

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
<b>LTV Adjustors Below</b> 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	
<b>MINI GUIDES</b>		
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	

