



Home Mortgage

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Several states and local municipalities have enacted legislation which define High Cost loans based on APR and fee thresholds which may or may not relate to the HOEPA thresholds. These types of loans typically have various restrictions. It is the policy of U.S. Bank Home Mortgage not to purchase any loan defined as "high cost" under any federal or state law/regulation or local ordinances and any subsequent amendments thereto.

PRODUCT	20, 25, & 30 Yr. Amortization	FOOTNOTES				
Description	Fixed rate, fully amortizing with level payments for life of loan. This purchase and rate/term refinance product is for low-to-moderate income borrowers who need low down payment options and credit flexibility. Primary residence only.					
Max. Loan Amount	Conforming loan limits					
Purchase/Rate Term Refinance	Home Possible 100 & Home Possible Neighborhood Solution 100					
Primary 1- Unit	<u>LTV</u> 100%	<u>TLTV</u> 105%	<u>Min. Borrower Contribution*</u> \$500			
	Home Possible 97 & Home Possible Neighborhood Solution 97					
Primary 1- Unit	<u>LTV</u> 97%	<u>TLTV</u> 105%	<u>Min. Borrower Contribution*</u> \$500			
Primary 2- Unit	97%	105%	3.0%			
	Home Possible 95 & Home Possible Neighborhood Solution 95					
Manufactured Home:	LTV w/out Sub. Financing	LTV w/ Sub Financing	<u>TLTV</u>	<u>Min. Borrower Contribution*</u>	<u>Term</u>	<u>Acceptable Approval</u>
Primary 1-Unit	95%	90%	95%	5.0%	30 Yr	LP Accept
	90%	85%	90%	5.0%	30 Yr	A-Minus Eligible
	90%	85%	90%	5.0%	20 Yr	Manual Underwrite
	Home Possible 97 (Only)					
Primary 3-4 Units	<u>LTV</u> 95%	<u>TLTV</u> 105%	<u>Min. Borrower Contribution*</u> 5.0%			
Purchase/Rate Term Refinance (continued on next page)	* Minimum Borrower contribution from Borrower's Personal funds only applies to purchase transactions.					
Purchase/Rate Term						

Home Possible Pricing:

LTV <= 95%	deduct 0.50 from price
LTV > 95% and <=97%	deduct 0.85 from price
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Manufactured Home	deduct 0.50 from price



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Refinance (continued from previous page)	- Rate/Term refinance transactions limited to the following: <ul style="list-style-type: none"> - The pay off of the outstanding principal balance of an existing first mortgage, - The pay off of the outstanding principal balance of any existing subordinate mortgage that was used in whole to acquire the subject property, - The financing of closing costs (including prepaid expenses), and - 1-Unit: Cash back to the borrower in and amount no more than the lesser of 2% of the balance of the new refinance mortgage or \$2,000. - 2-4 Unit: New loan amount is limited to the outstanding unpaid principal balance of the existing first mortgage rounded to the nearest \$100. - Streamline refinance mortgage is not allowed. 	
Cashout Refinance	- Not allowed.	
Subordinate Financing	<u>1-4 Units:</u> <ul style="list-style-type: none"> - Purchase: Secondary financing must be an Affordable second. - Rate/Term Refinance: Any Secondary financing that is not satisfied and is re-subordinated to the lien of the new refinance Mortgage must be a FHLMC Affordable second. <u>2-4 Units:</u> <ul style="list-style-type: none"> - Any existing secondary financing must be paid off from verified Borrower personal funds and other Borrower funds or re-subordinated to the new refinance mortgage as a FHLMC Affordable second. 	
FHLMC A-Minus Eligible Loans	<ul style="list-style-type: none"> - The Mortgage must be a Conventional Mortgage (30-year fixed). - The Mortgage must be an LP Mortgage with a Risk Class of Caution and evaluation results of eligible for A-minus. 	
Eligible Properties:	1-4 Unit Primary Residence PUD Unit/Townhome Condominium Manufactured Homes <i>No dome homes, earth homes, time shares, condotels, or other unique properties.</i>	<ul style="list-style-type: none"> • May be detached, semi-detached, or attached units. • PUD's must conform to current FHLMC requirements. • Condominium units must conform to current FHLMC Class II or Class III requirements. FHLMC Class I projects will be considered on an exception basis only. California condominiums located in designated earthquake zones must conform to current FNMA Type A requirements. • Standard maximum of 10 acres, however parcels not exceeding 20 acres may be considered if typical for the area and value/marketability is supported with appraisal comparables of similar acreage. Property must be residential in nature. <p>Conforming loans with parcels exceeding 20 acres may be considered on a case-by-case basis, as long as the subject property is residential in nature and there is a demonstrated market.</p>

