

TERMS & RESTRICTIONS	
AVAILABLE TERMS	Fixed 30 YR Interest-Only 30 YR, 40 YR
INTEREST-ONLY	10 YR I/O Period Not permitted in age restricted communities
I/O LTV LIMITS	MAX LTV/CLTV 80%
I/O QUALIFYING	Qualify at interest-only payment
LOAN AMOUNT	MIN \$150K MAX \$2.0MM
TEMPORARY BUYDOWN	Not permitted
SUBORDINATE FINANCING	Resubordination of existing Subordinate Financing only Not permitted on Condotels Gift funds not permitted when Subordinate Financing present
UNDERWRITING EXCEPTIONS	Not permitted

UNDERWRITING SPECIFICATIONS	
UNDERWRITING TYPE	Manual UW
RESERVE REQUIREMENTS	Loan Amount ≤ \$1.0MM: 6 months Loan Amount > \$1.0MM: 9 months Cash-out amount may be used to meet reserve requirement Reserve Relief: No Reserves required for R/T Refis up to \$650K when Payment is Decreasing See program summary for additional details
CASH-OUT LIMITS	LTV ≤ 50%: \$1,000,000 LTV > 50% and ≤ 60%: \$750,000 LTV > 60%: \$500,000
PROPERTY TYPES	
ELIGIBLE PROPERTY TYPES	Condos (Warrantable & Non-Warrantable) PUD SFR 1 Unit with ADU 2-4 Unit Leasehold
INELIGIBLE PROPERTY TYPES	Assisted living projects, Bed and breakfast properties, Boarding house, Builder model leaseback (purchase transactions), Commercial utilized properties, Condo with deed restrictions, Co-ops, Indian/Tribal land, Industrial properties, Illegally zoned properties, Land trusts, Leasehold estate condo project, Manufactured Home, Mixed Use, Mobile home, Properties located adjacent to or containing environmental hazards, Properties encumbered with private transfer fee covenants, Properties located in a Coastal Barrier Resource System (CBRS), Properties not suitable for year-round occupancy, Properties with a C5 or C6 Condition rating, Properties > 10 acres, Properties with deed or resale restrictions (except for age restricted communities), Rural, Unique properties (e.g., log homes, berm homes, 3d printed homes, barndominium, Tiny Homes, Shouses, etc.)
ACCESSORY DWELLING UNIT (ADU)	MAX of 1 ADU unit per property 2-4 Unit properties with ADUs are not permitted Short-term rental income not permitted Appraisal must show ADU as legal
RURAL	Not permitted
MAX ACREAGE	10 acres
HERO/PACE/SOLAR PANELS	Any energy efficient liens like HERO or PACE must be paid off, subordination not permitted Solar must meet guideline requirements
CONDO - WARRANTABLE	MAX LTV/CLTV 80% Must meet FNMA full review requirements Investor review required (allow 3 business days)
CONDO - NON-WARRANTABLE	MAX LTV/CLTV 80% Investor review required (allow 3 business days)
CONDOTEL	MAX LTV/CLTV 75% Condotels use matrix Cash-Out LTV/CLTV limits for all Loan Purposes Subordinate financing not permitted
2-4 UNIT	ADUs not permitted
APPRAISAL REQUIREMENTS	
LOAN AMOUNT (≤ \$1.5MM)	1 Full Appraisal and a secondary valuation (CDA) Re-use of appraisal from previous transaction not permitted
LOAN AMOUNT (> \$1.5MM)	2 Full Appraisals, use the lower value for qualifying Re-use of appraisal from previous transaction not permitted
SECONDARY VALUATION	Files without 2 full appraisals: Collateral Desktop Analysis (CDA)
COLLATERAL DESKTOP ANALYSIS (CDA REPORT)	When CDA is required, it must support appraisal within 10% CDAs more than 10% below appraisal require two Full Appraisals CDA with "High Risk" score may not be used and file must contain two Full Appraisals
APPRAISAL COMPARABLES	Minimum of 3 comps within 10 miles from most recent 12 months
DECLINING MARKETS	5% less than the MAX LTV/CLTV allowed per the product matrix MIN DSCR: 1.0
TRANSFERRED APPRAISAL	Not permitted
UNDERWRITING	
QUALIFYING FICO SCORE	Minimum of 2 scores is required 1 Borrower: Midscore Multiple Borrowers: Lowest of all mid scores
TRADELINES	Each borrower must have at least 3 open tradelines reporting for a minimum of 12 months, with at least 1 reporting for 24 months
DOCUMENT AGE	Credit, Income & Assets: 90 days Appraisal: 120 days
ASSET STATEMENTS	2 most recent months or most recent quarterly statement
ELIGIBLE BORROWERS	U.S. Citizen Permanent Resident Alien
INELIGIBLE BORROWERS	Non Permanent Resident Alien Foreign National ITIN Irrevocable Trusts Borrowers with diplomatic immunity Borrowers with DACA or temporary protected status First-Time Homebuyers
BORROWER INCOME	Do not list borrower employment, income sources, or income amount on loan application
RESTRICTED STOCK INCOME (RSU)	Not permitted
CREDIT EVENTS	Minimum 48 months from discharge or dismissal date for all credit events 120 day mortgage late is considered a Foreclosure
< 12 MONTHS HOUSING HISTORY OR RENT-FREE	Not permitted
UNPAID COLLECTIONS/CHARGE-OFFS	Non-medical collection or charged-off accounts occurring in the most recent 24 months with a cumulative total exceeding \$2,000 must be paid off
INTERESTED PARTY CONTRIBUTIONS (IPC)	MAX 3%
GIFT FUNDS	Gift funds permitted Subordinate financing not permitted when gift funds used
BUSINESS ASSETS	Permitted See full guidelines for additional requirements/restrictions
LISTED FOR SALE	Rate/Term: Removed from market Prior to Note Date Cash-Out: Removed from market Prior to Note Date MAX LTV/CLTV 70% when listed within 6 months
CASH-OUT SEASONING	6 months seasoning required
RATE-TERM SEASONING	No seasoning requirement
PREPAYMENT PENALTY	Permitted See program summary for additional details
ESCROW HOLDBACK	Not permitted
NON-ARM'S LENGTH	Not Permitted
TEXAS 50(a)(6)	N/A
INELIGIBLE STATES	AK AR CT HI MO ND NM NY OK SD WY U.S. Possessions or Territories
TRUSTS	Inter Vivos Revocable Trusts permitted See full guidelines for additional requirements/restrictions
MORTGAGE INSURANCE	Not required
ESCROW ACCOUNTS	Required for the following: LTV > 80% Properties in Flood Zones Higher Priced Mortgage Loans (HPML)

