



Best Finance Capital, Inc.

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Fannie Mae Conforming Fixed Rate & ARM Program
 DU – Approve/Eligible

PURCHASE					RATE/TERM REFINANCE					CASH-OUT REFINANCE					
Occupancy	Units	FICO	Loan AMT	LTV/CLTV ¹	Occupancy	Units	FICO	Loan AMT	LTV/CLTV ¹	Occupancy	Units	FICO	Loan AMT	LTV/CLTV	
Per DU	Primary	1	\$647,200	97% ^{2,3,4}	Per DU	Primary	1	\$647,200	97% ^{2,3,4}	Per DU	Primary	1	\$647,200	80%	
				95% ²							95% ²				
	Primary	2	\$828,700	85% ²		Primary	2	\$828,700	85% ²		Primary	2		\$828,700	75%
	Primary	3	1,001,650	75%		Primary	3	1,001,650	75%		Primary	3		\$1,001,650	75%
	Primary	4	\$1,244,850	75%		Primary	4	\$1,244,850	75%		Primary	4		\$1,244,850	75%
	2nd Home	1	\$647,200	90% ³		2nd Home	1	\$647,200	90% ³		2nd Home	1		\$647,200	75% ³
	Investment ³	1	\$647,200	85%		Investment ³	1	\$647,200	75%		Investment ³	1		\$647,200	75%
	Investment	2	\$828,700	75%		Investment	2	\$828,700	75%		Investment	2		\$828,700	70%
	Investment	3	\$1,001,650	75%		Investment	3	1,001,650	75%		Investment	3		\$1,001,650	70%
	Investment	4	\$1,244,850	75%		Investment	4	\$1,244,850	75%		Investment	4		\$1,244,850	70%
Not Applicable					Texas 50(f) ⁶					Texas 50(a)(6) ⁵					
					Primary	1	Per DU	\$647,200	80%	Primary	1	Per DU	\$647,200	80%	
Manufactured Homes⁷															
Primary	1	Per DU	\$647,200	95%	Primary	1	Per DU	\$647,200	95%	Primary	1	Per DU	\$647,200	65%	
2 nd Home	1	Per DU	\$647,200	90%	2 nd Home	1	Per DU	\$647,200	90%	Not Applicable					
MH Advtange⁷															
Primary	1	Per DU	\$647,200	97%	Primary	1	Per DU	\$647,200	97%	Primary	1		\$647,200	65%	
2 nd Home	1		\$647,200	90%	2 nd Home	1		\$647,200	90%	Not Applicable					

Reference:

1. Seller must provide MI cert for accurate LTV and FICO combination for LTVs > 80%.
2. CLTV up to 105% eligible with Community Second meeting Fannie Mae requirements.
3. New/newly converted FL condo projects: PERS approval required; Established FL projects with Limited Review: Max 75/90/90% LTV/CLTV/HCLTV primary; 2ndhome 70/75/75% LTV/CLTV/HCLTV; Investment: 70/75/75% LTV/CLTV/HCLTV.
4. Refer to the 95.01-97% LTV topic below for restrictions.
5. Fee restrictions apply
6. Loans meeting the 50(f) requirements may be refinanced into a Conventional, FHA, or VA loan.
7. ARMs not available on Manufactured Housing

95.01%-97% LTV	Purchase transaction: one borrower must be 1 st -time homebuyer (no property ownership in previous 3 years). Refinance loan must be owned by Fannie Mae. All transaction restrictions: 1-unit primary residence only, fixed rate, conforming loan amount, 35% MI. Refer to program guides for detailed information.
Appraisals	Per DU. Market Condition Addendum is required on all appraisals. Appraisals must meet UAD & AIR requirements.
Assets	Per DU. All funds used to close must be disclosed on 1003 and input in DU; Cash-on hand ineligible; Single deposits where any unsourced portion is > 50% of combined gross mo. income must be sourced & explained. VOD <u>or</u> bank statements required and cannot be > 45 days from the loan app. date or more recent/ supplemental bank-generated required.
Bankruptcy	Chapter 7 or 11 discharged 4 years; Chapter 13 discharged 2 years or dismissed 4 years; Multiple BK filings 5 years if more than on filing in previous 7 years.
Collections/Charge-off/Judgment	Past due accounts that have not gone to collection must be brought current. Investments: non mortgage /Individual accounts ≥ \$250 or total balance of all accounts is ≥ \$1000 must be paid.



