



WHEDA Advantage Conventional Eligibility Matrix

HFA Preferred (MI) and HFA Preferred Risk Sharing (No MI) Products

*WHEDA Advantage Conventional requirements supersede Fannie Mae's Standard and Home Ready Guidelines.

Automated Underwriting

Desktop Originator Desktop Underwriter	<ul style="list-style-type: none"> Desktop Originator® (DO®)/Desktop Underwriter® (DU®) submission is mandatory Use HFA Preferred for MI loans (all loans requiring MI are subject to MI requirements) Use HFA Preferred Risk Sharing for No MI loans (LTV must exceed 80%) For Approve/Eligible recommendations, refer to "Approve/Eligible Recommendation" grid below For all other recommendations, refer to the WHEDA manual underwrite grid below NOTE: There may be exceptions to the requirements for certain transactions. Refer to the Notes section under each grid.
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Approve/Eligible Recommendation			Maximum DTI as determined by DU/DO	
Transaction Type	Number of Units	Maximum LTV /CLTV /HCLTV	Credit Score/LTV	Minimum Reserves
Purchase Limited Cash-Out Refinance (LCOR) ⁽²⁾	1 Unit Condos	FRM 97/105/105 ⁽¹⁾	620	As determined by DU/DO
	2 - 4 Units ⁽³⁾ (5+ yrs old)	FRM 95/105/105	620	6
	Manufactured	FRM 95/95/95	620	As determined by DU/DO
		FRM 90/90/90 (LCOR)	620	As determined by DU/DO

⁽¹⁾No credit score, Maximum LTV/CLTV/HCLTV FRM 90/90/90, Maximum DTI ≤ 40%, Reserves determined by DU/DO

⁽²⁾Maximum LTV/CLTV/HCLTV FRM 95/95/95 with a non-Community Second

⁽³⁾2-4 unit purchase transaction, a minimum 3% borrower contribution is required

WHEDA Manual Underwrite ⁽⁴⁾			Maximum DTI ≤ 36%		Maximum DTI ≤ 45%	
Transaction Type	Number of Units	Maximum LTV/CLTV/HCLTV	Credit Score LTV	Minimum Reserves	Credit Score LTV	Minimum Reserves
Purchase Limited Cash-Out Refinance (LCOR) ⁽⁶⁾	1 Unit	FRM 95/105/105 ⁽⁵⁾	680 if > 75% 620 if ≤ 75%	0	700 if > 75% 640 if ≤ 75%	0
			660 if > 75%	6	680 if > 75% 620 if ≤ 75%	2
	2 Unit ⁽⁷⁾ (5+ yrs old)	FRM 95/105/105	680 if > 75% 640 if ≤ 75%	6	700 if > 75% 660 if ≤ 75%	6
			680 if > 75% 640 if ≤ 75%	6	680 if > 75% 640 if ≤ 75%	12
3-4 Units ⁽⁷⁾ (5+ yrs old)	FRM 95/105/105	660	6	680 660	6 12	

⁽⁴⁾Loan must be submitted through the Broker or Mini-Corr channel

⁽⁵⁾No credit score, Maximum LTV/CLTV/HCLTV FRM 95/105/105, Maximum DTI < 36%, Minimum reserves per Fannie Mae Selling Guide B3-5.4-01 Eligibility requirements for loans with non-traditional credit

⁽⁶⁾Maximum LTV/CLTV/HCLTV FRM 95/95/95 with non-Community Seconds subordinate financing

⁽⁷⁾2-4 unit purchase transaction, a minimum 3% borrower contribution is required



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Category		WHEDA Requirements*
GENERAL	Loan Term	<ul style="list-style-type: none"> 30-year
	Amortization	<ul style="list-style-type: none"> Full, fixed rate mortgage (FRM)
	Occupancy	<ul style="list-style-type: none"> Owner-occupied, primary residence
	Borrower	<ul style="list-style-type: none"> Must be legal U.S. resident with a valid Social Security Number
	Loan Purpose	<ul style="list-style-type: none"> Purchase Limited Cash-Out Refinance (WHEDA to WHEDA only)
	Servicing	<ul style="list-style-type: none"> All loans sold servicing-released to WHEDA
	Subordinate Financing	<ul style="list-style-type: none"> WHEDA-funded subordinate financing is eligible in transactions involving a WHEDA-owned property
COMPLIANCE INCOME	Borrower Requirements	<ul style="list-style-type: none"> Must occupy the property Borrower(s) Compliance Income Documentation Requirements <ul style="list-style-type: none"> 2 years tax transcripts 2 years W-2s 30 days paystubs If self-employed, 2 years complete 1040s with all schedules, 1099s and W-2s
	Household Occupants	<ul style="list-style-type: none"> <i>Household occupants</i> include all individuals who intend to occupy the property at their primary residence, regardless of their relationship to the borrower or whether they are an applicant for the loan or not <i>Household size</i> is based on the number of household occupants and may be higher than the number of borrower(s). Refer to the Advantage Conventional Underwriting Guide, Section 6.03 Determining Household Size for additional guidance
	Total Household Compliance Income	<ul style="list-style-type: none"> Anticipated income from all <i>Household Occupants</i>, age 18 or older, who are receiving income. Refer to the Advantage Conventional Underwriting Guide, Section 6.00 Calculating Compliance Income for additional guidance. Income documentation requirements for <i>household occupants</i>, age 18 or older <ul style="list-style-type: none"> 1 year tax transcripts or 1 year complete 1040s with all required schedules 1 year W-2s required 30 days paystubs If self-employed, 1 years complete 1040s with all schedules, 1099s & W-2s
	Compliance Income Exclusions	<ul style="list-style-type: none"> Earned income for all occupants under the age of 18 Foster care income Food Share Wisconsin Non-recurring payments from: <ul style="list-style-type: none"> Inheritances Insurance settlements Lottery winnings Gambling winnings Capital gains Settlements for personal loss One-time signing bonus
COMPLIANCE	Borrower	<ul style="list-style-type: none"> Cannot be listed on the Wisconsin Child Support Lien Docket per Fannie requirements
	Income and Purchase Limit	<ul style="list-style-type: none"> Must meet WHEDA Income and Purchase Price Limits Refer to the Advantage Conventional Underwriting Guide, Section 6.0 Calculating Compliance Income for additional guidance.
	HPML	Ineligible
CREDIT	Credit History	<ul style="list-style-type: none"> Non-applicant spouse's credit history is required - All outstanding debts must be included in the total debt-to-income ratio and any outstanding judgments incurred in the interest of the marriage must be paid-in-full.
	Co-Signor, Guarantor, Non-Occupant Co-Borrower	<ul style="list-style-type: none"> Co-signors, Guarantors and Non-Occupant Co-Borrowers are not allowed



