

Prime Ascent Plus – Standard Doc and Alt Doc

Maximum LTV/CLTV							
Minimum Credit Score	Maximum Loan Amount	Primary Residence			Second Home / Investment		
		Purchase	Rate/Term	Cash-out	Purchase	Rate/Term	Cash-out
720	1,000,000	90	80	80	75	70	70
	2,000,000	80	75	75	75	70	70
	2,500,000	75	70	70	NA	NA	NA
700	1,000,000	85	75	75	75	70	70
	2,000,000	80	70	70	75	70	70
	2,500,000	70	65	65	NA	NA	NA
680	1,000,000	80	75	75	75	70	70
	2,000,000	75	70	70	75	70	70
	2,500,000	70	NA	NA	NA	NA	NA
Property Type							
<ul style="list-style-type: none">Single Family: Attached, DetachedCondominium: Max LTV/CLTV 80%Rural: Max LTV/CLTV 80% Purchase, 75% RefinanceNot Eligible: 2-4 Units, Condo Hotel							
Housing History		Credit Event Seasoning					
0x30x12		Bankruptcy/Foreclosure/Short Sale/Deed-In-Lieu/Pre-Foreclosure/Mortgage Charge-Off: >=48 Mo Forbearance, Modification, or Deferral: > 12 Mo					
State Eligibility							
<ul style="list-style-type: none">Ineligible states: AK, HI, MA, MO, NYIneligible locations: Puerto Rico, Guam, & the US Virgin Islands							
Declining Market							
If the appraisal report identifies the property in a declining market, max LTV/CLTV is limited to 85% for purchase and 75% for rate/term and cash-out transactions							
General Requirements							
Product Type	<ul style="list-style-type: none">Fixed Rate Terms: 15 & 30 years; 5/6 ARM, 7/6 ARM, 10/6 ARM						
Interest Only	<ul style="list-style-type: none">Min Credit Score: 700Max LTV: 80%30-year total loan term, qualification based upon 20-year amortizing pmt						
Loan Amounts	<ul style="list-style-type: none">Min: 150,000Max: 2,500,000						
Loan Purpose	<ul style="list-style-type: none">Purchase, Rate/Term, and Cash Out						
Occupancy	<ul style="list-style-type: none">Primary, Second Home, Investment						
Acreage	<ul style="list-style-type: none">Property up to 20-acres						
Cash-In-Hand	<ul style="list-style-type: none">Max Cash-In-Hand: \$1,000,000 (Not applicable to Delayed Financing transactions)						
Appraisals	<ul style="list-style-type: none">FNMA Form 1004, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained.2nd Appraisal required for loans > \$2,000,000.						
Income Requirements							
Standard Doc	<ul style="list-style-type: none">Wage/Salary: Paystubs, W-2's, 1-year or 2-years of Tax Returns, IRS Form 4506-C, Verbal VOESelf-Employed: 1-year or 2-years of Personal and Business Tax Returns, YTD P&L, IRS Form 4506-C						
Personal Bank Statements	<ul style="list-style-type: none">12- or 24-months of personal and 2-months of business bank statements.Qualifying income is determined by total eligible deposits from 12- or 24-months of personal statements divided by the number of statements.The business bank statements must reflect business activity and transfers to the personal account.						
Business Bank Statements	<ul style="list-style-type: none">12- or 24-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%)Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10%3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)						
Ineligible	<ul style="list-style-type: none">Profit & Loss StatementWritten VOEIRS Form 1099Asset Utilization						
Underwriting Requirements							
Credit Score	<ul style="list-style-type: none">Use representative credit score of the borrower with the highest qualifying income			Assets	<ul style="list-style-type: none">Min of 30-days asset verification required; any large deposit must be sourced		
Reserves	<ul style="list-style-type: none">LTV ≤ 85%: 6-months of PITIALTV > 85%: 12-months of PITIALoan Amount > \$1.5 M: 9-months of PITIACash out may be used to satisfy requirement			DTI Requirements	<ul style="list-style-type: none">Max: 43%		
Gift Funds	<ul style="list-style-type: none">Min contribution: 5% primary/second home, 10% investment			Document Age	<ul style="list-style-type: none">120-days		
Tradelines	<ul style="list-style-type: none">Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activityIf the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived			Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none">Prepayment periods up to 5-Years eligible, see rate sheetPenalties not allowed in KS, MI, MN, NM, and RIPenalties not allowed on loans vested to individuals in IL and NJPenalties allowed on loan amounts less than \$319,777 in PA when the property is vested in an entityOnly declining prepayment penalty structures allowed in MS		
Escrows	<ul style="list-style-type: none">HPML loans require escrows for property taxes, hazard insurance, and flood insurance (if applicable)See Section 2.4.5 – Escrow/Impounds for non-HPML loans						

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Maximum LTV/CLTV – Primary Residence							
Minimum Credit Score	Maximum Loan Amount	Standard, Bank Statement, 1099			Profit & Loss Statement Only, Written VOE, Asset Utilization		
		Purchase	Rate/Term	Cash-out	Purchase	Rate/Term	Cash-out
720	1,000,000	90	85	80	80	75	70
	1,500,000	90	85	80	80	75	70
	2,000,000	85	85	80	80	75	70
	2,500,000	80	75	75	75	70	70
	3,000,000	75	70	70	70	NA	NA
	3,500,000	70	70	NA	NA	NA	NA
	4,000,000	70	65	NA	NA	NA	NA
700	1,000,000	90	85	80	80	75	70
	1,500,000	90	85	80	80	75	70
	2,000,000	85	85	70	80	75	70
	2,500,000	75	75	65	75	70	65
	3,000,000	75	70	65	70	NA	NA
	3,500,000	70	65	NA	NA	NA	NA
680	1,000,000	90	85	75	80	75	70
	1,500,000	85	80	75	80	75	70
	2,000,000	80	75	70	75	70	65
	2,500,000	75	70	65	70	65	60
	3,000,000	70	65	65	NA	NA	NA
660	1,000,000	80	80	75	75	70	NA
	1,500,000	80	75	75	75	70	NA
	2,000,000	75	70	65	NA	NA	NA
	2,500,000	70	65	65	NA	NA	NA
640	1,000,000	80	80	70	NA	NA	NA
	1,500,000	70	65	65	NA	NA	NA
	2,000,000	65	NA	NA	NA	NA	NA
620	1,000,000	70	70	NA	NA	NA	NA
Maximum LTV/CLTV – Second Home / Investment							
Minimum Credit Score	Maximum Loan Amount	Standard, Bank Statement, 1099			Profit & Loss Statement Only, Written VOE, Asset Utilization		
		Purchase	Rate/Term	Cash-out	Purchase	Rate/Term	Cash-out
720	1,000,000	85	80	75	80	75	70
	1,500,000	85	80	75	80	75	70
	2,000,000	85	80	75	80	75	70
	2,500,000	80	75	75	75	70	70
	3,000,000	75	70	70	NA	NA	NA
	3,500,000	70	65	NA	NA	NA	NA
	4,000,000	NA	NA	NA	NA	NA	NA
700	1,000,000	85	80	75	80	75	70
	1,500,000	85	80	75	80	75	70
	2,000,000	85	75	70	80	75	70
	2,500,000	75	75	65	75	70	65
	3,000,000	75	70	65	NA	NA	NA
	3,500,000	70	65	NA	NA	NA	NA
680	1,000,000	85	80	75	80	75	70
	1,500,000	85	80	75	80	75	70
	2,000,000	80	75	70	75	70	65
	2,500,000	75	70	65	70	65	60
	3,000,000	70	65	65	NA	NA	NA
660	1,000,000	80	80	75	75	70	NA
	1,500,000	80	75	75	75	70	NA
	2,000,000	75	70	65	NA	NA	NA
	2,500,000	70	65	65	NA	NA	NA
640	1,000,000	80	80	70	NA	NA	NA
	1,500,000	70	65	65	NA	NA	NA
	2,000,000	65	NA	NA	NA	NA	NA
620	1,000,000	70	70	NA	NA	NA	NA

Prime Ascent – Standard Doc and Alt Doc, cont.

