

Prime Ascent Plus – Standard Doc

Primary Residence		Maximum LTV/CLTV		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
720	1,000,000	90	80	80
	2,000,000	80	75	75
	2,500,000	75	70	70
700	1,000,000	85	75	75
	2,000,000	80	70	70
	2,500,000	70	65	65
680	1,000,000	80	75	75
	2,000,000	75	70	70
	2,500,000	70	NA	NA
Housing History		Occupancy Restrictions - Second Home	Occupancy Restrictions - Investment	1-Year Standard Doc
0x30x12		Max LTV/CLTV: • 75 – Purchase • 70 – Rate/Term & Cash-out Max Loan: \$2,000,000	Max LTV/CLTV • 75 – Purchase • 70 – Rate/Term & Cash-out Max Loan: \$2,000,000	Price Adjustor applies See Rate Sheet for LLPA
Housing Event Seasoning				
BK/FC/SS/DIL: >=48 Months				
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 85% for purchase and 75% for rate/term and cash-out transactions.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
Ineligible: Loans meeting the New York Sub-Prime definition				
General Requirements				
Product Type	<ul style="list-style-type: none"> Fixed Rate Terms: 15 & 30 years; 5/6 ARM, 7/6 ARM, 10/6 ARM 			
Interest Only	<ul style="list-style-type: none"> Min Credit Score: 700 	<ul style="list-style-type: none"> Max LTV: 80% 	<ul style="list-style-type: none"> 30-year total loan term, qualification based upon 20-year amortizing payment 	
Loan Amounts	<ul style="list-style-type: none"> Min: 150,000 	<ul style="list-style-type: none"> Max: 2,500,000 		
Loan Purpose	<ul style="list-style-type: none"> Purchase, Rate/Term, and Cash Out 			
Occupancy	<ul style="list-style-type: none"> Primary, Second Home, Investment 			
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached Condominium: Max LTV/CLTV 80% Not Eligible: 2-4 Units, Condo Hotel, Rural 	Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible 		
Acreage	<ul style="list-style-type: none"> Property up to 20-acres, not meeting the rural definition, eligible. 			
Cash-In-Hand	<ul style="list-style-type: none"> Max Cash-In-Hand: \$1,000,000 (Not applicable to Delayed Financing transactions) 			
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 2nd Appraisal required for loans > \$2,000,000. 			
Income Requirements				
Income	<ul style="list-style-type: none"> Wage/Salary: Paystubs, W-2's, 1-year or 2-years of Tax Returns, IRS Form 4506-C, Verbal VOE Self-Employed: 1-year or 2-years of Personal and Business Tax Returns, YTD P&L, 2-monthly bank statements, IRS Form 4506-C 			
Underwriting Requirements				
Credit Score	<ul style="list-style-type: none"> Use credit score of the borrower with the highest qualifying income Middle of 3 scores or lower of 2 	Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required; any large deposit must be sourced 	
Reserves	<ul style="list-style-type: none"> LTV ≤ 85%: 6-months of PITIA LTV > 85%: 12-months of PITIA Loan Amount > \$1.5 M: 9-months of PITIA Cash out may be used to satisfy requirement 	DTI Requirements	<ul style="list-style-type: none"> Max: 43% 	
Gift Funds	<ul style="list-style-type: none"> Min contribution: 5% primary, 10% investment 	Document Age	<ul style="list-style-type: none"> 90-days 	
Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in AK, KS, MI, MN, NM, OH and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Only declining prepayment penalty structures allowed in MS 	

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Primary Residence		Maximum LTV/CLTV - Bank Statements		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
720	1,000,000	90	80	80
	2,000,000	80	75	75
	2,500,000	75	70	70
700	1,000,000	85	75	75
	2,000,000	80	70	70
	2,500,000	70	65	65
680	1,000,000	80	75	75
	2,000,000	75	70	70
	2,500,000	70	NA	NA
Housing History	Occupancy Restrictions – Second Home	Occupancy Restrictions – Investment	12 Mo Bank Statement	
0x30x12	Max LTV/CLTV: • 75 - Purchase • 70 – Rate/Term & Cash-out Max Loan: \$2,000,000	Max LTV/CLTV: • 75 – Purchase • 70 – Rate/Term & Cash-out Max Loan: \$2,000,000	Price adjustor applies – see rate sheet	
Housing Event Seasoning BK/FC/SS/DIL: >=48 Months				
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 85% for purchase and 75% for rate/term and cash-out transactions.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
Ineligible: Loans meeting the New York Sub-Prime definition				
General Requirements				
Product Type	• Fixed Rate Terms: 15 & 30 years; 5/6 ARM, 7/6 ARM, 10/6 ARM			
Interest Only	• Min Credit Score: 700	• Max LTV: 80%	• 30-year total loan term, qualify using 20-year amortizing payment	
Loan Amounts	• Min: 150,000		• Max: 2,500,000	
Loan Purpose	• Purchase, Rate/Term, and Cash Out			
Occupancy	• Primary, Second Home, Investment			
Property Type	<ul style="list-style-type: none"> • Single Family: Attached, Detached • Condominium: Max LTV/CLTV 80% • Not Eligible: 2-4 Units, Condo Hotel, Rural 	Florida Condominiums: <ul style="list-style-type: none"> • A structural inspection is required for projects: <ul style="list-style-type: none"> ○ greater than 5 stories; and ○ over 30 years old (or 25 years if within 3 miles of the coast) • Projects with an unacceptable or no inspection are ineligible 		
Acreage	• Property up to 20-acres, not meeting the rural definition, eligible.			
Cash-In-Hand	• Max Cash-In-Hand: \$1,000,000 (Not applicable to Delayed Financing transactions)			
Appraisals	<ul style="list-style-type: none"> • FNMA Form 1004, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. • 2nd Appraisal required for loans > \$2,000,000. 			
Income Requirements				
Personal Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months of personal and 2-months of business bank statements. • Qualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements. • The business bank statements must reflect business activity and transfers to the personal account. 			
Business Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months of business bank statements. Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> ○ Fixed Expense Ratio (50%) ○ Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10% ○ 3rd party prepared Profit & Loss Statement (CPA,EA, or tax preparer) 			
Income Types Not Eligible	• Profit & Loss Statement	• Written VOE	• IRS Form 1099	• Asset Utilization
Underwriting Requirements				
Credit Score	<ul style="list-style-type: none"> • Use credit score of the borrower with the highest qualifying income • Middle of 3 scores or lower of 2 	DTI Requirements	• Max: 43%	
Assets	<ul style="list-style-type: none"> • Min of 30-days asset verification required; any large deposit must be sourced 	Reserves	<ul style="list-style-type: none"> • LTV ≤ 85%: 6-months of PITIA • LTV > 85%: 12-months of PITIA • Loan Amount > \$1.5M: 9-months of PITIA • Cash out may be used to satisfy requirement 	
Gift Funds	• Min contribution: 5% primary, 10% investment	Document Age	• 90-days	
Tradelines	<ul style="list-style-type: none"> • Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity • If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> • Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in AK, KS, MI, MN, OH, NM, and RI • Penalties not allowed on loans vested to individuals in IL and NJ • Penalties not allowed on loan amounts less than \$312,159 in PA • Only declining prepayment penalty structures allowed in MS 	

