

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		
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		