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<p>Manufactured Housing Requirements</p>	<p>Manufactured homes must meet the following conditions:</p> <ul style="list-style-type: none"> - Must be double wide - Minimum 12 feet wide and at least 600 square feet gross living area. - Must be built in compliance with the Federal Manufactured Home Construction and Safety Standards that were established June 15, 1976 (as amended and in force at the time the home is manufactured) and that appear in HUD regulations at 24 C.F.R. Part 3280. Compliance with these standards will be evidenced by the presence of a HUD Data Plate that is affixed in a permanent manner near the main electrical panel or in another readily accessible and visible location. - Must be a one-family dwelling that is legally classified as real property. The towing hitch, wheels, and axles must be removed and the dwelling must assume the characteristics of site built housing. The land on which the manufactured home is situated must be owned by the borrower in fee simple, unless the manufactured home is located in a condominium project. Mortgages secured by manufactured homes located on leasehold estates are not eligible. - Must be attached to a permanent foundation system in accordance with the manufacture's requirements for anchoring, support, stability, and maintenance. The foundation system must be appropriate for the soil conditions for the site and meet local and state codes. If the property is not situated on a publicly dedicated and maintained street, then it must be situated on a street that is community owned and maintained or privately owned and maintained. There must be adequate vehicular access and there must be an adequate and legally enforceable agreement for vehicular access and maintenance. - Must be permanently connected to a septic tank or sewage system and to other utilities in accordance with local and state requirements. - All improvements must be completed prior to closing. Specifically, the following must be completed: site preparation for delivery of the manufactured home, attachment of the manufactured home to the permanent foundation system, permanent connection to all necessary utilities (water, electricity, gas service, etc.). Exceptions to the foregoing may be only for minor items that do not affect the ability to obtain an occupancy permit (e.g. landscaping, a driveway, a walkway, etc.). Mortgages secured by <i>existing</i> manufactured homes that have incomplete items, such as a partially completed addition or renovation, or defects, or needed repairs that affect livability, are not allowed until the necessary work is completed. - May be located in FNMA/FHLMC approved Condominium. - Manufactured (Mobile) Housing only, defined as: Any dwelling unit built on a permanent chassis and attached to a permanent foundation system. Other factory-built housing (not built on a permanent chassis), such as modular, prefabricated, panelized, or sectional housing, is not considered manufactured housing.
<p>Appraisal</p>	<ul style="list-style-type: none"> - Full URAR required or 2055 Interior acceptable on 1-unit per LP response.

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Eligible States	<ul style="list-style-type: none"> - Not available in Hawaii. Correspondent must have met all appropriate license requirements for each state. Correspondent must obtain an approval for each state from U.S. Bank Home Mortgage's Wholesale Department prior to registering and locking loans. A copy of such licenses must be provided to U.S. Bank Home Mortgage on an annual basis. Periodically, U.S. Bank Home Mortgage may identify certain areas as "Soft Market" areas, which may result in applying restrictive program strategies to minimize this risk. Please contact your registration desk for further details. Dade and Broward counties in Florida are not eligible counties. - States Restrictions for Manufactured Housing: Not available in Alaska, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Louisiana, Maryland, Missouri, Mississippi, Nebraska, New York, South Dakota, Vermont and West Virginia. <p>Refer to Predatory Lending Section at the beginning of this Chapter for additional state restrictions.</p>
Qualifying Ratios	<ul style="list-style-type: none"> - Loans that receive a Loan Prospector risk class of Accept: Determined by Loan Prospector. - Manually underwritten Home Possible Loans: 43% Debt-to-income ratio - Manually underwritten Home Possible Neighborhood Solution Loans: 45% Debt-to-income ratio
Qualifying Rate	<ul style="list-style-type: none"> - Note Rate - If Trailing Spouse income is used to qualify and the mortgage is subject to a temporary buydown, then the Note rate must be used to qualify
Co-Borrowers	<ul style="list-style-type: none"> - Non-Occupant co-borrowers are not allowed.
Closing Costs / Prepays	<p>Closing Costs:</p> <ul style="list-style-type: none"> - The premium may be used to pay any closing costs charged to the borrower. <p>Prepays:</p> <p>Either the borrower, the borrower's employer or the seller may pay the following prepaid items:</p> <ul style="list-style-type: none"> • Real estate taxes for the period after the settlement date. • Hazard insurance premium (annual premium and escrow accruals). <ul style="list-style-type: none"> - Any payment of prepaid items by the borrower's employer or the seller must be included with seller-paid items in the calculation of maximum financing concessions.
Processing / Documentation Options	<ul style="list-style-type: none"> - Loans may utilize LP designated Documentation Class of Standard or Streamline if allowed by LP.

