

## Purchase & Rate / Term Refinance\* Eligibility Matrices

Loan limits for loans originated on or after January 1, 2022.

Loans will not be allowed to close/fund without an AUS Approval.

Please refer to [FHFA 2022 Loan Limits](#) for specific high-cost area maximum loan amounts.

PURCHASE & RATE TERM* LTV MATRIX						
Occupancy		Contiguous States Max Loan	Alaska / Hawaii Max Loan	Max LTV/CLTV		Min FICO
				DU - Fixed LTV/CLTV	LPA – Fixed LTV/CLTV	
Primary	1 Unit	\$647,200	\$970,800	95%	95%	620

## Cash-Out Refinance\* Eligibility Matrices

CASH-OUT REFINANCE* LTV MATRIX						
Occupancy		Contiguous States Max Loan	Alaska / Hawaii Max Loan	Max LTV/CLTV		Min FICO
				DU - Fixed LTV/CLTV	LPA – Fixed LTV/CLTV	
Primary	1 Unit <i>Term ≤20 years</i>	\$647,200	\$970,800	65%	65%	620

## Product Codes

LHFS Product Names and Codes		
Program	Product Code	Product Detail
<b>Conventional LP Freddie Mac</b>	WMH30LP-000	W MH FHLMC 30 Yr Fixed
	WMH25LP-000	W MH FHLMC 25 Yr Fixed
	WMH20LP-000	W MH FHLMC 20 Yr Fixed
	WMH15LP-000	W MH FHLMC 15 Yr Fixed
	WMH10LP-000	W MH FHLMC 10 Yr Fixed
<b>Conventional DU Fannie Mae</b>	WMH30DU-000	W MH FNMA 30 Yr Fixed
	WMH25DU-000	W MH FNMA 25 Yr Fixed
	WMH20DU-000	W MH FNMA 20 Yr Fixed
	WMH15DU-000	W MH FNMA 15 Yr Fixed
	WMH10DU-000	W MH FNMA 10 Yr Fixed
	WMH30DU-000	W MH FNMA High Balance 30 Yr Fixed

\* For Texas refinance transactions, please refer to [Texas Section 50\(a\)\(6\)](#) of Matrix



**GENERAL REQUIREMENTS**

<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>A “manufactured home” (MH) is any dwelling that is built on a permanent chassis and installed on a permanent foundation system (the wheels, axles and towing hitch must be removed). Multi- wide home only, single wide homes are prohibited. Must be titled as “real property” and not Personal property (also referred to as “chattel”).</li> </ul>
<b>ELIGIBILITY</b>	<ul style="list-style-type: none"> <li>All <a href="#">LHFS Conforming</a> and <a href="#">Fannie Mae</a> or <a href="#">Freddie Mac</a> guidelines apply.</li> <li>LTV Eligibility Matrices             <ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a></li> <li><a href="#">Freddie Mac</a></li> </ul> </li> <li><a href="#">2022 Agency Loan Limits</a></li> <li>Manual Underwriting is not allowed</li> <li>All HPML loans must pass Safe Harbor in order to be eligible for closing.</li> </ul>
<b>OCCUPANCY</b>	<ul style="list-style-type: none"> <li>Owner-Occupied primary residence.</li> <li>No second home or investment transactions allowed.</li> </ul>
<b>TITLE</b>	<ul style="list-style-type: none"> <li>ALTA 7/7.1 Endorsement Required, additional Title expense, be sure to notify title for accurate fee disclosure.</li> </ul>
<b>ELIGIBLE PROPERTIES</b>	<ul style="list-style-type: none"> <li>More than one dwelling of any type is strictly prohibited when property is zoned for multiple units.</li> <li>Any additional units on the subject property must be considered an accessory dwelling or personal property</li> <li>If there are additions or structural changes to the home, an engineer’s inspection report certifying that the structural changes or additions to the property were made in accordance with the MHCSS and the home will be eligible for FNMA financing.</li> <li>Home must be Titled and Taxed as real property.</li> <li>Must carry a one-year manufacturer’s warranty if the unit is new.</li> <li>Be installed on a home site that meets established local standards for site suitability and has adequate water supply and sewage disposal facilities available.</li> <li>Affixed to permanent foundation in a way that makes the Manufactured Home a permanent part of the real property.</li> <li>Foundation design must comply with all local, state and federal codes.</li> <li>Retrofit Foundations are acceptable.</li> <li>Transferred appraisals are not eligible.</li> </ul>
<b>PUD/CONDO’S</b>	<ul style="list-style-type: none"> <li>Multi-width manufactured homes in an established condo project require a full review.</li> <li>All manufactured home condos must be on FNMA’s approved list.</li> <li>New condo projects consisting of manufactured homes require Fannie Mae PERS approval.</li> <li>PUD and Condo projects consisting of single wide manufactured homes require Fannie Mae PERS approval.</li> <li>Appraisal form 1004C must be used.</li> </ul>
<b>INELIGIBLE PROPERTIES</b>	<ul style="list-style-type: none"> <li>Deed restricted properties</li> <li>Leasehold Estate ownership</li> </ul>