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Maximum LTV/CLTVs		Standard Doc - Primary Residence		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
720	1,000,000	90	85	80
	1,500,000	90	85	80
	2,000,000	85	80	80
	2,500,000	80	75	75
	3,000,000	75	70	70
	3,500,000	70	70	NA
700	1,000,000	90	85	80
	1,500,000	90	85	80
	2,000,000	85	75	70
	2,500,000	75	70	65
	3,000,000	75	70	65
	3,500,000	70	65	NA
680	1,000,000	90	85	75
	1,500,000	85	80	75
	2,000,000	80	75	70
	2,500,000	75	70	65
	3,000,000	70	65	65
660	1,000,000	80	80	75
	1,500,000	80	75	75
	2,000,000	75	70	65
	2,500,000	70	65	65
Housing History	Occupancy Restrictions - 2 nd Home	Occupancy Restrictions - Investment	1 Year Standard Doc	
1x30x12	Max LTV/CLTV:	Max LTV/CLTV:	Price adjustor applies – see rate sheet.	
Housing Event Seasoning	<ul style="list-style-type: none"> 85 – Purchase 80 – Rate/Term 75 – Cash-out 	<ul style="list-style-type: none"> 85 – Purchase 80 – Rate/Term 75 – Cash-out 		
BK/FC/SS/DIL >=48 Months Forbearance, Mod or Deferral: See LH Eligibility Guide	Max Loan Amount: \$2,500,000	Max Loan Amount: \$2,500,000		
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 85% for purchases and 80% for all refinances and the maximum loan amount is limited to \$2MM.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)			
Interest Only	<ul style="list-style-type: none"> Min Credit Score: 660 	<ul style="list-style-type: none"> Max LTV: 90% 		
Loan Amounts	<ul style="list-style-type: none"> Min: 150,000 	<ul style="list-style-type: none"> Max: 4,000,000 		
Loan Purpose	<ul style="list-style-type: none"> Purchase, Rate/Term, and Cash Out 			
Occupancy	<ul style="list-style-type: none"> Primary, Second Home, Investment 			
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV 85%. Condo Hotel: Max LTV/CLTV 85%, Max Loan Amount \$2,500,000. Rural: Not Eligible 	Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible 		
Acres	<ul style="list-style-type: none"> Property up to 20-acres, not meeting the rural definition, eligible. 10 or more acres limited to a max LTV/CLTV 80% 			
Cash-In-Hand	<ul style="list-style-type: none"> Max Cash-In-Hand: Unlimited 			
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 2nd Appraisal required for loans > \$2,000,000. 			
Income Requirements				
Income	<ul style="list-style-type: none"> Wage/Salary: Paystubs, W-2's, 1-year or 2-years of Tax Returns, IRS Form 4506-C, Verbal VOE Self-Employed: 1-year or 2-years of Personal and Business Tax Returns, YTD P&L, 2-monthly bank statements, IRS Form 4506-C 			

Prime Ascent – Standard Doc, continued

Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> • Use credit score of the borrower with the highest qualifying income • Middle of 3 scores or lower of 2 	Assets	<ul style="list-style-type: none"> • Min of 30-days asset verification required; any large deposit must be sourced
Reserves	<ul style="list-style-type: none"> • LTV ≤ 85%: 6-months of PITIA • LTV > 85%: 12-months of PITIA • Loan Amount > \$1.5M: 9-months of PITIA • Loan Amount > \$2.5M: 12-months of PITIA • Cash out may be used to satisfy requirement 	DTI Requirements	<ul style="list-style-type: none"> • Max: 50% <ul style="list-style-type: none"> ○ See FTHB guidelines for DTI restrictions • Primary Residence - Up to 55% allowed: <ul style="list-style-type: none"> ○ Min residual income of \$3,500 ○ Max LTV/CLTV ≤ 80% ○ Standard Doc 2-years ○ Minimum 12-months reserves ○ First time homebuyer not eligible
Gift Funds	<ul style="list-style-type: none"> • Min contribution: 5% primary, 10% investment 	Document Age	<ul style="list-style-type: none"> • 90-days
Tradelines	<ul style="list-style-type: none"> • Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity. • If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> • Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in AK, KS, MI, MN, NM, OH and RI • Penalties not allowed on loans vested to individuals in IL & NJ • Penalties not allowed on loan amounts less than \$312,159 in PA • Only declining prepayment penalty structures allowed in MS

Prime Ascent – Alt Doc

Maximum LTV/CLTVs		Bank Statements, 1099 & Asset Utilization, WVOE, P&L Only – Primary Residence		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
720	1,000,000	90	85	80
	1,500,000	90	85	80
	2,000,000	85	80	80
	2,500,000	80	75	75
	3,000,000	75	70	70
	3,500,000	70	70	NA
700	1,000,000	90	85	80
	1,500,000	90	85	80
	2,000,000	85	75	70
	2,500,000	75	70	65
	3,000,000	75	70	65
	3,500,000	70	65	NA
680	1,000,000	90	85	75
	1,500,000	85	80	75
	2,000,000	80	75	70
	2,500,000	75	70	65
	3,000,000	70	65	65
660	1,000,000	80	80	75
	1,500,000	80	75	75
	2,000,000	75	70	65
	2,500,000	70	65	65
Housing History		Occupancy Restrictions – 2nd Home	Occupancy Restrictions – Investment	12 Mo Bank Statement, 1 Year 1099, & Asset Utilization
1x30x12		Max LTV/CLTV:	Max LTV/CLTV:	
Housing Event Seasoning BK/FC/SS/DIL >=48 Months Forbearance, Mod or Deferral: See LH Eligibility Guide		<ul style="list-style-type: none"> 85 – Purchase 80 – Rate/Term 75 – Cash-out Max Loan Amount: 2,500,000	<ul style="list-style-type: none"> 85 – Purchase 80 – Rate/Term 75 – Cash-out Max Loan Amount: 2,500,000	
Written Verification of Employment and P&L Only		Max LTV/CLTV: 80% Purchase, 75% Rate/Term, 70% Cash-out Min Credit Score: 680 Max Loan Amount: \$2,500,000		
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 85% for purchases and 80% for all refinances and the maximum loan amount is limited to \$2MM.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)			
Interest Only	• Min Credit Score: 660		• Max LTV: 90%	
Loan Amounts	• Min: 150,000		• Max: 4,000,000	
Loan Purpose	• Purchase, Rate/Term, and Cash Out			
Occupancy	• Primary, Second Home, Investment			
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV 85%. Condo Hotel: Max LTV/CLTV 85%, Max Loan Amount \$2,500,000. Rural: Not Eligible 		Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible 	
Acreage	• Property up to 20-acres, not meeting the rural definition, eligible. 10 or more acres limited to a max LTV/CLTV 80%			
Cash-In-Hand	• Max Cash-In-Hand: Unlimited			
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 2nd Appraisal required for loans > \$2,000,000. 			

Prime Ascent – Alt Doc, continued

Income Requirements			
Personal Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months of personal and 2-months of business bank statements. • Qualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements. • The business bank statements must reflect business activity and transfers to the personal account. 		
Business Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months of business bank statements. Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> ○ Fixed Expense Ratio (50%) ○ Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10% ○ 3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer) 		
Profit & Loss Statement Only	<ul style="list-style-type: none"> • 12- or 24-months CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement Only • CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent business tax return 		
Written Verification of Employment	<ul style="list-style-type: none"> • FNMA Form 1005 • Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements 		
IRS Form 1099	<ul style="list-style-type: none"> • 1-year or 2-years 1099 	<ul style="list-style-type: none"> • Fixed Expense Ratio of 10% 	<ul style="list-style-type: none"> • YTD Documentation to support continued receipt of income from same source
Asset Utilization	<ul style="list-style-type: none"> • Eligible assets divided by 84 to determine a monthly income stream • Min Credit Score: 660 		
Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> • Use credit score of the borrower with the highest qualifying income • Middle of 3 scores or lower of 2 	DTI Requirements	<ul style="list-style-type: none"> • Max: 50% <ul style="list-style-type: none"> ○ See FTHB guidelines for DTI restrictions
Assets	<ul style="list-style-type: none"> • Min of 30-days asset verification required; any large deposit must be sourced 	Reserves	<ul style="list-style-type: none"> • LTV ≤ 85%: 6-months of PITIA • LTV > 85%: 12-months of PITIA • Loan Amount > \$1.5M: 9-months of PITIA • Loan Amount > \$2.5M: 12-months of PITIA • Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> • Min contribution: 5% primary, 10% investment 	Document Age	<ul style="list-style-type: none"> • 90-days
Tradelines	<ul style="list-style-type: none"> • Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity • If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty – Investment Property Only	<ul style="list-style-type: none"> • Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in AK, KS, MI, MN, NM, OH and RI • Penalties not allowed on loans vested to individuals in IL and NJ • Penalties not allowed on loan amounts less than \$312,159 in PA • Only declining prepayment penalty structures allowed in MS

