



Doc Type		12/24 Month Full Doc, 12/24 Month Bank Statement, and 12 Month 1099 Only				12/24 Month P&L Only, Asset Utilization, WVOE			
Loan Amount	Min FICO	Primary		Second Home/Investment		Primary		Second Home/Investment	
		Purchase/RT	Cash Out	Purchase/RT	Cash Out	Purchase/RT	Cash Out	Purchase/RT	Cash Out
\$150,000 - \$1,500,000	720	90%	80%	85%	75%	80%	70%	80%	70%
	700	90%	80%	85%	75%	80%	70%	80%	70%
	680	85%	75%	85%	75%	80%	70%	75%	65%
	660	80%	75%	80%	75%	75%	65%	70%	65%
\$1,500,001 - \$2,000,000	720	85%	80%	80%	70%	80%	70%	75%	70%
	700	85%	75%	80%	70%	75%	70%	75%	65%
	680	80%	70%	75%	65%	75%	65%	75%	60%
	660	75%	65%	70%	60%	N/A	N/A	N/A	N/A
\$2,000,001 - \$2,500,000	720	80%	75%	75%	70%	75%	65%	75%	65%
	700	75%	75%	75%	65%	75%	65%	70%	60%
	660	70%	65%	70%	65%	N/A	N/A	N/A	N/A
\$2,500,001 - \$3,000,000	720	75%	70%	75%	70%	N/A	N/A	N/A	N/A
	680	70%	65%	65%	65%	N/A	N/A	N/A	N/A
\$3,000,001 - \$3,500,000	700	70%	65%	70%	N/A	N/A	N/A	N/A	N/A
\$3,500,001 - \$4,000,000	720	70%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### Full Doc, Bank Statement, 1099 Only, P&L Only, AU, and WVOE

Credit Requirement	<ul style="list-style-type: none"> <li>0x30x12 Housing History:           <ul style="list-style-type: none"> <li>No Restriction</li> </ul> </li> <li>1x30x12 Housing History:           <ul style="list-style-type: none"> <li>Max 80% LTV Purchase/RT, 75% LTV Cash Out, \$2.5mm LAMT</li> </ul> </li> <li><b>36 Months from Housing Event</b></li> </ul>	Reserves	<ul style="list-style-type: none"> <li>LTV <math>\leq</math> 65% <b>and</b> Loan Amount <math>\leq</math> \$1.5mm: No reserves required</li> <li>LTV 65.01% - 80.00% <b>and</b> Loan Amount <math>\leq</math> \$1.5mm: 3 months</li> <li>Loan Amount &gt; \$1.5mm <b>or</b> LTV &gt; 80%: 6 months</li> <li>Loan Amount &gt; \$2.5mm: 9 months</li> <li>Loan Amount &gt; \$3.0mm: 12 months</li> </ul>
Eligible Borrowers	<ul style="list-style-type: none"> <li>US Citizen</li> <li>Permanent Resident Alien</li> <li>Non-Permanent Resident Alien (BS/FD Only, Max 80% LTV)</li> </ul>	CT, FL, IL, and NJ	<ul style="list-style-type: none"> <li>Max 85% LTV Purchase / 70% LTV Refinance</li> <li>Max Loan Amount: \$2,000,000</li> </ul>
Property Type Overlays	<ul style="list-style-type: none"> <li>2-4 Units: Max 85% LTV</li> <li>Non-Warrantable Condo: Max 80% LTV</li> <li><b>Rural: Max 80% LTV Purchase; 75% LTV Refi; \$1.5mm LAMT</b></li> <li><b>Condotel: Max 75% LTV Purchase; Max \$2.0mm LAMT</b></li> </ul>	Max DTI	<ul style="list-style-type: none"> <li>50% Max</li> <li>Loan Amount &gt; \$3,500,000: 43% Max</li> <li>P&amp;L Only (including 2BS) &amp; AU (including Supplemental): 43% Max</li> </ul>
Max Cash In Hand	<ul style="list-style-type: none"> <li>Unlimited</li> </ul>	Interest Only	<ul style="list-style-type: none"> <li><b>Permitted, no restriction</b></li> </ul>

