

Eligibility				
Standard Doc				
Loan Amount	Credit Score	Primary	Second Home	Investment
\$100,001 - \$350,000	740	85	80	75
	700	85	80	65
	680	75	75	N/A
\$350,001 - \$500,000	740	85	75	75
	700	85	75	65
	680	75	70	N/A
Alt Doc				
Loan Amount	Credit Score	Primary	Second Home	Investment
\$100,001 - \$350,000	740	85	75	70
	700	80	70	60
	680	75	65	N/A
\$350,001 - \$500,000	740	80	70	65
	700	75	65	60
	680	70	60	N/A
General Requirements				
Product and Term	Fixed Rate - Fully amortizing terms of 10, 15, 20, 25 & 30 years			
Loan Amounts	<ul style="list-style-type: none"> <li>Min: \$100,001</li> <li>Max: \$500,000</li> </ul>			
Loan Purpose	Stand-Alone Cash Out (Simultaneous/Piggyback not allowed)			
Occupancy	Primary, Second Home, Investment			
Cash-Out	Max cash-out: \$500,000			
Eligible Borrower	<ul style="list-style-type: none"> <li>U.S. Citizen</li> <li>Permanent Resident Alien</li> </ul>			
State Restrictions	<ul style="list-style-type: none"> <li>Not Eligible: Texas</li> <li>Restricted: IL, NJ (Max CLTV 80%, Min. FICO 720)</li> </ul>			
Income Requirements				
Standard Doc	<ul style="list-style-type: none"> <li>Wage/Salary: 1-year Paystubs, W-2, IRS Forms 4506-C, Verbal VOE</li> <li>Self-Employed: 1-year personal and business (if applicable) Tax returns, YTD P&amp;L, IRS Form 4506-C</li> </ul>			
Personal Bank Statements	<ul style="list-style-type: none"> <li>12-months of Personal and 2-months of business bank statements.</li> <li>Qualifying income is determined by the total eligible deposits from the 12-months of personal statements divided by the number of statements</li> <li>The business bank statements must reflect business activity and transfers to the personal account</li> </ul>			
Business Bank Statements	<ul style="list-style-type: none"> <li>12-months of business bank statements. Qualifying income is determined by one of the following analysis methods:               <ul style="list-style-type: none"> <li>Fixed Expense Ratio (50%)</li> <li>Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10%</li> <li>3rd party prepared Profit &amp; Loss Statement (CPA or EA)</li> </ul> </li> </ul>			

Income Requirements	
IRS Form 1099	<ul style="list-style-type: none"> <li>1-Year 1099</li> <li>Fixed Expense Ratio of 10%</li> <li>YTD documentation to support continued receipt of income</li> </ul>
Pre-close Reverification of employment	<ul style="list-style-type: none"> <li>Verbal VOE within 10-days wage/salary</li> <li>Business verification for S/E by 3rd party within 10-days of Note Date</li> </ul>
Underwriting Requirements	
Underwriting	Loans must be manually underwritten based on applicable doc type.
Application	FNMA Form 1003 - Current version of the Uniform Residential Loan Application
Age of Documents	<ul style="list-style-type: none"> <li>Credit Documents: May not be over 90-days old at the time of closing.</li> <li>Appraisals: May not be over 120-days old at time of closing.</li> </ul>
Gap Credit	A Gap report within 10-days of closing or Debt monitoring report required.
Qualifying Credit Score	<ul style="list-style-type: none"> <li>Determine a representative score for each borrower using middle of 3 scores or lower of 2, use lowest representative score amongst all borrowers.</li> <li>Rapid rescoring not allowed.</li> </ul>
Housing History	0x30x12 - verification of mortgage history required on all loans.
Credit Events	<ul style="list-style-type: none"> <li>Foreclosure: 84 month waiting period</li> <li>Short Sale, Deed in Lieu, Modification: 60 month waiting period</li> <li>Any Bankruptcy: 60 month waiting period</li> <li>Forbearance: 24 months of consecutive payments since exiting plan</li> </ul>
Tradelines	A minimum of three (3) tradelines: <ul style="list-style-type: none"> <li>One currently open and active for at least 24-mo. based upon the credit report pull date.</li> <li>The other 2 must have reported for a minimum of 12-months but can be open or closed.</li> </ul>
Maximum DTI	<ul style="list-style-type: none"> <li>80% CLTV: Maximum DTI ratio 50%</li> <li>85% CLTV: Maximum DTI ratio 45%</li> </ul>
Appraisal and Property	
Eligible Property	<ul style="list-style-type: none"> <li>Single Family</li> <li>PUD attached or detached</li> <li>FNMA Warrantable Condo (Max CLTV 80%)</li> </ul>
Appraisals	<p><b>HPML requires the following:</b></p> <ul style="list-style-type: none"> <li>HPML loans that are not Qualified Mortgages require a full appraisal with an interior inspection, regardless of the loan balance.</li> </ul> <p><b>Loan Amount ≤ \$250,000</b></p> <ul style="list-style-type: none"> <li>AVM from approved vendor with acceptable FSD and a new Property Condition Report with acceptable findings,</li> <li>Or, Exterior Drive-By appraisal (2055)</li> <li>Or, New Appraisal (FNMA Form 1004/1073)</li> <li>Or, prior 1st lien appraisal can be used if dated within 12 months of subject loan Note Date and must include:               <ul style="list-style-type: none"> <li>A new Property Condition Report with acceptable findings</li> <li>And, Recertification of Value (1004D Update) by the original appraiser.</li> <li>And, the subject loan must be originated by the same lender as the first</li> </ul> </li> </ul>

