

Alt Doc Prime

Program Code: Alt 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					
		Bank Statement, 1099			WVOE, Asset Utilization		
		Purchase	R/T	Cash-Out	Purchase	R/T	Cash-Out
720+	≤ 1M	90%	85%	80%	80%	75%	70%
	≤ 1.5M	90%	85%	80%	80%	75%	70%
	≤ 2M	85%	80%	80%	80%	75%	70%
	≤ 2.5M	80%	75%	75%	75%	70%	70%
	≤ 3M	75%	70%	70%	70%	NA	NA
700-719	≤ 1M	90%	85%	80%	80%	75%	70%
	≤ 1.5M	90%	85%	80%	80%	75%	70%
	≤ 2M	85%	75%	70%	80%	75%	70%
	≤ 2.5M	75%	70%	65%	75%	70%	65%
	≤ 3M	75%	70%	65%	70%	NA	NA
680-699	≤ 1M	90%	85%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	80%	75%	70%	75%	70%	65%
	≤ 2.5M	75%	70%	65%	70%	65%	60%
	≤ 3M	70%	65%	65%	NA	NA	NA
660-679	≤ 1M	80%	80%	75%	NA	NA	NA
	≤ 1.5M	80%	75%	75%	NA	NA	NA
	≤ 2M	75%	70%	65%	NA	NA	NA
	≤ 2.5M	70%	65%	65%	NA	NA	NA
640-659	≤ 1M	80%	75%	70%	NA	NA	NA
	≤ 1.5M	70%	65%	65%	NA	NA	NA
	≤ 2M	65%	NA	NA	NA	NA	NA
620-639	≤ 1M	70%	70%	NA	NA	NA	NA

FICO	Loan Amt	Max CLTV					
		Second Home / Investment					
		Bank Statement, 1099			WVOE, Asset Utilization		
		Purchase	R/T	Cash-Out	Purchase	R/T	Cash-Out
720+	≤ 1M	85%	80%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	85%	80%	75%	80%	75%	70%
	≤ 2.5M	80%	75%	75%	75%	70%	70%
	≤ 3M	75%	70%	70%	NA	NA	NA
700-719	≤ 1M	85%	80%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	85%	75%	70%	80%	75%	70%
	≤ 2.5M	75%	70%	65%	75%	70%	65%
	≤ 3M	75%	70%	65%	NA	NA	NA
680-699	≤ 1M	85%	80%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	80%	75%	70%	75%	70%	65%
	≤ 2.5M	75%	70%	65%	70%	65%	60%
	≤ 3M	70%	65%	65%	NA	NA	NA
660-679	≤ 1M	80%	80%	75%	NA	NA	NA
	≤ 1.5M	80%	75%	75%	NA	NA	NA
	≤ 2M	75%	70%	65%	NA	NA	NA
	≤ 2.5M	70%	65%	65%	NA	NA	NA
640-659	≤ 1M	80%	75%	70%	NA	NA	NA
	≤ 1.5M	70%	65%	65%	NA	NA	NA
	≤ 2M	65%	NA	NA	NA	NA	NA
620-639	≤ 1M	70%	70%	NA	NA	NA	NA
<ul style="list-style-type: none"> 2-4 Units & Condo Max LTV/CLTV: 85% Rural Max LTV/CLTV: Purchase 80%, Refinance 75% First Time Home Buyer without a documented 12-month rental history Max LTV/CLTV: 80% (Max DTI 43%) State Restriction and Declining Market: 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 	
Income Requirement	
Self Employed Income	<ul style="list-style-type: none"> ▪ Personal Bank Statements <ul style="list-style-type: none"> ○ 12-months of Personal and 2-months of business bank statements ○ Qualifying income is determined by the total eligible deposits from the 12-months of personal statements divided by the number of statements; or the income disclosed on the initial 1003 ○ The business bank statements must reflect business activity and transfers to the personal account ▪ Business Bank Statements <ul style="list-style-type: none"> ○ 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> ▪ Fixed Expense Ratio (50%) industry eligibility based upon the completion of the Business Narrative Form in the Seller Guide. ▪ OR Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10% ▪ OR P&L statement prepared by 3rd party (CPA or EA): No expense ratio deduction. P&L must support business bank statement. ▪ IRS Form 1099 <ul style="list-style-type: none"> ○ 1-year 1099 ○ Fixed Expense Ratio of 10% ○ YTD Documentation to support continued receipt of income from same source.
Wage Earner Income	<ul style="list-style-type: none"> ▪ WVOE + 2-month Bank Statement (see program restriction below) <ul style="list-style-type: none"> ○ Bank statements must reflect deposits from the employer supporting at least 65% of gross wage/salary reflected on the WVOE. ○ Two-year history with same employer is required. ○ Borrower(s) employed by family members or related individuals are not eligible. ○ An internet search of the business is required with documentation to be included in the credit file to support existence of the business. ▪ WVOE Restriction: <ul style="list-style-type: none"> ○ No gift funds allowed ○ 24-month 0x30 housing history required. ○ Max 1x30x12 housing late ○ Min 36 months credit event seasoning
Asset Utilization	<ul style="list-style-type: none"> ○ Minimum eligible asset required is the lower of \$1,000,000 or 150% of the loan amount ○ Most recent three (3) months account statements, quarterly statement or a VOD (assets must be seasoned 90 days) ○ Total Eligible Assets less down payment and closing costs divided by 84 to determine a monthly income ○ Eligible asset: <ul style="list-style-type: none"> ▪ 100% of Checking, Savings, and Money Market Accounts; ▪ 100% of the cash surrender value of life insurance less any loans may be considered ▪ 70% of Stocks, Bonds, and Mutual Funds; ▪ 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59½) ▪ 60% of Retirement Assets: Eligible if the borrower is not of retirement age.

Asset Utilization (Cont.)	<ul style="list-style-type: none">▪ Asset Utilization Restriction:<ul style="list-style-type: none">○ No gift funds allowed○ Max 1x30x12 housing late○ Min 36 months credit event seasoning				
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▪ Max LTV: 90%				
Product Type	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: \$2,500,000				
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%				
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				

Rural Property	<ul style="list-style-type: none">Not eligible			
Document Age	<ul style="list-style-type: none">90 days prior to the note date			
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 FLFlorida 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.			
Escrow Impound	<ul style="list-style-type: none">Taxes and insurance escrows required			
Prepayment Penalty	<ul style="list-style-type: none">Investment Properties onlyPrepayment periods up to 5-years eligible, see rate sheetPenalties not allowed on loans vested to individuals in NJPrepayment not allowed on MDSix (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period.			
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	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 PITIALTV 80.01 to 85%: 6-month PITIALTV > 85%: 12-month of PITIALoan Amount > \$1.5M: 9-months of PITIALoan Amount > \$2.5M: 12-months of PITIA			

Reserves (Cont.)	<ul style="list-style-type: none"> Cash out may be used to satisfy requirement
Assets Req.	<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: 5% primary/second home, 10% investment
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 Maximum contribution: <ul style="list-style-type: none"> o 6% for LTVs > 75% o 9% for LTV ≤ 75%