



12/4/2018

Purchase / Rate & Term / Cash-Out			
Owner / Second Home / Non-Owner			
Loan Amount	Credit Score	LTV/CLTV	Recent Credit Event** LTV/CLTV
\$1.5 MM	680	90 Purchase Only	85
	640	85	80
	600	80	75
\$ 3.0 MM	660	80	75
	640	75	70
LTV Adjustors Below Cumulative deductions with a floor of 65% LTV			
Second Home / Non-Owner**			10
Warrantable Condo			5
Non-Warrantable Condo			10
Cash Out ≥720			5
Cash Out < 720			10
Cash Out > \$500,000			5
Interest Only			5
First Time Home Buyer			5
Non-Occupant Co-Borrower			15
Non-Permanent Resident Alien			15
Declining Markets			5
MINI GUIDES			
PRODUCTS	5/1 ARM, 7/1 ARM, 30 Yr, 40 Yr, 40 Yr ARM all with Interest Only Options / 40 Yr Fixed without I/O is not available		
DTI	Max DTI 50%		
RESIDUAL INCOME	DTI >43% or HPML requires Residual Income = 1 person \$1550; 2 persons \$2500, Add \$150 per add'l household member Not required on Investment Properties		
MORTGAGE HISTORY	Primary housing history = 0 X 60 X 12		
**RECENT CREDIT EVENT	Non-Owner Occupied with a recent credit event are ineligible Foreclosure: 1 Day - < 36 months Bankruptcy: 12 -24 months / BK ≤ 12 months is ineligible Primary housing history = 0 X 90 X 12 *Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent		
QUALIFYING FICO	Bank Statement / Express Doc = Lowest middle score of all borrowers Full Doc = Middle score of the primary wage earner No Borrower can have a middle score below 600		
TRADELINES	2 within 24 mos with 12 mo history or combined profile with co-borrower of 3 tradelines Tradeline activity is not required; no derogs in last 24 mos; housing history not on credit can be considered a trade with supporting bank records Borrowers no using income to qualify are not required to meet the minimum tradeline requirements Authorized user accounts are not considered eligible tradelines (must be included in DTI)		
BORROWERS	First Time Home Buyer = Never having owned a home: Primary Purchase, Min 660 FICO, Max Loan Amt \$2MM, No I/O Non-Occupant Co-Borrower- Primary Purchase & R&T, 1 Unit Only, No recent credit event Non-Permanent Resident Alien- Primary Purchase & R&T; 1 Unit Only, No recent credit event Foreign National Ineligible		
FULL DOC	Most recent YTD paystub with at least 30 days of earnings, 2 years W2		
EXPRESS DOC	Most recent YTD paystub with at least 30 days of earnings, 1 year W2 or 1099		
BANK STATEMENTS	Bank Statements: 12 or 24 months personal or business bank statements 12 or 24 mo Business Bank Statements apply Expense Factor Table * or provide CPA or Borrower prepared P&L with Business Narrative *FTE/Contractors; Service Business: 0 = 20%, 1-5 = 40%, 5+ = 60% Product Business: 0 = 40%; 1-5 = 60%; 5+ = 80% *When using Expense Factor Max LTV is 75% with Min FICO of 680 If using a P&L, it should cover the same time frame as the business bank statements provided Bank statement qualifying may be used in conjunction with wage earner income		
GIFT FUNDS	Primary Purchase Only Permitted on Full Doc loans with LTVs ≤ 85% and Bank Statement/Express Doc loans with LTV ≤ 80% Borrower must have 5% of their own funds documented but not required to use Gifts are not allowed for reserves		
RESERVES	Loan Amts ≤ \$500,000 = 3 Mos; \$500,501 - \$1.5MM = 6 Mos; \$1,500,501 - \$3MM = 12 Mos Second Home and Non-Owner; Minimum 12 Months Interest Only; Minimum 12 Months Greater than 2 financed properties requires 9 mos PITIA on subject property plus 2 months PITIA of any add'l financed property (waived if primary residence transaction with 12 mos reserves)		
ASSETS	Most Recent 2 months Asset Statements, Quarterly Statement or FNMA approved third party direct pull services 100% value of Stocks/Bonds/Mutual Funds/Retirement Accounts at vesting percentage/Bank Accounts		
PROPERTY	Primary 1-2 Units / Second Home 1 Unit / Non-Owner 1-4 Units 2nd full appraisal required for Loan Amounts > \$1,500,000 and HPML flips All appraisals require a third party desk review by ClearEdge Max financed properties = 10 residential Declining Markets requires 5% LTV reduction Rural Property- Max LTV 85%; Primary Purchase & R&T Only		
CASH-OUT	Max Cash-Out \$1MM Cash-Out may be used to meet reserves		
ESCROWS	Required for HPML loans per CFPB		
STATE ELIGIBILITY	AZ, CA, CO, NV, OR, UT, WA		
PREPAYMENT PENALTY	Non-Owner only; 3 Year prepay can be bought down		



