

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%
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%
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

- 2-4 Units & Condo Max LTV/CLTV: 85%
- Rural Max LTV/CLTV: Purchase 80%, Refinance 75%
- First Time Home Buyer see restrictions below
- State Restrictions see below
- Declining Market: Maximum LTV/CLTV is limited to 85% for Purchases, 80% for Refinances and Max Loan Amount is limited to \$2M.
- Interest Only: Min Fico 660

Income Requirement

Wage Earner Income	<ul style="list-style-type: none"> ▪ Paystubs ▪ W-2 ▪ IRS Form 4506
Self Employed Income	<ul style="list-style-type: none"> ▪ 1 year of Personal and Business Tax Returns ▪ YTD P&L ▪ IRS Form 4506

General Requirements

DTI	<ul style="list-style-type: none"> ▪ Standard max 50% (If 1st time home buyer or living rent free, additional restriction will apply)
Occupancy	<ul style="list-style-type: none"> ▪ Primary ▪ Second Home ▪ Investment
Interest Only	<ul style="list-style-type: none"> ▪ Min Credit Score: 660 ▪ 30 and 40 year term, qualification based upon remaining term (amortized) after expiration of interest only period

Product Type <i>*Interest Only: Amortization term used for Qualification</i>	Product	Term	Amortization Term	I/O Term	Qualifying Rate
	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	Higher of Fully Indexed or Note Rate
	7/6 ARM IO	30 yr	20 yr	10 yr	
	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 ▪ Max: \$3,000,000 				

State Restrictions	<ul style="list-style-type: none"> ▪ New Jersey: <ul style="list-style-type: none"> ○ Max LTV/CLTV: 85% for Purchases; 80% for Refinances ○ Max loan amount limited to \$2M ▪ Florida: <ul style="list-style-type: none"> ○ Max LTV/CLTV: 85% for Purchases; 80% for Refinances ○ Max loan amount limited to \$2M ○ Condos: Up to 7 Stories. No High Rise Condo (8+) ○ Condos: 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. ▪ Maryland: <ul style="list-style-type: none"> ○ Investment property not permitted in Baltimore City, MD ▪ Texas: <ul style="list-style-type: none"> ○ Texas Senate Bill 17 eligibility restrictions for Non-Permanent residents. See seller guide
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 6 months or longer, the LTV/CLV is based upon the appraised value. ○ If the cash-out seasoning is less than 6 months, see seller guide for eligibility
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%
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	<ul style="list-style-type: none"> See CHART below Borrowers with less than 12 months housing history (ie: living rent free) Max DTI 43% 			
Housing History	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
Credit Event Seasoning	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
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"> LTV < 80%: 3-months of PITIA LTV 80.01 to 85%: 6-month PITIA LTV > 85%: 12-month 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 Reserves Must be own funds (NO GIFT) 			
Assets Requirements	<ul style="list-style-type: none"> Min of 30-days asset verification required (Any large deposit must be sourced) 			
Gift Funds	<ul style="list-style-type: none"> Allowed after Min contribution is met: <ul style="list-style-type: none"> 5% min contribution for Primary and Second Home 10% min contribution for Investment Primary/Second Home Purchase Only: <ul style="list-style-type: none"> 100% Gift allowed when using 12 or 24 Month Bank Statement for Income Max LTV/CLTV 80% Borrowers must meet reserve and residual income requirements Gift Not Permitted on Refinances 			

First Time Home Buyer	<ul style="list-style-type: none"> ▪ Primary residence only ▪ DTI may not exceed 45% ▪ Minimum six (6) months of reserves ▪ 12-month rental history, reflecting 0x30, documented ▪ Without a documented 12-month rental history: Max DTI 43% and Max LTV/CLTV 80%
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%
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
Declining Market	<ul style="list-style-type: none"> ▪ If appraisal report indicates declining market the max LTV/CLTV is 85% for Purchases, 80% for Refinances and Max Loan Amount is limited to \$2M