

## Loan-Level Price Adjustment (LLPA) Matrix and Adverse Market Delivery Charge (AMDC) Information

This document provides the LLPAs applicable to loans delivered to Fannie Mae and provides details of the AMDC. 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. **Refer to the *Selling Guide, Eligibility Matrix*, and your contracts with Fannie Mae to determine loan eligibility.**

### Pricing Guidelines for LLPAs and AMDC:

- AMDS are drafted in the same way as LLPAs.
- All LLPAs and AMDC are cumulative. The LLPAs apply to all loans that meet the stated criteria for the LLPA, unless otherwise noted or excluded. The AMDC applies to all loans.
- The LLPAs and AMDC in this Matrix do not apply to DU Refi Plus™ and Refi Plus™ mortgage loans. Refer to *Refi Plus™ Mortgages Only* matrix.
- Credit score requirements are based on the "representative" score as defined in the *Selling Guide*. Loans delivered without a credit score will be charged under the lowest credit score range shown in each of the applicable LLPA tables.
- All applicable LLPAs and the AMDC for MBS transactions will be drafted from the lender's account. All applicable LLPAs and the AMDC 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 and AMDC are applied based on gross LTV ratio, which is calculated after the inclusion of financed mortgage insurance.

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**Table 1: Adverse Market Delivery Charge \***

0.250%

\* Applicable to all mortgages delivered to Fannie Mae, including FHA, VA, RD Section 502 mortgages, HUD Section 184 mortgages, and matured balloon mortgages (refinanced or modified, per *Servicing Guide* requirements) redelivered as FRMs.

**Table 2: All Eligible Mortgages (Excluding MCM) – LLPA by Credit Score/LTV Ratio**

Representative Credit Score	LTV Range							SFC
	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%	
≥ 740	-0.250%	0.000%	0.000%	0.250%	0.250%	0.250%	0.250%	N/A
720 – 739	-0.250%	0.000%	0.250%	0.500%	0.500%	0.500%	0.500%	N/A
700 – 719	-0.250%	0.500%	0.750%	1.000%	1.000%	1.000%	1.000%	N/A
680 – 699	0.000%	0.500%	1.250%	1.750%	1.500%	1.250%	1.250%	N/A
660 – 679	0.000%	1.000%	2.000%	2.500%	2.750%	2.250%	2.250%	N/A
640 – 659	0.500%	1.250%	2.500%	3.000%	3.250%	2.750%	2.750%	N/A
620 – 639	0.500%	1.500%	3.000%	3.000%	3.250%	3.250%	3.250%	N/A
< 620 <sup>(1)</sup>	0.500%	1.500%	3.000%	3.000%	3.250%	3.250%	3.250%	N/A

(1) A minimum required credit score of 620 applies to all mortgage loans delivered to Fannie Mae in accordance with the *Selling Guide*; exceptions to this requirement are limited to loans in which any borrower has nontraditional credit.

**Table 3: All Eligible Mortgages (Excluding MCM unless otherwise noted) – 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%	
Manufactured home	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	235
Investment property	1.750%	1.750%	1.750%	3.000%	3.750%	N/A	N/A	N/A
Investment property – matured balloon mortgages (refinanced or modified) redelivered as FRM	1.750%							236
Representative Credit Score	Cash-out refinance							
≥ 740	0.000%	0.250%	0.250%	0.500%	0.625%	N/A	N/A	003
720 – 739	0.000%	0.625%	0.625%	0.750%	1.500%	N/A	N/A	003
700 – 719	0.000%	0.625%	0.625%	0.750%	1.500%	N/A	N/A	003
680 – 699	0.000%	0.750%	0.750%	1.375%	2.500%	N/A	N/A	003
660 – 679	0.250%	0.750%	0.750%	1.500%	2.500%	N/A	N/A	003
640 – 659	0.250%	1.250%	1.250%	2.250%	3.000%	N/A	N/A	003
620 – 639	0.250%	1.250%	1.250%	2.750%	3.000%	N/A	N/A	003
< 620 <sup>(1)</sup>	1.250%	2.250%	2.250%	2.750%	3.000%	N/A	N/A	003
Energy Improvement Feature	-\$250							375
High-balance mortgage loans <sup>(2)</sup>								
ARM (pricing based on higher of LTV/CLTV ratio)	0.750%	0.750%	0.750%	N/A	N/A	N/A	N/A	808
Cash-out refinance	1.000%	N/A	N/A	N/A	N/A	N/A	N/A	808
Multiple-Unit Properties								
2-unit property	1.000%	1.000%	1.000%	1.000%	1.000%	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
Condominiums (excluding cooperatives and detached condominium loans delivered with SFC 588)	Applicable for all mortgages with terms greater than 15 years							
	0.000%	0.000%	0.000%	0.750%	0.750%	0.750%	0.750%	N/A

(2) LLPAs for general loan limits per this Matrix also apply. High-balance mortgage loans delivered as MCM are subject to these LLPAs, in addition to the MCM LLPAs per Table 6 below.

**Table 4: Mortgages with Subordinate Financing <sup>(3)</sup> (Excluding MCM)**

LTV Range	CLTV Range	Credit Score <720	Credit Score ≥ 720	SFC
≤ 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

(3) 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.