12/4/2018

Purchase / Rate & Term		
Primary / Second Home		
Loan Amount	Credit Score	LTV/CLTV
\$1.5 MM	680	80
	640	75
	600	70
\$3.0 MM	660	70
	640	65
LTV Adjustors Below Cumulative deductions not to exceed 65% LTV		
Recent Credit Event	Ineligible	
Second Home - 1 Unit	10	
Investment	Ineligible	
Warrantable Condo	5	
Non-Warrantable Condo	10	
Cash Out	Ineligible	
Interest Only	5	
First Time Home Buyer	5	
Non-Occupant Co-Borrower	15	
Non-Permanent Resident Alien	15	
Declining Markets	5	
MINI GUIDES		
PRODUCTS	5/1 ARM, 7/1 ARM, 30 Yr, 40 Yr, 40 Yr ARM all with Interest Only Options / 40 Yr Fixed without I/O is not available	
DTI	Max DTI 50%	
CREDIT EVENTS	No housing event permitted on any real estate within 3 years* *Housing event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent No Bankruptcy 7, 11, 13 (discharged or dismissed) within 2 years	
MORTGAGE HISTORY	Primary housing history = 0 X 60 X 12	
QUALIFYING FICO	Middle score of Primary Wage Earner if clearly defined; Multiple borrowers, use lowest middle score No Borrower can have a middle score below 600	
TRADELINES	2 within 24 mos with 12 mo history or combined profile with co-borrower of 3 tradelines Tradeline activity is not required; no derogs in last 24 mos; housing history not on credit can be considered a trade with supporting bank records	
BORROWERS	First Time Home Buyer= Never having owned a home. Primary or Second Home, Purchase & R/T, Max Loan Amt \$2MM, No I/O Non-Occupant Co-Borrower- Primary Purchase & R&T, 1 Unit Only Non-Permanent Resident Alien- Primary Purchase & R&T; 1 Unit Only Foreign Nationals are ineligible	
ASSETS	Most Recent 4 months Asset Statements, Quarterly Statements or FNMA approved third party direct pull services 85% of balance for Stocks/Bonds/Mutual Funds / 80% of vested balance in Retirement Accounts Assets used for qualifying must be documented and seasoned a min of 120 days Borrowers must have a minimum of the lesser of 1.25 times the loan amount (not to be less than \$450,000) or \$1MM in qualified assets Foreign Assets Ineligible	
INCOME CALCULATION	Verified assets less down payment & closing costs x 85% of stocks/bonds/Mutual Funds; 80% of retirement assets plus 75% of OREO divided by 10 year draw schedule To use equity from residential REO: Subject loan Max 65% LTV; 700 FICO, 75% of value documented by exterior appraisal or BPO; 100% ownership and lien search required Asset Utilization can be used in conjunction with other qualifying income	
GIFT FUNDS	Not Allowed	
RESERVES	Not Required	
PROPERTY	Primary 1-2 Units / Second Home 1 Unit 2nd full appraisal required for Loan Amounts > \$1,500,000 and HPML flips All appraisals require a third party desk review by ClearEdge Max financed properties = 10 residential Declining Markets requires a 5% LTV reduction Rural Property - Max LTV 85%; Primary Purchase & R&T Only	
CASH-OUT	Ineligible	
ESCROWS	Required for HPML per CFPB	
ELIGIBLE STATES	AZ, CA, CO, NV, OR, UT, WA	



