

FICO & LTV/CLTV		Purchase & Rate/Term Refinance			Cash Out Refinance		
FICO	Loan Amt	Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
740	≤ \$1.0m	90	85	85	80	75	75
	≤ \$1.5m	85	80	80	75	75	75
	≤ \$2.0m	85	80	80	75	70	70
	≤ \$2.5m	80	75	75	70	65	65
	≤ \$3.0m	75	70	70	65	60	60
	≤ \$3.5m	65	60	N/A	N/A	N/A	N/A
720	≤ \$1.0m	85	85	85	75	75	75
	≤ \$1.5m	85	80	80	75	75	75
	≤ \$2.0m	80	80	80	70	70	70
	≤ \$2.5m	80	75	75	70	65	65
	≤ \$3.0m	75	70	70	65	60	60
	≤ \$3.5m	60	60	N/A	N/A	N/A	N/A
700	≤ \$1.0m	85	85	85	75	75	75
	≤ \$1.5m	85	80	80	75	70	70
	≤ \$2.0m	80	80	80	70	70	70
	≤ \$2.5m	75	75	75	65	65	65
	≤ \$3.0m	70	70	70	60	60	60
	≤ \$3.5m	60	60	N/A	N/A	N/A	N/A
680	≤ \$1.0m	80	80	80	70	70	70
	≤ \$1.5m	80	80	80	70	70	70
	≤ \$2.0m	75	75	75	65	65	65
	≤ \$2.5m	70	70	70	60	N/A	N/A
660	≤ \$1.0m	80	80	80	70	70	70
	≤ \$1.5m	75	75	75	70	70	70
	≤ \$2.0m	75	70	70	60	60	60
	≤ \$2.5m	70	65	65	N/A	N/A	N/A

Program Requirements

Appraisal	Loan amounts over \$1,500,000 automatically require two appraisals. Every appraisal requires a Desk Review. Properties with a rating of C5, C6 or Q6 are not acceptable. Properties located within a Declining Market as defined by the appraiser require a 5% reduction to the max LTV/CLTV offered (see grid above).
Gift Funds	Gift funds are acceptable as 100% down payment for loans <75% LTV. Gift funds are acceptable for loans >=75% LTV with 5% minimum borrower contribution.
Property Types	SFR, PUD, Townhome, Condominium, 2-4 Unit, Modular & Rural. Non Warrantable Condos, Log Homes, and Manufactured Homes are not eligible.
Qualifying FICO	Qualifying FICO = the FICO of the Primary Wage Earner. Primary Wage Earner must have a valid score from at least 2 of the 3 standard agencies.
Tradelines	Standard two (2) tradelines reporting for 12+ months within the last 24 months, or a combined credit profile between Borrower and CoBorrower within a minimum of three (3) tradelines. Current housing not reporting on credit can be considered an open trade if supported by canceled checks/bank statements.

General Requirements	
Product Type	5/6 ARM, 10/6 ARM, 30 Yr Fixed (IO)
Loan Amount	\$3.5m max, \$150k min
Occupancy	Primary, Second Home, Investment
Max LTV, Min FICO	90%, 660
Max DTI	55%
Payment History	0 x 30 x 12
Credit Event Seasoning (BK,FC,SS,DIL)	≥ 4+ Years
Interest Only	Eligible (10/20 IO), ARMs & Fixed
I.O. Restrictions	Min. 700 FICO, Max 85% LTV
ARM Margin	4.00%

Cash Out Requirements	
LTV > 60%	\$750k max cash out
LTV ≤ 60%	Unlimited cash out

Borrower Eligibility	
FTHB	No Interest Only (IO)
Non-Occupant Co-Borrower	1 unit, O/O only, Max 43% DTI, Max 80% LTV/CLTV, No cash out
Permanent Resident Alien	Eligible, No Restrictions
Non-Permanent Resident Alien	Max 80% LTV/CLTV, No cash out

Property Type	
2-4 Units	Max 85% LTV/CLTV
Warrantable Condos	Max 85% LTV/CLTV
Rural Properties	O/O only, No cash out, Max 75% LTV/CLTV

Income Qualification	
Asset Depletion	Max 85% LTV/CLTV, Min 700 FICO, No Cash Out, O/O Only, 84 Month Amortization for DTI
Bank Statements	Max 90% LTV/CLTV
1099 Only	Max 90% LTV/CLTV
W2 Only	Max 90% LTV/CLTV
1 Year Tax Return	Max 90% LTV/CLTV
12 Month P&L	Max 80% LTV/CLTV, Min 660 FICO

Reserves	
\$150,000 - \$500,000	6 Months PITIA
\$500,001 - \$1,000,000	6 Months PITIA
\$1,000,001 - \$2,000,000	9 Months PITIA
> \$2,000,000	12 Months PITIA
Additional Financed Properties	Two (2) Months Incremental PITIA/ITIA Per Financed Property
Cash Out Used as Reserves	Permitted