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General Underwriting Guidelines	<p>A. This product is Loan Prospector (LP) eligible and should be LP processed whenever possible. LP with a Risk Class of Accept or LP with a Risk Class of Caution and evaluation results of A-minus eligible are acceptable. A-minus eligible fees are waived on this product.</p> <p>B. Home Possible Mortgages receiving one of the following Risk Class or Evaluation Status reports must be manually underwritten mortgages:</p> <ul style="list-style-type: none"> - Caution-ineligible for A-Minus - Invalid - Ineligible - Incomplete <p>C. Manually underwritten mortgages using Indicator Scores.</p> <p>1. Using Indicator Scores:</p> <ul style="list-style-type: none"> - Must be at least one usable Credit Score determined per FHLMC guidelines. <table border="0" style="margin-left: 40px;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">Minimum Indicator Score</th> </tr> <tr> <th></th> <th style="text-align: center;"><u>Home Possible 100*</u></th> <th style="text-align: center;"><u>Home Possible 97*</u></th> </tr> </thead> <tbody> <tr> <td>Primary 1-Unit</td> <td style="text-align: center;">620</td> <td style="text-align: center;">600</td> </tr> <tr> <td>Primary 2-Unit</td> <td style="text-align: center;">Not permitted</td> <td style="text-align: center;">620</td> </tr> <tr> <td>Primary 3-4 Unit</td> <td style="text-align: center;">Not permitted</td> <td style="text-align: center;">660</td> </tr> <tr> <td>Manufactured Homes</td> <td style="text-align: center;">Not permitted</td> <td style="text-align: center;">660**</td> </tr> </tbody> </table> <p>* Minimum indicator score applies to both Home Possible and Home Possible Neighborhood Solution products.</p> <p>** Home Possible Mortgages secured by a Manufactured Home:</p> <ul style="list-style-type: none"> - Manual underwriting not allowed if term > 20 yrs. and LTV/TLTV > 90% - Loans with a term of 20 years or less, or an LTV/TLTV/HTLTV ratio of 90% or less, may be manually Underwritten mortgages. - Loans with a term of more than 20 years and an LTV/TLTV/HTLTV ratio of greater than 90% require a Loan Prospector risk grade of "Accept". <p>Although, minimum FICO Scores are set, the underwriter still needs to determine a reasonable expectation that the borrower has the ability and willingness to repay the loan. Extenuating circumstances should be documented to the extent possible and a reasonable determination that the situation is corrected.</p> <p>For those loans that must be manually underwritten, the Freddie Mac website that contains a "Look-up" Median Income Tool may be found at:</p> <p style="text-align: center;">http://ww3.freddie.mac.com/ds2/sell/affgold.nsf/frmHomePage?OpenForm</p> <p>D. Individual Borrower with no credit history is considered to have an acceptable credit reputation if satisfactory non-payment credit references can be provided per FHLMC guidelines.</p>		Minimum Indicator Score			<u>Home Possible 100*</u>	<u>Home Possible 97*</u>	Primary 1-Unit	620	600	Primary 2-Unit	Not permitted	620	Primary 3-4 Unit	Not permitted	660	Manufactured Homes	Not permitted	660**
