

NOTE: Use of 2018 loan limits requires an LPA Accept/Eligible AUS recommendation. No exceptions.
 This matrix is intended as an aid to help determine whether a property/loan qualifies for certain financing. It is not intended as a replacement for Freddie Mac guidelines. Users are expected to know and comply with Freddie Mac's requirements.

*NOTE: This matrix includes overlays which may be **more restrictive** than Freddie Mac's requirements. A thorough reading of this matrix is recommended.*

Program Qualifications

The LP Open Access program has been extended to December 31, 2018. Mortgage loans must have application dates on or before December 31, 2018. A new high LTV "Enhanced Relief" Freddie Mac to Freddie Mac refinance option is scheduled to be available for new loan applications in late 2018.

Freddie Mac (FHLMC) must be the investor on the existing mortgage and **Freddie Mac loan number must be provided, no exceptions.**

The mortgage being refinanced must:

- Be a first-lien, conventional mortgage currently owned or securitized by Freddie Mac.
- Existing Mortgage Note Date must be on or before May 31, 2009. (Refer to Freddie Mac's Loan Lookup Tool <https://www3.freddie.com/corporate/> . For Freddie Mac owned loans, the note date will be displayed on the results page.
- Seller or an affiliate of the Seller originating the new mortgage may or may not be the Servicer of the mortgage being refinanced.
- If the mortgage being refinanced was sold to Freddie Mac with recourse and indemnification, or other credit enhancements it is ineligible to be refinanced as a Relief Refinance Mortgage – Open Access

LP Feedback Certificate will provide the Freddie Mac loan number, mortgage insurance certificate number and mortgage insurer name, as applicable.

- Refer to Mortgage Insurance for specific details
- Select appropriate Offering Identifier (310) for the Relief Refinance – Open Access in LP and loan purpose is No Cash-Out Refi.

Eligibility Matrix Loan Amount & LTV Limitations

**Primary Residence Rate & Term Refinance
 (Conforming and Super Conforming¹ Loan Amounts)**

Credit Score	Units	LTV w/out Sec Fin ^{1,2}	LTV w/Sec Fin ^{1,2}	TLTV w/Sec Fin	HTLTV
No Minimum ³	1-4	Unlimited	Unlimited	Unlimited	Unlimited

**Second Home Rate & Term Refinance
 (Conforming and Super Conforming¹ Loan Amounts)**

Credit Score	Units	LTV w/out Sec Fin ^{1,2}	LTV w/Sec Fin ^{1,2}	TLTV w/Sec Fin	HTLTV
No Minimum ³	1	Unlimited	Unlimited	Unlimited	Unlimited

**Investment Rate & Term Refinance
 (Conforming and Super Conforming¹ Loan Amounts)**

Credit Score	Units	LTV w/out Sec Fin ¹	LTV w/Sec Fin ¹	TLTV w/Sec Fin	HTLTV
No Minimum ³	1-4	Unlimited	Unlimited	Unlimited	Unlimited

Footnotes:

- NOTE: Super conforming loan amounts limited to maximum 105% LTV**
- Manufactured Homes – Unlimited LTV/TLTV/HTLTV - See MFH Restrictions in *Property Types*
- There is no minimum score required to establish eligibility, however each borrower must generate at least one credit score and the file must receive an LP Accept Risk Class recommendation. Manual underwriting is not allowed.

Maximum Loan Amount

2018 Conforming Maximum Loan Amounts		
Units	Contiguous States and D.C.	Alaska & Hawaii
1	\$453,100	\$679,650
2	\$580,150	\$870,225
3	\$701,250	\$1,051,875*
4	\$871,450	\$1,307,175*

LP Open Access

2018 Super Conforming Loan Amounts				
Contiguous States and D.C.			Alaska and Hawaii	
Units	Minimum Loan	Maximum Loan	Minimum Loan	Maximum Loan
1	\$453,101	\$679,650	\$679,651	\$1,019,475*
2	\$580,151	\$870,225	\$870,221	\$1,305,325*
3	\$701,251	\$1,051,875*	Ineligible	Ineligible
4	\$871,451	\$1,307,175*	Ineligible	Ineligible

Permanent High Cost area the maximum potential loan limits for designated high-cost areas. Actual loan limits are established for each county (or equivalent) and the loan limits for specific high-cost areas may be lower. The original balance of a Mortgage must not exceed the maximum loan limit for the specific areas in which the mortgage premises is located. For specific loan limits for each high cost area, as released by the Federal Housing Finance Agency visit <http://www.fhfa.gov/DataTools/Downloads/Pages/Conforming-Loan-Limits.aspx>

