



Mortgage Services III, LLC
 A Subsidiary of First State Bank Member FDIC

Quick Reference Product Sheet

Conforming Products

Posted 7/20/10

Conforming Fixed Rate Products

Loan Parameters – Agency FRM 30 Year

| Transaction Type | Units | Maximum | | | Minimum FICO (1) | Maximum DTI (1) |
|---|-------|---------------|-----------------|-------|------------------|-----------------|
| | | LTV No Second | LTV with Second | CLTV | | |
| Owner Occupied - Primary | | | | | | |
| Purchase and Limited Cash Out Refinance | 1 | 95.00 | 90.00 | 95.00 | 660 (2) | 45% |
| | 2 | 80.00 | 75.00 | 80.00 | 660 (3) | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Cash Out Refinance | 1 (4) | 85.00 | 80.00 | 85.00 | 720 | 41% |
| | 1 | 80.00 | 75.00 | 80.00 | 620 | 45% |
| | 2 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Second Home | | | | | | |
| Purchase | 1 | 90.00 | 75.00 | 90.00 | 680 | 45% |
| Limited Cash Out Refinance | 1 | 90.00 | 75.00 | 90.00 | 680 | 45% |
| Cash Out Refinance | 1 | 75.00 | 70.00 | 75.00 | 620 | 45% |

Notes:

- (1) The **more restrictive** MI or AUS will supersede this minimum. Loans must meet the maximum DTI **and** receive an "eligible" Approve or Accept to be purchased by MSI.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 620.
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 620.
- (4) Condo projects are ineligible for Cash Out >80.00%.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo –Attached PUD Restrictions:** Maximum LTV/CLTV for all condos is the **lower** of published or 90.00%. See [Condos – Attached PUDs](#).
- ✓ Florida properties are not eligible for MSI.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ LPMI is permitted for Primary, Purchase/Rate-Term Refinance. See the [Conforming Product Suite](#) and [Underwriting Chapter](#) for full restrictions and details..
- ✓ Subject to MI guidelines when MI is required.
- ✓ Subject to the **more restrictive** of MSI/applicable AUS guidelines and limits. Cash Out to 85.00% permitted only by DU.

Continued on next page

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Important Note: If a product is not priced, it is not available.





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Quick Reference Product Sheet

Conforming Products

Conforming Fixed Rate Products, Continued

Loan Parameters – Agency FRM 30 Year, Continued

| Transaction Type | Units | Maximum | | | Minimum FICO (1) | Maximum DTI (1) |
|--|---------------------------|---------------|-----------------|-------|------------------|-----------------|
| | | LTV No Second | LTV with Second | CLTV | | |
| Investment Properties – No Condos Permitted | | | | | | |
| Purchase | 1 | 80.00 | 75.00 | 80.00 | 620 | 45% |
| | 2 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Limited Cash Out Refinance | 1 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 2 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Cash Out Refinance | NP (Not Permitted) | | | | | |

Notes:

- (1) The **more restrictive** MI or AUS will supersede this minimum. Loans must meet the maximum DTI **and** receive an “eligible” Approve or Accept to be purchased by MSI.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 620.
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 620.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo –Attached PUD Restrictions:** Maximum LTV/CLTV for all condos is the **lower** of published or 90.00%. See [Condos – Attached PUDs](#).
- ✓ Florida properties are not eligible for MSI.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ LPMI is not permitted for Investment Properties.
- ✓ Subject to MI guidelines when MI is required.
- ✓ Subject to the **more restrictive** of MSI/applicable AUS guidelines and limits.

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Conforming Products

DU Refi Plus™

Summary

DU Refi Plus™ is a new refinance option offered by Fannie Mae to achieve the goals set out for the “Making Home Affordable” program announced by the US Department of Treasury on March 4, 2009.

MSI offers this Fannie Mae program with MSI overlays.

- ✓ Effective with locks on/after 5/08/09 MSI will purchase this product as long as the loan meets our additional risk overlays. These overlays must be applied “manually” to the DU Approve/Eligible loan.
 - ✓ See the [Conforming Product Suite](#) for the MSI DU Refi Plus™ product option guidelines and parameters.
 - There is not a separate loan parameter matrix for DU Refi Plus™; however LTVs greater than 100% are not acceptable.
-

LP Relief Refinance MortgageSM

Summary

LP Relief Refinance Mortgage (LP RRM) is a new refinance option offered by Freddie Mac to achieve the goals set out for the “Making Home Affordable” program announced by the US Department of Treasury on March 4, 2009.

MSI offers this Freddie Mac program with MSI overlays.

- ✓ MSI will purchase this product only if the loan meets our **additional** risk overlays. These overlays must be applied “manually” to the LP Accept loans.
- ✓ See the [Conforming Product Suite](#) for the MSI LP RRM product option guidelines and parameters.
- ✓ There is not a separate loan parameter matrix for the LP RRM; however, LTVs greater than 100% are not acceptable.