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Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance	
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	1,500,000	85	80	80	
	2,000,000	80	75	75	
	3,000,000	70	65	65	
680	1,000,000	85	80	75	
	1,500,000	80	75	75	
	2,000,000	80	70	70	
	3,000,000	70	65	65	
660	1,000,000	80	80	75	
	1,500,000	80	75	75	
	2,000,000	70	65	65	
640	1,000,000	80	75	70	
	1,500,000	70	65	65	
	2,000,000	65	NA	NA	
620	1,000,000	70	70	NA	
Housing History Restrictions					
Housing History:	1x30x12	0x60x12	0x90x12	1 Year Standard Doc	
Max LTV/CLTV: Purchase	85	80	70	Price adjustor applies – see rate sheet	
Max LTV/CLTV: Refinance	80	75	NA		
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000		
Housing Event Seasoning Restrictions					
BK/FC/SS/DIL:	>=36 Mo	>= 24 Mo	>= 12 Mo	Occupancy Restrictions Second Home & Investment	
Max LTV/CLTV: Purchase	85	80	70	Max LTV/CLTV: Purchase	80
Max LTV/CLTV: Refinance	80	75	NA	Max LTV/CLTV: Refinance	75
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000	Max Loan Amt:	\$2,500,000
Forbearance, Mod or Deferral Housing Event Seasoning Restrictions: See LH Eligibility Guide					
Declining Market and State/CBSA Restrictions					
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 80% for purchases and 75% for all refinances and the maximum loan amount is limited to \$2MM.					
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands					
General Requirements					
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)				
Interest Only	• Min Credit Score: 660		• Max LTV 85%		
Loan Amounts	• Min: 150,000		• Max: 3,000,000		
Loan Purpose	• Purchase, Rate/Term, and Cash Out				
Occupancy	• Primary, Second Home, Investment				
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV Purchase 80%, Refinance 75% Condo Hotel: Max LTV/CLTV Purchase 80%, Refinance 75% Max Loan Amount \$2,500,000 Rural: Not Eligible 		Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible 		
Acreage	• Property up to 20-acres, not meeting the rural definition, eligible, 10 or more acres limited to a max LTV/CLTV 80%				
Cash-In-Hand	• Max Cash-In-Hand: Unlimited				
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 2nd Appraisal required for loans > \$2,000,000. 				
Income Requirements					
Income	<ul style="list-style-type: none"> Wage/Salary: Paystubs, W-2's, 1-year or 2-years Tax Returns, IRS Form 4506-C, Verbal VOE Self-Employed: 1-year or 2-years Personal and Business Tax Returns, YTD P&L, 2-monthly bank statements, IRS Form 4506-C 				

Credit Ascent – Standard Doc, continued

Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> Use credit score of the borrower with the highest qualifying income Middle of 3 scores or lower of 2 	DTI Requirements	<ul style="list-style-type: none"> Max: 50% <ul style="list-style-type: none"> See FTHB guidelines for DTI restrictions
Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required; any large deposit must be sourced 	Reserves	<ul style="list-style-type: none"> 6-months of PITIA if LTV >= 80% 3-months of PITIA if LTV < 80% Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> Min contribution: 5% primary, 10% investment 	Document Age	<ul style="list-style-type: none"> 90-days
Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty – Investment Property Only	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in AK, KS, MI, MN, NM, OH and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Only declining prepayment penalty structures allowed in MS

Credit Ascent – Alt Doc

Maximum LTV/CLTVs		Bank Statements/1099 – Primary Residence			
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance	
700	1,000,000	85	80	80	
	1,500,000	85	80	80	
	2,000,000	80	75	75	
	3,000,000	70	65	65	
680	1,000,000	85	80	75	
	1,500,000	80	75	75	
	2,000,000	80	70	70	
	3,000,000	70	65	65	
660	1,000,000	80	80	75	
	1,500,000	80	75	75	
	2,000,000	70	65	65	
640	1,000,000	80	75	70	
	1,500,000	70	NA	NA	
	2,000,000	65	NA	NA	
620	1,000,000	70	70	NA	
Housing History Restrictions					
Housing History:	1x30x12	0x60x12	0x90x12	Occupancy Restrictions – Second Home & Investment	
Max LTV/CLTV: Purchase	85	80	70	Max LTV/CLTV: Purchase	80
Max LTV/CLTV: Refinance	80	75	NA	Max LTV/CLTV: Refinance	75
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000	Max Loan Amt:	\$2,500,000
Housing Event Seasoning Restrictions					
BK/FC/SS/DIL:	≥36 Mo	≥24 Mo	≥12 Mo	Forbearance, Modification, or Deferral	
Max LTV/CLTV: Purchase	85	80	70	See LH Eligibility Guide	
Max LTV/CLTV: Refinance	80	75	NA		
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000		
12 Mo Bank Statement, 1 Year 1099			Price adjustor applies – see rate sheet		
Declining Market and State/CBSA Restrictions					
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 80% for purchases and 75% for all refinances and the maximum loan amount is limited to \$2MM.					
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands					
General Requirements					
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)				
Interest Only	• Min Credit Score: 660		• Max LTV 85%		
Loan Amounts	• Min: 150,000		• Max: 3,000,000		
Loan Purpose	• Purchase, Rate/Term, and Cash Out				
Occupancy	• Primary, Second Home, Investment				
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV Purchase 80%, Refinance 75% Condo Hotel: Max LTV/CLTV Purchase 80%, Refinance 75% Max Loan Amount \$2,500,000 Rural: Not Eligible 		Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible 		
Acreage	• Property up to 20-acres, not meeting the rural definition, eligible, 10 or more acres limited to a max LTV/CLTV 80%				
Cash-In-Hand	• Max Cash-In-Hand: Unlimited				
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 2nd Appraisal required for loans > \$2,000,000. 				

Credit Ascent – Alt Doc, continued

Income Requirements			
Personal Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months of personal and 2-months of business bank statements. • Qualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements. • The business bank statements must reflect business activity and transfers to the personal account. 		
Business Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months of business bank statements. Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> ○ Fixed Expense Ratio (50%) ○ Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10% ○ 3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer) 		
IRS Form 1099	<ul style="list-style-type: none"> • 1-year or 2-years 1099 	<ul style="list-style-type: none"> • Fixed Expense Ratio of 10% 	<ul style="list-style-type: none"> • YTD Documentation to support continued receipt of income from same source
Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> • Use credit score of the borrower with the highest qualifying income • Middle of 3 scores or lower of 2 	DTI Requirements	<ul style="list-style-type: none"> • Max: 50% <ul style="list-style-type: none"> ○ See FTHB guidelines for DTI restrictions
Assets	<ul style="list-style-type: none"> • Min of 30-days asset verification required; any large deposit must be sourced 	Reserves	<ul style="list-style-type: none"> • 6-months of PITIA if LTV >= 80% • 3-months of PITIA if LTV < 80% • Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> • Min contribution: 5% primary, 10% investment 	Document Age	<ul style="list-style-type: none"> • 90-days
Tradelines	<ul style="list-style-type: none"> • Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity • If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> • Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in AK, KS, MI, MN, NM, OH and RI • Penalties not allowed on loans vested to individuals in IL and NJ • Penalties not allowed on loan amounts less than \$312,159 in PA • Only declining prepayment penalty structures allowed in MS

