

<b>Primary Residence – Owner Occupied</b>			
<b>Transaction</b>	<b>FICO</b>	<b>Number of Units</b>	<b>Maximum LTV/CLTV</b>
Purchase, Rate / Term	620	1 – Units	95%
		2 – Units	85
		3 – 4 Units	80
Cash-Out Refinance	620	1 - Unit	80
		2-4 Units	75
<b>Second Home</b>			
<b>Transaction</b>	<b>FICO</b>	<b>Number of Units</b>	<b>Maximum LTV/CLTV</b>
Purchase, Rate / Term	620	1 – Unit	90
Cash-Out Refinance	620	1 – Unit	75
<b>Investment Property – Non-Owner Occupied</b>			
<b>Transaction</b>	<b>FICO</b>	<b>Number of Units</b>	<b>Maximum LTV/CLTV</b>
Purchase, Rate / Term	620	1 – Unit	80
		2 - 4 Units	75
Cash-Out Refinance	620	1 – Unit	75
		2 - 4 Units	70

<b>WesLend Agency Conforming LP Product Codes:</b>			
15 Year Fixed LP	1301-01	15 Year LP LPMI	1320-01
20 Year Fixed LP	1201-01	20 Year LP LPMI	1220-01
25 Year Fixed LP	1101-01	25 Year LP LPMI	1120-01
30 Year Fixed LP	1001-01	30 Year LP LPMI	1020-01
<b>WesLend Agency Conforming LP Super Conforming Product Codes:</b>			
15 Year Fixed Super Conforming	1353-01	15 Year Fixed Super Conforming LPMI	1354-01
30 Year Fixed Super Conforming	1053-01	30 Year Fixed Super Conforming LPMI	1054-01

## Highlights

<b>Topic</b>	<b>Highlights</b>
<b>1031 Exchange</b>	Allowed for investment property purchase transactions only.
<b>4506 Transcripts</b>	Transcripts are required per income documentation type in the loan file.
<b>Appraisal</b>	<p>Automated Collateral Evaluation (ACE):</p> <ul style="list-style-type: none"> <li>• Appraisers listed on Freddie Mac’s exclusionary list are not eligible.</li> <li>• <b>The ACE option may not be exercised if an appraisal has already been obtained.</b></li> <li>• Eligible transactions for ACE: <ul style="list-style-type: none"> <li>▪ The mortgage must be secured by a one-unit primary residence or second home.</li> <li>▪ The mortgage must have a LTV/TLTV ratio less than or equal to 80%.</li> <li>▪ The mortgage must be a purchase transaction or a no cash-out refinance.</li> <li>▪ LPA findings must be “Appraisal/Type MAF – NO APPRAISAL MAF”.</li> </ul> </li> <li>• Ineligible transactions for ACE: <ul style="list-style-type: none"> <li>▪ Mortgages secured by a condominium unit.</li> <li>▪ Mortgages secured by a subject property with resale restrictions.</li> <li>▪ Open Access transaction.</li> <li>▪ Non arms-length transactions</li> <li>▪ Purchases of REO properties as identified in the sales contract.</li> <li>▪ Mortgages with an estimate of value or a purchase price greater than \$1,000,000.</li> <li>▪ When it is required by law or regulation to obtain an appraisal.</li> <li>▪ Properties located in an area recently impacted by a disaster.</li> </ul> </li> </ul>

Mortgage Professional Use ONLY. Not for Consumer distribution. Guideline subject to change without notice. Items not covered will default to appropriate agency guidelines subject to Credit Risk Review.

