

Expanded Document

Maximum LTV/CLTVs		Bank Statements, Asset Utilization and 1099 Only - Primary Residence 1 Unit				
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance		
720+	<=1,000,000	90	80	80		
	1,000,001 – 1,500,000	85	80	80		
	1,500,001 – 2,000,000	80	75	75		
	2,000,001 – 3,000,000	75	70	70		
	3,000,001 – 4,000,000	70	NA	NA		
700+	<=1,000,000	90	80	80		
	1,000,001 – 1,500,000	85	80	80		
	1,500,001 – 2,000,000	80	75	75		
	2,000,001 – 3,000,000	70	65	65		
680 - 699	<=1,000,000	85	80	80		
	1,000,001 – 1,500,000	85	75	75		
	1,500,001 – 2,000,000	80	70	70		
	2,000,001 – 3,000,000	70	65	65		
660 - 679	<=1,000,000	80	75	75		
	1,000,001 – 1,500,000	80	75	75		
	1,500,001 – 2,500,000	70	65	65		
640 - 659	<=1,000,000	75	70	70		
	1,000,001 – 1,500,000	70	NA	NA		
	1,500,001 – 2,000,000	65	NA	NA		
Housing History Restrictions					Occupancy Restrictions – Second Home & Investment (First Time Investor 5% LTV Reduction)	
Housing History:	0x30x12	1x30x12	0x60x12	0x90x12	Max LTV/CLTV: Purchase	80
Max LTV/CLTV: Purchase	90	85	80	70	Max LTV/CLTV: R/T or C/O	75
Max LTV/CLTV: Refin	80	80	75	NA	Max Loan Amt:	\$2,500,000
Max Loan Amt:	See Above	\$3,000,000	\$1,500,000	\$1,000,000		
Housing Event Seasoning Restrictions – Forbearance, Mod or Deferral – refer to the guideline					Condotels or Non-Warrantable Restrictions	
BK/FC/SS/DIL/Mod:	>=48 Mo	>=36 Mo	>=24 Mo	>=12 Mo	Max LTV/CLTV -Purchase:	75%
Max LTV/CLTV: Purchase	90	85	80	70	Max LTV/CLTV R/T:	65%
Max LTV/CLTV: Refin	80	80	75	NA	Max LTVCLTV – Cash-out:	65%
Max Loan Amt:	See Above	\$3,000,000	\$1,500,000	\$1,000,000	Occupancy Type:	OO/2 nd Home/NOO
State Restrictions	12 Mo Bank Statement, 1 Year 1099, WVOE					
IL, NJ: Max LTV/CLTV: Purchase or Rate/Term 85%, Cash-out 80%	LLPA applies – see rate sheet					
State / CBSA Restrictions ¹						
Max loan amount \$2MM and maximum LTV/CLTV is limited to 80% LTV for purchases and 75% for all refinances if one or all the following will be applied.						
<ul style="list-style-type: none"> o If the appraisal report identifies the property as a declining market and/or o The subject property is in a state or CBSA in the table at the end of this document. 						
General Requirements						
Product Type	40-Yr Fixed, 30-Yr Fixed, 5/6 ARM, 7/6 ARM (40-year term ARMs available when combined with interest only feature)					
Interest Only	• Min Credit Score: 660		• Max LTV 85%			
Loan Amounts	• Min: 200,000		• Max: 4,000,000			
Loan Purpose	Purchase, Rate/Term, and Cash Out					
Occupancy	Primary, Second Home, Investment					
Property Type	Single Family, Attached, Detached: No restrictions. 2-4 Units, Condominium: Max LTV/CLTV 80% (Purchase); Max LTV/CLTV 75% (R/T or Cash out) Rural and AG Zoned – Not eligible (no exceptions) Condotels or Non-Warrantable Condo Max LTV/CLTV: 75% (Purchase) – 65% (R/T or Cash-out) Florida Condominiums: A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast. Projects with an acceptable inspection, max LTV is reduced 5% Projects with an unacceptable or no inspection are not eligible.					
Acres	Property up to 10-acres, not meeting the rural definition, eligible, 5+ acres limited to a max LTV/CLTV 80%					
Cash-In-Hand	• Max Cash-In-Hand: Unlimited					
Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2 nd appraisal obtained. 2 nd Appraisal required for loans > \$2,000,000.					

