless required by AUS. • Self-employed, commissioned and rental income will require tax transcripts • Instances where Tax Transcripts would be required regardless of income and employment sources. <ul style="list-style-type: none"> ▪ Handwritten paystubs are used as verification of income ▪ Borrower(s) is employed by a family member ▪ Relationship between the parties ▪ Borrower and Seller are related ▪ Borrower is employed by the Third Party Originator Company ▪ the underwriter's or QC discretion, if needed to verify income calculations or to address red flags ▪ If Tax returns are delivered with the file at time of application ▪ Use of Dividends, Interest income, and Capital Gains income, will require full tax Transcripts