

## MANUFACTURED (HUD-CODE) HOME CONSTRUCTION-TO-PERMANENT CONFORMING LOAN PROGRAM MATRIX

Summary of Program:	<ul style="list-style-type: none"> <li>• One close construction-to-permanent mortgage program.</li> <li>• During the construction period, the borrower pays interest only on funds disbursed for construction out of an Interest Reserve that is financed in the loan.</li> <li>• Upon completion, the loan modifies into the permanent mortgage. The customer has several permanent mortgage options, including 30 or 15 year fixed, and the 7/1 ARM programs.</li> </ul>																
Maximum Loan Amount:	<ul style="list-style-type: none"> <li>• \$417,000</li> </ul>																
Loan Type/Terms:	<ul style="list-style-type: none"> <li>• 15, 20, and 30 year fixed rate</li> <li>• 7/1 ARM (Adjustable Rate Mortgage)</li> </ul>																
Permanent Rate Lock:	<ul style="list-style-type: none"> <li>• Permanent fixed rate loan locked prior to modification (normally 30-60 days prior to home construction completion).</li> </ul>																
Construction Interest Rate:	<ul style="list-style-type: none"> <li>• 9.99-12% per month during construction; permanent loan rate begins after modification.</li> <li>• Interest only (from Interest Reserve) during construction phase for funds disbursed.</li> </ul>																
Construction Term:	<ul style="list-style-type: none"> <li>• 270-day Note construction term.</li> </ul>																
ARM Loan:	<ul style="list-style-type: none"> <li>• ARM loan with interest only for the first 3 or 6 months- then fully amortizing. Initial rate fixed for 7 years starting at modification (i.e. after construction phase) and adjusting annually thereafter based on the one year Treasury Index.</li> <li>• 2 / 6 Interest Rate Caps. Maximum adjustment after the fixed period of 7 years is 2% per year, and 6% over the life of the loan.</li> </ul>																
Amortization Term:	<ul style="list-style-type: none"> <li>• Permanent phase will amortize over 30, 20, or 15 years, starting after the 6 month construction phase, which may be extended to 12 months.</li> </ul>																
Eligible Properties:	<ul style="list-style-type: none"> <li>• Single family owner-occupied homes and second homes only.</li> <li>• Must be classified as Real Property with Title retired per State guidelines. <ul style="list-style-type: none"> <li>◦ Land must be owned by borrower in fee simple status.</li> </ul> </li> <li>• Home must be attached to a permanent foundation system in compliance with local, County and State regulatory requirements. <ul style="list-style-type: none"> <li>◦ Towing hitch, wheels and axles must be removed.</li> </ul> </li> <li>• Must be permanently connected to septic or sewer system and all other utilities.</li> </ul>																
Ineligible properties:	<ul style="list-style-type: none"> <li>• Leasehold estates (i.e. parks).</li> <li>• Investment properties.</li> </ul>																
Loan-to-Value (LTV)	<ul style="list-style-type: none"> <li>• Value is based on the lesser of (a) land acquisition + construction costs or (b) appraised "as-completed" value of the property.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>LTV</th> <th>Term</th> <th>Occupancy</th> <th>Loan Purpose</th> </tr> </thead> <tbody> <tr> <td>&lt;= 95%</td> <td>&lt;= 30 yrs</td> <td> <ul style="list-style-type: none"> <li>◦ Principal residence</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>◦ Purchase money</li> <li>◦ Limited cash-out refi</li> </ul> </td> </tr> <tr> <td>&lt;= 90%</td> <td>&lt;= 30 yrs</td> <td> <ul style="list-style-type: none"> <li>◦ Principal residence</li> <li>◦ Second home</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>◦ Purchase money</li> <li>◦ Limited cash-out refi</li> </ul> </td> </tr> <tr> <td>&lt;= 65%</td> <td>&lt;= 20 yrs</td> <td> <ul style="list-style-type: none"> <li>◦ Principal residence</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>◦ Cash-out refi</li> </ul> </td> </tr> </tbody> </table>	LTV	Term	Occupancy	Loan Purpose	<= 95%	<= 30 yrs	<ul style="list-style-type: none"> <li>◦ Principal residence</li> </ul>	<ul style="list-style-type: none"> <li>◦ Purchase money</li> <li>◦ Limited cash-out refi</li> </ul>	<= 90%	<= 30 yrs	<ul style="list-style-type: none"> <li>◦ Principal residence</li> <li>◦ Second home</li> </ul>	<ul style="list-style-type: none"> <li>◦ Purchase money</li> <li>◦ Limited cash-out refi</li> </ul>	<= 65%	<= 20 yrs	<ul style="list-style-type: none"> <li>◦ Principal residence</li> </ul>	<ul style="list-style-type: none"> <li>◦ Cash-out refi</li> </ul>
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Down Payment:	<ul style="list-style-type: none"> <li>• Minimum of 5% must come from borrower's own funds. <ul style="list-style-type: none"> <li>◦ Trade-in equity from existing HUD-Code home.</li> <li>◦ Equity in Land. Value of land is based on acquisition cost (if acquired in last 12 months) or appraised value (if acquired over 12 months ago).</li> </ul> </li> <li>• Additional down payment may include gifts.</li> </ul>																
Construction Draws:	<ul style="list-style-type: none"> <li>• Disbursements for work completed with standard draw request/lien waiver forms per construction disbursement schedule.</li> </ul>																
Draw Turn Around Time:	<ul style="list-style-type: none"> <li>• Within 3 business days of receipt of documentation (average 48 hours).</li> </ul>																
Mortgage Insurance:	<ul style="list-style-type: none"> <li>• Mortgage Insurance is required for loans with 80% LTV or greater. Insurance must be in place before the construction period begins.</li> </ul>																
Appraisal Requirements:	<ul style="list-style-type: none"> <li>• At least two comparable properties must be MLS-listed and sold HUD-Code homes.</li> <li>• Appraisal must include a Manufactured Home Appraisal Report Addendum (Fannie Mae Form 1004C or Freddie Mac Form 70B)</li> </ul>																

**NOTE: THIS MATRIX APPLIES TO STANDARD FANNIE/FREDDIE CONFORMING LOANS. LAND/HOME FINANCAIL HAS ADDITIONAL "NICHE" PROGRAMS FOR MANUFACTURED HOMES. CALL YOUR LOAN OFFICER FOR MORE DETAILS.**