

## Jumbo-Conforming Mortgages

*servicing diverse  
home financing needs*

<b>Eligibility</b>	<b>Maximum Loan Amount</b>	Jumbo-Conforming Mortgages are intended to help lenders serve borrowers in high-cost areas by allowing loan amounts up to 125% of the area median home price as determined by the U.S. Department of Housing and Urban Development. Refer to eFannieMae.com for eligible areas and loan limits for each area.										
	<b>Eligible Product Types</b>	<ul style="list-style-type: none"> <li>Fixed-rate fully amortizing mortgages, 15- or 30-year term (whole loans or MBS delivered on or after April 1, 2008)</li> <li>Whole loans or MBS loans delivered on or after May 1, 2008 (eligible ARM plans to be announced): <ul style="list-style-type: none"> <li>5/1 ARM: fully amortizing, 30-year term, LIBOR index, 5/2/5 caps</li> <li>5/1 ARM: interest-only for 10 years, 30-year term, LIBOR index, 5/2/5 caps</li> </ul> </li> </ul>										
	<b>Ineligible Product/Transaction Types</b>	The following are <b>ineligible</b> : balloons, biweekly payment schedules, FHA loans, HomeStyle <sup>®</sup> products, reverse mortgages, MyCommunityMortgage <sup>®</sup> , Expanded Approval <sup>®</sup> , Flexible Mortgages, second liens, streamlined refinance and streamlined purchase; cash-out refinances										
	<b>Loan Origination Date</b>	Loan must be originated (based on <i>Date of Mortgage Note</i> , a mandatory delivery field for jumbo-conforming mortgages) on or after 3/1/2008, and on or before 12/31/2008, to be eligible for delivery to Fannie Mae on a flow basis.										
	<b>Property Type</b>	<ul style="list-style-type: none"> <li>One-unit attached or detached, including condos and PUDs (manufactured homes are <i>not eligible</i>)</li> </ul>										
<b>Underwriting</b>	<b>Loan Purpose</b>	<b>Principal Residence</b>					<b>Second Home or Investor Property</b>					
		<b>Loan Purpose</b>	<b>Loan Type</b>	<b>Max LTV</b>	<b>Max CLTV</b>	<b>Max HCLTV</b>	<b>Minimum FICO Score</b>	<b>Loan Type</b>	<b>Max LTV</b>	<b>Max CLTV</b>	<b>Max HCLTV</b>	<b>Minimum FICO Score</b>
		Purchase	FRM	90%	90%	90%	LTV > 80%: 700 LTV ≤ 80%: 660	FRM ARM	60%	60%	60%	660
			ARM	80%	80%	80%	660					
	Limited Cash-Out Refinance	FRM ARM	75%	95%	95%	660	FRM ARM	60%	60%	60%		
	Cash-Out Refinance	Not eligible										
	<b>Credit Requirements</b>	<ul style="list-style-type: none"> <li>FICO score required for all borrowers</li> <li>No late payments on any existing mortgage in the lesser of the past 12 months or the life of the loan</li> <li>Lender must obtain a payment history for each mortgage or rental history, including accounts that do not appear on the credit report</li> </ul>										
<b>Reserves</b>	<ul style="list-style-type: none"> <li>Primary residence: two months' PITI required</li> <li>Second home or investment property: six months' PITI required</li> </ul>											
<b>Debt-to-Income Ratio</b>	<ul style="list-style-type: none"> <li>45% maximum DTI ratio</li> <li>ARMs – qualify based on the fully amortizing payment (PITI) at the higher of the note rate or fully indexed rate</li> </ul>											

