

4/1/2019

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
Foreign National			10
Non-Permanent Resident Alien			15
Declining Markets			5
MINI GUIDES			
PRODUCTS	5/1 ARM, 5/1 ARM I/O, 7/1 ARM, 7/1 ARM I/O, 30 Yr, 40 Yr Fixed I/O, 40 Yr ARM I/O		
MINIMUM LOAN AMOUNT	\$100,000 Owner Occupied/ \$150,000 Non Owner		
DTI	Max DTI 50% for Owner Occupied and 55% for Non Owner DTI 50.01 - 55 for Purchase / Rate & Term only and FICO ≥ 680; Not allowed with Recent Event		
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 - Max LTV 70%, Purchase & R&T; Second Home or Non-Owner / See separate Matrix		
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		
PREPAYMENT PENALTY	Non-Owner only; 3 Year prepay can be bought down or out; 6 months interest on 80% of amount prepaid. BPC at Par = no prepay penalty		

4/1/2019

Purchase / Rate & Term		
Second Home / Investment		
CORE Seasoned Credit Event Housing Event > 3 yrs Bankruptcy > 2 yrs 0X60X12		
Loan Amount	Assumed Credit Score for Pricing	LTV/CLTV
\$3,000,000	660	70
LTV Adjustments Max LTV reduction 65%		Seasoned Credit Event
Recent Housing Event		5
Warrantable / Non-Warrantable Condo		5
Interest Only		5

MINI GUIDES	
PRODUCTS	5/1 ARM, 5/1 ARM I/O, 7/1 ARM, 7/1 ARM I/O, 30 Yr, 40 Yr Fixed I/O, 40 Yr ARM I/O
MINIMUM LOAN AMOUNT	\$100,000 Second Home / \$150,000 Non-Owner
DTI	Max DTI 50% for Second Home and 55% for Non Owner DTI 50.01 – 55 for Purchase / Rate & Term only and FICO ≥ 680; Not allowed with Recent Event
REFINANCE	Payoff of existing lien must be in a U.S. Financial Institution R/T limited to payoff of seasoned 12 mo 1st and 2nd or Purchase money 1st and 2nd; Seasoned Second = closed end or HELOC seasoned 12 mo and/or no draws greater than \$2,000 in last 12 months For properties owned less than six months the LTV/CLTV is based on the lesser of the original purchase price plus documented improvements or the appraised value Properties listed for sale within six months of the application date are ineligible
CREDIT	U.S. Credit Report not required; No SSN or ITIN required Assume 660 FICO for pricing If no foreign credit report available; 2 credit reference letters and 1 bank reference are required Reference letters to be translated to English & include time as a customer, pay history and account type /numbers
CREDIT EVENTS	Housing Event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent Recent = Settled / BK > 1 year
PRICING	660 FICO assumed for pricing
TRADELINES	2 within 24 mos with 12 mo history or combined profile with co-borrower with 3 tradelines Tradeline activity is not required; no derog in last 24 Mos; housing history not on credit can be considered a trade with supporting bank records
BORROWERS	Borrowers may not be a citizen of the United States and do not permanently reside in the U.S. All borrowers must provide a valid passport and visa to enter the U.S. Ineligible-Residents of any country not permitted to transact business with U.S. companies; Diplomatic Immunity No Visa Required for Borrowers who are residents of countries participating in the State Dept.'s Visa Waiver Program FTHB restrictions do not apply
EMPLOYMENT/INCOME	Third party verification of employment & income (tax returns, pay stubs and VVOE not required) SELF EMPLOYED Provide a letter (on company letterhead) from a professional based in the borrower's country of residence – Accountant/CPA/Financial Institution Officer/ Licensed Financial Advisor verifying (i) the nature of the business (ii) income figures for the last 2 years and (iii) a year-to-date income figure Validation of the existence of the business must include (i) Internet Web page address, or (ii) business and/or operator license from a governmental office WAGE EARNERS A letter on company letterhead from an authorized representative of the employer stating employment history (position/title, time on job) and current monthly salary with YTD earnings. A valid pay stub, pay ledger or financial institution deposit transaction record that supports the employment
ASSETS	Minimum 4 months current bank statements, all pages, translated into English and U.S. Currency Funds required for down payment and closing costs must be with a U.S. Financial Institution Business accounts are eligible for reserves and can remain at a financial institution in borrower's home country
RESERVES	Minimum 12 months > 2 financed properties requires 2 Mos for each additional financed property
PROPERTY	1 Unit Only Loan Amounts > \$1,500,000 require 2nd full appraisal All appraisals require a third party desk review by ClearEdge
CASH-OUT	Ineligible
ESCROWS	Required for HPML per CFPB
TITLE	Vesting must be in borrower's name including LLC with personal guarantee Limited POA is acceptable for executing closing documents
PREPAYMENT PENALTY	Non-Owner Only; 3 year prepay can be bought out or down; 6 months interest on 80% of amount prepaid. BPC at par = no prepay penalty