***Maximum Loan Amount in all cases may not exceed \$1,000,000.**

Product Codes

- When applicable the product code must identify the LTV (e.g., ML = Mid LTV, or HL = High LTV)

15 Years

LTV	Product Code
105% LTV and less	CF15OA Conventional FRM 15 YR Open Access
105% LTV and less (SC)	CF15OASC Conventional FRM 15 YR Open Access Super Conforming
105.01 – 125% LTV	CF15OAML Conventional FRM 15 YR Open Access Mid LTV
125.01% LTV and above	CF15O AHL Conventional FRM 15 YR Open Access High LTV

20 Years

LTV	Product Code
105% LTV and less	CF20OA Conventional FRM 20 YR Open Access
105% LTV and less (SC)	CF20OASC Conventional FRM 20 YR Open Access Super Conforming
105.01 – 125% LTV	CF20OAML Conventional FRM 20 YR Open Access Mid LTV
125.01% LTV and above	CF20O AHL Conventional FRM 20 YR Open Access High LTV

30 Years

LTV	Product Code
105% LTV and less	CF30OA Conventional FRM 30 YR Open Access
105% LTV and less (SC)	CF30OASC Conventional FRM 30 YR Open Access Super Conforming
105.01 – 125% LTV	CF30OAML Conventional FRM 30 YR Open Access Mid LTV
125.01% LTV and above	CF30O AHL Conventional FRM 30 YR Open Access High LTV

Eligibility Requirements

Appraisal	Establishing Property Value for New Mortgage
	<p>Option One: Home Value Explorer (HVE) from LP Findings</p> <ul style="list-style-type: none"> The value of the property may be determined by using a point value estimate from HVE indicated on the LP Findings. In order to use this value the Forecast Standard Deviation must be no greater than 0.20 (corresponding to a Confidence Score of "High" or "Medium"). When LP indicates a useable value it may be used for purposes of LTV and pricing of the loan and an appraisal is not required. If the LP Findings do not indicate a useable HVE value or the borrower chooses to use a different value then Option Two is used. The following requirements must be met to use an HVE point value estimate to determine property value for LP Open Access: <ul style="list-style-type: none"> Property must be a 1- or 2-unit dwelling Property must be an attached or detached dwelling, or a unit in a condominium project or PUD Property must not be a manufactured home or dwelling on a leasehold estate <p>Option Two: Full 1004 Appraisal</p> <ul style="list-style-type: none"> Property value must be determined by obtaining a full appraisal with an interior and exterior inspection meeting Freddie Mac requirements. <p>NOTE: We may not use the HVE value if IMPAC is aware of any circumstances or conditions adversely affecting the value, condition or marketability of the property. A full appraisal may always be required at the discretion of the Underwriter.</p>

	<ul style="list-style-type: none"> When an appraisal is required, the Condition Rating must be C4 or better; C5 and C6 are ineligible <p>When the HVE Point Value Estimate is used for property valuation the estimate must be dated within 120 days of the note date</p> <p>Appraiser must have current license and is qualified to perform appraisals without oversight or supervision by a "supervisory" appraiser on higher value properties.</p> <p>Texas Equity Section 50(a)(6) Mortgages are ineligible.</p> <p>Super Conforming Products:</p> <ul style="list-style-type: none"> A field review is required if: Property is valued at \$1 million or more and the LTV, TLTV, or HTLTV is greater than 75% <p>The Field Review is required to ensure the appraisal is an accurate representation of value. If the Field Review results in a different opinion of value than the appraisal, the lowest of the original appraised value or the Field Review value must be used to calculate the LTV ratios.</p> <p>As of the Delivery Date of the Relief Refinance Mortgage – Open Access the value of the mortgaged property must be at least equal to the value of the Mortgaged Premises as determined by the appraisal with the most recent effective date before the Delivery Date of the Relief Refinance Mortgage – Open Access.</p> <p><u>Property Valuation Information</u></p> <p>When complying with the Consumer Financial Protection Bureau's (CFPB) final rule on the disclosure of valuation information (developed in connection with an application for credit) to loan applicants, Lender is responsible for meeting the requirements of Freddie Mac Bulletin 2013-20. This includes, but is not limited to, HVE valuation information contained within LP AUS findings.</p>
<p>Appraiser Requirements</p>	<p><u>If an appraisal is required:</u></p> <p>Impac will not accept appraisals from appraisers on probation with any regulatory agency. No exceptions. Brokers/Lenders/Correspondent Sellers are required to check on transferred appraisals to ensure the above requirement is met.</p>
<p>Assets</p>	<p><u>Asset documentation information:</u> When verifying funds in the Borrower's depository or non-depository account, including, but not limited to, a checking, savings, money market, stock, bond or retirement account, the most recent monthly or quarterly account statement must be provided. For the Borrower's depository and non-depository accounts, the requirements of Sections 37.22(b) or 37.23(b) of Selling Guide (e.g., investigate large deposits or increases in a balance, or provide proof of liquidation of funds) do not need to be met. All other asset types (other than depository and non-depository accounts) must meet the Streamlined Accept documentation requirements in Section 37.22(b).</p> <p><u>Calculation of Reserves</u></p> <p>Lender must verify the reserves required by Loan Prospector, as stated on the Feedback Certificate, instead of verifying all reserves entered into Loan Prospector as formerly required. Loan Prospector will not be able to identify all of the necessary information to apply the additional reserves required for the following scenarios:</p> <ul style="list-style-type: none"> The subject property is a Primary Residence and the borrower's current primary residence is being converted to a second home or an investment property, or is pending sale and the sale will not close before the subject note date (this scenario not usually applicable to LP Open Access loans) The subject property is a second home or an investment property and the borrower owns, or is obligated on, other financed second homes and/or investment properties <p>As a result, in these instances, the lender must determine and verify the additional reserves required by the Selling Guide, in addition to the amount of reserves required to be verified on the Feedback Certificate.</p> <p><u>Reserves (26.5)</u></p> <p>Reserves must be based on the <u>full monthly payment amount</u> for the property, not only principal, interest, taxes and insurance (PITI). The <u>monthly payment amount</u> is defined as the sum of the following monthly charges:</p> <ul style="list-style-type: none"> Principal and interest payments on the mortgage Property hazard insurance premiums Real estate taxes When applicable: <ul style="list-style-type: none"> Mortgage insurance premiums Leasehold payments Homeowners association dues (excluding unit utility charges) Payments on secondary financing

