

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 184 Native American Mortgages, matured balloon mortgages (refinanced or modified, per *Servicing Guide* requirements) redelivered as fixed-rate mortgages (FRMs) (effective June 1, 2010), and reverse mortgages are excluded from these LLPAs. **Refer to the *Selling Guide* and your contracts with Fannie Mae to determine loan eligibility.**

Pricing Guidelines for LLPAs and AMDC (AMDCs 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.
- 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 (however, Fannie Mae does not waive any rights by accepting such loans and charging the applicable LLPA).
- 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. For certain whole loan deliveries, including interest-only loans and loans with 40-year terms, the product-specific LLPAs are reflected in the commitment price available via eCommitting™ and eCommitOne™; any additional LLPAs applicable to loan features will be deducted from purchase proceeds.
- 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 are applied based on gross LTV, 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, Rural Development 502 Mortgages, HUD 184 Native American Mortgages, matured balloon mortgages (refinanced or modified, per *Servicing Guide* requirements) redelivered as FRMs, and Reverse Mortgages.

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

PRODUCT FEATURE	LLPAs by 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%	95.01 – 97.00%	
Representative Credit Score	Applicable for all mortgages with greater than 15 year terms For whole loans purchased on or before March 31, 2011, or loans delivered into MBS pools with issue dates of March 1, 2011 or earlier								
≥ 740	-0.250%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	N/A
720 – 739	-0.250%	0.000%	0.000%	0.250%	0.000%	0.000%	0.000%	0.000%	N/A
700 – 719	-0.250%	0.500%	0.500%	0.750%	0.500%	0.500%	0.500%	0.500%	N/A
680 – 699	0.000%	0.500%	1.000%	1.500%	1.000%	0.750%	0.750%	0.500%	N/A
660 – 679	0.000%	1.000%	2.000%	2.500%	2.250%	1.750%	1.750%	1.250%	N/A
640 – 659	0.500%	1.250%	2.500%	3.000%	2.750%	2.250%	2.250%	1.750%	N/A
620 – 639	0.500%	1.500%	3.000%	3.000%	3.000%	2.750%	2.750%	2.500%	N/A
< 620 ⁽¹⁾	0.500%	1.500%	3.000%	3.000%	3.000%	3.000%	3.000%	3.000%	N/A
Representative Credit Score	Applicable for all mortgages with greater than 15-year terms For whole loans purchased on or after April 1, 2011, and loans delivered into MBS with issue dates on or after April 1, 2011. (LLPA changes highlighted in bold)								
≥ 740	-0.250%	0.000%	0.000%	0.250%	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%	0.500%	N/A
700 – 719	-0.250%	0.500%	0.750%	1.000%	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%	1.000%	N/A
660 – 679	0.000%	1.000%	2.000%	2.500%	2.750%	2.250%	2.250%	1.750%	N/A
640 – 659	0.500%	1.250%	2.500%	3.000%	3.250%	2.750%	2.750%	2.250%	N/A
620 – 639	0.500%	1.500%	3.000%	3.000%	3.250%	3.250%	3.250%	3.000%	N/A
< 620 ⁽¹⁾	0.500%	1.500%	3.000%	3.000%	3.250%	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 and those originated in accordance with Refi Plus™ or DU Refi Plus (see the Refi Plus Pricing Matrix).

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%	95.01 – 97.00%	
High-LTV pricing effective for whole loans purchased on or after December 1, 2010, or loans delivered into MBS pools with issue dates on or after December 1, 2010 (replaces Flexible LLPA).									
High-LTV ⁽²⁾	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.500%	N/A
ARM	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.250%	0.250%	N/A
40-year term (MBS only) ⁽³⁾	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	0.125%	N/A
All FRM IO loans	0.750%	0.750%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
All ARM IO loans	0.250%	0.250%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Manufactured home	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	N/A	235
Investment property	1.750%	1.750%	1.750%	3.000%	3.750%	N/A	N/A	N/A	N/A
Investment property – matured balloon mortgages (refinanced or modified) redelivered as FRM	1.750% all LTVs								236
Cash-out refinance Representative Credit Score									
≥ 740	0.000%	0.250%	0.250%	0.500%	0.625%	N/A	N/A	N/A	003
720 – 739	0.000%	0.625%	0.625%	0.750%	1.500%	N/A	N/A	N/A	003
700 – 719	0.000%	0.625%	0.625%	0.750%	1.500%	N/A	N/A	N/A	003
680 – 699	0.000%	0.750%	0.750%	1.375%	2.500%	N/A	N/A	N/A	003
660 – 679	0.250%	0.750%	0.750%	1.500%	2.500%	N/A	N/A	N/A	003
640 – 659	0.250%	1.250%	1.250%	2.250%	3.000%	N/A	N/A	N/A	003
620 – 639	0.250%	1.250%	1.250%	2.750%	3.000%	N/A	N/A	N/A	003
< 620 ⁽¹⁾	1.250%	2.250%	2.250%	2.750%	3.000%	N/A	N/A	N/A	003
Energy Improvement Feature	-\$250								375