	<ul style="list-style-type: none"> <li>▪ Properties with a contaminated site or where a hazardous substance exists affecting the property or the neighborhood where the property is located.</li> <li>▪ Properties with adverse physical property conditions that are apparent based on the review of the sales contract, property inspections, disclosures from the borrower, etc.</li> <li>• Appraisal updates must be reported only on <i>Form 442, Appraisal Update and/or Completion Report</i>.</li> </ul>
<p><b>ARMS</b></p>	<p>Not Allowed</p>
<p><b>AUS</b></p>	<ul style="list-style-type: none"> <li>• Loan Product Advisor (LPA) Accept decision is required.</li> <li>• The requirements of the <i>Loan Prospector Documentation Matrix</i> must be met in addition to the LP findings requirements.</li> </ul>
<p><b>Borrower Eligibility</b></p>	<p>The following borrowers are eligible:</p> <ul style="list-style-type: none"> <li>• Maximum four borrowers per loan transaction.</li> <li>• All borrowers must be natural persons or an eligible <i>inter-vivos</i> living trust.             <ul style="list-style-type: none"> <li>▪ <b>Non-owner occupied transactions may not close in the name of a trust.</b></li> </ul> </li> <li>• All borrowers must have a valid social security number.             <ul style="list-style-type: none"> <li>▪ <b>For non-U.S. citizens a social security card may not be used as evidence of employment eligibility.</b></li> <li>▪ <b>ITINs are not allowed.</b></li> </ul> </li> <li>• U.S. citizens.</li> <li>• <b>Permanent Resident Aliens</b> must provide the following documentation:             <ul style="list-style-type: none"> <li>▪ Permanent Resident Alien card (“green card”); or</li> <li>▪ A passport with a USCIS I-551 stamp.</li> </ul> </li> <li>• <b>Non-Permanent Resident Aliens</b> must provide the following:             <ul style="list-style-type: none"> <li>▪ Employment Authorization Document (EAD card); or</li> <li>▪ An acceptable Visa:                 <ul style="list-style-type: none"> <li>○ E-1 Visa;</li> <li>○ G Series Visa: G-1, G-2, G-3, G-4, G-5;</li> <li>○ H-1 Visa;</li> <li>○ L-1 Visa; and</li> <li>○ TN Visa (NAFTA)</li> </ul> </li> </ul> </li> <li>• If authorization for non-permanent residency status will expire within three months, obtain confirmation from USCIS that the employer has re-filed a petition of extension. If there are no prior renewals the likelihood of renewal must be determined based on information from USCIS such as:             <ul style="list-style-type: none"> <li>▪ A valid passport;</li> <li>▪ A letter from the employer/sponsor; and</li> <li>▪ Form I-94 proving work authorization.</li> </ul> </li> <li>• Non-permanent residents must be employed in the United States if their income is used to qualify for the loan.</li> <li>• If a non-permanent resident alien is borrowing with a U.S. citizen the documentation requirements still apply and are not eliminated or reduced.</li> </ul> <p>The following borrowers are <b>ineligible</b>:</p> <ul style="list-style-type: none"> <li>• Borrowers with diplomatic immunity;</li> <li>• Foreign Politically Exposed persons;</li> <li>• Borrowers with Temporary Protected Status;</li> <li>• Borrowers with Deferred Enforced Departure; or</li> <li>• Borrowers with Humanitarian Parole.</li> </ul>

<b>Buy Downs</b>	Temporary buy downs are not allowed.
<b>Coastal Barrier Resources Systems</b>	Flood insurance is required whether or not the subject property is located in a Special Flood Hazard Area (SFHA). Properties located in an SFHA where the community is not participating in the National Flood Insurance Program (NFIP) are not eligible.
<b>Collateral UAD Compliance Findings</b>	<ul style="list-style-type: none"> <li>• Properties with UCDP Quality or Risk Scores of 3 to 5 and 99 require an AVM to support value.</li> <li>• Properties where UCDP indicates the appraisal is not eligible for rep and warrant relief also require an AVM to support value regardless of the Quality or Risk Score.</li> <li>• Properties with UCDP Quality or Risk Scores of 4 and 5 must be reviewed by underwriting management.</li> </ul>
<b>Condominiums</b>	<ul style="list-style-type: none"> <li>• Condominium projects must meet Freddie Mac condominium guidelines.</li> <li>• The following condo projects and condo types are <b>ineligible</b>: <ul style="list-style-type: none"> <li>▪ Hawaiian projects that are subject to ground leases;</li> <li>▪ Freddie Mac ineligible projects;</li> <li>▪ Continuing care retirement communities;</li> <li>▪ Manufactured home projects;</li> <li>▪ Multi-dwelling unit condos;</li> <li>▪ New condo projects where seller concessions are not disclosed on the Settlement Statement;</li> <li>▪ Condo Hotels, <b>including projects with the following characteristics regardless of what is reflected in the CCRs</b>: <ul style="list-style-type: none"> <li>○ Projects that are operated and managed as a hotel or similar type of transient property even when the units are individually owned;</li> <li>○ Projects that include hotel type services and characteristics such as registration services, rentals of units on a daily basis, daily cleaning services, central telephone service, central key systems, and restrictions on decorating.</li> <li>○ Projects with mandatory or <b>voluntary rental pooling</b>; revenue sharing agreements or similar agreements that restrict the unit owner’s ability to occupy the unit; and</li> <li>○ Projects with names that include the words “hotel”, “motel”, “inn”, “lodge”, or a branded hotel chain or name unless the project does not have the characteristics of a hotel or similar type of transient housing.</li> </ul> </li> </ul> </li> </ul>
<b>Construction to Perm</b>	Not Allowed
<b>Credit Score</b>	620 minimum
<b>Deed Restrictions</b>	Age related only. All other deed restrictions are ineligible.
<b>Frozen Credit</b>	Loans where credit is frozen are ineligible
<b>Future Income</b>	The borrower(s) must begin employment before the loan is closed. Income documentation per LPA findings must be provided.
<b>Ineligible Programs</b>	<ul style="list-style-type: none"> <li>• A-Minus and Caution Mortgages</li> <li>• Affordable Merit Rate Mortgages</li> <li>• Converted or Modified Mortgages</li> <li>• Hardest Hit Funds Mortgage</li> <li>• Incomplete Improvement Loans</li> <li>• New Energy Conservation Improvement Loans</li> <li>• Properties with PACE or PACE-Like Obligations or Assessment</li> <li>• Renovation Mortgages</li> <li>• Temporary Buy Downs</li> </ul>

