

*85 LTV only available for Full Doc Borrowers

Primary

Min FICO Score	Max Loan Amount	Max LTV/CLTV Purchase	Max LTV/CLTV R/T Refinance	Max LTV/CLTV Cash-Out	Property Type
720	1,000,000,	80	80	75	SFR, PUD, 2-4 unit, Warrantable Condo
680	\$ 1,000,000	80	80	70	
660	\$ 1,000,000	75	75	70	

Housing History

Housing Event Seasoning

Category

BK/FC/SS/DIL/Mod	>= 48 Mo	>= 36 Mo	>= 24 Mo
Max LTV/CLTV	85	80	70
Max LTV Cash-out	80	75	70
Max Loan Amt	\$ 3,500,000	\$ 3,000,000	\$ 2,000,000

Housing History

- 1x30x12 Maximum delinquency permitted per the matrix.
Max 3x30x12 will be allowed when the following criteria is met:
- Borrower must be 0x30 in the most recent 6 months
 - LTV Must be 10% Below Matrix maximum

Notes: Past Due Balloons: Considered a delinquency (1x30), not a housing event, only within 180 days of maturity.
Ch. 13: Use filing date if discharged; Use dismissal date if dismissed.

Geographic Restrictions

DC: Investment properties are ineligible
FL: Non-Permanent Resident Aliens from the People's Republic of China are ineligible
IL: Cook County: All properties are ineligible
MD: Baltimore City: All properties are ineligible
NJ: Patterson: Investment properties are ineligible
NY: No 5/6 ARMs on primary residence below FNMA loan limits; Orange County: All occupancies are ineligible
PA: ZIP Codes 19121 and 19132 are suspended at this time: Row homes Ineligidable

General Requirements

Product Type	40-Yr Fixed, 30-Yr Fixed, 15-Yr Fixed, 40-Yr Fixed I/O (10-year I/O then fully amortizing), 5/6 SOFR ARM 30-Yr Term, Fully Amortizing and Interest Only 5/6 SOFR ARM 40-Yr Term, Interest Only. Must qualify on fully amortizing	
Interest Only	Minimum Credit Score: 680 Max LTV: 80% Max DTI 50% Not permitted on Manufactured Housing	
Loan Amount	Min: \$125,000	Max: \$1,000,000
	Loan Amount \$125,000 - \$149,999 require a 5% reduction in LTV	

General Requirements			
Max DTI	• 50% DTI		
Occupancy	Primary		
Loan Purpose	Purchase, Rate/Term and Cash out		
ITS Transcripts	IRS transcripts Or a tax preparere lettter are requiered to support IRS Payment history dependint on income type		
2-1 Temporary Buydown	Purchase only Min. Fico 680 Max LTV 80% Max DTI 50%	30-Year Fixed Only, Qualify using Note Rate Primary, 2nd Home, Investment	Seller or Builder Funded Only
Cash Out	Minimum of six (6) months seasoning from most recent transaction Max Cash-Out (defined as cash in hand): If LTV <= 60% = unlimited If LTV >60% = Max \$1,000,000 or unlimited with 18 months reserves exclusive of cash back Condo: Max 75% LTV		
Borrower Eligibility	Eligible: • ITIN must be valid and at least 2 years consistent ITIN payments reporting to the IRS is required. This can be validated with the borrower’s current ITIN # along with a 2 year employment history • Multiple borrowers - one borrower must have ITIN • DACA is eligible with ITIN / SSN with Valid U.S. driver’s license along with EAD card evidencing their DACA status	Ineligible: Ineligible: • Irrevocable or Blind Trust • Inter-Vivos Revocable Trust • Entity Vesting •Foreign Nationals	
Appraisals	• FNMA Form 1004, 1025, 1073 with interior/exterior inspection • 2nd Appraisal required for loans > 1,500,000 • Third Party Review required if the FNMA CU score is > 2.5, Collateral Desktop Analysis • (CDA) must be ordered from Clear Capital • 2-4 Units require a CDA report		
Declining Markets	As identified by the Appraiser, Requires a 5% LTV reduction off the above matrix when >65% LTV		
Property Type	SFR with one or more ADU(s) or 2-4 units with one ADU are permitted only if the subject property is in a municipality that allows The appraiser must specifically confirm compliance with local regulations		
	Condos (Warrantable Only) - Purchase & Rate/Term: Max 85% LTV; Cash-out 75% LTV		
	Limited Review Established Condos outside of Florida (Warrantable) LTV/CLTV Limits: Primary & R/T Refinance: 85% LTV; Cash Out: 75% LTV		

Limited Review Established Condos in Florida (Warrantable) LTV/CLTV Limits:
Primary: 85 LTV; 2nd Home: 75% LTV; NOO 75% LTV