<b>GENERAL REQUIREMENTS</b>	
<b>CASH-OUT REFINANCE</b>	<p>Loan term must be ≤20 years</p> <p>To be eligible for cash-out refinance, the Borrower must have owned both the MH and land for 12 months or more prior to the application date. Mortgage proceeds may be used for:</p> <ul style="list-style-type: none"> <li>• Payoff of existing mortgage(s) secured by the MH and land</li> <li>• Obtain a mortgage on a property owned free and clear by the Borrower</li> <li>• Cash disbursement to the Borrower(s)</li> </ul>
<b>IMPORTANT ADDITIONAL REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>• If the mortgage being financed was a purchase money transaction, it must be seasoned for at least 120 days (that is, the Note Date of the mortgage being refinanced must be at least 120 days prior to the Note Date of the “no-cash-out” refinance mortgage).</li> <li>• If the purchase of land occurred more than 12 months preceding the loan application, use the current appraised value. If less than 12 months, use the lesser of the sale price or the current appraised value.</li> <li>• Home must be a multi-wide 1-unit dwelling built on or after 6/15/76.</li> <li>• Home must be at least 12 feet wide with a minimum of 600 square feet gross living area.</li> <li>• Home must have a HUD Certification Label permanently affixed to each transportable section or an IBTS certificate for label.</li> <li>• Must have verification of the HUD Data Plate or IBTS certificate for data plate.</li> <li>• Wheels, axles and towing hitches must be removed, and the anchoring system must be in compliance with HUD codes.</li> <li>• Property location must be zoned for residential use.</li> <li>• Mobile home title must be retired, and affidavit of affixture filed.</li> <li>• The home can only be moved one time either directly to residence from the factory or from the retailer’s location. Homes moved more than once are prohibited.</li> </ul>
<b>HELPFUL LINKS</b>	<p><u>Land Home Financial Additional Resources:</u></p> <ul style="list-style-type: none"> <li>• <a href="#">eScenarios</a></li> <li>• <a href="#">LHFSWholesale.com</a></li> <li>• <a href="#">Manufactured Housing – Submission Checklist</a></li> </ul> <p><u>Agency Guidelines:</u></p> <ul style="list-style-type: none"> <li>• <a href="#">Fannie Mae Selling Guide</a></li> <li>• <a href="#">Freddie Mac Selling Guide</a></li> </ul> <p><u>Manufactured Housing Specific:</u></p> <ul style="list-style-type: none"> <li>• <a href="#">Manufactured Housing – Underwriting Reminders</a></li> <li>• <a href="#">Institute for Building Technology and Safety (IBTS)</a></li> <li>• <a href="#">Manufactured Home Construction and Safety Standards</a></li> </ul>

Each loan will be evaluated for layers of risk, reasonability, ability and willingness to repay debt. Additional items for consideration include but are not limited to payment shock, assets, reserves, negative balances in bank accounts, housing history, slow pays, financing management evidenced by credit and asset reviews, red flags, multiple layers of risk, etc. May require additional documentation or explanations above and beyond the AUS requirements.