Investor Solutions – DSCR

Single Investment Property				
Maximum LTV/CLTVs		>= 1.00		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
700	1,000,000	80	75	75
	1,500,000	80	75	75
	2,000,000	75	70	70
	3,000,000	70	65	65
	3,500,000	70	65	NA
660	1,000,000	75	75	70
	1,500,000	75	70	70
	2,000,000	70	65	65
	2,500,000	70	65	65
	3,000,000	65	NA	NA
640	1,000,000	75	70	NA
	1,500,000	65	65	NA
	2,000,000	65	NA	NA
	3,000,000	60	NA	NA
Maximum LTV/CLTVs		< 1.00		
700	1,000,000	75	70	70
	1,500,000	75	70	70
	2,000,000	70	65	65
	2,500,000	65	NA	NA
	3,000,000	60	NA	NA
680	1,000,000	70	65	NA
	1,500,000	70	65	NA
	2,000,000	65	60	NA
	3,000,000	60	NA	NA
660	1,000,000	65	NA	NA
Housing History	Credit Event Seasoning	Investor Experience		
<ul style="list-style-type: none"> 1x30x12 – No reduction 0x60x12 – Max 70% LTV Purchase & Max 65% LTV Rate/Term & Cash-out 	BK/FC/SS/DIL: <ul style="list-style-type: none"> >=36 Mo – No reduction >=24 Mo – Max 75% LTV Purchase & Max 70% LTV Rate/Term & Cash-out Housing Event Seasoning: Forbearance, Mod or Deferral: See LH Eligibility Guide	Experienced Investor: Borrower/guarantor must have a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years. First Time Investor: A borrower/guarantor not meeting the experienced investor criteria. <ul style="list-style-type: none"> First time investors eligible subject to the following restrictions: <ul style="list-style-type: none"> Min credit score: 680 If reported, no mortgage late payments during the past 36 Mo >= 36 Mo from any credit event Own a primary residence for at least 1-year Cash-out not eligible First time homebuyer not eligible 		
Unleased Properties	All long-term rental refinances: A vacant or unleased property is allowed subject to max LTV of 70%. Not applicable for short-term rentals, see short-term rental income section for specific criteria.			
Declining Markets and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 75% for purchases and 70% for all refinances and the maximum loan amount is limited to \$2MM.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)			
Interest Only	<ul style="list-style-type: none"> Min Credit Score: 680 Max LTV: 75% Purchase, 75% Rate/Term, 70% Cash-Out 			
Loan Amounts	<ul style="list-style-type: none"> Min: 100,000 Max: 3,500,000 			
Loan Amt < 150K	<ul style="list-style-type: none"> Max LTV/CLTV: Purchase 70%, any Refinance 65% (Min DSCR 1.25) 			
Loan Purpose	<ul style="list-style-type: none"> Purchase, Rate/Term, and Cash Out 			
Occupancy	<ul style="list-style-type: none"> Investment 			
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV Purchase 75%, Refinance 70% Condo Hotel: Max LTV/CLTV: Purchase – 75%, Refinance – 65%. Max Loan Amount \$1,500,000 Rural: Not Eligible 	Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible 		
Acreage	<ul style="list-style-type: none"> Property up to 2-acres, not meeting the rural definition, eligible 			

Investor Solutions – DSCR, continued

General Requirements, continued	
Max Cash-In-Hand	<ul style="list-style-type: none"> LTV \geq 65% - \$500,000 LTV < 65% - \$1,000,000 Total equity withdrawn cannot exceed these limits (Not applicable to Delayed Financing transactions)
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 2nd Appraisal required for loans > \$2,000,000.
Income Requirements	
Income	<p>Long-Term Rental Documentation and DSCR Calculation</p> <ul style="list-style-type: none"> Purchase Transactions: <ul style="list-style-type: none"> Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents. If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. A vacant or unleased property is allowed without LTV restriction. Refinance Transactions: <ul style="list-style-type: none"> Required documentation: <ul style="list-style-type: none"> FNMA Form 1007 or 1025 reflecting long-term market rents, and lease agreement. If the lease has converted to month-to-month, then provide most recent two (2) months proof of receipt to evidence continuance of lease. If unable to provide evidence of receipt, the unit will be treated as vacant and subject to the following: <ul style="list-style-type: none"> LTV/CLTV limits: Lesser of 70%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025 as follows: <ul style="list-style-type: none"> If using the lower of the actual lease amount or estimated market rent, nothing further is required. If using a higher actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%. If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%. A vacant or unleased property is allowed subject to the following: <ul style="list-style-type: none"> LTV/CLTV limits: Lesser of 70%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix DSCR Calculation: <ul style="list-style-type: none"> Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. See this matrix for required Debt Service Coverage Ratios. Gross rents divided by PITIA = DSCR <p>Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> Short-Term Rental Income – Purchase and Refinance Transactions: <ul style="list-style-type: none"> LTV is lesser of 75% for a purchase and 70% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance. (Excludes Condo Hotel projects) DSCR Calculation: <ul style="list-style-type: none"> Monthly gross rents based upon a 12-month average to account for seasonality required. Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used. (Gross Rents * .80) divided by PITIA = DSCR. When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR. Any of the following methods may be used to determine gross monthly rental income: <ul style="list-style-type: none"> A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents. <ul style="list-style-type: none"> If long-term rent is utilized, 20% expense factor is not to be applied. The most recent 12-month rental history statement from the 3rd party rental/management service. <ul style="list-style-type: none"> The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The qualifying income must be net of all vendor or management fees. The most recent 12-month bank statements from the borrower/guarantor evidencing short-term rental deposits. Borrower/guarantor must provide rental records for the subject property to support monthly deposits. AIRDNA Rentalizer and Overview reports, accessed using the Explore Short-Term Rental data, must meet the following requirements: <ul style="list-style-type: none"> Rentalizer (Property Earning Potential) <ul style="list-style-type: none"> Only allowed for purchase transaction Gross rents equal the revenue projection from the Rentalizer Report less the 20% extraordinary expense factor Forecast period must cover 12 months from the Note date The occupancy rate must be > 60% <ul style="list-style-type: none"> Maximum occupancy limited to 2 individuals per bedroom Must have five (5) comparable properties, all within the same ZIP code <ul style="list-style-type: none"> Must be similar in size, room count, amenities, availability, and occupancy Overview Report (Evaluate a Market) <ul style="list-style-type: none"> Market score or Sub-Market score by zip code Market score or Sub-Market score must be 60 or greater

Investor Solutions – DSCR, continued

Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> Use highest decision score amongst all borrowers/guarantors. Middle of 3 scores or lower of 2 	Tradelines	<ul style="list-style-type: none"> If borrower/guarantor has three (3) credit scores, the minimum tradeline requirement is waived Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity
Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required 	Reserves	<ul style="list-style-type: none"> 2-months of PITIA Loan Amount > \$1.5M: 6-months of PITIA Loan Amount > \$2.5M: 12-months of PITIA Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> Allowed after min 10% borrower contribution 	Document Age	<ul style="list-style-type: none"> 90-days
Prepayment Penalty - Investment Property Only	<p><u>Acceptable Structures include the following:</u></p> <ul style="list-style-type: none"> Fixed percentage of no less than 3% Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%) Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period. 		<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in AK, KS, MI, MN, NM, OH and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Only declining prepayment penalty structures allowed in MS

Investor Solutions – DSCR (5-8 Units or 2-8 Mixed Use)

