

HOME POSSIBLE



Home Possible® by Freddie Mac

We are proud to offer the Home Possible® mortgage to our innovative product line. This program is designed by Freddie Mac to provide low rates, low down payment options, and reduced mortgage insurance cost to homebuyers who meet the program requirements. Home Possible® offers flexibility in underwriting guidelines for low-to moderate-income qualified borrowers to help borrowers realize their dream of homeownership!

Home Possible® Benefits

- Lower down payment; up to 97% LTV
(No adjustment price basing; borrowers get the same rate regardless of their down payment)
- Reduced mortgage insurance coverage and premium
- Home Possible Seconds allowed
(There are no additional charges if there's an affordable second; up to 105% CLTV)
- Up to \$424,100 loan amount
- Minimum 620 credit score required
- Fixed-Rate Mortgage
- Purchase and rate term refinance transactions available
- Additional flexibilities for teachers, firefighters, law enforcement officers, healthcare workers and members of the United States Armed Forces

Contact me today to learn more.



Winprime Lending is built around providing a streamlined operational flow with the purpose of providing superior processing underwriting, and funding timelines that exceed industry standards

(213) 382-7770
www.winprimelending.com



WINPRIME LENDING

695 S. Harvard Blvd. 3rd Floor, Los Angeles, CA 90005
BRE # 01870337 • NMLS # 255994



HOME POSSIBLE MATRIX WITH MORTGAGE INSURANCE GUIDELINE OVERLAYS

Program Matrix			
PURCHASE & RATE TERM REFINANCE			
Occupancy	Units	FICO/Score	LP LTV/CLTV/HCLTV ¹
Primary Residence	1	620	97/105 ²
Primary Residence	2	620	95/95
Primary Residence	3-4	620	80/80

Program Matrix Notes:

- For LTVs > 80, the type of mortgage insurance may be restricted, refer to Mortgage Insurance.
- LTVs > 95%: All new and existing subordinate financing must be an Affordable Second. HELOC not allowed.

Product Detail	Product Guidelines																
AUS	<ul style="list-style-type: none"> LP Accept Non-traditional credit is not allowed. 																
Ability to Repay/Qualified Mortgage Rule	Winprime Lending will purchase only Safe Harbor Qualified Mortgages as defined under HUD and the Dodd-Frank Wall Street Reform and Consumer Protection Act.																
Age of Documents	See Conforming Fixed Rate .																
Amortization Type	Fixed Rate																
Appraisals	As determined by LP guidelines.																
Assignment of Mortgages	See Conforming Fixed Rate .																
Assets	<p>Minimum Borrower Contribution for Purchase Transactions</p> <table border="1"> <thead> <tr> <th colspan="4">Fixed</th> </tr> <tr> <th>Number of Units</th> <th>≤ 80% LTV Minimum Borrower Contribution</th> <th>> 80 and ≤ 95% LTV Minimum Borrower Contribution</th> <th>> 95% LTV Minimum Borrower Contribution</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>0%</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>2-4</td> <td>0%</td> <td>3%</td> <td>NA</td> </tr> </tbody> </table>	Fixed				Number of Units	≤ 80% LTV Minimum Borrower Contribution	> 80 and ≤ 95% LTV Minimum Borrower Contribution	> 95% LTV Minimum Borrower Contribution	1	0%	0%	0%	2-4	0%	3%	NA
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2-4	0%	3%	NA														
	<p>Acceptable Assets</p> <ul style="list-style-type: none"> Personal gifts, gifts or grants from a qualified entity, employer assistance Minimum borrower contribution from own funds MUST be met before other acceptable sources of funds are permitted Cash-on-Hand <ul style="list-style-type: none"> The borrower customarily uses cash for expenses, and the amount of funds saved is consistent with the borrower’s previous payment practices. The alternative documentation or monthly reports do not indicate that the Borrower has checking, savings, or similar accounts. The cash on hand is not borrowed and could have been saved by the Borrower. The credit report does not show more than three tradelines for the Borrower. The updated credit report does not show any new accounts or a substantial increase to an existing account that approximates, or exceeds, the amount of cash on hand provided by the Borrower The Freddie Mac’s Exhibit 23 Monthly Budget and Residual Analysis Form confirms that the total monthly residual income available for savings is a positive number. 																



