



Conforming Loans

AMERICA HOMEKEY

(877)AHK-LOCK

<http://americahomekey.com>

Fixed Rate, Fixed Period ARMs, and Standard ARMs

Finance Type	Purchase and Rate/Term Refinances						Cash Out Refinances					
Occupancy	Owner-Occupied		Second Home		Investment Property		Owner-Occupied		Second Home		Investment Property	
Maximum LTV/CLTV ¹	Standard	Interest Only	Standard	Interest Only	Standard	Interest Only	Standard	Interest Only	Standard	Interest Only	Standard	Interest Only
1-Unit Properties	95/95%	95/95%	95/95%	95/95%	80/90%	80/90%	90/90%	90/90%	90/90%	90/90%	80/85%	70/70%
2-Unit Properties	95/95%	90/90%	N/A	N/A	80/90%	80/90%	90/90%	90/90%	N/A	N/A	80/85%	70/70%
3-4 Unit Properties	80/80% ²	80/80% ²			75/75%	N/A	75/75%	75/75%			80/85%	N/A
Eligible Property Types	Attached and Detached SFRs and PUDs, Low-/High-Rise Condos, Cooperatives*, 2-4 Units, and Factory-Built Housing (modular, panelized and prefabricated). *Cooperatives are subject to additional underwriting and LTV requirements.											
Underwriting Method	Loans must be underwritten through DU or LP and receive an AUS approval. Minimum credit scores are 580 (Retail) and 620 (Wholesale). Loans that receive an acceptable Expanded Approval™ or A minus recommendation may be eligible for purchase; however, those loans must be priced and committed under the appropriate program. Refer to the Guide Fannie Mae Expanded Approval for additional details.											
Additional Restrictions	¹ Loan Prospector® Loans: Loans with secondary financing submitted to LP must reduce LTV by 5%. For example, maximum 90% LTV allowed with maximum 95% CLTV. ² Eligible only with an executed Occupancy Declaration.											



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Underwriting Addendum

Loan Program Names and Terms

Fixed Rate Programs	Loan Terms	ARM Programs	Loan Terms	ARM Programs with Interest Only	Loan Terms
Conf 10	10	Conf ARM 6m LIB (Plan 12)	30	Conf ARM 3/1 w/10y IO - 1y LIB	30
Conf 15	15	Conf ARM 3/1 - 1y LIB	30, 40	Conf ARM 5/1 w/2-2-6 Caps w/10y IO - 1y LIB	30
Conf 20	20	Conf ARM 5/1 w/2-2-6 Caps - 1y LIB	30, 40	Conf ARM 5/1 w/5/2/5 Caps w/10y IO - 1y LIB	30
Conf 30	25, 30, 40	Conf ARM 5/1 w/5-2-5 Caps - 1y LIB	30, 40	Conf ARM 7/1 w/10y IO - 1y LIB	30
Conf 30 Interest Only (10/20)	30, 40	Conf ARM 7/1 - 1y LIB	30, 40	Conf ARM 10/1 IO - 1y LIB	30
Conf 30 Interest Only (15/15)	30, 40	Conf ARM 10/1 - 1y LIB	30, 40		

Borrower Qualification	<p>Fixed Rate & Fixed Period ARM ¹: Borrower is qualified at the Note rate. Standard ARM: Qualify at the greater of the Note rate or the fully indexed rate.</p> <p>*Interest-Only Loans: Qualification is based on the higher of the Note rate or the fully indexed and fully amortized rate.</p> <p>¹ 3/1 ARMs: Qualify at the greater of the Note rate or fully indexed rate.</p>	Qualifying Ratios	<p>Maximum qualifying ratios: Determined by the AUS. AUS approval by DU or LP required.</p>
		Credit	<p>Minimum credit score(s) will be determined by the AUS. The minimum credit score(s) will never be lower than 580 (Retail), 620 (Wholesale) Credit requirements will be determined by the AUS</p>
Down Payment, Reserves & Source of Funds	<p>Percentage of Borrower's Funds: Owner-Occupied and Second Homes: Minimum 5% down payment must be from the borrower's own funds. If the LTV/CLTV is less than or equal to 80%, the entire down payment may be a gift.</p> <p>Investments: Minimum down payment of 30%, of which at least 20% must come from the Borrower's own funds</p> <p>Reserves: Generally the following are required, but reserves are determined by the AUS</p> <p>Owner Occupied and second Homes: 2 months PITI Investment: 6 months PITI</p> <p>Refer to the Guide for details.</p>	Interested Party Contributions	<p>General Credit Guidelines 0 x 60 mortgage lates in the previous 12 months Chapter 7 Bankruptcy: 60 months since discharge Chapter 13 Bankruptcy: 36 months since discharge Foreclosure, Notice of Default, etc: 60 months since discharge</p> <p>Owner Occupied and Second Home: LTV/CLTV: > 90%: 3% < 90% and > 75%: 6% < 75%: 9% Investment Property: All LTV/CLTVs: 2%</p> <p>Cash or items of value, such as giveaways, passed to the buyer by the seller to encourage the buyer to purchase the property and excessive interested party contributions are considered sales concessions. If there is a sales concession present, the LTV/CLTV is calculated using the lower of the reduced sales price (after the reduction for all sales concessions, including excess financing contributions) or the appraised value.</p>
		Mortgage Insurance Requirements	<p>MI Coverage*: 25, 30 & 40-year: 90.01-95%: 30% 85.01-90%: 25% 80.01-85%: 12% 10, 15 & 20-year: 90.01-95%: 25% 85.01-90%: 12% 80.01-85%: 6% *Reduced MI coverage may be eligible as indicated on the AUS certificate *MI Company restrictions must be met in addition to AmericaHomeKey's guidelines. *FSPMI allowed but may not be available for all program options.</p>
Maximum Number of Financed Properties	<p>If the subject property is a primary residence, there is no limit to the maximum number of financed properties. If the subject property is a second home or investment property, the borrower(s) can have no more than four properties financed including the subject property.</p> <p>The maximum number of America HomeKey first lien mortgages permitted to one borrower is four.</p>		
Eligible Borrowers	<p>U.S. Citizens, Permanent and Non-Permanent Resident Aliens are allowed with a valid Social Security number. Inter Vivos Revocable Trusts and Non-Occupant Co-Borrowers are allowed with restrictions, refer to the Guide for individual program limitations. Non-Resident aliens are not allowed.</p>		

As a reminder, manual underwriting is not allowed. DU/LP processing with verbal employment verifications are not allowed without an executed 4506T (to be filed by AmericaHomeKey prior to closing).