



Self Employed Only										
Program Maximum LTV/CLTVs		Primary Residence			Second Home			Investment Property		
Loan Amount	FICO	Purchase	Rate & Term	Cash Out	Purchase	Rate & Term	Cash Out	Purchase	Rate & Term	Cash Out
< \$1,000,000	720	90%	90%	80%	85%	85%	80%	85%	85%	80%
	700	90%	90%	80%	85%	85%	80%	85%	85%	80%
	680	90%	90%	80%	85%	85%	80%	80%	80%	75%
	660	80%	80%	75%	80%	80%	75%	80%	80%	70%
	640	80%	80%	70%	80%	80%	70%	N/A	N/A	N/A
	620	80%	80%	70%	80%	80%	70%	N/A	N/A	N/A
\$1,000,001 - \$1,500,000	720	90%	90%	80%	85%	85%	80%	85%	85%	80%
	700	90%	90%	80%	85%	85%	80%	80%	80%	75%
	680	85%	85%	75%	85%	85%	75%	80%	80%	75%
	660	80%	80%	75%	80%	80%	75%	75%	75%	70%
	640	70%	70%	65%	70%	70%	65%	N/A	N/A	N/A
	620	70%	70%	65%	70%	70%	65%	N/A	N/A	N/A
\$1,500,001 - \$2,000,000	720	90%	90%	80%	85%	85%	80%	80%	80%	75%
	700	85%	85%	75%	85%	85%	75%	80%	80%	75%
	680	80%	80%	70%	80%	80%	70%	75%	75%	70%
	660	75%	75%	65%	75%	75%	65%	70%	70%	65%
\$2,000,001 - \$2,500,000	720	80%	80%	75%	80%	80%	75%	75%	75%	70%
	700	75%	75%	65%	75%	75%	65%	70%	70%	65%
	680	75%	75%	65%	75%	75%	65%	70%	70%	65%
	660	70%	70%	65%	70%	70%	65%	70%	70%	65%
\$2,500,001 - \$3,000,000	720	75%	75%	70%	75%	75%	70%	75%	75%	65%
	700	75%	75%	65%	75%	75%	65%	70%	70%	60%
	680	70%	70%	65%	70%	70%	65%	70%	70%	60%
\$3,000,001 - \$3,500,000	720	70%	70%	55%	70%	70%	55%	70%	70%	55%
	700	70%	70%	55%	70%	70%	55%	70%	70%	55%
\$3,500,001 - \$4,000,000	720	70%	70%	50%	70%	70%	50%	N/A	N/A	N/A



Requirements							
Program Requirements		Property Overlays	Max LTV/CLTV		Products		
Minimum Loan Amount	\$150,000		Purch/R&T	Cash Out	30 Year Fixed		
Max Loan Amount	\$4,000,000	Rural	80%	75%	30 Year Fixed Interest Only and 40 Year Interest Only Primary/2nd Home Max 85% LTV Investment Max 80% LTV		
Unlimited Cash Out Allowed		Warrantable Condo	90%*	80%*			
Max DTI		Condotel	80%*	75%*			
50%		Non-Warrantable Condo	85%*	80%*	IO Period	10 years	
DTI > 50% to 55% Max	Allowed with min 700 FICO Max 80% LTV/CLTV Primary Residence Only No FTHB Purchase or Rate & Term Only \$1,500,000 Max Loan Amount No 40 YR IO	2 - 4 Units	85%*	80%*	Amortization Term	20/30 years	
		Declining Markets	5% reduction from max LTV		Final Maturity	30/40 years	
		*Reduce LTV by 5% from maximum on Investment Properties			Qualifying Rate	Fixed = Note Rate	
		Reserve Requirements			Qualifying Payment		
		<= \$1,000,000		6 months		Interest-Only: Use the fully amortized payment with the Qualifying Rate over the fully amortized term of the loan.	
		\$1,000,001 to \$2,000,000		9 months			
		\$2,000,001 to \$4,000,000		12 months			
		Reserve Requirement reduced by 3 months with 5% reduction from max qualifying LTV					
Cash out can be used toward reserves							
Other Requirements							
Approved States	Listed on our website: Approved States						
Bank Statement Types	One of three types of bank statements can be used for income qualifying. <ul style="list-style-type: none">12-months Personal Bank Statements with 3-months Business Bank Statements12-months Business Bank Statements; or12-months Commingled Bank Statements Commingled means that the borrower uses a single personal bank account for both his personal and business financial transactions.						
Bank Statements Business and Commingled	Borrower(s) must have a minimum of 25% ownership to use business bank statements. Apply a standard 50% expense factor, if the borrower's expense factor is lower it will need to be verified with a letter from a licensed tax professional. Minimum allowed expense factor is 10%. The business should be owned by the borrower and active for a minimum of two years. Borrowers who have been self-employed for less than two years, but not less than one year prior to application are eligible with an additional six-months reserves, and by documenting two years of previous experience in the same line of work. The borrower must provide at least 12 months of bank statements supporting their self-employment and the existence of the business. Calculation: 12-months of deposits that are clearly business related * Percentage of Ownership * Expense Factor / 12.						



