

P&L/VOE Plus

Program Codes: PL PLUS-30 & 7/6 A & VOE PLUS-30 & 7/6 A

FICO	Loan Amount	Purchase & R/T		Cash-Out	
		Primary	2nd Home or Investment	Primary	2nd Home or Investment
740+	≤ 1,000,000	80%	80%	75%	75%
	1,000,001 - 1,500,000	80%	80%	75%	75%
	1,500,001 - 2,000,000	80%	80%	75%	70%
	2,000,001 - 2,500,000	80%	75%	70%	65%
	2,500,001 - 3,000,000	75%	70%	*65%	*60%
720 - 739	≤ 1,000,000	80%	80%	75%	75%
	1,000,001 - 1,500,000	80%	80%	75%	75%
	1,500,001 - 2,000,000	80%	80%	70%	70%
	2,000,001 - 2,500,000	80%	75%	70%	65%
	2,500,001 - 3,000,000	75%	70%	*65%	*60%
700 - 719	≤ 1,000,000	80%	80%	75%	75%
	1,000,001 - 1,500,000	80%	80%	75%	70%
	1,500,001 - 2,000,000	80%	80%	70%	70%
	2,000,001 - 2,500,000	75%	75%	65%	*65%
	2,500,001 - 3,000,000	70%	*70%	*60%	*60%
680 - 699	≤ 1,000,000	80%	80%	70%	70%
	1,000,001 - 1,500,000	80%	80%	70%	70%
	1,500,001 - 2,000,000	75%	75%	65%	*65%
	2,000,001 - 2,500,000	70%	70%	60%	NA
660 - 679	≤ 1,000,000	80%	80%	70%	70%
	1,000,001 - 1,500,000	75%	75%	70%	65%
	1,500,001 - 2,000,000	75%	70%	60%	*60%
	2,000,001 - 2,500,000	*70%	*65%	NA	NA
* Not available for Credit Event or Reduced Reserve					
General Requirements					
DTI	• 50.01 - 55% (Min FICO 700 Primary Residence Only No First Time Home Buyer Standard Reserve Only No Credit Event) • 50%				
Product Type	30-Yr Fixed, 7/6 ARM				
Loan Amount	Min: \$150,000 Max: \$3,000,000				
Loan Purpose	<ul style="list-style-type: none"> • Purchase <ul style="list-style-type: none"> - Sellers must have owned the property more than 6 months. • Rate/Term <ul style="list-style-type: none"> - A Rate / Term Refinance transaction is when the new loan amount is limited to the payoff of a present seasoned twelve (12) months or used as purchase money mortgage first lien mortgage, any seasoned non-first lien mortgages, closing costs and prepaids, or a court ordered buyout settlement - A seasoned non-first lien mortgage is (1) a purchase money mortgage or (2) a closed end or HELOC mortgage that has been in place for more than twelve (12) months and/or not having any draws greater than \$2,000 in the past twelve (12) months - If the property is owned less than six (6) months at the time of application, the LTV / CLTV will be based on the lesser of the original purchase price plus improvements or current appraised value. The prior settlement statement will be required for proof of purchase price. Proof of improvements is required - There is no waiting period if the lender documents that the Borrower acquired the property through an inheritance or was legally awarded the property (divorce, separation, or dissolution of a domestic partnership). If the Borrower acquired the property at any time as a gift, award, inheritance or other non-purchase transaction, the LTV will be based on the current appraised value. The lender must obtain appropriate documentation to verify the acquisition and transfer of ownership - Properties listed for sale by the Borrower within the last six (6) months are not eligible - Refinance of a previous Cash-Out seasoned < 1 year will be considered Cash-Out refinance • Cash Out <ul style="list-style-type: none"> - To be eligible for a Cash-Out Refinance the Borrower must have owned the property for a minimum of six (6) months prior to the application date - Properties listed for sale by the Borrower within the last twelve (12) months are not eligible - If the property is owned less than twelve (12) months but greater than six (6) months at the time of application, the LTV / CLTV will be based on the lesser of the original purchase price plus documented improvements, or current appraised value. The prior settlement statement will be required for proof of purchase price - Refinance of a previous Cash-Out seasoned < 1 year will be considered Cash-Out refinance 				
Max Cash-Out Limit	<ul style="list-style-type: none"> • LTV > 60%: Max Cash-out \$750,000 (No Credit Event Standard Reserve) • LTV ≤ 60%: Unlimited Cash-out 				
