

First Mortgage Program Matrix

Program	Conventional	Conventional No MI	FHA	VA	RHS
	Conventional Financing		Government Financing		
First-time Homebuyer	<ul style="list-style-type: none"> Not required, or Required if originated with DPA Grant, Plus Second Mortgage, or MCC^{1,2} 		Required ^{1,2}		
Homebuyer Education	<ul style="list-style-type: none"> Required for at least one of all first-time homebuyers, or Required for all first-time homebuyers if originated with DPA Grant, Plus Second Mortgage, or MCC 		Required for all first-time homebuyers		
Maximum Eligibility/ Household Income	<ul style="list-style-type: none"> Standard limits, or Lower limits with DPA Grant When all borrower qualifying income exceeds Fannie Mae/Freddie Mac 80% AMI Limits LLPAs apply⁸ 	<ul style="list-style-type: none"> Standard limits⁶, or Lower limits with DPA Grant⁶ 	<ul style="list-style-type: none"> Standard limits, or Lower limits with CCA Grant 		
Eligibility/Household Income Calculation	<ul style="list-style-type: none"> Borrower(s) eligible qualifying income only, or All Income of borrower(s) if originated with Plus Second Mortgage or MCC, or All Income of all household members if originated with DPA Grant 		<ul style="list-style-type: none"> All Income of borrower(s), or All income of all household members if originated with DPA Grant 	<ul style="list-style-type: none"> All income of borrower(s), or All income of all Household Members if originated with CCA Grant 	
Loan Purpose	<ul style="list-style-type: none"> Purchase Limited Cash-Out Refi (No DPA Grant, Plus Second Mortgage, or MCC allowed) 		Purchase ³		Purchase
Tax Transcripts (W2 Transcripts, 1099 Transcripts, etc.)	Tax Transcripts required ⁷ (in addition to executed 4506-C) <ul style="list-style-type: none"> Type of transcript is dependent on qualifying income Number of years required varies based on number of years' documentation required by AUS 		Not required		Not required (RHS may have its own different tax transcript requirements; See RHS Handbook for more info)
Loan Programs Disclosure/Borrower Affidavit (Ex E)	<ul style="list-style-type: none"> Pages 1 – 2 required for all purchases, or Pages 1 – 4 required if used with DPA Grant, Plus Second Mortgage, or MCC⁴ 		Pages 1 – 4 required ⁴		
Seller Affidavit (Ex F)	<ul style="list-style-type: none"> Not required, or Required if originated with DPA Grant, Plus Second Mortgage, or MCC 		Required		
Recapture	No (Unless originated with MCC)				



First Mortgage Program Matrix

Program	Conventional	Conventional No MI	FHA	VA	RHS
	Conventional Financing		Government Financing		
Lenders Submission Cover Letter (Ex O)	<ul style="list-style-type: none"> Not required, or Required if originated with DPA Grant, Plus Second Mortgage, or MCC 		Required		
Minimum LTV	<ul style="list-style-type: none"> None, or 90.00% if originated with DPA Grant or Plus Second Mortgage 	<ul style="list-style-type: none"> 80.01%, or 90.00% if originated with DPA Grant or Plus Second Mortgage 	<ul style="list-style-type: none"> None, or 90.00% if originated with DPA Grant or Plus Second Mortgage 	<ul style="list-style-type: none"> None, or 90.00% if & originated with CCA Grant 	
Maximum LTV	97% based on lower of sales price / appraised value		96.5% based on lower of sales price / appraised value	100% based on lower of sales price / appraised value + financed funding fee	100% based on appraised value + financed guarantee fee
Other Non-Virginia Housing DPA/Sub Financing	<ul style="list-style-type: none"> Allowed Max 105% CLTV; Community/Affordable Seconds only 	<ul style="list-style-type: none"> Allowed Max 105% CLTV; Community Seconds only 	<ul style="list-style-type: none"> Allowed Follow FHA requirements for max CLTV 	<ul style="list-style-type: none"> Allowed Follow VA requirements for max CLTV 	<ul style="list-style-type: none"> Allowed Follow RHS requirements for max CLTV
Minimum Credit Score⁴	<ul style="list-style-type: none"> 640⁴, or 680 required for <u>all</u> borrowers if originated with Plus Second Mortgage that is > 3% LTV 	<ul style="list-style-type: none"> 660⁴, or 680 required for <u>all</u> borrowers if originated with Plus Second Mortgage that is > 3% LTV 	<ul style="list-style-type: none"> 620⁴, or 680 required for <u>all</u> borrowers if originated with Plus Second Mortgage that is > 3.5% LTV 	620 ⁴	
Maximum DTI	45% with AUS approval				
Maximum Net Worth	<ul style="list-style-type: none"> No requirement, or If originated with DPA Grant, Plus Second Mortgage, or MCC: Can't exceed 50% of the sales price 		Can't exceed 50% of the sales price		
Mortgage Insurance Required?	Reduced Charter MI Coverage for LTVs > 80% ³	Not required up to max 97% LTV	Yes, follow <i>FHA</i> requirements for <i>UFMIP / Annual MIP</i>	Yes, follow <i>VA</i> requirements for <i>Funding Fee</i>	Yes, follow <i>RHS</i> requirements <i>Guarantee Fee / Annual Fee</i>
AUS	<ul style="list-style-type: none"> DU⁵, or LPA⁵ 	DU ^{5,6}	<ul style="list-style-type: none"> DU, or LPA 		GUS
Manual Underwrite Allowed?	No, AUS Approve / Accept / Eligible Only ⁵	No, AUS Approve / Ineligible Only ^{5,6}	Yes, must meet <i>FHA</i> manual underwrite approval requirements	Yes, must meet <i>VA</i> manual underwrite approval requirements	Yes, must meet <i>RHS</i> manual underwrite approval requirements