MSI provides the Product Sheet as a quick reference for mortgage professionals only. Product guidelines are subject to change without notice.
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Quick Reference Product Sheet

Conforming Products

Conforming Adjustable Rate Mortgages

Loan Parameters – Agency ARM 30-Year

| Transaction Type | Units | Maximum | | | Minimum FICO (1) | Maximum DTI (1) |
|---|-------|---------------|-----------------|-------|------------------|-----------------|
| | | LTV No Second | LTV with Second | CLTV | | |
| Owner Occupied - Primary | | | | | | |
| Purchase and Limited Cash Out Refinance | 1 | 95.00 | 90.00 | 95.00 | 660 (2) | 45% |
| | 2 | 80.00 | 75.00 | 80.00 | 660 (3) | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Cash Out Refinance | 1 (4) | 85.00 | 80.00 | 85.00 | 720 | 41% |
| | 1 | 80.00 | 75.00 | 80.00 | 620 | 45% |
| | 2 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Second Home | | | | | | |
| Purchase | 1 | 90.00 | 75.00 | 90.00 | 680 | 45% |
| Limited Cash Out Refinance | 1 | 90.00 | 75.00 | 90.00 | 680 | 45% |
| Cash Out Refinance | 1 | 75.00 | 70.00 | 75.00 | 620 | 45% |

Notes:

- (1) The more restrictive MI or AUS will supersede this minimum. Loans must meet the maximum DTI and receive an "eligible" Approve or Accept to be purchased by MSI.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 620.
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 620.
- (4) Condo projects are ineligible for Cash Out >80.00%.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo –Attached PUD Restrictions:** Maximum LTV/CLTV for all condos is the lower of published or 90.00%. See [Condos – Attached PUDs](#).
- ✓ Florida properties are not eligible for MSI.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ LPMI is not permitted.
- ✓ Subject to MI guidelines when MI is required.
- ✓ Subject to the more restrictive of MSI/applicable AUS guidelines and limits. Cash Out to 85.00% permitted only by DU.

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Quick Reference Product Sheet

Conforming Products

Conforming Adjustable Rate Mortgages, Continued

Loan Parameters – Agency FRM 30 Year, Continued

| Transaction Type | Units | Maximum | | | Minimum FICO (1) | Maximum DTI (1) |
|--|---------------------------|---------------|-----------------|-------|------------------|-----------------|
| | | LTV No Second | LTV with Second | CLTV | | |
| Investment Properties – No Condos Permitted | | | | | | |
| Purchase | 1 | 80.00 | 75.00 | 80.00 | 620 | 45% |
| | 2 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Limited Cash Out Refinance | 1 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 2 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| | 3-4 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Cash Out Refinance | NP (Not Permitted) | | | | | |

Notes:

- (1) The **more restrictive** MI or AUS will supersede this minimum. Loans must meet the maximum DTI **and** receive an “eligible” Approve or Accept to be purchased by MSI.
- (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 620.
- (3) LTV's ≤ 75.00% are acceptable with a Minimum FICO of 620.
- ✓ Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO. Please contact your local MI Partner.
- ✓ **Condo –Attached PUD Restrictions:** Maximum LTV/CLTV for all condos is the **lower** of published or 90.00%. See [Condos – Attached PUDs](#).
- ✓ Florida properties are not eligible for MSI.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are not permitted
- ✓ Texas Section 50a6 (True Texas Cash Out) loans are not permitted
- ✓ LPMI is not permitted.
- ✓ Subject to MI guidelines when MI is required.
- ✓ Subject to the **more restrictive** of MSI/applicable AUS guidelines and limits.

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Quick Reference Product Sheet

Conforming Products

MSI Condo and Attached PUD Guidelines

**Condos –
Attached PUDs**

- MSI will purchase loans where the subject property is a Condo.
- ✓ The condo and/or attached PUD must meet all current MSI/Fannie Mae Guidelines. **See the Seller Guide/Underwriting Chapter for full details.**
 - ✓ MSI requires that Questionnaires be completed as required.
 - ✓ MSI has provided the Condo Loan Parameter Matrix to clarify loan parameters for condos.
 - ✓ Attached PUDs follow the same LTV/CLTV parameters outlined for single family residence properties.
 - Attached PUDs must meet condo Limited Review Warranty guidelines (Established Projects), including the completion of the Limited Review Questionnaire.
 - ✓ MSI will purchase **only** those condos that:
 - Are submitted to DU **and** receive an Approve/Eligible **and** the finding must state that the project is eligible for Limited Review. (Remember - Established Condos Only) **OR**
 - A condo that has a DU Approve/Eligible **and** a documented **current** Fannie Mae 1028 (condo approval). The Seller must provide documentation of the current Fannie Mae 1028.
 - ✓ **Additional Notes:**
 - Condo projects that consist of only 2-4 units must have a 2-4 Unit project questionnaire completed.
 - MSI no longer accepts condos that require a "full analysis."
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Quick Reference Product Sheet