Property Type			
<ul style="list-style-type: none">Single Family: Attached, Detached2-4 Units and Condominiums: Max LTV/CLTV 85%Condo Hotel: Max LTV/CLTV 85%, Max Loan Amount \$2,500,000Rural: Max LTV/CLTV 85% Purchase, 75% Refinance			
Housing History			
Housing History:	1x30x12	0x60x12	0x90x12
Max LTV/CLTV: Purchase	See matrix above	80	70
Max LTV/CLTV: Refinance	See matrix above	75	NA
Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000
Credit Event Seasoning			
BK/FC/SS/DIL/PreFC/MC:	>= 36 Mo	>= 24 Mo	>= 12 Mo
Max LTV/CLTV: Purchase	See matrix above	80	70
Max LTV/CLTV: Refinance	See matrix above	75	NA
Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000
Forbearance, Modification, or Deferral: <= 12 Mo to be treated as 0x90x12			
State Eligibility			
<ul style="list-style-type: none">Consumer Purpose: Ineligible states AK, HI, MA, MO, NYBusiness Purpose: Investment occupancy only<ul style="list-style-type: none">Ineligible state AKBusiness Purpose caveats:<ul style="list-style-type: none">AZ/CA/ID/KS/MN/ND/NV/OR/SD/UT: Broker required to hold a license.Ineligible locations: Puerto Rico, Guam, & the US Virgin IslandsState Overlays for CT, IL, NJ, NY:<ul style="list-style-type: none">Maximum LTV/CLTV limited to 85% for purchase and 80% for rate/term and cash-out transactionsMaximum loan amount limited to \$2.0MM			
Declining Market			
If appraisal report identifies the property in declining market, max LTV/CLTV is limited to 85% for purchase and 80% for refinance, max loan amount limited to \$2.0MM			
General Requirements			
Product Type	<ul style="list-style-type: none">Fixed Rate Terms: 15, 30, 40-years5/6 ARM, 7/6 ARM, 10/6 ARM with 30-year term		
Interest Only	<ul style="list-style-type: none">Min Credit Score: 660Max LTV: 90%40-year term ARMs eligible when combined with interest only feature		
Loan Amounts	<ul style="list-style-type: none">Min: 150,000Max: 4,000,000		
Loan Purpose	<ul style="list-style-type: none">Purchase, Rate/Term, and Cash Out		
Occupancy	<ul style="list-style-type: none">Primary, Second Home, Investment		
Acreage	<ul style="list-style-type: none">Property up to 20-acres max		
Cash-In-Hand	<ul style="list-style-type: none">Max Cash-In-Hand: Unlimited		
Appraisals	<ul style="list-style-type: none">FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained.2nd Appraisal required for loans > \$2,000,000.		
Income Requirements			
Standard Doc	<ul style="list-style-type: none">Standard Doc:<ul style="list-style-type: none">Wage/Salary: Paystubs, W-2's, 1-year or 2-years of Tax Returns, IRS Form 4506-C, Verbal VOESelf-Employed: 1-year or 2-years of Personal and Business Tax Returns, YTD P&L, IRS Form 4506-C		
Personal Bank Statements	<ul style="list-style-type: none">12- or 24-months of personal and 2-months of business bank statements.Qualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements.The business bank statements must reflect business activity and transfers to the personal account.		
Business Bank Statements	<ul style="list-style-type: none">12- or 24-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%)Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10%3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)		
Profit & Loss Statement Only	<ul style="list-style-type: none">12- or 24-months CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement OnlyCPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent business tax returnMax 1x30x12 housingMin 36 months credit event seasoning		
Written VOE	<ul style="list-style-type: none">FNMA Form 1005Max 1x30x12 housingMin 36 months credit event seasoning		
IRS Form 1099	<ul style="list-style-type: none">1-year or 2-years 1099Fixed Expense Ratio of 10%YTD Documentation to support continued receipt of income from same source		
Asset Utilization	<ul style="list-style-type: none">Eligible assets divided by 84 to determine a monthly income streamMax 1x30x12 housingMin 36 months credit event seasoning		

Prime Ascent – Standard Doc and Alt Doc, continued

Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> Use representative credit score of the borrower with the highest qualifying income 	Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required; any large deposit must be sourced
Reserves	<ul style="list-style-type: none"> LTV ≤ 80%: 3-months of PITIA LTV 80.01 to 85%: 6-months of PITIA LTV > 85%: 12-months of PITIA Loan Amount > \$1.5M: 9-months of PITIA Loan Amount > \$2.5M: 12-months of PITIA Cash out may be used to satisfy requirement 	DTI Requirements	<ul style="list-style-type: none"> Max: 50% <ul style="list-style-type: none"> See FTHB guidelines for DTI restrictions Primary Residence - Up to 55% allowed: <ul style="list-style-type: none"> Min residual income of \$3,500 Max LTV/CLTV ≤ 80% Standard Doc 2-years Minimum 6- months reserves First time homebuyer not eligible Min credit score: 660
Gift Funds	<ul style="list-style-type: none"> Min contribution: 5% primary/second home, 10% investment 	Document Age	<ul style="list-style-type: none"> 120-days
Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity. If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty – Investment Only	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in KS, MI, MN, NM, and RI Penalties not allowed on loans vested to individuals in IL & NJ Penalties allowed on loan amounts less than \$319,777 in PA when the property is vested in an entity Only declining prepayment penalty structures allowed in MS
Escrows	<ul style="list-style-type: none"> HPML loans require escrows for property taxes, hazard insurance, and flood insurance (if applicable) See waiver options in Section 2.4.5 – Escrow/Impounds for non-HPML and Business Purpose loans 		

ITIN – Standard Doc and Alt Doc

Primary Residence and Second Home		Maximum LTV/CLTV		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
700	1,000,000	80	80	75
	1,500,000	80	80	75
680	1,000,000	80	80	70
	1,500,000	75	75	70
660	1,000,000	75	75	70
	1,500,000	70	70	65
Property Type				
<ul style="list-style-type: none">Single Family: Attached, Detached2-4 Units, Condominiums, Condotels: Max LTV/CLTV Purchase 75%, Refinance 70%Rural: Max LTV/CLTV Purchase 75%, Refinance 70%				
Housing History		Credit Event Seasoning		
1x30x12		BK/FC/SS/DIL/PreFC/MC: >= 36 Mo Forbearance, Modification, or Deferral: > 12 Mo		
State Eligibility				
<ul style="list-style-type: none">Ineligible states: AK, HI, MA, MO, NYIneligible locations: Puerto Rico, Guam, & the US Virgin Islands				
Declining Market				
Maximum eligible LTVs do not require a market adjustment for the ITIN program.				
Product Type	<ul style="list-style-type: none">Fixed Rate Terms: 15, 30; 5/6 ARM, 7/6 ARM, 10/6 ARM			
Interest Only	<ul style="list-style-type: none">Min Credit Score: 680			
Loan Amounts	<ul style="list-style-type: none">Min: 150,000Max: 1,500,000			
Loan Purpose	<ul style="list-style-type: none">Purchase, Rate/Term, and Cash Out			
Occupancy	<ul style="list-style-type: none">Primary, Second Home			
Acreage	<ul style="list-style-type: none">Property up to 20-acres			
Cash-In-Hand	<ul style="list-style-type: none">\$300,000 if LTV > 50%\$500,000 for LTV <= 50%			
Appraisals	<ul style="list-style-type: none">FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required.			
Income Requirements				
Standard Doc	<ul style="list-style-type: none">Wage/Salary: Paystubs, W-2's, 1-year or 2-years Tax Returns, IRS Form 4506-C, Verbal VOESelf-Employed: 1-year or 2-years Personal and Business Tax Returns, YTD P&L, 2-monthly bank statements, IRS Form 4506-C			
Personal Bank Statements	<ul style="list-style-type: none">12- or 24-months of personal and 2-months of business bank statements.Qualifying income is determined by total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements.The business bank statements must reflect business activity and transfers to the personal account.			
Business Bank Statements	<ul style="list-style-type: none">12- or 24-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%)Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10%3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)			
IRS Form 1099	<ul style="list-style-type: none">1-year or 2-years 1099Fixed Expense Ratio of 10%YTD Documentation to support continued receipt of income from same source			
Written VOE	<ul style="list-style-type: none">FNMA Form 1005Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statementsMinimum credit score 680			
Underwriting Requirements				
Documentation Requirements	<ul style="list-style-type: none">Copy of unexpired government-issued ID (e.g., passport, Matricula Consular, U.S. State-issued ID), andCopy of ITIN card or letter from IRS assigning the ITIN number to the borrower<ul style="list-style-type: none">Proof ITIN was assigned to the borrower prior to applicationIRS form W7 is not acceptable evidence if the ITIN letter is not provided, or if the ITIN letter submitted is not legible			
Credit Score	<ul style="list-style-type: none">Use credit score of the borrower with the highest qualifying incomeMiddle of 3 scores or lower of 2	DTI Requirements	<ul style="list-style-type: none">Max: 50%See FTHB guidelines for DTI restrictions	
Assets	<ul style="list-style-type: none">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 = 80%3-months of PITIA if LTV < 80%Cash out may be used to satisfy requirement	
Gift Funds	<ul style="list-style-type: none">100% gift allowed	Document Age	<ul style="list-style-type: none">120-days	
Tradelines	<ul style="list-style-type: none">Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity or 1 mortgage/installment/revolving reporting 36-months with activity in last 6 monthsIf the primary borrower has three (3) credit scores, the minimum tradeline requirement is waivedNon-traditional credit not eligible			
Escrows	<ul style="list-style-type: none">HPML loans require escrows for property taxes, hazard insurance, and flood insurance (if applicable)See waiver options in Section 2.4.5 – Escrow/Impounds for non-HPML			