Mortgage Professional Use ONLY. Not for Consumer distribution. Guideline subject to change without notice. Items not covered will default to appropriate agency guidelines subject to Credit Risk Review.

<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>• Assisted Living Facilities</li> <li>• Bed and Breakfast Establishments</li> <li>• Board and Care Facilities</li> <li>• Boarding houses</li> <li>• Condo Hotels</li> <li>• Co-ops</li> <li>• Dome or Log Homes</li> <li>• Hawaiian Properties Located in Lava Zones 1 and 2</li> <li>• Houseboats</li> <li>• Indian Leased Land</li> <li>• Indian Tribal Trust Land</li> <li>• Leaseholds</li> <li>• Legal Non-Conforming Properties where zoning regulations prohibit re-building</li> <li>• Manufactured Homes</li> <li>• Mobile Homes</li> <li>• Properties Located Outside the 50 United States and District of Columbia</li> <li>• Properties with C5, C6, or Q6 Ratings</li> <li>• Properties that are not readily accessible by roads that meet local standards</li> <li>• Properties that are not suitable for year-round occupancy regardless of location</li> <li>• Timeshares</li> <li>• Working Farms or Ranches</li> </ul>
<b>Leasehold</b>	Not allowed
<b>Manual Underwriting</b>	Not allowed
<b>Manufactured Home</b>	Not allowed
<b>Marijuana Related Business</b>	Income from a marijuana related business is not allowed.
<b>Maximum Financed Properties</b>	Each borrower individually and all borrowers collectively must not be obligated on more than six one-to-four unit financed properties including the subject property and the borrower's primary residence.
<b>Mortgage Insurance</b>	LPMI not allowed on Super Conforming
<b>Multiple Financed Properties</b>	<ul style="list-style-type: none"> <li>• Each borrower individually and all borrowers collectively must not be obligated on more than <del>ten</del>1-4 unit financed properties including the subject property and the borrower's primary residence.</li> <li>• Reserves required are determined by the following: <ul style="list-style-type: none"> <li>▪ <b>1-6</b> financed properties including the subject property and the borrower's primary residence - <b>2</b> months of the monthly payment amount on each additional second home and/or 1-4 unit investment property that is financed on which the borrower is obligated.</li> <li>• <b>7-10</b> financed properties including the subject property and the borrower's primary residence - <b>8</b> months of the monthly payment amount on each additional second home and/or 1-4 unit investment property that is financed on which the borrower is obligated</li> </ul> </li> </ul>
<b>Power-of-Attorney</b>	<p><b>The Power of Attorney (POA) may only be used for closing documents and must comply with the following:</b></p> <p><b>Ineligible Transaction Types:</b> Powers of Attorney are not permitted with the following transaction types:</p> <ul style="list-style-type: none"> <li>• Cash-Out Refinances</li> <li>• Non-Owner-Occupied Transactions</li> <li>• Title Taken as a Trust</li> <li>• Identity of Interest or Non-Arm's Length Transactions</li> </ul>

Mortgage Professional Use ONLY. Not for Consumer distribution. Guideline subject to change without notice. Items not covered will default to appropriate agency guidelines subject to Credit Risk Review.