**Guidelines are for use by mortgage professionals only and subject to change without notice.**



**CONVENTIONAL TEXAS SECTION 50 (A)(6) FIXED PROGRAM MATRIX**

RATE TERM AND CASH OUT			
Occupancy	Units	FICO	LTV/CLTV
Manufactured Housing	1	620	65% / 65%

**LHFS PROGRAM CODES**

Program Name	Program Code	Program Name	Program Code
Conf Fixed 20 TX Cashout	C20TCO-000	Conf Fixed 10 TX Cashout	C10TCO-000
Conf Fixed 15 TX Cashout	C15TCO-000		

**TEXAS SECTION 50 (a)(6) FIXED PROGRAM MATRIX**

<b>AUS</b>	<ul style="list-style-type: none"> <li>• Desktop Underwriter (DU) with "Approve/Eligible" Findings</li> <li>• Loan Product Advisor (LPA) with "Accept" Findings.</li> <li>• Manual UW is not allowed.</li> </ul>
<b>ABILITY TO REPAY/QUALIFIED MORTGAGE RULE</b>	<ul style="list-style-type: none"> <li>• Land Home will close only Safe Harbor Qualified Mortgages as defined under HUD and the Dodd-Frank Wall Street Reform and Consumer Protection Act.</li> </ul>
<b>LOAN TYPE</b>	<ul style="list-style-type: none"> <li>• Conventional only</li> </ul>
<b>AMORTIZATION TYPE</b>	<ul style="list-style-type: none"> <li>• Fixed</li> </ul>
<b>SEASONING</b>	<ul style="list-style-type: none"> <li>• No Texas 50 (a)(6) loan may have been made on the subject property less than 12 months prior to the closing of this new loan.</li> </ul>
<b>APPRAISALS</b>	<ul style="list-style-type: none"> <li>• Full interior/exterior appraisal is required.               <ul style="list-style-type: none"> <li>○ Regardless of AUS messages                   <ul style="list-style-type: none"> <li>▪ Appraisal Waiver/No appraisal not allowed.</li> </ul> </li> </ul> </li> <li>• Section 50 (a) (6) (Q) (ix) of the Texas Constitution requires the owner of the homestead and the lender to sign a written acknowledgment of fair market value of the homestead property "on the date the extension of credit was made."</li> </ul>
<b>BORROWER ELIGIBILITY</b>	<ul style="list-style-type: none"> <li>• All borrowers must have a social security number.</li> <li>• Married Parties:               <ul style="list-style-type: none"> <li>○ Non-borrowing spouse allowed, subject to:                   <ul style="list-style-type: none"> <li>▪ Executing the security instrument, affidavit and 12-day notice</li> <li>▪ Executing any other disclosures, notices, and documents, required by Agency guidelines or Applicable Law</li> <li>▪ If the non-borrowing spouse is on title, they will also be required to sign the acknowledgement of fair market value, notice of right to cancel and copies to owner.</li> </ul> </li> <li>○ Follow applicable Agency requirements and Applicable Law for credit report requirements for non-borrowing spouses.</li> </ul> </li> <li>• Non-Married Parties:               <ul style="list-style-type: none"> <li>○ All must be on title.</li> <li>○ All must execute the Note and security instrument.</li> </ul> </li> <li>• Borrowers that receive Government/Public Assistance Income (commonly known as Section 8) are not allowed.</li> <li>• Inter-vivos trusts not allowed.</li> <li>• POA not allowed</li> </ul>



