

# 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 <sup>nd</sup> 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%
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%
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%
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%

- 2-4 Units & Condo Max LTV/CLTV: 85%
- 10+ acres Max LTV/CLTV: 80%
- First Time Home Buyer without a documented 12-month rental history Max LTV/CLTV: 80% (Max DTI 43%)
- 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:
  - The appraisal report identifies the property as a declining market;
  - The subject property is in a state of NJ or FL

Income Requirement					
<b>Wage Earner Income</b>	<ul style="list-style-type: none"> <li>▪ Paystubs</li> <li>▪ W-2</li> <li>▪ 1 year of Tax Returns</li> <li>▪ IRS Form 4506</li> </ul>				
<b>Self Employed Income</b>	<ul style="list-style-type: none"> <li>▪ 1 year of Personal and Business Tax Returns</li> <li>▪ YTD P&amp;L</li> <li>▪ IRS Form 4506</li> </ul>				
General Requirements					
<b>DTI</b>	<ul style="list-style-type: none"> <li>▪ Standard max 50% (If 1st time home buyer or living rent free, additional restriction will apply)</li> </ul>				
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>▪ Primary</li> <li>▪ Second Home</li> <li>▪ Investment</li> </ul>				
<b>Interest Only</b>	<ul style="list-style-type: none"> <li>▪ Min Credit Score: 660</li> <li>▪ Max LTV: 90%</li> </ul>				
<b>Product Type</b>  *Interest Only: Amortization term used for Qualification	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	Higher of Fully Indexed or Note Rate
	7/6 ARM	30 yr	30 yr	NA	
	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		
<b>Loan Purpose</b>	<ul style="list-style-type: none"> <li>▪ Purchase</li> <li>▪ Rate/Term</li> <li>▪ Cash-Out</li> </ul>				
<b>Loan Amount</b>	<ul style="list-style-type: none"> <li>▪ Min: \$150,000</li> <li>▪ Max: \$2,500,000</li> </ul>				
<b>State/CBSA Restrictions</b>	<ul style="list-style-type: none"> <li>▪ 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"> <li>○ The appraisal report identifies the property as a declining market;</li> <li>○ The subject property is in a state of NJ or FL</li> </ul> </li> <li>▪ Florida Condominiums:                             <ul style="list-style-type: none"> <li>○ Up to 7 Stories. No High Rise Condo (8+)</li> <li>○ 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.</li> <li>○ Projects with an unacceptable or no inspection are not eligible.</li> </ul> </li> </ul>				

<b>Cash-Out</b>	<ul style="list-style-type: none"> <li>▪ Max Cash-In-Hand: Unlimited</li> <li>▪ Cash-Out Seasoning               <ul style="list-style-type: none"> <li>○ For properties owned 12 months or longer, the LTV/CLV is based upon the appraised value.</li> <li>○ 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.</li> </ul> </li> </ul>
<b>Property Type</b>	<ul style="list-style-type: none"> <li>▪ Single Family</li> <li>▪ 2-4 Units</li> <li>▪ Condo               <ul style="list-style-type: none"> <li>○ Max LTV/CLTV: 85%</li> </ul> </li> </ul>
<b>Acreage</b>	<ul style="list-style-type: none"> <li>▪ Property up to 20-acres, not meeting the rural definition, eligible. 10 or more acres limited to a max LTV/CLTV 80%.</li> </ul>
<b>Rural Property</b>	<ul style="list-style-type: none"> <li>▪ Not eligible</li> </ul>
<b>Appraisals</b>	<ul style="list-style-type: none"> <li>▪ FNMA Form 1004, 1025, 1073 with interior/exterior inspection</li> <li>▪ Appraisal review product required unless 2nd appraisal obtained</li> <li>▪ 2nd Appraisal required for loans &gt; \$2,000,000</li> <li>▪ Transferred Appraisal are acceptable</li> </ul>
<b>Escrow Impound</b>	<ul style="list-style-type: none"> <li>▪ Taxes and insurance escrows required</li> </ul>
<b>Prepayment Penalty</b>	<ul style="list-style-type: none"> <li>▪ Investment Properties only</li> <li>▪ Prepayment periods up to 5-years eligible, see rate sheet</li> <li>▪ Penalties not allowed on loans vested to individuals in NJ</li> <li>▪ Prepayment not allowed on MD</li> <li>▪ Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period.</li> </ul>
<b>Document Age</b>	<ul style="list-style-type: none"> <li>▪ 90 days prior to the note date</li> </ul>
<b>General Underwriting Guidelines</b>	
<b>Credit Score</b>	<ul style="list-style-type: none"> <li>▪ Middle of 3 scores or lower of 2</li> </ul>
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>▪ 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)</li> </ul>
<b>Housing History</b>	<ul style="list-style-type: none"> <li>▪ 1x30x12</li> </ul>
<b>Housing Event Seasoning</b>	<ul style="list-style-type: none"> <li>▪ BK/FC/SS/DIL/Mod: ≥ 48 Months</li> </ul>
<b>Notice of Default</b>	<ul style="list-style-type: none"> <li>▪ Notice of Default will be considered 1x90x12 under housing history restrictions.</li> </ul>
<b>Forbearance, Modification, and Deferrals</b>	<ul style="list-style-type: none"> <li>▪ Forbearance and Deferrals are considered under housing payment history.</li> <li>▪ 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 and having a 0x30x12 housing history are allowed.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Within 12 months of note date: Forbearance, loan modification, or deferrals (including COVID-19 related events) completed or reinstated within 12 months of the note date of the subject transaction will be treated as a 0x90x12 and not eligible for this program.</li> </ul>
<b>Reserves</b>	<ul style="list-style-type: none"> <li>▪ LTV ≤ 85%: 6-months of PITIA</li> <li>▪ LTV &gt; 85%: 12-months of PITIA</li> <li>▪ Loan Amount &gt; \$1.5M: 9-months of PITIA</li> <li>▪ Cash out may be used to satisfy requirement</li> </ul>
<b>Assets Requirements</b>	<ul style="list-style-type: none"> <li>▪ Min of 30-days asset verification required (Any large deposit must be sourced)</li> </ul>
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>▪ Min contribution: 5% primary/second home, 10% investment</li> </ul>
<b>Verbal VOE</b>	<ul style="list-style-type: none"> <li>▪ Verbal VOE required within 10-days of Note Date</li> </ul>
<b>First Time Home Buyer</b>	<ul style="list-style-type: none"> <li>▪ Primary residence only</li> <li>▪ DTI may not exceed 45%</li> <li>▪ Minimum six (6) months of reserves</li> <li>▪ 12-month rental history, reflecting 0x30, documented</li> <li>▪ Without a documented 12-month rental history: Max DTI 43% and Max LTV/CLTV 80%</li> </ul>
<b>Interested Party Contributions</b>	<ul style="list-style-type: none"> <li>▪ Primary and Second Home</li> <li>▪ Maximum contribution:             <ul style="list-style-type: none"> <li>○ 6% for LTVs &gt; 75%</li> <li>○ 9% for LTV ≤ 75%</li> </ul> </li> </ul>