Conforming Products

MSI Condo and Attached PUD Guidelines, Continued

Loan Parameters – Condos - FRM and ARM

| Transaction Type | Units | Maximum | | | Minimum FICO (1) | Maximum DTI (1) |
|---|-------|---------------|-----------------|-------|------------------|-----------------|
| | | LTV No Second | LTV with Second | CLTV | | |
| Owner Occupied - Primary | | | | | | |
| Purchase and Limited Cash Out Refinance | 1 | 90.00 | 90.00 | 90.00 | 660 (2) | 45% |
| Cash Out Refinance | 1 | 80.00 | 75.00 | 80.00 | 620 | 45% |
| Second Home | | | | | | |
| Purchase | 1 | 75.00 | 75.00 | 75.00 | 680 | 45% |
| Limited Cash Out Refinance | 1 | 75.00 | 75.00 | 75.00 | 680 | 45% |
| Cash Out Refinance | 1 | 75.00 | 70.00 | 75.00 | 620 | 45% |
| Investment Property | | | | | | |
| Investment Properties are not permitted. | | | | | | |
| <ul style="list-style-type: none"> ✓ CLAR (11/23/09): Unless a more restrictive parameter is required by a product subset, the maximum LTV/CLTVs are valid for all condos, regardless of warranty type or conventional product.; ✓ Attached PUDs must meet the condo warranty requirements; however, LTV/CLTV are permitted to the same parameters as a single family detached property. ✓ Freddie Mac LP condos or attached PUDs are not acceptable to MSI. See LP Relief Refinance Mortgage SM for exception. ✓ If the project is a 2-4 Unit project, MSI requires the completion of the 2-4 Unit Condo Questionnaire. <p>Notes:</p> <ul style="list-style-type: none"> (1) The more restrictive MI or AUS will supersede this minimum. Loans must meet the maximum DTI and receive an "eligible" Approve or Accept to be purchased by MSI. (2) LTV's ≤ 80.00% are acceptable with a Minimum FICO of 620. ✓ Florida properties are not eligible for MSI.. ✓ See the Underwriting Chapter and Fannie Mae Seller Guide for full details regarding condos and attached PUDs. | | | | | | |

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MSI Conventional High Balance

MSI Loan Limits

The matrix below outlines the minimum loan amounts for the MSI Conventional High Balance product. The product is extended until December 31, 2010.

- ✓ All "Conventional High Balance" loan amounts are eligible only in specific geographic areas and must be confirmed/validated for the area using the following Web Site
<https://entp.hud.gov/idapp/html/hicostlook.cfm> .
 - **Note:** select "Fannie/Freddie" from the <Limit Type> field, then select "CY2010" from the <Limit Year> field.
- ✓ A copy of the screen print, validating the "high balance" loan amount must be included in the credit section of the loan file.

| Number of Units | Minimum Loan Amount |
|-----------------|---------------------|
| 1 | \$417,001 |
| 2 | \$533,851 |
| 3 | \$645,301 |
| 4 | \$801,951 |

Notes:

- ✓ MSI does not lend in Alaska, Hawaii or any US Territories (Guam, Puerto Rico, etc).
- ✓ MSI has restricted the maximum loan amount to the current Fannie Mae "permanent High-Cost limits". Loan amounts that exceed the limits posted are not eligible to MSI.

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Mortgage Services III, LLC
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Quick Reference Product Sheet

Conforming Products

MSI Conventional High Balance, Continued

Loan Parameters – MSI Conventional High Balance - FRM

| Units | Owner Occupied-Primary | | | Second Home (2) | | | Investment | | Maximum DTI |
|---|------------------------|---------|-----------------|--------------------|-------|-----------------|--------------------|------|----------------|
| | Maximum | | Minimum FICO | Maximum | | Minimum FICO | Maximum | | |
| | LTV | CLTV(1) | | LTV | CLTV | | LTV | CLTV | |
| Purchase and Rate/Term Refinance | | | | | | | | | |
| 1 (3) | 90.00 | 90.00 | (4) | 65.00 | 65.00 | 740 | NP (Not Permitted) | | 45% |
| 1 (2) | 85.00 | 90.00 | (4) | N/P | | | | | 45% |
| 2 - 4 | 75.00 | 75.00 | 740 | NP (Not Permitted) | | | | | 45% |
| Rate/Term Refinance (R/T) Transactions | | | | | | | | | |
| 1 | 90.00 | 90.00 | (4) | 65.00 | 65.00 | 740 | NP (Not Permitted) | | 45% |
| 1 (2) | 85.00 | 90.00 | (4) | N/P | | | | | 45% |
| 2 - 4 | 75.00 | 75.00 | 740 | NP (Not Permitted) | | | | | 45% |
| Cash-Out (C/O) Transactions | | | | | | | | | |
| 1 (2) | 60.00 | 60.00 | 740 | NP (Not Permitted) | | | NP (Not Permitted) | | 45% |