**TEXAS SECTION 50 (a)(6) FIXED PROGRAM MATRIX**

<b>FICO</b>	<ul style="list-style-type: none"> <li>All borrowers must have a minimum of one credit score to be eligible</li> <li>620 regardless of AUS findings</li> </ul>
<b>CREDIT</b>	<ul style="list-style-type: none"> <li>Non-traditional credit is not allowed</li> <li>No derogatory credit for past 12 months</li> </ul>
<b>RATIOS</b>	<ul style="list-style-type: none"> <li>Max 45% DTI (regardless of AUS)</li> </ul>
<b>DOCUMENTATION</b>	Full / As determined by AUS
<b>EMPLOYMENT/INCOME VERIFICATION</b>	AIM/Day 1 certainty allowed
<b>LIEN POSITION</b>	First
<b>MAXIMUM LOAN AMOUNT</b>	<ul style="list-style-type: none"> <li>Conforming</li> </ul>
<b>MORTGAGE INSURANCE</b>	Not applicable
<b>OCCUPANCY</b>	<ul style="list-style-type: none"> <li>Primary residence – 1 unit</li> <li>Property must be the borrower's "homestead" as defined by the Texas Constitution.</li> </ul>
<b>LOCK</b>	eXPRESS
<b>POINTS AND FEES</b>	<ul style="list-style-type: none"> <li>The lesser of the 2% fee restriction in accordance with Texas Applicable Law, or any Agency or regulatory compliance requirements that may apply.</li> <li>Bona fide discount points, appraisal fee (paid to the appraiser, not an AMC), survey costs, title insurance premiums, and title exam report will not be included in the cap.</li> </ul>
<b>FORMS</b>	TX50 amendment signed by Land Home is required
<b>SURVEY</b>	<p>The survey (or other acceptable evidence) must demonstrate that:</p> <ul style="list-style-type: none"> <li>the homestead property and any adjacent land are separate parcels, and</li> <li>the homestead property is a separately platted and subdivided lot for which full ingress and egress is available.</li> </ul>
<b>RECENTLY LISTED PROPERTIES</b>	Ineligible
<b>ELIGIBLE PROPERTY TYPES</b>	<p>Eligible:</p> <ul style="list-style-type: none"> <li>Manufactured Home</li> <li>Must be verified to be either the borrower's urban homestead or rural homestead, as defined below.             <ul style="list-style-type: none"> <li>If the property is the borrower's urban homestead, it must meet all of the following requirements:                 <ul style="list-style-type: none"> <li>Maximum 10 acres. If adjacent property is owned, the file must show that the subject property is a separate parcel and does not include the additional lot.</li> <li>The municipality in which the property is located must provide (directly or by contract) police protection and paid or volunteer fire protection.</li> <li>The municipality in which the property is located must provide (directly or by contract) at least three of the following services:                     <ul style="list-style-type: none"> <li>Electric</li> <li>Natural Gas</li> <li>Sewer</li> <li>Storm Sewer</li> <li>Water</li> </ul> </li> </ul> </li> <li>If the property is the borrower's rural homestead, it must meet all of the following requirements:                 <ul style="list-style-type: none"> <li>The acreage may exceed 10 acres. However, the lot size must be typical and common with the highest and best use as residential. In no case may the lot size exceed 20 acres. If adjacent property is owned, the file must show that the subject property is a separate parcel and does not include the additional lot.</li> <li>The property does not have to meet urban property requirements.</li> </ul> </li> </ul> </li> </ul>