Full doc - Income Requirements

Wage/Salary	- Fully written verification of employment, signed IRS Form-4506C and 1 or 2 years Tax Transcripts - Providing documentation with a complete Social Security Number not belonging to the borrower will render the file ineligible for purchase.
Self-Employed	1 or 2 years 1040s plus Tax Transcripts, YTD P&L, plus 2 months bank statements, K-1s and Schedule E for all business entities prior 1-2 years if >=25% ownership
Rental Income	- Rental Income on Tax Returns: - When tax returns are used to qualify, an average of 2 years of rental income will be used unless the income is declining in which case the most recent year's income will be used for qualifying - Cash flow Analysis of the Schedule E should be completed - Rental Income NOT on Tax Returns: - Evidence of borrower's ownership of the property - For a refinance and/or to document rental income on other REOs: - Lease agreement - Two months of bank statements demonstrating receipt of rental income. - Evidence the rental amount is at market rate, which can be documented via a 1007 or through an online source - Primary Residence and Second Homes: Add 75% of gross rent to borrowers qualifying income - Investment property: Income used to qualify is 75% of the lesser of documented rent or market rent per appraisal - Rental from Departing Primary Residence is eligible as follows: 75% of the rental income on the lease if used for qualifying. - Evidence the rental amount is at market rate through 1007/1025 or an online source. - Short Term Gross Rental Income: 12-month look back on rents received using bank statements or third party rental statements

Alt Doc - Income Requirements

VVOE/ Business Verification	VVOE within 10 days for wage earners; 30 days for Self-Employed; Evidence within 30 days of Note that business is active/operating, Minimum 2-year history (with options for 1 year).
Personal Bank Statements	12 or 24 months personal + two (2) months business statements; Qualifying income = eligible deposits / number of statements; Business statements must show activity and transfers to personal.
Business/Co-Mingled Bank Statements	12 or 24 months business statements. Qualify via: Fixed Expense Ratio (50%) OR 3rd-party expense ratio (CPA/EA) min 10% OR 3rd-party prepared P&L (CPA/EA).
IRS Form 1099	One (1) or Two (2) Years 1099; Fixed Expense Ratio 10%; YTD documentation required only if most recent 1099 > 90 days from note date
Less than 2 Years Self-Employment Options	not premitted

Underwriting Requirements

DTI Requirements	Max 50% See restrictions for up to 55% DTI 40-Yr Fixed must qualify as a 30-Yr at <55% DTI
Credit Score	Middle of three (3) scores or lower of two (2) scores for primary income earner. Additional borrowers must have a minimum score of 600
Tradelines	• Primary wage earner has • 3 scores; or • Two (2) open and reporting 24 months; or • Three (3) open and reporting 12 months; or • 24 months mortgage rating and reporting on credit
FTHB	Max Loan Amount \$1,000,000 (Primary)
Rent Free	For borrowers who are living rent free, a rent-free letter must be provided from the property owner. Additionally, they must meet the 10% minimum borrower contribution, max LTV of 80% requirement.
Reserves	Loan Amount <= \$500,000 = 3 months PITIA w/LTV <= 80% Loan Amount >= \$500,000 = 6 Months PITIA w/LTV > 80% Loan Amount > \$500,000 - \$1,500,000 = 6 months PITIA Loan Amount > \$1,500,000 - \$2,500,000 = 9 Months PITIA Loan Amount > \$2,500,000 - \$3,000,000 = 12 months PITIA Cash-out proceeds may be used to satisfy reserves
Gift Funds	Gift funds permitted if borrower meets minimum contribution from their own funds: • 5% Primary • <=80% LTV and Primary/2nd Home: Down Payment and Closing Costs can come from a gift • Gift funds cannot be used towards reserves
Assets	30-day asset verification required Deposits >50% of gross income must be documented on purchases Page 4

Rural properties are eligible for Primary Residence up to 80% LTV; max 20 acres

Underwriting Requirements

Age of Documentation	Credit: 120 Days Income and Assets: 90 Days Appraisal: Must be less than 90 days at time of submission or transfer, expires in 120 days
Interested Party Contributions	Primary and 2nd Homes: ≤75% LTV = 9% >75% LTV = 6% Investment: All LTV = 6%
Escrow Waiver	Waiving Escrows for taxes and insurance on non-HPML loans allowed if housing/rental history is 0x30x12 with Max 80%LTV CA: Minimum 700 fico, Max 90% LTV Waiving Escrows is not permitted for the following: Flood Insurance premiums for properties located in Zone A or V Loan must be priced as an escrow waiver Note: Elective flood insurance policies (properties not located within a flood map/zone) are not required to be escrowed