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	<ul style="list-style-type: none"> - A completed Freddie Mac’s Exhibit 23 Monthly Budget and Residual Analysis Form or another document containing the same information. - Copies of six months’ cash receipts (e.g., rent or utility receipts) or other alternative documentation (e.g., direct verifications or wire transfers) verifying that all recurring obligations, including the payment of revolving and installment debt, are paid in cash - A credit report, obtained at the time of loan application - Copies of three months’ statements for any open revolving account that reveal cash advances are not the source of Borrower Funds. Any cash advances must be explained and documented (i.e., a cash advance used in an emergency situation). - An updated credit report, obtained approximately one week before closing, that reveals no new accounts or substantial increases to balances on already existing accounts <ul style="list-style-type: none"> • Sweat equity is allowed, if the following conditions are met: Sweat equity is credit for labor performed on the Mortgaged Premises or materials furnished for the Mortgaged Premises by the Borrower. Such credit must be fully explained and documented. Any labor performed must be completed in skillful, workmanlike manner must be certified by the appraiser. Credit will not be given for sweat equity unless there is at least a 5% down payment from Borrower Personal Funds.
Borrower Eligibility	Non-occupying co-borrowers are not allowed. See Conforming Fixed Rate .
Credit	See Conforming Fixed Rate .
Derogatory Credit	See Conforming Fixed Rate .
Disaster Policy	<ul style="list-style-type: none"> • See Conforming Fixed Rate.
Documentation	Full
Down Payment Requirements	See Conforming Fixed Rate .
Employment/Income Verification	Per LP.
Escrow Holdbacks	See Conforming Fixed Rate .
FICO/Credit Score	620 regardless of LP findings
Financing Concessions	See Conforming Fixed Rate .
High Cost / High Priced	Not allowed
Home-buyer Education and Counseling	<p>Overview</p> <ul style="list-style-type: none"> • At least one borrower must complete the pre-purchase home-buyer education and counseling. If all the buyers are the first time homebuyers. All education, collection, and counseling efforts must comply with the requirements of applicable federal and state laws, including the Equal Credit Opportunity Act, the Fair Debt Collections Practices Act, and the Fair Credit Reporting Act. • An individual is to be considered a first-time home buyer if he/she is purchasing a principal residence and has had no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the subject property. In addition, a displaced homemaker or a single parent may also be considered a First-Time Homebuyer if the individual had no ownership interest in a residential property during the preceding three-year period other than an ownership interest in the marital residence with a spouse. If a displaced homemaker or a single parent solely owned the marital residence, or solely or jointly owned a second home or investment property, the individual may not be considered a First-Time Homebuyer.



HOME POSSIBLE MATRIX WITH MORTGAGE INSURANCE GUIDELINE OVERLAYS

Standards for Pre-purchase Home-buyer Education and Counseling

To ensure quality and consistency, the pre-purchase home-buyer education and counseling must meet the standards defined by the National Industry Standards for Homeownership Education and Counseling or those of comparable quality as established by other organizations. Counseling and education sessions that adhere to these standards are deemed acceptable.

Providers of Pre-purchase Home-buyer Education and Counseling

- All pre-purchase home-buyer education and counseling must be provided by a third party that is independent of the lender. Mortgage insurance companies can provide counseling, without regard to whether they provide mortgage insurance coverage for the particular transaction.
- The HUD.gov and National Industry Standards for Homeownership Education and Counseling websites provide contact information for organizations that provide Home-buyer education and counseling.
- Freddie’s CreditSmart® program is allowed. Proof that the borrower has completed all of the following Modules must be included in the file: Module 1 (Your Credit and Why It is important), Module 2 (Managing Your Money), Module 7 (Thinking Like a Lender), Module 11 (Becoming a Homeowner), and Module 12 (Preserving Homeownership: Protecting Your Investment).
- Face-to-face group education and counseling is recommended; however, telephone and online counseling is also permitted from eligible providers. These types of sessions should cover the same topics as face-to-face sessions, even though they typically provide individual borrower counseling without a group or classroom education session.
- Free online counseling is available through Freddie Mac and MGIC. If the provider charges a fee, the fee and provider for the Home Buyer Education and Counseling must be disclosed on the initial GFE in block 6.
- In general, education sessions (group or classroom) should cover the following topics:
 - Readiness for homeownership;
 - Budgeting and credit;
 - Selecting a home;
 - Obtaining a mortgage; and
 - Maintaining a home.
- Home-buyer counseling sessions (individual sessions) should generally provide a personalized assessment of the borrower’s financial position and readiness for homeownership. This includes an analysis of the borrower’s credit history and current financial situation.

