

FREDDIE MAC PROGRAM OVERVIEW AGENCY MATRIX

STANDARD & HIGH BALANCE MATRIX

| Occupancy | Purchase – Limited Cash-Out Refinance | | | | | Cash-Out Refi | | |
|-------------------|---------------------------------------|--------------------|------------------|----------|-------------|---------------|--------------------|-----|
| | Property Type | MAX LTV/CLTV/HCLTV | | | | Property Type | MAX LTV/CLTV/HCLTV | |
| | | Fixed | | ARM | | | Fixed | ARM |
| | | Purchase | Limited C/O | Purchase | Limited C/O | | | |
| Primary Residence | SFR/PUD/Condo | 97% ¹ | 97% ¹ | 95% | 95% | SFR/PUD/Condo | 80% | 80% |
| | Manufactured | 95% | 95% | N/A | N/A | Manufactured | N/A | N/A |
| | 2 Units | 85% | 85% | 85% | 85% | 2 Units | 75% | 75% |
| | 3-4 Units | 75% | 75% | 75% | 75% | 3-4 Units | 75% | 75% |
| Second Home | SFR/PUD/Condo | 90% | 90% | 90% | 90% | SFR/PUD/Condo | 75% | 75% |
| Investment | SFR/PUD/Condo | 85% | 75% | 85% | 75% | SFR/PUD/Condo | 75% | 75% |
| | 2-4 Units | 75% | 75% | 75% | 75% | 2-4 Units | 70% | 70% |
| | 1-4 Unit LTD C/O | 75% | 75% | 75% | 75% | | | |

2024 CONFORMING LOAN LIMITS

| Units | Standard Conforming | High Cost | AK, Guam, HI, US Virgin Islands |
|-------|---------------------|-------------|---------------------------------|
| 1 | \$766,550 | \$1,149,825 | \$1,149,825 |
| 2 | \$981,500 | \$1,472,250 | \$1,472,250 |
| 3 | \$1,186,350 | \$1,779,525 | \$1,779,525 |
| 4 | \$1,474,400 | \$2,211,600 | \$2,211,600 |

FREDDIE MAC HOMEPOSSIBLE MATRIX

| Primary Residence Only | Purchase | | No Cash-Out Refinance | |
|------------------------|------------------|--------------------|-----------------------|------------------------|
| | Product | MAX LTV/CLTV/HCLTV | Product | MAX LTV/CLTV/HCLTV |
| | | Single Lien | | Single Lien |
| SFR/PUD/Condo | Conforming | 95.01-97% | Conforming | 95.01-97% ² |
| | Super Conforming | 95% | Super Conforming | 95% |

¹ MAX LTV 95% for High Balance Transactions

² CLTV up to 105% with eligible Community Second



FREDDIE MAC PROGRAM OVERVIEW

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| Complete Guidelines | Where not specified within, refer to the respective agency guidelines FRE Freddie Mac - Seller Guide |
| Amended Tax Returns | Accepted for the following amendment reasons: <ul style="list-style-type: none"> • Amended for clerical items only (i.e., modifying a prior ITIN number to a newly issued SSN) • Amended for income-related items, under the following conditions: <ul style="list-style-type: none"> ○ Amended at least thirty (30) days before mortgage application taken. ○ Amendment shows on transcripts (stamped returns not acceptable) ○ Documentation supplied to support the increase, including but not limited to: <ul style="list-style-type: none"> ▪ 1099 or W2 showing missed/updated income. ▪ Canceled Checks or Bank Statements showing missed/updated rental income |
| Appraisal | <ul style="list-style-type: none"> • Full appraisal required if auctioned property or REO. • Loan Collateral Advisor (LCA) score is required for all properties |
| Assets | <ul style="list-style-type: none"> • Bank Statements must show account activity for a full two (2) month period. • Internet Statements, obtained from financial institution’s website, must contain the same information found on a standard bank statement. • VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor. |
| Contingent Liabilities | Non-mortgage debts paid by others may be excluded with evidence of 12 months of on-time payments made by a non-borrower. |
| DTI | Per AUS Approval |
| Electronic Signatures/eSigning | <ul style="list-style-type: none"> • eSigning is permitted for most documents. • eSigning is not permitted for: <ul style="list-style-type: none"> ○ Note ○ Note Rider(s) ○ Notice of Right to Cancel ○ Security Instrument ○ Security Instrument Rider(s) |
| Hazard Insurance | Replacement Cost is required on all files to ensure sufficient coverage is documented. |
| Home Possible | <p>Homeownership counseling requirements</p> <ul style="list-style-type: none"> • Must be completed prior to Note date. • At least one borrower must participate in a homeownership education program before the Note Date, or the Effective Date of Permanent Financing for Construction Conversion and Renovation Mortgages, for purchase transaction Home Possible mortgages when all occupying borrowers are first-time homebuyers. <p>Refer to the Freddie Mac Seller/Service Guide for complete details.</p> |
| Social Security Number | All borrowers must have a valid SSN. |
| Solar Panels | <p>Requirements:</p> <ul style="list-style-type: none"> • STG must take into consideration ownership of the solar panels and any liens upon the property relating to debt or lease payments used to obtain the solar panels. • Solar panels financed with PACE loans must be paid in full prior to or at closing. <p>Please refer to the Freddie Mac Sellers Guide for all details.</p> |