Investor Solutions – DSCR

Single Investment Property				
Maximum LTV/CLTV		>= 1.00		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
700	1,000,000	80	75	75
	1,500,000	80	75	75
	2,000,000	80	75	70
	3,000,000	70	65	65
	3,500,000	70	65	NA
660	1,000,000	75	75	70
	1,500,000	75	75	70
	2,000,000	70	65	65
	2,500,000	70	65	65
	3,000,000	65	NA	NA
640	1,000,000	75	75	NA
	1,500,000	65	65	NA
	2,000,000	65	NA	NA
	3,000,000	60	NA	NA
Maximum LTV/CLTV		< 1.00		
700	1,000,000	75	70	70
	1,500,000	75	70	70
	2,000,000	70	70	65
	2,500,000	65	NA	NA
	3,000,000	60	NA	NA
680	1,000,000	70	70	65
	1,500,000	70	70	65
	2,000,000	65	60	60
	3,000,000	60	NA	NA
660	1,000,000	65	NA	NA
Property Type				
<ul style="list-style-type: none">Single Family: Attached, Detached2-4 Units and Condominiums: Max LTV/CLTV Purchase 75%, Refinance 70%Condo Hotel: Max LTV/CLTV Purchase 75%, Refinance 65%, Max loan \$1.5MMRural: Max LTV/CLTV 75% Purchase, 70% Refinance				
Housing History	Credit Event Seasoning	Investor Experience		
<ul style="list-style-type: none">1x30x12 – No reduction0x60x12 – Max 70% LTV Purchase & Max 65% LTV Rate/Term & Cash-out	BK/FC/SS/DIL/PreFC/MC: <ul style="list-style-type: none">>=36 Mo – No reduction>=24 Mo – Max 75% LTV Purchase & Max 70% LTV Rate/Term & Cash-out Forbearance, Modification, or Deferral: > 12 Mo	Experienced Investor: Borrower/guarantor must have a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years. First Time Investor: A borrower/guarantor that is purchasing an investment property for the first time, meaning they have not previously owned a property intended for rental income, resale, or other investment purposes. <ul style="list-style-type: none">First time investors eligible subject to the following restrictions:<ul style="list-style-type: none">First-time homebuyer not allowedMin credit score: 700>= 36 Mo seasoning from any credit event1-Unit onlyDSCR > 1.00Must own a primary residence First Time Homebuyer: Not eligible except as allowed in Wholesale Broker Guide		
Unleased Properties	All long-term rental refinances: A vacant or unleased property is allowed subject to max LTV of 70%. Not applicable for short-term rentals, see short-term rental income section for specific criteria.			
State Eligibility				
<ul style="list-style-type: none">Ineligible states: AKIL, NY: 2-4 Units not eligibleDSCR Business Purpose caveats:<ul style="list-style-type: none">AZ/CA/ID/KS/MN/ND/NV/OR/SD/UT: Broker required to hold a license.Ineligible locations: Puerto Rico, Guam, & the US Virgin IslandsState Overlays for CT, IL, NJ, NY:<ul style="list-style-type: none">Maximum LTV/CLTV limited to 75% for purchase and 70% for rate/term and cash-out transactions, maximum loan amount limited to \$2.0MM				
Declining Market				
If the appraisal report identifies the property in a declining market, max LTV/CLTV is limited to 75% for purchase and 70% for rate/term and cash-out transactions and the maximum loan amount is limited to \$2.0MM.				
General Requirements				
Product Type	<ul style="list-style-type: none">Fixed Rate Terms: 15, 30, 40-years5/6 ARM, 7/6 ARM, 10/6 ARM with 30-year term			
Interest Only (IO)	<ul style="list-style-type: none">Min Credit Score: 680Max LTV: 75% all transactions40-year term ARMs eligible with IO feature			
Loan Amounts	<ul style="list-style-type: none">Min: 100,000Max: 3,500,000			
Loan Amt < 150K	<ul style="list-style-type: none">Max LTV/CLTV: Purchase 70%, any Refinance 65% (Min DSCR 1.25)			
Loan Purpose	<ul style="list-style-type: none">Purchase, Rate/Term, and Cash Out			
Occupancy	<ul style="list-style-type: none">Investment			
Acreage	<ul style="list-style-type: none">Property up to 5-acres			

Investor Solutions – DSCR, continued

Max Cash-In-Hand	<ul style="list-style-type: none"> LTV ≥ 65% - \$500,000 LTV < 65% - \$1,000,000 Total equity withdrawn cannot exceed these limits (Not applicable to Delayed Financing transactions)
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 2nd Appraisal required for loans > \$2,000,000.
Income Requirements	
Income	<p>Long-Term Rental Documentation and DSCR Calculation</p> <ul style="list-style-type: none"> Purchase Transactions: <ul style="list-style-type: none"> Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents. If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. Monthly gross rent is to be evaluated for each unit individually. <ul style="list-style-type: none"> If using the lower of the actual lease amount or estimated market rent, nothing further is required. If using a higher actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%. If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%. A vacant or unleased property is allowed without LTV restriction. Unit subject to rent control or housing subsidy must utilize current contractual rent to calculate DSCR. Refinance Transactions: <ul style="list-style-type: none"> Required documentation: <ul style="list-style-type: none"> Original appraisal report reflecting tenant-occupied, and FNMA Form 1007 or 1025 reflecting long-term market rents, and Executed lease agreement <ul style="list-style-type: none"> Leases that have converted to month-to-month are allowed. If lease agreement is not provided, LTV/CLTV is limited to lesser of 70% or per DSCR/FICO/Loan balance matrix. A vacant property as indicated on the appraisal is allowed subject to the following: <ul style="list-style-type: none"> LTV/CLTV limits: Lesser of 70%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix. Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025. Monthly gross rent is to be evaluated for each unit individually. <ul style="list-style-type: none"> If using the lower of the actual lease amount or estimated market rent, nothing further is required. If using a higher actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%. If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%. Unit subject to rent control or housing subsidy must utilize current contractual rent to calculate DSCR. DSCR Calculation: <ul style="list-style-type: none"> Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA (or ITIA) of the subject property. PITIA: Gross rents divided by PITIA = DSCR, ITIA: Gross rents divided by ITIA = DSCR <p>Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation</p> <p>Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> Short-Term Rental Income – Purchase and Refinance Transactions: <ul style="list-style-type: none"> LTV is lesser of 75% for purchase and 70% for refinance, or LTV based upon the DSCR/FICO/Loan balance. (Excludes condotels) DSCR Calculation: <ul style="list-style-type: none"> Monthly gross rents based upon a 12-month average to account for seasonality required. Gross rents reduced by 10% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 10% expense factor. If actual expenses are less than 10%, a minimum 10% expense factor is required to be utilized. If actual expense exceeds 10%, the actual expense factor should be used. PITIA: (Gross Rents * .90) divided by PITIA = DSCR, ITIA: (Gross Rents * .90) divided by ITIA = DSCR When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR. Any of the following methods may be used to determine gross monthly rental income: <ul style="list-style-type: none"> Short-term rental (STR) analysis form may be used, analysis to include the following: <ul style="list-style-type: none"> Provide the source of the data used to complete the STR analysis. Include comparable STR properties, focusing on room count, gross living area (GLA), location, and market appeal. Include daily rental rate and occupancy percentage. Factor seasonality and vacancy into the analysis. Must be completed by a licensed appraiser. The most recent 12-month rental history statement from the 3rd party rental/management service. <ul style="list-style-type: none"> The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The qualifying income must be net of all vendor or management fees. The most recent 12-month bank statements from the borrower/guarantor evidencing short-term rental deposits. Borrower/guarantor must provide rental records for the subject property to support monthly deposits. AIRDNA Rentalizer/Property Earning Potential Report accessed using the Explore Short-Term Rental data, must meet the following: <ul style="list-style-type: none"> Rentalizer (Property Earning Potential Report) <ul style="list-style-type: none"> Allowed for purchase and refinance transactions Gross rents equal revenue projection from the Property Earning Potential Report less 10% extraordinary expense factor Forecast period must cover 12-months and dated 90-days within the Note date Maximum occupancy limited to 2 individuals per bedroom Must have three (3) comparable properties similar in size, room count, amenities, availability, and occupancy Market Score or Sub-Market Score must be 60 or greater as reflected on the Property Earning Potential Report.

Investor Solutions – DSCR, continued

Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> Use representative credit score of the borrower/guarantor with the highest representative score. 	Tradelines	<ul style="list-style-type: none"> If borrower/guarantor has three (3) credit scores, the minimum tradeline requirement is waived Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity
Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required 	Reserves	<ul style="list-style-type: none"> 2-months of PITIA Loan Amount > \$1.5M: 6-months of PITIA Loan Amount > \$2.5M: 12-months of PITIA Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> 100% Gift funds allowed 	Document Age	<ul style="list-style-type: none"> 120-days
Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> Acceptable Structures include the following: <ul style="list-style-type: none"> Fixed percentage of no less than 3% Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%) Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in KS, MI, MN, NM, and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties allowed on loan amounts less than \$319,777 in PA when the property is vested in an entity Only declining prepayment penalty structures allowed in MS 		
Escrows	<ul style="list-style-type: none"> Escrows may be waived, see Section 2.4.5 – Escrow/Impounds for requirements 		

Investor Solutions – DSCR (5-8 Units or 2-8 Mixed Use)

Single Investment Property 5 – 8 Residential Units and 2 – 8 Mixed Use				
Maximum LTV/CLTV		>= 1.00		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
700	1,500,000	75	70	65
	2,000,000	70	65	65
Housing History	Credit Event Seasoning	Investor Experience		
0x30x12	BK/FC/SS/DIL/PreFC/MC: • >=36 Mo – Any event Forbearance, Modification, or Deferral: > 12 Mo	Experienced Investor: Borrower/guarantor must have a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years First Time Investor: Not eligible First Time Homebuyer: Not eligible		
Unleased Units				
• Maximum: 1 vacant unit on 2-3 Unit property. 2 vacancies on 4+ Units • Vacant unit(s) qualify at 75% of market rent				
State Restrictions				
<ul style="list-style-type: none">• Ineligible states: AK• Ineligible States: IL, NY• State Overlays for CT, NJ:<ul style="list-style-type: none">○ Purchase Transactions: Max LTV/CLTV 70%, min credit score 720○ Refinance Transactions: Max LTV/CLTV 65%, min credit score 720• Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands• DSCR Business Purpose caveats:<ul style="list-style-type: none">○ AZ/CA/ID/KS/MN/ND/NV/OR/SD/UT: Broker required to hold a license.				
Declining Market				
Maximum eligible LTVs do not require a market adjustment for the 5-8 multifamily and 2-8 mixed use property types.				
General Requirements				
Product Type	• Fixed Rate Terms: 15, 30-years; 5/6 ARM, 7/6 ARM, 10/6 ARM. Maximum loan term cannot exceed 30-years.			
Interest Only	• Eligible			
Loan Amounts	• Min: 400,000			

