

Bank Statements | 1099 Only

Purchase / Rate & Term Refinance							
Loan Amount	LTV	FICO	DTI	Loan Amount	LTV	FICO	DTI
Primary Residence				Second Home			
\$2,000,000	80%	700	43%	\$2,000,000	75%	700	43%
\$2,500,000	75%	700	43%	\$2,000,000	70%	700	43%
\$3,500,000	70%	660	43%	\$3,000,000	65%	660	43%
Cash Out Refinance							
Loan Amount	LTV	FICO	DTI	Loan Amount	LTV	FICO	DTI
Primary Residence				Second Home			
\$2,500,000	70%	700	43%	\$2,000,000	65%	700	43%

Asset Qualifier

Purchase / Rate & Term Refinance							
Loan Amount	LTV	FICO	DTI	Loan Amount	LTV	FICO	DTI
Primary Residence				Second Home			
\$2,000,000	75%	700	N/A	\$2,000,000	75%	700	N/A
\$2,500,000	70%	700	N/A	\$2,000,000	70%	700	N/A
\$3,500,000	65%	680	N/A	\$3,000,000	65%	680	N/A
Cash Out Refinance							
Loan Amount	LTV	FICO	DTI	Loan Amount	LTV	FICO	DTI
Primary Residence				Second Home			
\$2,500,000	70%	680	N/A	\$2,000,000	65%	680	N/A

Additional Program Information

Program Requirements	
Minimum Loan Amount	\$100,000
Asset Qualifier	DTI not applicable.
Enhance Debt Ratio*	43% - 50%
*Enhanced: DTI above 43% and up to 50% requires a 5% reduction in max LTV as listed in the above grid. Max DTI for cash out is 43%.	

Credit Seasoning	
Mortgage History	1 x 30 x 12
Foreclosure	48 months
Short Sale/DIL	48 months
BK Seasoning	48 months

Property Type Requirements

Property Type	Max LTV
Rural Properties	70%
Attached PUD/Condo	80%
Florida Condominium	70%
2 Unit	75%
3-4 Unit	70%
Log Homes	Not Allowed

Product Types

Products		
IO Period	Amort Term	Final Maturity
5/6m, 7/6m & 10/6m ARM		30 Yr Fixed
5/6m, 7/6m & 10/6m ARM IO		30 Yr Fixed IO
10 Years	20 Years	30 Years
ARM Margins & Caps		
5/6 ARM	Margin: 4.50	Caps: 2/2/5
7/6ARM	Margin: 4.50	Caps: 5/2/5
10/6 ARM	Margin: 4.50	Caps: 5/2/5
Index = 30 Day Avg SOFR, Floor = Start Rate		

Alternative Income Documentation Types

12 Months Bank Statements	Self-employed borrowers only (valid license or CPA letter validation required covering the most recent 24 months). 12 months personal bank statements - personal or business. Borrower(s) must own a minimum of 25% of the business. Refer to program guidelines for calculation methods available. Bank statements should show a stable or increasing trend. If the trend is declining and/or irregular, additional documentation may be required up to and including an additional 12 months of statements.
1099 only	Validated most recent 2 years of 1099s. Borrower must receive compensation either in the form of commissions or as an independent contractor. An expense ratio must be developed using one of the two below methods. If gross receipts are stable or increasing year over year, use a 24 month average of net income. If gross receipts are declining, a 12 month average should be utilized. Method 1: Provide a CPA prepared profit & loss statement covering the most recent two calendar years. Gross 1099 receipts must support at least 90% of the gross receipts listed on the profit & loss statement. Method 2: Provide a CPA letter stating the business' expense ratio based on the most recent year's tax return. Multiply the expense ratio by the gross receipts shown on the 1099(s). *Income Trend: If the income trend is declining and/or irregular, additional documentation may be required up to and including an additional 12 months of 1099s.
Asset Qualifier	Qualification is determined solely based on the Applicant's liquid assets and assets they can liquidate without restriction. Option 1: Mortgage Only Total post-closing assets must meet 125% of the outstanding mortgage debt for which the Borrower has personal liability, including the proposed mortgage(s) on the subject property. Option 2: Traditional Total post-closing assets must meet the sum of the below: <ul style="list-style-type: none"> • 100% of the loan amount • Reserves required per program • 60 months of total debt service (do not include subject property's PITIA or PITIA on rented properties with documented rental income) • 60 months of net rental losses on rental properties (do not include subject property's PITIA) *Rental Calculation (Option 2 only) Rental properties are counted on a net basis based on 75% of lease less PITIA to determine impact on debt service. Net rent can never exceed \$0 for determining impact. For example, a property with a lease of \$1,600 and PITIA of \$1,500 would have a \$300 per month debt added to debt service ($\$1,600 \times 75\% - \$1,500 = \$300$). Other owned properties require additional reserves.

Additional Program Requirements

Appraisal	Loan amounts over \$1,500,000 automatically require two appraisals. Every appraisal requires a Desk Review. Properties with a condition rating of C5 or C6 or a quality rating of Q6 are not acceptable.
Assets	Assets sourced and seasoned for 30 days.
Cash Out	Max cash in hand is \$2,000,000.
Citizenship	US Citizen, Permanent Resident Alien & Non-Permanent Resident Alien (with US credit)
Compliance	<ul style="list-style-type: none"> • Escrows required for all HPML loans, refer to guidelines for additional escrow requirements • No section 32 or state high cost • "Total borrower paid points and fees up to 5%" • Compliance with all applicable federal and state regulations
Credit	Standard 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months, all with activity in the last 12 months. Use decision score amongst all borrowers/guarantors who will be on the Note and Title. Decision Score Definition- Minimum of one borrower with two credit score. Use the lower of the two credit scores or the median, if there are three credit scores.
Geographic Restrictions	Available in AZ, CA, CO, District of Columbia, FL, GA, MD, NM, OR, TX, UT, VA and WA- Texas 50(a)(6) loans not allowed
Gift Funds	Not allowed on investment properties for reserves or for Asset Qualifier as income. Refer to guides for all other requirements
Max Financed Properties	Maximum 20 financed properties including subject property.
Mortgage History	Subject property must not have been in forbearance/payment deferral within the last 12 months. be reinstated per FNMA requirements before the borrower is eligible for new financing. Other REO: Currently in forbearance must
Occupancy	Primary Residence and Second Homes
Prepayment Penalty	Not allowed
Property Types	SFR, PUD, Townhome, Condominium, 2-4 Unit, Modular & Rural . Log Homes and Manufactured Homes are not eligible.
Qualifying Payment	ALL: Use Qualifying Rate (refer to box) for calculating PITIA Interest Only: Qualify using the fully amortized payment with the Qualifying Rate over the fully amortized term of the loan
Qualifying Rate	Fixed = Note Rate; ARM: 5/6m = Greater of Note Rate or Fully Indexed Rate; 7/6m & 10/6m = Note Rate
Reserves	Loan amount up to \$2M: 6 months PITIA . Loan amount greater than \$2M: 12 months PITIA. Other REO owned: 2 months of each property's PITIA. Cash out cannot be used as reserves.
Seller Concessions	Up to 6%
Subordinate Financing	Max 90% CLTV