FREDDIE MAC PROGRAM OVERLAYS

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| Appraisal | CDA / Desk Review required Collateral Underwriter score is 3.5 or higher |
| Assets | <p>Ineligible:</p> <ul style="list-style-type: none"> • Sweat Equity • 1031 Exchanges • Chenoa Fund Down Payment assistance • Asset used for Qualifying income. • Marijuana related business assets |
| AUS Findings | <p>Accept/Eligible</p> <p>Note: Second review required if loan has one of the following:</p> <ul style="list-style-type: none"> • Mortgage history indicates 1x30 in 12 months. • The borrower is in an IRS tax repayment plan. • Active disputed tradelines • The subject loan was previously a restructured/modified mortgage. • A minimum of 12 months of 0x30 payments have been made on the modified loan. |
| Credit | <ul style="list-style-type: none"> • All borrowers must have at least 2 valid credit score. • Soft pull credit/LQI report is required within 10 days of Note date. • RMCR or traditional tri-merge is required. • All material inquiries within the last 90 days requires a letter of explanation from the borrower unless the AUS identifies a letter is not required. <p>Ineligible:</p> <ul style="list-style-type: none"> • Frozen credit report • Non-Traditional credit |
| Credit Score | <ul style="list-style-type: none"> • MIN 620 required for all borrowers |
| Condominiums | <ul style="list-style-type: none"> • Minimum square footage: 650 Sq Ft • HOA dues must be current prior to closing; HOA may not be seller of subject unit. • Ineligible: FHLMC Condo Project Advisor • Ineligible: Leasehold / Manufactured Home Condo Projects / New Construction / Gut Rehabs / Project Waiver Review (PWR) requests granted by Condo Project Advisor |
| Deed Restrictions | <ul style="list-style-type: none"> • Mortgage loans that are subject to resale restrictions are not eligible, except for age-related restrictions that meet the FRE Selling Guide requirements |
| Escrow Repair/Holdbacks | <ul style="list-style-type: none"> • Not permitted |
| Escrow/Impound Accounts | <ul style="list-style-type: none"> • Required with LTV > 80% unless in violations of state law. • Primary / Second homes: flood insurance must be escrowed unless paid by an HOA. |
| Family-Owned Business | <ul style="list-style-type: none"> • When a borrower is employed (wage-earner) by a family-owned business - Two years tax returns are required regardless of AUS recommendation. |
| Future Income | <ul style="list-style-type: none"> • Not permitted |
| Gift Letters | <p>When using gift funds, a signed and dated gift letter is required to provide all of the following information:</p> <ul style="list-style-type: none"> • Donor's name, address, phone, and relationship to borrower (donor must be a relative); and • Dollar amount of gift; and • Date funds were transferred; and • Donor's statement that no repayment is expected; and • Dated prior to the Note date |
| Home Possible | <ul style="list-style-type: none"> • Allowed on 1-unit single family residence only. <p>Ineligible:</p> <ul style="list-style-type: none"> • 2-4 units • Sweat equity. • Cash on hand |



