

<i>Owner Occupied: Purchase and Rate/Term<sup>1</sup></i>												<i>Investment: Purchase and Rate/Term</i>			
<i>Single Family, Condominiums, PUDs</i>				<i>Second Home</i>				<i>2-4 Family</i>				<i>SFR, Condo, PUDs and 2-4 Family</i>			
<i>Full Documentation</i>												<i>Full Documentation</i>			
<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>	<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>	<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>	<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>
720	90	3.0 M	90	720	85	3.0 M	85	720	85	3.0 M	85	720	85	3.0 M	85
700	90	2.0 M	90	700	85	2.0 M	85	700	85	2.0 M	85	700	85	2.0 M	85
680	90	2.0 M	90	680	85	2.0 M	85	680	85	2.0 M	85	680	85	2.0 M	85
660	85	2.0 M	85	660	85	2.0 M	85	660	85	2.0 M	85	660	85	2.0 M	85
640	85	2.0 M	85	640	85	2.0 M	85	640	85	2.0 M	85	640	85	2.0 M	85
620	80	2.0 M	80	620	80	2.0 M	80	620	80	2.0 M	80	620	80	2.0 M	80
600	80	2.0 M	80	600	80	2.0 M	80	600	80	2.0 M	80	600	80	2.0 M	80

<i>Owner Occupied: Cash Out</i>												<i>Investment: Cash Out</i>			
<i>Single Family, Condominiums, PUDs</i>				<i>Second Home</i>				<i>2-4 Family</i>				<i>SFR, Condo, PUDs and 2-4 Family</i>			
<i>Full Documentation</i>												<i>Full Documentation</i>			
<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>	<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>	<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>	<i>FICO</i>	<i>LTV</i>	<i>Loan Size</i>	<i>CLTV</i>
720	85	3.0 M	85	720	80	3.0 M	80	720	80	3.0 M	80	720	80	3.0 M	80
700	85	2.0 M	85	700	80	2.0 M	80	700	80	2.0 M	80	700	80	2.0 M	80
680	85	2.0 M	85	680	80	2.0 M	80	680	80	2.0 M	80	680	80	2.0 M	80
660	75	2.0 M	75	660	75	2.0 M	75	660	75	2.0 M	75	660	75	2.0 M	75
640	75	2.0 M	75	640	75	2.0 M	75	640	75	2.0 M	75	640	75	2.0 M	75
620	70	2.0 M	70	620	70	2.0 M	70	620	70	2.0 M	70	620	70	2.0 M	70
600	70	2.0 M	70	600	70	2.0 M	70	600	70	2.0 M	70	600	70	2.0 M	70

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SL1 Credit Grade					
Full Documentation.					
Primary Residence Single Family, Condominiums, PUDs			NOO, Second Homes and 2-4 Units		
Purchase, Rate/Term		Cash Out	Purchase, Rate/Term		Cash Out
FICO	LTV/CLTV	LTV/CLTV	FICO	LTV/CLTV	LTV/CLTV
760	90	85	680	85	80
720	90	85	640	85	75
680	90	85	600	80	70
640	85	75			
600	80	70			

Program Product Parameters				
<b>Product</b>	30 Year Fixed Rate Mortgage	40 Year Interest Only Mortgage	7/1 ARM	7/1 ARM IO – 40 YR
<b>Product Code</b>	<b>3050-37</b> 30 Year Fixed Advantage Expanded Full Doc <b>5600-37</b> 30 Year Fixed Advantage SL1	<b>3050-37</b> 40 Year Fixed Advantage Expanded Full Doc IO <b>5600-37</b> 40 Year Fixed Advantage SL1 IO	<b>3850-37</b> 7/1 LIBOR ARM Advantage Expanded Full Doc <b>5800-37</b> 7/1 LIBOR ARM Advantage SL1	<b>3850-37</b> 40 Year 7/1 LIBOR ARM Advantage Expanded Full Doc IO <b>5800-37</b> 40 Year 7/1 LIBOR ARM Advantage SL1 IO
<b>Description</b>	Fully amortizing mortgage loan with an interest rate that is fixed over the entire 30 year term	Fully amortizing mortgage loan that pays interest only during the first 10 years and amortizes down of the remaining 30 years	Fully amortizing hybrid mortgage loan with an interest rate that is fixed for 7 years and then changes to an ARM with the rate changing every year for the rest of the term of the loan.	Fully amortizing hybrid mortgage loan that requires interest only payment during the first 10 years. The rate will first adjust in year 7 and adjust every year thereafter for the life of the loan and fully amortizing down over the remaining 30 years.
<b>Interest Only</b>	N/A	10 Year Interest Only Term	N/A	10 Year Interest Only Term
<b>Term</b>	360	480	360	480
<b>Amortization Term</b>	360	360	360	360
<b>Borrower Qualification</b>	Borrower qualify at the not rate based on fully amortizing Principal and Interest payment.	Borrowers qualify at the note rate based on fully amortizing Principal and Interest payment during the principal repayment period. Borrowers will not be qualified on	Borrowers qualify at the higher of the fully indexed rate or the initial note rate.*	Borrowers qualify at the higher of the fully indexed rate or the initial note rate using the fully amortizing Principal