(2) Not applicable to loans with financed MI with SFC 281.

(3) The LLPA for 40-year terms is not applicable for interest-only loans.

Table 3 (cont'd): All Eligible Mortgages (Excluding MCM unless otherwise noted): LLPA by Product Feature

PRODUCT FEATURE	LTV Range								
	≤ 60.0	60.01 – 70.00%	70.01 – 75.00%	75.01 – 80.00%	80.01 – 85.00%	85.01 – 90.00%	90.01 – 95.00%	95.01 – 97.00%	SFC
High-balance mortgage loans ⁽⁴⁾									
ARM (pricing based on highest of LTV/CLTV/HCLTV)	0.750%	0.750%	0.750%	N/A	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	N/A	808
Multiple-Unit Properties									
2-unit property	1.000	1.000%	1.000%	1.000%	N/A	N/A	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	N/A
Condominiums (excluding cooperatives; excluding detached condominium loans delivered with SFC 588)	Applicable for all mortgages with greater than 15-year terms								
	0.000	0.000%	0.000%	0.750%	0.750%	0.750%	0.750%	0.750%	N/A

(4) 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 7 below.

Table 4: Mortgages with Subordinate Financing ⁽⁵⁾ (Excluding MCM)

LTV Range	CLTV Range	Non Interest-Only LLPA		SFC
		Credit Score <720	Credit Score ≥ 720	
For whole loans purchased on or before March 31, 2011, or loans delivered into MBS pools with issue dates of March 1, 2011 or earlier				
65.01% – 75.00%	90.01% – 95.00%	0.500%		339
75.01% – 95.00%	90.01% – 95.00%	0.500%		338
75.01% – 90.00%	76.01% – 90.00%	0.250%		187
≤ 95.00%	95.01 – 97%	1.50%		
For whole loans purchased on or after April 1, 2011, and loans delivered into MBS with issue dates on or after April 1, 2011. (LLPA changes highlighted in bold)				
≤ 65.00%	80.01% – 95.00%	0.500%		N/A
65.01% – 75.00%	80.01% – 95.00%	0.750%		339
75.01% – 95.00%	90.01% – 95.00%	1.000%		338
75.01% – 90.00%	76.01% – 90.00%	1.000%		187
≤ 95.00%	95.01 – 97%	1.50%		

(5) If the subordinate financing is a Community Seconds® loan, these LLPAs do **not** apply and the lender must use SFC 118. Refer to the *Selling Guide* for maximum CLTVs for loans with Community Seconds.

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

Credit Score	Amortization terms > 20 years		All amortization terms	
	LTV Range		LTV Range	
	80.01 – 85.00%	85.01 – 90.00%	90.01 – 95.00%	95.01 – 97.00%
≥ 740	0.125%	0.375%	0.500%	1.000%
720 - 739	0.125%	0.625%	0.875%	1.250%
700 – 719	0.125%	0.750%	0.875%	1.250%
680 – 699	0.125%	0.750%	0.875%	1.750%
660 – 679	0.750%	1.250%	1.750%	2.125%
640 – 659	1.250%	1.750%	2.000%	2.375%
620 – 639	1.750%	2.000%	2.250%	2.750%
< 620 ⁽¹⁾	2.000%	2.250%	2.500%	3.000%

Table 6: Flexible Mortgages

Effective for whole loans purchased before December 1, 2010, or loans delivered into MBS pools with issue dates before December 1, 2010, the Flexible mortgage LLPAs will be discontinued and the high-LTV LLPA will incorporate Flexible LLPAs (see Table 3 for details).

