

FANNIE MAE AND FREDDIE MAC MATRIX

STANDARD & HIGH BALANCE MATRIX

The more restrictive to FNM Selling Guide or FRE Seller/Servicing Guide apply

	Property Type	MAX LTV/CLTV/HCLTV			Property Type	MAX LTV/CLTV/HCLTV
		Purchase	Limited C/O			Cash-Out Refi
Primary Residence	SFR/PUD/Condo	97% ¹	97% ⁶	Primary Residence	SFR/PUD/Condo	80%
	Manufactured ⁵	95%	95%		Manufactured	Follow AUS
	2 Units	95% ²	95% ²		2 Units	75%
	3-4 Units	95% ³	95% ³		3-4 Units	75%
Second Home	SFR/PUD/Condo	90%	90%	Second Home	SFR/PUD/Condo	75%
Investment	SFR/PUD/Condo	85%	75% 85% ⁴	Investment	SFR/PUD/Condo	75%
	2-4 Units	75%	75%		2-4 Units	70%

¹ FNM/FRE – Fixed rate term only | 1-unit only | Max LTV 95% (High Balance) | FNM – At least one borrower must be a first-time homebuyer | FRE – See HomeOne

² MAX LTV 85% for Fannie Mae High Balance and Freddie Mac Super Conforming Transactions.

³ MAX LTV 75% (FNM High Balance) and 80% (FRE Super Conforming) for 3–4 Unit Primary Residence transactions.

⁴ FRE Only

⁵ ARM not permitted on Manufactured Homes

⁶ Must be paying off a loan currently owned/serviced by FNM or FRE

2025/26 CONFORMING LOAN LIMITS

Units	Standard Conforming	High Costs	AK, & HI
1	\$819,000	\$1,209,750	\$1,228,500
2	\$1,048,500	\$1,548,975	\$1,572,500
3	\$1,268,000	\$1,872,225	\$1,902,000
4	\$1,575,000	\$2,326,875	\$2,362,500
MIN LN AMT	\$75,000		
FIXED RATE TERMS	11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29 and 30 YR		

ADJUSTABLE-RATE MORTGAGES (ARMs)

Type	Term	Index	Margin	Caps
5/6	30 YR	6 MO. SOFR	2.75%	2/1/5
7/6	30 YR	6 MO. SOFR	2.75%	5/1/5
10/6	30 YR	6 MO. SOFR	2.75%	5/1/5

FANNIE MAE HOMEREADY STANDARD & HIGH BALANCE MATRIX

Purchase			Limited Cash-Out Refinance ²		
Property Type ³	MAX LTV/CLTV/HCLTV		Property Type	MAX LTV/CLTV/HCLTV	
	Conforming	High Bal		Conforming	High Bal
	FX	FX		FX	FX
SFR/PUD/Condo	97% ¹	95%	SFR/PUD/Condo	97%	95%
2 Units	85%	85%	2-Unit	85%	85%
3-4 Unit	75%	75%	3-4 Unit	75%	75%

¹ CLTV up to 105% with eligible Community Second

² DU message indicating borrowers existing loan is owned (or securitized) by FNM.

³ Manufactured Homes permitted in accordance with Standard MH guidelines

FREDDIE MAC HOMEPOSSIBLE STANDARD & SUPER CONFORMING MATRIX

Purchase			No Cash-Out Refinance ²		
Property Type ³	MAX LTV/CLTV/HCLTV		Property Type	MAX LTV/CLTV/HCLTV	
	Conforming	Super Conf.		Conforming	Super Conf
	FX	FX		FX	FX
SFR/PUD/Condo	97% ¹	95% ¹	SFR/PUD/Condo	97% ¹	95%
2- Unit	95% ¹	85%	2-Unit	95% ¹	85%
3-4 Unit	95% ¹	80%	3-4 Unit	95% ¹	75%

¹ CLTV up to 105% with eligible Affordable Second

² For loans owned or securitized by FRE

³ Manufactured Homes permitted in accordance with Standard MH guidelines

FREDDIE MAC HomeOne¹

Purchase ²		No Cash-Out Refinance	
Property Type	MAX LTV/CLTV/HCLTV	Property Type	MAX LTV/CLTV/HCLTV

SFR/PUD/Condo	97% ³	SFR/PUD/Condo	97% ^{4,5,6}
¹ Primary residence only ² At least one borrower must be a first-time homebuyer ³ CLTV up to 105% with eligible Community Second ⁴ LTV / HCLTV > 95%, loan being refinanced must be owned or securitized by Freddie Mac ⁵ CLTV > 95% with a non-Community Second [®] : The loan being refinanced must be owned or securitized by Freddie Mac ⁶ CLTV > 95% with a Community Second [®] : The loan being refinanced does not need to be owned or securitized by Freddie Mac			