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		the Interest Only payment amount.		and Interest payment during the principal repayment period. Borrowers will not be qualified on the Interest Only payment amount.*
<b>Initial Fixed Rate Term</b>	N/A	N/A	84	84
<b>Index</b>	N/A	N/A	12 Month Libor	12 Month Libor
<b>Periodic Rate Change Term (months)</b>	N/A	N/A	12 Months	12 Months
<b>Periodic Rate Cap Adjustments</b>	N/A	N/A	5/2/5	5/2/5
<b>Lifetime Cap</b>	N/A	N/A	Start rate + 5%	Start rate + 5%
<b>Lifetime Floor</b>	N/A	N/A	Margin	Margin
<b>Margin</b>	N/A	N/A	See Daily Rate Sheet	See Daily Rate Sheet
<b>Look Back Period</b>	N/A	N/A	45 days	45 days

<b>General Program Parameters</b>	
<b>Minimum Loan Amount</b>	\$100,000
<b>Document Type</b>	Full Documentation
<b>Mortgage/Housing History</b>	0x30 in the past 12 months and 0x60 in the past 24 months
<b>Minimum FICO Score</b>	600
<b>Bankruptcy History</b>	<ul style="list-style-type: none"> <li>• Chapter 7 – 4 years from discharge date to application date</li> <li>• Chapter 13 and Chapter 11 personal – 4 years from discharge date to application date</li> </ul> <p>Note:</p> <ul style="list-style-type: none"> <li>A. Multiple bankruptcies are ineligible.</li> <li>B. Consumer Credit Counseling Service (CCCS) is considered the same as Chapter 13 Bankruptcy.</li> <li>C. Bankruptcy dismissal dates are treated the same as discharge dates.</li> </ul>

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<b>Prior Loss Mitigation</b>	<ul style="list-style-type: none"> <li>• 4 years prior to application date                             <ul style="list-style-type: none"> <li>a. Loss Mitigation includes non-foreclosure actions such as Deed-in-lieu, Short Sale, NOD, Short Refinance, Pre-Foreclosure Sale, Loan Extension, Loan Modification, Forbearance and Charge-offs.</li> <li>b. Multiple Loss Mitigation events are allowed.</li> </ul> </li> </ul>
<b>Foreclosure History</b>	4 years
<b>Maximum DTI</b>	<ul style="list-style-type: none"> <li>• Up to 50%; minimum 720 credit score and LTV/CLTV &lt;= 80%</li> <li>• 43% maximum for LTV/CLTV &gt; 80%</li> </ul>
<b>Adverse Credit</b>	All delinquent credit that will impact title, including delinquent taxes, judgments, charge-off accounts, tax liens and mechanic's liens, must be paid off prior to or at closing.
<b>Residual Income</b>	<ul style="list-style-type: none"> <li>• DTI &gt; 43% requires household residual income &gt;= \$3500</li> <li>• DTI &lt;= 43% requires household residual income &gt;= \$1500</li> </ul>
<b>Reserves</b>	<ul style="list-style-type: none"> <li>• 6 months PITIA reserves required for all LTV/CLTV &lt;= 80%</li> <li>• 9 months PITIA reserves required for LTV/CLTV &gt; 80%, loan amounts &gt; \$1,500,000, second home, 2-4 unit, investment and First Time Homebuyer</li> <li>• 3 months PITIA reserves required for each additional financed property (up to a maximum of 36 months)</li> </ul>
<b>Maximum Cash-Out</b>	<ul style="list-style-type: none"> <li>• No limit</li> <li>• Minimum 6 months ownership seasoning required for cash-out transactions</li> </ul>
<b>Establishing LTV/CLTV Cash-Out Refinance</b>	<ul style="list-style-type: none"> <li>• 12 months ownership seasoning to use appraised value to determine LTV/CLTV</li> <li>• If the ownership seasoning is less than 12 months, the lower of the purchase price or the appraised value will be used to determine LTV/CLTV. The purchase price must be documented.</li> </ul>
<b>Appraisal Requirements</b>	<ul style="list-style-type: none"> <li>• 1 Full Appraisal if Combined Loan Amount &lt;= \$1,500,000</li> <li>• 2 Full Appraisals if Combined Loan Amount &gt; 1,500,000</li> <li>• Condominiums require HOA Certification Form</li> </ul>
<b>Third Party Review</b>	<p>Collateral Desktop Analysis (CDA) required</p> <ul style="list-style-type: none"> <li>• If the CDA returns a value that is &lt;= 10% of the Appraised Value or the purchase price, the lower of the Appraised Value or purchase price can be used to establish the LTV/CLTV.</li> <li>• If the CDA returns a value that is "Indeterminate" or &gt; 10% of the Appraised Value, a Clear Capital Broker Price Opinion (BPO) or Clear Capital Value Reconciliation of Three Reports must be ordered. The reconciled value determined by Clear Capital will be used to determine LTV/CLTV.</li> <li>• If the Clear Capital CDA returns a value that is greater than the Appraised Value, the Appraised Value will be used to determine LTV/CLTV.</li> </ul> <p>Notes:</p> <ul style="list-style-type: none"> <li>a. Full Appraisal refers to a Uniform Residential Appraisal Report (URAR). This includes forms FNMA 1004 or FHLMC 70</li> <li>b. The CDA will be completed on the LOWER of the two appraisals, when 2 appraisals are required.</li> </ul>