Single Investment Property 5 – 8 Residential Units and 2 – 8 Mixed Use				
Maximum LTV/CLTVs		>= 1.00		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
700	1,500,000	75	70	65
	2,000,000	70	65	65
Housing History	Housing Event Seasoning	Investor Experience		
<ul style="list-style-type: none"> 0x30x12 	BK/FC/SS/DIL: <ul style="list-style-type: none"> >=36 Mo – Any event Forbearance, Mod or Deferral: See LH Eligibility	Experienced Investor: Borrower/guarantor must have a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years First Time Investor: Not eligible		
Unleased Units				
Maximum: 1 vacant unit on 2-3 Unit property. 2 vacancies on 4+ Units.				
Declining Market and State/CBSA Restrictions				
Maximum eligible LTVs do not require a market adjustment for the 5-8 multifamily and 2-8 mixed use property types.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Rate Terms: 15, 30-years; 5/6 ARM, 7/6 ARM, 10/6 ARM. Maximum loan term cannot exceed 30-years.			
Interest Only	<ul style="list-style-type: none"> Eligible 			
Loan Amounts	<ul style="list-style-type: none"> Min: 400,000 Max: 2,000,000 			
Loan Purpose	<ul style="list-style-type: none"> Purchase, Rate/Term, and Cash Out 			
Cash-In-Hand	<ul style="list-style-type: none"> Max cash-in-hand \$1,000,000 			
Occupancy	<ul style="list-style-type: none"> Investment 			
Eligibility Restrictions	<ul style="list-style-type: none"> Citizens and individuals from OFAC sanctioned countries are not eligible 			
Property Type	<ul style="list-style-type: none"> Residential 5 – 8 Units Mixed use 2 – 8 Units <ul style="list-style-type: none"> Commercial usage limited to Retail/Office/Restaurant <ul style="list-style-type: none"> 2-3 Units: Max 1 commercial Unit 4-5 Units: Max 2 commercial Units 6-8 Units: Max 3 commercial Units Commercial space must not exceed 49% of the total building area 			
Acreage	<ul style="list-style-type: none"> Property up to 2-acres, not meeting the rural definition, eligible 			
Unleased Units	<ul style="list-style-type: none"> Maximum: 1 vacant unit on 2-3 Unit property. 2 vacancies on 4+ Units. 			
Appraisals	<ul style="list-style-type: none"> A full interior inspection with photos is required for all units. 5-8 Residential <ul style="list-style-type: none"> FHLMC 71A, FNMA 1050 or similar short form used to appraise 5+ residential properties, or Narrative report can be utilized but not required. 2-8 Mixed Use <ul style="list-style-type: none"> General Purpose Commercial Forms (i.e., GP Commercial Summary Form available from CoreLogic a la mode) The following attachments required for 5-8 Residential and 2-8 Mixed Use appraisal reports: <ul style="list-style-type: none"> Rent Roll Income and Expense Statement Photos of subject including exterior/interior and street scene Aerial photo Sketch or floor plan of typical units Map Appraiser qualifications Review Product – A commercial BPO required for all loans. <ul style="list-style-type: none"> In Pennsylvania and North Carolina, a commercial evaluation product is used instead of a commercial BPO. 			
Property Condition	<ul style="list-style-type: none"> No fair or poor ratings No environmental issues (Storage or use of hazardous material i.e., Dry Cleaners, Laundromat) No health or safety issues (As noted by appraiser, i.e., broken windows, stairs) No excessive deferred maintenance that could become a health or safety issue for tenants No structural deferred maintenance, (i.e., Foundation, roof, electrical, plumbing) 			
Mixed Use	<ul style="list-style-type: none"> Commercial use limited to retail, restaurant, or office space. Residential/Commercial zoning acceptable. 			

Investor Solutions – DSCR (5-8 Units or 2-8 Mixed Use), continued

Income Requirements			
Income	<ul style="list-style-type: none"> Leased – Use lower of Estimated market rent or lease agreement. Short-Term Rental Income not eligible Vacant Unit(s) – Use 75% of market rents. Max: 1 vacancy on 2-3 Unit properties; 2 vacancies on 4+ Units. Reduce qualifying rents by any management fee reflected on appraisal report. 2-8 Mixed Use – Income from commercial space must not exceed 49% of the total property income 		
DSCR	<ul style="list-style-type: none"> Minimum DSCR >= 1.00 DSCR = Eligible monthly rents/PITIA (Loans with an interest only feature may use the ITIA payment). Loan amounts >= \$2,000,000 require DSCR >= 1.00 and Debt Yield of 9% or greater (Net operating income/Loan amount = 9% or greater) Reduce qualifying rents by any management fee reflected on the appraisal report 		
Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> Use highest decision score amongst all borrowers/guarantors. Middle of 3 scores or lower of 2 	Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity For each borrower/guarantor who has three (3) credit scores, the minimum tradeline requirement is waived (all borrowers/guarantors must be evaluated individually).
Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required; 	Reserves	<ul style="list-style-type: none"> 6-months of PITIA Loan Amount > \$1.5M: 9-months of PITIA Loan Amount > \$2.5M: 12-months of PITIA Cash out may not be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> Not eligible 	Document Age	<ul style="list-style-type: none"> 90-days
Prepayment Penalty	<ul style="list-style-type: none"> Acceptable structures include the following: <ul style="list-style-type: none"> Fixed percentage of no less than 3% Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%) 	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Only declining prepayment penalty structures allowed in MS 	

Cross Collateral DSCR Matrix

Cross Collateral				
Minimum DSCR	Minimum Credit Score	LTV/CLTV		
		Purchase	Rate/Term	Cash-Out
>=1.20	700	70	65	65
	660	65	NA	NA
	Foreign National (FN)	65	NA	NA
Housing			Minimum	Maximum
0x60x12	Loan Amount		\$400,000	\$3,000,000
Credit Events	Property Count		3	25
>= 36-months	Property level allocated balance		\$50,000	\$1,000,000
Cash-Out				
LTV <= 65%			Unlimited	
State/CBSA Restrictions				
Maximum eligible LTVs do not require a market adjustment for the cross-collateral program.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
Prepayment Penalty	<ul style="list-style-type: none"> Acceptable structures include the following: <ul style="list-style-type: none"> Fixed percentage of no less than 3% Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%) 	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in AK, KS, MI, MN, NM, OH and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Only declining prepayment penalty structures allowed in MS 		
Product Type	Fixed Rate Terms: 15, 30-years; 5/6 ARM, 7/6 ARM, 10/6 ARM. Maximum loan term cannot exceed 30-years.			
Property Type	Eligible: 1-4 unit residential properties, condominiums, condo hotels. Ineligible: 5-8 unit residential and 2-8 mixed use properties.			
Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries are not eligible			
See Correspondent Seller Guide for complete underwriting details.				
See Loanhouse Rate Sheet for file review fees.				

Foreign National – Investment Property Only

Maximum LTV/CLTVs			DSCR (Investment Only)		
DSCR	Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
>=1.00	680	1,000,000	75	65	65
		1,500,000	70	60	60
	Foreign Credit	1,000,000	75	65	65
		1,500,000	70	60	60
<1.00	680	1,000,000	65	60	60
		1,500,000	65	NA	NA
	Foreign Credit	1,000,000	65	60	60
		1,500,000	65	NA	NA
Housing History		Credit Event Seasoning	First Time Investor	Unleased Properties	
0x30x12, if documented		BK/FC/SS/DIL/Mod: >= 36 Mo	Allowed	Refinance: LTV reduction not required	
Declining Market and State/CBSA Restrictions					
Maximum eligible LTVs do not require a market adjustment for the Foreign National program.					
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands					
General Requirements					
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)				
Interest Only	<ul style="list-style-type: none"> Eligible 				
Loan Amounts	<ul style="list-style-type: none"> Min: 150,000 Max: 1,500,000 				
Loan Purpose	<ul style="list-style-type: none"> Purchase, Rate/Term, and Cash Out 				
Occupancy	<ul style="list-style-type: none"> Investment for all eligible foreign citizens 				
Eligibility Restrictions	<ul style="list-style-type: none"> Citizens and individuals from OFAC sanctioned countries are not eligible Florida Purchases: Loans secured by property located in the state of Florida made to foreign principals, persons, and entities are to include one of the following Affidavits published by the Florida Land Title Association: <ul style="list-style-type: none"> Conveyances to Foreign Entities – By Individual Buyer Conveyances to Foreign Entities – By Entity Buyer 				
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV <ul style="list-style-type: none"> Purchase – 70%, Refinance – 65% Condo Hotel: Max LTV/CLTV: <ul style="list-style-type: none"> Purchase – 70%, Refinance – 65% Rural: Not Eligible 		Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible 		
Acreage	<ul style="list-style-type: none"> DSCR maximum 2-acres. 				
Cash-In-Hand	<ul style="list-style-type: none"> \$300,000 if LTV > 50% \$500,000 for LTV <= 50% Total equity withdrawn cannot exceed above limits 				
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. 				
Income Requirements					
Income	Long-Term Rental Documentation and DSCR Calculation <ul style="list-style-type: none"> Purchase Transactions: <ul style="list-style-type: none"> Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents. If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. A vacant or unleased property is allowed without LTV restriction. Refinance Transactions: <ul style="list-style-type: none"> Required documentation: <ul style="list-style-type: none"> FNMA Form 1007 or 1025 reflecting long-term market rents, and lease agreement. If the lease has converted to month-to-month, then provide most recent two (2) months proof of receipt to evidence continuance of lease. If unable to provide evidence of receipt, the unit will be treated as vacant. Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025 as follows: <ul style="list-style-type: none"> If using the lower of the actual lease amount or estimated market rent, nothing further is required. If using a higher actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%. If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%. A vacant or unleased property is allowed, LTV reduction not required. DSCR Calculation: <ul style="list-style-type: none"> Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. See this matrix for required Debt Service Coverage Ratios. Gross rents divided by PITIA = DSCR 				