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Required Freddie Mac Offering Identifier Codes	<table border="1"> <thead> <tr> <th>Product</th> <th>Desc</th> <th>Offering Identifier Code</th> <th>Applicable LTV's</th> </tr> </thead> <tbody> <tr> <td>3687</td> <td>Home Possible 100</td> <td>240</td> <td>LTV 97.01 & above</td> </tr> <tr> <td>3687 or 3691</td> <td>Home Possible 97</td> <td>241</td> <td>LTV 97.0 & lower</td> </tr> <tr> <td>3688</td> <td>Home Possible Neighborhood Solutions 100</td> <td>242</td> <td>LTV 97.01 & above</td> </tr> <tr> <td>3688 or 3692</td> <td>Home Possible Neighborhood Solutions 97</td> <td>243</td> <td>LTV 97.0 & lower</td> </tr> </tbody> </table> <p>From the first transmit to LP, one of the above Offering Identifier Codes MUST be used. The LP response will confirm the loan was transmitted as a Home Possible & indicate any applicable delivery fees.</p>	Product	Desc	Offering Identifier Code	Applicable LTV's	3687	Home Possible 100	240	LTV 97.01 & above	3687 or 3691	Home Possible 97	241	LTV 97.0 & lower	3688	Home Possible Neighborhood Solutions 100	242	LTV 97.01 & above	3688 or 3692	Home Possible Neighborhood Solutions 97	243	LTV 97.0 & lower
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Required Freddie Mac Special Characteristic Codes (SCC's)	<p>- To be determined by Underwriter and placed onto 1008:</p> <table border="1"> <thead> <tr> <th>Loan Characteristic</th> <th>SCC Code</th> </tr> </thead> <tbody> <tr> <td>Use of Non traditional Credit References</td> <td>532</td> </tr> <tr> <td>Using cash on hand as borrower Funds or Borrower Personal Funds</td> <td>547</td> </tr> </tbody> </table>	Loan Characteristic	SCC Code	Use of Non traditional Credit References	532	Using cash on hand as borrower Funds or Borrower Personal Funds	547														
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Homebuyer Education	<p><u>Homeownership Education</u></p> <ul style="list-style-type: none"> - To ensure that the borrower understands the home buying process and is prepared for the added responsibilities of homeownership, Borrowers are required to participate in pre-purchase homebuyer education and counseling prior to mortgage closing. - For purchase transactions, at least one qualifying Borrower must participate in a homeownership education program before the Note Date, unless at least one qualifying Borrower satisfies all three of the following requirements: <ul style="list-style-type: none"> • Has previously owned a home • Makes a down payment of at least 5% of value from Borrower's Personal Funds. • Has reserves after closing equal to at least two monthly mortgage payments. <p>A copy of the Homeownership Education Certification must be retained in the mortgage file.</p> <p><u>Landlord Education (2-4 Unit Primary Residence)</u></p> <ul style="list-style-type: none"> - Purchase transactions: At least one qualifying borrower must participate in a landlord education program before Note Date. A copy of the Landlord Education Certification must be retained in the mortgage file. - Refinance transactions: Landlord education is not required but recommended for Borrowers who have not previously attended the program. <p><u>Post Purchase Counseling</u></p> <ul style="list-style-type: none"> - USBHM will provide post-purchase counseling, including early intervention in the event of a delinquency, at no cost to the Borrower. Counseling services will be available to all Borrowers who experience problems meeting their Mortgage payment obligations. USBHM will send the Borrower a letter advising him/her of the availability of free counseling. If the borrower becomes delinquent, USBHM will contact a nonprofit counseling center to act as an independent credit counselor to assist the Borrower in managing his or her personal finances. 																				