Investor Solutions – DSCR (5-8 Units or 2-8 Mixed Use), continued

Income Requirements			
Income	<ul style="list-style-type: none">Leased – Use lower of Estimated market rent or lease agreement.Short-Term Rental Income not eligibleVacant Unit(s) – Use 75% of market rents.<ul style="list-style-type: none">Max: 1 vacant unit on 2-3 Unit property; 2 vacancies on 4+ Units.Vacant residential units must be actively marketed for rent. Provide screenshot of listing or other documentation.Vacant commercial space not allowed.Reduce qualifying rents by any management fee reflected on appraisal report.2-8 Mixed Use – Income from commercial space must not exceed 49.99% of the total property income		
DSCR	<ul style="list-style-type: none">Minimum DSCR >= 1.00DSCR = Eligible monthly rents/PITIA (Loans with an interest only feature may use the ITIA payment).Reduce qualifying rents by any management fee reflected on the appraisal report		
Underwriting Requirements			
Credit Score	<ul style="list-style-type: none">Use representative credit score of the borrower/guarantor with the highest representative score.	Tradelines	<ul style="list-style-type: none">Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activityFor each borrower/guarantor who has three (3) credit scores, the minimum tradeline requirement is waived (all borrowers/guarantors must be evaluated individually).
Assets	<ul style="list-style-type: none">Min of 30-days asset verification required	Reserves	<ul style="list-style-type: none">6-months of PITIALoan Amount > \$1.5M: 9-months of PITIALoan Amount > \$2.5M: 12-months of PITIACash out may not be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none">Not eligible	Document Age	<ul style="list-style-type: none">120-days
Prepayment Penalty	<ul style="list-style-type: none">Acceptable structures include the following:<ul style="list-style-type: none">Fixed percentage of no less than 3%Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%)Prepayment periods up to 5-Years eligible, see rate sheetPenalties not allowed on loans vested to individuals in IL and NJPenalties allowed on loan amounts less than \$319,777 in PA when the property is vested in an entityOnly declining prepayment penalty structures allowed in MS		
Escrows	<ul style="list-style-type: none">Escrows may be waived, see Section 2.4.5 – Escrow/Impounds for requirements		

Foreign National – Investment Property Only

Maximum LTV/CLTV			DSCR (Investment Only)		
DSCR	Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
>=1.00	680	1,000,000	75	75	70
		1,500,000	75	75	65
		2,000,000	70	70	60
		2,500,000	65	NA	NA
	No Credit Score	1,000,000	75	75	70
		1,500,000	75	75	65
		2,000,000	70	70	60
		2,500,000	65	NA	NA
<1.00	680	1,000,000	70	70	65
		1,500,000	65	65	65
		2,000,000	60	60	60
	No Credit Score	1,000,000	70	70	65
		1,500,000	65	65	65
		2,000,000	60	60	60
Property Type					
<ul style="list-style-type: none">Single Family: Attached, Detached2-4 Units and Condominiums: Max LTV/CLTV Purchase 70%, Refinance 65%Condo Hotel: Max LTV/CLTV Purchase 70%, Refinance 65%Rural: Not Eligible					
Housing History	Credit Event Seasoning		First Time Investor	Unleased Properties	
0x30x12, if documented	BK/FC/SS/DIL/PreFC/MC: >= 36 Mo Forbearance, Modification, or Deferral: > 12 Mo		Allowed	Refinance: LTV reduction not required	
State Restrictions					
<ul style="list-style-type: none">Consumer Purpose: Ineligible states AK, HI, MA, MO, NYDSCR Ineligible States: AKIL, NY: 2-4 Units not eligibleDSCR Business Purpose caveats:<ul style="list-style-type: none">AZ/CA/ID/KS/MN/ND/NV/OR/SD/UT: Broker required to hold a license.Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands					
Declining Markets and State Overlays					
Maximum eligible LTVs do not require a market adjustment for the Foreign National program.					
General Requirements					
Product Type	<ul style="list-style-type: none">Fixed Rate Terms: 15, 30, 40-years5/6 ARM, 7/6 ARM, 10/6 ARM with 30-year term				
Interest Only	<ul style="list-style-type: none">Eligible40-year term ARMs eligible when combined with interest only feature				
Loan Amounts	<ul style="list-style-type: none">Min: 150,000Max: 2,500,000				
Loan Purpose	<ul style="list-style-type: none">Purchase, Rate/Term, and Cash Out				
Occupancy	<ul style="list-style-type: none">Investment for all eligible foreign citizens2nd Home for Canadian citizens (see guide for criteria)				
Eligible Borrowers	<ul style="list-style-type: none">Foreign Nationals				
Eligibility Restrictions	<ul style="list-style-type: none">Citizens and individuals from OFAC sanctioned countries are not eligibleFlorida Purchases: Loans secured by property located in the state of Florida made to foreign principals, persons, and entities are to include one of the following Affidavits published by the Florida Land Title Association:<ul style="list-style-type: none">Conveyances to Foreign Entities – By Individual BuyerConveyances to Foreign Entities – By Entity Buyer				
Acreage	<ul style="list-style-type: none">Property up to 2-acres, not meeting the rural definition, eligible				
Cash-In-Hand	<ul style="list-style-type: none">\$300,000 if LTV > 50%\$500,000 for LTV <= 50%Total equity withdrawn cannot exceed above limits				
Appraisals	<ul style="list-style-type: none">FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained.2nd Appraisal required for loans > \$2,000,000.				
Income Requirements					
Income	Long-Term Rental Documentation and DSCR Calculation				
	<ul style="list-style-type: none">Purchase Transactions:<ul style="list-style-type: none">Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents.If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. Monthly gross rent is to be evaluated for each unit individually.<ul style="list-style-type: none">If using the lower of the actual lease amount or estimated market rent, nothing further is required.If using a higher actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%.If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%.A vacant or unleased property is allowed without LTV restriction.Unit subject to rent control or housing subsidy must utilize current contractual rent to calculate DSCR.				

Foreign National – Investment Property Only, continued

Income, Continued	<ul style="list-style-type: none">• Refinance Transactions:<ul style="list-style-type: none">○ Required documentation:<ul style="list-style-type: none">▪ Original appraisal report reflecting tenant-occupied, and▪ FNMA Form 1007 or 1025 reflecting long-term market rents, and▪ Executed lease agreement<ul style="list-style-type: none">▫ Leases that have converted to month-to-month are allowed.○ Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025. Monthly gross rent is to be evaluated for each unit individually.<ul style="list-style-type: none">▪ If using the lower of the actual lease amount or estimated market rent, nothing further is required.▪ If using a higher actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%.▪ If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%.○ A vacant or unleased property is allowed, LTV reduction not required.○ Unit subject to rent control or housing subsidy must utilize current contractual rent to calculate DSCR.• DSCR Calculation:<ul style="list-style-type: none">○ Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA (or ITIA) of the subject property. See this matrix for required Debt Service Coverage Ratios.○ PITIA: Gross rents divided by PITIA = DSCR, ITIA: Gross rents divided by ITIA = DSCR <p>Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none">• Short-Term Rental Income – Purchase and Refinance Transactions:<ul style="list-style-type: none">○ LTV is lesser of 70% for a purchase and 65% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance (Excludes Condo Hotel projects).○ DSCR Calculation:<ul style="list-style-type: none">▪ Monthly gross rents based upon a 12-month average to account for seasonality required.▪ Gross rents reduced by 10% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 10% expense factor. If actual expenses are less than 10%, a minimum 10% expense factor is required to be utilized. If actual expense exceeds 10%, the actual expense factor should be used.▪ PITIA: (Gross Rents *.90) divided by PITIA = DSCR, ITIA: (Gross Rents *.90) divided by ITIA = DSCR• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.• Any of the following methods may be used to determine gross monthly rental income:<ul style="list-style-type: none">○ Short-term rental (STR) analysis form may be used, analysis to include the following:<ul style="list-style-type: none">▪ Provide the source of the data used to complete the STR analysis.▪ Include comparable STR properties, focusing on room count, gross living area (GLA), location, and market appeal.▪ Include daily rental rate and occupancy percentage.▪ Factor seasonality and vacancy into the analysis.▪ Must be completed by a licensed appraiser.○ The most recent 12-month rental history statement from the 3rd party rental/management service.<ul style="list-style-type: none">▪ The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The qualifying rental income must be net of all vendor or management fees.○ The most recent 12-month bank statements from the borrower/guarantor evidencing short-term rental deposits. Borrower/guarantor must provide rental records for the subject property to support monthly deposits.○ AIRDNA Rentalizer/Property Earning Potential Report accessed using the Explore Short-Term Rental Data, must meet the following requirements:<ul style="list-style-type: none">▪ Rentalizer (Property Earning Potential Report)<ul style="list-style-type: none">▪ Only allowed for purchase and refinance transactions▪ Gross rents equal the revenue projection from the Property Earning Potential Report less the 10% extraordinary expense factor▪ Forecast period must cover 12-months and dated 90-days within the Note date▪ Maximum occupancy limited to 2 individuals per bedroom▪ Must have three (3) comparable properties similar in size, room count, amenities, availability, and occupancy▪ Market Score or Sub-Market Score must be 60 or greater as reflected on the Property Earning Potential Report			
	Underwriting Requirements			
	Credit Score	<ul style="list-style-type: none">• If score available, use representative credit score of the borrower/guarantor with the highest representative score.	DTI Requirements	(DSCR – no DTI component)
	Assets	<ul style="list-style-type: none">• Min of 30-days asset verification• Large deposits only need to be sourced for 2nd Home for Canadian citizen	Reserves	<ul style="list-style-type: none">• 6-months of PITIA• Cash out may be used to satisfy requirement
	Gift Funds	<ul style="list-style-type: none">• 100% Gift funds allowed	Document Age	<ul style="list-style-type: none">• 120-days
	Tradelines	<ul style="list-style-type: none">• Tradelines not required, if borrower has U.S. credit score see section 2.5.12 of the Wholesale Broker Guide	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 KS, MI, MN, NM, and RI• Penalties not allowed on loans vested to individuals in IL and NJ• Penalties allowed on loan amounts less than \$319,777 in PA when the property is vested in an entity• Only declining prepayment penalty structures allowed in MS
	Escrows	<ul style="list-style-type: none">• Escrows may be waived, see Section 2.4.5 – Escrow/Impounds for requirements		