4/1/2019

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, 5/1 ARM I/O, 7/1 ARM, 7/1 ARM I/O, 30 Yr, 40 Yr Fixed I/O, 40 Yr ARM I/O	
MINIMUM LOAN AMOUNT	\$100,000	
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	
PREPAYMENT PENALTY	None	





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Owner / Second Home / Non-Owner			
Purchase / Rate & Term			
OCCUPANCY	LOAN AMOUNT	FICO	LTV/CLTV
Primary	\$1,000,000	700	90 Purchase Only
		680	85
		661	80
	\$1,500,000	720	90 Purchase Only
		700	80
		680	75
Second	\$2,000,000	700	75
		700	75
	\$1,500,000	700	80
		680	70
Non-Owner	\$1,000,000	661	65
		700	70
		700	75
	\$1,500,000	680	70
		700	75
		661	65
Cash-Out			
Primary	\$1,000,000	720	80
		700	75
	\$2,000,000	700	65
Second	\$1,000,000	700	65
	\$2,000,000	700	60
	\$1,000,000	700	65
Non-Owner	\$1,500,000	700	60
	\$1,000,000	700	65
MINI GUIDES			
PRODUCTS	5/1 ARM, 5/1 ARM I/O, 7/1 ARM, 7/1 ARM I/O, 30 Yr Fixed, 40 YR Fixed I/O		
MINIMUM LOAN AMOUNT	\$100,000 Owner Occupied/ \$150,000 Non Owner		
INTEREST ONLY	Max 80% LTV for Owner Occupied; Max 70% for Non-Owner; Min 700 FICO		
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 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		
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)		
BORROWER	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 = 2 years W2s plus most recent YTD paystub with at least 30 days of earnings 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 Second Home and Non-Owner; Minimum 12 months Non-Occupant Co-Borrower; Minimum 6 months Greater than 2 financed properties requires 9 mos on subject property plus 2 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 Florida Condo: Max LTV/CLTV 75% Purchase & Refinance; 70% for Cash-Out 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 = 15 residential Declining Markets requires a 5% LTV reduction Max 20 Acres		
CASH-OUT	Cash-out unlimited if LTV <65% Cash-Out permitted to meet reserves Cash-Out not permitted on Rural Property Max Cash-Out \$1.5 MM		
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		
PREPAYMENT PENALTY	None		



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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	700	70
	\$2,000,000	700	65
Non-Owner	\$1,000,000	700	75
	\$1,500,000	700	70
Cash-Out			
Primary	\$1,000,000	700	70
	\$2,000,000	700	65
Second	\$1,000,000	700	60
	\$2,000,000	700	55
Non-Owner	\$1,500,000	700	60
MINI GUIDES			
PRODUCTS	5/1 ARM, 5/1 ARM I/O, 7/1 ARM, 7/1 ARM I/O, 30 Yr Fixed, 40 YR Fixed I/O		
MINIMUM LOAN AMOUNT	\$100,000 Owner Occupied/ \$150,000 Non Owner		
INTEREST ONLY	Max 80% LTV for Owner Occupied; Max 70% for Non-Owner; Min 700 FICO		
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 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		
TRADELINES	2 within 24 mos with 12 mo history or combined profile with co-borrower of 3 tradelines Tradeline activity is not required; no derog 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	Non-Occupant Co-Borrower- Max LTV 80%, 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 Second Home and Non-Owner; Minimum 12 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 Florida Condo: Max LTV/CLTV 75% Purchase & Refinance; 70% for Cash-Out 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 = 15 residential Declining Markets requires a 5% LTV reduction Max 20 Acres		
CASH-OUT	Cash-Out unlimited if LTV < 65% Cash-Out permitted to meet reserves Cash-Out not permitted on Rural Property Max Cash-Out \$1.5 MM		
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		
PREPAYMENT PENALTY	None		