Evidence of Completion of Pre-purchase Home-buyer Education and Counseling

Evidence of completion of the home-buyer education session must be documented in the individual loan file by a certificate or letter from the counseling provider.

Landlord Counseling

- Landlord counseling is required for borrowers purchasing two-, three-, or four-unit properties.
- Prior to closing, all borrowers must participate in a landlord counseling program conducted by a recognized community counseling organization. Refer to the Providers of Pre-purchase Home-buyer Education and Counseling above.
- Evidence of completion of the home-buyer education session must be documented in the individual loan file by a certificate or letter from the counseling provider.



HOME POSSIBLE MATRIX WITH MORTGAGE INSURANCE GUIDELINE OVERLAYS

	<p>Post-purchase Early Delinquency Counseling (EDC)</p> <ul style="list-style-type: none"> • Post-purchase early delinquency counseling must be provided regardless of the property type. • Post-purchase early delinquency counseling, which is provided the first time the borrower is delinquent, must remain available for any delinquency that occurs during the seven years following the date the mortgage is originated. • EDC identifies the reason(s) a borrower is unable to make timely mortgage payments and works with the borrower to successfully resolve these issues. Unlike traditional mortgage collection efforts, EDC should address broader financial issues, such as family money management and budgeting. • All borrowers must sign a Borrower’s Authorization for Counseling form that authorizes mortgage servicers to refer them to a third-party counseling agency or mortgage insurer for early delinquency counseling, should such counseling ever become necessary. • The Borrower’s Authorization for Counseling may be signed at loan closing or earlier in the application process. <p>Fees Fees may be charged to the borrower for counseling and/or education; however, all fees must be fair, reasonable, and commensurate with the level of services provided. The borrower must be advised of the amount of fees prior to the delivery of any service.</p> <p>Additional Resources</p> <ul style="list-style-type: none"> • The home-buyer education and landlord counseling requirements, as applicable, may not be waived under any circumstances. • The U.S. Department of Housing and Urban Development (HUD) sponsors housing counseling agencies throughout the country. Borrowers can search for counseling providers by state and view the types of counseling sessions available by accessing HUD’s website at HUD.gov. 						
<p>Income</p>	<p>Borrower Income Limits and Calculations</p> <ul style="list-style-type: none"> • In determining whether a mortgage is eligible under the borrower income limits, the income from all of the borrowers who will be listed on the mortgage note must be counted, to the extent that the income is considered in evaluating creditworthiness for the mortgage loan. • The same methodology used in determining income eligibility for Home Possible must be used in reporting “Monthly Income” on the 1008. • Eligibility for a Home Possible loan compares the borrower’s income to the applicable area median income (AMI) for the property’s location. • The AMIs used to determine borrower income eligibility are provided to Freddie Mac by its regulator, the Federal Housing Finance Agency (FHFA). • The Area Median Incomes (AMIs) used by Freddie Mac are available on www.HUD.gov. • The AMIs, including the high-cost areas limits, are implemented into LP. • The income used to qualify the Borrower converted to an annual basis must not exceed 100% of the area median income or the percentages (income multipliers) in the designated high-cost areas listed below. There is no income limit if the subject property is located in an Underserved Area as indicated by www.HUD.gov. <table border="1" data-bbox="451 1850 1529 1911"> <thead> <tr> <th data-bbox="451 1850 808 1911">State</th> <th data-bbox="808 1850 1166 1911">County</th> <th data-bbox="1166 1850 1529 1911">Income Multiplier</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	State	County	Income Multiplier			
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California	All Counties	140%
Massachusetts	Essex County	135%
	Middlesex County	135%
	Norfolk County	135%
	Plymouth County	135%
	Suffolk County	135%
New Hampshire	Rockingham County	135%
	Strafford County	135%
New Jersey	Bergen County	135%
	Essex County	135%
	Hudson County	165%
	Hunterdon County	165%
	Middlesex County	165%
	Monmouth County	165%
	Morris County	165%
	Ocean County	165%
	Passaic County	165%
	Somerset County	165%
	Sussex County	165%
Union County	165%	
New York	Bronx County	165%
	Dutchess County	165%
	Kings County	165%
	Nassau County	165%
	New York County	165%
	Orange County	165%
	Putnam County	165%
	Queens County	165%
	Richmond County	165%
	Suffolk County	165%
	Ulster County	165%
Westchester County	165%	
Oregon	Clackamas County	120%
	Columbia County	120%
	Multnomah County	120%
	Washington County	120%
	Yamhill County	120%
Pennsylvania	Pike County	165%
Washington	Clark County	120%
	King County	120%
	Pierce County	120%
	Skamania County	120%
	Snohomish County	120%

Rental Income Calculations on Two – to Four- Unit Properties

- Refer to Conforming Rental Income guidelines for LP.