## CREDIT

<b>Housing History</b>	<ul style="list-style-type: none"> <li>• <b>0x30x12 Housing History:</b> <ul style="list-style-type: none"> <li>○ No restriction</li> </ul> </li> <li>• <b>1x30x12 Housing History:</b> <ul style="list-style-type: none"> <li>○ Max 80% LTV Purchase/Rate and Term</li> <li>○ Max 75% LTV Refinance</li> <li>○ Max \$2.5mm LAMT</li> </ul> </li> <li>• <b>Borrowers living rent-free or with incomplete housing history:</b> <ul style="list-style-type: none"> <li>○ Max LTV: <b>80%</b></li> <li>○ Max DTI: <b>43%</b></li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> </ul> </li> </ul>
<b>Housing Event Seasoning</b>	<ul style="list-style-type: none"> <li>• <b>≥ 36 months</b></li> </ul>
<b>Minimum Credit Score</b>	<ul style="list-style-type: none"> <li>• All borrowers must have a 660 FICO or greater.</li> </ul>

## BORROWERS

<b>Eligible Borrowers</b>	<ul style="list-style-type: none"> <li>• US Citizen</li> <li>• Permanent Resident Alien</li> <li>• Non-Permanent Resident Alien (including Asylum and DACA)           <ul style="list-style-type: none"> <li>○ <b>Max LTV: 80%</b></li> <li>○ <b>Doc Type:</b> 12/24BS or 12/24FD Only</li> </ul> </li> </ul>
<b>Ineligible Borrowers</b>	<ul style="list-style-type: none"> <li>• ITIN</li> <li>• Foreign National</li> <li>• Any form of a trust</li> <li>• Non-Occupant Co-Borrowers</li> </ul>
<b>Financed Properties Limitation</b>	<ul style="list-style-type: none"> <li>• No limit</li> </ul>
<b>Residual Income Requirement</b>	<ul style="list-style-type: none"> <li>• <b>Minimum:</b> \$2,500           <ul style="list-style-type: none"> <li>○ Additional \$250 for the first dependent, \$125 for each additional dependent</li> </ul> </li> <li>• <b>Exemption:</b> Not calculated for investment transactions</li> </ul>
<b>Payment Shock</b>	<ul style="list-style-type: none"> <li>• <b>Primary Residence (LTV ≤ 75%):</b> Payment shock not calculated.</li> <li>• <b>Primary Residence (LTV &gt; 75%):</b> 300% max</li> <li>• <b>Exemptions:</b> Payment shock not considered for borrowers who own their home free and clear, live rent-free, or for second homes and investment properties.</li> </ul>

## PROPERTY

<b>Cash Out Listing Seasoning</b>	<ul style="list-style-type: none"> <li>• Six (6) months</li> <li>• <b>Investment Property:</b> Less than 6 months permitted at max 70% LTV with a minimum three (3) year prepayment penalty.</li> </ul>
<b>Declining Markets</b>	<ul style="list-style-type: none"> <li>• <b>Max LTV:</b> 10% lower than the standard matrix eligibility (property type and state overlays included).</li> <li>• <b>Max Loan Amount:</b> \$2.0mm</li> </ul>
<b>Eligible Property Types</b>	<ul style="list-style-type: none"> <li>• SFR</li> <li>• PUD</li> <li>• Townhomes</li> <li>• 2-4 Units</li> <li>• Warrantable Condo</li> <li>• Non-Warrantable Condo</li> <li>• Modular Homes</li> <li>• <b>Condotel</b></li> <li>• Rural</li> </ul>
<b>Ineligible Property Types</b>	<ul style="list-style-type: none"> <li>• Properties greater than 10 acres</li> <li>• Agricultural Zoning</li> <li>• Manufactured Homes</li> <li>• 2-4 Units with ADU(s)</li> <li>• Unique Properties</li> <li>• Leasehold Properties</li> </ul>
<b>Non-Arm's Length Transactions</b>	<ul style="list-style-type: none"> <li>• Permitted</li> <li>• Max 80% LTV</li> </ul>

## INCOME

### Full Documentation

<b>Wage Earners</b>	<ul style="list-style-type: none"> <li>• Paystubs, W-2, tax transcripts or IRS Form 4506-C</li> <li>• Verbal VOE required within 30 days of Note Date</li> </ul>
<b>Self Employed</b>	<ul style="list-style-type: none"> <li>• 1 or 2 Years of Personal and Business Tax Returns, YTD P&amp;L, IRS Form 4506-C, 2 months of most recent bank statements</li> <li>• Verbal VOE required within 10 days of the Note Date</li> </ul>