Bank Statements Personal	<p>Borrower(s) must have a minimum of 25% ownership.</p> <p>Three months business bank statements to show business cash flows in order to utilize 100% of business-related deposits in personal account (no expense factor).</p> <p>Business must be active for a minimum of 2 years.</p> <p>Transfers into the personal account from the provided business account are permitted.</p> <p>Calculation: 12-months of deposits that are clearly business related and transfers from the provided business account / 12</p> <p>(Percentage of Ownership should only apply if other account holder on bank statements is not going on the loan. <i>Ex. Husband and Wife are on personal bank statements and husband is not going on the loan</i>).</p>
Bank Statements with Asset Depletion	<p>Most recent six months asset documentation. All parties on the accounts must also be on the loan to use the assets.</p> <p>Cannot use the same account being used for income qualifying for the borrower's self-employment.</p> <p>Allowable assets/ 60 months= Qualifying Income.</p> <p>Maximum DTI 50% expanded not allowed.</p> <p>Allowable assets:</p> <ul style="list-style-type: none">• Checking and Savings= 100%• Stocks, Bonds and/or Mutual Funds= 90%• IRAs, 401K and/or retirement accounts= 80% (Only if distribution is not already set up)• Cash Value Vested Life Insurance= 100% <p>Ineligible assets:</p> <ul style="list-style-type: none">• Business Funds• Non-liquid assets (autos, artwork, business net worth etc.)• Life Insurance at face value not allowed• Annuities• Cryptocurrency• Cash out from the subject transaction
Citizenship	<p>US Citizen, Permanent Resident Alien & Non-Permanent Resident Alien (with US Credit).</p>
Credit	<p>Use the representative score (lower of two or middle of three) of the primary wage earner. If the borrower and co-borrower jointly own the business being used for income qualifying the higher of their representative scores is used.</p> <p>All borrowers on the loan must have a valid credit score defined as one score from at least two credit bureaus. Minimum credit score for co-borrowers is 600.</p>
Credit - Tradeline Requirements	<p>Minimum three trade lines reporting for a minimum of 12 months OR two trade lines reporting for a minimum of 24 months. All trade lines must have activity in the last 12 months.</p> <p>Borrowers that have three credit scores satisfy the minimum trade line requirements.</p>

Escrows	Required for taxes & insurance on HPML Loans and on LTVs >80%. Otherwise, Escrows can be waived. Refer to rate sheet for pricing hit.
First Time Home Buyer	Borrower with Rental History: 0x30x12, Primary or Second Home Only, No other restrictions. Borrower without Rental History/Living Rent Free: Must meet trade line requirement, max 80% LTV/CLTV, min 680 FICO, Primary or Second Home Only, No Gift, No Non-Occupant Co-Borrower. Maximum Loan Amount \$1.5MM.
Geographic Overlays	Investment Properties in Baltimore, MD and Philadelphia, PA are ineligible.
Gift Funds	Must contribute 5% of own funds toward down payment. Not allowed for reserves.
Major Derogatory Credit	Foreclosures, Deed in Lieu, Short Sale, Loan Modification Due to Default, etc. / Bankruptcy Chapter 7/11/13 - BK Seasoning from Discharged/Dismissed Date. 36 months OR 24 months with a 5% reduction from maximum qualifying LTV. No multiple credit events in 7 years.
Mortgage History	1x30x12; OR Unlimited 30 days 0X60X12 allowed with a 5% reduction from maximum qualifying LTV.
Non-Occupant Co-Borrower	Non-Occupant must be an immediate family member. Purchase or Rate and Term on Primary Only. Reduce LTV/CLTV from maximum qualifying by 5%. Occupant borrower must have a maximum DTI of 60% (excluding income/debts of non-occupant borrowers). Blend income to determine back-end ratio. Non-occupant may contribute remaining funds to close and reserves.
Non-Warrantable Condo and Condotels	Full Condo Review Required. Only one non-warrantable feature is permitted. Allowable reasons are the following: <ul style="list-style-type: none"> Commercial Space - must be typical for the market, have no negative impact and be < 50% of the project space HOA reserves- Annual budget specifies a minimum of 5% allocation of replacement reserves Delinquent HOA Dues - no more than 20% of the total units in the project may be 60+ days past due Investor Concentration - up to 60%; Single Owner/Entity- up to 50% New Projects- The project or the subject's legal phase along with other phases must be complete. All common areas in the project must be 100% complete. Minimum of 50% of units must be sold or under contract Litigation- is permitted as long as the lawsuit does not involve structural issues, health and safety issues, or does not impact the marketability of the project. Condotels- Condo projects/resorts that do not exhibit typical hotel/motel type characteristics (vacancy signs, front desk, etc.) that have units available for short-term rental or provide unit owners with rental services are acceptable. Condotel units are categorized as non-warrantable condos. <ul style="list-style-type: none"> All occupancies Maximum Loan Amount: Primary/Second Home= \$2,500,000; Investment \$2,000,000 Kitchen required with full size appliances: refrigerator, stove, oven, etc. Bedroom required- no studios