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<p>Trailing Spouse Income</p>	<ul style="list-style-type: none"> - Up to 100% of the income of a spouse who relocates to the same location as the relocated employee may be used to qualify for the Relocation Mortgage, provided that the following conditions are met: - 1-Unit primary residence at least 35 miles from prior job. - Maximum 95% LTV & TLTV. - Ratios must not exceed 28/36. - The Trailing Spouse must have been employed in the same profession for minimum of 2 years preceding relocation. Income is not from self-employment. - The Trailing Spouse must provide a written statement of the intent to obtain employment and type of employment sought in the new location. - USBHM must verify income from the Trailing Spouse's previous employment and determine, based on reasonable review of the job market, that employment opportunities in the new location are as good as the current location. - 100% of the Trailing Spouse's income can be used to qualify, however, it cannot exceed 33% of the total income needed to qualify.
<p>Tax Exempt Income</p>	<ul style="list-style-type: none"> - Tax exempt income may be grossed up by 25%.
<p>Borrower(s) Income Limitations</p>	<ul style="list-style-type: none"> - Income used to qualify (including any co-borrower) cannot exceed 100% of area median income or the percentages in the following designated areas: <ul style="list-style-type: none"> 140% in California 170% in Hawaii 120% Seattle, WA, MSA 120% Portland, OR, MSA 165% New York, NY, MSA 165% Dutchess County, NY 165% Nassau-Suffolk, NY, MSA 165% Newburgh (Orange County), NY,MSA 165% Rockland County, NY 165% Ulster County, NY 165% Westchester County, NY 135% Boston, MA MSA 125% Newark, NJ, MSA 120% Bergen/Passaic, NJ, MSA - The Freddie Mac website that contains a "Look-up" Median Income Tool may be found at: http://ww3.freddiemac.com/ds2/sell/affgold.nsf/frmHomePage?OpenForm - Income limits are waived if property located in an Underserved Area as defined by FHLMC guidelines.
<p>Borrower Income</p>	<ol style="list-style-type: none"> 1. Must be documented according to FHLMC guidelines. 2. For manually underwritten mortgages, income contributed by a Borrower with no credit history may be considered, provided the amount contributed does not exceed 30% of the total qualifying income. 3. Boarder / Rental Income: <ul style="list-style-type: none"> - 1-Unit Primary Residence – Eligible rental income from a 1-unit Primary residence that meets FHLMC guidelines may be considered as stable monthly income; however, the income need not come from a related person. - 2 –4 Unit Primary Residence – Eligible rental income from a 2-4 unit Primary residence that meets FHLMC guidelines may be considered as stable monthly income.