Foreign National – Investment Property Only, continued

Income, continued	<p>Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> • Short-Term Rental Income – Purchase and Refinance Transactions: <ul style="list-style-type: none"> ○ LTV is lesser of 70% for a purchase and 65% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance (Excludes Condo Hotel projects). ○ DSCR Calculation: <ul style="list-style-type: none"> ▪ Monthly gross rents based upon a 12-month average to account for seasonality required. ▪ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used. ▪ $(\text{Gross Rents} * .80) \text{ divided by PITIA} = \text{DSCR}$ • When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR. • Any of the following methods may be used to determine gross monthly rental income: <ul style="list-style-type: none"> ○ A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents. <ul style="list-style-type: none"> ▪ If long-term rent is utilized, 20% expense factor is not to be applied ○ The most recent 12-month rental history statement from the 3rd party rental/management service. <ul style="list-style-type: none"> ▪ The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The qualifying rental income must be net of all vendor or management fees. ○ The most recent 12-month bank statements from the borrower/guarantor evidencing short-term rental deposits. Borrower/guarantor must provide rental records for the subject property to support monthly deposits. ○ AIRDNA Rentalizer and Overview reports, accessed using the Explore Short-Term Rental Data, must meet the following requirements: <ul style="list-style-type: none"> ▪ Rentalizer (Property Earning Potential) <ul style="list-style-type: none"> ▪ Only allowed for purchase transaction ▪ Gross rents equal the revenue projection from the Rentalizer Report less the 20% extraordinary expense factor ▪ Forecast period must cover 12 months from the Note date ▪ The occupancy rate must be > 60% <ul style="list-style-type: none"> a. Maximum occupancy limited to 2 individuals per bedroom ▪ Must have five (5) comparable properties, all within the same ZIP code <ul style="list-style-type: none"> a. Must be similar in size, room count, amenities, availability, and occupancy ▪ Overview Report (Evaluate a Market) <ul style="list-style-type: none"> ▪ Market Score or Sub-Market Score by zip code ▪ Market Score or Sub-Market Score must be 60 or greater 		
	Underwriting Requirements		
Credit Score	<ul style="list-style-type: none"> • If score available, use the highest decision score amongst all borrowers/guarantors • Middle of 3 scores or lower of 2, if available 	DTI Requirements	(DSCR – no DTI component)
Assets	<ul style="list-style-type: none"> • Min of 30-days asset verification 	Reserves	<ul style="list-style-type: none"> • 6-months of PITIA • Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> • Not allowed 	Document Age	<ul style="list-style-type: none"> • 90-days
Tradelines	<ul style="list-style-type: none"> • US credit: Min 2 reporting 24-months or 3 reporting 12-months, for borrowers/guarantors 	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> • Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in AK, KS, MI, MN, NM, OH and RI • Penalties not allowed on loans vested to individuals in IL and NJ • Penalties not allowed on loan amounts less than \$312,159 in PA • Only declining prepayment penalty structures allowed in MS

Closed End Second – Standard and Alt Doc, continued

Underwriting Requirements	
Eligibility Criteria	<ul style="list-style-type: none"> For criteria that is not referenced in this matrix, follow the Closed End Second chapter in the Correspondent Non-Agency Seller Guide
First Lien	<ul style="list-style-type: none"> First lien documentation requirements: <ul style="list-style-type: none"> Copy of 1st lien Note; and <ul style="list-style-type: none"> Default interest rate on Note cannot exceed Note rate If Interest Only and/or ARM, terms of the Note to be reviewed (See DTI Requirements) Copy of most recent monthly mortgage payment statement <ul style="list-style-type: none"> Utilized to determine if payment includes escrows (See DTI Requirements) Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12- months of the Note date Loans in active forbearance or deferment Negative amortization including loans with Paid-In-Kind (PIK) features Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien Reverse Mortgages First liens for the subject property not reporting on credit report <ul style="list-style-type: none"> e.g., Private party mortgages including any loan not reporting on credit report Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages Home Equity Line of Credit Note with default interest rate greater than the Note rate
Credit and Fraud	<ul style="list-style-type: none"> Credit report Gap credit report or Undisclosed Debt Monitoring (UDM) Fraud report OFAC
Qualifying Credit Score	<ul style="list-style-type: none"> Use credit score of the borrower with the highest qualifying income Middle of 3 scores or lower of 2
Housing History	<ul style="list-style-type: none"> 0x30x12 – verification of mortgage history required on all loans Verify the 1st lien P&I payment with all of the following: <ul style="list-style-type: none"> Copy of 1st lien Note, and Copy of most recent monthly mortgage payment statement
Credit Events	<ul style="list-style-type: none"> Foreclosure, Short Sale, Deed in Lieu, Bankruptcy: 48-month seasoning
Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months with/activity in the last 12-months or 3 reporting 12-months w/recent activity If the primary borrower has three (3) credit score, the minimum tradeline requirement is waived
Reserves	<ul style="list-style-type: none"> None required
Assets	<ul style="list-style-type: none"> Asset verification required if funds needed to consummate the transaction
DTI Requirements	<ul style="list-style-type: none"> Maximum DTI ratio: <ul style="list-style-type: none"> 50% DTI for CLTV less than or equal to 80% 45% DTI for CLTV greater than 80% Qualifying payment for first lien: <ul style="list-style-type: none"> Stand-alone: Utilize senior lien mortgage payment from credit report Simultaneous: Utilize 1st lien qualifying method <ul style="list-style-type: none"> Fixed rate: Note rate amortized over the total term <ul style="list-style-type: none"> Interest Only: Note rate amortized over the remaining term after the expiration of the interest only period ARMs: Qualifying rate is the higher of the fully indexed rate or note rate <ul style="list-style-type: none"> Interest Only: Qualifying rate amortized over the remaining term after the expiration of the interest only period
Age of Documents	<ul style="list-style-type: none"> Credit Documents: May not be over 90-days old at the time of closing. Appraisals, Title Report (or O&E): May not be over 120-days old at time of closing. <ul style="list-style-type: none"> AVM may not be over 30- days old at time of closing.
Appraisal and Property	
Eligible Property	<ul style="list-style-type: none"> Single Family (Attached, Detached, PUD) 2-4 Unit residential properties (Max CLTV 75%) Condominiums (Max CLTV 80%)
Appraisals	<ul style="list-style-type: none"> HPML loans that are not Qualified Mortgages require a full appraisal with an interior inspection, regardless of the loan balance. Any simultaneous transaction requires a full appraisal. Transferred appraisals are eligible. Loan Amount <=\$250,000 <ul style="list-style-type: none"> AVM within 30- days of the Note date from approved vendor with acceptable FSD and a new Property Condition Report with acceptable findings, or Exterior Drive-By appraisal (Hybrid or 2055 or 1075), or New Appraisal (FNMA Form 1004/1025/1073), or Prior 1st lien appraisal dated within 12- months of subject loan Note date allowed subject to the following: <ul style="list-style-type: none"> The lender on the prior appraisal must be the same as the subject loan, and A new Property Condition Report with acceptable findings, and Recertification of value by the original appraiser.