LP Open Access

	<p>Reserves required for mortgages secured by Primary Residence:</p> <table border="1" data-bbox="479 285 1528 415"> <thead> <tr> <th>Subject property</th> <th>Required reserves</th> </tr> </thead> <tbody> <tr> <td>Primary Residence – 1-unit</td> <td>None</td> </tr> <tr> <td>Primary Residence – 2-4 unit</td> <td>Six months for the subject property</td> </tr> <tr> <td>Second Home</td> <td>Two months for the subject property</td> </tr> <tr> <td>Investment Property</td> <td>Six months for the subject property</td> </tr> </tbody> </table> <p>The above required reserves (table) are included in the amount of reserves required by Loan Prospector.</p> <p>Additional Required Reserves The following mortgages require reserves in addition to the required reserves above:</p> <table border="1" data-bbox="479 512 1528 688"> <thead> <tr> <th>Subject Property</th> <th>Additional required reserves*</th> </tr> </thead> <tbody> <tr> <td>Second Home or Investment Property</td> <td>Two months for each additional second home and/or 1- to 4-unit investment property: <ul style="list-style-type: none"> • in which the borrower has an ownership interest or on which the borrower is obligated, and • that is financed. </td> </tr> </tbody> </table> <p>*The lender must determine and verify the additional required reserves stated above in addition to the amount of reserves required to be verified on the Feedback Certificate.</p>	Subject property	Required reserves	Primary Residence – 1-unit	None	Primary Residence – 2-4 unit	Six months for the subject property	Second Home	Two months for the subject property	Investment Property	Six months for the subject property	Subject Property	Additional required reserves*	Second Home or Investment Property	Two months for each additional second home and/or 1- to 4-unit investment property: <ul style="list-style-type: none"> • in which the borrower has an ownership interest or on which the borrower is obligated, and • that is financed.
Subject property	Required reserves														
Primary Residence – 1-unit	None														
Primary Residence – 2-4 unit	Six months for the subject property														
Second Home	Two months for the subject property														
Investment Property	Six months for the subject property														
Subject Property	Additional required reserves*														
Second Home or Investment Property	Two months for each additional second home and/or 1- to 4-unit investment property: <ul style="list-style-type: none"> • in which the borrower has an ownership interest or on which the borrower is obligated, and • that is financed. 														
<p>Assumptions</p>	<p>Fixed Rate Loans – Ineligible</p>														
<p>Borrower Eligibility</p>	<p>Eligible:</p> <ul style="list-style-type: none"> • Permanent resident alien verify Alien Registration Card if borrower is not living in the U.S. • Inter Vivos Revocable Trust <ul style="list-style-type: none"> ○ Note: A Living Trust may be made irrevocable by a settlor’s death. To be an eligible borrower at the time of the refinance transaction, the borrower must continue to be a Living Trust that meets Freddie Mac’s revocability and, as applicable, other eligibility requirements. ○ Note: A Power of Attorney is not allowed on properties held in a trust <p>Addition of a Borrower</p> <ul style="list-style-type: none"> • Adding a borrower is eligible provided at least one borrower from the mortgage being refinanced is retained • A non-occupying co-borrower may not be added to a mortgage secured by a primary residence. <p>Removal of a Borrower</p> <ul style="list-style-type: none"> • A borrower obligated on the Note of the Mortgage being refinanced may be omitted from the Note of the Relief Refinance Mortgage – Open Access. Borrower(s) being omitted from the note may remain on the deed and retain ownership interest in the Mortgaged Premises. <p>In all cases, at least one borrower from the Mortgage being refinanced must be retained.</p> <p>Ineligible</p> <ul style="list-style-type: none"> • Foreign National • Non-Permanent resident alien 														
<p>Co-borrowers</p>	<p>No new non-occupying co-borrowers may be added to an Open Access loan secured by primary residence. Existing non-occupying co-borrowers from the prior loan may remain.</p>														
<p>Credit</p>	<p>The Borrower’s credit reputation is acceptable if the mortgage receives a Risk Class of Accept.</p> <p>Credit Score</p> <ul style="list-style-type: none"> • Borrower’s credit score is eligible if LP Accept decision is received. • Each borrower must have a credit score but there is no minimum qualifying score. • Refer to <i>Mortgage Insurance</i> for specifics • Mortgage payment history <ul style="list-style-type: none"> • Existing mortgage (loan on subject property being refinanced) must be current. • LP determines acceptable mortgage history <p>Ineligible</p> <ul style="list-style-type: none"> • Manual underwrite • LP decision other than LP Accept 														
<p>Documentation</p>	<p>Document as determined by LP Findings and Selling Guide See <i>Asset</i> and <i>Income</i> sections for LP Open Access flexibilities. Impac will accept digitally signed documents per FHLMC guidelines.</p> <p>A copy of the divorce decree is required when the loan file indicates income or liability due to divorce.</p>														