Closed End Second – Standard and Alt Doc

Maximum CLTV – Standard Doc				
Loan Amount	Credit Score	Primary Residence	Second Home	Investment
\$350,000	740	90	80	75
	700	85	80	65
	680	75	75	NA
\$500,000	740	85	75	75
	700	85	75	65
	680	75	70	NA
Maximum CLTV – Alt Doc				
Loan Amount	Credit Score	Primary Residence	Second Home	Investment
\$350,000	740	85	75	70
	700	80	70	60
	680	75	65	NA
\$500,000	740	80	70	65
	700	75	65	60
	680	70	60	NA
Property Type				
<div><div><ul style="list-style-type: none">Single Family (Attached, Detached, PUD)2-4 Unit residential properties (Max CLTV 75%)</div><div><ul style="list-style-type: none">Condominiums (Max CLTV 80%)Rural: Not eligible</div></div>				
Housing History	Credit Event Seasoning	Forbearance, Modification, or Deferral		First Time Home Buyer
0x30x12	BK/FC/SS/DIL/PreFC/MC/NOD: >= 48 Mo	> 12 Mo		Not Allowed
State Eligibility				
<div><ul style="list-style-type: none">Consumer Purpose: Ineligible states AK, HI, MA, MO, NY, TXBusiness Purpose: Investment occupancy only<ul style="list-style-type: none">Ineligible states: AK, TXBroker required to hold a license in the following states: AZ/CA/ID/KS/MN/ND/NV/OR/SD/UTIneligible locations: Puerto Rico, Guam, & the US Virgin IslandsState Overlays for CT, IL, NJ:<ul style="list-style-type: none">Single Family, Condominiums: Max CLTV 80%, min credit score 7202-4 Units: Max CLTV 75%, min credit score 720</div>				
Declining Market				
If the appraisal report identifies the property in a declining market, the maximum CLTV is limited to 80% for all transactions.				
General Requirements				
Product and Term	<div><ul style="list-style-type: none">Fixed Rate - Fully amortizing terms of 10, 15, 20, 25 & 30 years</div>			
Loan Amounts	<div><div><ul style="list-style-type: none">Min: \$75,000</div><div><ul style="list-style-type: none">Max: \$500,000</div></div>			
Combined Loan Balance	<div><ul style="list-style-type: none">The CLTV of the combined loan balances are restricted as follows:<ul style="list-style-type: none">Combined loan balance > \$2,000,000 – maximum 80% CLTVCombined loan balance > \$3,000,000 – maximum 75% CLTVMaximum combined loan balance for all liens not to exceed \$4,000,000</div>			
Loan Purpose	<div><ul style="list-style-type: none">Stand-Alone Cash Out (minimum ownership of 6 months required)Simultaneous Purchase, First Lien must be an Agency-eligible loan</div>			
Occupancy	<div><ul style="list-style-type: none">Primary, Second Home, Investment</div>			
Cash-Out	<div><ul style="list-style-type: none">Max cash-out: \$500,000</div>			
Eligible Borrower	<div><div><ul style="list-style-type: none">U.S. Citizen</div><div><ul style="list-style-type: none">Permanent Resident Alien</div><div><ul style="list-style-type: none">Non-Permanent Resident Alien: Max 80% CLTV</div></div>			
Ineligible Loan Features	<div><ul style="list-style-type: none">Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.All existing subordinate liens must be satisfied except for solar panels, see Solar Panels section of the Wholesale Broker Guide.<ul style="list-style-type: none">All Solar Panel loans and leases with PACE/HERO financing must be paid off.</div>			
Income Requirements				
Standard Doc	<div><ul style="list-style-type: none">Wage/Salary: Paystubs, 1-year or 2-years W-2's, IRS Form 4506-C, Verbal VOESelf-Employed: 1-year or 2-years of Personal and Business (If applicable) Tax Returns, YTD P&L, IRS Form 4506-C</div>			
Personal Bank Statements	<div><ul style="list-style-type: none">12- or 24-months of personal and 2-months of business bank statementsQualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statementsThe business bank statements must reflect business activity and transfers to the personal account</div>			
Business Bank Statements	<div><ul style="list-style-type: none">12 or 24-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%)Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) with min ratio of 10%3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)</div>			
IRS Form 1099	<div><ul style="list-style-type: none">1-year or 2-years 1099Fixed Expense Ratio of 10%YTD documentation to support continued receipt of income</div>			
Written VOE	<div><ul style="list-style-type: none">FNMA Form 1005Max CLTV 80%</div>			

Closed End Second – Standard and Alt Doc, continued

Income Requirements, Continued	
Desktop Underwriter (DU) or Loan Product Advisor (LPA)	<ul style="list-style-type: none"> Final AUS findings must be included in the loanfile <ul style="list-style-type: none"> Fannie Mae: DU Approve/Eligible, or Freddie Mac: LPA Accept/Eligible Ineligible, Caution, or Refer with Caution not allowed For simultaneous purchase transactions only Findings permitted to be used for income, asset, and liability documentation Appraisal must follow the requirements of this program (appraisal waiver option from findings not eligible) Max DTI based upon CLTV restrictions for this program. See DTI section.
Underwriting Requirements	
Eligibility Criteria	<ul style="list-style-type: none"> For criteria that is not referenced in this matrix, follow the Closed End Second chapter in the Wholesale Broker Guide
First Lien	<ul style="list-style-type: none"> First lien documentation requirements, all of the following apply: <ul style="list-style-type: none"> Copy of 1st lien Note <ul style="list-style-type: none"> Default interest rate on Note cannot exceed Note rate If Interest Only and/or ARM, terms of the Note to be reviewed (See DTI Requirements) Copy of most recent monthly mortgage payment statement <ul style="list-style-type: none"> Utilized to determine if payment includes escrows (See DTI Requirements) Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> Forbearance, modifications, or deferrals completed or reinstated within 12- months of the Note date Loans in active forbearance or deferment Negative amortization including loans with Paid-In-Kind (PIK) features Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien Reverse Mortgages Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages Home Equity Line of Credit Note with default interest rate greater than the Note rate
Credit and Fraud	<ul style="list-style-type: none"> Credit report Gap credit report or Undisclosed Debt Monitoring (UDM) Fraud report OFAC
Qualifying Credit Score	<ul style="list-style-type: none"> Use representative credit score of the borrower with the highest qualifying income
First Lien Payment Verification	<ul style="list-style-type: none"> Verify the 1st lien P&I payment with all of the following: <ul style="list-style-type: none"> Copy of 1st lien Note, and Copy of most recent monthly mortgage payment statement
Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months with/activity in the last 12-months or 3 reporting 12-months w/recent activity If the primary borrower has three (3) credit score, the minimum tradeline requirement is waived
Reserves	<ul style="list-style-type: none"> None required
Assets	<ul style="list-style-type: none"> Asset verification required if funds needed to consummate the transaction
DTI Requirements	<ul style="list-style-type: none"> Maximum DTI ratio: <ul style="list-style-type: none"> 50% DTI for CLTV less than or equal to 80% 45% DTI for CLTV greater than 80% Qualifying payment for first lien: <ul style="list-style-type: none"> Stand-alone: Utilize senior lien mortgage payment from credit report Simultaneous: Utilize 1st lien qualifying method <ul style="list-style-type: none"> Fixed rate: Note rate amortized over the total term ARMs: Qualifying rate is the higher of the fully indexed rate or note rate Interest Only (Fixed/ARM): Qualifying rate amortized over remaining term after expiration of the interest only period
Age of Documents	<ul style="list-style-type: none"> Credit Documents: May not be over 120-days old at the time of closing. Appraisals, Title Report (or O&E): May not be over 120-days old at time of closing. <ul style="list-style-type: none"> AVM may not be over 90- days old at time of closing.
Appraisal Requirements	
Appraisals	<ul style="list-style-type: none"> HPML loans that are not Qualified Mortgages require a full appraisal with an interior inspection, regardless of loan balance. Any simultaneous transaction requires a full appraisal. Transferred appraisals are eligible. Primary valuation and secondary valuation are required for all loan files. <p>Primary Valuation - Loan Amount <=\$250,000</p> <p>Provide one of the following:</p> <ul style="list-style-type: none"> AVM from approved vendor with an acceptable FSD score and a new Property Condition Report with acceptable findings <ul style="list-style-type: none"> AVM may not be more than 90 days old at closing (date the Note is signed) Exterior Drive-By appraisal (Hybrid or 2055 or 1075) <ul style="list-style-type: none"> Only allowed for one (1) unit property, with or without an accessory dwelling unit New Appraisal (FNMA Form 1004/1025/1073) Prior 1st lien appraisal dated within 12- months of subject loan Note date allowed subject to: <ul style="list-style-type: none"> The lender on the prior appraisal must be the same as the subject loan, and A new Property Condition Report with acceptable findings, and Recertification of value by the original appraiser. Real Estate Broker Price Opinion (BPO) from one of the following: <ul style="list-style-type: none"> Clear Capital, or Consolidated Analytics, or Nationwide Appraisal Network (NAN)

