

Rules for Newly Originated Jumbo Conforming Mortgages

	Fannie Mae	Freddie Mac
Implementation schedule/dates	<p>Fannie will accept fixed-rate mortgages (FRMs) purchased or delivered on or after 4/1/08. It will accept adjustable rate mortgages (ARMs) purchased or delivered on or after 5/1/08.</p> <p>Originations on or after 3/1/08 and on or before 12/31/08 are eligible for delivery on flow basis.</p> <p>[Fannie will consider negotiating bulk purchases of loans originated on or after 7/1/07.]</p>	<p>Deliveries anticipated in May for mortgages originated on and after 3/1/08.</p> <p>[Freddie will purchase mortgages from lender portfolios with note dates on or after 7/1/07 through 2/29/08 through negotiated bulk purchase process, starting in late March 2008.]</p>
Eligible properties	First mortgages of 1-unit attached or detached dwellings (including condos, excluding manufactured homes).	Same
Loan purpose	Primary residence, second homes, investment properties, limited cash-out refi. No cash-out refi.	Primary residence, second homes, investment properties, cash-out refi for primary residences only.
Maximum Loan-to-Value Ratios (LTVs) for primary residence purchase loans	90% for FRMs and 80% for ARMs.	90% for FRMs and for ARMs.
Minimum FICO scores for primary residence purchase loans.	700 for loans with LTVs of more than 80% and 660 for LTVs of 80% or less.	700 for loans with LTVs more than 75% and 660 for LTVs of 75% or less.
Maximum LTV for second home and investment properties	60%	60%

Minimum FICO scores for second homes and investment properties	660	660
Credit requirements	Must have FICO Score.	No nontraditional credit permitted.
Maximum debt-to-income ratio (DTI)	45%	45%
Additional fees	<p>Loan-level price adjustments</p> <p>FRMs—0.25%</p> <p>ARMs—0.75%</p> <p>[see Fannie documents noted above for the many variations]</p>	<p>Delivery fees</p> <p>FRM—0.25% with higher fees for refi's etc.</p> <p>ARMS with LTV of 80% or less: 0.75%</p> <p>ARMs with LTV more than 80%: 1.50%</p> <p>[see Freddie document noted above for the many variations]</p>
Interested party (seller) contributions	Maximum of 3%	Maximum of 3% for primary residence and second homes. Maximum of 2% for investment properties.