LP Open Access

Escrow Waivers	<p>Property tax and insurance escrows may be waived as follows:</p> <ul style="list-style-type: none"> All loans with LTV ≤ 80% <p>California Only: Escrows may be waived for <u>primary residence</u> < 90% LTV Note: Impounds are <u>always</u> required when the loan has monthly mortgage insurance premium</p>				
Financing Types	<p>Rate and Term Refinance</p> <ul style="list-style-type: none"> Proceeds of Relief Refi Mortgage – Open Access are limited to Rate and Term refi and the proceeds may be used only as follows: <ul style="list-style-type: none"> Pay off the first Mortgage (amount including only the unpaid principal balance and interest accrued through the date the Mortgage being refinanced is paid off.) Pay related closing costs, financing costs and prepaids/escrows not to exceed \$5,000 Disburse cash to the borrower not to exceed \$250 In the event there are remaining proceeds from the mortgage after the proceeds are applied as described above: <ul style="list-style-type: none"> The mortgage amount must be reduced, or The excess amount must be applied as a principal curtailment to the loan at closing and must be clearly reflected on the Settlement/Closing Disclosure Statement or other equivalent settlement statement Reimbursement for closing costs paid by the borrower outside of closing is ineligible The proceeds may not be used to pay off or pay down any junior liens. Must demonstrate the Relief Refinance Mortgage – Open Access improves borrower's position as follows. <ul style="list-style-type: none"> Reduce the interest rate Reduce the amortization period Replace ARM, IO or Balloon Product with a fully amortizing Fixed Rate Product. Reduction in the monthly principal and interest payment of the First Lien Mortgage There is no limitation on the amount of the increase in the Borrower's principal and interest payment so long as borrower benefit is met per above. The relief Refinance Mortgage – Open Access must not be subject to the Home Ownership and Equity Protection Act of 1994. An increase in the current unpaid principal amount of any junior lien is prohibited. Texas Equity Section 50(a)(6) mortgages are ineligible 				
Geographic Locations/Restrictions, as applicable	<p>Eligible states are as follows:</p> <ul style="list-style-type: none"> Correspondent: All states (including DC) are eligible Although Impac is licensed in New York, we are not currently taking applications. Please check back periodically. <p><u>Additional restrictions as follows:</u> Hawaiian Lava-Flow Hazard Zones – The U.S. Geological Survey (USGS) categorizes the <u>island of Hawaii</u> into nine "lava zones" based on each zone's probability of exposure to lava flows caused by volcanic eruption. Properties in lava zones 1 and 2 are not eligible for loans funded or purchased by Impac Mortgage Corp. due to increased risk of property destruction from lava flows within these areas. The Hawaii Lava-Flow Hazard Zone Map can be accessed at: http://hvo.wr.usgs.gov/hazards/FAQ_LavaFlowHazardZone/ and http://pubs.usgs.gov/mf/1992/2193/</p> <p>Texas Cash-out 50(a)(6) is ineligible</p> <p>State specific regulatory requirements supersede all underwriting guidelines set forth by Impac.</p>				
High-Cost Mortgage Loans	<p>Impac does not originate or purchase high-cost mortgage loans (12 CFR 1026.32)</p>				
Income	<p>All income used for qualifying must, at a minimum, be documented as follows in lieu of meeting Streamlined Accept or Standard Documentation requirements in Sections 37.22 and 37.23 of Selling Guide, except as specifically stated below and regardless of the Documentation Level returned by Loan Prospector.</p> <table border="1" data-bbox="446 1707 1528 1904"> <thead> <tr> <th data-bbox="446 1707 862 1734"><u>Income sources</u></th> <th data-bbox="862 1707 1528 1734"><u>Minimum documentation requirements</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="446 1734 862 1904"> Employment income (primary or secondary) Bonus Overtime Tip income Automobile allowance </td> <td data-bbox="862 1734 1528 1904"> <ul style="list-style-type: none"> Year-to-date (YTD) paystub or written verification of employment (VOE) documenting at least 30 days of income; and Verbal VOE no more than 10 Business Days prior to the Note Date </td> </tr> </tbody> </table>	<u>Income sources</u>	<u>Minimum documentation requirements</u>	Employment income (primary or secondary) Bonus Overtime Tip income Automobile allowance	<ul style="list-style-type: none"> Year-to-date (YTD) paystub or written verification of employment (VOE) documenting at least 30 days of income; and Verbal VOE no more than 10 Business Days prior to the Note Date
<u>Income sources</u>	<u>Minimum documentation requirements</u>				
Employment income (primary or secondary) Bonus Overtime Tip income Automobile allowance	<ul style="list-style-type: none"> Year-to-date (YTD) paystub or written verification of employment (VOE) documenting at least 30 days of income; and Verbal VOE no more than 10 Business Days prior to the Note Date 				

