

## Loan-Level Price Adjustment (LLPA) Matrix

This document provides the LLPAs applicable to loans delivered to Fannie. LLPAs are assessed based upon certain eligibility or other loan features, such as credit score, loan purpose, occupancy, number of units, product type, etc. Special feature codes (SFCs) that are required when delivering loans with these features are listed next to the applicable LLPAs. Not all loans will be eligible for the features described in this Matrix and unless otherwise noted, FHA, VA, Rural Development (RD) Section 502 Mortgages, HUD Section 184 Mortgages, and matured balloon mortgages (refinanced or modified, per *Servicing Guide* requirements) redelivered as fixed-rate mortgages (FRMs) are excluded from these LLPAs. This Matrix is incorporated by reference into the *Selling Guide*, and the related *Selling Guide* provision or *Selling Guide* announcement governs if there is an inconsistency. Refer to the *Selling Guide*, *Eligibility Matrix*, and your contracts with Fannie Mae to determine loan eligibility.

### Pricing Guidelines for LLPAs:

- All LLPAs are cumulative. The LLPAs apply to all loans that meet the stated criteria for the LLPA, unless otherwise noted or excluded.
- The LLPAs in this Matrix do not apply to DU Refi Plus™ and Refi Plus™ mortgage loans. Refer to *Refi Plus™ Mortgages Only Loan-Level Price Adjustment Matrix*.
- Credit score requirements are based on the "representative" credit score for the mortgage loan as defined in the *Selling Guide*. Loans delivered without any credit score will be charged under the lowest credit score range shown in each of the applicable LLPA tables. Loans delivered with more than one borrower, when one borrower has a credit score and one or more borrowers do not have credit scores, are charged according to the representative credit score (disregarding the borrower(s) without a credit score).
- All applicable LLPAs for MBS transactions will be drafted from the lender's account. All applicable LLPAs for whole loan transactions will be deducted from the loan net proceeds, as set forth in the *Selling Guide*.
- Footnotes and expiration/effective dates are important guides to the correct application and accumulation of LLPAs.
- Mortgages are subject to all applicable SFCs, in addition to any that may be indicated below.
- For loans with financed mortgage insurance, applicable LLPAs are applied based on gross LTV ratio, which is calculated after the inclusion of financed mortgage insurance.

### Table of Contents

|   |                                 |                          |
|---|---------------------------------|--------------------------|
| <b>Table 1: All Eligible Mortgages - LLPA by Credit Score/LTV Ratio</b> |                                 | <b>Page 2</b>            |
| <b>Table 2: All Eligible Mortgages - LLPA by Product Feature</b>        |                                 | <b>Pages 2-4</b>         |
| • Manufactured home   | • HomeStyle <sup>®</sup> Energy | • Multiple-unit property |
| • Investment property   | • High-balance mortgage loan    | • Condominium            |
| • Cash-out refinance  |                                 |                          |
| <b>Table 3: Mortgages with Subordinate Financing</b>                    |                                 | <b>Page 4</b>            |
| <b>Table 4: Minimum Mortgage Insurance Option</b>                       |                                 | <b>Page 5</b>            |
| <b>Table 5: HomeReady<sup>®</sup> Mortgage Loans</b>                    |                                 | <b>Page 5</b>            |
| <b>LLPA Matrix Change Tracking Log</b>                                  |                                 | <b>Page 6</b>            |



**Table 1: All Eligible Mortgages – LLPA by Credit Score/LTV Ratio**

| Representative Credit Score | LTV Range   |                |                |                |                |                |                |                |     |
|-----------------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----|
|                             | Applicable for all mortgages with terms greater than 15 years |                |                |                |                |                |                |                |     |
|                             | ≤ 60.00%  | 60.01 – 70.00% | 70.01 – 75.00% | 75.01 – 80.00% | 80.01 – 85.00% | 85.01 – 90.00% | 90.01 – 95.00% | 95.01 – 97.00% | SFC |
| ≥ 740                       | 0.000%  | 0.250%         | 0.250%         | 0.500%         | 0.250%         | 0.250%         | 0.250%         | 0.750%         | N/A |
| 720 – 739                   | 0.000%  | 0.250%         | 0.500%         | 0.750%         | 0.500%         | 0.500%         | 0.500%         | 1.000%         | N/A |
| 700 – 719                   | 0.000%  | 0.500%         | 1.000%         | 1.250%         | 1.000%         | 1.000%         | 1.000%         | 1.500%         | N/A |
| 680 – 699                   | 0.000%  | 0.500%         | 1.250%         | 1.750%         | 1.500%         | 1.250%         | 1.250%         | 1.500%         | N/A |
| 660 – 679                   | 0.000%  | 1.000%         | 2.250%         | 2.750%         | 2.750%         | 2.250%         | 2.250%         | 2.250%         | N/A |
| 640 – 659                   | 0.500%  | 1.250%         | 2.750%         | 3.000%         | 3.250%         | 2.750%         | 2.750%         | 2.750%         | N/A |
| 620 – 639                   | 0.500%  | 1.500%         | 3.000%         | 3.000%         | 3.250%         | 3.250%         | 3.250%         | 3.500%         | N/A |
| < 620 <sup>(1)</sup>        | 0.500%  | 1.500%         | 3.000%         | 3.000%         | 3.250%         | 3.250%         | 3.250%         | 3.750%         | N/A |