Alternative Income Documentation Options

Asset Depletion	Borrowers must have a minimum of the lesser of \$1m in qualifying assets or must have qualifying assets \geq 125% of the subject loan amount. Reserves are not required for the Asset Depletion income option. Assets used for qualifying must be seasoned for a minimum of 120 days. All individuals listed on the account statements must be on the Note and Mortgage. Qualifying Assets: 100% checking/savings; 80% stocks/bonds/mutual funds; 70% vested retirement accounts Calculation Method: Qualifying income is based upon the total assets eligible for depletion, less down payment, less out of pocket closing costs, divided by 84.
Bank Statements	Income calculated based on 12 to 24 months recent Business and/or Personal bank statements. Refer to program guidelines for calculation methods available. If the trend is declining and/or irregular additional documentation may be required up to and including an additional 12 months of statements.
1099 Only	Validated most recent 1 year 1099 plus most recent YTD pay stub reflecting at least 30 full days earnings or 3 months bank statement showing deposit receipts. Utilize 10% baseline expense factor. Multiply the expense ratio by the gross receipts reflected on the validated 1099.
W2 Only	Validated most recent 1 year W2 plus most recent YTD pay stub reflecting at least 30 full days earnings or 3 months bank statement showing deposit receipts. Borrower to confirm no job related expenses - if not available then apply a minimum 10% expense factor. Multiply the expense ratio by the gross W2 income earned.
1 Year Tax Return	Validated most recent year tax returns to be utilized for income qualifying. Self-employed borrowers only - minimum 25% ownership. Refer to guidelines for specifics.
12 Month P&L	12 Month CPA, EA or CTEC prepared P&L Statement - minimum 50% business ownership required. Qualifying income is the lower of the net income from the P&L divided by the time period covered (12 months) multiplied by the borrower's ownership percentage or monthly income disclosed on the initial signed URLA.
Other Income	Supplemental income options such as rental income, retirement/pension, social security and/or additional CoBorrower income. Please refer to guidelines for specifics.

Additional Program Requirements

Assets	Sourced and seasoned for 30 days.
Citizenship	US Citizen, Permanent Resident Alien & Non-Permanent Resident Alien (with US credit - max 80% LTV)
Compliance	<ul style="list-style-type: none"> Escrows required for all HPML loans, refer to guidelines for additional escrow requirements No section 32 or state high cost "Total borrower paid points and fees up to 3%" Compliance with all applicable federal and state regulations
Max Financed Properties	Maximum 20 financed properties including subject property.
Prepayment Penalty	Permitted on Non-Owner Occupied (Investment Properties) only. Where permitted by applicable laws and regulations. Total points, fees and APR may not exceed current state and federal high-cost thresholds.
Qualifying Rate	Fixed = Note Rate; 5/6m or 10/6 ARM = Greater of Note Rate or Fully Indexed Rate
Qualifying Payment	All: Use Qualifying Rate (refer to box above) for calculating PITIA Interest Only: qualify using the fully amortized payment based on the term remaining after the expiration of the interest-only period.
Seller Concessions	Maximum Interested Party Contributions permitted up to 6%.
Subordinate Financing	Primary Residences only. Refer to grid above for max LTV/CLTV availability. Secondary financing must be institutional. Seller carrybacks are not permitted.

Advantage						Expanded							
FICO & LTV/CLTV		Purchase & Rate / Term Refinance			Cash Out Refinance			Purchase & Rate / Term Refinance			Cash Out Refinance		
FICO	Ln Amount	Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
740	≤ \$1.0m	90	85	85	75	75	75	85	80	80	75	70	70
	≤ \$1.5m	85	80	80	75	70	70	80	75	75	70	65	65
	≤ \$2.0m	80	75	75	70	70	70	75	N/A	N/A	N/A	N/A	N/A
	≤ \$2.5m	75	75	75	65	65	65						
	≤ \$3.0m	70	70	70	60	60	60						
720	≤ \$1.0m	85	80	80	75	75	75	85	80	80	75	70	70
	≤ \$1.5m	85	80	80	75	70	70	80	75	75	70	65	65
	≤ \$2.0m	80	75	75	70	70	70	75	N/A	N/A	N/A	N/A	N/A
	≤ \$2.5m	75	75	75	65	65	65						
	≤ \$3.0m	70	70	70	N/A	N/A	N/A						
700	≤ \$1.0m	85	80	80	75	70	70	80	80	80	70	70	70
	≤ \$1.5m	80	80	80	75	70	70	75	75	75	70	65	65
	≤ \$2.0m	80	75	75	70	65	65	70	N/A	N/A	N/A	N/A	N/A
	≤ \$2.5m	75	70	70	65	N/A	N/A						
	≤ \$3.0m	70	N/A	N/A	N/A	N/A	N/A						
680	≤ \$1.0m	80	80	80	75	70	70	75	75	75	70	65	65
	≤ \$1.5m	80	75	75	70	65	65	75	70	70	65	65	65
	≤ \$2.0m	75	70	70	65	N/A	N/A						
	≤ \$2.5m	70	70	70	60	N/A	N/A						
660	≤ \$1.0m	80	75	75	70	65	65	75	75	75	65	65	65
	≤ \$1.5m	75	75	75	65	60	60	70	70	70	60	N/A	N/A
	≤ \$2.0m	70	70	70	60	N/A	N/A						
640	≤ \$1.0m	75	70	65	65	60	60	70	65	65	60	60	60
	≤ \$1.5m	70	65	65	N/A	N/A	N/A	65	60	60	N/A	N/A	N/A
620	≤ \$1.0m	70	65	60	N/A	N/A	N/A	65	60	60	N/A	N/A	N/A