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<p>Employment Status</p>	<p>- Home Possible Neighborhood Solution mortgages require the Borrower(s) to be an employee who satisfies one of the following descriptions:</p> <ol style="list-style-type: none"> 1. An employee of an accredited or state-recognized private or public school; certified teacher or administrator in an education agency; or an employee of a post-secondary level educational institution; or 2. An employee of a law enforcement agency or fire department administered by an agency or subdivision of a state or local government, or a sworn law enforcement officer responsible for crime prevention and detection, law enforcement, or criminal incarceration; or a sworn member of a fire department involved in fire suppression or prevention, emergency medical response, hazardous materials incident response, or management or response to terrorism, or 3. A certified, accredited, or licensed health care worker who is a medical resident or fellow; a nurse, nursing assistant, pharmacist, pharmacy technician, physician's assistant or medical technician, technologist or therapist. <p>- Documentation such as a paystub, W-2, letter from the Borrower's employer, or other documentation that provides comparable information evidencing the Borrower meets the employment requirements for a Home Possible Neighborhood Solution mortgage must be maintained in the mortgage file.</p>												
<p>Reserves</p>	<p><u># of Units</u></p> <p>1-Unit</p> <p>2-Units</p> <p>3-4 Units</p>	<p><u>Home Possible 100</u></p> <p>None required</p> <p>Not permitted</p> <p>Not permitted</p>	<p><u>Home Possible Neighborhood Solution 100</u></p> <p>One month</p> <p>Not permitted</p> <p>Not permitted</p>	<p><u>Home Possible 97</u></p> <p>None required</p> <p>Two months</p> <p>Two months</p>	<p><u>Home Possible Neighborhood Solution 97</u></p> <p>One month</p> <p>One month</p> <p>Not permitted</p>								
<p>Source of Funds</p>	<p>The following source of funds are permitted as defined by FHLMC guidelines:</p> <table border="0"> <thead> <tr> <th><u>Use</u></th> <th><u>Permitted Source of Funds</u></th> </tr> </thead> <tbody> <tr> <td>Down payment for Purchase Transaction</td> <td>Borrower Personal Funds / Other Borrower Funds</td> </tr> <tr> <td>Add'l Equity if needed for Rate/Term Refi</td> <td>Borrower Personal Funds / Other Borrower Funds</td> </tr> <tr> <td>Closing Costs / Fin. Costs / Prepds / Escrows</td> <td>Borrower Personal Funds / Other Borrower Funds / Flexible Sources of Funds</td> </tr> </tbody> </table> <p>- Reserves for Home Possible Neighborhood Solution do not allow gifts funds.</p>					<u>Use</u>	<u>Permitted Source of Funds</u>	Down payment for Purchase Transaction	Borrower Personal Funds / Other Borrower Funds	Add'l Equity if needed for Rate/Term Refi	Borrower Personal Funds / Other Borrower Funds	Closing Costs / Fin. Costs / Prepds / Escrows	Borrower Personal Funds / Other Borrower Funds / Flexible Sources of Funds
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<p>Source of Funds Definitions</p>	<p><u>Other Borrower Funds</u></p> <ol style="list-style-type: none"> 1. Gifts from a related person per FHLMC guidelines except that there is no requirement that there be a down payment of 5% from other sources of cash or other Equity. 2. Gifts or grants from An Agency per FHLMC guidelines. 3. Gift or grant from the Seller as the originating lender per FHLMC guidelines except that the originating lender may be the source of the gift or grant. 4. Net proceeds of trade-in of Borrower's previously owned home documented by appraisal of the Borrower's previously owned residence and a copy of the trade-in contract per FHLMC guidelines. 5. Sweat equity that is fully explained and verifiable for labor performed or material furnished by the Borrower on the Mortgages Premises as per FHLMC guidelines including the requirement that the Borrower have at least 5% down payment in cash or other types of other Equity. 6. Funds pooled by a group of related Persons per FHLMC guidelines. 7. Funds representing the matching funds provided by An Agency to an IDA as per FHLMC guidelines. 8. Proceeds from an unsecured loan from An Agency as per FHLMC guidelines. 9. Proceeds from an unsecured loan from a Related Person as per FHLMC guidelines. 10. Proceeds from an Affordable Second as per FHLMC guidelines. <p><u>Flexible Sources of Funds</u></p> <ol style="list-style-type: none"> 1. Seller concessions per FHLMC guidelines. 2. Premium pricing per FHLMC guidelines. 3. Proceeds from an unsecure loan from originating lender per FHLMC guidelines.
<p>Underwriting Submission</p>	<p>Unless correspondent has received delegated authority from U.S. Bank Home Mortgage, loans must be submitted for underwriting to either a U.S. Bank Home Mortgage Wholesale Underwriting Department or to one of the U.S. Bank Home Mortgage approved MI companies listed in the conventional underwriting section of our Correspondent Lenders Manual.</p> <p>All loans requiring a manual underwrite must be submitted to U.S. Bank Home Mortgage for underwriting. MI companies and delegated correspondents are not authorized to manual underwrite this product.</p> <p>All loans secured by properties legally defined as attached condominiums or attached PUDs must be submitted for underwriting to a U.S. Bank Home Mortgage Wholesale Underwriting Department. MI companies do not have authority to underwrite these property types. Loan approvals issued by MI companies will not be valid and will require re-underwriting by the U.S. Bank Home Mortgage Wholesale Underwriting Department prior to closing.</p>
<p>Eligible Borrowers (Citizenship Requirements)</p>	<p>A non-U.S. Citizen, who is lawfully residing in the U.S. as a permanent or a non-permanent resident alien, is eligible for a mortgage on the same terms as a U.S. Citizen.</p> <p>All non-U.S. citizen borrowers must have current acceptable documentation from the Bureau of Citizenship and Immigration Services (BCIS) (formerly the Immigration and Naturalization Service (INS)) within the Department of Homeland Security evidencing the person's legal residency status in the U.S.</p> <ul style="list-style-type: none"> • Permanent Resident Alien (Immigrant): Individuals granted the privilege of residing permanently in the U.S. Also includes refugees and others seeking political asylum. Documentation is commonly referred to as a "Green Card". • Non-permanent Resident Alien (Nonimmigrant): Individuals seeking temporary entry to the U.S. for a specific purpose, business, or pleasure. This group may include intracompany transferees, temp. workers/trainees, visitors for business or pleasure, students, etc. Must have a permanent residence abroad and qualify for the admission classification being sought. Various types of visa classification documentation will apply. Refer to the BCIS/INS for specifics. <p>Applicants possessing diplomatic status are ineligible.</p>