	<p>Commission income</p>	<ul style="list-style-type: none"> • YTD paystub or written VOE documenting at least 30 days of income; or • Complete individual federal tax returns covering the most recent one-year period; AND • Verbal VOE no more than 10 Business Days prior to the Note Date
	<p>Military income Military reserve income</p>	<p>YTD Leave and Earnings Statement (LES) or written VOE documenting at least 30 days of income and a verbal VOE no more than 10 Business Days prior to the Note Date.</p> <p>In lieu of a verbal VOE, an LES dated no more than 30 days prior to Note Date may be provided.</p>
	<p>Seasonal employment and unemployment compensation</p>	<ul style="list-style-type: none"> • YTD paystub or written VOE documenting at least 30 days of income; and • Verbal VOE no more than 10 Business Days prior to the Note Date for seasonal employment; OR • Evidence of current receipt and amount of unemployment compensation and evidence that it is associated with seasonal employment
	<p>Income while on temporary leave from current employment</p>	<p>Underwriter may use the Borrower's gross monthly income amount that was received prior to the temporary leave provided that the following documentation is obtained:</p> <ul style="list-style-type: none"> • A paystub or a written VOE documenting pre-leave income; and • A written statement signed by the Borrower confirming the Borrower's intent to return to the current employer <p>The underwriter must receive no evidence or information from the Borrower's employer indicating that the Borrower does not have the right to return to work after the leave period.</p>
	<p>Self-employed (all types; primary and secondary)</p>	<ul style="list-style-type: none"> • Complete signed individual federal tax return for the most recent year; and • Verification of existence of the business through a third-party source no more than 30 calendar days prior to the Note Date
	<p>Notes receivable</p>	<p>Copy of the note and most recent one-month bank statement or other equivalent documentation evidencing receipt of the income</p>
	<p>Dividend and interest Capital gains Royalty payments</p>	<p>Copy of complete individual federal income tax returns for the most recent one-year period; evidence of sufficient assets to support the qualifying income for dividend/interest income and capital gains</p>
	<p>Trust income</p>	<p>Copy of the Trust Agreement</p>
	<p>Retirement income Survivor and dependent benefit income Long-term disability income Social Security Supplemental Security Income Section 8 assistance payments Public assistance income Unemployment compensation Foster care income</p>	<ul style="list-style-type: none"> • A copy of the award letter, 1099 or other third-party documentation showing income type, source, amount; or • Most recent one-month bank statement or other equivalent documentation evidencing receipt of the income <p>(2014-6) Clarification – Unemployment compensation is an eligible source of income. There is no requirement to make a determination that income for this program, including public assistance income (e.g., unemployment compensation), is expected to continue for at least three years.</p>
	<p>Alimony Separate maintenance Child support</p>	<p>Copy of the signed court order and evidence of receipt of the total court ordered amount for the most recent one month</p>