Program Requirements	
Appraisal	Loan amounts over \$1,500,000 automatically require two appraisals. Every appraisal requires a Desk Review. Properties with a rating of C5, C6 or Q6 are not acceptable. Properties located within a Declining Market as defined by the appraiser require a 5% reduction to the max LTV/CLTV offered (see grid above).
Gift Funds	Gift funds are acceptable as 100% down payment for loans <75% LTV. Gift funds are acceptable for loans >=75% LTV with 5% minimum borrower contribution.
Property Types	SFR, PUD, Townhome, Condominium, 2-4 Unit, Modular & Rural. Non Warrantable Condos, Log Homes, and Manufactured Homes are not eligible.
Qualifying FICO	Qualifying FICO = the FICO of the Primary Wage Earner. Primary Wage Earner must have a valid score from at least 2 of the 3 standard agencies.
Tradelines	Standard two (2) tradelines reporting for 12+ months within the last 24 months, or a combined credit profile between Borrower and CoBorrower within a minimum of three (3) tradelines. Current housing not reporting on credit can be considered an open trade if supported by canceled checks/bank statements.

Alt Doc	General Requirements	
	Advantage	Expanded
Product Type	5/6 ARM, 10/6 ARM, 30 Yr Fixed (IO)	5/6 ARM, 10/6 ARM, 30 Yr Fixed
Loan Amount	\$3.0m max, \$150k min	\$2.0m max, \$150k min
Occupancy	Primary, Second Home, Investment	Primary, Second Home, Investment
Max LTV, Min FICO	90%, 620	90%, 620
Max DTI	50%	45%
Payment History	1 x 30 x 12, 0 x 60 x 24	2 x 30 x 12, 1 x 60 x 24
Credit Event Seasoning (BK,FC,SS,DIL)	≥ 3+ Years	≥ 2+ Years
Interest Only	Eligible (10/20 IO), ARMs & Fixed	Not permitted
I.O. Restrictions	Min 700 FICO, Max 80% LTV	Not permitted
ARM Margin	4.50%	4.50%
Cash Out Requirements		
LTV > 60%	\$500k max cash out	\$250k max cash out
LTV ≤ 60%	Unlimited cash out	Unlimited Cash Out
Borrower Eligibility		
FTHB	No Interest Only (IO)	No Interest Only (IO)
Non-Occupant Co-Borrower	1 unit, O/O only, Max 43% DTI, Max 75% LTV/CLTV, No cash out	1 unit, O/O only, Max 43% DTI, Max 75% LTV/CLTV, No cash out
Permanent Resident Alien	Eligible, No Restrictions	Eligible, No Restrictions
Non Permanent Resident Alien	Max 75% LTV/CLTV, No cash out	Max 75% LTV/CLTV, No cash out
Property Type		
2-4 Units	Max 80% LTV/CLTV	Max 75% LTV/CLTV
Warrantable Condos	Max 80% LTV/CLTV	Max 75% LTV/CLTV
Rural Properties	O/O only, No cash out, Max 75% LTV/CLTV	O/O only, No cash out, Max 75% LTV/CLTV
Income Qualification		
Asset Depletion	Max 85% LTV/CLTV, Min 700 FICO, No Cash Out, O/O Only, 84 Month Amortization for DTI	N/A
Bank Statements	Max 90% LTV	Max 85% LTV
1099 Only	Max 90% LTV	Max 85% LTV
W2 Only	Max 90% LTV	Max 85% LTV
1 Year Tax Return	Max 90% LTV	Max 85% LTV
12 Month P&L	Max 75% LTV, Min 680 FICO	N/A
Reserves		
\$150,000 - \$500,000	3 Months	3 Months
\$500,001 - \$1,000,000	3 Months	3 Months
\$1,000,001 - \$2,000,000	6 Months	3 Months
> \$2,000,000	9 Months	N/A
Additional Financed Properties	Two (2) Months Incremental PITIA/ITIA Per Financed Property	Two (2) Months Incremental PITIA/ITIA Per Financed Property
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