**TEXAS SECTION 50 (a)(6) FIXED PROGRAM MATRIX**

<p><b>INELIGIBLE PROPERTY TYPE</b></p>	<p>Ineligible:</p> <ul style="list-style-type: none"> <li>• Single Family (Detached, Attached)</li> <li>• PUD (Detached, Attached)</li> <li>• Condominium - Warrantable (Detached, Attached)</li> <li>• 2-4 Units</li> <li>• Leaseholds</li> <li>• Condominium Conversions that were converted within the last three years</li> <li>• Condotels/Hotel Condominiums or PUDs</li> <li>• Cooperatives</li> <li>• Timeshares</li> <li>• Geodesic Domes</li> <li>• Agricultural zoning</li> <li>• Working Farms and Ranches</li> <li>• Unimproved Land</li> <li>• Property currently in litigation</li> <li>• Condition Rating of C5/C6 or a Quality Rating of Q6</li> </ul>
<p><b>SECONDARY FINANCING</b></p>	<ul style="list-style-type: none"> <li>• No New secondary financing is permitted.</li> <li>• Existing subordinate financing not subject to Section 50(a)(6) may be subordinated.</li> <li>• If the existing subordinate lien is a Texas Section 50(a)(6), it must be paid off at closing.</li> <li>• No third liens permitted.</li> <li>• HELOC is not eligible secondary financing.</li> <li>• Must meet Agency requirements for secondary financing.</li> </ul>
<p><b>STATE RESTRICTIONS</b></p>	<p>Texas Homestead only</p>
<p><b>TRANSACTION TYPES</b></p> <p><b>PRINCIPAL CURTAILMENT NOT PERMITTED AS THERE IS NO CURE FOR AN ERROR IN THE NEW LOAN AMOUNT.</b></p> <p><b>WARNING: AGENCY DEFINITION OF REFINANCE TYPE MAY CONFLICT WITH TEXAS LAW. REVIEW LEGAL RESOURCE TEXAS REFINANCE VS. FANNIE MAE GUIDE FROM GREGG &amp; VALBY</b></p>	<p>Purchases: Not applicable to Texas section 50 (a)(6)</p> <p><b>Refinance:</b></p> <ul style="list-style-type: none"> <li>• When refinancing an existing Texas Section 50(a)(6) lien, borrowers have three options:       <ol style="list-style-type: none"> <li>1. Texas Section 50(a)(6) cash-out refinance</li> <li>2. Texas Section 50(a)(6) rate term refinance</li> <li>3. Standard rate term refinance - Texas Section 50(a)(4)</li> </ol> </li> <li>• Refinance of the borrower's homestead property (primary residence) which falls within any of the following parameters may be closed as a Texas Section 50(a)(6) cash-out refinance transaction:       <ul style="list-style-type: none"> <li>○ Borrower will receive any cash out at closing, even as little as \$1.</li> <li>○ Loan proceeds will be used to pay off an existing Texas Section 50(a)(6) 1st lien (will be shown on the title commitment as an "equity loan") or any non-purchase money 2nd lien.</li> <li>○ Loan proceeds can be used to pay off secured debt or unsecured debt.</li> <li>○ Loan proceeds can be used to pay off federal tax debt liens.</li> <li>○ Loan proceeds can be used to pay property tax liens on the property securing the new loan</li> </ul> </li> <li>• Refinance of the borrower's homestead property (primary residence) which falls within any of the following parameters may be closed as a Texas Section 50(a)(6) rate term refinance transaction:       <ul style="list-style-type: none"> <li>○ Borrower may not receive any cash back.</li> <li>○ Loan proceeds will be used to pay off an existing Texas Section 50(a)(6) 1st lien (will be shown on the title commitment as an "equity loan") or any non-purchase money 2nd lien.</li> </ul> </li> <li>• Refinance of the borrower's homestead property (primary residence) which falls within any of the following parameters may be closed as a standard rate term refinance – Texas Section 50(a)(4) transaction:       <ul style="list-style-type: none"> <li>○ Borrower may not receive any cash back.</li> <li>○ Loan proceeds may be used to pay off an existing Texas Section 50(a)(6) 1st lien</li> </ul> </li> <li>• Loans using proceeds to buy out equity pursuant to a court order or agreement of the parties (usually applies to a divorce settlement) is not considered a Texas Section 50(a)(6) loan.</li> <li>• Only one outstanding Texas Section 50(a)(6) loan per property is permitted at any given time.</li> <li>• The proceeds may not be used to acquire or improve the homestead as indicated in Article XVI, Sections 50(a) (1) through (5) of the Texas Constitution.</li> </ul>



