

HFA Preferred

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NEVADA HOUSING DIVISION



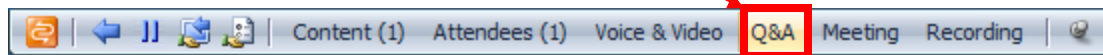
Caroline Wessling



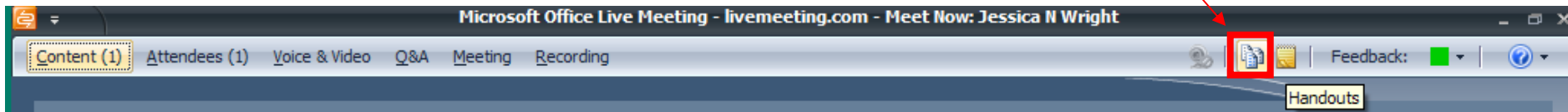
Cindy Zuckerman

Administrative Items

- To hear the speakers, you must dial:
Telephone: (866) 448-1438
Conference ID: 365 59 837
- To view the presentation materials, click on the live meeting URL link that was sent you via email.
- To ask a question, click on the Q&A button at the top of your screen.



- Click on the handouts link (located at the top right corner of your screen) to download and print the materials.



Agenda

- Speaker Introductions
- HFA Preferred Product Features
- MI Coverage
- Borrower Payment Comparison
- Eligibility Matrix
- Desktop Underwriter Demo
- Q&A



Caroline Wessling



Cindy Zuckerman

What is HFA Preferred™?

- Fannie Mae's flagship affordable lending product available exclusively through state Housing Finance Agencies (HFA)
- Meets the needs of low and moderate income homebuyers
 - First time homebuyers with limited funds for down payment and closing costs
 - Borrowers with non-traditional credit histories
- Borrower eligibility requirements
 - Income limits
 - Homebuyer education

HFA Preferred

- Streamlined pricing with no LLPAs
- Up to 97% LTV and 105% CLTV (with Community Seconds™)
- Lower mortgage insurance requirements
- Flexible sources of funds for down payment and closing costs
- Manual underwriting allowed (follows Eligibility Matrix)
- Flexibility on credit histories - nontraditional credit accepted



*This report is based on terms and conditions in the Fannie Mae Selling Guide which may change from time to time.

