



## Standard ARM Plan Matrix

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## Matrix Abbreviations

The following abbreviations are used throughout the Matrix.

Abbreviation	Meaning
<b>Adj</b>	Adjustment
<b>Convert</b>	Convertible
<b>Freq</b>	Frequency
<b>IFRP</b>	Same as the Initial Fixed-Rate Period
<b>IMIR</b>	Initial Mortgage Interest Rate
<b>Int</b>	Interest
<b>IR</b>	Interest Rate
<b>LB</b>	Look-back
<b>N/A</b>	Not Applicable
<b>Orig</b>	Original
<b>Per</b>	Period
<b>PMIR</b>	Prior Month's Interest Rate
<b>Pmt</b>	Payment
<b>Round</b>	Rounding
<b>Subseq</b>	Subsequent



## Column Heading Descriptions

- 1. Plan Number** – ARM plan numbers are assigned by Fannie Mae.
- 2. Fannie Mae Uniform Instrument Note/Rider Form Reference** – Each ARM must be documented with the version of the indicated Fannie Mae uniform note/rider form in effect at the time of execution of the note, or with a mortgage note form that does not contain any provision that is materially different from the terms set forth in the indicated Fannie Mae uniform note/rider form. To the extent that the Fannie Mae uniform note/rider form indicated in the column is not used or the lender uses any other nonstandard documents, the lender is subject to the terms and conditions of the *Selling Guide's* representations and warranties, including, without limitation, the Document Warranties provisions in A2-2-03. Without limiting the above, the mortgage note must provide for payment of installments on a monthly basis, with the interest portion of each payment being determined based on a 360-day year and by computing 30 days' interest on the outstanding principal balance of the mortgage loan as of the scheduled installment due date.
- 3. Index** – The index used for determining each interest rate adjustment.
  - **30-Day Average SOFR:** The 30-day average yield of the cost of borrowing cash overnight collateralized by the U.S. Treasury securities in the repurchase agreement (repo) market as published by the Federal Reserve Bank of New York. **[Index Code 96]**
- 4. ARM Plan Initial Fixed-Rate Interest Period/Subsequent Interest Rate Adjustment** – This column indicates an initial fixed period during which the interest rate will not change, after which the interest will adjust with a specified frequency.
  - The range of applicable initial fixed-rate interest period is described in the “Initial FR Int Per” portion of the column “ARM Plan Initial FR Int Per/Subseq IR Adj (in mos) as of Issue Date.” This range applies only to the initial fixed-rate period that is permitted in an MBS pool, as of the Issue Date of the pool. The initial fixed-rate interest period in years must comply with the ARM Type in column 5 of this Matrix. For example, a 5-year ARM must have an initial fixed period of 60 months.
  - Following the initial fixed-rate interest period, the interest rate of each ARM is subject to adjustment with the frequency stated in the category “Subseq IR Adj” portion of the column “ARM Plan Initial FR Int Per/Subseq IR Adj (in mos) as of Issue Date.”
  - The interest rate adjustment frequency is the number of months between interest rate changes.
- 5. ARM Type** – Describes the period between interest rate adjustments (changes). For example, 3/6 mos describes a loan with an initial fixed rate for 3 years and subsequent rate changes every 6 months thereafter.
- 6. Periodic Interest Rate Change Limit – First Change Date/Subsequent Change Dates** – Indicates the limitations on interest rate increases and decreases, first from the initial interest rate and, thereafter, from each immediately preceding interest rate. For example, the statement “+/-2%/ +/-2%” means that the rate adjustment may not result in an increase or decrease of more than two percentage points from the prior interest rate.
- 7. Life Interest Rate Cap/Floor** – Indicates the applicable lifetime interest rate ceiling (cap), which may be stated as a rate that will serve as the ceiling or may be stated as a specified number of percentage points above the initial mortgage interest rate. In the “Life IR Cap/Floor” column, “+” or “-” means add to or subtract from the initial mortgage interest rate. For example, “Up to +6%” as the ceiling (cap) means that the lifetime interest rate may be as high as 6% above the applicable initial interest rate. For all standard ARM plans, there is not a lifetime interest rate floor other than the applicable mortgage margin.



**8. Look-back Interest Rate Change (in days)** – Identifies the required interest rate look-back period for determining the index value for interest rate adjustments. The look-back is to the index value in effect on the specified number of days before the interest rate change date.

**9. Assumability** – This column indicates whether the ARM may be assumed or is due on sale.

The Fannie Mae standard ARM plans provide one of two choices: the mortgage is assumable during the entire term of the mortgage, or the mortgage is due-on-sale during the initial fixed-rate period and assumable thereafter for the remaining term of the mortgage. A summary explanation for the abbreviations for *Assum*, *DOS/Assum* and *DOS* are provided below.

