

Fannie Mae / Freddie Mac Quick Reference Comparison		
Guideline	Fannie Mae	Freddie Mac
AUS Finding	"Approve/Eligible" required. Manual underwriting ineligible	"Accept" required. Manual underwriting ineligible
Minimum Credit Score	Per DU	Per LPA
Maximum Loan Amount	Per FHFA	Per FHFA
Financed Property	<ul style="list-style-type: none"> <li>Owner-Occupied: Unlimited</li> <li>2<sup>nd</sup> home/investment: Maximum 10</li> </ul>	<ul style="list-style-type: none"> <li>Owner-Occupied: Unlimited</li> <li>2<sup>nd</sup> home/investment: Maximum 6</li> </ul>
Condo Project Eligibility	Fannie Mae warrantable	Freddie Mac or Fannie Mae warrantable
Condo Conversions	Eligible. New or newly converted in FL require PERS approval.	No condo projects converted in the previous 3 years regardless of location
DPA	Eligible	Not eligible
Unpermitted Additions	The appraiser must comment on the quality and appearance of the work and any impact the addition might have on the market value of the subject property.	Eligible if: <ul style="list-style-type: none"> <li>The appraiser states work is completed in "workmanlike quality", and</li> <li>The addition does not change the number of units comprising the property and</li> <li>If the appraiser gives the addition value, must state typical for the area and has no reason to believe the addition would not pass an inspection for obtaining permits.</li> </ul>
Credit Report	<ul style="list-style-type: none"> <li>Broker credit report eligible for re-issue</li> <li>Credit report <b>must include trended credit data if the loan is submitted under DU 10.0</b></li> </ul>	<ul style="list-style-type: none"> <li>Broker credit report eligible for re-issue if from a HomeBridge <b>approved</b> FHLMC credit vendor. For a list of approved vendors, refer to the full <a href="#">FHLMC product guideline</a>.</li> <li>Broker credit reports from an <b>unapproved</b> HomeBridge FHLMC credit vendor will require HomeBridge to re-pull credit.</li> </ul>
Maximum DTI	Per DU	Per LPA
Non-Occupant Borrower	<ul style="list-style-type: none"> <li>Income may be used in the debt ratio calculation</li> <li>Maximum 95% LTV</li> </ul>	Income may be used in debt ratio calculation
Gift Funds	5% borrower own funds when LTV/CLTV is > 80% <b>and</b> the transaction involves a second home <b>or</b> 2-4 unit	5% borrower own funds when LTV/CLTV is > 80% <b>and</b> the transaction involves a second home

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<b>Bankruptcy 7 or 11</b> Refer to program guidelines for complete details	4 years from discharge to credit report date NOTE: Extenuating circumstances 2 years from discharge and lesser of 90% LTV or maximum allowed by program	Per LPA
<b>Bankruptcy 13</b> Refer to program guidelines for complete details	<ul style="list-style-type: none"> <li>2 years from discharge date to credit report date, or</li> <li>4 years from dismissal date to credit report date</li> </ul>	Per LPA
<b>Foreclosure</b> Refer to program guidelines for complete details	<ul style="list-style-type: none"> <li>7 years from completion date to credit report date, or</li> <li>3 years with extenuating circumstances. Max lesser of 90% LTV or program max, primary residence</li> </ul>	Per LPA
<b>Deed-in-Lieu</b> Refer to program guidelines for complete details	<ul style="list-style-type: none"> <li>4 years from event end date to disbursement date of new loan</li> <li>2 years with acceptable extenuating circumstances</li> </ul>	Per LPA
<b>Short Sale</b>	<ul style="list-style-type: none"> <li>4 years from event end date to disbursement date of new loan</li> <li>2 years with acceptable extenuating circumstances</li> </ul>	Per LPA
<b>Self-Employed Borrower – Income Documentation</b>	<ul style="list-style-type: none"> <li>1 year signed federal tax returns/all schedules if allowed by DU. Tax returns must reflect a minimum of 12 months self-employment income.                Example: If 2020 tax returns used for qualification, documentation must be provided the borrower's business was in existence <b>on or before</b> 12/31/19 to meet the full 12 months self-employment requirement.</li> </ul>	<ul style="list-style-type: none"> <li>1 year signed federal tax returns/all schedules if allowed by LPA. Tax returns must reflect a minimum of 12 months self-employment income.                Example: If 2020 tax returns used for qualification, documentation must be provided the borrower's business was in existence <b>on or before</b> 12/31/19 to meet the full 12 months self-employment requirement.</li> </ul>
<b>Other Income Sources</b>	Generally two years required however allows exceptions per Fannie Mae guidelines	Two year consecutive history required on the following: <ul style="list-style-type: none"> <li>Commission and bonus income,</li> <li>Overtime,</li> <li>Foster care,</li> <li>Tip income,</li> <li>Automobile allowance,</li> <li>Dividend and interest income</li> </ul>
<b>Non-Traditional Credit – No Borrowers have a Credit Score</b>	<ul style="list-style-type: none"> <li>Requires DU "Approve/Eligible"</li> <li>Refer to the HomeBridge <a href="#">Fannie Mae Conforming &amp; High Balance</a> guidelines for requirements</li> </ul>	Not eligible

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Continuity of Obligation	Not required	Required as follows: <ul style="list-style-type: none"> <li>• At least one borrower on the new loan must have been on the loan being refinanced, or</li> <li>• At least one borrower on the new loan held title to and resided in the property as a primary residence for the most recent 12 months and documentation is provided that evidences, either:               <ul style="list-style-type: none"> <li>- Had made timely payments , including any secondary financing, for the most recent 12-months, or</li> <li>- Is related to a borrower on the loan being refinanced, or</li> </ul> </li> <li>• At least one borrower on the new loan recently inherited or was legally awarded the property.</li> </ul>