

Conventional First Mortgage Programs

30-Year Loan Term

PARAMETER	Preferred Risk	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 Risk MH	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	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 <small>***if property is a KHC REO, none of KHC's DAPs can be used***</small>	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	N/A	<u>Charter Coverage</u> 97% - 95.01% 18% 95% - 90.01% 16% 90% - 85.01% 12% 85% - 80.01% 6% 80% or below N/A	<u>Standard Coverage</u> 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, National MI, Radian & UG		
Desktop Underwriter (DU) Only allowable AUS system Must receive an Approved/Eligible recommendation No Manual UW allowed	In the "ADDITIONAL DATA" screen, select "HFA PREFERRED RISK SHARING" Special Feature Code: 820	In the "ADDITIONAL DATA" screen, select "HFA PREFERRED" Special Feature Code: 782 and 741	In the "ADDITIONAL DATA" screen, select "HFA PREFERRED" Special Feature Code: 782, 741 and 745

*KHC will not purchase conventional loans that are determined to be High Priced Mortgage Loans.
Borrower must meet BOTH KHC and MI Company guidelines.*