LP Open Access

	Housing or parsonage allowance	<ul style="list-style-type: none"> A written VOE, a letter from the employer or paystubs reflecting the amount of the housing or parsonage allowance and the terms under which it is paid; or Evidence of one month receipt of the housing allowance
	Tax exempt income	The most recent complete individual federal tax returns or other documentation evidencing that the income, or a portion of the income, is nontaxable. Only the nontaxable portion of income may be grossed up.
	Rental income	An executed lease agreement or the most recent complete individual federal tax returns
Liabilities	<p><u>The monthly debt payment is the sum of the monthly charges for the following liabilities (37.16):</u></p> <ul style="list-style-type: none"> Monthly housing expense Payments on all installment debts with more than 10 months of payments remaining, including debts that are in a period of either deferment or forbearance. If the credit report does not contain a required monthly payment, the monthly payment used must be based on documentation in the file. Alimony, child support or maintenance payments with more than 10 months of payments remaining Monthly payments on revolving or open-end accounts, regardless of the balance. In the absence of a monthly payment on the credit report or direct verification, 5% of the outstanding balance will be considered to be the required monthly payment. Monthly payments on open-end accounts (accounts which require the balance to be paid in full monthly) are not required to be included in the monthly debt payment if the borrower has sufficient verified funds to pay off the outstanding account balance. The funds must be in addition to any funds required for down payment, closing costs, financing costs, prepaids/escrows or reserves, as applicable. Car lease payments, regardless of the number of payments remaining Aggregate net rental loss from all investment properties owned Monthly payment amounts for other properties, including principal and interest on the first lien and any secondary financing, taxes and insurance and, when applicable, mortgage insurance premiums, leasehold payments, homeowners association dues (excluding unit utility charges) <p>When payments on an installment debt are not given on the credit report or are listed as deferred, the underwriter must obtain documentation to support the payment amount included in the monthly debt payment.</p> <p><u>Student Loans</u> If no monthly payment is reported on a student loan that is deferred or is in forbearance, the underwriter must obtain documentation verifying the proposed monthly payment amount, or use a minimum of 2% of the outstanding balance for qualifying purposes.</p> <p>Payments on installment debts secured by financial assets in which repayment may be obtained by liquidating the asset, may be excluded from the monthly debt payment-to-income ratio for qualifying purposes, regardless of the payment amount or number of payments remaining. The loan secured by the financial asset must have been made by a financial institution. The underwriter may only consider the assets in the account that exceed the loan balance to be available to the borrower as borrower funds.</p> <p>If the borrower pays off or pays down existing debts in order to qualify for the mortgage, the underwriter must document the payoff or pay down of the debts and the source of the funds used in the mortgage file.</p>	
Limitations on Other Real Estate Owned	Multiple loans to the same borrower <ul style="list-style-type: none"> Maximum 20% concentration in any one project or subdivision Impac will purchase loans on up to 8 properties for one borrower or \$2 million whichever is less Primary Residence <ul style="list-style-type: none"> Up to 10 financed properties, including the subject property Second Homes & Investment Properties: <ul style="list-style-type: none"> Up to 10 financed properties, including the subject property 	
Loan Amount	Minimum Conforming Loan Amount: \$35,000	
Mortgage Insurance	If the original transaction LTV was $\leq 80\%$ and there is no mortgage insurance, then mortgage insurance is not required on the subject refinance. <p>If the original transaction LTV was $> 80\%$ and mortgage insurance was previously cancelled or terminated in accordance with Freddie Mac guidelines and the AUS findings indicate no current Mortgage Insurance, then Mortgage Insurance is not required on the subject refinance.</p>	