Home Possible Pricing:

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LTV > 95% and <=97% deduct 0.85 from price
LTV > 97% and <=100% deduct 1.00 from price
Manufactured Home deduct 0.50 from price



Home Mortgage

**U.S. Bank Home Mortgage
Wholesale Product
Guidelines**

FHLMC Home Possible Fixed Rate Programs

3687 Home Possible 97% LTV & 100% LTV

3688 Home Possible Neighborhood Solution 97% & 100% LTV

3691 Home Possible 95% LTV Manufactured Homes

**3692 Home Possible Neighborhood Solution 95% LTV
Manufactured Homes**

<p>Mortgage Insurance</p>	<p>All property types excluding manufactured housing:</p> <table border="1"> <thead> <tr> <th><u>LTV</u></th> <th><u>Coverage</u></th> <th><u>Premium</u></th> </tr> </thead> <tbody> <tr> <td>97.01-100.0%</td> <td>20%</td> <td>.59</td> </tr> <tr> <td>95.01- 97.0%</td> <td>18%</td> <td>.55</td> </tr> <tr> <td>90.01- 95.0%</td> <td>16%</td> <td>.54</td> </tr> <tr> <td>85.01- 90.0%</td> <td>12%</td> <td>.34</td> </tr> <tr> <td>80.01- 85.0%</td> <td>6%</td> <td>.27</td> </tr> </tbody> </table> <p>Manufactured Housing MI remains at standard coverage:</p> <table border="1"> <thead> <tr> <th><u>LTV</u></th> <th><u>Coverage</u></th> <th><u>Premium</u></th> </tr> </thead> <tbody> <tr> <td>90.01- 95.0%</td> <td>30%</td> <td>.78</td> </tr> <tr> <td>85.01- 90.0%</td> <td>25%</td> <td>.52</td> </tr> <tr> <td>80.01- 85.0%</td> <td>12%</td> <td>.32</td> </tr> </tbody> </table>	<u>LTV</u>	<u>Coverage</u>	<u>Premium</u>	97.01-100.0%	20%	.59	95.01- 97.0%	18%	.55	90.01- 95.0%	16%	.54	85.01- 90.0%	12%	.34	80.01- 85.0%	6%	.27	<u>LTV</u>	<u>Coverage</u>	<u>Premium</u>	90.01- 95.0%	30%	.78	85.01- 90.0%	25%	.52	80.01- 85.0%	12%	.32	<ul style="list-style-type: none"> - MI Premiums paid monthly - initial and one-time MI premiums may be paid by seller - Custom, Reduced or Financed MI not allowed.
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<p>Temporary Buydowns</p>	<ul style="list-style-type: none"> - Home Possible 100 and 97 Loans: Not permitted - Home Possible Neighborhood Solution 100 and 97: May have temporary buydown plans provided the following conditions are satisfied: <ol style="list-style-type: none"> 1. The buydown plan provides for an initial interest rate that is: <ul style="list-style-type: none"> • Temporarily reduced to no more than 1.50% below Note rate. • Increased by no more than .50% annually for no more than three (3) years. 2. Rate/Term refinance: premium pricing cannot be used to finance the buydown plan. 3. Available on 1-2 Unit Primary residence only. 4. Temporary Buydown: Qualify at initial (bought down) rate - Manufactured homes are not eligible. 																															
<p>Contributions By Interested Parties</p>	<ul style="list-style-type: none"> - Primary Residences <table border="0"> <tr> <td>LTV ≤ 75%:</td> <td>9% of the lesser of sales price or appraised value.</td> </tr> <tr> <td>LTV > 75% ≤ 90%:</td> <td>6% of the lesser of sales price or appraised value.</td> </tr> <tr> <td>LTV > 90%:</td> <td>3% of the lesser of sales price or appraised value.</td> </tr> </table> 		LTV ≤ 75%:	9% of the lesser of sales price or appraised value.	LTV > 75% ≤ 90%:	6% of the lesser of sales price or appraised value.	LTV > 90%:	3% of the lesser of sales price or appraised value.																								
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<p>Well and Septic Requirements</p>	<p>A satisfactory water test/well water certification indicating compliance with acceptable local standard and/or a satisfactory septic certification from a local health authority will only be required if:</p> <ol style="list-style-type: none"> 1. The appraiser recommends or requires a test, or 2. The Purchase Agreement requires a test. 																															
<p>Termite Inspection</p>	<p>Termite Inspections are only required in geographic markets where termite infestation is a known phenomenon, and if:</p> <ol style="list-style-type: none"> a) Purchase Agreement requires, or b) Appraiser requires as a condition of the appraisal, or c) Underwriter discretion if documentation in the file warrants confirmation there is not a termite problem. 																															