12/4/2018

Purchase / Rate & Term			
Owner Occupied			
Loan Amount	Credit Score	LTV/CLTV	DTI
\$2,000,000	680	80%	45
Cash Out-Full Doc Only			
Owner Occupied			
\$1,000,000	680	75%	45
MINI GUIDES			
PROGRAM	Use DU Findings and Follow FNMA Guides to the above limits (LP not available) Replace DU Income Findings with Full Doc or Bank Statements; see below for income doc guides Provide DU Approve/Eligible or Approve/Ineligible (for Loan Amount and ARM terms only)		
PRODUCTS	5/1 ARM, 7/1 ARM, 30 Yr Fixed, 40 Yr Fixed - Interest Only available for all		
INTEREST ONLY	For 30 year I/O - run DU with 20 year amortization		
DTI	Max DTI 45% regardless of DU Findings		
CREDIT EVENTS	PER FNMA GUIDES: Foreclosure must be greater than 7 years PER FNMA GUIDES: Bankruptcy must be greater than 4 years Follow DU Findings--no extenuating circumstances for derogatory credit allowed		
TRADELINES	PER FNMA GUIDES No Alternate Credit Allowed		
VOM	PER FNMA GUIDES: Follow DU Findings		
BORROWERS	First Time Home Buyer = A borrower who has not owned a home in the last 3 years PER FNMA GUIDES: Non-Occupant Co-Borrower with blended ratios allowed PER FNMA GUIDES: Non-Permanent Resident Aliens allowed Foreign Nationals are ineligible		
FULL DOC	PER FNMA GUIDES: Full doc allowed for I/O, Non-warrantable condo, Asset Utilization or \$1 over High Balance		
BANK STATEMENTS	Replace DU Findings for Income with 12 or 24 months Personal or Business Bank Statements for Self-Employed borrowers owning at least 50% of the business 12 or 24 mo Business Bank Statements apply Expense Factor Table * or provide CPA or Borrower prepared P&L with business narrative *FTE/Contractors; Service Business: 0 = 20%, 1-5 = 40%, 5+ = 60% Product Business: 0 = 40%; 1-5 = 60%; 5+ = 80% If using a P&L, it should cover the same time frame as the business bank statements provided No residual income requirements		
ASSET UTILIZATION	Max 75% LTV, Primary, Purchase and R&T only Most Recent 4 months Asset Statements, Quarterly Statements or FNMA approved third party direct pull services 85% of balance for Stocks/Bonds/Mutual Funds / 80% of vested balance in Retirement Accounts Assets used for qualifying must be documented and seasoned a min of 120 days Borrowers must have a minimum of the lesser of 1.25 times the loan amount or \$1MM in qualified assets Foreign Assets Ineligible		
CASH-OUT	Allowed on Full Doc only		
GIFT FUNDS	PER FNMA GUIDES - For ease of documentation, Donor should send gift directly to close		
RESERVES	PER FNMA GUIDES - Follow DU Findings		
ASSETS	PER FNMA GUIDES - Follow DU Findings - No assets required for R&T Refinance PER FNMA GUIDES - 100% value of Stocks/Bonds/Mutual Funds/Retirement Accounts and Liquid Funds PER FNMA GUIDES- Gifts of Equity allowed		
PROPERTY	Primary 1-2 Units, SFR, PUD, Condo with Limited or Full Review per DU Findings 2nd full appraisal required for loan amounts >\$1,500,000 and HPML flips All appraisals require a third party desk review by ClearEdge Appraisals with CU Score ≤ 2.5 - no third party review required Non-Warrantable Condo allowed-Max 75% LTV, Purchase and R&T only, loan amount to \$1,000,000 Property Waivers are ineligible		
ESCROW	Required on HPML per CFPB		
SUBORDINATE FINANCING	Ineligible		
STATE ELIGIBILITY	AZ ,CA, CO, NV, OR, UT, WA		
UNDERWRITING	No unique eligibility and underwriting allowed - i.e. HomeStyle, Hard, DU Refi Plus, Home Ready		