Boarder Income



HOME POSSIBLE MATRIX WITH MORTGAGE INSURANCE GUIDELINE OVERLAYS

	<ul style="list-style-type: none"> The rental payments that any borrower receives from one or more individuals who reside with the borrower (but who are not obligated on the mortgage debt and may or may not be related to the borrower) may be considered as acceptable stable income when qualifying for a one-family property, in an amount of up to 30% of the total gross income that is used to qualify the borrower for the mortgage if: <ul style="list-style-type: none"> The individual(s) has lived with (and paid rent to) the borrower for the last 12 months. The boarder can provide appropriate documentation to demonstrate a history of shared residency (such as a copy of a driver's license, bill, bank statement, etc., that shows the boarder's address as being the same as the borrower's address). The boarder can demonstrate (such as copies of canceled checks) the payment of rental payments to the borrower for the last 12 months. Payment of rent by the boarder directly to a third party is not acceptable. The Borrower must attest, by affidavit executed at application, to the: <ul style="list-style-type: none"> Source of the rental income <p>Fact that the person providing the rental income has resided with the Borrower for the past year and intends to continue residing with the Borrower in the new residence for the foreseeable future.</p>																																													
Ineligible	<ul style="list-style-type: none"> Texas (a)(6) transactions – The loan is not eligible for a refinance under this program if the Borrower receives any cash back at closing (even as little as \$1). 																																													
Interested Party Contributions	See Conforming Fixed Rate .																																													
Lien Position	First																																													
Maximum Loan Amount	Conforming limit																																													
Minimum Loan Amount	\$25,000																																													
Mortgage Insurance	<p>Mortgage Insurance is required if the LTV exceeds 80%.</p> <table border="1"> <thead> <tr> <th colspan="5">Mortgage Insurance Coverage Requirements prior to delivery on June 7, 2016</th> </tr> <tr> <th></th> <th colspan="4">LTV Range</th> </tr> <tr> <th>Term</th> <th>80.01 – 85.00%</th> <th>85.01-90.00%</th> <th>90.01-95.00%</th> <th>95.01-97.00%¹</th> </tr> </thead> <tbody> <tr> <td>All years</td> <td>6%</td> <td>12%</td> <td>16%</td> <td>18%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="5">Mortgage Insurance Coverage Requirements on or after delivery on June 7, 2016</th> </tr> <tr> <th></th> <th colspan="4">LTV Range</th> </tr> <tr> <th>Term</th> <th>80.01 – 85.00%</th> <th>85.01-90.00%</th> <th>90.01-95.00%</th> <th>95.01-97.00%¹</th> </tr> </thead> <tbody> <tr> <td>≤ 20 years</td> <td>6%</td> <td>12%</td> <td>25%</td> <td>25%</td> </tr> <tr> <td>> 20 years</td> <td>12%</td> <td>25%</td> <td>25%</td> <td>25%</td> </tr> </tbody> </table> <p>1. 95.01-97% LTV only allowed on 1 unit properties.</p>	Mortgage Insurance Coverage Requirements prior to delivery on June 7, 2016						LTV Range				Term	80.01 – 85.00%	85.01-90.00%	90.01-95.00%	95.01-97.00% ¹	All years	6%	12%	16%	18%	Mortgage Insurance Coverage Requirements on or after delivery on June 7, 2016						LTV Range				Term	80.01 – 85.00%	85.01-90.00%	90.01-95.00%	95.01-97.00% ¹	≤ 20 years	6%	12%	25%	25%	> 20 years	12%	25%	25%	25%
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Number of Financed Properties	<ul style="list-style-type: none"> The borrower may not have an ownership interest in any other residential dwelling at the time of loan closing. 																																													