Closed End Second – Standard and Alt Doc, continued

Appraisals, continued	<p>Primary Valuation - Loan Amount >\$250,000</p> <p>Provide one of the following:</p> <ul style="list-style-type: none"> • New Appraisal (FNMA Form 1004/1025/1073) • Prior 1st lien appraisal dated within 12- months of subject loan Note Date allowed subject to: <ul style="list-style-type: none"> ○ The lender on the prior appraisal must be the same as the subject loan, and ○ A new Property Condition Report with acceptable findings, and ○ Recertification of value by the original appraiser, and ○ AVM from approved vendor with an acceptable FSD score. <ul style="list-style-type: none"> ▪ AVM may not be more than 90 days old at closing (date the Note is signed) ▪ The lower of the Prior Appraisal value or the current AVM will be used to determine CLTV <p>Secondary Valuation Product</p> <p>Secondary valuation (review product) required in every file, through one of the following:</p> <ul style="list-style-type: none"> • Acceptable review products include one of the following: <ul style="list-style-type: none"> ○ Collateral Underwriter® (CU) is eligible. An eligible score is 2.5 or less. The file must include a copy of the Submission Summary Report (SSR). If the score exceeds 2.5, the file must include either an enhanced desk review, field review, or second appraisal; or ○ An enhanced desk review product from one of the following: <ul style="list-style-type: none"> ▪ ARR from Stewart Valuation Intelligence FKA Pro Teck. ▪ CDA from Clear Capital. ▪ CCA from Consolidated Analytics. ○ If the enhanced desk review or BPO product reflects a value more than 10% below the appraised value or cannot provide a validation, the file must include either a field review or a second appraisal. A field review or a second appraisal is acceptable. These may not be from the same appraiser or appraisal company as the original report. ○ AVM from an approved vendor with an acceptable FSD score. <ul style="list-style-type: none"> ▪ AVM may not be more than 90 days old at closing (date the Note is signed). ▪ If primary valuation is based on an AVM, review must be from a different vendor. ▪ If two AVMs are ordered, the AVM with the higher FSD score (closest to zero) will be treated as the primary valuation product. <ul style="list-style-type: none"> ○ The second AVM will be treated as the secondary valuation product and must support the primary AVM within 10%. If the second AVM does not support the primary AVM within 10%, the file must include either a BPO, exterior-only appraisal, or full appraisal. ○ If both AVMs have the same FSD, the lower of the two property values must be utilized for determining the CLTV. ○ Real Estate Broker Price Opinion (BPO) <ul style="list-style-type: none"> ▪ If two BPOs are ordered, the BPO with the lowest value will be treated as the primary valuation product. ▪ If two BPOs are ordered, they must be completed by different real estate brokers. 						
AVM and FSD Score	<p>The following AVM vendors are acceptable:</p> <table border="1"> <thead> <tr> <th>AVM Vendor</th><th>Acceptable FSD Score</th></tr> </thead> <tbody> <tr> <td>Clear Capital</td><td>0.00 to 0.13</td></tr> <tr> <td>Collateral Analytics</td><td>0.00 to 0.10</td></tr> </tbody> </table>	AVM Vendor	Acceptable FSD Score	Clear Capital	0.00 to 0.13	Collateral Analytics	0.00 to 0.10
AVM Vendor	Acceptable FSD Score						
Clear Capital	0.00 to 0.13						
Collateral Analytics	0.00 to 0.10						
Property Condition Report	<ul style="list-style-type: none"> • When required, a Property Condition Report (i.e., Clear Capital Property Condition Inspection) should be obtained to include an exterior photo of the subject property along with a rating of the property's physical condition and characteristics. 						
Recently Listed Properties	<ul style="list-style-type: none"> • Properties currently listed for sale or previously listed for sale within the past 6-months are not eligible 						
Title Insurance	<p>Loan Amount <=\$250,000, provide one of the following</p> <ul style="list-style-type: none"> • Owner and Encumbrance Report (O&E) to include: <ul style="list-style-type: none"> ○ Current Grantee / Owner ○ How property was conveyed to current owner ○ Liens (e.g., mortgage, UCC, other financing) ○ Involuntary liens and judgements ○ Property Tax Information with break-down of all taxes including special assessments ○ Legal Description • ALTA Full Title Policy • ALTA Short Form Residential Limited Coverage Junior Loan Policy <p>Loan Amount >\$250,000, provide one of the following</p> <ul style="list-style-type: none"> • ALTA Full Title Policy • ALTA Short Form Residential Limited Coverage Junior Loan Policy 						
Flood Certificate and Flood Insurance	<ul style="list-style-type: none"> • Flood determination required for every loan file • Properties within a flood zone require evidence of insurance coverage in accordance with the HFIAA <ul style="list-style-type: none"> ○ Loss payee clause must reflect the following as additional insured: VRL, LLC C/O Shellpoint Servicing 						
Escrows	<ul style="list-style-type: none"> • Escrows for taxes and insurance are not permitted for second lien programs 						
Hazard Insurance	<ul style="list-style-type: none"> • Hazard Insurance coverage must provide for claims to be settled on a replacement cost basis • Loss payee clause must reflect the following as additional insured: VRL, LLC C/O Shellpoint Servicing 						

Home Equity Line of Credit (HELOC) – Standard and Alt Doc

Maximum CLTV – Standard Doc				
Loan Amount	Credit Score	Primary Residence	Second Home	Investment
\$250,000	740	90	75	70
	700	85	75	65
	680	75	75	NA
\$350,000	740	85	75	65
	700	85	75	65
	680	75	70	NA
\$500,000	740	75	75	NA
	700	75	70	NA
	680	75	65	NA
Maximum CLTV – Alt Doc				
Loan Amount	Credit Score	Primary Residence	Second Home	Investment
\$250,000	740	80	75	70
	700	75	70	65
\$350,000	740	75	75	65
	700	75	70	65
\$500,000	740	75	70	NA
	700	70	65	NA
Property Type				
<ul style="list-style-type: none">• Single Family (Attached, Detached, PUD)• 2-4 Unit Residential (Max CLTV 80%)• FNMA Warrantable Condo (Max CLTV 80%)• Rural: Not eligible				
Housing History	Credit Event Seasoning		Forbearance, Modification, or Deferral	First Time Home Buyer
0x30x12	BK/FC/SS/DIL/PreFC/MC/NOD: >= 84 Mo Multiple Derogatory Events: >= 84 Mo		> 12 Mo	Not Applicable
State Eligibility				
<ul style="list-style-type: none">• Ineligible states AK, HI, MA, MO, NY, TX• Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands• State Overlays for CT, FL, IL, NJ: Max CLTV 80%, min credit score 720• TN: Maximum total loan term is 15 years				
Declining Market				
If the appraisal report identifies the property in a declining market, the maximum CLTV is limited to 80% for all transactions.				
General Requirements				
Product and Term	<ul style="list-style-type: none">• Variable Rate – Terms of 15, 20, 25 & 30 years<ul style="list-style-type: none">◦ Index: Prime as published in the Wall Street Journal (daily)◦ Margin: See Rate Sheet◦ Floor Rate: 4.0◦ Maximum Rate: 18%◦ Daily Periodic Interest Rate: Index plus Margin◦ Finance Charges: Interest accrues on the day of an advance and continues until the outstanding balance is paid in full. Interest is calculated daily based upon the Daily Periodic Rate and the daily balance.• Draw Period: 2 year, 3 year, or 5 year• Minimum Payment:<ul style="list-style-type: none">◦ Draw Period: Interest only calculation, greater of accrued interest or \$100◦ Repayment Period: Amortizing principal and interest payment based upon the total line amount, repayment term, current rate (Index plus Margin)			
Advances	<ul style="list-style-type: none">• Initial Advance: Minimum 50% of total line amount• Minimum Advance: \$1,000.00• Maximum Advance: Line amount• Lock-out Period: Advances not available for a period of 90-days after closing to allow for servicing transfer			
Responsible Lending	<ul style="list-style-type: none">• Ineligible loans include State High Cost and HOEPA• Points/Fees not to exceed 5%			
Loan Amounts	<ul style="list-style-type: none">• Min: \$75,000• Max: \$500,000			
Combined Loan to Value (CLTV)	<ul style="list-style-type: none">• Total line amount of the HELOC combined with the total outstanding balance of the first lien are used for the CLTV ratio			
Combined Loan Balance	<ul style="list-style-type: none">• Total line amount of the HELOC combined with the total outstanding balance of the first lien not to exceed \$2,000,000			
Loan Purpose	<ul style="list-style-type: none">• Stand-Alone Cash Out (minimum ownership of 12 months required)			
Occupancy	<ul style="list-style-type: none">• Primary, Second Home, Investment			
Cash-Out	<ul style="list-style-type: none">• Max cash-out: \$500,000			
Eligible Borrower	<ul style="list-style-type: none">• U.S. Citizen• Permanent Resident Alien			
Ineligible Loan Features	<ul style="list-style-type: none">• Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.• Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.• Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.• All existing subordinate liens must be satisfied.			

