

1 Year Income Prime

Program Code: 1Yr Prime -30, -40, -7/6, -5/6, -30 IO, -40 IO, -7/6 IO, -7/6 IO-40, -5/6 IO, -5/6 IO-40

FICO	Loan Amt	Max CLTV					
		Primary			2 nd Home/Investment		
		Purchase	R/T	Cash-Out	Purchase	R/T	Cash-Out
720+	≤ 1M	90%	85%	80%	85%	80%	75%
	≤ 1.5M	90%	85%	80%	85%	80%	75%
	≤ 2M	85%	80%	80%	85%	80%	75%
	≤ 2.5M	80%	75%	75%	80%	75%	75%
	≤ 3M	75%	70%	70%	75%	70%	70%
	≤ 3.5M	70%	65%	NA	70%	65%	NA
700-719	≤ 1M	90%	85%	80%	85%	80%	75%
	≤ 1.5M	90%	85%	80%	85%	80%	75%
	≤ 2M	85%	75%	70%	85%	75%	70%
	≤ 2.5M	75%	70%	65%	75%	70%	65%
	≤ 3M	75%	70%	65%	75%	70%	65%
	≤ 3.5M	70%	65%	NA	70%	65%	NA
680-699	≤ 1M	90%	85%	75%	85%	80%	75%
	≤ 1.5M	85%	80%	75%	85%	80%	75%
	≤ 2M	80%	75%	70%	80%	75%	70%
	≤ 2.5M	75%	70%	65%	75%	70%	65%
	≤ 3M	70%	65%	65%	70%	65%	65%
660-679	≤ 1M	80%	80%	75%	80%	80%	75%
	≤ 1.5M	80%	75%	75%	80%	75%	75%
	≤ 2M	75%	70%	65%	75%	70%	65%
	≤ 2.5M	70%	65%	65%	70%	65%	65%
640-659	≤ 1M	80%	75%	70%	80%	75%	70%
	≤ 1.5M	70%	65%	65%	70%	65%	65%
	≤ 2M	65%	NA	NA	65%	NA	NA

620-639	≤ 1M	70%	70%	NA	70%	70%	NA						
<ul style="list-style-type: none"> ▪ 2-4 Units & Condo Max LTV/CLTV: 85% ▪ Rural Max LTV/CLTV: Purchase 80%, Refinance 75% ▪ Interest Only: Min Fico 660 ▪ State Restriction: Maximum LTV/CLTV is limited to 85% for Purchases and 80% for all refinances and the max loan amount is limited to \$2,000,000 if either or both of the following apply: <ul style="list-style-type: none"> ○ The appraisal report identifies the property as a declining market; ○ The subject property is in a state of NJ or FL ▪ Ineligible in Baltimore, Maryland 													
Income Requirement													
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General Requirements													
DTI	<ul style="list-style-type: none"> ▪ Max 50% 												
Occupancy	<ul style="list-style-type: none"> ▪ Primary ▪ Second Home ▪ Investment 												
Interest Only	<ul style="list-style-type: none"> ▪ Min Credit Score: 660 												
Product Type	Product	Term	Amortization Term	I/O Term	Qualifying Rate								
*Interest Only: Amortization term used for Qualification	40-Yr Fixed	40 yr	40 yr	NA	Note Rate								
	40-Yr Fixed IO	40 yr	30 yr	10 yr									
	30-Yr Fixed	30 yr	30 yr	NA									
	30-Yr Fixed IO	30 yr	20 yr	10 yr									
	7/6 ARM	30 yr	30 yr	NA									
	7/6 ARM IO	30 yr	20 yr	10 yr	Higher of Fully Indexed or Note Rate								
	7/6 ARM IO-40Yr Term	40 yr	30 yr	10 yr									
	5/6 ARM	30 yr	30 yr	NA									
	5/6 ARM IO	30 yr	20 yr	10 yr									
		5/6 ARM IO-40Yr Term	40 yr	30 yr	10 yr								
Loan Purpose	<ul style="list-style-type: none"> ▪ Purchase ▪ Rate/Term ▪ Cash-Out 												
Loan Amount	<ul style="list-style-type: none"> ▪ Min: \$150,000 												