(1) A minimum required credit score of 620 generally applies to all mortgage loans delivered to Fannie Mae; refer to the *Selling Guide* and the *Eligibility Matrix* for additional detail.

**Table 2: All Eligible Mortgages – LLPA by Product Feature**

| PRODUCT FEATURE   | LTV Range |                |                |                |                |                |                |                | SFC |
|---|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----|
|   | ≤ 60.00%  | 60.01 – 70.00% | 70.01 – 75.00% | 75.01 – 80.00% | 80.01 – 85.00% | 85.01 – 90.00% | 90.01 – 95.00% | 95.01 – 97.00% |     |
| Manufactured home   | 0.500%    | 0.500%         | 0.500%         | 0.500%         | 0.500%         | 0.500%         | 0.500%         | N/A            | 235 |
| Investment property   | 2.125%    | 2.125%         | 2.125%         | 3.375%         | 4.125%         | N/A            | N/A            | N/A            | N/A |
| Investment property – matured balloon mortgages (refinanced or modified) redelivered as FRM | 1.750%    |                |                |                |                |                |                |                | 236 |



**Table 2: All Eligible Mortgages – LLPA by Product Feature [continued]**

| PRODUCT FEATURE  | LTV Range |                |                |                |                |                |                |                |     |
|--|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----|
|  | ≤ 60.00%  | 60.01 – 70.00% | 70.01 – 75.00% | 75.01 – 80.00% | 80.01 – 85.00% | 85.01 – 90.00% | 90.01 – 95.00% | 95.01 – 97.00% | SFC |
| <b>Cash-out refinance<sup>(2)</sup></b><br>Representative Credit Score |           |                |                |                |                |                |                |                |     |
| ≥ 740  | 0.375%    | 0.625%         | 0.625%         | 0.875%         | N/A            | N/A            | N/A            | N/A            | 003 |
| 720 – 739  | 0.375%    | 1.000%         | 1.000%         | 1.125%         | N/A            | N/A            | N/A            | N/A            | 003 |
| 700 – 719  | 0.375%    | 1.000%         | 1.000%         | 1.125%         | N/A            | N/A            | N/A            | N/A            | 003 |
| 680 – 699  | 0.375%    | 1.125%         | 1.125%         | 1.750%         | N/A            | N/A            | N/A            | N/A            | 003 |
| 660 – 679  | 0.625%    | 1.125%         | 1.125%         | 1.875%         | N/A            | N/A            | N/A            | N/A            | 003 |
| 640 – 659  | 0.625%    | 1.625%         | 1.625%         | 2.625%         | N/A            | N/A            | N/A            | N/A            | 003 |
| 620 – 639  | 0.625%    | 1.625%         | 1.625%         | 3.125%         | N/A            | N/A            | N/A            | N/A            | 003 |
| < 620 <sup>(1)</sup>   | 1.625%    | 2.625%         | 2.625%         | 3.125%         | N/A            | N/A            | N/A            | N/A            | 003 |
| <b>HomeStyle Energy</b>  | -\$500    |                |                |                |                |                |                | 375            |     |
| <b>High-balance mortgage loan<sup>(3)</sup></b>                        |           |                |                |                |                |                |                |                |     |
| Purchase or limited cash-out refinance                                 | 0.250%    | 0.250%         | 0.250%         | 0.250%         | 0.250%         | 0.250%         | 0.250%         | N/A            | 808 |
| Cash-out refinance <sup>(2)</sup>                                      | 1.000%    | 1.000%         | 1.000%         | 1.000%         | N/A            | N/A            | N/A            | N/A            | 808 |
| ARM (pricing based on higher of LTV or CLTV)                           | 0.750%    | 0.750%         | 0.750%         | 1.500%         | 1.500%         | 1.500%         | N/A            | N/A            | 808 |

(2) Not applicable to student loan cash-out refinances (identified by SFC 841).