**NOTE:** *When delivering the loan to Fannie Mae, the assumability flag must be “Y” if either Assum or DOS/Assum is specified in the Matrix.*

- **Assum** means that the lender shall permit the mortgage to be assumed by a new mortgagor, as described in the *Servicing Guide*, and the lender will ensure that at least one of the following conditions is met:
    - federal law as of the date of the mortgage instrument prohibits the acceleration of the mortgage note under the particular circumstances;
    - the transferee submits a credit application that allows the lender to approve the transferee using the underwriting guidelines of Fannie Mae in effect on the date of the transferee's application, and the transferee executes a written assumption agreement and pays reasonable fees and charges, including an assumption fee if permitted by the mortgage documents; or
    - the transferee is an unrelated co-borrower assuming the mortgage under the circumstances described the *Servicing Guide*.
  - **DOS** means that, in connection with the sale or transfer (or prospective sale or transfer) of all or any interest in the property secured by a mortgage, the lender, except in the case of exempt transactions allowed by Fannie Mae (see the *Servicing Guide*), shall accelerate the maturity of the mortgage note, and undertake and pursue enforcement proceedings, where the terms of the mortgage permit acceleration and enforcement under such a circumstance. In addition, the lender must comply with the other requirements of the *Servicing Guide* that are applicable in connection with due-on-sale enforcement.
  - **DOS/Assum** means that
    - during the initial fixed-rate period, the lender shall accelerate the maturity of the mortgage note in connection with the sale or transfer, or prospective sale or transfer, of all or any interest in the property secured by the mortgage as described above for DOS, and;
    - after the initial fixed-rate period, the lender will permit the mortgage to be assumed by a new mortgagor as described above for Assum.
- 10. Convertibility – Convert (Y or N)** – This column indicates whether or not the ARM has a feature allowing the adjustable rate to convert to a fixed interest rate.
- 11. Payment Due Date** – ARMs accrue interest in arrears and have monthly installments that are payable on the day of each month indicated in the Matrix. All of Fannie Mae's standard ARM plans require that the payment due date be the first day of each month.
- 12. Subtype** – Applies to MBS deliveries only. Subtypes are assigned by Fannie Mae and describe the characteristics of the applicable standard ARM plan.



## Standard ARM Plan Matrix

This Matrix lists all standard ARM plans that are eligible for delivery to Fannie Mae. To qualify as a Fannie Mae standard ARM, the ARM must have all of the characteristics specified in the Matrix for such plan number.

**NOTE:** Texas Section 50(a)(6) loans can be commingled in MBS pools with non-Texas Section 50(a)(6) loans with the same plan number. They are identified separately in the ARM Matrix only because they require different uniform instruments.

Plan Number	Fannie Mae/ Freddie Mac Uniform Instrument Note/Rider Form Reference	Index [Fannie Mae Index Code]	ARM Plan Initial FR Int Per/ Subseq IR Adj (in mos) as of Issue Date	ARM Type	Periodic Int Rate Change Limit  • First Change Date / Subseq Change Dates	Life IR Cap/ Floor	Look-back Int Rate Change (in days)	Assum- ability	Convert (Y or N)  [If Y, includes convert option code]	Pmt Due Date	Subtype  [MBS only]
<b>Fully Amortizing Conventional ARMs – Terms up to 30 Years</b>											
<b>4926</b>	3441/3141	30-Day Avg SOFR	19-42/ 6	3/6 mos	+/- 2% / +/- 1%	Up to +5% / Margin	45	Assum	N	1st	85A
<b>4927</b>	3442/3142	30-Day Avg SOFR	43-66/ 6	5/6 mos	+/- 2% / +/- 1%	Up to +5% / Margin	45	DOS/ Assum	N	1st	85B
<b>4927 Texas 50(a)(6)</b>	3442.44/3142.44	30-Day Avg SOFR	43-66/ 6	5/6 mos	+/- 2% / +/- 1%	Up to +5% / Margin	45	DOS	N	1st	85B
<b>4928</b>	3442/3142	30-Day Avg SOFR	67-90/ 6	7/6 mos	+/- 5% / +/- 1%	Up to +5% / Margin	45	DOS/ Assum	N	1st	85C
<b>4928 Texas 50(a)(6)</b>	3442.44/3142.44	30-Day Avg SOFR	67-90/ 6	7/6 mos	+/- 5% / +/- 1%	Up to +5% / Margin	45	DOS	N	1st	85C
<b>4929</b>	3442/3142	30-Day Avg SOFR	91-150/ 6	10/6 mos	+/- 5% / +/- 1%	Up to +5% / Margin	45	DOS/ Assum	N	1st	85D
<b>4929 Texas 50(a)(6)</b>	3442.44/3142.44	30-Day Avg SOFR	91-150/ 6	10/6 mos	+/- 5% / +/- 1%	Up to +5% / Margin	45	DOS	N	1st	85D



## Product Names for Whole Loan ARM Plans in Pricing Execution – Whole Loan®

Plan Number	Product Name
4926	3/6 m SOFR ARM Plan 4926
4927	5/6 m SOFR ARM Plan 4927
4928	7/6 m SOFR ARM Plan 4928
4929	10/6 m SOFR ARM Plan 4929