12/14/2018

Conforming & High Balance					
Purchase / Rate & Term					
Maximum Loan Amount	Minimum Loan Amount	Property Type	Credit Score	LTV/CLTV	DTI
Conforming: \$484,350	\$100,000	1-Unit	700	75/80	50
High Balance: \$726,525			680	70/75	
Conforming: 2 Unit \$620,200, 3 Unit \$749,650, 4 Unit \$931,600	\$100,000	2-4 Units	720	75/80	50
High Balance: 2 Unit \$930,300, 3 Unit \$1,124,475, 4 Unit \$1,397,400			700	70/75	
Cash Out					
Conforming: \$484,350	\$100,000	1-Unit	700	70/75	50
High Balance: \$726,525					
Conforming: 2 Unit \$620,200, 3 Unit \$749,650, 4 Unit \$931,600	\$100,000	2-4 Units	700	65/70	50
High Balance: 2 Unit \$930,300, 3 Unit \$1,124,475, 4 Unit \$1,397,400					
Exceeds Agency High Balance					
Purchase / Rate & Term					
Maximum Loan Amount	Minimum Loan Amount	Property Type	Credit Score	LTV/CLTV	DTI
\$1,500,000	\$1 Above Agency High Balance	1-Unit	700	75/80	50
			680	70/75	
\$1,500,000	\$1 Above Agency High Balance	2-4 Units	720	75/80	50
			700	70/75	
Cash Out					
\$1,500,000	\$1 Above Agency High Balance	1-Unit	700	70/75	50
\$1,500,000	\$1 Above Agency High Balance	2-4 Units	700	65/70	50
MINI GUIDES					
PROGRAM		Use DU Findings and Follow FNMA Guides to the above limits (LP not available) Provide DU Approve/Eligible or Approve/Ineligible (for Loan Amount and ARM terms only)			
PRODUCTS		30 Yr Fixed			
DTI		Max DTI 50% regardless of DU Findings			
CREDIT EVENTS		PER FNMA GUIDES: Foreclosure must be greater than 7 years PER FNMA GUIDES: Bankruptcy must be greater than 4 years Follow DU Findings--no extenuating circumstances for derogatory credit allowed			
QUALIFYING FICO		Lowest middle score of all borrowers			
TRADELINES		PER FNMA GUIDES No Alternative Credit Allowed			
VOM		PER FNMA GUIDES: Follow DU Findings			
BORROWERS		First Time Home Buyer = A borrower who has not owned a home in the last 3 years PER FNMA GUIDES: Non-Occupant Co-Borrower with blended ratios allowed PER FNMA GUIDES: Non-Permanent Resident Aliens allowed Foreign Nationals are ineligible			
FULL DOC		PER FNMA GUIDES - Follow DU Findings			
GIFT FUNDS		Ineligible			
RESERVES		PER FNMA GUIDES - Follow DU Findings. Minimum 6 months required.			
ASSETS		PER FNMA GUIDES - Follow DU Findings PER FNMA GUIDES - 100% value of Stocks/Bonds/Mutual Funds/Retirement Accounts and Liquid Funds PER FNMA GUIDES- Gifts of Equity allowed			
PROPERTY		SFR, Warrantable Condo (5% LTV reduction), Units, Townhomes (Non-Warrantable Condos are ineligible) All appraisals require a third party desk review by ClearEdge Appraisals with CU Score ≤ 2.5 - no third party review required Property Waivers are ineligible			
STATE ELIGIBILITY		AZ, CA, CO, NV, OR, UT, WA			
PREPAY		None			