FNM/FRE	OVERLAYS
STATE EXCLUSIONS	HI, NY
AMENDED TAX RETURNS	Filed before application - If amended 60 days or less prior to application, evidence of payment needed Filed after application - Following documentation needed: Letter of explanation regarding the reason and evidence of filing or payment and the ability to pay tax if check has not canceled
APPRAISAL	Full appraisal required, regardless of AUS Findings, when property is being sold at auction or is REO.
ASSETS	VOD as a stand-alone document is not permitted unless obtained from a Third-Party Vendor. Ineligible Assets: - Sweat Equity - Marijuana related - Crypto Currency
CREDIT	RMCR or traditional tri-merge is required. All borrowers must have at least one credit score Ineligible: Non-traditional credit
CREDIT SCORE	620 unless otherwise indicated
CONDOMINIUMS	Ineligible - HOA may not be seller of subject unit. - Loans requiring a single loan Project Eligibility Waiver (PEW) - Florida new construction condo projects without existing PERS approval - Leasehold - Manufactured Home Condo Projects
DEED RESTRICTIONS	Mortgage loans that are subject to resale restrictions are not eligible, except for age-related restrictions that meet the FNM/FRE Selling Guide requirements.
EMPLOYED BY FAMILY	Must provide 2 most recent years of tax returns
ESCROW	Not permitted
REPAIR/HOLDBACKS	
HOMEREADY/HOME POSSIBLE	Ineligible: - Sweat equity. - Cash on hand - Non-Borrower household income - Secondary Financing: Transaction with lender-funded grants or down payment assistance provided under an FNM variance.
INCOME	- FNM- Future Income- <u>Selling Guide B3-3.1-09</u> Option 2 only - FRE- Income commencing after the note date- <u>Selling Guide 5303.2(e)</u> Option 1 only *reminder*.Income.from.cannabis.related.industry.only.permitted.for.W8.employee?FNMA.only
INELIGIBLE PROPERTIES	- Co-Ops - Continuing Care Communities - Community Land Trust - Group Homes - Manufactured Homes with Leasehold/Leased Land - Native American Leased Land/Leasehold - Properties in Redemption - Properties with PACE obligations - Properties subject to private transfer fee covenants - Property Flip of Non-Arm's Length Transaction - Property Ratings of C5 or Q6 - Proposed and under construction properties. - Renovation loan or construction to perm.



	- Unusual or Unique Properties such as: 3D Printed Homes, Barndominiums, Container homes, Tiny Homes Berm homes, geodesic homes. Or mixed-use properties (this is not an exclusive list). - Working Farms	
INELIGIBLE PROGRAMS	- Affordable Housing loans - Affordable Seconds® - Choice Home® - Choice Renovation® - CHOICEReno eXPress® - Community Land Trusts - GreenCHOICE® - Single Close Construction to Perm - Energy Efficient Mortgages - Enhanced Relief Refinance Mortgage® - Equity Sharing - Heritage One® - HFA Advantage / HFA Programs/ HFA Preferred Advantage (Freddie specific) - High-LTV Refinance	- HomePath® - HomeStyle® - HomeReady® with reduced Mortgage Insurance Options - Homestyle Energy® - Homestyle Renovations® - HUD 184 Mortgages - Assumptions - MHAdvantage® - Open Access - Property Assessed Clean Energy (PACE) - RefiNow™ - RefiPossible® - Rural High-Needs Waiver
MANUAL UNDERWRITING	Not Permitted	
MANUFACTURED HOUSING	Requirements: - AUS Approval required. - Fixed Rate programs only - Temporary buydown not permitted. - Property condition must be average or better. - Must be taxed as real property prior to application date. Ineligible: - Manufactured Homes that are subject to deed restrictions - Leased Land - Single-wide - Leasehold - Manufactured Home Condominium Projects (MHCPs) - Accessory Dwelling Units - New Construction/Construct to Perm	
MORTGAGE CREDIT CERTIFICATE	Not Permitted	
MORTGAGE INSURANCE	Ineligible: - Reduced, custom or Minimum MI coverages with price adjustments. - Borrower paid annual. - Monthly Lender Paid MI or any MI where the premium is paid out of the mortgage interest	
MULTIPLE LOANS TO ONE BORROWER	FCM will allow up to six (6) loans for one borrower, including the subject property, or a total of \$3.5MM in financing, whichever is less.	
NON-ARM'S LENGTH TRANSACTION	Ineligible: - PIW, regardless of AUS offering (full appraisal required) - Newly constructed homes - Existing properties secured by a second home or investment property. - Property has transferred ownership within most recent 90 days from application date	
POWER OF ATTORNEY	Permitted to be used for closing documents only. Ineligible: - Cash-out transactions. - Properties held in Trust. - Investment properties - General POA's - An individual employed by or affiliated with any party to the loan transaction e.g. title insurer, settlement agent etc.	
PURCHASE TRANSACTIONS	Assignment of contract not permitted	
SUBORDINATE FINANCING	Ineligible: No liens provided by tribal governments and its sovereign instrumentalities	
TAX TRANSCRIPTS	Transcripts are required in all instances when a tax return will be used to determine qualifying income.	



	Business transcripts are required when business income that does not flow onto a personal tax return is used to qualify. (ie.1120)
TEMPORARY BUYDOWNS	Eligible Terms: 1/0, 1/1, 2/1, 3/2/1 Permitted on the following: • SFR/PUD/Condo • Primary residence • Purchase only • Temporary BD Funds must be included in Interested Party Contributions Ineligible: • Borrower funded buydowns. • Second Homes • Investment Properties • 2-4 Unit properties • Manufactured Homes • Refinance Transactions • Custom loan terms • ARMs
TEXAS REFINANCE	• Rate & Term Refinance TX 50 (a) (4) – Permitted • Cash-out Refinance – TX 50 (a) (6) loans – Permitted • Conversion of a TX 50 (a) (6) loan to a TX 50 (f) (2) – Not Permitted
TITLE INSURANCE	Attorney title Opinion Letter in lieu of title insurance policy not permitted.
UNPAID FEDERAL TAX DEBT	FCM considers all unpaid tax debt from prior years as delinquent, even if lien has not been filed. • Evidence of one of the following required: A payment plan must be established and at least one payment made in accordance with the agreement (may not be pre-paid). Copy of Approved Repayment and evidence of payment required.

