

Doc Type	24 Month Full Doc and 12/24 Month Bank Statement						
Loan Amount	Min FICO	Primary			Second Home/Investment		
		Purchase	R/T Refi	C/O Refi	Purchase	R/T Refi	C/O Refi
\$150,000 - \$1,000,000	640	70%	70%	65%	70%	70%	65%
	620	70%	70%	N/A	N/A	N/A	N/A
\$1,000,001 - \$1,500,000	640	70%	70%	65%	70%	70%	65%

Full Doc and Bank Statement

Credit Requirement	<ul style="list-style-type: none"> 0x60x12 or 24+ Month Housing Event Seasoning: <ul style="list-style-type: none"> No restriction 0x90x12 or 12+ Month Housing Event Seasoning: <ul style="list-style-type: none"> Max 65% LTV Purchase/Rate and Term Max 55% LTV Cash Out Max \$750,000 Loan Amount 	Reserves	<ul style="list-style-type: none"> 3 months
Eligible Borrowers	<ul style="list-style-type: none"> US Citizen Permanent Resident Alien 	CT, FL, IL, and NJ	<ul style="list-style-type: none"> No restrictions
Property Type Overlays	<ul style="list-style-type: none"> Rural: Not permitted 	Max DTI	<ul style="list-style-type: none"> 50% Max
Max Cash In Hand	<ul style="list-style-type: none"> Unlimited Cash out may <u>not</u> be used for reserves 	Interest Only	<ul style="list-style-type: none"> Not permitted

CREDIT

Housing History	<ul style="list-style-type: none"> • 0x60x12 Housing History: <ul style="list-style-type: none"> ○ No restriction • 0x90x12 Housing History: <ul style="list-style-type: none"> ○ Max 65% LTV Purchase/Rate and Term ○ Max 55% LTV Cash Out ○ Max \$750k LAMT • Borrowers living rent-free or with incomplete housing history: <ul style="list-style-type: none"> ○ No restriction ○ Any available portion of a 12-month housing history must be paid as agreed.
------------------------	---

Housing Event Seasoning	<ul style="list-style-type: none"> • ≥ 24 months <ul style="list-style-type: none"> ○ No restriction • ≥ 12 months Housing Event / 1 day out of BK <ul style="list-style-type: none"> ○ Max 65% LTV Purchase/Rate and Term ○ Max 55% LTV Cash Out ○ Max \$750k LAMT
--------------------------------	---

Minimum Credit Score	<ul style="list-style-type: none"> • All borrowers must have a 620 FICO or greater.
-----------------------------	--

BORROWERS

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

PROPERTY

Cash Out Listing Seasoning	<ul style="list-style-type: none"> • Six (6) months
Declining Markets	<ul style="list-style-type: none"> • Maximum LTV: 10% lower than the standard matrix eligibility • Cash out not permitted
Eligible Property Types	<ul style="list-style-type: none"> • SFR • PUD • Townhomes • 2-4 Units • Warrantable Condo • Non-Warrantable Condo • Modular Homes
Ineligible Property Types	<ul style="list-style-type: none"> • Properties greater than 10 acres • Agricultural Zoning • Manufactured Homes • 2-4 Units with ADU(s) • Unique Properties • Condotel • Leasehold Properties • Rural
Non-Arm's Length Transactions	<ul style="list-style-type: none"> • Permitted

INCOME

Full Documentation

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

Bank Statements

Personal Bank Statements	<ul style="list-style-type: none"> Gross Qualifying Income – 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. Business Bank Statements – Two (2) months required. <ul style="list-style-type: none"> Must show activity supporting business operations and transfers to the personal account used for qualification. 																
Fixed Expense Ratio	<ul style="list-style-type: none"> Gross Qualifying Income – 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. <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%
Fixed Expense Ratio																	
Number of Employees/Contractors	0	1-9	10+														
Service Business	20%	40%	50%														
Capital Intensive Business	60%	70%	80%														
Expense Factor Letter	<ul style="list-style-type: none"> Gross Qualifying Income – 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. Preparer Credentials: Must be prepared by a Certified Public Accountant (CPA), Enrolled Agent (EA), or CTEC. PTIN is not permitted. 																
Profit and Loss with Bank Statements	<ul style="list-style-type: none"> Gross Qualifying Income – Calculated as the net income on the P&L, divided by 12 or 24 months. Preparer Credentials: Must be prepared by a Certified Public Accountant (CPA), Enrolled Agent (EA), or CTEC. PTIN is not permitted. Variance Requirements: Sales/revenue on the P&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&L 																

Supplemental Income

Asset Utilization	<ul style="list-style-type: none"> Permitted Gross Qualifying Income – Qualifying income is based upon total eligible assets, less down payment, less closing costs and required reserves, then divided by 84.
-------------------	---

ASSETS

Gift Funds	<ul style="list-style-type: none"> Eligible; min 5% borrower contribution for OO transactions, min 10% contribution for NOO transactions. For primary and second home transactions, 100% gift funds allowed with max LTV of 65%, subject to meeting reserve requirements.
Gift of Equity	<ul style="list-style-type: none"> Not permitted
Reserves	<ul style="list-style-type: none"> Three (3) months <p>Cash out may <u>NOT</u> 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). Additional two (2) months PITIA required if utilizing rental income from a departing residence (based on departing PITIA)</p>

MISCELLANEOUS

Eligible States	<ul style="list-style-type: none"> • See Licensing Map Here • Texas Cash Out: Non-owner occupied (business purpose) ONLY. Owner-occupied cash out not permitted
Escrow/Impound Waiver	<ul style="list-style-type: none"> • Not eligible
Interest Only	<ul style="list-style-type: none"> • Not permitted
Lien Position	<ul style="list-style-type: none"> • First
Minimum Loan Amount	<ul style="list-style-type: none"> • All states except Illinois: \$150,000 • Illinois: \$250,000
Power of Attorney	<ul style="list-style-type: none"> • Not permitted
Products Available	<ul style="list-style-type: none"> • 30-Year Fixed
Seller Concessions Limits	<p>Primary and Second Homes</p> <ul style="list-style-type: none"> • 8% <p>Investment Properties</p> <ul style="list-style-type: none"> • 6%
Subordinate Financing	<ul style="list-style-type: none"> • Not permitted
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable Forms of Vesting</p> <ul style="list-style-type: none"> • Individuals • Joint Tenants • Tenants in Common • Limited Liability Companies (LLCs), Partnerships, Corporations, and S Corporations