

P&L Prime

Program Code: PL 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		
		Purchase	R/T	Cash-Out
720+	≤ 2M	80%	75%	70%
	≤ 2.5M	75%	70%	70%
	≤ 3M	70%	NA	NA
700-719	≤ 2M	80%	75%	70%
	≤ 2.5M	75%	70%	65%
	≤ 3M	70%	NA	NA
680-699	≤ 1.5M	80%	75%	70%
	≤ 2M	75%	70%	65%
	≤ 2.5M	70%	65%	60%
FICO	Loan Amt	Max CLTV		
		Second Home / Investment		
		Purchase	R/T	Cash-Out
720+	≤ 2M	80%	75%	70%
	≤ 2.5M	75%	70%	70%
700-719	≤ 2M	80%	75%	70%
	≤ 2.5M	75%	70%	65%
680-699	≤ 1.5M	80%	75%	70%
	≤ 2M	75%	70%	65%
	≤ 2.5M	70%	65%	60%
<ul style="list-style-type: none"> State Overlays for FL, NJ: Max loan amount is limited to \$2M Investment properties are ineligible in Baltimore, Maryland If appraisal report identifies the property in declining market, max loan amount limited to \$2M Rural: Max LTV/CLTV 80% Purchase, 75% Refinance Max loan amount for Second Home / Investment property: \$2.5M 				

Income Requirement					
Self Employed Income	<ul style="list-style-type: none">▪ Profit & Loss Statement Only<ul style="list-style-type: none">○ 12 Mo CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement Only within 30 days of the loan application<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.○ CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent tax return & borrower has minimum 50% ownership, and CPA/EA/CTEC letter must verify minimum 2 years of existence of business.<ul style="list-style-type: none">▪ Must be signed by a CPA/EA/CTEC▪ ▪ Profit & Loss Statement With 2 Months Bank Statement<ul style="list-style-type: none">○ 12 Mo CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement Only within 30 days of the loan application<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.○ Two months of business bank statements corresponding to the most recent two months on the P&L , and the deposits supporting at least 80% of the monthly average sales/revenue reported on the P&L.○ CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent tax return & borrower has minimum 50% ownership, and CPA/EA/CTEC letter must verify minimum 2 years of existence of business.<ul style="list-style-type: none">▪ Must be signed by a CPA/EA/CTEC				
General Requirements					
DTI	<ul style="list-style-type: none">▪ Max 50%				
Occupancy	<ul style="list-style-type: none">▪ Primary▪ Second Home▪ Investment				
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	
	Product	Term	Amortization Term	I/O Term	Qualifying Rate

	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				
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▪ Condo				
Rural Property	<ul style="list-style-type: none">▪ Max LTV/CLTV 80% Purchase, 75% Refinance				
State/CBSA Restrictions	<ul style="list-style-type: none">▪ Maximum 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▪ Florida 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.▪ Investment properties are ineligible in Baltimore, Maryland				
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				
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"> 1x30x12
Housing Event Seasoning	<ul style="list-style-type: none"> BK/FC/SS/DIL/Mod: ≥ 36 Months
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, 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"> Reserve requirements are determined by loan amount and LTV as follows: <ul style="list-style-type: none"> o Loan Amount ≤ \$1.5 million and LTV ≤ 75% → None required o Loan Amount ≤ \$1.5 million and LTV > 75% → 2 months of PI o Loan Amount > \$1.5 million → 4 months of PI o Loan Amount > \$2.0 million → 6 months of PI Cash out may be used to satisfy requirement
Assets Requirements	<ul style="list-style-type: none"> 1 month bank statement or VOD with 30-day average.
Business Funds	<ul style="list-style-type: none"> Business accounts may be considered for assets. The amount of business assets that may be utilized is limited to the borrower's ownership percentage in the business.
Gift Funds	<ul style="list-style-type: none"> 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. Gift funds are allowed in refinance transactions. Gift funds may be used to meet down payment, closing cost, and reserve Borrowers must meet reserve and residual income requirements
First Time Home Buyer	<ul style="list-style-type: none"> Both Owner-Occupied (OO) and Non-Owner-Occupied (NOO) permitted. DTI may not exceed 50%. The rental history, reflecting 0x30, documented; First time homebuyers with less than 12-month rental history: LOE or rent-free letter is required.

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%
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