

				Owner Occupied		2 nd Home		Non-Owner Occupied	
Max Combined Liens		\$2,000,000		Full Doc	Bank Statement	Full Doc	Bank Statement	Full Doc	Bank Statement
Loan Amount	Reserves	Max DTI	FICO	CLTV		CLTV		CLTV	
\$125,000 - \$350,000	None	50%	720	80%	80%	80%	75%	80%	75%
			700	80%	80%	80%	70%	80%	70%
			680	80%	75%	75%	65%	75%	65%
			660	80%	70%	70%	60%	70%	60%
\$350,001 - \$450,000	None	50%	720	80%	80%	75%	70%	80%	70%
			700	80%	75%	75%	65%	75%	65%
			680	80%	70%	70%	60%	70%	60%
			660	75%	65%	65%	55%	65%	55%

Guidelines

Appraisal Requirements	<ul style="list-style-type: none"> • Previous appraisal within 12 months + CDA. CDA value must be equal to or greater than appraisal • If a previous appraisal is not available, the following will be required: <ul style="list-style-type: none"> ○ Owner Occupied & 2nd Home – Full appraisal plus an AVM supporting the value ○ Non-Owner Occupied - New 2055 appraisal and CDA supporting value within 10% variance • Declining markets maximum 75% CLTV on Owner Occupied/2nd Home. Maximum 70% CLTV on Non-Owner Occupied
Assets	<ul style="list-style-type: none"> • None Required
Cash-Out	<ul style="list-style-type: none"> • Proceeds from second lien may be all cash-out
Credit Event Seasoning	<ul style="list-style-type: none"> • 48 months - Foreclosure, short-sale, deed in lieu, bankruptcy. No multiple events in last 7 years.
Credit Score	<ul style="list-style-type: none"> • Lowest of 2 scores, middle of 3 scores. Qualifying score is lowest of all borrowers. • Non-traditional credit ineligible.
Derogatory Credit	<ul style="list-style-type: none"> • Charge-offs or Collections acceptable if paid off over 12 months prior. • No delinquent tradelines at closing. • Open Medical collections < \$1000 per occurrence ok.
DTI	<ul style="list-style-type: none"> • 50% • 45% with an I/O senior lien
Eligible Borrowers	<ul style="list-style-type: none"> • US Citizen • Non-Permanent Resident Alien (with US Credit) • Permanent Resident Alien
Geographic Restrictions	<ul style="list-style-type: none"> • Not available in <ul style="list-style-type: none"> ○ Hawaii ○ Illinois ○ Massachusetts ○ New Jersey ○ New York ○ North Carolina ○ Pennsylvania ○ Tennessee ○ Texas ○ Vermont
Housing Lates	<ul style="list-style-type: none"> • 0x30x12 on all mortgages for all borrowers. • Minimum 12-month housing history required
Ineligible Borrowers	<ul style="list-style-type: none"> • Non-occupant co-borrowers

	<ul style="list-style-type: none"> • Vesting is not permitted to be in the name of an LLC, Corporation or Partnership
Ineligible Senior Liens	<ul style="list-style-type: none"> • Private party mortgages • Loans in active forbearance or deferment, any deferred balance must be paid at closing • Negative amortization • Reverse mortgages • Balloon loans that the balloon payment comes due during the amortization period of the 2nd lien
Property Type	<ul style="list-style-type: none"> • SFR • PUD • Condo-Warrantable • Modular • 2-4 Units max 75% LTV
Qualifying Payment	<ul style="list-style-type: none"> • Qualifying ratios based on Full Note Rate
Recently Listed Properties	<ul style="list-style-type: none"> • Properties listed for sale in the last 12 months are not eligible
Seasoning	<ul style="list-style-type: none"> • > 6 months seasoning no restrictions. Less than 6 months seasoning ineligible
Terms Available	<ul style="list-style-type: none"> • Full Am: 10 yr, 15 yr, 20 yr & 30 year
Title Report	<ul style="list-style-type: none"> • Short ALTA - Lenders Policy
Tradelines Requirement	<ul style="list-style-type: none"> • 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months.
Vesting	<ul style="list-style-type: none"> • Vesting as an individual only, no entities
Documentation Options	
Full Doc – 2 years	<ul style="list-style-type: none"> • Standard Fannie Mae Documentation
Full Doc – 1 year	<ul style="list-style-type: none"> • NonQM <ul style="list-style-type: none"> ○ NonQM: Alternative Loan Review Form (Exhibit F) or DU Approve/Ineligible finding. • Wage Earner - 1 year most recent W-2 plus 30 days paystubs • Self-Employed - 1 year most recent tax returns plus either: <ul style="list-style-type: none"> ○ Borrower prepared YTD P&L ○ 3 months bank statements verifying cash flow (No P&L)
Bank Statements	<ul style="list-style-type: none"> • Personal & Business-Combined or Business (12mo or 24mo): <ul style="list-style-type: none"> ○ At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership) ○ Asset Depletion allowed with Bank Statement documentation ○ Standard expense factors apply: 50% expense factor <ul style="list-style-type: none"> ▪ If business operates < standard expense factor, P&L or expense letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) required ▪ Minimum expense factor with 3rd party prepared P&L or letter is 20% • Personal & Business Separated (12mo or 24mo): <ul style="list-style-type: none"> ○ At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership) ○ Asset Depletion allowed with Bank statement documentation ○ Personal used to qualify, 2 months business to show business cash flows in order to utilize 100% of business-related deposits in personal account (no expense factor)