

## RENOVATION PROGRAM COMPARISON MATRIX

	FHA 203(k) Standard	FHA 203(k) Limited	FNMA HomeStyle	Freddie Mac CHOICERenovation	VA Alterations & Repairs
<b>Transaction Type</b>	Purchase and Refinances for rehabilitation or repair	Purchase and Refinances for rehabilitation or repair	Purchase and *Limited Cash-Out Refinance (No funds to borrower outside of repair escrow funds on a refinance)	Purchase and “No cash-out” Refinance	Purchase and Cash-Out Refinance
<b>Minimum Loan Amount</b>	Minimum loan amount \$40,000	Minimum loan amount \$40,000	Minimum loan amount \$40,000	Minimum loan amount \$40,000	Minimum loan amount \$40,000
<b>Maximum Loan Amount</b>	Per FHA	Per FHA	Per FHFA	Per FHFA	Max LA = \$1,500,000* See High Balance Section
<b>Occupancy</b>	Primary Residence	Primary Residence	Primary Residence, 1 unit 2 <sup>nd</sup> Home, Single Family Investor	Primary Residence, 1 unit 2 <sup>nd</sup> Home, Single Family Investor	Primary Residence
<b>Property Type</b> Condos; refer to applicable agency guidelines	Attached/detached SFR, PUD, Condo, 2-4 Units, and Manufactured Homes (1-unit multi-wide dwelling titled as real property), Mixed Use	Attached/detached SFR, PUD, Condo, 2-4 Units, and Manufactured Homes (1-unit multi-wide dwelling titled as real property), Mixed Use	1-4 units, 1 unit second home, 1 unit investment property, Condo (standard guidelines apply for Florida Condos), PUDs and Manufactured Homes (1-unit multi-wide dwelling titled as real property)	1-4-unit Primary Residence, 1 Unit Second home, 1 unit Investment Property, Manufactured Homes (1-unit <b>Doublewides Only</b> titled as real property), SFR, PUD, and Warrantable Condo.	1–4-unit, Primary Residence, Manufactured Homes (1-unit multi-wide dwelling titled as real property)
<b>Credit Score</b>	Per AUS	Per AUS	Per DU Findings – Approve/Eligible <b>Manual Underwriting is ineligible.</b>	Per LP Findings – Accept <b>Manual Underwriting is ineligible.</b>	<b>580 – Cash Out ≤ 90</b> <b>600 – Cash Out &gt; 90</b> <b>640 – Manufactured Homes</b>

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<b>LTV/CLTV – Purchase</b>  <b>** see program matrix for other requirements</b>	96.50%/110%, 110% CLTV with eligible DPA	96.50%/110%, 110% CLTV with eligible DPA	95–97% – First-Time Home Buyer and HomeReady eligible 95% – 1–4 Unit Owner-Occupied 90% – 1 Unit Second Home 85% – 1 Unit Investment 95% – Manufactured Home (Owner-Occupied only) 90% – Manufactured Second Home	95–97% – First-Time Home Buyer and Home Possible 95% – 1 Unit Owner-Occupied 85% – 2 Unit Owner-Occupied 80% – 3–4 Unit Owner-Occupied 90% – 1 Unit Second Home 95% – Manufactured Home (Owner-Occupied only) 85% – 1 Unit Investment <b>With Home Possible Conforming:</b> 97% / 105% CLTV – 1 Unit Owner-Occupied	100% - 1-4 Units $\geq$ 580 FICO  Manufactured Homes - FICO $\geq$ 640 (Manual Underwriting is ineligible)
<b>LTV/CLTV – Refinance</b>  <b>** see program matrix for other requirements</b>	97.75%/110%	97.75%/110%	97% – HomeReady eligible 95% – 1–4 Unit Owner-Occupied 90% – 1 Unit Second Home 75% – 1 Unit Investment 95% – Manufactured Home (Owner-Occupied only) 90% – Manufactured Second Home	95% – 1 Unit Owner-Occupied 85% – 2 Unit Owner-Occupied 80% – 3–4 Unit Owner-Occupied 90% – 1 Unit Second Home 95% – Manufactured Home (Owner-Occupied only) 85% – 1 Unit Investment <b>With Home Possible Conforming:</b> 97% / 105% CLTV – 1 Unit Owner-Occupied	90% - Cash Out - 1 Unit  100% - Cash Out - 1-4 Unit  Manufactured Homes - FICO $\geq$ 640 (Manual Underwriting is ineligible)