Occupancy	<ul style="list-style-type: none"> • Primary <ul style="list-style-type: none"> - A primary residence is a property that the Borrower(s) currently resides in (refinance) or intends to occupy (within sixty (60) days) as his or her principal residence - 3-4 Unit properties are not eligible as primary residences - Borrower may not own an additional single-family residence of equal or greater value than subject property • Second Home <ul style="list-style-type: none"> - A property is considered a second home when it meets all the following requirements: <ul style="list-style-type: none"> ▫ Must be located a reasonable distance away from the Borrower(s) principal residence ▫ Must be occupied by the Borrower(s) for some portion of the year ▫ Is restricted to a one-unit dwelling ▫ Must be suitable for year-round occupancy ▫ The Borrower(s) must have exclusive control over the property - Rural properties not permitted • Investment <ul style="list-style-type: none"> - Occupancy designation for an income producing property where the Borrower does not occupy the Subject property - Rural properties not permitted 				
Property Type	Single Family Attached Detached 2-4 Units Condo Non-Warrantable Condo				
Rural Property	Primary Only No Cash-Out Max 75% LTV/CLTV				
Appraisals	<ul style="list-style-type: none"> • FNMA Form 1004, 1025, 1073 with interior / exterior inspection • Form 1007 Schedule of Rents is required for all Non-Owner-Occupied loans • Appraisals with condition or quality ratings of C5 or C6 not allowed. • 2nd Appraisal required for loans > \$1,500,000 or HPML flip transactions as defined by the CFPB • Appraisals are good for one hundred twenty (120) days 				
Appraisal Review	<ul style="list-style-type: none"> • Collateral Underwriter (CU) as a secondary valuation if the score is <=2.5 • CDA if the score is > 2.5 				
Escrow Impound	Mandatory Impound				
State Restrictions	FL Condo: Upto 7 Stories. No High Rise Condo (8+)				
Prepayment Penalty (Investment Property Only)	<ul style="list-style-type: none"> • Prepayment periods up to 5-years eligible, see rate sheet • Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period. 				
Document Age	Ninety (90) days prior to the note date				
Underwriting Requirements					
Credit Score	Middle of 3 scores or lower of 2				
Tradelines	<ul style="list-style-type: none"> • Each Borrower's credit profile must include a minimum of two (2) trade lines within the last twenty-four (24) months that show a twelve (12) month history, or a combined credit profile between Borrower and co-Borrower with a minimum of three (3) tradelines • Tradeline with any derogatory history within twenty-four (24) months cannot be included in the minimum tradeline count 				
Housing History	0x30x12				
Housing Event Seasoning	BK/FC/SS/DIL/Mod/NOD ≥ 48 Mo				
Reserves	Loan Amount	Standard	*Reduced		
	≤ 1,000,000	6 Months	3 Months		
	≤ 2,000,000	9 Months	6 Months		
	≤ 3,000,000	12 Months	9 Months		
<ul style="list-style-type: none"> *Reduced Reserve option available with price adjustment Additional restriction applies (See Exception below) • Cash out may be used to satisfy requirement • Must be own fund • Additional Financed Properties: 2 Months incremental PITIA per financed property 					

Restriction	<p>If loan has credit event (BK/FC/SS/DIL/Mod/NOD 36-47 Mo, 1x30x12, 2x30x12) or reduced reserve, additional restrictions will apply:</p> <ul style="list-style-type: none"> 5% LTV reduction (* Not available) Max DTI 50% LTV > 60%: Max Cash-out \$500,000 Non-Warrantable Condo max LTV 75%
Assets Requirements	<ul style="list-style-type: none"> 1 month bank statement <i>or</i> VOD with 30 day average Any large deposit must be sourced