**Table 5: Minimum Mortgage Insurance Coverage Option (Excluding MCM)**

Credit Score	LTV Range		
	80.01 – 85.00% <sup>(4)</sup>	85.01 – 90.00% <sup>(4)</sup>	90.01 – 95.00%
≥ 740	0.125%	0.375%	0.500%
720 - 739	0.125%	0.625%	0.875%
700 – 719	0.125%	0.750%	0.875%
680 – 699	0.125%	0.750%	0.875%
660 – 679	0.750%	1.250%	1.750%
640 – 659	1.250%	1.750%	2.000%
620 – 639	1.750%	2.000%	2.250%
< 620 <sup>(1)</sup>	2.000%	2.250%	2.500%

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

**Table 6: MyCommunityMortgage (MCM)**

**(AMDC under Table 1 and High-Balance Mortgage Loans under Table 3 also apply to MCM and are cumulative to the LLPAs in this table)**

Product Feature	LLPAs	SFC
All MCM loans	0.750%	460
Subordinate-financing (non-Community Seconds )	0.500% <sup>(3)</sup>	460

## LLPA Matrix and AMDC Information 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 on 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		
Date	Announcement/ Lender Letter	Changes Made
01/07/10	Formatting/Correction	<ul style="list-style-type: none"> <li>Added clarification to high-balance mortgage loan pricing for ARMs in Table 3 to indicate pricing is based on LTV, CLTV or HCLTV, whichever is higher.</li> </ul>
4/30/10	Announcement 09-29	<ul style="list-style-type: none"> <li>Added information about the application of LLPAs for loans with financed mortgage insurance (Introduction).</li> <li>Deleted "Table 5a. "Lower-Cost MI Coverage Option for Loans Underwritten with DU," and related Footnotes 4 and 5, due to retirement of this mortgage insurance option.</li> <li>Removed Flexible mortgage options, and related Footnotes 6 and 7, based on different mortgage insurance coverage levels which are no longer offered (Table 6).</li> <li>Removed EA specific LLPAs that were retired effective with the implementation of DU Version 8.0 (Table 7).</li> <li>Removed MCM SFCs applicable to deliveries prior to January 1, 2010 (Table 8).</li> </ul>
	Announcement SVC-2010-05	<ul style="list-style-type: none"> <li>Added conditional refinanced or conditional modified balloon mortgages redelivered as FRM to list of products that are excluded from LLPAs unless otherwise noted (Introduction, Table 1, Table 3).</li> <li>Added conditional refinanced or conditional modified balloon mortgages redelivered as FRM Investor LLPA (Table 3).</li> <li>Changed Example 3 due to IO eligibility changes to a conditional refinanced balloon redelivered as FRM (Examples section).</li> </ul>
	Announcement SEL-2010-06	<ul style="list-style-type: none"> <li>Added eligibility changes effective September 1, 2010 to 7-year balloons and IO products (Table 3, Table 8).</li> <li>Added N/A LTV buckets to ARM high-balance mortgage loans, 2- to 3-unit properties, and investment property (Table 3).</li> </ul>
	Formatting	<ul style="list-style-type: none"> <li>Renumbered Table of Contents.</li> <li>Renumbered footnotes throughout Matrix based on the addition of Footnote 1 and the deletion of other various footnotes.</li> </ul>
9/20/10	Announcement 09-29	<ul style="list-style-type: none"> <li>Removed remaining information on EA based on the elimination of any EA-specific LLPAs (Deleted Table 7 "Expanded Approval" and Footnote 5).</li> </ul>
	Announcement SVC-2010-05	<ul style="list-style-type: none"> <li>Removed note relating to pricing effective date for investment property – matured balloon mortgages (refinanced or modified) redelivered as FRMs (Table 3).</li> </ul>
	Announcement SEL-2010-06	<ul style="list-style-type: none"> <li>Removed notes concerning interest-only purchase requirements (Table 3, Table 7).</li> <li>Added "N/A" buckets for certain IO LLPAs (Table 3).</li> <li>Removed interest-only price point (Table 7).</li> <li>Removed 7-year balloon pricing based on removal of balloons as standard product (Table of Contents, Table 2, Table 3).</li> </ul>
	Announcement SEL-2010-13	<ul style="list-style-type: none"> <li>Added high-LTV pricing (Table 3).</li> <li>Removed reference to Flexible mortgages in the ≤ 95.00% LTV bucket (Table 4).</li> <li>Added language to describe the discontinuance of the Flexible mortgage product (Table 6).</li> </ul>
	Formatting/ Clarification	<ul style="list-style-type: none"> <li>Renumbered Table of Contents.</li> <li>Renumbered footnotes throughout Matrix based on the addition of Footnote 2 (added for clarification purposes) and the deletion of Footnote 5.</li> <li>Renumbered "MyCommunityMortgage (MCM)" as Table 7 (due to deletion of former Table 7 "Expanded Approval").</li> <li>Removed information in Change Tracking Log pertaining to 2009.</li> </ul>