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ASSETS	Large Deposits	<ul style="list-style-type: none"> • Deposits exceeding 25% of the total monthly qualifying income must be sourced • Re-occurring non-payroll deposits should be explained and/or sourced to determine if there are other sources of income.
COLLATERAL	Property	<ul style="list-style-type: none"> • Must be located in Wisconsin
	Eligible Properties Types	<ul style="list-style-type: none"> • Single Family • Condos, not requiring review under PERS • 2 - 4 unit properties greater than 5 years old • Manufactured Homes, not located in a condo project
OTHER	Mortgage Insurance (MI)	<ul style="list-style-type: none"> • Required on HFA Preferred: <i>MI company overlays apply</i> <ul style="list-style-type: none"> • 97% LTV - 18% coverage • 95% LTV - 16% coverage • 90% LTV - 12% coverage • 85% LTV - 6% coverage • 80% LTV and lower - Not required
	Landlord Training	<ul style="list-style-type: none"> • 2-unit property, LTV/CLTV/HCLTV greater than 85% • 3-4 unit property, LTV/CLTV/HCLTV greater than 75%
	Rates and Pricing	<ul style="list-style-type: none"> • See WHEDA Rate Sheet for current Conventional and FTHB HFA Preferred (MI) and HFA Preferred Risk Sharing (No MI) rates and pricing
	Lender Compensation	<ul style="list-style-type: none"> • Broker Channel - WHEDA-paid compensation only. Borrower-paid compensation is prohibited. • Mini Corr and Correspondent Channel - Lender-paid or Borrower-paid compensation plans eligible, determined by WHEDA Participating Lender.
	Fees	<ul style="list-style-type: none"> • \$350 WHEDA Compliance Review Fee - Correspondent • \$500 WHEDA Purchase Review Fee - For Broker/MiniCorr • \$65 Tax Service Fee • \$35 Wire Fee, if applicable (Note: No fee for funds transfer via ACH) • \$50 Subordination Fee, Refinance Only



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First Time Home Buyer and VALOR General Product Information		
FTHB/VALOR	Income and Purchase Price Limits	<ul style="list-style-type: none"> • FTHB/VALOR Income and Purchase Price Limits
	Federal Recapture Tax	<ul style="list-style-type: none"> • Borrower must sign the Federal Recapture Tax Acknowledgement (Form 4)
	Exclusions	<ul style="list-style-type: none"> • Borrowers who qualify for FTHB or VALOR program are not eligible to receive both the benefit of the preferred interest rate and the Mortgage Credit Certificate (MCC) program.
FTHB	Borrower	<ul style="list-style-type: none"> • Borrowers must qualify for a WHEDA Advantage Conventional loan • Be a FTHB, defined as an individual who has not owned a principal place of residence or had the benefit of home ownership in the last three years* <p>*This requirement is waived if a borrower is a qualified military veteran (see VALOR loan guidelines), as defined in the Conventional Underwriting Guide or is purchasing a home in a federally designated Target Area</p>
	Home Buyer Education	<ul style="list-style-type: none"> • Home Buyer Education <ul style="list-style-type: none"> • Approved Mortgage Insurance (MI) Company • Framework • eHomeAmerica • HUD Approved Counseling Agency • <i>Costs set by the Home Buyer Education provider must be included in disclosures</i>
VALOR	VALOR Eligibility requirements	<ul style="list-style-type: none"> • Borrowers must qualify for a WHEDA Advantage Conventional loan • Be a Qualified Veteran, defined as a military veteran with an honorable discharge or release as evidenced by Form DD-214 indicating honorable discharge or release in the Charter of Service* <p>*NOTE: VA Certificate of Eligibility does not replace form DD-214</p> <ul style="list-style-type: none"> • FTHB/VALOR Income and Purchase Price Limits • *First-time home buyer requirement is waived
Limited Cash out Refinance		
Refinance	Closing Costs	<ul style="list-style-type: none"> • Closing costs and payoff of mortgages used solely for the acquisition of the property
	Subordination	<ul style="list-style-type: none"> • Existing Community Seconds used in the original purchase transaction may be subordinated up to 105% CLTV • Approve/Ineligible is permitted when the loan purpose is "LCOR" and the sole reason for ineligibility is due to a Non-Community Second, subject to a maximum 95% LTV/CLTV/HCLTV

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