First Mortgage Program Matrix

Program	Conventional	Conventional No MI	FHA	VA	RHS
	Conventional Financing		Government Financing		
Prior Foreclosure/ Deed-in-Lieu/ Short Sale	<ul style="list-style-type: none"> If originated with DPA Grant or Plus Second Mortgage: Event no less than 5 years old If originated without DPA Grant or Plus Second Mortgage: Event no less than 3 years old (or <i>agency</i> requirements if more restrictive) No significant derogatory credit since the event No lates/collections last 3 years 	<ul style="list-style-type: none"> If originated with DPA Grant or Plus Second Mortgage: Event no less than 5 years old If originated without DPA Grant or Plus Second Mortgage: Event no less than 3 years old (or <i>FHA</i> requirements if more restrictive) No significant derogatory credit since the event No lates/collections last 3 years 	<ul style="list-style-type: none"> If originated with CCA Grant: Event no less than 5 years old If originated without CCA Grant: Event no less than 3 years old (or <i>VA</i> requirements if more restrictive) No significant derogatory credit since the event No lates/collections last 3 years 	<ul style="list-style-type: none"> If originated with CCA Grant: Event no less than 5 years old If originated without CCA Grant: Event no less than 3 years old (or <i>RHS</i> requirements if more restrictive) No significant derogatory credit since the event No lates/collections last 3 years 	
Acreage Limitation	<ul style="list-style-type: none"> No acreage limitation - follow Fannie Mae requirements, or If originated with DPA Grant or Plus Second Mortgage and MCC: Maximum 2 acres; exceptions considered > 2 up to 5 acres If originated with DPA Grant or Plus Second Mortgage but <u>no MCC</u>: Exceptions considered for > 5 up to 10 acres) 		<ul style="list-style-type: none"> Maximum 2 acres, or Exceptions considered for > 2 up to 5 acres Exceptions considered > 5 up to 10 acres if <u>no MCC</u> 		
Manufactured Housing	Not allowed		Allowed, follow Origination Guide requirements, FHA requirements, & VA code	Allowed, follow Origination Guide requirements, VA requirements, & VA code	Allowed, follow Origination Guide requirements, RHS requirements, & VA code

¹ First-time homebuyer requirement applies to all borrowers. If the property is located in a Targeted Area then the first-time homebuyer requirement does not apply.

² First-time homebuyer evidenced by the fully executed Exhibit E, 1003, & credit report. If unable to confirm the borrower(s) is a first-time homebuyer from the Exhibit E, Form 1003, or credit report, additional documentation may be required, such as: a) Three years' federal tax returns / tax transcripts, b) Rent verification(s), c) Lender Data Integrity Report (Examples: Drive Report, FraudGuard, Loansafe).

³ FHA Streamline Refinance & VA Interest Rate Reduction Refinance programs also available but information not reflected on this matrix. Please refer to Program Guidelines.

⁴ See Program Guidelines for requirements when all borrowers do not have a credit score &/or one borrower with a credit score & one without a credit score. Note that Virginia Housing Conventional programs always requires at least 1 borrower have a credit score.

⁵ Conventional:
 (a) If using Fannie Mae's DU: Community Lending Program must be "HFA Preferred" for Conventional; "HFA Preferred Risk Sharing" for Conventional No MI.
 (b) If using Freddie Mac's LPA: Offering Identifier must be "HFA Advantage" for Conventional; Freddie Mac LPA not eligible for the Conventional No MI program.

⁶ If the first mortgage is a Conventional No MI: Fannie Mae's DU will render a decision of Approve/Ineligible. There are two acceptable DU ineligibility reasons: HFA Preferred Risk Share loans are no longer eligible and qualifying income exceeds [Fannie Mae's](#) 80% AMI limits. It is acceptable to proceed using the No MI program as long as these are the only reasons for the ineligibility. Freddie Mac & LPA not eligible for the Conventional No MI program.

⁷ Tax Transcripts:
 (a) If using Fannie Mae's DU: When **all** of the borrower's income is validated by the DU validation service, tax transcripts are not required. However, if there are any data discrepancies then additional documentation or information may be required. Originating Lenders are expected to perform due diligence on every loan.
 (b) If using Freddie Mac's LPA: If **all** of the borrower's income receives an income rep & warranty result of "Eligible" on the last Feedback Certificate, tax transcripts are not required. However, if there are any data discrepancies then additional documentation or information may be required. Originating Lenders are expected to perform due diligence on every loan.

⁸ When all borrower qualifying income exceeds [Fannie Mae/Freddie Mac](#) 80% AMI Limits LLPAs apply, including, but not limited to, an LLPA for Charter MI coverage (vs Standard MI coverage); there are LLPAs for other loan characteristics too such as LTV, credit score, property type (for a full list of LLPAs visit the webpages of [Fannie Mae/Freddie Mac](#)). The adverse market LLPA of 0.50% applies to Conventional refinances when all borrower qualifying income exceeds [Fannie Mae/Freddie Mac](#) 80% AMI Limits & the loan amount > \$125,000.