	<ul style="list-style-type: none"> <li>• Non-Occupant Co-Borrowers may not use a POA.</li> </ul> <p><b>Requirements:</b></p> <ul style="list-style-type: none"> <li>• <b>At least one borrower must be present at closing, unless a face-to-face interview has been conducted with all applicants.</b></li> <li>• A separate, executed POA must exist for each borrower not present at closing and the Attorney-in-Fact must execute all closing documents at Settlement.</li> <li>• The POA must be Specific, Special, Limited or Military.</li> <li>• The POA must specifically identify the subject property address.</li> <li>• The POA must clearly reflect that the borrower is appointing an Attorney-in-Fact.</li> <li>• General Powers-of-Attorney are not acceptable.</li> <li>• The Attorney-in-Fact may not be:             <ul style="list-style-type: none"> <li>▪ The lender, affiliate of the lender, employee of the lender or lender’s affiliate, originator, title company, closing agent, property seller, appraiser, realtor, a party to the transaction, a party with a direct or indirect financial interest in the transaction, or any other party deemed ineligible by Freddie Mac.</li> </ul> </li> <li>• The borrower’s name(s) on the POA must match the name(s) on the Note, security instrument and other documents.</li> <li>• The POA must be signed and dated by the borrower such that it was valid at the time the Note or security instrument was executed.</li> <li>• A notarized signature of the grantor is required. If executed outside the U.S., it must be notarized at a U.S. Embassy or a U.S. military installation.</li> <li>• The POA must bear the Recorder’s stamp, if previously recorded.</li> <li>• The POA must be a durable Power-of-Attorney in full force and effect on the closing date, must survive subsequent disability, and must be revocable only in writing or alternatively gives a specific expiration date which survives the closing date.</li> <li>• The initial 1003 Loan Application must be signed by the borrower, and not the Attorney-in-Fact except:             <ul style="list-style-type: none"> <li>▪ When the borrower is on military service with the U.S. armed forces servicing outside the U.S. or deployed aboard a U.S. vessel, as long as the POA:                 <ul style="list-style-type: none"> <li>○ Expressly states an intention to secure a mortgage loan on the subject property; or</li> <li>○ Complies with the requirements in the VA Lender’s Handbook for POA.</li> </ul> </li> </ul> </li> <li>• The title company must insure that the lender or assignee is in first lien position without exception to the POA.</li> <li>• The original POA must be recorded with the security instrument and a certified copy delivered with the Note subject to the following:             <ul style="list-style-type: none"> <li>▪ A duplicate or conformed copy of the Power-of-Attorney is acceptable, together with a certificate of receipt from the recording office, certifying that such copy represents a true and complete copy of the original and that such original has been or is currently submitted to be recorded; or</li> </ul> </li> </ul> <p>If the original Power-of-Attorney or other such instrument has been delivered for recording in the appropriate public recording office of the jurisdiction where the subject property is located, the original must follow as a final document.</p>
<b>Repair Escrow</b>	Not allowed. All work must be completed prior to loan closing.
<b>Restructured</b>	Not allowed.

<b>Loans/Short Payoffs</b>	
<b>Tax Returns</b>	Verify payment of taxes owed for the most recent tax return in the file, as applicable.
<b>Temporary Buy Downs</b>	Not Allowed
<b>Texas 50(a)(6)</b>	<ul style="list-style-type: none"> <li>• <i>First liens only</i></li> <li>• <i>Fixed rate only – ARMs are ineligible</i></li> <li>• <i>Inter-vivos trusts are not allowed.</i></li> <li>• <i>Powers of Attorney are not allowed.</i></li> </ul> <p>Refer to the guidelines below for additional details</p>
<b>Texas 50(f)(2) Refinance</b>	<p>An existing Texas Section 50(a)(6) loan, either first or second mortgage, may be refinanced as a Texas Non-Home Equity Section 50(a)(4) loan secured by a lien against the homestead. The following requirements must be met:</p> <ul style="list-style-type: none"> <li>• A new full appraisal is obtained.</li> <li>• The transaction cannot exceed 80% LTV/CLTV of the fair market value of the subject property.</li> <li>• The refinance loan is closed at least 12 months after the date the 50(a)(6) Home Equity loan was closed.</li> <li>• Cash back is not allowed (\$0.00)</li> </ul> <p>A 12-Day Notice (f)(2) Disclosure must be provided to the borrower detailing his/her rights associated with an equity or non-equity loan.</p> <ul style="list-style-type: none"> <li>• The (f)(2) Disclosure must be delivered or placed in the mail no later than three business days after the owners subject an application specifically for an (f)(2) loan; and</li> <li>• Must be provided to the property owner at least 12 days prior to loan closing.</li> </ul> <p>The loan file must contain a separate affidavit signed by the owner acknowledging that the requirements of the Texas Constitution Section 50(f)(2) have been met.</p>
<b>Verification of Employment Only/Verification of Deposit/Verification of Mortgage/Rent</b>	<ul style="list-style-type: none"> <li>• The use of a Verification of Employment (VOE) and/or a Verification of Deposit (VOD) only is not allowed. <ul style="list-style-type: none"> <li>▪ At a minimum paystubs and bank statements are required.</li> </ul> </li> <li>• When the borrower’s current mortgagee or landlord is a private party, the use of a Verification of Mortgage (VOM) or Verification of Rent (VOR) only is not allowed. <ul style="list-style-type: none"> <li>▪ Copies of the borrower’s most recent, consecutive 12 months cancelled checks will be required.</li> </ul> </li> </ul>