LP Open Access

	<p>NOTE: If existing MI is indicated in the AUS findings and certificate has been cancelled, we must wait until this information is accurately reflected in the AUS findings as no mortgage insurance currently in effect before Impac may proceed with the transaction.</p> <p>If the LTV on the subject refinance is $\leq 80\%$ then no mortgage insurance is required. If the current LTV on the subject refinance is $>80\%$ and the original transaction had Mortgage Insurance in any form and not cancelled as above, then the loan is eligible with a mortgage insurance modification as follows:</p> <ul style="list-style-type: none"> • <u>Mortgage Insurance modifications are eligible with the following MI companies only.</u> <ul style="list-style-type: none"> • Essent Guaranty, Inc. • Genworth (Note: AUS findings may still refer to GE or GEMICO as the existing insurer. These are predecessor companies to Genworth. Final MI modification must be confirmed with Genworth MI Certificate. • MGIC • Radian: • RMIC • United Guaranty (UG) • PMI • CMG (due to acquisition, new certificate from "Arch MI") • Arch MI • Eligible modified certificate must be as follows. <ul style="list-style-type: none"> • Financed MI • LPMI single premium already paid • Single Premium already paid • Split Premium initial already paid with monthly MI • Borrower Paid monthly <p>Underwriter to verify existing mortgage insurance and submit modification request to the applicable MI Company</p> <p>Ineligible MI</p> <ul style="list-style-type: none"> • Lender Paid Monthly (must be converted to Borrower paid monthly) • Lender paid pool coverage (referred to as GSE pool insurance) • Investor – paid pool coverage • Loans covered by recourse and/or indemnification agreements • Secondary market coverage agreements
<p>Occupancy</p>	<p>Primary Residence – 1-4 units</p> <p><u>Second Homes – 1 unit only</u></p> <ul style="list-style-type: none"> • Must be in such a location as to function reasonably as a second home. (i.e., remote in distance from the Borrower's Primary Residence) • Suitable for year-round occupancy • Available for the Borrower's exclusive use and enjoyment • Not subject to time sharing or other shared ownership arrangement • Not subject to rental pools or agreements • Not subject to management company control over occupancy <p>Investment Properties – 1-4 units</p> <p>Open Access may be refinanced as primary residence, second home or investment property, whether or not the mortgage being refinanced was underwritten and sold as a primary residence, second home or investment mortgage. Same occupancy is not required.</p>
<p>Prepayment Penalty</p>	<p>None</p>
<p>Principal Curtailments</p>	<p>A principal reduction is required at closing when cash back to borrower exceeds \$250 at closing due to changes in closing costs, financing costs, and/or prepaid escrows <u>only</u>.</p> <p>NOTE: Principal Curtailment cannot solve a loan amount that is too high due to incorrect Unpaid Principal Balance (UPB). Loan amounts that are too high due to incorrect UPB (regardless of cash back) must be reduced and closing documents re-drawn.</p> <p>The primary cause for an excessive loan amount is when a monthly mortgage payment is made after the effective date of the payoff statement which changes/reduces the UPB for correct loan amount calculation.</p>
<p>Program Restrictions</p>	<p>Community Land Trusts – Mortgage loans secured by a leasehold estate on property owned by a community land trust are ineligible.</p>

LP Open Access

	Property Assessed Clean Energy (PACE) – Mortgages secured by properties with an outstanding Property Assessed Clean Energy (PACE) or PACE-like obligation (e.g., Home Energy Renovation Opportunity (HERO) loan) are ineligible .
Property Types	<p>Eligible property types</p> <ul style="list-style-type: none"> • 1-4 units • Modular Pre-Cut/Panelized Housing • PUDs • Condominiums • Maximum Acreage = 25 acres • Leasehold properties – Must meet Freddie Mac requirements. Leasehold properties require a full appraisal; HVE is not acceptable • <u>Manufactured Housing acceptable to Freddie Mac and subject to the following restrictions:</u> • Primary and Second Home Only (no investment property) • Multi-width property only – no single wide • No High Balance Loans • No Manufactured Homes in Condo Projects • MFH may not have been re-sited • No MFH on leased land • MFH requires a <u>full appraisal</u>; HVE is not acceptable <p>Ineligible</p> <ul style="list-style-type: none"> • Condo hotels or motels • Co-ops • Houseboat project • Timeshare or segmented ownership project • Properties encumbered with private transfer fee covenants (per Regulation 12 C.F.R. Part 1228)
Qualifying Rate and Ratios	<p>Qualifying Rate</p> <ul style="list-style-type: none"> • Fixed Rate - Qualify at note rate. <p>Ratios</p> <ul style="list-style-type: none"> • AUS determines acceptable ratios at all LTVs* <p>*NOTE: Manual DTI Ratio Adjustment Requirement For LP Open Access loans that are HPCTs (Higher Priced Covered Transactions) as defined in Regulation Z, 12 C.F.R. 1026.43(b) with Application Received dates on or after January 10, 2014, the underwriter must ensure that the DTI is not greater than 45%. Minimum score must be at least 620 or higher as indicated in these guidelines, and there must be verification of income source and amount. (FHLMC Bulletin 2013-23)</p> <p>An HPML (Higher Priced Mortgage Loan) is a mortgage loan secured by a principal dwelling, whereas an HPCT (Higher Priced Covered Transaction) may be secured by a principal dwelling, a second home, or it may be an investor loan (not otherwise exempt from TILA), in each case with an annual percentage rate that exceeds the applicable rate spread specified in Regulation Z.</p> <p>Under Regulation Z, 12 CFR 1026.35, HPMLs remain subject to regulatory requirements that are not applicable to HPCTs secured by second homes and investment properties, including escrow and appraisal requirements.</p>
Secondary Financing	<ul style="list-style-type: none"> • Subordination of existing junior liens permitted with no CLTV limitations, as identified in <i>Loan Amount & LTV</i>. • If the junior lien is not being refinanced simultaneously with the first mortgage, the existing junior lien must be subordinate to the Relief Refinance Mortgage. • An increase in the current unpaid principal amount of any junior lien is not permitted. • New secondary financing is ineligible <p><u>Hardest Hit Fund (HHF) – cannot be a lien on property</u> HHF program funds provided by a state Housing Finance Agency (“HFA”) may be used to pay down the outstanding balance on a Mortgage being refinanced at the time of closing, and to pay Closing Costs, Financing Costs and Prepays/Escrows for the Relief Refinance Mortgage – Open Access, <u>as long as the funds do not result in a lien on the property.</u></p> <p>The Mortgage file must contain documentation verifying the terms and conditions under which the HHF program funds are provided to the Borrower.</p> <p>When repayment of HHF program funds is required, the verified payment must be included in the monthly debt payment-to-income ratio, unless repayment of funds is due only upon sale or default.</p> <p>The HHF program funds must be reflected on the Settlement/Closing Disclosure Statement.</p>