Expanded Document, continued

Income and Program Requirements			
Income	<ul style="list-style-type: none"> • Personal Bank Statements: <ul style="list-style-type: none"> ○ 24 or 12-months of Personal and 2-months of business bank statements. ○ Qualifying income is determined by the total eligible deposits from the 24 or 12-months of personal statements divided by the number of statements. ○ The business bank statements must reflect business activity and transfers to the personal account. 		
	<ul style="list-style-type: none"> • Business Bank Statements: 24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> ○ Fixed Expense Ratio (50%) industry eligibility based upon the completion of the Business Narrative Form in the Seller Guide. ○ Expense ratio provided by a 3rd party (CPA/EA/CTEC) min ratio of 10% ○ 3rd party prepared Profit & Loss Statement (CPA or EA) 		
	<ul style="list-style-type: none"> • Profit & Loss Statement Only <ul style="list-style-type: none"> ○ Max LTV 80% Purchase, Max LTV 70% Refinance ○ 24- or 12-months CPA prepared Profit & Loss Statement Only. P&L end date must be less than 90 days old at closing. ○ CPA must be licensed and verified. ○ A minimum 2-months of business bank statements covering the most recent 2-month period. ○ Borrower narrative on nature of business required. ○ CPA must attest they have prepared the borrower's most recent tax return. ○ Self-employed borrowers who file their own tax returns are not eligible. 		
	<ul style="list-style-type: none"> • Written Verification of Employment Only (wages/salary) <ul style="list-style-type: none"> ○ Max LTV 80% Purchase, Max LTV 70% Refinance ○ Complete Fannie Mae® Form 1005 and it must be completed by Human Resource, Payroll Department or Officer of the Company. ○ Employment documentation provided by a 3rd party – (The Work Number®). ○ An internet search of the company is required to support the existence of the company. ○ Two years' history with the same employer is required. ○ Employed by family members or a Relative/Friend are not eligible. ○ Two (2) Month personal bank statement required to support the WVOE. The bank statements must reflect deposits from the employer supporting at least 65% of gross wage/salary reflected on the WVOE. ○ First-Time Home Buyer maximum LTV 70%, no gift funds allowed. ○ Minimum FICO 660 ○ 24-month 0x30 housing history required. ○ Primary residence only. 		
	<ul style="list-style-type: none"> • Asset Utilization – Minimum FICO 680 - Non-Occupant co-borrower not allowed. <ul style="list-style-type: none"> ○ Eligible assets divided by 84 to determine a monthly income. ○ Gift funds not eligible ○ Crypto, Non-vested or restricted stock are not eligible liquid assets. ○ Max Loan-to-Value purchase or Rate/Term Refinance cannot exceed 80%. ○ Max Loan-to-Value cash-out cannot exceed 75%. ○ Max 43% DTI 		
	<ul style="list-style-type: none"> • IRS Form 1099 <ul style="list-style-type: none"> ○ 2-Years or 1-Year of 1099s 	<ul style="list-style-type: none"> ○ Fixed Expense Ratio of 10% 	<ul style="list-style-type: none"> ○ YTD Documentation to support continued receipt of income from same source
Underwriting Requirements			
Credit Score	Middle of 3 scores or lower of 2	DTI Requirements	Max 50%
Assets	Min of 30-days asset verification required; any large deposit must be sourced	Reserves	<ul style="list-style-type: none"> • 6 months of PITIA if LTV <= 85% • 12 months of PITIA if LTV > 85% • 12 months of PITIA if loan amount >\$1.5M • Cash out may be used to satisfy requirement
Gift Funds	Owner-Occupied – Min contribution 5% 2 nd Home or Investment – Min contribution 10%	Document Age	90-days
Tradelines	<ul style="list-style-type: none"> • The minimum tradeline is <u>not</u> required if the primary borrower has three (3) credit scores OR • Minimum 2 tradelines reporting 24-months with activity in last 12 months OR • Minimum 3 tradelines reporting 12-months w/recent activity. 	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> • Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in NM • Penalties not allowed on loans vested to individuals in NJ