Closed End Second – Standard and Alt Doc, continued

<p>Appraisals, continued</p>	<p>Loan Amount >\$250,000</p> <ul style="list-style-type: none"> • New Appraisal (FNMA Form 1004/1025/1073), or • Prior 1st lien appraisal dated within 12- months of subject loan Note Date allowed subject to the following: <ul style="list-style-type: none"> ○ The lender on the prior appraisal must be the same as the subject loan, and ○ A new Property Condition Report with acceptable findings, and ○ Recertification of value by the original appraiser, and ○ AVM within 30- days of the Note date from approved vendor with acceptable FSD. <ul style="list-style-type: none"> ▪ The lower of the Prior Appraisal value or the current AVM will be used to determine CLTV. <p>Secondary Valuation Product</p> <ul style="list-style-type: none"> • Secondary valuation product required in every file • Acceptable review products include one of the following: <ul style="list-style-type: none"> ○ The Seller may submit the appraisal report to Collateral Underwriter® (CU®) or Loan Collateral Advisor® (LCA). An eligible score is 2.5 or less. The file must include a copy of the Submission Summary Report (SSR). (Only one score required, if both scores (CU & LCA) provided, both required to be 2.5 or less). If the score exceeds 2.5, the file must include either an enhanced desk review, field review, or second appraisal; or ○ An enhanced desk review product from one of the following choices: <ul style="list-style-type: none"> ▪ ARR from Stewart Valuation Intelligence FKA Pro Teck. ▪ CDA from Clear Capital. ▪ ARA from Computershare. ▪ CCA from Consolidated Collateral Analysis. ▪ VRR from Homegenius Real Estate ▪ Valreview Appraisal Review Value from Valligent (Veros Software Company) ○ If the enhanced desk review product reflects a value more than 10% below the appraised value or cannot provide a validation, the file must include either a field review or a second appraisal. A field review or a second appraisal is acceptable. These may not be from the same appraiser or appraisal company as the original report. ○ AVM within 30- days of Note date (If primary valuation based on an AVM, review must be a different vendor) <ul style="list-style-type: none"> ▪ If two AVMs are ordered, the AVM with the higher FSD (closest to zero) will be treated as the primary valuation product. <ul style="list-style-type: none"> ○ The second AVM will be treated as the secondary valuation product and must support the primary AVM within 10%. ○ If both AVMs have the same FSD, the lower of the two property values must be utilized for determining the CLTV. ○ Broker Price Opinion (BPO) 										
<p>AVM and FSD Score</p>	<p>The following AVM vendors are acceptable:</p> <table border="1" data-bbox="358 989 1523 1115"> <thead> <tr> <th>AVM Vendor</th> <th>Acceptable FSD Score at 90%</th> </tr> </thead> <tbody> <tr> <td>Clear Capital</td> <td>0.00 to 0.13</td> </tr> <tr> <td>Collateral Analytics</td> <td>0.00 to 0.10</td> </tr> <tr> <td>House Canary</td> <td>0.00 to 0.10</td> </tr> <tr> <td>Red Bell Real Estate (Homegenius)</td> <td>0.00 to 0.10</td> </tr> </tbody> </table>	AVM Vendor	Acceptable FSD Score at 90%	Clear Capital	0.00 to 0.13	Collateral Analytics	0.00 to 0.10	House Canary	0.00 to 0.10	Red Bell Real Estate (Homegenius)	0.00 to 0.10
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Red Bell Real Estate (Homegenius)	0.00 to 0.10										
<p>Property Condition Report</p>	<ul style="list-style-type: none"> • When required, a Property Condition Report (i.e., Clear Capital Property Condition Inspection) should be obtained to include an exterior photo of the subject property along with a rating of the property's physical condition and characteristics. 										
<p>Recently Listed Properties</p>	<ul style="list-style-type: none"> • Properties listed for sale in the past 6-months are not eligible 										
<p>Title Insurance</p>	<p>Loan Amount <=\$250,000, provide one of the following</p> <ul style="list-style-type: none"> ○ Owner and Encumbrance Report (O&E) to include: <ul style="list-style-type: none"> ▪ Current Grantee / Owner ▪ How property was conveyed to current owner ▪ Liens (e.g., mortgage, UCC, other financing) ▪ Involuntary liens and judgements ▪ Property Tax Information with break-down of all taxes including special assessments ▪ Legal Description ○ ALTA Full Title Policy ○ ALTA Short Form Residential Limited Coverage Junior Loan Policy <p>Loan Amount >\$250,000, provide one of the following</p> <ul style="list-style-type: none"> ○ ALTA Full Title Policy ○ ALTA Short Form Residential Limited Coverage Junior Loan Policy 										
<p>Flood Certificate and Flood Insurance</p>	<ul style="list-style-type: none"> • Flood determination required for every loan file • Properties within a flood zone require evidence of insurance coverage in accordance with the HFIAA <ul style="list-style-type: none"> ○ Loss payee clause must reflect seller as additional insured. 										
<p>Escrows</p>	<ul style="list-style-type: none"> • Escrows for taxes and hazard insurance not required 										
<p>Hazard Insurance</p>	<ul style="list-style-type: none"> • Hazard Insurance coverage must provide for claims to be settled on a replacement cost basis • Loss payee clause must reflect seller as additional insured 										

Home Equity Line of Credit (HELOC) – Standard Doc 2 Years

Home Equity Line of Credit - Eligibility				
Loan Amount/Credit Score/HCLTV Matrix				
Standard Doc				
Loan Amount	Credit Score	Primary	Second Home	Investment
\$250,000	740	90	75	70
	700	85	75	65
	680	75	75	NA
\$350,000	740	85	75	65
	700	85	75	65
	680	75	70	NA
\$500,000	740	75	75	NA
	700	75	70	NA
	680	75	65	NA
Declining Markets and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum HCLTV is limited to 80%.				
General Requirements				
Product and Term	<ul style="list-style-type: none"> Variable Rate – Terms of 15, 20, 25 & 30 years <ul style="list-style-type: none"> Index: Prime as published in the Wall Street Journal (WSJ) Margin: See Rate Sheet Floor Rate: 4.0 Maximum Rate: 18% Daily Periodic Interest Rate: Index plus Margin Finance Charges: Interest accrues on the day of an advance and continues until the outstanding balance is paid in full. Interest is calculated daily based upon the Daily Periodic Rate and the daily balance. Draw Period: 2 year, 3 year, or 5 year Minimum Payment: <ul style="list-style-type: none"> Draw Period: Interest only calculation, greater of accrued interest or \$100 Repayment Period: Amortizing principal and interest payment based upon the total line amount, repayment term, current rate (Index plus Margin) 			
Advances	<ul style="list-style-type: none"> Initial Advance: Minimum 75% of total line amount Minimum Advance: \$1,000.00 Maximum Advance: Line amount Lock-out Period: Advances not available for a period of 90-days after closing to allow for servicing transfer 			
Responsible Lending	<ul style="list-style-type: none"> Ineligible loans include State High Cost and HOEPA Points/Fees not to exceed 5% 			
Loan Amounts	<ul style="list-style-type: none"> Min: \$75,000 Max: \$500,000 			
Combined Loan Balance	<ul style="list-style-type: none"> Maximum combined loan balance for all liens not to exceed \$2,000,000 			
Loan Purpose	<ul style="list-style-type: none"> Stand-Alone Cash Out (minimum ownership of 12 months required) 			
Occupancy	<ul style="list-style-type: none"> Primary, Second Home, Investment 			
Cash-Out	<ul style="list-style-type: none"> Max cash-out: \$500,000 			
Eligible Borrower	<ul style="list-style-type: none"> U.S. Citizen Permanent Resident Alien 			
State Restrictions	<ul style="list-style-type: none"> Not Eligible: <ul style="list-style-type: none"> Texas Territories: Puerto Rico, Guam, & the US Virgin Islands Restricted: <ul style="list-style-type: none"> CT, IL, NJ, NY (Max HCLTV 80%, Min FICO 720) 			
Ineligible Loan Features	<ul style="list-style-type: none"> Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible. Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date. Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months. All existing subordinate liens must be satisfied. 			
Income Requirements				
Standard Doc – 2 Years	<p>Income documentation must meet the standards from FNMA Seller Guide dated 6/03/2020.</p> <ul style="list-style-type: none"> Wage/Salary: Paystubs, 2-years W-2's, IRS Form 4506-C, Verbal VOE Self-Employed: 2-years of Personal and Business (If applicable) Tax Returns, YTD P&L, 2 recent business bank statements, IRS Form 4506-C, Tax Transcripts Other eligible sources of income are allowed, examples include Alimony/Child Support, Pension, Social Security, Rental Income Pre-Close Verification of Employment: <ul style="list-style-type: none"> Wage/Salary: Verbal verification of employment within 10-days of closing Self-Employed: 3rd Party verification within 120-days of Note date. Methods of verifying the business include one of the following: <ul style="list-style-type: none"> Letter from CPA, regulatory agency, or applicable licensing bureau Internet Listing Other reasonable evidence of business activity 			