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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, 5/1 ARM I/O, 7/1 ARM, 7/1 ARM I/O, 30 Yr Fixed, 40 YR Fixed I/O	
MINIMUM LOAN AMOUNT	\$100,000 Owner Occupied/ \$150,000 Non Owner	
INTEREST ONLY	Minimum FICO 700	
DTI	Max DTI 50%	
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 derog in last 24 mos; housing history not on credit can be considered a trade with supporting bank records	
BORROWERS	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 Florida Condo: Max LTV/CLTV 75% Purchase & Refinance; 70% for Cash-Out 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 = 15 residential Declining Markets requires a 5% LTV Reduction Rural Property - Primary Purchase & R&T Only	
Cash Out	Ineligible	
ESCROWS	Required for HPML per CFPB	

4/1/2019

INVESTOR EDGE			
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	
	640	70	
Cash-Out	\$1,500,000	640	60
		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		
MINIMUM LOAN AMOUNT	\$75,000		
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>Tradelines activity is not required / No derog 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>*LTV reduced by 5% for unleased refinances</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 Nationals are ineligible</p>		
ESCROWS	Escrows for taxes and insurance required for all loans		
INSURANCE	Loss of use policy required		
SUBORDINATE FINANCING	Ineligible		
PREPAYMENT PENALTY	3 Year prepay can be bought down or out; 6 months interest on 80% of amount prepaid. BPC at par = no prepay penalty		



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INVESTOR EDGE			
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	
	640	70	
Cash-Out	\$1,500,000	640	60
		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		
MINIMUM LOAN AMOUNT	\$75,000		
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>Tradelines 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>*LTV reduced by 5% for unleased refinances</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 Nationals are ineligible</p>		
ESCROWS	Escrows for taxes and insurance required for all loans		
INSURANCE	Loss of use policy required		
SUBORDINATE FINANCING	Ineligible		
PREPAYMENT PENALTY	3 Year prepay-can be bought down		



4/1/2019

Purchase / Rate & Term / Cash-Out*			
Primary			
Loan Amount	Credit Score	LTV/CLTV	DTI
\$2,500,000	680	80%	50
Second Home / Investment			
\$2,000,000	680	75%	50
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) No unique eligibility and underwriting allowed - i.e. HomeStyle, Hard, DU Refi Plus, Home Ready		
MINIMUM LOAN AMOUNT	\$100,000 Owner Occupied/ \$150,000 Non Owner		
PRODUCTS	5/1 ARM, 5/1 ARM I/O, 7/1 ARM, 7/1 ARM I/O, 30 Yr, 40 Yr Fixed I/O, 40 Yr ARM I/O		
INTEREST ONLY	For 40 year I/O - run DU with 30 year amortization		
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 No extenuating circumstances for derogatory credit allowed		
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	Full Doc available only if not eligible for Agency (Ex.: Non-Warrantable Condos, Loan Balances \$1 over High Balance, Product type)		
BANK STATEMENTS FOR SELF-EMPLOYED	Business Bank Statements: 12 or 24 months business bank statements required (LLPAs will apply based upon number of months provided and is not based on DU Findings) for business Provide CPA or Borrower prepared P&L with business narrative or apply Expense Factor Table * *FTE/Contractors; Service Business: 0 = 20%, 1-5 = 40%, 5+ = 60% Product Business: 0 = 40%; 1-5 = 60%; 5+ = 80% Personal Bank Statements: 12 or 24 months personal bank statements required (LLPAs will apply based upon number of months provided and is not based upon DU Findings)		
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 75% of residential other REO equity with BPO. Max 65% LTV and Min 700 FICO 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 Must have a minimum of \$450,000 in post-close assets Gift funds and Foreign Assets Ineligible		
*CASH-OUT	Primary 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		
PREPAYMENT PENALTY	Non-Owner Only; 3 year prepay-can be bought down or out. 6 months interest on 80% of amount prepaid		