Notes:

- (1) **Maximum LTV with Subordinate Financing:** 1 Unit = 80.00%; 2-4 Units = 70.00%; Cash out = 60.00%
 - (2) Maximum LTV/CLTV for **Attached** PUD and all Condo properties, unless otherwise restricted by MSI.
 - (3) **When LTV > 80.00%:** The > of 2 months verified PITI or standard verified reserves required.
 - (4) **Minimum FICO:**
 - LTV > 80.00% = 720.
 - LTV 75.01% - 80.00% = 700
 - LTV ≤ 75.00% = 660
 - CLTV/TLTV > 75.00% = 700 (If the LTV or CLTV/TLTV require different scores, apply the more restrictive.)
 - ✓ LTV/CLTV for single family property includes detached PUDs.
 - ✓ Florida properties are not eligible for MSI.
 - ✓ Temporary Buydowns are not permitted.
 - ✓ 40-year terms are **not** permitted
 - ✓ Texas Section 50a6 (Texas Cash Out) loans are not permitted
 - ✓ LPMI is not permitted.
 - ✓ Borrower paid single premium insurance is permitted.
 - ✓ Subject to MI guidelines when MI is required.
 - ✓ Subject to more restrictive Fannie Mae DU findings.
 - ✓ All "Conventional High Balance" loan amounts are eligible only in specific geographic areas and must be confirmed/validated for the area using the following Web Site <https://entp.hud.gov/idapp/html/hicostlook.cfm> .
- Note:** select "Fannie/Freddie" from the <Limit Type> field, then select "CY2010" from the <Limit Year> field. .

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Quick Reference Product Sheet

Conforming Products

MSI Conventional High Balance, Continued

Loan Parameters – MSI Conventional High Balance--ARM

| Units | Owner Occupied-Primary | | | Second Home (2) | | | Investment | | | Maximum DTI |
|---|------------------------|---------|-----------------|--------------------|-------|-----------------|--------------------|------|-----------------|----------------|
| | Maximum | | Minimum FICO | Maximum | | Minimum FICO | Maximum | | Minimum FICO | |
| | LTV | CLTV(1) | | LTV | CLTV | | LTV | CLTV | | |
| Purchase and Rate/Term Refinance | | | | | | | | | | |
| 1 (2) | 75.00 | 75.00 | 680 | 65.00 | 65.00 | 740 | NP (Not Permitted) | | | 45% |
| 2 - 4 | 75.00 | 70.00 | 740 | NP (Not Permitted) | | | NP (Not Permitted) | | | 45% |
| Rate/Term Refinance (R/T) Transactions | | | | | | | | | | |
| 1 (2) | 75.00 | 75.00 | 680 | 65.00 | 65.00 | 740 | NP (Not Permitted) | | | 45% |
| 2 - 4 | 75.00 | 70.00 | 740 | NP (Not Permitted) | | | NP (Not Permitted) | | | 45% |
| Cash-Out (C/O) Transactions | | | | | | | | | | |
| 1 (2) | 60.00 | 60.00 | 740 | NP (Not Permitted) | | | NP (Not Permitted) | | | 45% |

Notes:

- (1) **Maximum LTV with Subordinate Financing: 1 Unit = 75.00%; 2-4 Units = 70.00%; Cash out = 60.00%**
- (2) Maximum LTV/CLTV for PUD and Condo properties, unless otherwise restricted by MSI.
- ✓ Florida properties are not eligible for MSI.
- ✓ Temporary Buydowns are not permitted.
- ✓ Prepayment Penalty features are not permitted
- ✓ 40-year terms are **not** permitted
- ✓ Texas Section 50a6 (Texas Cash Out) loans are not permitted
- ✓ LPMI is not permitted.
- ✓ Borrower paid single premium insurance is permitted.
- ✓ Subject to MI guidelines when MI is required.
- ✓ Subject to more restrictive Fannie Mae AUS findings.
- ✓ All "Conventional High Balance" loan amounts are eligible only in specific geographic areas and must be confirmed/validated for the area using the following Web Site <https://entp.hud.gov/idapp/html/hicostlook.cfm> .

Note: select "Fannie/Freddie" from the <Limit Type> field, then select "CY2010" from the <Limit Year> field. .