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Credit Score & History	No min. FICO required w/ DU “Approve/Eligible” results. Co-borrower w/o credit score ok subject to guidelines. Refer to program guidelines for complete details.
Deed-in-Lieu/Short Sale	Four years regardless of LTV; 2 years with extenuating circumstances. Refer to Seller Guide for complete information.
Doc Type	As determined and evaluated by DU; All loans must receive “Approve/Eligible” AUS results ; Manual underwriting is ineligible.
Employment	2 year history; VVOE 10 business days from Note date for wage earners; Self-employed requires valid third-party verification (CPA, Business License) within 30 calendar days of the Note.
Financed Properties	O/O-unlimited; 2nd home & N/O/O max. 10 financed properties. LTV/CLTV restrictions apply. See Seller Guide for complete details; Maximum 4 loans per borrower up to \$1.5MM with BFC.
Florida Condominiums	New/newly converted projects require PERS approval. Established projects w/ PERS or Full Review no LTV restrictions; Limited Review: Max 75/90/90% LTV/CLTV/HCLTV primary residence; 2 nd Home max 70/75/75% LTV/CLTV/HCLTV; Investment:70/75/75% LTV/CLTV/HCLTV. Project review is not required on detached condos or 2-4 units.
Foreclosure	None in last 7 years; none in last 3 years with documented circumstances & max 90% LTV/CLTV, Primary Residence, Purchase or Rate/Term Refinance only.
Gift Funds	Allowed; 1-unit O/O > 80% LTV = min. 0% borrower’s own funds (must provide MI Cert); 2-4 units or 2 nd home 5% borrower’s own funds; ≤ 80% 100% gift funds allowed; investment properties not allowed.
HPMLs	Refer to the Higher-Priced Mortgage Loans topic in Chapter 2 – Compliance of the Seller Guide for detailed requirements regarding HPML transactions.
Income	Per DU; Wage Earners current paystub with YTD and most recent W-2; (paystub must be dated no earlier than 30 days from initial loan application date). Self-employed tax returns must include min. 12 months self-employed income. Rent loss insurance required if rental income used to qualify. An existing Texas Section 50(a)(6) first or second mortgage on the homestead must have a minimum of 365 days seasoning prior to the new loan closing date
Manufactured Homes	Fixed Rate only (Refer to product topic for terms); Cash-out ≤20 year term; Manual underwrite ineligible; Eligible properties: 1 unit, primary multi-wide dwelling, Second homes, PUDs, existing or new construction, REO/HUD REOs, allowed on Texas 50(a)(6) transactions. 5% Down payment required unless LTV/CLTV is ≤ 80%. Manufactured home condo projects are permitted with FNMA project acceptance (PERS or Full Review required). MFH located on leasehold estates are ineligible, unless located in a FNMA approved condo project.
MH Advantage	Fixed Rate only. MH Advantage is designed to meet certain construction, architectural design, and energy efficiency standards that are more consistent with site-built homes. Cash-out Transactions: ≤ 20 year term. See Fannie Mae Selling Guide for complete details.
Mortgage Insurance	Borrower paid monthly and single premium; LPMI – single premium only; Split Premium. BPMI single premium may be financed. Refundable and non-refundable options.
Product	Fixed Rate: 10, 15, 20, 25, and 30 year term; ARM: The index used must be the SOFR (Secured Overnight Financing Rate). 5/6 Caps are 2/1/5. 7/6 & 10/6 Caps are 5/1/5. Max Margin is 3.00. 5/6 ARMs are qualified at the greater of: Note rate plus 2%; or the fully indexed rate; 7/6 and 10/6 ARMs are qualified at the greater of the note rate or the fully indexed rate.
Program Parameters	High Cost Loan Limits for 1 unit \$970,800; 2 unit \$1,243,050; 3 unit \$1,502,475; 4 unit \$1,867,275. Must meet APR/QM rules as applicable.
Property Flips	Allowed
Qualifying Ratios	Per DU
Refinance Transactions	Properties listed for sale in last 12 months require acceptable proof of being taken off the market and borrower must provide written confirmation of intent to occupy.
Reserves	Per DU; Six (6) months reserve required on cash-out refinance transactions when the borrower’s DTI exceeds 45%. Refer to the BFC Seller Guide Conversion of Principal Residence & Financed Properties topics for additional reserve requirements.
Seller Contributions	Primary Residence or 2 nd Home >90% LTV = 3%; 75.01-90% LTV = 6%; ≤ 75% LTV = 9%; Investment Property: 2%. Refer to the Interested Party Contributions topic in the Seller Guide.



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Texas 50(a)(6) Transactions	Fixed Rate only (homestead) in the state of Texas only; O/O 1 unit SFR, PUDs; Condo; property must not exceed 10 acres; Fee cap limited to 2% of the principal loan amount (Refer to program guidelines for fee exclusions); Assumption, POA, Subordinate Financing not allowed. TX Notice Concerning Extensions of Credit disclosure must be provided to all borrowers not less than 12 days prior to closing (12-day notice).
Texas 50(f)	Texas 50(f) allowed as a standard Rate/Term Refinance (Conventional, FHA/VA) with 365 days seasoning at close; no cash back to the borrower and maximum LTV of 80%. TX Important Notice Concerning Refinancing a Home Equity Loan disclosure must be provided to all borrowers within 3 business days of application and not less than 12 days prior to closing.