

Non-Conforming fact sheet

The Non-Conforming Loan program provides you with the opportunity to serve more markets and help more customers purchase or refinance a home. We're here to answer your questions and help throughout the process. Below are highlights of the Non-Conforming Loan program; please see *Wells Fargo Funding Seller Guide* Section 825 and 950 for complete guideline details.

Eligible Loan parameters

Program features	Requirements
Occupancy/Loan purpose	Primary residences, second homes, and investment properties <ul style="list-style-type: none"> • Purchase • Rate/term refinance • Cash-out refinance
Products	<ul style="list-style-type: none"> • 5/1, 7/1 and 10/1 LIBOR ARM • 10-, 15-, 20-, 30-year fixed-rate
Loan amount/combined Loan amount	<ul style="list-style-type: none"> • Maximum \$3 million for one-unit primary residence, purchase, and rate/term • Maximum \$2 million for all other transactions • Loan amount must be greater than \$424,100
Loan Score	<p>Loan Score meets the minimum requirements:</p> <ul style="list-style-type: none"> • 700 for transactions that meet all of the following: <ul style="list-style-type: none"> - Primary residence or second home - Purchase or rate/term refinance - Fixed rate product • 740 for investment property transactions • 720 for all other transactions <p>Loan Score definition: Selected credit score of the occupying borrower with the highest income and valid credit score is used as the Loan Score.</p>
Maximum LTV/CLTV	<p>80%/85% - Secondary Financing is allowed</p> <ul style="list-style-type: none"> • Additional requirements may apply • Maximum LTV/CLTV requirements may vary depending on Market Classification, transaction type, occupancy, product, and property <p>Refer to Seller Guide Section 950.</p>
Maximum total debt to income ratios	<ul style="list-style-type: none"> • 43% for primary fixed rate purchases and rate/term refinances • 43% for Occupant Borrower's Ratio with Non-Occupant Co-borrower • 38% for investment properties • 40% for all other transactions <p>Note: Ratios apply to all Full Doc Non-Conforming Loans. Refer to product/program specific guidelines for complete parameters.</p>
Eligible property types	<ul style="list-style-type: none"> • Single Family (Attached or Detached) • Condo/PUD/Co-ops • Leasehold • 2-4 unit primary residences
Mortgage insurance	Not applicable

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Program features	Requirements
Contributions	6% maximum Seller contribution
Minimum appraisal requirements	Refer to the transaction's Loan amount as well as the Value Based Median Home Price Classification List (Seller Guide Exhibit 4) to determine the acceptable appraisal products required for the transaction. Refer to Seller Guide Section 825.11 .
Appraisal ordering and delivery options	<p>Sellers have two options for ordering and delivering appraisals to Wells Fargo:</p> <ul style="list-style-type: none"> • Option 1: Direct Order / Direct Deliver <ul style="list-style-type: none"> - Order the appraisal directly from an authorized appraisal management company (AMC). Contact the AMC to set up a Wells Fargo-specific account for ordering appraisals. <ul style="list-style-type: none"> ○ For Sellers who already have an account with an authorized AMC, setting up a Wells Fargo-specific account with your authorized AMC ensures compliance with: <ul style="list-style-type: none"> ▪ The Appraiser List, now known as the <i>Any Role Individual List</i>. This list can be accessed in the <i>Wells Fargo Funding Validation List</i> located on wellsfargofunding.com. ▪ Other Wells Fargo Appraisal review requirements. - Deliver the final version of the appraisal including the first generation PDF and industry-standard XML, using the appraisal upload feature on wellsfargofunding.com. • Option 2: RealEC® Exchange platform <ul style="list-style-type: none"> - Order the appraisal from an authorized AMC using the <i>RealEC</i> Exchange platform. (Registration with <i>RealEC</i> Exchange is required.) <ul style="list-style-type: none"> ○ For Sellers who already have an account with <i>RealEC</i>, setting up a Wells Fargo-specific account with <i>RealEC</i> ensures compliance with: <ul style="list-style-type: none"> ▪ The Appraiser List, now known as the <i>Any Role Individual List</i>. This list can be accessed in the <i>Wells Fargo Funding Validation List</i> located on wellsfargofunding.com. ▪ Other Wells Fargo Appraisal review requirements. - Deliver the final version of the appraisal using the Share functionality on the <i>RealEC</i> Exchange platform. <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> - Deliver the final version of the appraisal including the first generation PDF and industry standard XML, using the appraisal upload feature on wellsfargofunding.com. <p>Note: Authorized Appraisal Management Companies (AMC) include <i>Clear Capital®</i>, <i>CoreLogic®</i> Valuation Solutions, <i>PCV Murcor™</i>, <i>ServiceLink</i>, and <i>Solidifi</i>.</p>
Reserves	Standard reserves vary depending on transaction details. Refer to Seller Guide Section 950 .
Preferred Payment PlanSM	<p>Receive a .250% interest rate reduction when the borrower sets up a recurring automatic payment withdrawal (ACH) from their checking or savings account.¹</p> <p>For more information, refer to:</p> <ul style="list-style-type: none"> • Seller Guide Section 505.08 • Exhibit 2: Preferred Payment Plan Enrollment Form • Page three of the Wells Fargo Funding Rate Sheet for prices

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Program features	Requirements
Delivery options	<ul style="list-style-type: none"> • Wells Fargo Image ExpressSM Program • Paper files • ePack Express (Image & Data) • eDelivery and eSignature
Commitment options	Best Effort
Underwriting options	Wells Fargo Prior Approval
Amortization	Fully amortized/Full Documentation only Note: <i>Interest-Only</i> payment feature is not allowed
Seller Guide Sections	<ul style="list-style-type: none"> • 400: Registrations and Pricing • 505.08: Additional Documentation Required for Non-Conforming Conventional Loans • 800.01(a): Wells Fargo Underwriting Philosophy • 800.10: Appraisal/Valuation Policy • 825: Non-Conforming Underwriting Guidelines • 850: Qualifying Ratio Tables • 950, 955, 973, 974, and 975: Non-Conforming LTV Matrices and Product Eligibility Requirements
Seller Guide Forms and Exhibits	<ul style="list-style-type: none"> • Exhibit 2: <i>Preferred Payment Plan</i> Enrollment Form • Exhibit 3: Verbal Verification of Employment • Exhibit 4: Value Based Median Home Price Classification List • Exhibit 6: Non-Conforming Initial Loan Submission Checklist • Exhibit 7: Valuation Product Vendor Information • Exhibit 20: Market Classification (Restricted Markets) • Form 1: Loan Submission Summary
Buydowns	Not allowed

Contact us

To learn more about our Non-Conforming program and Seller eligibility, please contact a member of your Wells Fargo Funding Regional Sales Team today!

1. Due to daily pricing variations between products, borrowers should work with their lender to determine that the pricing available is the most advantageously priced home financing option for them. To receive the discount, borrowers are required to enroll in Wells Fargo's **Preferred Payment Plan**SM, which includes a requirement that the borrower agree to recurring payments via preauthorized electronic funds transfer from a checking or savings account from any financial institution. To enroll, a borrower must sign and date the **Preferred Payment Plan** Enrollment form located on wellsfargofunding.com. Limitations apply.

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