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| | <ul style="list-style-type: none"> • Boarder income • Non-Borrower household income • Gifts or grants from the Seller as the originating lender or the Seller’s TPO • Unsecured Loans: Agency affiliated with, under contract to, or financed by Seller or Seller’s TPO as originating lender • Proceeds from an unsecured loan from the Seller as originating lender or the Seller’s TPO <p>FHLMC Desk Review Form 1033 is not acceptable to establish market value for the subject property for Home Possible</p> |
| Income – Ineligible | <ul style="list-style-type: none"> • Cryptocurrency / Virtual currency • Self-employed or wage-earner income related to Marijuana related business’s |
| Ineligible Properties | <ul style="list-style-type: none"> • Adult family home, group homes, care facilities • Build to own. • Co-Ops • Condo-tels • Community Land Trusts • Energy Efficient Mortgages, Weatherization, Solar and Wind Technologies. • Deed restrictions other than age restrictions • Farm Residence Loans • Graduated Payment Mortgage (GPM) • Growing Equity Mortgages (GEM) • High-Cost Loans • Higher-Priced Mortgage Loans (HPML) • Indian Leased Land • Indian Leaseholds • Indian Reservations or Native American Direct Loans • Leasehold • Loan Assumptions • Loans with resale deed restrictions, except for age restricted properties • Prepayment Penalties • Properties located in lava zone 1 or 2. • Properties in Redemption • Properties with Individual Purification Water Systems • Properties with PACE obligations or PACE-like assessments • Property Flip of Non-Arm’s Length Transaction • Property ratings of C5, C6 or Q6 are not allowed unless the issues that caused these ratings are cured prior to loan delivery. • Proposed and under construction properties. • Properties not suitable for year-round occupancy or a not readily accessible by roads that meet local standards. • REO properties • Renovation loan or construction to perm. • Solar and Wind technologies • Solar Panels that affect first lien position • TX 50 (f) (2) • TX 50 (a)(6) • TX 50 (a)(4) • Units in condominium projects identified on the Exclusionary List “Excluded Condo Projects” |



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| | <ul style="list-style-type: none"> • Unusual properties such as: 3D printed homes; Barndominiums; Container homes; Shouses; Tiny homes; bed & breakfast; berm homes, log homes, and geodesic dome homes; houseboats, working farms or ranches; timeshares; mixed use properties. • Vacant land • Weatherization |
| Ineligible Programs | <ul style="list-style-type: none"> • Affordable Housing loans • A-Minus • Choice Renovations • CHOICEHomes • Construction Conversion • Energy Efficient Mortgages • Enhanced Relief Refinance • FHLMC affordable housing programs • FHLMC GreenCHOICE • FHLMC HFA Advantage • FHMLC HomeSteps • Freddie Finance Permanent Buydown • Heritage One Mortgages • HFA Preferred Advantage Program • HomeOne© • Home Possible © Reduced Mortgage Insurance Options • Home Possible© ARM and Manual Underwriting • Assumption Mortgages • Loans with negative amortization or balloon payments on subordinate financing • Native American Lands • Open Access • PACE/HERO when paid in full. • Properties with PACE or PACE-like loans obligations or assessments • Refi Possible (SM) refinance offering. • Renovation Mortgages • Single Close Construction loans |
| Layered Risk | <p>If any of the following are present, Underwriting Management review and approval is required.</p> <ul style="list-style-type: none"> • Unstable work history • Payment shock that exceeds 150% • Less than 3 tradelines that have been active within the past 3 years for a minimum of 24-month duration. • Any late payment in the last 12 months |
| Manual Underwriting | Not permitted |