(3) LLPAs for general loan limits per this Matrix also apply.



**Table 2: All Eligible Mortgages – LLPA by Product Feature [continued]**

| PRODUCT FEATURE                  | LTV Range  |                |                |                |                |                |                |                |            |
|----------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------|
| <b>Multiple-unit property</b>    | ≤ 60.00%   | 60.01 – 70.00% | 70.01 – 75.00% | 75.01 – 80.00% | 80.01 – 85.00% | 85.01 – 90.00% | 90.01 – 95.00% | 95.01 – 97.00% | <b>SFC</b> |
| 2-unit property                  | 1.000%   | 1.000%         | 1.000%         | 1.000%         | 1.000%         | N/A            | N/A            | N/A            | N/A        |
| 3-4 unit property                | 1.000%   | 1.000%         | 1.000%         | N/A            | N/A            | N/A            | N/A            | N/A            | N/A        |
| <b>Condominium<sup>(4)</sup></b> | <b>Applicable for all mortgages with terms greater than 15 years</b> |                |                |                |                |                |                |                |            |
|                                  | 0.000%   | 0.000%         | 0.000%         | 0.750%         | 0.750%         | 0.750%         | 0.750%         | 0.750%         | N/A        |

(4) Not applicable to cooperatives, detached condominiums (identified by SFC 588), or site condominiums (identified by SFC 917).

**Table 3: Mortgages with Subordinate Financing (5) (6)**

|   |                   |                              |                           |                    |
|---|-------------------|------------------------------|---------------------------|--------------------|
| <b>All mortgages where the CLTV exceeds the LTV</b>   | 0.375%            |                              |                           | <b>SFC:</b><br>N/A |
| <b>Applicable for all mortgages that meet these LTV and CLTV ranges and credit score requirements (the LLPAs below are in addition to the LLPA above)</b> |                   |                              |                           |                    |
| <b>LTV Range</b>  | <b>CLTV Range</b> | <b>Credit Score &lt; 720</b> | <b>Credit Score ≥ 720</b> | <b>SFC</b>         |
| ≤ 65.00%  | 80.01% – 95.00%   | 0.500%                       | 0.250%                    | N/A                |
| 65.01% – 75.00%   | 80.01% – 95.00%   | 0.750%                       | 0.500%                    | N/A                |
| 75.01% – 95.00%   | 90.01% – 95.00%   | 1.000%                       | 0.750%                    | N/A                |
| 75.01% – 90.00%   | 76.01% – 90.00%   | 1.000%                       | 0.750%                    | N/A                |
| ≤ 95.00%  | 95.01% – 97.00%   | 1.500%                       |                           | N/A                |

(5) If the subordinate financing is a Community Seconds<sup>®</sup> loan, these LLPAs do **not** apply and the lender must use SFC 118. Refer to the *Eligibility Matrix* for maximum CLTV ratios for loans with Community Seconds.

(6) The LLPAs in this table are based on the CLTV, which does **not** include the undrawn portion of a home equity line of credit.



**Table 4: Minimum Mortgage Insurance Coverage Option**

| Representative Credit Score | LTV Range                     |                               |                |                |
|-----------------------------|-------------------------------|-------------------------------|----------------|----------------|
|                             | 80.01 – 85.00% <sup>(7)</sup> | 85.01 – 90.00% <sup>(7)</sup> | 90.01 – 95.00% | 95.01 – 97.00% |
| ≥ 740                       | 0.125%                        | 0.375%                        | 0.500%         | 1.000%         |
| 720 – 739                   | 0.125%                        | 0.625%                        | 0.875%         | 1.250%         |
| 700 – 719                   | 0.125%                        | 0.750%                        | 0.875%         | 1.250%         |
| 680 – 699                   | 0.125%                        | 0.750%                        | 0.875%         | 1.750%         |
| 660 – 679                   | 0.750%                        | 1.250%                        | 1.750%         | 2.125%         |
| 640 – 659                   | 1.250%                        | 1.750%                        | 2.000%         | 2.375%         |
| 620 – 639                   | 1.750%                        | 2.000%                        | 2.250%         | 2.750%         |
| < 620 <sup>(1)</sup>        | 2.000%                        | 2.250%                        | 2.500%         | 3.000%         |

(7) Only applies to loans with amortization terms >20 years and to all manufactured housing loans.