**TEXAS SECTION 50 (a)(6) FIXED PROGRAM MATRIX**

<p><b>RESTRUCTURED” LOANS OR “SHORT” PAYOFF REFINANCES</b></p>	<p><b>DU Loans:</b></p> <ul style="list-style-type: none"> <li>• This transaction may not result in a modified loan, restructured loan or short payoff. The subsequent refinance of a modified/restructured loan may be allowed only on DU loans only if one of the following is met:             <ul style="list-style-type: none"> <li>○ The borrower(s) made a minimum of 24 consecutive months of timely mortgage payments on the restructured loan before closing on the refinance mortgage loan. In other words, the borrower had to make at least 24 timely mortgage payments based on the terms of the loan after the loan was restructured. After this time, if the borrower chooses to refinance the restructured loan, the new refinance transaction is eligible if the loan otherwise meets all limited cash-out or cash-out refinance requirements, as applicable.</li> </ul> </li> </ul> <p><b>LPA Loans:</b></p> <ul style="list-style-type: none"> <li>• This transaction may not result in a modified loan, restructured loan or short payoff. The subsequent refinance of a previously restructured loan is not allowed. The subsequent refinance of a previously modified loan is allowed.</li> </ul>
<p><b>ATTORNEY OPINION FORM REQUIREMENTS</b></p>	<p>The form used:</p> <ul style="list-style-type: none"> <li>• Must be executed by a Texas-licensed attorney</li> <li>• Must provide certification that the loan meets all Texas (a)(6) requirements in effect for the transaction</li> <li>• LHFS must be the “client” named on the form</li> </ul>
<p><b>TITLE &amp; ENDORSEMENT REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>• LHFS must provide the title company with a detailed closing instruction letter, requiring the title company to conduct the closing in a way that ensures compliance with all applicable provisions of Section 50(a)(6) of the Texas Constitution and obtain an acknowledgment of its receipt.</li> <li>• Form T-2 with T-42 Endorsement (Equity Loan Endorsement) and T-42.1 Endorsement (Supplemental Coverage Equity Loan Mortgage Endorsement), and Tax Certification are required.</li> <li>• Specific to Rate/Term Refinances of Owner-Occupied Homestead Property in Texas, Special title insurance coverage must be obtained when impounds for prepaid expenses are included in the new Mortgage Loan amount.             <ul style="list-style-type: none"> <li>○ The following must be included as a Schedule B Exception:                 <ul style="list-style-type: none"> <li>▪ “Possible defect in lien of the insured mortgage because of the insured’s inclusion of reserves or impounds for taxes and insurance in the original principal of the indebtedness secured by the insured mortgage” (Seller Guide Section 5.19.13.6. Title Coverage for Escrows Included in Mortgage Loan Amount, Texas)</li> </ul> </li> </ul> </li> </ul>
<p><b>CLOSING REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>• First payment must generally be due no later than two months after closing and in all cases in accordance with Texas Constitution 50(a)(6)(L)(i): “The equity loan must be repaid in substantially equal successive periodic installments, not more often than every 14 days and not less often than monthly, beginning no later than two months from the date the loan is made.”</li> <li>• Loan may not close until 12 days after the later of:             <ul style="list-style-type: none"> <li>○ The date the borrower signs a loan application, and</li> <li>○ The date the customer signs the “Notice Concerning Extension of Credit”.</li> </ul> </li> <li>• The borrowers must be given a complete and accurate copy of the final HUD-1/HUD-1A or Closing Disclosure no later than one business day prior to loan closing. Borrowers must sign Borrower’s Certification of Receipt of Settlement Statement and the Accuracy Thereof at closing.</li> <li>• Both spouses must execute the mortgage. However, both spouses are not required to be parties to the promissory note. All individuals on title and their spouses must sign all Texas Cash Out documents.</li> <li>• Borrowers must be given a copy of all documents signed at closing and sign the Texas Home Equity Receipt of Copies. The documents may not contain blank spaces.</li> <li>• All loans must contain a Texas Home Equity Loan Closing Instructions Addendum.</li> <li>• Loan must be closed by an attorney or title company or in the Lender’s office. No closings by mail or phone.</li> </ul>



**TEXAS SECTION 50 (a)(6) FIXED PROGRAM MATRIX**

**CLOSING DOCUMENTS**

- The following forms must be executed and included in the final funding package:
  - Texas Home Equity Affidavit Agreement
  - Texas Home Equity Discount Point Acknowledgement, if applicable
  - Federal Notice of Right to Rescind
  - In addition to the borrower, the lender must sign the Acknowledgement of Fair Market Value of Land Home property at closing with an appraisal attached to the Acknowledgment.
  - Rural Land Home Affidavit if the property is more than 10 acres
  - Notice of No Oral Agreements signed by lender and borrower
  - Texas Home Equity Receipt of Document Copies
  - Signed Affidavit Confirming Borrower Receipt of Final Itemized Disclosure of Fees.
- Use the following forms at closing:
  - Texas Home Equity Security Instrument
  - Texas Home Equity Note
  - Texas Home Equity Condo Rider, if applicable
  - Texas Home Equity PUD Rider, if applicable
- Title Policy must include T42 and T42.1
- All transactions require a valid survey
- Power of Attorney is not permitted