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| Manufactured Housing | <ul style="list-style-type: none"> • MIN FICO 620 • Fixed rate programs only • Temporary buydowns not permitted • Primary Residence only • Purchase only. • MH Advantage not permitted. • Must not have been installed or occupied previously at any other site or location. • Max 95% LTV/CLTV • Must be taxed as real property prior to application. • Photos of HUD data plate and certification label required. • Property must be complete when sold – newly built not permitted. • Manufactured Homes that are subject to deed restrictions are not permitted. • Leased Land/Leaseholds is not permitted. • Single-wide homes not permitted. • Must not have been installed or occupied previously at any other site or location. • Property must be complete when sold – newly built not permitted. • Manufactured Home Condominium Projects (MHCPs) are not permitted. • Newly built is not permitted. • Must meet all other agency guidelines. |
| Minimum Loan Amount | \$100,000 |
| Mortgage Credit Certificate | Not permitted |
| Mortgage Insurance (MI) | Standard coverage only permitted |
| Multiple Loans to One Borrower | STG Mortgage allows up to six (6) loans for one borrower, including the subject property, or a total of \$3.5MM in financing, whichever is less. |
| Non-Arm's Length Transaction | <ul style="list-style-type: none"> • PIWs are not acceptable, a full appraisal is required – regardless of AUS. <p>Ineligible on:</p> <ul style="list-style-type: none"> • Newly constructed homes • Existing properties secured by a second home or investment property. • Purchase transactions are not eligible if property transferred within 90 days. |
| Non-Permanent Resident Aliens | <p>These borrowers accepted under the following conditions:</p> <ul style="list-style-type: none"> • Evidence of an acceptable Visa required. • Borrower eligible to work in the U.S., as evidenced by EAD issued by the USCIS. • Borrower has valid Social Security Number (SSN) • Borrower satisfies the same requirements, terms, and conditions as those for U.S. citizen. • Borrowers with Diplomatic Immunity ineligible |
| Non-Traditional Credit/Credit Reports | Not permitted |
| Power of Attorney (POA) | <ul style="list-style-type: none"> • POA permitted for closing documents only. • POA not permitted on initial disclosures. • Must be specific to the transaction. • A POA is not eligible for: <ul style="list-style-type: none"> ○ Cash-out transactions ○ Properties held in Trust ○ Investment properties ○ eSigned transactions ○ Identity of interest or non-arm's length transactions |



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| | <ul style="list-style-type: none"> ○ Non-occupant co-borrowers |
| Purchases | Assignment of contract not permitted |
| Refinances | Not eligible if there is evidence of churning and/or Net Tangible Benefit is not established. |
| Subordinate Financing | <p>Requirements:</p> <ul style="list-style-type: none"> • Max CLTV cannot exceed LTV limits for ARMs or 2-4 units • Down Payment Assistance is permitted as long as the assistance is provided by a government entity or a non-profit organization that is affiliated with a government entity. Employer assistance is permitted. <p>Ineligible:</p> <ul style="list-style-type: none"> • Community Seconds© loans • No liens on the subject property provided by tribal governments and its sovereign instrumentalities. • Rate/Term refinance transactions are not permitted with loan proceeds will pay off a PACE or PACE-like obligation. • Equity Sharing |
| Tax Transcripts | <p>Required when qualifying on:</p> <ul style="list-style-type: none"> • Self-employed income • Commission income greater than 25% of the borrower's total earnings • Rental income documented on schedule E. • Employed by a family-owned business. • Fixed income when the 1040s are used in lieu of alternative documentation. • Nontaxable income is grossed up. • Other income types such as auto allowance, capital gains/losses, dividend/interest, or farm income/loss • Handwritten income documentation • Loan files where there is relationship between the Borrower and an interested party of the subject transaction such as Seller, or Loan Officer, or employee of a Mortgage Broker • Seller has relationship to the Loan Officer • Business transcripts required if income is not validated on personal returns. |
| Temporary Buydowns | <p>Allowed for:</p> <ul style="list-style-type: none"> • Primary residence • Purchase transactions only • Fixed rate products • 2-1 and 1-0 buydown option only. • Buydown fee must be paid by Seller/builder funded <p>Ineligible: Manufactured home properties</p> |
| Title Insurance | Title insurance policy required; attorney title opinion letter in lieu of a title insurance policy is not allowed |
| Unpaid Federal Tax Debt | <p>STG Mortgage considers all unpaid tax debt from prior years as delinquent, even if lien has not been filed.</p> <p>Evidence of one of the following required:</p> <ul style="list-style-type: none"> • A payment plan must be established and at least one payment made in accordance with the agreement. Payment plan arrangements and evidence of payment required. • Delinquent Federal Tax Debt must be paid in full prior to or at closing. |