## Summary of Changes

Date	Announcement/ Lender Letter	Changes Made
12/1/10	Announcement SEL-2010-15	<ul style="list-style-type: none"> <li>Added Energy Improvement Feature (to Table 3).</li> </ul>
	Formatting/Correction	<ul style="list-style-type: none"> <li>Added N/A to HBL cash-out to reflect a maximum allowable 60% LTV (Table 3) Announcement 09-08R.</li> <li>Removed IO Subordinate Financing LLPAs to reflect a maximum allowable 70% LTV/CLT (Table 4) Announcement SEL-2010-06.</li> <li>Removed Footnote 6 to reflect IO ineligibility for MCM Announcement SE-2010-06</li> </ul>
12/23/10	Announcement SEL-2010-17	<ul style="list-style-type: none"> <li>Added revised pricing to Table 2: All Eligible Mortgages (Excluding MCM): LLPA by Credit Score/LTV.</li> <li>Added revised pricing to Table 4: Mortgages with Subordinate Financing.</li> </ul>
	Formatting/Correction	<ul style="list-style-type: none"> <li>Revised table of contents. Added revised pricing to Table 2: All Eligible Mortgages (Excluding MCM): LLPA by Credit Score/LTV.</li> </ul>
		<ul style="list-style-type: none"> <li>Added revised pricing to Table 4: Mortgages with Subordinate Financing.</li> <li>Moved positions of Energy Improvement Feature and Condominiums terms for clarity in Table 3.</li> <li>Revised Examples of Loan Transactions showing Total LLPAs and AMDC.</li> </ul>
12/23/10 (1/5/11)	Formatting/Correction (Note: Date of matrix did not change as a result of these corrections)	<ul style="list-style-type: none"> <li>Corrected formatting errors.</li> <li>In Table 3, restored missing footnote (4) reference to "High-balance mortgage loans" section.</li> </ul>
3/24/11	Formatting/Correction	<ul style="list-style-type: none"> <li>Removed HCLTV from Table 3, High-balance mortgage loans ARM product feature.</li> </ul>
9/22/11	Formatting	<ul style="list-style-type: none"> <li>Removed pricing to Table 2: All Eligible Mortgages (Excluding MCM): LLPA by Credit Score/LTV for loans delivered before April 1, 2011.</li> <li>Removed pricing effective date in Table 3: All Eligible Mortgages for High LTV loans.</li> <li>Removed pricing to Table 4: Mortgages with Subordinate Financing for loans delivered before April 1, 2011.</li> <li>Removed Table 6: Flexible Mortgages and renamed Table 6 as MyCommunityMortgage</li> <li>Renumbered "MyCommunityMortgage (MCM)" as Table 6 (due to deletion of former Table 6: Flexible Mortgages.</li> <li>Updated table of contents.</li> </ul>
12/19/11	Announcement SEL-2011-13	<ul style="list-style-type: none"> <li>Removed SFC in Table 4: Mortgages with Subordinate Financing</li> </ul>
9/20/12	Announcement SEL-2012-07	<ul style="list-style-type: none"> <li>Removed pricing effective date in Table 2 and Table 4</li> <li>Noted that per SEL-2012-07, maximum ARM LTV ratio will be 90% as of October 2012 Effective Date</li> <li>Added 1.00% LLPA for 2-unit property, 80.01% - 85.00% LTV.</li> </ul>
11/12/13	Announcement SEL-2013-07, SEL-2013-06	<ul style="list-style-type: none"> <li>Noted that per SEL-2013-06, loans with terms in excess of 30 years and loans with an interest-only feature will be retired for applications on or after January 10, 2014.</li> <li>Noted that per SEL-2013-07, maximum LTV ratio will be 95% for loans underwritten in DU Version 9.1.</li> </ul>

## Summary of Changes

Date	Announcement/ Lender Letter	Changes Made
		<ul style="list-style-type: none"> <li>Removed reference to ARM pricing in Table 3, because the previously charged LLPAs are for loans no longer eligible for delivery to Fannie Mae</li> <li>Added a clarification to Table 5 that the LLPAs for minimum mortgage insurance coverage include all manufactured housing loans, aligning the LLPA Matrix to the <i>Selling Guide</i>.</li> </ul>
12/12/13	Announcement SEL-2013-09	<ul style="list-style-type: none"> <li>Added footnote to introduction to make it clear the entire matrix does not apply to DU Refi Plus or Refi Plus mortgage loans.</li> <li>Added revised pricing in Table 1: AMDC and Table 2: All Eligible Mortgages: LLPA by Credit Score/LTV.</li> <li>Added Table 7: State-Based Adverse Market Charge.</li> <li>Removed the Example page.</li> </ul>
1/8/14	Announcement SEL-2014-01	<ul style="list-style-type: none"> <li>Removed all pricing changes associated with SEL-2013-09.</li> </ul>
8/26/14	Announcement SEL-2014-11	<ul style="list-style-type: none"> <li>Removed LLPAs for LTV ratios &gt;95, Interest-Only, and 40-year term as such loans are no longer eligible for sale to Fannie Mae.</li> <li>Other minor text and formatting changes.</li> </ul>