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<b>High Balance</b>	Yes	Yes	Per DU – Refer to FNMA Eligibility Matrix	Per LP – Refer to FHLMC Eligibility Matrix	<b>Loan Amount's exceeding VA County Loan Limits up to \$1,500,000 are coded as "High Balance"</b>  Cash Out > 90% not permitted on "High Balance"
<b>Mortgage Insurance</b>	Monthly & Up-Front MIP	Monthly & Up-Front MIP	Required based on applicable LTV & Standard Coverage per DU	Standard Coverage per LPA; Reduced MI not permitted.	Yes - VA Guarantee Upon Completion of work & a 1004D
<b>Minimum Repair Amount</b>	\$5,000	None	None	None	None
<b>Maximum Repair Amount</b>	No Maximum	Total rehabilitation costs must not exceed \$75,000	<b>Purchase</b> - 75% of the lessor of Purchase Price plus total renovation costs or As Completed Appraised Value. <b>Refinance</b> - must not exceed 75% of the As Completed Appraised Value <b>Manufactured Home:</b> the lesser of \$50,000 or 50% of the "as completed" appraised value.	<b>Purchase</b> - 75% of the lessor of Purchase Price plus total renovation costs or As Completed Appraised Value. <b>Refinance</b> - must not exceed 75% of the As Completed Appraised Value <b>Manufactured Home:</b> the lesser of \$50,000 or 50% of the "as completed" appraised value.	<b>\$75,000 repair costs</b>

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<b>Allowed to be included in the Renovation Costs</b>	<ul style="list-style-type: none"> <li>• Hard Costs of Labor &amp; Materials</li> <li>• Architectural/Engineer Fees</li> <li>• 203(k) Consultant Fee</li> <li>• Draw Inspection Fees (5)</li> <li>• Title Update Fees</li> <li>• Permit Fees</li> <li>• Contingency Reserve</li> <li>• Up to 12 months PITI</li> <li>• Supplemental Origination Fee – <b>greater of</b> 1.5% of total rehab or \$350</li> <li>• Discount Points on repairs when discount points are charged on loan</li> </ul>	<ul style="list-style-type: none"> <li>• Hard Costs of Labor &amp; Materials</li> <li>• 203(k) Consultant Fee</li> <li>• Draw Inspection Fees (2 per contractor)</li> <li>• Title Update Fees</li> <li>• Permit Fees</li> <li>• Contingency Reserve</li> <li>• Supplemental Origination Fee – <b>greater of</b> 1.5% of total rehab or \$350</li> <li>• Discount Points on repairs when discount points are charged on loan</li> </ul>	<ul style="list-style-type: none"> <li>• Hard Costs of Labor &amp; Materials</li> <li>• Architectural/Engineer Fees</li> <li>• 203(k) Consultant Fee or approved 3<sup>rd</sup> Party Construction Management Company</li> <li>• Draw Inspection Fees (5)</li> <li>• Final Inspection Fee (1004D)</li> <li>• Title Update Fees</li> <li>• Permit Fees</li> <li>• Contingency Reserve</li> <li>• Up to 6 months PITI (if allowed)</li> <li>• Draw Adm./Management Fee – <b>greater of</b> 1.5% of total hard costs/repairs or \$500.00</li> </ul>	<ul style="list-style-type: none"> <li>• Hard Costs of Labor &amp; Materials</li> <li>• Architectural/Engineer Fees</li> <li>• 203(k) Consultant Fee or approved 3<sup>rd</sup> Party Construction Management Company</li> <li>• Draw Inspection Fees (5)</li> <li>• Final Inspection Fee (1004D)</li> <li>• Title Update Fees</li> <li>• Permit Fees</li> <li>• Contingency Reserve</li> <li>• Up to 6 months PITI (if allowed)</li> <li>• Draw Adm./Management Fee – <b>greater of</b> 1.5% of total hard costs/repairs or \$500.00</li> </ul>	<ul style="list-style-type: none"> <li>• Hard Costs of Labor &amp; Materials</li> <li>• Draw Inspection Fees (maximum of 3)</li> <li>• Final Inspection Fee (1004D)</li> <li>• Title Update Fees</li> <li>• Permit Fees</li> <li>• Contingency Reserve</li> <li>• Draw Adm./Management Fee – \$350.00</li> </ul>
<b>Contingency Reserve Required</b>	Minimum 10%, 15% if utilities off or not functioning. Maximum 20%.	Minimum 10%, 15% if utilities off or not functioning. Maximum 20%.	Minimum 10%, 15% if utilities off or not functioning. Maximum 20%.	Minimum 10%, 15% if utilities off or not functioning. Maximum 20%.	Minimum 10%, Maximum 15% if utilities off or not functioning.