## Bank Statements

<b>Personal Bank Statements</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Calculated as the 12- or 24-month average of total eligible deposits, excluding inconsistent or large deposits. 100% of eligible deposits from borrower's business may be used for income.</li> <li><b>Business Bank Statements – Two (2) months required.</b> <ul style="list-style-type: none"> <li>Must show activity supporting business operations and transfers to the personal account used for qualification.</li> </ul> </li> </ul>																
<b>Fixed Expense Ratio</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Calculated as the 12- or 24-month average of total deposits, excluding inconsistent or large deposits, multiplied by 100% less the fixed expense ratio from the table below.</li> </ul> <div style="border: 1px solid black; padding: 10px; text-align: center;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4">Fixed Expense Ratio</th> </tr> <tr> <th>Number of Employees/Contractors</th> <th>0</th> <th>1-9</th> <th>10+</th> </tr> </thead> <tbody> <tr> <td>Service Business</td> <td>20%</td> <td>40%</td> <td>50%</td> </tr> <tr> <td>Capital Intensive Business</td> <td>60%</td> <td>70%</td> <td>80%</td> </tr> </tbody> </table> </div>	Fixed Expense Ratio				Number of Employees/Contractors	0	1-9	10+	Service Business	20%	40%	50%	Capital Intensive Business	60%	70%	80%
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Capital Intensive Business	60%	70%	80%														
<b>Expense Factor Letter</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Calculated as the 12- or 24-month average of total deposits, excluding inconsistent or large deposits, multiplied by 100% less the expense factor provided by the qualified tax preparer.</li> <li><b>Preparer Credentials:</b> Must be prepared by a Certified Public Accountant (CPA), Enrolled Agent (EA), or CTEC. PTIN is not permitted.</li> </ul>																
<b>Profit and Loss with Bank Statements</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Calculated as the net income on the P&amp;L, divided by 12 or 24 months.</li> <li><b>Preparer Credentials:</b> Must be prepared by a <b>Certified Public Accountant (CPA), Enrolled Agent (EA), or CTEC</b>. PTIN is not permitted.</li> <li><b>Variance Requirements:</b> Sales/revenue on the P&amp;L must be supported by total deposits from the bank statements, minus any inconsistent deposits. Total deposits, minus any excluded deposits, must be no less than 80% (or higher) than the revenue reflected on P&amp;L</li> </ul>																
<b>1099 Only</b>																	
<b>1-Year 1099</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Calculated as the 12-month average of the 1099, multiplied by 100% less one of the expense factor methods:           <ul style="list-style-type: none"> <li><b>90% Net Margin</b> (10% expense factor), or</li> <li><b>Expense Factor Letter</b> (Prepared by a <b>CPA, EA, or CTEC</b>)</li> </ul> </li> <li><b>Documentation Requirements:</b> 1-year of 1099s or 1099 transcript(s). If 1099 is greater than 120 days old, documentation must be provided showing less than 10% variance from average income from 1099. If variance is greater than 10%, lower average income should be used.</li> <li><b>Employment History:</b> Min. 2 years of self-employment; less than 2 years acceptable if borrower transitioned from W-2 to 1099 in same field.</li> </ul>																
<b>Profit and Loss Only</b>																	
<b>Profit and Loss with 2 Months Bank Statements</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Calculated as the net income on the P&amp;L, divided by 12 or 24 months. <b>Two (2) months business bank statements required.</b></li> <li><b>Preparer Credentials:</b> Must be prepared by a <b>Certified Public Accountant (CPA), Enrolled Agent (EA), or CTEC</b>. PTINs are not permitted. Preparer must provide a signed statement confirming they have <b>reviewed or filed</b> the borrower's most recent tax return.</li> <li><b>Variance Requirements:</b> Sales/revenue on the P&amp;L must be supported by total deposits from the bank statements, minus any inconsistent deposits. Average eligible monthly deposits must be no less than 80% (or higher) than the average revenue reflected on P&amp;L. Additional bank statements may be provided until variance threshold is met.</li> <li><b>Max DTI:</b> 43%</li> </ul>																

