Geographic Risk Areas – Enhanced Collateral Review & Eligibility Requirements

Properties located within the geographic areas identified below are subject to enhanced collateral review and/or additional eligibility restrictions, as specified.

Geographic Area	CDA Requirement *	Additional Restrictions
Baltimore City, Maryland	Required	Transactions permitted on an exception basis. Entity vesting is prohibited.
Brooklyn, New York	Required	

Collateral Desktop Analysis (CDA) Requirement:
A CDA is required unless the loan file already contains either (i) two supporting appraisals or (ii) a CDA meeting applicable guideline requirements. In either case, an additional CDA is not required.
The CDA must support a value within 10% of the appraised value. If the CDA value is more than 10% below the appraised value, a second appraisal is required, and the lower of the two appraisal values must be used for qualification and LTV/CLTV calculations.

Additional Eligibility Restrictions – Baltimore City, Maryland
Properties located within Baltimore City, Maryland, may be considered on an exception basis only, subject to prior approval by LenderMac.

Entity vesting is strictly prohibited for properties located within Baltimore City, Maryland. Title must be vested in the name of the individual borrower(s). Approval of an exception does not waive the applicable CDA requirements or any other underwriting and collateral eligibility standards.

Administration of the List
The geographic areas identified above are subject to enhanced collateral review based on documented collateral, valuation, market, fraud, or other applicable risk considerations. Inclusion on this list does not, by itself, make a property or borrower ineligible for financing, provided all applicable eligibility requirements and restrictions are satisfied. Transactions subject to exception approval must receive such approval prior to loan closing.

The list will be reviewed periodically and may be revised as warranted based on updated risk information and market conditions.