12/4/2018

DSCR = 1.1 Ratio - Market Rent divided by PITIA			
Purpose	Loan Amount	Credit Score	LTV*
Purchase Rate & Term	\$1,000,000	720	80
		640	75
		620	65
	\$1,500,000	700	75
		640	70
		620	65
\$2,000,000	700	70	
	640	65	
	620	60	
Cash-Out	\$1,500,000	640	70
		620	60
	\$2,000,000	640	60
No Ratio = No DSCR Ratio required			
Purchase Rate & Term	\$1,000,000	700	75
		640	70
	\$1,500,000	700	70
		640	65
	\$2,000,000	700	65
		640	60
Cash-Out	\$1,500,000	640	65
	\$2,000,000	640	60
MINI GUIDES			
TRANSACTION ELIGIBILITY	Financing of the investment property must be solely for commercial/business purposes		
PRODUCTS	3/1 ARM, 5/1 ARM, 7/1 ARM		
BORROWERS	<p>First Time Investor; DSCR Only; Reduce Max LTV by 5%</p> <p>Foreign National; Max LTV 65%; No Cash-Out; 660 assumed for pricing</p> <p>Foreign Nationals without an ITIN are not subject to FICO requirements; 660 assumed for pricing</p> <p>First Time Homebuyers are Ineligible</p> <p>Non-Permanent Resident Aliens- Max LTV 70%, Purchase & R&T; 1 Unit Only</p> <p>Inter-Vivos Revocable Trust; Limited or General Partnership</p> <p>Corporation allowed with Guarantor--Guarantor must be an individual with ≥ 25% ownership of entity and subject to FICO and background guidelines</p>		
DTI	NO DTI is calculated		
FORECLOSURE / BANKRUPTCY	<p>Foreclosure, Short Sale, Deed-In-Lieu, Default Mod must be > 2 years</p> <p>Bankruptcy 7, 11, or 13 must be dismissed or discharged > 2 years</p>		
MORTGAGE HISTORY	Primary Residence Housing History 1 X 30 X 12		
QUALIFYING FICO	<p>Single borrower = Middle FICO</p> <p>Multiple borrowers, lowest middle score of all borrowers</p>		
TRADELINES	<p>Each borrower must have at least 3 tradelines within the last 24 months</p> <p>Tradeline activity is not required / No derogs in last 12 months</p>		
EMPLOYMENT/INCOME	No Employment or Income information should be disclosed on the 1003		
GIFT FUNDS	Not allowed		
RESERVES	<p>6 mos PITIA for the subject plus 2 mos for each additional financed property not to exceed 12 mos</p> <p>Cash-out allowed for reserves</p>		
ASSETS	<p>Most Recent 2 months Asset Statements, Quarterly Statement or FNMA approved third party direct pull services</p> <p>Reserves: 80% value of Stocks/Bonds/Mutual Funds/ 70% Retirement Accounts at vesting percentage</p>		
PROPERTY	<p>Investment 2-4 Unit Max LTV 75%, SFR, PUD, Condo</p> <p>Warrantable Condo Max LTV 70% / Non-Warrantable Condo Max LTV 65%</p> <p>*Unleased properties require a 5% LTV reduction</p> <p>Loan Amounts > \$1,500,000 require 2nd full appraisal</p> <p>All appraisals require a third party desk review by ClearEdge</p> <p>Rural Properties are ineligible</p> <p>Max 5 acres</p> <p>Max financed properties = 20 residential</p> <p>Declining Markets require a 5% LTV reduction</p>		
CASH-OUT	<p>Cash-Out to max loan limits</p> <p>If owned <3 mos loan amount based on lower of 70% LTC or 70% LTV</p> <p>If owned ≥ 3 mos - <12 mos loan amount based on lower of 100% LTC or 70% LTV</p> <p>LTC=Loan to Cost--loan amount divided by total costs (acquisition plus improvements), improvements validated by appraiser or licensed home inspector</p> <p>Cash-Out allowed for reserves</p> <p>Foreign National-not allowed</p>		
ESCROWS	Escrows for taxes and insurance required for all loans		
INSURANCE	Rent loss Insurance equal to 6 months rent is required		
SUBORDINATE FINANCING	Ineligible		
STATE ELIGIBILITY	AZ, CA, CO, NV, OR, UT, WA		
PREPAYMENT PENALTY	3 Year prepay-can be bought down		





