

# 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%
	≤ 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"><li>2-4 Units &amp; Condo Max LTV/CLTV: 85%</li><li>Rural Max LTV/CLTV: Purchase 80%, Refinance 75%</li><li>Interest Only: Min Fico 660</li><li>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"><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>Ineligible in Baltimore, Maryland</li></ul>							
Income Requirement							
Wage Earner Income	<ul style="list-style-type: none"><li>Paystubs</li><li>W-2</li><li>IRS Form 4506</li></ul>						
Self Employed Income	<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							
DTI	<ul style="list-style-type: none"><li>Max 50%</li></ul>						
Occupancy	<ul style="list-style-type: none"><li>Primary</li><li>Second Home</li><li>Investment</li></ul>						
Interest Only	<ul style="list-style-type: none"><li>Min Credit Score: 660</li></ul>						
Product Type  *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			
	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"><li>Purchase</li><li>Rate/Term</li><li>Cash-Out</li></ul>						
Loan Amount	<ul style="list-style-type: none"><li>Min: \$150,000</li></ul>						

	<ul style="list-style-type: none"> <li>Max: \$3,500,000</li> </ul>
<b>State 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> <li>Ineligible in Baltimore, Maryland</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 (Max LTV/CLTV: 85%)</li> <li>Condo (Max LTV/CLTV: 85%)</li> </ul>
<b>Acreage</b>	<ul style="list-style-type: none"> <li>Property up to 20-acres</li> <li>Rural Max LTV/CLTV: Purchase 80%, Refinance 75%</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> <li></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>	<b>Housing History</b>	<b>1x30x12</b>	<b>0x60x12</b>	<b>0x90x12</b>
	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
<b>Credit Event Seasoning</b>	<b>BK/FC/SS/DIL/PreFC/MC</b>	<b>&gt;= 36 Mo</b>	<b>&gt;= 24 Mo</b>	<b>&gt;= 12 Mo</b>
	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
<b>Notice of Default</b>	<ul style="list-style-type: none"> <li>Notice of Default will be considered 1x90x12 under housing history restrictions.</li> <li>If the borrower cured the default and has made 12 timely payments, they are eligible without any 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 are eligible.</li> <li>Within 12 months of note date: Not Eligible</li> </ul>			
<b>Reserves</b>	<ul style="list-style-type: none"> <li>Reserve requirements are determined by loan amount and LTV as follows: <ul style="list-style-type: none"> <li>Loan Amount ≤ \$1.5 million and LTV ≤ 75% → None required</li> <li>Loan Amount ≤ \$1.5 million and LTV &gt; 75% → 2 months of PI</li> <li>Loan Amount &gt; \$1.5 million → 4 months of PI</li> <li>Loan Amount &gt; \$2.0 million → 6 months of PI</li> </ul> </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.</li> </ul>			
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>100% of Gift Funds allowed for loans with an LTV/CLTV less than 80%. For loans with an LTV/CLTV greater than or equal to 80%, Gift Funds are acceptable; however, the borrower must contribute at least 5% from their own funds.</li> <li>Gift funds are allowed in refinance transactions.</li> <li>Gift funds may be used to meet down payment, closing cost, and reserve.</li> <li>Borrowers must meet reserve and residual income requirements</li> </ul>			
<b>First Time Home Buyer</b>	<ul style="list-style-type: none"> <li>Both Owner-Occupied (OO) and Non-Owner-Occupied (NOO) permitted.</li> <li>DTI may not exceed 50%.</li> <li>The rental history, reflecting 0x30, documented;</li> </ul>			

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