	<ul style="list-style-type: none"> • Minimum 500 square feet • Investor concentration OK to 100% • Ineligible Condotels: <ul style="list-style-type: none"> ○ Properties with hotel/motel in the name or conversions from a hotel/motel ○ Projects with less than 10 units <p>Properties that are not located in a resort destination/area (beach, mountains-ski and recreational, lake)</p>
NSFs	Borrowers can have 12 instances in 12 months if none in the most recent two months OR six if there are instances in the most recent two months. If the account has overdraft protection linked to another account with the same bank, the overdraft does not count as long as no negative ending balance occurred on the day of the overdraft.
Prepayment Penalty	Allowed on Investment Properties Only. Purchases, Rate & Term, and Cash Out if use meets Business Purpose Requirements. Permitted in the following states with no restrictions: AL, AR, AZ, CA, CO, CT, DE, FL, GA, HI, ID, IN, KY, LA, MA, ME, MO, MT, NC, NV, OK, OR, SC, TN, TX, UT, VA, WA, WI, WV, & WY. 1-to-5-year prepayment terms available. States with restrictions: PA- Loan Amount >\$329,411 applies only to 1-2 Units.
Property Types	SFR, PUD, Warrantable Condo, Non- Warrantable Condo including Condotels, 2-4 Units
Seasoning Requirements	<p>Cash Out: Properties owned 6 months or longer at application date can use appraised value to determine LTV. If purchased less than 6 months prior to application date a 5% reduction from maximum qualifying LTV is required and property value is limited to the lesser of the current appraised value or purchase price plus documented improvements.</p> <p>Property Listing: Subject Property must be taken off the market prior to application date. If the loan purpose is cash out listing must be removed one month prior to application date.</p>
Seller Concessions	<p>Primary & Second Home - 9% with max 75% LTV/CLTV; 6% 75.01% to 90% LTV/CLTV; and 5% over 90%</p> <p>Investment - 6% regardless of LTV/CLTV</p>
Texas Home Equity 50(a)(6) Cash Out	<p>80% LTV/CLTV Max. One Unit Principal residences and claimed as Borrower's homestead.</p> <p>Copy of current Mortgage or Note is required to determine previous terms are not subject to Texas 50 (a)(6).</p> <p>12-month seasoning required.</p> <p>Maximum 2% fee limitation for all closing costs, fees and charges.</p> <p>Texas (a)(6) loan may not close until: 12 days after the borrower submits the loan application OR all borrowers sign the 12-day notices, whichever is later; One day after the borrower(s) receives a copy of the Initial Closing Disclosure and 12 months seasoning of the existing Texas (a)(6) loan.</p>
Texas Non-Home Equity 50(a)(4)	<p>80% LTV/CLTV Max. The refinance must occur at least one year after the Home Equity Loan closed.</p> <p>The additional loan amount only covers the cost of refinancing and does not provide the borrower with any cash proceeds.</p> <p>All title holders must be provided with affidavit acknowledging the refinance of their Texas 50 (a)(6) loan to a no cash out Texas 50 (a)(4) refinance loan provided no later than 3 business days after the date the application is received AND at least 12 days before loan closing.</p>