Asset Source	<ul style="list-style-type: none"> Eligible <ul style="list-style-type: none"> Business accounts may only be used to meet down payment and/or reserve requirements if the Borrower(s) are 100% owners of the business and requires A letter from the accountant for business Publicly traded Stocks / Bonds / Mutual Funds – 100% may be used for reserves Vested Retirement Accounts – 100% may be considered for reserves Bitcoin or other forms of cryptocurrency are permitted for both funds to close and reserves provided the cryptocurrency has been converted or liquidated to cash. Seasoning requirements not applicable given liquidation Life insurance policy current cash value or loan against the cash value may be used for down payment, closing costs or reserves Foreign assets are acceptable and must be sixty (60) days seasoned with two (2) most recent bank statements. A currency calculation must be provided 1031 administrator / agent or permitted for down payment and closing costs Ineligible <ul style="list-style-type: none"> Assets being used for dividend and interest income may not be used to meet reserve requirements Gift of Equity is not allowed Rent credits not permitted Restricted stock is ineligible for to be used for reserves Sale of Personal Assets Employer assistance
Gift Funds	<ul style="list-style-type: none"> Gift funds cannot be counted towards reserves Purchase transactions only LTV ≤ 75%: 100% gift allowed with all occupancy LTV > 75%: Min contribution 5%
Income	<p>Self Employed</p> <ul style="list-style-type: none"> 12 Mo CPA/EA/CTEC prepared Profit & Loss Statement <ul style="list-style-type: none"> Qualifying income is the net income from the P&L divided by 12 months Expenses on the P&L must be reasonable for the industry P&L end date must be less than sixty (60) days old from note date CPA/EA/CTEC must attest they have prepared the borrower's most recent tax return & borrower has minimum 50% ownership <ul style="list-style-type: none"> Must be signed by a CPA/EA/CTEC Borrower narrative on nature of business required Internet search of the business is required to support the existence of the business Employment information on the loan application and borrower's credit report must be consistent Verification of business existence and that the business is fully operational/active required within ten (10) calendar days of closing <p>Wage Earner</p> <ul style="list-style-type: none"> FNMA Form 1005 (WVOE) must be completed by Human Resources, Payroll Department, or an Officer of the Company Two (2) years history of employment in same industry and 1-year continuous employment at current job employed by a family member or related individuals are not eligible for qualification must have a twenty-four (24) month history of wage earnings/salary Verbal Verification of Employment (WVOE) must be performed within ten (10) calendar days prior to the Closing Employment verification documentation must be consistent with information on Borrower's credit report
Rental Income	<ul style="list-style-type: none"> Must document proof of 100% ownership Fully Executed Lease agreement if Refinance transaction Two (2) months cancelled checks to show proof of rental payments Evidence that rent is market rate (free online source is permitted) 75% utilized for qualifying income Departing residence positive rental income cannot be used to qualify. Departing residence PITIA/ITIA can be offset by 75% of projected net rental income. Departing residence rental that produces a loss must be included in DTI
Continuity Obligation	<ul style="list-style-type: none"> Continuity of obligation occurs on a refinance transaction when at least one of the Borrower(s) (or members of the LLC) on the existing mortgage is also a Borrower / LLC on the new refinance When an existing Mortgage will be satisfied as a result of a refinance transaction, the following requirements must be met: <ul style="list-style-type: none"> At least one Borrower on the refinance mortgage held title to for the most recent six (6) month period and the mortgage file contains documentation evidencing that the Borrower has been making timely mortgage payments, including the payments for any secondary financing, for the most recent six (6) month period At least one Borrower on the refinance Mortgage inherited or was legally awarded the Mortgaged Premises by a court in the case of divorce.