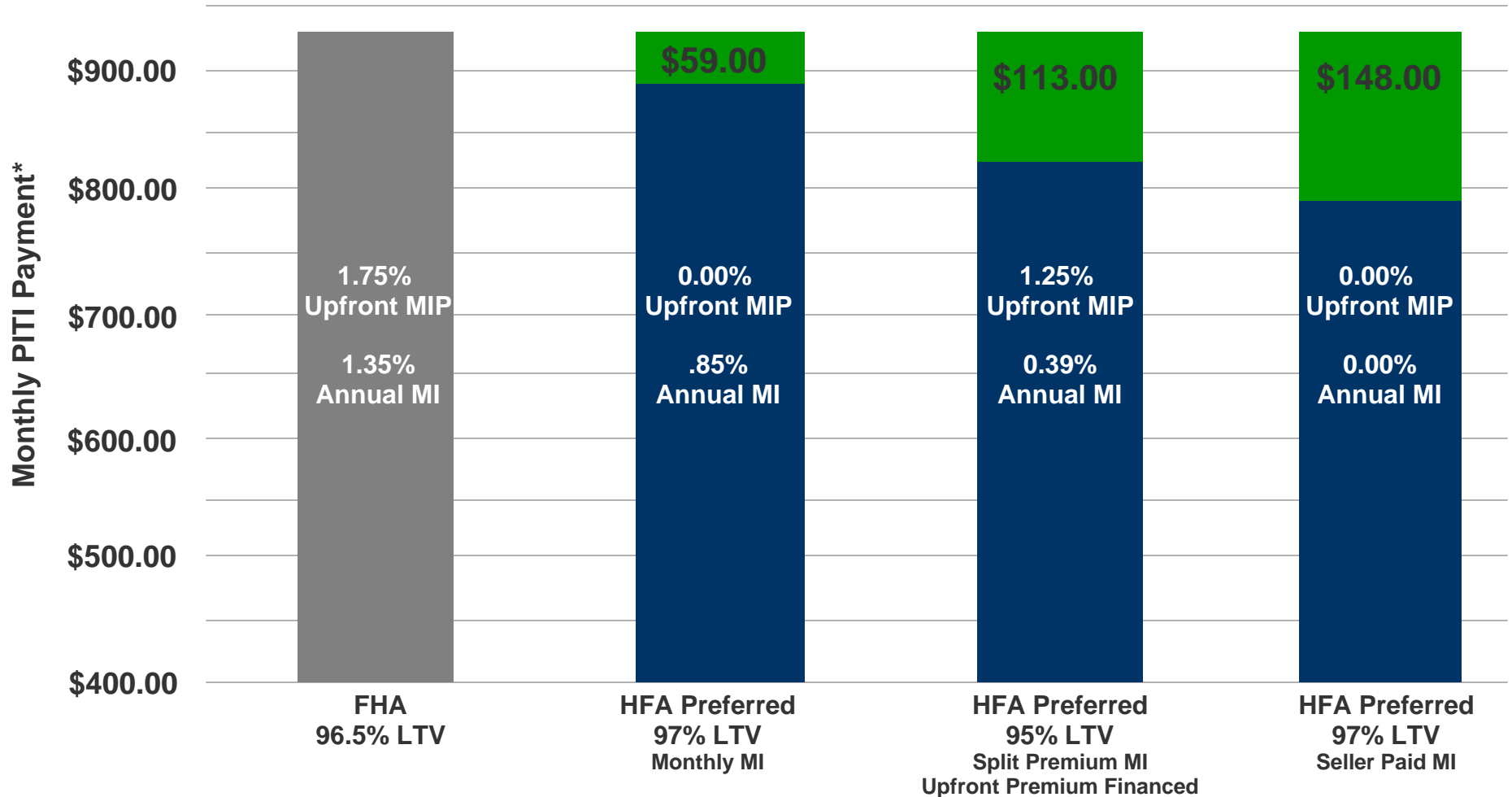
MI Coverage

Charter minimum on HFA Preferred Offering	Standard Guide Loans Coverage	MI Structures Permitted (Per Selling Guide)
<ul style="list-style-type: none"> • 18% - 95.01-97% LTV • 16% - 90.01-95% LTV • 12% - 85.01-90% LTV • 6% - 80.01-85% LTV 	<ul style="list-style-type: none"> • 35% - 95.01-97% LTV • 30% - 90.01-95% LTV • 25% - 85.01-90% LTV • 12% - 80.01-85% LTV 	<ul style="list-style-type: none"> • Borrower Paid MI – Monthly, up-front, or split premium • Seller paid • Financed Single Premium (97% max LTV) • Lender Paid MI (LPMI)

Multiple MI options with low mortgage insurance coverage requirements

Borrower Payment

■ = Borrower Payment Savings vs. FHA
 ■ = HFA Preferred Payment



Assumptions: \$130,000 loan size, 680 FICO, FHA rate: 3.55%, HFA Preferred rate: 3.55%

*Monthly PITI assumes \$217 T&I per month

Eligibility Matrix

MyCommunityMortgage – Manual Underwriting

(General loan limits)

			Maximum DTI ≤ 36%		Maximum DTI ≤ 45%	
Transaction Type	Number of Units	Maximum LTV, CLTV, HCLTV	Credit Score/LTV	Minimum Reserves	Credit Score/LTV	Minimum Reserves
Principal Residence						
Purchase Only	1 Unit	FRM: 95%	680	0	700	0
			660	6	680	2

Desktop Underwriter (DU)

Cindy Zuckerman – Technology Account Manager



Cindy Zuckerman

Desktop Underwriter Updates

- DU 9.0 version released in October 20, 2012 ([Release notes](#))
- DU now includes HFA Preferred offerings/eligibility criteria in the Community Lending Section
- Differentiation of DU Risk Assessment treatment for loans with Community Seconds
- HFA Quick Steps available



In Summary

- Borrowers benefit from flexible MI options
- HFA Preferred product selection available in DU
- Online resources available on <https://www.fanniemae.com/singlefamily/index>

Industry Specialists

- Appraisers
- Attorneys
- Brokers and Correspondents
- Document Custodians
- Housing Counselors
- HFAs and Public Entities
- Mortgage Insurers
- Developers/Manufacturers
- Real Estate Professionals
- REO Vendors 
- Settlement Agents

Doing Business with Fannie Mae

Learn how to become a Fannie Mae Seller/Servicer

Learn how you can increase your company's profitability, manage its liquidity, reduce its risk and provide benefits to borrowers.

Learn about Fannie Mae's mortgage products, features, and options

Learn about the mortgage products available to help you grow your business and better serve your borrowers.

Learn about Fannie Mae's execution options

Learn how Fannie Mae can help you effectively optimize your capital and liquidity objectives, offload credit risk, execute profitable asset sales, and identify potential opportunities for retained mortgage servicing.

Lenders and Servicers

Use the links below to find what you're looking for

-  Originating & Underwriting
-  Pricing & Execution
-  Delivering
-  Servicing

Quick Reference

HFA Preferred (Product Features)	
Max LTV/CLTV	<ul style="list-style-type: none"> • 97% / 105% (1 Unit) • 95% / 105% (Manual Underwrite)
Primary MI	Charter Minimum
Minimum Borrower Contribution	\$0 (1 Unit)
Loan Term	30 yr
Minimum FICO (if manually underwritten)	660 (1 Unit)
Homebuyer Education	Follow HFA's homebuyer education requirements
Required Special Feature Codes	088 (MRB MBS Only) 358 HFA Preferred
Other Commonly Used Special Feature Codes (As Applicable)*	118 Community Seconds 127 or 124 DU 361 Other AUS 605 Home Possible

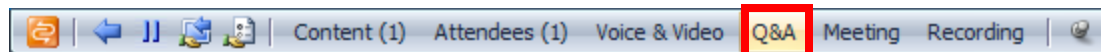
HFA may also be subject to MI company or master servicer parameters

*Any applicable special feature code per the Selling Guide is required



QUESTIONS And Answers

- To participate in the Q&A session, press *1 to ask your question over the phone.



- To ask a question via our chat feature, click on the Q&A button at the top of your screen.