**Table 5: HomeReady Mortgage Loans**

**Cumulative LLPA Caps**

If the sum of all applicable LLPAs exceeds the caps listed below, the excess will be waived at delivery, except as follows: LLPAs for Minimum Mortgage Insurance Coverage Option (Table 4) are in addition to the LLPA caps.

| PRODUCT FEATURE                                    | LLPA Caps | SFC |
|--|-----------|-----|
| LTV > 80% and credit score ≥ 680                   | 0.000%    | 900 |
| All other LTV ratios and credit score combinations | 1.500%    | 900 |
| PRODUCT FEATURE                                    | LLPA      | SFC |
| Housing counseling                                 | -\$500    | 184 |



## LLPA Matrix Change Tracking Log

The information in the table below summarizes major changes only and may not represent a comprehensive description of all changes made to the Matrix. In addition, the information below is provided as a convenience only, and should not be relied upon for the purposes of obtaining actual LLPA values. Always refer to the related Announcement or Lender Letter for the *explanation and details of the particular change*.

### Summary of Changes Beginning 02/24/2015

| Date     | Announcement/<br>Lender Letter | Changes Made   |
|----------|--------------------------------|--|
| 02/24/15 | Announcement<br>SEL-2015-02    | <ul style="list-style-type: none"> <li>Clarified the effective date for the policy for pricing mortgage loans for co-borrowers without credit scores.</li> </ul>   |
| 03/17/15 | Selling Notice                 | <ul style="list-style-type: none"> <li>Updated reference to credit score requirements for loans delivered with more than one borrower when one or more borrowers do not have credit scores and in "Pricing Guidelines for LLPAs and AMDC."</li> </ul>                |
| 04/17/15 | Announcement<br>SEL-2015-04    | <ul style="list-style-type: none"> <li>FHFA-directed national pricing changes.</li> <li>Changes to LLPAs in the new tables are bolded (as compared to the LLPAs in the prior table).</li> </ul>  |
| 07/01/15 | NA                             | <ul style="list-style-type: none"> <li>Updated footnote 3 to add reference to purchase and MBS cutoff dates of May 2015.</li> </ul>  |
| 09/01/15 | Announcement<br>SEL-2015-04    | <ul style="list-style-type: none"> <li>Removed AMDC and pre-September 1, 2015 LLPA references introduced in SEL-2015-04.</li> </ul>  |
| 09/29/15 | Announcement<br>SEL-2015-10    | <ul style="list-style-type: none"> <li>Added LLPAs for high-balance expansion.</li> <li>Added pricing construct for HomeReady (Table 6).</li> </ul>  |
| 12/02/15 | NA                             | <ul style="list-style-type: none"> <li>Created a new footnote 5 in Table 3 as a reminder that the CLTV ratio does <b>not</b> include the undrawn portion of a HELOC. As a result, footnote 5 became footnote 6 in Table 4.</li> <li>No impact on pricing.</li> </ul> |
| 03/29/16 | Announcement<br>SEL-2016-03    | <ul style="list-style-type: none"> <li>Increase of LLPA credit for HomeStyle Energy mortgages from \$250 to \$500.</li> <li>Delete reference to DU versions that precede DU version 9.3 in Table 2.</li> </ul>   |
| 10/24/16 | Announcement<br>SEL-2016-08    | <ul style="list-style-type: none"> <li>Add LLPA credit for pre-purchase housing counseling.</li> <li>Remove references to MyCommunityMortgage (MCM), now discontinued.</li> </ul>  |
| 03/28/17 | Announcement<br>SEL-2016-08    | <ul style="list-style-type: none"> <li>Updated footnote 3 to add a reference to site condominiums (identified by SFC 917).</li> </ul>  |
| 03/28/17 | Announcement<br>SEL-2017-02    | <ul style="list-style-type: none"> <li>Updated Product Feature from "Pre-purchase housing counseling" to "Housing counseling."</li> </ul>  |
| 04/25/17 | Announcement<br>SEL-2017-04    | <ul style="list-style-type: none"> <li>Added new footnote 2 to reference student loan cash-out refinances (identified by SFC 841).</li> <li>Updated footnote numbers accordingly.</li> </ul>   |