LP Open Access

Special Characteristic Codes	<ul style="list-style-type: none"> • SCC H08 – Relief refinance Mortgage – Open Access • SCC 007 – No cash-out refinance mortgage
Temporary Buydown	Ineligible
Underwriting	<p>Loan must be underwritten by Freddie Mac's LP and receive eligibility findings for LP Open Access. LP must state eligibility for this program.</p> <p>Payment increase is permitted only if a more stable product (i.e., ARM to Fixed, IO to fully amortizing, shorter term) is used</p> <p>Borrower Benefit The borrower must receive a benefit from the refinance transaction.</p> <ul style="list-style-type: none"> • Acceptable borrower benefits are met if any apply as follows: <ul style="list-style-type: none"> • A reduction in the interest rate of the First Lien Mortgage • To replace an ARM, Initial Interest Mortgage or any Mortgage with an interest-only period, or a Balloon/Reset Mortgage with a fixed-rate, fully amortizing Mortgage • A reduction in the amortization term of the First Lien Mortgage • A reduction in the monthly principal and interest payment of the First Lien Mortgage <p>There is no limitation on the amount of increase in the Borrower's principal and interest payment. LP does not make the determination that the Open Access transaction will benefit the borrower</p> <p>Condominiums – Projects are no longer required to meet Freddie Mac's eligibility requirements, except lender must document (rep and warrant) the project is not a Hotel/Resort Project or houseboat project, a timeshare project, or a project with fragmented or segmented ownership. The project must have insurance that meets the applicable requirements.</p> <p>If the Mortgage being refinanced was a Restructured Mortgage, it is eligible to be refinanced as a Relief Refinance Mortgage – Open Access.</p> <p>Ineligible</p> <ul style="list-style-type: none"> • Manual underwriting • Any finding that is not an LP Accept <p><u>Verification of Funds for 30-Day Charge Accounts (aka Open-End Accounts) (37.16)</u> Open-end accounts do not have to be included in the monthly debt payment if the borrower has sufficient funds to pay off the outstanding account balance. Underwriter must document that the borrower has sufficient funds to cover the unpaid balance of all 30-day charge accounts over and above funds required for the subject loan, including reserves. Alternatively, in the absence of a stated payment on the credit report or direct verification, 5% of the outstanding balance will be considered to be the required monthly payment.</p> <p><u>Rent Loss Insurance requirements eliminated(2014-6 & 22.22.1)</u></p> <ul style="list-style-type: none"> • <u>Primary 2-4 unit (2014-6 & 22.22.1)</u> - The former requirement that the borrower maintain six months' rent loss insurance for a 2- to 4-unit Primary Residence when rental income is used in qualifying has been eliminated. <ul style="list-style-type: none"> ○ Note: If the subject property is a 2- to 4-unit Primary Residence, then Paragraph D (Rent Loss Coverage) must be deleted from the 1-4 Family Rider, Form 3170. • <u>Investment 1-4 unit (2015-12 & 37.14)</u> – The former requirement that borrower must have rent loss insurance on an investment property for at least six months of gross monthly rent whenever rental income is used for qualifying has been eliminated. <p><u>Landlord Experience Requirement Removed (2015-12, 37.14)</u> Freddie Mac no longer requires a two-year history of managing investment properties to use the income from a subject investment property or other investment properties owned by the borrower for qualifying purposes.</p>

###