12/4/2018

Owner / Second Home / Non-Owner				
Purchase / Rate & Term				
OCCUPANCY	LOAN AMOUNT	FICO	LTV/CLTV	
Primary	\$1,000,000	720	90 Purchase Only	
		680	85	
		661	80	
	\$1,500,000	720	85	
		680	80	
		680	75	
Second	\$2,000,000	700	80	
		680	70	
		700	70	
Non-Owner	\$1,000,000	700	75	
		680	70	
		720	75	
	\$1,500,000	700	70	
		Cash-Out		
		Primary	\$1,000,000	700
680	70			
700	65			
Second	\$2,000,000	700	65	
		700	60	
		700	60	
Non-Owner	\$1,000,000	700	55	
	\$1,500,000			
MINI GUIDES				
PRODUCTS	5/1 ARM, 7/1 ARM, 30 Yr, 40 Yr, all with Interest Only Options / 40 Yr Fixed without I/O is not available			
INTEREST ONLY	Max 80% LTV, Min 700 FICO, Primary Residence, Min 12 months reserves			
DTI	Max DTI 50%. For DTI 43.01-50.00: Max LTV 80%, Min 700 FICO, Primary Residence, Min 12 months reserves			
RESIDUAL INCOME	DTI >43% or HPML requires Residual Income = 1 person \$1550; 2 persons \$2500, Add \$150 per add'l household member Not required on Non-Owner Properties			
CREDIT EVENTS	No housing event permitted on any real estate within 4 years* *Housing Event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent No Bankruptcy 7, 11, 13 (discharged or dismissed) within 4 years			
MORTGAGE HISTORY	0 X 30 x 12 for any REO			
RENTAL HISTORY	0 X 30 X 12			
QUALIFYING FICO	Middle Score of the primary wage earner No Borrower can have a middle score below 661 2 within 24 mos with 12 mo history or combined profile with co-borrower of 3 tradelines Tradeline activity is not required; no derogs in last 24 Mos; housing history not on credit can be considered a trade with supporting bank records			
TRADELINES	Authorized user accounts are not considered eligible tradelines (must be included in DTI)			
BORROWERS	First Time Home Buyer = Never having owned a home: Primary or Second Home, Max LTV 85%, Max Loan Amt \$2MM, No I/O Non-Occupant Co-Borrower- Max LTV 75%, Primary Purchase & R&T, 1 Unit Only Non-Permanent Resident Aliens- Max LTV 75%, Primary Purchase & R&T; 1 Unit Only Foreign Nationals are Ineligible			
INCOME DOCS	Wage Earner = Most recent YTD paystub with at least 30 days of earnings, 2 years W2 Self-Employed = 2 years personal and business tax returns with YTD P&L			
GIFT FUNDS	Primary Purchase Only; Max LTV 85% Borrower must have 5% of their own funds documented but not required to use Gift funds cannot be used toward reserves			
RESERVES	Loan Amts ≤ \$500,000 = 6 Mos; \$500,001- \$1.0MM = 9 Mos, \$1,000,001- \$2.0MM = 12 Mos; \$2,000,001- \$2.5MM = 18 Mos Interest Only; Minimum 12 months Second Home and Non-Owner; Minimum 12 months First Time Home Buyer; Minimum 6 months Non-Occupant Co-Borrower; Minimum 6 months Greater than 2 financed properties requires 9 mos on subject property plus 3 mos for each add'l financed property (waived if primary residence transaction with 18 months reserves)			
ASSETS	Most Recent 2 months Asset Statements, Quarterly Statement or FNMA approved third party direct pull services 100% value of Bank Accounts, Stocks, Bonds, Mutual Funds, Retirement Accounts at vesting percentage			
PROPERTY	Primary 1-2 Units / Second Home 1 Unit /Non-Owner 1-4 Units Condos: Reduce LTV 5% / Non Warrantable Condos are ineligible Rural Properties not allowed on Second Homes, Non-Owner Properties or Cash-Out Loan Amounts > \$1,500,000 or HPML flips require 2nd full appraisal All appraisals require a third party desk review by ClearEdge Max Financed Properties = 10 residential Declining Markets requires a 5% LTV reduction Max 20 Acres			
CASH-OUT	Cash-Out > \$500,000 = reduce LTV by 5% Cash-Out permitted to meet reserves Cash-Out not permitted on Rural Property Max Cash-Out \$1MM			
ESCROWS	Required for HPML loans per CFPB			
SUBORDINATE FINANCING	LTV=CLTV, Allowed behind Fixed and 7/1 ARM no I/O, Institutional Financing Only, Primary Residence Only			
STATE ELIGIBILITY	AZ, CA, CO, NV, OR, UT, WA			
PREPAYMENT PENALTY	Non-Owner only; 3 Year prepay-can be bought down			





