

# Conventional First Mortgage Programs 30-Year Loan Term

PARAMETER	HFA Preferred	HFA Preferred Plus 80	Freddie HFA Advantage
Maximum LTV/CLTV	97/105%		
Eligible Occupancy	Owner Occupied		
Eligible Purpose	Purchase		
Minimum Credit Score	660		
Ratio Guidelines	50%		
Eligible Properties	One-unit dwellings or approved condominiums		
Manufactured Housing	Fannie Mae - Limited to 95/105%	Freddie Mac – Standard MH - Limited to 95/95%	
3% Down Payment	Borrower's Funds, Gift, KHC DAP, or Welcome Home Funds		
Borrower Contribution	None		
Maximum Seller Contributions	3% for CLTV > 90% and 6% for CLTV < or = 90%		
Other Properties	Cannot own more than one other real estate property at time of closing		
Subordinate Financing <small>***if property is a KHC REO, KHC DAP cannot be used***</small>	Community Seconds per Fannie Mae Guidelines, KHC DAP applicable. <b>Special Feature Code 118 Community Seconds</b>	Affordable Seconds per Freddie Mac Guidelines, KHC DAP applicable.	
Home Buyer Education	Follow AUS Findings		
Income Limit	80% Area Median Income Follow AUS Findings	Secondary Market Income Limits	Secondary Market Income Limits
Mortgage Insurance  KHC will order ALL MI for TPO Lenders  LTV	<b>Charter Coverage MI</b> Applies to borrowers with qualifying income ≤ 80% AMI  <b>*Applies to HFA Preferred &amp; Freddie HFA Advantage</b>	<b>Standard Coverage MI</b> Applies to borrowers with qualifying income >80% AMI  <b>*Applies to HFA Preferred Plus 80 &amp; Freddie HFA Advantage</b>	
97% - 95.01%	18%	35%	
95% - 90.01%	16%	30%	
90% - 85.01%	12%	25%	
85% - 80.01%	6%	12%	
MI Companies	Arch MI, Essent, Enact, MGIC, National MI, & Radian		
Automated Underwriting System (AUS)	Fannie Mae- Desktop Underwriter Approve Eligible only, (Manual underwrites not allowed).  Community Lending Program in DU must be "HFA Preferred". <b>Special Feature Code: 782 and 741</b>	Freddie Mac – Loan Product Advisor Accept Eligible only, (Manual underwrites not allowed).  The Offering Identifier in LPA must be "HFA Advantage".	
<b>Borrower must meet KHC, Agency, and MI Company guidelines.</b>			