<b>Profit and Loss Only (No BS)</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Calculated as the net income on the P&amp;L, divided by 12 or 24 months. <b>Business bank statements not required.</b></li> <li><b>Preparer Credentials</b>: Must be prepared by a Certified Public Accountant (CPA), Enrolled Agent (EA), or CTEC. PTINs are not permitted. Preparer must provide a signed statement confirming they have <b>reviewed or filed</b> the borrower's most recent tax return.</li> <li><b>CTEC-Prepared P&amp;L</b>: Max 70% LTV; max \$1,500,000</li> <li><b>Max DTI</b>: 43%</li> </ul>
<b>Asset Utilization</b>	
<b>Asset Utilization (60 Month)</b>	<ul style="list-style-type: none"> <li><b>Gross Qualifying Income</b> – Qualifying income is based upon total eligible assets, less down payment, less closing costs and required reserves, then divided by 60.</li> <li><b>Minimum Required Assets</b>: Lesser of a) \$1,000,000 and b) 150% of the loan amount</li> <li><b>Max DTI</b>: 43%</li> </ul>
<b>Written Verification of Employment</b>	
<b>WVOE</b>	<ul style="list-style-type: none"> <li>Fannie Mae Form 1005 Required.</li> <li>No Paystubs, W-2s, Tax Returns, or 4506-T required</li> <li>Primary Residence only</li> <li><b>LTV &gt; 65%</b>: Two (2) months bank statements required showing deposits supporting at least 65% of reported gross wages</li> <li><b>LTV ≤ 65%</b>: No supporting documentation required.</li> </ul>
<b>Supplemental Income</b>	
<b>Asset Utilization</b>	<ul style="list-style-type: none"> <li>Permitted</li> <li><b>Gross Qualifying Income</b> – Qualifying income is based upon total eligible assets, less down payment, less closing costs and required reserves, then divided by 84.</li> </ul>
<b>ASSETS</b>	
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>Eligible; min 5% borrower contribution for OO transactions, min 10% contribution for NOO transactions.</li> <li>For primary and second home transactions, <b>100% gift funds</b> allowed with max LTV of <b>80%</b>, subject to meeting reserve requirements.</li> </ul>
<b>Gift of Equity</b>	<ul style="list-style-type: none"> <li><b>Primary Residence</b>: Up to <b>75% LTV</b> allowed with no borrower contribution.</li> <li><b>Second Home</b>: Min 5% borrower contribution required.</li> <li><b>Investment Properties</b>: Min 10% borrower contribution required</li> </ul>
<b>Reserves</b>	<ul style="list-style-type: none"> <li><b>LTV ≤ 65%</b>: No reserves required</li> <li><b>LTV 65.01% – 80.00%</b>: Three (3) months</li> <li><b>LTV &gt; 80%</b>: Six (6) months</li> <li><b>LAMT &gt; \$1.5mm</b>: Six (6) months</li> <li><b>LAMT &gt; \$2.5mm</b>: Nine (9) months</li> <li><b>LAMT &gt; \$3.0mm</b>: Twelve (12) months</li> </ul> <p>Cash out may be used for reserves. If multiple categories fit, only the highest applicable reserve category applies. Reserves based on PITIA (or ITIA for loans with an interest-only feature).</p>

## MISCELLANEOUS

<b>Eligible States</b>	<ul style="list-style-type: none"> <li>• <a href="#">See Licensing Map Here</a></li> <li>• <b>Texas Cash Out:</b> Non-owner occupied (business purpose) ONLY. Owner-occupied cash out not permitted</li> </ul>
<b>Escrow/Impound Waiver</b>	<ul style="list-style-type: none"> <li>• Eligible; refer to underwriting guide for criteria</li> </ul>
<b>Interest Only</b>	<ul style="list-style-type: none"> <li>• Permitted, no restrictions</li> </ul>
<b>Lien Position</b>	<ul style="list-style-type: none"> <li>• First</li> </ul>
<b>Minimum Loan Amount</b>	<ul style="list-style-type: none"> <li>• <b>All states except Illinois:</b> \$150,000</li> <li>• <b>Illinois:</b> \$250,000</li> </ul>
<b>Power of Attorney</b>	<ul style="list-style-type: none"> <li>• Permitted</li> </ul>
<b>Products Available</b>	<ul style="list-style-type: none"> <li>• 30-Year Fixed</li> <li>• 40-Year Fixed</li> <li>• 40-Year Fixed – Interest Only (120 months IO)</li> </ul>
<b>Seller Concessions Limits</b>	<p><b>Primary and Second Homes</b></p> <ul style="list-style-type: none"> <li>• LTV &gt; 85%: 2% (<i>non-recurring closing costs only</i>)</li> <li>• LTV 75.01% - 85.00%: 6%</li> <li>• LTV ≤ 75%: 8%</li> </ul> <p><b>Investment Properties</b></p> <ul style="list-style-type: none"> <li>• LTV &gt; 75%: 4%</li> <li>• LTV ≤ 75%: 6%</li> </ul>
<b>Subordinate Financing</b>	<ul style="list-style-type: none"> <li>• Permitted</li> <li>• Max LTV = Max CLTV</li> </ul>
<b>Vesting</b>	<p>Ownership must be fee simple.</p> <p><b>Acceptable Forms of Vesting</b></p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint Tenants</li> <li>• Tenants in Common</li> <li>• Limited Liability Companies (LLCs), Partnerships, Corporations, and S Corporations</li> </ul>