12/4/2018

Purchase / Rate & Term		
Primary		
Loan Amount	Credit Score	LTV/CLTV
\$1,500,000	661	75
\$2,000,000	680	75
\$2,500,000	700	75
Second Home		
\$1,000,000	700	75
	680	70
\$2,000,000	700	70
MINI GUIDES		
PRODUCTS	5/1 ARM, 7/1 ARM, 30 Yr, 40 Yr, all with Interest Only Options / 40 Yr Fixed without I/O is not available	
DTI	Max DTI 50% - for DTI 43.01-50.00: Min Qualifying 700 FICO, Primary Residence Only	
CREDIT EVENTS	No housing event permitted on any real estate within 4 years* *Housing event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent No Bankruptcy 7, 11, 13 (discharged or dismissed) within 4 years	
MORTGAGE HISTORY	Primary housing history = 0 X 30 X 12 for any REO	
QUALIFYING FICO	Middle score of Primary Wage Earner if clearly defined; Multiple borrowers, use lowest middle score No Borrower can have a middle score below 661	
TRADELINES	2 within 24 mos with 12 mo history or combined profile with co-borrower of 3 tradelines Tradeline activity is not required; no derogs in last 24 mos; housing history not on credit can be considered a trade with supporting bank records	
BORROWERS	First Time Home Buyer= Never having owned a home. Purchase & R&T, Max LTV 85%, Max Ln Amt \$2MM, No I/O Non-Occupant Co-Borrower- Primary Purchase & R&T, 1 Unit Only Non-Permanent Resident Alien- Primary Purchase & R&T; 1 Unit Only No Foreign Nationals	
ASSETS	Assets used for qualifying must be seasoned a minimum of 6 months Most Recent 6 months Asset Statements or 2 Quarterly Statements 80% of balance for Stocks/Bonds/Mutual Funds / 70% of vested balance in Retirement Accounts Borrowers must have a minimum of the lesser of 1.25 times the loan amount (not to be less than \$450,000) or \$1MM in qualified assets. Foreign assets are ineligible	
INCOME CALCULATION	Verified assets less down payment & closing costs x 80% of stocks/bonds/Mutual Funds; 70% of retirement assets divided by 10 year draw schedule Asset utilization cannot be used in combination with wage or self-employment income from same borrower	
GIFT FUNDS	Not Allowed	
RESERVES	Not Required	
PROPERTY	Primary 1-2 Units / Second Home 1 Unit Condos: Reduce LTV 5% / Non Warrantable Condos are ineligible 2nd full appraisal required for Loan Amounts > \$1,500,000 and HPML flips All appraisals require a third party desk review by ClearEdge Max financed properties = 10 residential Declining Markets requires a 5% LTV Reduction Rural Property - Primary Purchase & R&T Only	
Cash Out	Ineligible	
ESCROWS	Required for HPML per CFPB	
ELIGIBLE STATES	AZ, CA, CO, NV, OR, UT, WA	