	<ul style="list-style-type: none"> ▪ Max: \$3,500,000
State Restrictions	<ul style="list-style-type: none"> ▪ Maximum LTV/CLTV is limited to 85% for Purchases and 80% for all refinances and the max loan amount is limited to \$2,000,000. If either or both of the following apply: <ul style="list-style-type: none"> ○ The appraisal report identifies the property as a declining market; ○ The subject property is in a state of NJ or FL ▪ Florida Condominiums: <ul style="list-style-type: none"> ○ Up to 7 Stories. No High Rise Condo (8+) ○ A structural inspection is required if the project is greater than 5 stories and over 30 years old or 25 years old if within 3 miles of the coast. ○ Projects with an unacceptable or no inspection are not eligible. ▪ Ineligible in Baltimore, Maryland
Cash-Out	<ul style="list-style-type: none"> ▪ Max Cash-In-Hand: Unlimited ▪ Cash-Out Seasoning <ul style="list-style-type: none"> ○ For properties owned 12 months or longer, the LTV/CLV is based upon the appraised value. ○ If the cash-out seasoning is less than 12 months, but greater than 6 months, the transaction property value is limited to the lower of the current appraised value or the property's purchase price plus documented improvements.
Property Type	<ul style="list-style-type: none"> ▪ Single Family ▪ 2-4 Units (Max LTV/CLTV: 85%) ▪ Condo (Max LTV/CLTV: 85%)
Acreage	<ul style="list-style-type: none"> ▪ Property up to 20-acres ▪ Rural Max LTV/CLTV: Purchase 80%, Refinance 75%
Rural Property	<ul style="list-style-type: none"> ▪ Not eligible
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 ▪ Transferred Appraisal are acceptable
Escrow Impound	<ul style="list-style-type: none"> ▪ Taxes and insurance escrows required
Prepayment Penalty	<ul style="list-style-type: none"> ▪ Investment Properties only ▪ Prepayment periods up to 5-years eligible, see rate sheet ▪ Penalties not allowed on loans vested to individuals in NJ ▪ Prepayment not allowed on MD ▪ Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period. ▪
Document Age	<ul style="list-style-type: none"> ▪ 90 days prior to the note date
General Underwriting Guidelines	
Credit Score	<ul style="list-style-type: none"> ▪ 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 ▪ If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 																			
Housing History	<table border="1"> <thead> <tr> <th>Housing History</th><th>1x30x12</th><th>0x60x12</th><th>0x90x12</th></tr> </thead> <tbody> <tr> <td>Max LTV/CLTV: Purchase</td><td>See matrix above</td><td>80%</td><td>70%</td></tr> <tr> <td>Max LTV/CLTV: Refi.</td><td>See matrix above</td><td>75%</td><td>NA</td></tr> <tr> <td>Max Loan Amt:</td><td>See matrix above</td><td>\$1,500,000</td><td>\$1,000,000</td></tr> </tbody> </table>				Housing History	1x30x12	0x60x12	0x90x12	Max LTV/CLTV: Purchase	See matrix above	80%	70%	Max LTV/CLTV: Refi.	See matrix above	75%	NA	Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000
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Credit Event Seasoning	<table border="1"> <thead> <tr> <th>BK/FC/SS/DIL/PreFC/MC</th><th>>= 36 Mo</th><th>>= 24 Mo</th><th>>= 12 Mo</th></tr> </thead> <tbody> <tr> <td>Max LTV/CLTV: Purchase</td><td>See matrix above</td><td>80%</td><td>70%</td></tr> <tr> <td>Max LTV/CLTV: Refi.</td><td>See matrix above</td><td>75%</td><td>NA</td></tr> <tr> <td>Max Loan Amt:</td><td>See matrix above</td><td>\$1,500,000</td><td>\$1,000,000</td></tr> </tbody> </table>				BK/FC/SS/DIL/PreFC/MC	>= 36 Mo	>= 24 Mo	>= 12 Mo	Max LTV/CLTV: Purchase	See matrix above	80%	70%	Max LTV/CLTV: Refi.	See matrix above	75%	NA	Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000
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Notice of Default	<ul style="list-style-type: none"> ▪ Notice of Default will be considered 1x90x12 under housing history restrictions. ▪ If the borrower cured the default and has made 12 timely payments, they are eligible without any restrictions. 																			
Forbearance, Modification, and Deferrals	<ul style="list-style-type: none"> ▪ Forbearance and Deferrals are considered under housing payment history. ▪ Greater than 12 months from note date: Forbearance, loan modification, or deferrals (including COVID-19 related events) completed or reinstated greater than 12 months from the note date of the subject transaction are eligible. ▪ Within 12 months of note date: Not Eligible 																			
Reserves	<ul style="list-style-type: none"> ▪ Reserve requirements are determined by loan amount and LTV as follows: <ul style="list-style-type: none"> o Loan Amount \leq \$1.5 million and LTV \leq 75% \rightarrow None required o Loan Amount \leq \$1.5 million and LTV $>$ 75% \rightarrow 2 months of PI o Loan Amount $>$ \$1.5 million \rightarrow 4 months of PI o Loan Amount $>$ \$2.0 million \rightarrow 6 months of PI ▪ Cash out may be used to satisfy requirement 																			
Assets Requirements	<ul style="list-style-type: none"> ▪ Min of 30-days asset verification required. 																			
Gift Funds	<p>Gift funds</p> <ul style="list-style-type: none"> ▪ LTV/CLTV $<$ 80%: 100% gift allowed for down payment, closing and reserves ▪ LTV/CLTV \geq 80%: Gift funds allowed for down payment, closing and reserves after Minimum 5% borrower contribution is met ▪ Gift funds are allowed in refinance transactions. ▪ Borrowers must meet reserve and residual income requirements 																			
First Time Home Buyer	<ul style="list-style-type: none"> ▪ Both Owner-Occupied (OO) and Non-Owner-Occupied (NOO) permitted. ▪ DTI may not exceed 50%. ▪ The rental history, reflecting 0x30, documented; 																			

	<ul style="list-style-type: none">▪ First time homebuyers with less than 12-month rental history:▪ LOE or rent-free letter is required.
Interested Party Contributions	<ul style="list-style-type: none">▪ Primary and Second Home<ul style="list-style-type: none">o 6% for LTVs > 75%o 9% for LTV ≤ 75%▪ Investment<ul style="list-style-type: none">o Max 6%