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	<ul style="list-style-type: none"> A manufactured home, regardless of the type of land ownership, is considered a residential dwelling for this purpose. Ownership in a timeshare, either as a deeded interest or a right-to-use arrangement, is not considered ownership in a residential dwelling for Home Possible purposes due to the very limited (typically one or two weeks per year) access to the unit. 				
Occupancy	Primary Residence				
Points and Fees	See Conforming Fixed Rate .				
Program Codes and Terms	<ul style="list-style-type: none"> CHMPF15: 11 – 15 year terms CHMPF30: 16 – 30 year terms Only whole year terms allowed.				
Property Types	<ul style="list-style-type: none"> Single Family (Detached, Attached) PUD (Detached, Attached) Condominium – Warrantable (Detached, Attached) Modular Home 2-4 Units 				
Ratio	As determined by LP.				
Recently Listed Properties	See Conforming Fixed Rate .				
Rental Income Calculation	See Conforming Fixed Rate .				
Reserves	<ul style="list-style-type: none"> LP will determine the reserve requirement. <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>1-unit</th> <th>2-4 units</th> </tr> </thead> <tbody> <tr> <td>None required</td> <td>Two months</td> </tr> </tbody> </table>	1-unit	2-4 units	None required	Two months
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Seasoned Loans	See Conforming Fixed Rate .				
State Restrictions	See Conforming Fixed Rate .				
Subordinate Financing	<p>Subordinate Financing – Non-Affordable Seconds</p> <ul style="list-style-type: none"> Allowed per standard conventional underwriting guidelines up to a maximum 95/95% LTV/CLTV. <p>Affordable Seconds</p> <ul style="list-style-type: none"> All new and existing subordinate financing must be an Affordable Second. Maximum CLTV as determined by the Program Summary. If the Affordable Second does not require a payment before the Due Date of the 61st monthly payment, then it may be entered into H2O as a Community Non-profit gift instead of entering it as subordinate financing as long as it meets all the other requirements for an Affordable Second stated below. If the Affordable Second does require a payment before the Due Date of the 61st monthly payment, then the Affordable Second must be entered into H2O as a Community Non-profit subordinate financing with a max CLTV as determined by the Program Summary and all subordinate documentation must be included in the file. Affordable Seconds <ul style="list-style-type: none"> Secondary financing secured by a lien junior to a Home Possible Mortgage, or evidenced by Land Use Restrictions or other recorded documentation is permitted if the secondary financing meets all of the following requirements: <ul style="list-style-type: none"> Source: The Affordable Second must be provided by an Agency under an established, ongoing, documented secondary financing or financial assistance program. 				



HOME POSSIBLE MATRIX WITH MORTGAGE INSURANCE GUIDELINE OVERLAYS

	<ul style="list-style-type: none"> ○ Maturity Date: The terms of the Affordable Second must not require balloon payments due before the maturity or payment in full of the First Lien Mortgage. If the Affordable Second is an EAH Benefit , the terms of the secondary financing must permit the Borrower to continue making payments on the loan in the event the Borrower no longer works for the employer and may not require repayment in full unless: <ul style="list-style-type: none"> - The Borrower terminates his or her employment for any reason , or - The employer terminates the Borrower’s employment for any reason other than long-term disability, the elimination of the employee’s position or reduction-in-force ○ Scheduled Payments: The interest rate applicable to the Affordable Second must not be higher than the interest rate applicable to the First Lien Mortgage. Interest accruals, which are added to principal, may not increase the TLTV ratio beyond the maximum TLTV ratio allowed for the First Lien Mortgage at any time during the term of the First Lien Mortgage. If monthly payments on the Affordable Second are required and begin before the 61st monthly payment under the First Lien Mortgage, such monthly payments must be included in the Borrower’s monthly housing expense-to-income ratio and monthly debt payment-to-income ratio. If monthly payments on the Affordable Second begin on or after the 61st monthly payment under the First Lien Mortgage or if repayment of the entire Affordable Second amount is due only upon sale or default, the amount of the Affordable Second monthly payment may be excluded from both ratios. ○ Participation in appreciation: Not allowed. ○ Land use: Any Land Use Restrictions included in the Affordable Second documentation must: <ul style="list-style-type: none"> - Be subject to and subordinate to the First Lien Mortgage, and - Either terminate upon payment in full of the Affordable Second or satisfy resale restriction requirements. ○ Financing Structure: The Affordable Second financing cannot be a HELOC. <p>Rural Housing Service (RHS) Leveraged Second Rural Housing Service (RHS) Leveraged Seconds are not allowed.</p>
Tax Transcripts	See Conforming Fixed Rate .
Transaction Types	<ul style="list-style-type: none"> • Purchase • Rate/term Refinance