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	c. The “Appraised Value” is the value determined from the original appraisal(s).
<b>First Time Homebuyer</b>	<ul style="list-style-type: none"> <li>• Primary residence only.             <ul style="list-style-type: none"> <li>a. Single Family</li> <li>b. PUD</li> <li>c. Warrantable Condominiums</li> <li>d. Non-Warrantable Condominiums – NOT ALLOWED</li> </ul> </li> <li>• 9 Months PITIA reserves required.</li> </ul>

<b>SL1 Specific Program Parameters</b>	
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>• Fannie Mae DU (DU) required</li> <li>• Freddie Mac LP (LP) not allowed</li> <li>• Manual underwrite not allowed</li> <li>• For underwriting guidelines not addressed, refer to the Fannie Mae Seller Guide currently in effect as of the loan application date</li> </ul>
<b>Full Income Documentation</b>	<ul style="list-style-type: none"> <li>• Income documented per DU Findings</li> </ul>
<b>Reserves</b>	<ul style="list-style-type: none"> <li>• Per Fannie Mae DU Findings</li> </ul>
<b>Cash out Refinances – Ownership Seasoning</b>	<ul style="list-style-type: none"> <li>• Minimum six months ownership seasoning required for cash-out refinance transactions</li> </ul>
<b>Maximum Cash Out</b>	No Limit
<b>Qualifying Payment</b>	<p><b>Fixed Rate Full Amortization:</b> Qualify using the fully amortized fixed payment.</p> <p><b>ARM Full Amortization:</b> For ARMs with an initial fixed-rate period of five years or less, qualify at the greater of the note rate plus 2% or the fully indexed rate. For ARMs with an initial fixed-rate period of greater than five years, qualify at the greater of the note rate or the fully indexed rate.</p> <p><b>Interest Only Full Amortization:</b> Borrowers qualify at the note rate based on fully amortizing Principal and Interest payment during the principal repayment period. Borrowers will not qualify on the Interest Only payment amount. 30-year Interest Only – Fully amortizing mortgage loan that pays Interest Only during the first 10 years and amortizes down over the remaining 20 years.</p>

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	<p>40-years Interest Only – Fully amortizing mortgage loan that pays Interest Only during the first 10 years and amortizes down over the remaining 30 years.</p> <p><b>ARM Interest Only Full Amortization:</b> Borrowers qualify at the higher of the fully indexed rate or the initial note rate using the fully amortizing Principal and Interest payment during the principal repayment period. Borrowers will not be qualified on the Interest Only payment amount</p>
<b>Maximum DTI</b>	45%
<b>Fannie Mae DU AUS Requirements</b>	<ul style="list-style-type: none"> <li>• Approve/Eligible</li> <li>• Approve/Ineligible (for loan structure such as LTV limits, loan purpose, and loan amount. It cannot be ineligible for a credit event.)</li> <li>• 30-year Interest Only program should be run as a 20-year fixed loan</li> <li>• 40-year Interest Only program should be run as a 30-year fixed loan</li> <li>• 5/1 ARM 30-Year Interest Only program should be run as a 20-year fixed loan</li> <li>• 5/1 ARM 40-Year Interest Only program should be run as a 30-year fixed loan</li> <li>• 7/1 ARM 30-Year Interest Only program should be run as a 20-year fixed loan</li> <li>• 7/1 ARM 40-Year Interest Only program should be run as a 30-year fixed loan</li> <li>• 10/1 ARM 30-Year Interest Only program should be run as a 20-year fixed loan</li> <li>• 10/1 ARM 40-Year Interest Only program should be run as a 30-year fixed loan</li> <li>• Fannie Mae DU Findings Report used by the Seller for their underwriting decision must be included in the file submission             <ul style="list-style-type: none"> <li>▪ Fannie Mae DU Findings Report must match the loan characteristics and be within allowable Fannie Mae tolerance at the time of submission and at the time of loan closing.</li> </ul> </li> </ul>
<b>Agency Program Restrictions</b>	<ul style="list-style-type: none"> <li>• Seller-negotiated criteria/variances with Fannie Mae are not eligible</li> <li>• Fannie Mae unique eligibility and underwriting consideration programs are not allowed, including but not limited to: HomeStyle, HARP, DU Refi Plus, and Home Ready</li> </ul>
<b>Agency Extenuating Circumstances</b>	Extenuating Circumstance guidelines for derogatory credit and flexibility are not eligible (i.e., cannot instruct DU to disregard information on credit report to receive an Approve/Eligible)

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