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Home Mortgage

U.S. Bank Home Mortgage Wholesale Product Guidelines

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<p>Work Completion Escrows</p>	<p>Escrows for incomplete exterior work not completed due to inclement weather are allowed subject to the following requirements:</p> <ul style="list-style-type: none"> • Appraiser must indicate remaining work to be completed. • Provide an estimate or bid for completion of the required work from the Builder or a licensed contractor qualified to complete the work. • Establish an escrow of the greater of a minimum of \$1,000 or 1.5 times the bid to complete the work. • An estimated completion date of 90 days after weather permits work must be established. • Funds will be released upon satisfactory completion of the work and a clear, final inspection has been provided. • Escrows exceeding 5% of the loan amount must be prior approved by USBHM Underwriting. <p>Escrows for well/septic, other health/safety issues, or interior work will be considered on an exception basis only and requires USBHM Underwriting approval.</p>
<p>Escrow Waivers</p>	<p>- Escrows may be waived on LTV ratios of 80% or less for a .25 discount point charge. The borrower must sign an Agreement for Waiver of Loan Escrows.</p>
<p>Trust Ownership</p>	<p>- Living Trust A Living Trust is an eligible mortgage borrower if it meets all the conditions and requirements listed in the FHLMC/FNMA Seller/Service Guide (as applicable).</p> <p>To determine whether or not the Trust meets all the criteria required by FHLMC or FNMA, we require either of the following:</p> <ul style="list-style-type: none"> • An attorneys opinion stating that the Trust does meet all the secondary marketing requirements as set forth by FHLMC/FNMA and all State requirements. • A Trust summary/certification evidencing compliance with all secondary marketing requirements as set forth by FHLMC/FNMA and all State requirements. <p>One of the above documents MUST be submitted in the underwriting package along with a complete copy of the Trust Document itself.</p> <p>- Illinois Land Trust An Illinois land trust is subject to the following conditions:</p> <ul style="list-style-type: none"> • Land Trusts are acceptable in the state of Illinois. • The land trustee must be an institutional corporate entity. Individuals are not acceptable as trustees. <p>Land Trust Beneficiaries must execute the note and guarantee payment of the mortgage.</p>
<p>Assumability</p>	<p>- Not assumable.</p>
<p>Amortization</p>	<p>- 20, 25 & 30 year amortization. No negative amortization.</p>
<p>Prepayment Penalty</p>	<p>- None.</p>
<p>Late Charges</p>	<p>- 5% or the highest allowed by state law.</p>
<p>Extended Lock Options</p>	<p>- Refer to Firstlock Matrix</p>
<p>Loan Disclosures</p>	<p>- Authorization Agreement For Homeownership Counseling Agency Referral form (ZCounseling Agree 6/2005)</p>

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Title Insurance	<ul style="list-style-type: none"> - Standard coverage in the amount of the mortgage, including the following endorsements: - ALTA 4 Condo Endorsement (if applicable). - ALTA 5 PUD Endorsement (if applicable). - ALTA 8.1 Environmental Protection Lien Endorsement (all loans). - ALTA 9 Comprehensive Endorsement (all loans). - Any other endorsements required by state law or regulation.
Closing Documents	<p>Note:</p> <ul style="list-style-type: none"> - Fixed Rate Note FNMA/FHLMC 3200 (VMP 5N) <p>Rider to Mortgage:</p> <ul style="list-style-type: none"> - PUD units only - FNMA/FHLMC 3150 Planned Unit Development Rider (VMP 7R). - For Condominiums, FNMA/FHLMC 3140 Condominium Rider (VMP 8R). - For Investment and Two - Four Unit Properties - FNMA/FHLMC 3170 One-to-Four Family Rider (VMP 57R). - <p>Security Instrument:</p> <ul style="list-style-type: none"> - In all states, use state-specific FHMA/FHLMC Mortgage/Deed of Trust

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