Home Equity Line of Credit (HELOC) – Standard Doc 2 Years, continued

Underwriting Requirements	
Eligibility Criteria	<ul style="list-style-type: none"> Refer to Chapter 4 of the Correspondent Non-Agency Seller Guide. Where Seller Guide criteria is silent, follow Fannie Mae Seller guide dated 6/03/2020.
First Lien	<ul style="list-style-type: none"> First lien documentation requirements: <ul style="list-style-type: none"> Copy of 1st lien Note; and <ul style="list-style-type: none"> Default interest rate on Note cannot exceed Note rate If Interest Only and/or ARM, terms of the Note to be reviewed (See DTI Requirements) Copy of most recent monthly mortgage payment statement <ul style="list-style-type: none"> Utilized to determine if payment includes escrows (See DTI Requirements) Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12- months of the Note date Loans in active forbearance or deferment Negative amortization including loans with Paid-In-Kind (PIK) features Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien Reverse Mortgages First liens for the subject property not reporting on credit report <ul style="list-style-type: none"> e.g., Private party mortgages including any loan not reporting on credit report Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages Home Equity Line of Credit Note with default interest rate greater than the Note rate
Credit and Fraud	<ul style="list-style-type: none"> Credit report Gap credit report or Undisclosed Debt Monitoring (UDM) Fraud report OFAC
Qualifying Credit Score	<ul style="list-style-type: none"> Middle of 3 scores or lower of 2 determines the representative score Use the lowest representative score amongst all borrowers Rapid rescoring not allowed
Housing History	<ul style="list-style-type: none"> 0x30x12 – verification of mortgage history required on all loans Verify the 1st lien P&I payment with all of the following: <ul style="list-style-type: none"> Copy of 1st lien Note; and Copy of most recent monthly mortgage payment statement
Credit Events	<ul style="list-style-type: none"> Foreclosure, Short Sale, Deed in Lieu, Bankruptcy: 84-month seasoning Forbearance, Modification, Deferral: 24-months of consecutive payments since exiting plan Multiple Derogatory Credit Events: 84-month waiting period
Tradelines	<ul style="list-style-type: none"> Minimum: All borrowers must have three (3) reporting with one (1) currently open and active for at least 24-months based on credit report pull date. Other two (2) reported for 12-months can be open or closed.
Reserves	<ul style="list-style-type: none"> None required
DTI and Qualifying Payment	<ul style="list-style-type: none"> Maximum DTI ratio: <ul style="list-style-type: none"> 50% DTI for HCLTV less than or equal to 80% 45% DTI for HCLTV greater than 80% Qualifying Payment: <ul style="list-style-type: none"> Subject loan: Amortizing principal and interest payment based upon the total line amount, repayment term, current rate (Index plus Margin) <ul style="list-style-type: none"> Index: Prime rate as published in the Wall Street Journal Margin: Published in the Loanhouse rate sheet First lien: Principal and Interest payment <ul style="list-style-type: none"> Fixed rate: Note rate amortized over the total term <ul style="list-style-type: none"> Interest Only: Note rate amortized over the remaining term after the expiration of the interest only period ARMs: Qualifying rate is the higher of the fully indexed rate or note rate <ul style="list-style-type: none"> Interest Only: Qualifying rate amortized over the remaining term after the expiration of the interest only period
Age of Documents	<ul style="list-style-type: none"> Credit Documents: May not be over 90-days old at the time of closing. Title Report (or O&E): May not be over 60-days old at time of closing. Appraisal: May not be over 120- days old at the time of closing for Full Appraisal and Exterior Drive-By. New appraisal is required after 120- days. <ul style="list-style-type: none"> AVM may not be over 30- days old at time of closing.
Appraisal and Property	
Eligible Property	<ul style="list-style-type: none"> Single Family (Attached, Detached, PUD) 2-4 Unit residential properties (Max HCLTV 80%) FNMA Warrantable Condo (Max HCLTV 80%)

Home Equity Line of Credit (HELOC) – Standard Doc 2 Years, continued

<p>Appraisals</p>	<ul style="list-style-type: none"> Transferred appraisals are not eligible. <p>Loan Amount <=\$250,000</p> <ul style="list-style-type: none"> AVM within 30- days of the Note date from approved vendor with acceptable FSD and a new Property Condition Report with acceptable findings, or Exterior Drive-By appraisal (2055 or 1075), or New Appraisal (FNMA Form 1004/1025/1073), or Prior 1st lien appraisal dated within 6- months of subject loan Note date allowed subject to the following: <ul style="list-style-type: none"> The lender on the prior appraisal must be the same as the subject loan, and A new Property Condition Report with acceptable findings, and Recertification of value by the original appraiser. <p>Loan Amount >\$250,000</p> <ul style="list-style-type: none"> New Appraisal (FNMA Form 1004/1025/1073), or Prior 1st lien appraisal dated within 6- months of subject loan Note Date allowed subject to the following: <ul style="list-style-type: none"> The lender on the prior appraisal must be the same as the subject loan, and A new Property Condition Report with acceptable findings, and Recertification of value by the original appraiser, and AVM within 30- days of the Note date from approved vendor with acceptable FSD. <ul style="list-style-type: none"> The lower of the Prior Appraisal value or the current AVM will be used to determine CLTV. <p>Secondary Valuation Product</p> <ul style="list-style-type: none"> Secondary valuation product is not required. 										
<p>AVM and FSD Score</p>	<p>The following AVM vendors are acceptable:</p> <table border="1" data-bbox="358 814 1523 936"> <thead> <tr> <th>AVM Vendor</th> <th>Acceptable FSD Score at 90%</th> </tr> </thead> <tbody> <tr> <td>Clear Capital</td> <td>0.00 to 0.13</td> </tr> <tr> <td>Collateral Analytics</td> <td>0.00 to 0.10</td> </tr> <tr> <td>House Canary</td> <td>0.00 to 0.10</td> </tr> <tr> <td>Red Bell Real Estate (Homegenius)</td> <td>0.00 to 0.10</td> </tr> </tbody> </table>	AVM Vendor	Acceptable FSD Score at 90%	Clear Capital	0.00 to 0.13	Collateral Analytics	0.00 to 0.10	House Canary	0.00 to 0.10	Red Bell Real Estate (Homegenius)	0.00 to 0.10
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<p>Recently Listed Properties</p>	<ul style="list-style-type: none"> Properties listed for sale in the past 6-months are not eligible 										
<p>Title Insurance</p>	<p>Loan Amount <=\$250,000, provide one of the following</p> <ul style="list-style-type: none"> Owner and Encumbrance Report (O&E) to include: <ul style="list-style-type: none"> Current Grantee / Owner How property was conveyed to current owner Liens (e.g., mortgage, UCC, other financing) Involuntary liens and judgements Property Tax Information with break-down of all taxes including special assessments Legal Description ALTA Full Title Policy ALTA Short Form Residential Limited Coverage Junior Loan Policy <p>Loan Amount >\$250,000, provide one of the following</p> <ul style="list-style-type: none"> ALTA Full Title Policy ALTA Short Form Residential Limited Coverage Junior Loan Policy 										
<p>Flood Certificate</p>	<ul style="list-style-type: none"> Flood determination required for every loan file Properties within a flood zone require evidence of insurance coverage in accordance with the HFIAA Loss payee clause must reflect seller as additional insured 										
<p>Escrows</p>	<ul style="list-style-type: none"> Escrows for taxes and hazard insurance not required 										
<p>Hazard Insurance</p>	<ul style="list-style-type: none"> Hazard Insurance coverage must provide for claims to be settled on a replacement cost basis Loss payee clause must reflect seller as additional insured 										

State/CBSA Overlay Table

Statewide		CBSA-Specific	
State Name	State	CBSA Name	CBSA Code
Connecticut	CT	Phoenix-Mesa-Scottsdale, AZ	38060
Idaho	ID	Sacramento-Roseville, CA	40900
Illinois	IL	San Francisco-Oakland-Hayward, CA	41860
Louisiana	LA	San Jose-Sunnyvale-Santa Clara, CA	41940
New Jersey	NJ	Santa Cruz-Watsonville, CA	42100
New York	NY	Boulder, CO	14500
		Breckenridge, CO	14720
		Sevierville, TN	42940
		Austin-Round Rock, TX	12420