<b>Appraisals</b>	<p><b>Loan Amount &gt; \$250,000</b></p> <ul style="list-style-type: none"> <li>• New Appraisal (1004/1073)</li> <li>• Or, prior 1st lien appraisal can be used if dated within 12 months of subject loan Note Date and must include:             <ul style="list-style-type: none"> <li>○ A new Property Condition Report with acceptable findings</li> <li>○ And, Recertification of Value (1004D Update) by the original appraiser.</li> <li>○ And, the subject loan must be originated by the same lender as the first</li> </ul> </li> <li>• LTV is determined by the lower of the Prior Appraisal Value or current AVM Value.</li> </ul>	
<b>AVM and FSD Score</b>	<b>The following AVM vendors are acceptable:</b>	
	<b>AVM Vendor</b>	<b>Acceptable FSD Score at 85%</b>
	Clear Capital	≤ 0.13
<b>Property Condition Report</b>	When required, an Exterior Property Condition Report (i.e., Clear Capital Property Condition Report Inspection) should be obtained to include an exterior photo of the subject property along with a rating of the property's physical condition and characteristics.	
<b>Property</b>	<ul style="list-style-type: none"> <li>• Minimum property size 750 Square Feet</li> <li>• Condition Rating of C5/C6 not eligible</li> <li>• Any property located in a declining market as reported by the appraiser requires a 5% CLTV reduction.</li> </ul>	
<b>Recently Listed Properties</b>	Cannot be currently listed, or not listed for sale in the past 6 months.	
<b>Title Insurance</b>	<ul style="list-style-type: none"> <li>• Owner and Encumbrance Report for loan balances less than or equal to \$250,000, or</li> <li>• Alta Full Title Policy, or</li> <li>• Residential Limited Coverage Junior Policy</li> </ul>	
<b>Homeowners Insurance</b>	Use of the existing coverage amount is permitted. Loss payee clause must reflect seller Insurance as additional insured.	
<b>HPML Loan</b>	<ul style="list-style-type: none"> <li>• Evidence of senior lien escrow account for hazard insurance and property tax is required if the subject loan is a HPML.</li> <li>• In no case will an escrow be created with the 2nd lien servicer</li> </ul>	
<b>Ineligible Senior Liens</b>	<ul style="list-style-type: none"> <li>• Senior liens with high-risk features which can include, but are not limited to:             <ul style="list-style-type: none"> <li>○ Loans in active forbearance or deferment</li> <li>○ Negative amortization</li> <li>○ Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien</li> <li>○ Reverse Mortgages</li> <li>○ Private Mortgages</li> </ul> </li> </ul>	
<b>Ineligible Loan</b>	<ul style="list-style-type: none"> <li>• Lien Free Properties - if the subject property is lien free, including delayed financing, ineligible.</li> <li>• Unseasoned cash-out - if the existing lien is a cash-out, measured within six (6) months of the note date to note date.</li> <li>• Frequent Refinances - Two (2) or more cash-out refinances in the past twelve (12) months.</li> <li>• Purchase transaction</li> <li>• All existing subordinate liens must be satisfied. No resubordinated permitted .</li> <li>• All Solar Panel loans and leases must be paid off</li> </ul>	