Product Feature	LTV	LLPAs	SFC
Flexible 97 [®]	95.01 – 97.00%	0.500%	206
Flex 90-95	90.00 – 95.00%	0.500%	206

Table 7: 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 (as applicable)
All MCM loans; or manually underwritten loans	0.750%	460
Subordinate-financing (non-Community Seconds)	0.500% ⁽⁵⁾	Applicable SFC is still required when using these features in conjunction with MCM SFC 460
5/1 ARM with LTV > 90.00%	0.250%	
40-year term (MBS only)	0.125%	

Examples of Loan Transactions Showing Total LLPAs and AMDC

The examples below are for illustrative purposes only and are not intended to imply actual DU recommendations (assumes one-unit, primary residence)

(applies to whole loans purchased on or after April 1, 2011, and loans delivered into MBS with issue dates on or after April 1, 2011)

Example 1a: 30-YR FRM, COR, Credit Score = 680, LTV = 85%

- From Table 1: AMDC = 0.250%
- From Table 2: Representative Credit Score LLPA = 1.500%
- From Table 3: COR LLPA = 2.500%

Total: 4.250%

Example 1b: 30-YR FRM, COR, Credit Score = 680, LTV = 85%, Minimum MI

- From Table 1: AMDC = 0.250%
- From Table 2: Representative Credit Score LLPA = 1.500%
- From Table 3: COR LLPA = 2.500%
- From Table 5b: Minimum Mortgage Insurance = 0.125%

Total: 4.375%

Example 2: 30-YR FRM, Purchase, Subordinate Financing, Credit Score = 670, LTV = 80%, CLTV = 95%

- From Table 1: AMDC = 0.250%
- From Table 2: Representative Credit Score LLPA = 2.500%
- From Table 4: Mortgage with Subordinate Financing = 1.000%

Total: 3.750%

Example 3: Matured balloon mortgages (refinanced or modified, per *Servicing Guide* requirements) redelivered as FRM, Credit Score = 690, LTV = 80%, Investment Property

- From Table 1: AMDC = 0.250%
- From Table 3: Investment property - matured balloon mortgages (refinanced or modified) redelivered as FRM = 1.750%

Total: 2.000%

Example 4: 10/1 ARM, COR, High-Balance Mortgage Loans, Credit Score = 690, LTV = 60%

- From Table 1: AMDC = 0.250%
- From Table 2: Representative Credit Score LLPA = 0.000%
- From Table 3: COR LLPA = 0.750%
- From Table 3: High-Bal Mtg ARM LTV/CLTV = 0.750%
- From Table 3: High-Bal Mtg COR LLPA = 1.000%

Total: 2.750%

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

12/1/10	Announcement SEL-2010-15	<ul style="list-style-type: none"> Added Energy Improvement Feature (to Table 3).
	Formatting/Correction	<ul style="list-style-type: none"> Added N/A to HBL cash-out to reflect a maximum allowable 60% LTV (Table 3) Announcement 09-08R. Removed IO Subordinate Financing LLPAs to reflect a maximum allowable 70% LTV/CLT (Table 4) Announcement SEL-2010-06. Removed Footnote 6 to reflect IO ineligibility for MCM Announcement SE-2010-06
12/23/10	Announcement SEL-2010-17	<ul style="list-style-type: none"> Added revised pricing to Table 2: All Eligible Mortgages (Excluding MCM): LLPA by Credit Score/LTV. Added revised pricing to Table 4: Mortgages with Subordinate Financing.
	Formatting/Correction	<ul style="list-style-type: none"> Revised table of contents. Added revised pricing to Table 2: All Eligible Mortgages (Excluding MCM): LLPA by Credit Score/LTV. Added revised pricing to Table 4: Mortgages with Subordinate Financing. Moved positions of Energy Improvement Feature and Condominiums terms for clarity in Table 3. Revised Examples of Loan Transactions showing Total LLPAs and AMDC.
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"> Corrected formatting errors. In Table 3, restored missing footnote (4) reference to “High-balance mortgage loans” section.