Home Equity Line of Credit (HELOC), continued

Income Requirements	
Standard Doc	<ul style="list-style-type: none"> • Wage/Salary: Paystubs, W-2's, 1-year or 2-years Tax Returns, IRS Form 4506-C, Verbal VOE • Self-Employed: 1-year or 2-years Personal and Business Tax Returns, YTD P&L, IRS Form 4506-C
Personal Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months of personal and 2-months of business bank statements. • Qualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements. • The business bank statements must reflect business activity and transfers to the personal account.
Business Bank Statements	<ul style="list-style-type: none"> • 12- or 24-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%) ◦ Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10% ◦ 3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)
Underwriting Requirements	
Eligibility Criteria	<ul style="list-style-type: none"> • Refer to Chapter 4 of the Wholesale Broker Guide.
First Lien	<ul style="list-style-type: none"> • First lien documentation requirements, all of the following apply: <ul style="list-style-type: none"> ◦ Copy of 1st lien Note <ul style="list-style-type: none"> ▪ Default interest rate on Note cannot exceed Note rate ▪ If Interest Only and/or ARM, terms of the Note to be reviewed (See DTI Requirements) ◦ Copy of most recent monthly mortgage payment statement <ul style="list-style-type: none"> ▪ Utilized to determine if payment includes escrows (See DTI Requirements) • Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> ◦ Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12- months of the Note date ◦ Loans in active forbearance or deferment ◦ Negative amortization including loans with Paid-In-Kind (PIK) features ◦ Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien ◦ Reverse Mortgages ◦ Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages ◦ Home Equity Line of Credit ◦ Note with default interest rate greater than the Note rate
Credit and Fraud	<ul style="list-style-type: none"> • Credit report • Gap credit report or Undisclosed Debt Monitoring (UDM) • Fraud report • OFAC
Qualifying Credit Score	<ul style="list-style-type: none"> • Use representative credit score of the borrower with the lowest qualifying income • Rapid rescoring not allowed
First Lien Payment Verification	<ul style="list-style-type: none"> • Verify the 1st lien P&I payment with all of the following: <ul style="list-style-type: none"> ◦ Copy of 1st lien Note, and ◦ Copy of most recent monthly mortgage payment statement
Tradelines	<ul style="list-style-type: none"> • Minimum: All borrowers must have three (3) reporting with one (1) currently open and active for at least 24-months based on credit report pull date. Other two (2) reported for 12-months can be open or closed.
Reserves	<ul style="list-style-type: none"> • None required
DTI and Qualifying Payment	<ul style="list-style-type: none"> • Maximum DTI ratio: <ul style="list-style-type: none"> ◦ 50% DTI for CLTV less than or equal to 80% ◦ 45% DTI for CLTV greater than 80% • Qualifying Payment: <ul style="list-style-type: none"> ◦ Subject loan: Amortizing principal and interest payment based upon the total line amount, repayment term, current rate (Index plus Margin) <ul style="list-style-type: none"> ▪ Index: Prime rate as published in the Wall Street Journal (daily) ▪ Margin: Published in the Verus rate sheet ◦ First lien: Principal and Interest payment <ul style="list-style-type: none"> ▪ Fixed rate: Note rate amortized over the total term ▪ ARMs: Qualifying rate is the higher of the fully indexed rate or note rate ▪ Interest Only (Fixed/ARM): Qualifying rate amortized over remaining term after expiration of the interest only period
Age of Documents	<ul style="list-style-type: none"> • Credit Documents: May not be over 120-days old at the time of closing. • Title Report (or O&E): May not be over 60-days old at time of closing. • Appraisal: May not be over 120- days old at the time of closing for Full Appraisal and Exterior Drive-By. New appraisal is required after 120- days. <ul style="list-style-type: none"> ◦ AVM may not be over 90- days old at time of closing.

Home Equity Line of Credit (HELOC), continued

Appraisal Requirements							
Appraisals	<ul style="list-style-type: none"> Transferred appraisals are not eligible. <p><u>Loan Amount <=\$250,000</u></p> <p>Provide one of the following:</p> <ul style="list-style-type: none"> AVM from approved vendor with an acceptable FSD score and a new Property Condition Report with acceptable findings <ul style="list-style-type: none"> AVM may not be more than 90 days old at closing (the date the Note is signed) Exterior Drive-By appraisal (2055 or 1075) <ul style="list-style-type: none"> Only allowed for one (1) unit property, with or without an accessory dwelling unit New Appraisal (FNMA Form 1004/1025/1073) Prior 1st lien appraisal dated within 6- months of subject loan Note date allowed subject to: <ul style="list-style-type: none"> The lender on the prior appraisal must be the same as the subject loan, and A new Property Condition Report with acceptable findings, and Recertification of value by the original appraiser. <p><u>Loan Amount >\$250,000</u></p> <p>Provide one of the following:</p> <ul style="list-style-type: none"> New Appraisal (FNMA Form 1004/1025/1073) Prior 1st lien appraisal dated within 6- months of subject loan Note Date allowed subject to: <ul style="list-style-type: none"> The lender on the prior appraisal must be the same as the subject loan, and A new Property Condition Report with acceptable findings, and Recertification of value by the original appraiser, and AVM from approved vendor with an acceptable FSD score. <ul style="list-style-type: none"> AVM may not be more than 90 days old at closing (the date the Note is signed) The lower of the Prior Appraisal value or the current AVM will be used to determine CLTV <p><u>Secondary Valuation Product</u></p> <ul style="list-style-type: none"> Secondary valuation product is not required. 						
AVM and FSD Score	<p>The following AVM vendors are acceptable:</p> <table> <tr> <th>AVM Vendor</th><th>Acceptable FSD Score</th></tr> <tr> <td>Clear Capital</td><td>0.00 to 0.13</td></tr> <tr> <td>Collateral Analytics</td><td>0.00 to 0.10</td></tr> </table>	AVM Vendor	Acceptable FSD Score	Clear Capital	0.00 to 0.13	Collateral Analytics	0.00 to 0.10
AVM Vendor	Acceptable FSD Score						
Clear Capital	0.00 to 0.13						
Collateral Analytics	0.00 to 0.10						
Property Condition Report	<ul style="list-style-type: none"> When required, a Property Condition Report (i.e., Clear Capital Property Condition Inspection) should be obtained to include an exterior photo of the subject property along with a rating of the property's physical condition and characteristics. Exterior inspection of the property is required. 						
Recently Listed Properties	<ul style="list-style-type: none"> Properties currently listed for sale or previously listed for sale within the past 6-months are not eligible 						
Title Insurance	<p><u>Loan Amount <=\$250,000, provide one of the following</u></p> <ul style="list-style-type: none"> Owner and Encumbrance Report (O&E) to include: <ul style="list-style-type: none"> Current Grantee / Owner How property was conveyed to current owner Liens (e.g., mortgage, UCC, other financing) Involuntary liens and judgements Property Tax Information with break-down of all taxes including special assessments Legal Description ALTA Full Title Policy ALTA Short Form Residential Limited Coverage Junior Loan Policy <p><u>Loan Amount >\$250,000, provide one of the following</u></p> <ul style="list-style-type: none"> ALTA Full Title Policy ALTA Short Form Residential Limited Coverage Junior Loan Policy 						
Flood Certificate	<ul style="list-style-type: none"> Flood determination required for every loan file Properties within a flood zone require evidence of insurance coverage in accordance with the HFIAA Loss payee clause must reflect the following as additional insured: VRL, LLC C/O Shellpoint Servicing 						
Escrows	<ul style="list-style-type: none"> Escrows for taxes and insurance are not permitted for second lien programs 						
Hazard Insurance	<ul style="list-style-type: none"> Hazard Insurance coverage must provide for claims to be settled on a replacement cost basis Loss payee clause must reflect the following as additional insured: VRL, LLC C/O Shellpoint Servicing 						

