

Conventional First Mortgage Programs

30-Year Loan Term

| PARAMETER | Preferred | Preferred Plus 80 | | | | | | | | | | | | | | | | | | | | |
|---|--|---|-----|--------------|-----|--------------|-----|--------------|----|--------------|-----|--|--------------|-----|--------------|-----|--------------|-----|--------------|-----|--------------|-----|
| Maximum LTV/CLTV | 97/105% | | | | | | | | | | | | | | | | | | | | | |
| Eligible Occupancy | Owner Occupied | | | | | | | | | | | | | | | | | | | | | |
| Eligible Purpose | Purchase | | | | | | | | | | | | | | | | | | | | | |
| Minimum Credit Score | 660 | | | | | | | | | | | | | | | | | | | | | |
| Ratio Guidelines | 40/50% | | | | | | | | | | | | | | | | | | | | | |
| Eligible Properties | One-unit dwellings or approved condominiums | | | | | | | | | | | | | | | | | | | | | |
| Manufactured Housing | Limited to 95/105% Choose Preferred MH | Limited to 95/105% Choose Preferred Plus 80 MH | | | | | | | | | | | | | | | | | | | | |
| 3% Down Payment | Borrower's Funds, Gift, KHC DAPs, or Welcome Home Monies | | | | | | | | | | | | | | | | | | | | | |
| Borrower Contribution | None | | | | | | | | | | | | | | | | | | | | | |
| Income Limit | 80% AMI Income Chart | Secondary Market Income Limits | | | | | | | | | | | | | | | | | | | | |
| Maximum Seller Contributions | 3% for CLTV > 90% and 6% for CLTV < or = 90% | | | | | | | | | | | | | | | | | | | | | |
| Other Properties | Can own other real estate property at time of closing | | | | | | | | | | | | | | | | | | | | | |
| Subordinate Financing ***if property is a KHC REO, none of KHC's DAPs can be used*** | Community Seconds per Fannie Mae Guidelines, all KHC DAPS applicable. Special Feature Code 118 Community Seconds | | | | | | | | | | | | | | | | | | | | | |
| Home Buyer Education | Follow DU Findings | | | | | | | | | | | | | | | | | | | | | |
| Mortgage Insurance KHC will order ALL MI for TPO Lenders | <p style="text-align: center;">Charter Coverage</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">97% - 95.01%</td> <td style="width: 50%;">18%</td> </tr> <tr> <td>95% - 90.01%</td> <td>16%</td> </tr> <tr> <td>90% - 85.01%</td> <td>12%</td> </tr> <tr> <td>85% - 80.01%</td> <td>6%</td> </tr> <tr> <td>80% or below</td> <td>N/A</td> </tr> </table> | 97% - 95.01% | 18% | 95% - 90.01% | 16% | 90% - 85.01% | 12% | 85% - 80.01% | 6% | 80% or below | N/A | <p style="text-align: center;">Standard Coverage</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">97% - 95.01%</td> <td style="width: 50%;">35%</td> </tr> <tr> <td>95% - 90.01%</td> <td>30%</td> </tr> <tr> <td>90% - 85.01%</td> <td>25%</td> </tr> <tr> <td>85% - 80.01%</td> <td>12%</td> </tr> <tr> <td>80% or below</td> <td>N/A</td> </tr> </table> | 97% - 95.01% | 35% | 95% - 90.01% | 30% | 90% - 85.01% | 25% | 85% - 80.01% | 12% | 80% or below | N/A |
| 97% - 95.01% | 18% | | | | | | | | | | | | | | | | | | | | | |
| 95% - 90.01% | 16% | | | | | | | | | | | | | | | | | | | | | |
| 90% - 85.01% | 12% | | | | | | | | | | | | | | | | | | | | | |
| 85% - 80.01% | 6% | | | | | | | | | | | | | | | | | | | | | |
| 80% or below | N/A | | | | | | | | | | | | | | | | | | | | | |
| 97% - 95.01% | 35% | | | | | | | | | | | | | | | | | | | | | |
| 95% - 90.01% | 30% | | | | | | | | | | | | | | | | | | | | | |
| 90% - 85.01% | 25% | | | | | | | | | | | | | | | | | | | | | |
| 85% - 80.01% | 12% | | | | | | | | | | | | | | | | | | | | | |
| 80% or below | N/A | | | | | | | | | | | | | | | | | | | | | |
| KHC Approved MI Companies | Arch MI, Essent, Genworth, MGIC, Radian & UG | | | | | | | | | | | | | | | | | | | | | |
| Desktop Underwriter (DU) Only allowable AUS system Must receive an Approved/Eligible recommendation No Manual UW allowed | <p>In the "ADDITIONAL DATA" screen, select</p> <p style="text-align: center;">"HFA PREFERRED"</p> <p style="text-align: center;">Special Feature Code: 782 and 741</p> | <p>In the "ADDITIONAL DATA" screen, select</p> <p style="text-align: center;">"HFA PREFERRED"</p> <p style="text-align: center;">Special Feature Code: 782, 741 and 745</p> | | | | | | | | | | | | | | | | | | | | |

Borrower must meet BOTH KHC and MI Company guidelines.