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<b>Escrow Close Out</b>	Remaining funds applied to the principal. If Contingency paid in cash by the borrower, can be reimbursed to borrower.	Remaining funds applied to the principal. If Contingency paid in cash by the borrower, can be reimbursed to borrower	Remaining funds applied to the principal. If Contingency paid in cash by borrower, can be reimbursed to the borrower.	Remaining funds applied to the principal. If Contingency paid in cash by borrower can be reimbursed to the borrower.	Remaining funds applied to the principal. If Contingency paid in cash by borrower can be reimbursed to the borrower.
<b>Eligible Product</b>	30-year Fixed Rate only ARM 3/1 & 5/1: 1-Year CMT; 1/1/5 caps; 2.00 margin; Qualify at Note rate	30-year Fixed Rate only ARM 3/1 & 5/1: 1-Year CMT; 1/1/5 caps; 2.00 margin; Qualify at Note rate	Fixed Rate: 15,20,25 and 30 years ARM: 5/6, 7/6, and 10/6 SOFR (Secured Overnight Financing Rate) index <ul style="list-style-type: none"> <li>• Caps 5/6 Caps are 2/1/5 and 7/6 &amp; 10/6 Caps are 5/1/5</li> <li>• Margin: 3.00</li> <li>• Qualification: 5/6 ARMs are qualified at the greater of: Note rate plus 2%; or the fully indexed rate.</li> </ul> 7/6 and 10/6 ARMs are qualified at the note rate.	Standard Conforming: Fixed Rate 15, 20, 25, and 30 years Super Conforming: Fixed Rate: 15, 20, and 30 years Home Possible: Fixed Rate 15, 20, 25, and 30 years	Fixed rate: 15, 20, 25, & 30 year  Cash Out ≥ 90%: 25 and 30 year Fixed Rate  ARM 3/1 & 5/1: 1-Year CMT; 1/1/5 caps; 2.00 margin; Qualify at Note rate
<b>Draw Period from Closing</b>	12 months	9 months	15 months	15 months	° 120 days
<b>Self-Help (DIY)</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
<b>Types of Repairs</b>	Structural and Non-Structural Repairs	Minor remodeling and Non-Structural repairs	Structural and Non-Structural repairs	Structural and Non-Structural repairs	Non-Structural unless ADA/Handicap Accessibility related repairs
<b>Swimming Pool Construction</b>	No, but can include repairs to the pool.	No, but can include repairs to the pool.	Yes	Yes	No

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<b>Tear Down/Rebuild</b>	Yes, when entire existing foundation remains intact	No	No	No	No
<b>Mold/Lead Paint Removal</b>	Yes	Yes	Yes	Yes	Yes
<b>Appliances</b>	If included in Work Write-Up/Specification of Repairs	If included in Contractor bids	If included in Work Write-Up/Specification of Repairs	Yes, if included in Work Write-Up/Specification of Repairs	If included in Contractor bids
<b>Foundation Work</b>	Yes	No	Yes	Yes	No
<b>Consultant Requirements</b>	FHA 203(k) Consultant Required	FHA 203(k) Consultant may be used and can be financed	<b>No, when repairs ≤ \$75,000 and no structural repairs. Yes, when repairs are ≥ \$75,001 and/or have structural repairs.</b>	<b>No, when repairs ≤ \$75,000 and no structural repairs. Yes, when repairs are ≥ \$75,001 and/or have structural repairs.</b>	No
<b>Maximum Number of Contractors</b>	1 general; specialty allowed as needed	3	1 general; specialty allowed as needed	1 general; specialty allowed as needed	1 general; specialty allowed as needed
<b>Finance PITI Payments</b>	Limited to uninhabitable period, not to exceed 12 months, and must match the Rehabilitation Loan Agreement timeline.	No	Up to six months while house is not habitable	Up to six months while house is not habitable	No
<b>Maximum Draws</b>	4 interim + 1 Final Inspection	2 Draws (per contractor)	5 interim + Final Inspection	5 interim + Final Inspection	4 interim + 1 Final Inspection
<b>Draw Holdback</b>	10% per/draw	10% per/draw	10% per/draw	10% per/draw	10% per/draw
<b>Fund Disbursement at Loan Closing</b>	Material costs may be reimbursed if prepaid by the borrower or contractor, or up to 50% may be advanced for items under contract but not yet paid. Documentation is required, and the consultant must be notified of any release.	Up to 50% of material and labor cost before beginning renovation work only when the contractor is not willing or able to defer receipt of payment.	50% of Material costs with an Initial Material Draw; a portion of this draw may be used for consultant, permit, and architectural fees. Consultant should be notified of the release.	50% of Material costs with an Initial Material Draw; a portion of this draw may be used for consultant, permit, and architectural fees. Consultant should be notified of the release.	No