Super Jumbo – Standard Doc and Alt Doc

Maximum LTV							
Minimum Credit Score	Maximum Loan Amount	Primary Residence			Second Home / Investment		
		Purchase	Rate/Term	Cash-out	Purchase	Rate/Term	Cash-out
740	4,000,000	70	65	60	70	65	55
	5,000,000	65	60	55	65	60	50
720	4,000,000	70	65	60	70	65	55
	5,000,000	65	55	55	60	55	50
700	4,000,000	70	60	55	70	60	50
	5,000,000	65	50	50	60	50	50
Property Type							
• Single Family: Attached, Detached • Non-Warrantable Condominium, Condo Hotel, 2-4 Unit • Not eligible: Co-op, Rural							
Housing History		Credit Event Seasoning					
0x30x12		BK/FC/SS/DIL/PreFC/MC: >=48 Mo - See Wholesale Broker Guide for details Forbearance, Modification, or Deferral: > 12 Mo					
State Eligibility							
• Consumer Purpose: Ineligible states AK, HI, MA, MO, NY • Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands • Business Purpose: Investment occupancy only ○ Ineligible state AK ○ Business Purpose caveats: ▪ AZ/CA/ID/KS/MN/ND/NV/OR/SD/UT: Broker required to hold a license.							
Declining Market							
If the appraisal report identifies the property in a declining market, 5% reduction to be applied.							
General Requirements							
Product Type	• Fixed Rate Terms: 15, 30, 40 years (40 years available only with IO); 5/6 ARM, 7/6 ARM, 10/6 ARM (40 years available only with IO)						
Interest Only	• 30-year total loan term, qualification based upon 20-year amortizing payment • 40-year total loan term, qualification based upon 30-year amortizing payment						
Secondary Financing	• Not allowed						
Loan Amounts	• Min: 3,000,000 • Max: 5,000,000						
Loan Purpose	• Purchase, Rate/Term, and Cash Out						
Occupancy	• Primary, Second Home, Investment						
Borrower Eligibility	• U.S. Citizen • Permanent Resident Alien						
Acreage	• Property up to 20-acres, not meeting the rural definition, eligible						
Cash-In-Hand	• Max Cash-In-Hand: \$1,500,000 (Not applicable to Delayed Financing transactions)						
Appraisals	• FNMA Form 1004, 1073, 1025 with interior/exterior inspection • Two appraisals required						
Income Requirements							
Standard Doc	• Wage/Salary: Paystubs, 1-year or 2-years of W-2's, 1-year or 2-years of Tax Returns, IRS Form 4506-C, Verbal VOE • Self-Employed: 1-year or 2-years of Personal and Business Tax Returns, YTD P&L, IRS Form 4506-C						
Personal Bank Statements	• 12- or 24-months of personal and 2-months of business bank statements. • Qualifying income is determined by total eligible deposits from 12- or 24-months of personal statements divided by the number of statements. • The business bank statements must reflect business activity and transfers to the personal account.						
Business Bank Statements	• 12- or 24-months of business bank statements. Qualifying income is determined by one of the following analysis methods: ○ Fixed Expense Ratio (50%) ○ Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10% ○ 3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)						
Asset Utilization	• Eligible assets divided by 84 to determine a monthly income stream						
Ineligible	• Profit & Loss Statement • Written VOE • IRS Form 1099						
Underwriting Requirements							
Credit Score	• Use representative credit score of the borrower with the highest qualifying income • All borrowers must meet the 700 min credit score			Assets	• Min of 60-days asset verification required; any large deposit must be sourced		
Reserves	• 12-months of PITIA • Cash out may not be used to satisfy requirement			DTI Requirements	• Max: 45%		
Gift Funds	• Primary/Second Home: Permitted after 20% contribution towards down payment, closing costs, prepaids, and reserves from borrower's own funds • Investment ineligible			Document Age	• 120-days		
Tradelines	• Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity • If the borrower with the highest qualifying income has three (3) credit scores, the minimum tradeline requirement is waived			Prepayment Penalty - Investment Property Only	• Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in KS, MI, MN, NM, and RI • Penalties not allowed on loans vested to individuals in IL and NJ • Only declining prepayment penalty structures allowed in MS		
Escrows	• Required for property taxes, hazard insurance, and flood insurance (if applicable)						
Wholesale Broker Guide							
Current Non-Agency Chapter to be followed for all requirements not referenced in this matrix							

Prime Jumbo – Standard Doc (QM)

Maximum LTV/CLTV							
FIXED RATE Loan/LTV Matrix							
Minimum Credit Score	Maximum Loan Amount	Primary Residence		Second Home		Investment	
		Purchase & R/T	Cash-out	Purchase & R/T	Cash-out	Purchase & R/T	Cash-out
740	1,000,000	85	80	80	75	80	75
	2,000,000	85	80	80	75	80	75
	2,500,000	80	75	80	75	NA	NA
	3,000,000	80	75	80	75	NA	NA
720	1,000,000	85	80	80	70	80	75
	2,000,000	85	80	80	70	80	75
	2,500,000	80	NA	NA	NA	NA	NA
700	1,000,000	85	80	80	70	75	70
	2,000,000	85	80	80	70	NA	NA
680	1,000,000	85	80	80	NA	75	70
	2,000,000	85	80	80	NA	NA	NA
ADJUSTABLE-RATE Loan/LTV Matrix							
Minimum Credit Score	Maximum Loan Amount	Primary Residence		Second Home		Investment	
		Purchase & R/T	Cash-out	Purchase & R/T	Cash-out	Purchase & R/T	Cash-out
760	1,000,000	80	65	80	65	80	65
	2,000,000	80	65	80	65	80	65
	2,500,000	80	65	NA	NA	NA	NA
	3,000,000	80	65	NA	NA	NA	NA
740	1,000,000	80	65	80	65	80	65
	2,000,000	80	65	80	65	80	65
	2,500,000	80	NA	NA	NA	NA	NA
	3,000,000	80	NA	NA	NA	NA	NA
720	1,000,000	80	65	75	NA	80	NA
	2,000,000	80	NA	NA	NA	NA	NA
700	1,000,000	70	NA	75	NA	NA	NA
Property Types							
Fixed Rate <ul style="list-style-type: none">Single Family: Attached, DetachedWarrantable Condo: Max LTV/CLTV 75%2-4 Units: LTV reduced by 5% on all tiers, max 75% LTVIneligible: Rural, Leaseholds, Non-Warrantable Condo				Adjustable-Rate <ul style="list-style-type: none">Single Family: Attached, DetachedWarrantable Condo: Max LTV/CLTV 75%Ineligible: 2-4 Units, Rural, Leaseholds, Non-Warrantable Condo			
State Eligibility							
<ul style="list-style-type: none">Ineligible States: AK, HI, MA, MO, NYIneligible Locations: Puerto Rico, Guam, & the US Virgin IslandsTexas: Home Equity 50(a)(6) not eligible							
Declining Market							
If the appraisal report identifies the property in a declining market, max LTV/CLTV is reduced by 10%							
Housing History		Credit Event Seasoning					
0x30x12		BK/FC/SS/DIL: >=84 Months - See Wholesale Broker Guide for details					
General Requirements							
Product Type	• Fixed Rate Terms: 15 & 30 years; 5/6 ARM, 7/6 ARM, 10/6 ARM						
Interest Only	• Not eligible						
Loan Amounts	• Min: \$1 > Agency limit • Max: 3,000,000						
Loan Purpose	• Purchase, Rate/Term, and Cash Out						
Occupancy	• Primary, Second Home, Investment						
Acreage	• Property up to 20-acres, not meeting the rural definition, eligible.						
Cash-In-Hand	• Max Cash-In-Hand: \$500,000 • TX Home Equity 50(a)(6) not eligible						
Appraisals	• FNMA Form 1004, 1073 with interior/exterior inspection. Appraisal review product required unless 2 nd appraisal obtained. • 2 nd Appraisal required for loans > \$2,000,000.						

Prime Jumbo – Standard Doc (QM), continued

Income Requirements			
Standard Doc	<ul style="list-style-type: none">Wage/Salary: Paystubs, 2-years W-2's, IRS Form 4506-C, Verbal VOESelf-Employed: 2-years of Personal and Business Tax Returns, YTD P&L, IRS Form 4506-C, VerbalMust meet QM standards utilizing the FNMA Seller Guide dated 6/03/2020, Chapter B3-3		
Underwriting Requirements			
Credit Score	<ul style="list-style-type: none">Use credit score of the borrower with the lowest representative score	Document Age	<ul style="list-style-type: none">120-days
Qualifying Payment	<ul style="list-style-type: none">Fixed Rate: Note rate5/6 ARM: Higher of the fully indexed or initial note rate plus 2%7/6 & 10/6 ARM: Higher of the fully indexed or initial note rate	DTI Requirements	<ul style="list-style-type: none">Max: 45%, if > 43% Rate Spread Safe Harbor as well as Verification Safe Harbor standards must be satisfied
Tradelines	<ul style="list-style-type: none">Min: 3 reporting 24-months w/activity in last 12- months	First-Time Homebuyer	<ul style="list-style-type: none">ARMs restricted as follows:<ul style="list-style-type: none">Min credit score of 740Max loan amount \$1,250,000
Gift Funds	<ul style="list-style-type: none">Min contribution: 5% primary/second home, investment ineligible for gift funds	Assets	<ul style="list-style-type: none">Min of 60-days asset verification required; any large deposit must be sourced
Reserves	<p>Primary Residence</p> <ul style="list-style-type: none">Loan balance up to \$2M: 6-months of PITIALoan balance > \$2.0M - \$2.5M: 12-months of PITIALoan balance > \$2.5M: 18-months of PITIALTV > 80%: 12-months of PITIACash-out loan balance > \$2M: 18-months of PITIA <p>Second Home</p> <ul style="list-style-type: none">Minimum of 12-months of PITIALoan balance > \$2.5M: 18-months of PITIACash out loan balance > \$2.0M: 18-months of PITIA <p>Investment</p> <ul style="list-style-type: none">Minimum of 12-months of PITIA <p>All Occupancy – Cash-out may not be used to satisfy reserve requirements</p>		
Escrows	<ul style="list-style-type: none">HPML loans require escrows for property taxes, hazard insurance, and flood insurance (if applicable)See Section 2.4.5 – Escrow/Impounds for non-HPML loans		