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<b>Underwriting</b>	<b>Documentation</b>	<ul style="list-style-type: none"> <li>Full documentation required per the Fannie Mae <i>Selling Guide</i></li> </ul>	
	<b>Maximum Financed Properties</b>	<ul style="list-style-type: none"> <li>Limited to four financed properties, including the borrower's principal residence</li> </ul>	
	<b>Borrower Contribution</b>	<ul style="list-style-type: none"> <li>For purchase transactions, the borrower(s) must contribute at least 5% of their own funds, regardless of LTV</li> </ul>	
	<b>Interested-Party Contributions</b>	<ul style="list-style-type: none"> <li>Maximum of 3%, regardless of LTV</li> </ul>	
	<b>Appraisals</b>	<ul style="list-style-type: none"> <li>Appraisal with interior and exterior inspection is required (Form 1004 or 1073, as applicable)</li> <li>Field Review (Form 2000) required for properties with value of \$1,000,000 or greater if the LTV/CLTV is <math>\geq 75\%</math></li> <li>Condominium requirements: two comparables must be from projects outside of the subject</li> <li>Fannie Mae's maximum financing in declining markets policy applies for LTVs <math>&gt; 75\%</math></li> <li>Lenders must use appraisers experienced with the types of properties eligible for jumbo-conforming financing</li> </ul>	
	<b>Project Review (Condos, PUDs)</b>	<ul style="list-style-type: none"> <li>CPM™ Expedited Review or Lender Full Review (not eligible for Limited Review)</li> </ul>	
	<b>Underwriting Method</b>	<ul style="list-style-type: none"> <li>Manual underwriting required</li> <li>Jumbo-Conforming Mortgages may not be underwritten through Desktop Underwriter® until the loan limits, eligibility, and underwriting guidelines are added in a future release (Summer 2008)</li> </ul>	
	<b>Mortgage Insurance</b>	<ul style="list-style-type: none"> <li>Standard MI coverage required for LTVs above 80%; borrower-paid or lender-paid MI allowed</li> <li>Financed borrower-paid MI <i>not</i> allowed</li> </ul>	
<b>Pricing, Committing, Delivery, and Servicing</b>	<b>Pricing</b>	<b>Whole Loan</b>	Live whole-loan pricing available in eCommitting™: <ul style="list-style-type: none"> <li><b>April 1, 2008</b> for 15- and 30-year FRMs</li> <li><b>May 1, 2008</b> for 5/1 ARMs (IO and non-IO)</li> </ul>
		<b>MBS</b>	<ul style="list-style-type: none"> <li>Lender base guaranty fee per existing MBS contract</li> </ul>
		<b>LLPAs</b>	<ul style="list-style-type: none"> <li>FRMs: 0.25% • ARMs: 0.75%</li> <li>All applicable LLPAs per the <i>Selling Guide</i> apply; all LLPAs are cumulative</li> <li>Adverse Market Delivery Charge of 0.25% also applies to all loans delivered to Fannie Mae</li> </ul>
	<b>ARM Plans</b>	For whole loans or MBS loans delivered on or after <b>May 1, 2008</b> (eligible ARM Plans to be announced): <ul style="list-style-type: none"> <li>5/1 ARM, fully amortizing, 30-year term, LIBOR index, 5/2/5 caps</li> <li>5/1 ARM, 10-year interest-only period, 30-year term, LIBOR index, 5/2/5 caps</li> </ul>	
	<b>Delivery Data</b>	<ul style="list-style-type: none"> <li>"Date of Mortgage Note" field in the loan delivery data is required</li> <li><b>SFC 800</b> required (in addition to any other required SFCs)</li> </ul>	
	<b>MBS Pooling and Prefixes</b>	Standard conforming and jumbo-conforming mortgages may be commingled in pools using these new prefixes: <b>CK – for 30-year FRMs</b> <b>CJ – for 15-year FRMs</b> (ARM pool prefixes to be announced)	
	<b>MBS Execution Information</b>	Fannie Majors®, Fannie Megas® supported • MBS Express® and RPM® not available • Jumbo-Conforming–specific buyup/buydown grids to be posted on eFannieMae.com • Whole loan–backed REMICs are an execution alternative	
	<b>Servicing</b>	<ul style="list-style-type: none"> <li>No unique servicing requirements; follow the <i>Servicing Guide</i></li> <li>Minimum retained servicing fee: 0.25%</li> </ul>	

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