12/4/2018

Owner / Second Home / Non-Owner			
Purchase / Rate & Term			
OCCUPANCY	LOAN AMOUNT	FICO	LTV/CLTV
Primary	\$1,000,000	740	85 Purchase Only
		720	80
		700	75
		680	65
	\$2,000,000	700	70
Second	\$2,500,000	720	70
	\$1,000,000	720	70
	\$2,000,000	720	65
Non-Owner	\$1,000,000	720	75
	\$1,500,000	720	70
Cash-Out			
Primary	\$1,000,000	700	70
	\$2,000,000	700	65
Second	\$1,000,000	720	60
	\$2,000,000	720	55
Non-Owner	\$1,500,000	720	60
MINI GUIDES			
PRODUCTS	5/1 ARM, 7/1 ARM, 30 Yr, 40 Yr, all with Interest Only Options / 40 Yr Fixed without I/O is not available		
INTEREST ONLY	Max 75% LTV, Min 700 FICO, Primary Residence, Min 12 months reserves		
DTI	Max DTI 50%. For DTI 43.01-50.00: Max LTV 80%, Min 700 FICO, Primary Residence, Min 12 months reserves		
RESIDUAL INCOME	DTI >43% or HPML requires Residual Income = 1 person \$1550; 2 persons \$2500, Add \$150 per add'l household member Not required on Non-Owner Properties		
CREDIT EVENTS	No Housing Event permitted on any real estate within 4 years* *Housing Event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent No Bankruptcy 7, 11, 13 (discharged or dismissed) within 4 years		
MORTGAGE HISTORY	0 X 30 x 12 for any REO		
RENTAL HISTORY	0 X 30 X 12		
QUALIFYING FICO	Lowest middle score of all borrowers		
TRADELINES	2 within 24 mos with 12 mo history or combined profile with co-borrower of 3 tradelines Tradeline activity is not required; no derogs in last 24 Mos; housing history not on credit can be considered a trade with supporting bank records Authorized user accounts are not considered eligible tradelines (must be included in DTI)		
BORROWERS	First Time Home Buyer = Never having owned a home: Primary or Second Home, Max LTV 85%, Max Loan Amt \$2MM, No I/O Non-Occupant Co-Borrower- Max LTV 75%, Primary Purchase & R&T, 1 Unit Only Non-Permanent Resident Aliens- Max LTV 75%, Primary Purchase & R&T; 1 Unit Only Foreign Nationals are Ineligible		
INCOME-EXPRESS DOC	Express Doc: Wage Earner = Most recent YTD paystub/earnings statement with at least 30 days of earnings, 1 year W2 or 1099 Self Employed = 1 year personal and business tax returns with YTD P&L		
INCOME-BANK STMTS	Bank Statements: 12 or 24 months personal or business bank statements 12 or 24 mo Business Bank Statements apply Expense Factor Table * or provide CPA or Borrower prepared P&L with business narrative *FTE/Contractors; Service Business: 0 = 20%, 1-5 = 40%, 5+ = 60% Product Business: 0 = 40%; 1-5 = 60%; 5+ = 80% *When using Expense Factor Max LTV is 75% with Min FICO of 700 If using a P&L, it should cover the same time frame as the business bank statements provided Bank statement qualifying may be used in conjunction with wage earner income		
GIFT FUNDS	Primary Purchase Only, Max LTV 80% Borrower must have 5% of their own funds documented but not required to use Borrower must have 5% of their own funds documented but not required to use Gift funds cannot be used toward reserves		
RESERVES	Loan Amts ≤ \$500,000 = 6 Mos; \$500,001 - \$1.0MM = 9 Mos, \$1,000,001-\$2.0MM = 12 Mos; \$2,000,001 - \$2.5MM = 18 Mos Interest Only; Minimum 12 months Second Home and Non-Owner; Minimum 12 months First Time Home Buyer; Minimum 6 months Non-Occupant Co-Borrower; Minimum 6 months Greater than 2 financed properties requires 9 mos on subject property plus 3 mos for each add'l financed property (waived if primary residence transaction with 18 months reserves)		
ASSETS	Most Recent 2 months Asset Statements, Quarterly Statement or FNMA approved third party direct pull services 100% value of Stocks/Bonds/Mutual Funds/Retirement Accounts at vesting percentage/Bank Accounts		
PROPERTY	Primary 1-2 Units / Second Home 1 Unit / Non-Owner 1-4 Units Condos: Reduce LTV 5% / Non Warrantable Condos are ineligible Rural Properties not allowed on Second Homes, Non-Owner Properties or Cash-Out Loan Amounts > \$1,500,000 or HPML flips require 2nd full appraisal All appraisals require a third party desk review by ClearEdge Max Financed Properties = 10 residential Declining Markets requires a 5% LTV reduction Max 20 Acres		
CASH-OUT	Cash-Out > \$500,000 = reduce LTV by 5% Cash-Out permitted to meet reserves Cash-Out not permitted on Rural Property Max Cash-Out \$1MM		
ESCROWS	Required for HPML loans per CFPB		
SUBORDINATE FINANCING	LTV=CLTV, Allowed behind Fixed and 7/1 ARM no I/O, Institutional Financing Only, Primary Residence Only		
STATE ELIGIBILITY	AZ, CA, CO, NV, OR, UT, WA		
PREPAYMENT PENALTY	Non-Owner only; 3 Year prepay-can be bought down		