Subordinate Financing	<ul style="list-style-type: none"> New subordinate financing (institutional) allowed for purchase transactions only Primary residences only If a HELOC is present the LTV / CLTV must be calculated by dividing the sum of the original loan amount of the first mortgage, the line amount of the HELOC (whether or not there have been any draws), and the unpaid principal balance of all other subordinate financing by the lower of the property's sales price or appraised value All subordinate loan obligations must be considered, verified, and considered when calculating the Borrower's DTI If the subordinate financing is a HELOC secured by the subject property, monthly payments equal to the minimum payment required under the HELOC terms considering all draws made on or before closing of the subject transaction Existing subordination is permitted on refinances
Flip Transactions	<p>When the subject property is being resold within three hundred sixty-five (365) days of its acquisition by the seller and the sales price has increased more than ten (10%), the transaction is considered a "flip". To determine the three hundred sixty-five (365) day period, the acquisition date (the day the seller became the legal owner of the property) and the purchase date (the day both parties executed the purchase agreement) should be used</p> <ul style="list-style-type: none"> must be arm's length (the property was marketed openly and fairly through a multiple listing service) with no identity of interest between the buyer and property seller or other parties participating in the sales transaction No pattern of previous flipping activity may exist in the last twelve (12) months. <ul style="list-style-type: none"> Exclude transaction: ownership transfers may include sales by government agencies, properties inherited or acquired through divorce, and sales by the holder of a defaulted loan Second Appraisal Required <ul style="list-style-type: none"> Greater than ten (10%) increase in sales price if seller acquired the property in the past ninety (90) days Greater than twenty (20%) increase in sales price if seller acquired the property in the past one hundred eighty (180) days
Delayed Financing	Allowed
Interested Party Contribution	<ul style="list-style-type: none"> LTV/CLTV = 80%: 3% LTV/CLTV < 80%: 6%
Ineligible Transactions	<ul style="list-style-type: none"> Construction Loans Builder Bailout & Model leasebacks Rent Credits Non-Arm's Length Lease Option Conversion Loans
Non Permanent Resident Alien	<ul style="list-style-type: none"> Cash-out not allowed VISA Allowed: (E-1, E-2, E-3, EB-5, G-1 through G-5, H-1B, L-1, NATO, O-1, R-1, TN (NAFTA) R-1. Copy of unexpired passport and visa required
Ineligible Borrower	<ul style="list-style-type: none"> Borrowers with diplomatic immunity Non Occupant Co-Borrower Self-employed Borrower deriving their income from any Cannabis related business Borrower(s) with residence of any country not permitted to conduct business with US Companies as determined by US government authority Irrevocable or Blind Trusts DACA & asylum applicants Land Trusts ITIN Borrower
Ineligible Property Type	<ul style="list-style-type: none"> Manufactured Homes Log Homes Condotels Living/Work Condos Working Farm Zonining violation Mixed Use Boarding Houses Unique Properties/Geodesic Domes Assisted Living Continuing Care Facilities Properties Under Construction
Power of Attorney	<ul style="list-style-type: none"> Limited Power of Attorney (POA) is acceptable for executing closing documents, is specific to the transaction, contains an expiration date, initial 1003 is signed by the Borrower executing the POA Not permitted on Cash-Out transactions
Student Loan	Student loan payments must be included regardless of deferment or repayment in the DTI ratio. If a payment amount is not identified, 1% of the current loan balance may be utilized
Solar Lease	<ul style="list-style-type: none"> Must conform to FNMA guidelines PACE loans (or any similar loans with payments that are included in property taxes or take lien priority) are not eligible
Payoff Debt To Qualify	Installment and revolving debt paid at closing may be excluded from the debt-to-income ratio with i. a credit supplement, ii. Verification from the creditor liability as paid in full or iii. Evidence of payoff on Closing Disclosure
Debts Paid By Others / Contingent Liabilities	<ul style="list-style-type: none"> Contingent liabilities can be excluded from DTI if the Borrower provides evidence that their business or another individual / entity has made payments for twelve (12) months (0x30). Any liability related to a separation or divorce can be omitted if ordered by family court. Excludable if can be tied to business related activities (i.e., – vehicle) and twelve (12) months (0x30) proof that business pays. Expense must be evident on business financials. Cannot exclude mortgage debt
Maximum Financed Properties	The maximum number of financed properties to any one Borrower is limited to twenty (20) residential properties