

MORTGAGE PROGRAM MATRIX





QM Community Loan

Occupancy	Loan Amount	Loan Purpose	Max LTV/CLTV	FICO	Reserves
Primary Home Only	Follow Agency Loan Limits	Purchase Rate/Term Refinance Cash Out Refinance	95.00%/95.00% and follow AUS results	Min FICO 620	Follow AUS Results
Price Incentive	★2% of loan amount incentive with a \$4,500 Caps				
Product	★30 and 15-year Fixed Agency Conforming loan ★30-year Fixed Agency High Balance				
Job & Income	★Follow DU/LPA Findings and Fannie Mae/Freddie Mac Income calculation/documentation requirements, plus Refer to the following topics outlined in the Fannie Mae and Freddie Mac Overlay Matrix 4506-C Tax Transcripts Ineligible Products and Features				
Property Eligible	★ Refer to Property eligibility sheet				
Property Type	★1 Unit, Condo, PUD, 2-4 Unit, Co-op, Attached/Detached Properties ★Below properties are ineligible: ① Condotel/Lodging Units properties; ② Manufactured homes; ③ Any land, building, property, structure, etc. in which there is knowledge of an illegal activity occurring past or present (based on federal or state law), regardless of whether any income or assets are being derived from the illegal activity. Property alterations cannot be made to achieve collateral eligibility; ④ Properties with agricultural type land (such as orchards or ranches), including those properties that are currently not commercially income producing.				
Citizenship	★U.S Citizens; Permanent and Temporary Residents ★Non-Permanent Resident borrower can not allow non-occupant co-borrower ★No limitation of FTHBs ★Maximum 4				
Assets	★Follow Fannie Mae and Freddie Mac requirements and DU/LPA Findings, plus ① Fannie Mae DU Validation Services for asset verification is eligible ② Freddie Mac AIM-DDA data for asset verification, positive rent payment assessment and borrower cash-flow credit assessment is eligible				
Credit	★Acceptable credit history determined by AUS. Document per AUS findings, plus See Maximum LTV/CLTV & Minimum Credit Score section in this topic for minimum Representative credit scores (non-traditional credit not eligible)				
Credit Event	★Refer to Fannie Mae and Freddie Mac Overlay Matrix > Derogatory Credit and Fannie Mae and Freddie Mac Overlay Matrix > Reaffirmation of Bankruptcy				
Appraisal	★Depreciating Markets policy applies to any MSA depreciating 5.01% or more. The above maximum LTV/CLTV/HCLTV should be reduced by 5% if the subject property is located in a depreciating market. ★Properties must be appraised or inspected (if that level of property fieldwork is recommended by DU or LPA) within the 12 months preceding the date of the note.				
Other Requirements	★No temporary buydown				

Agency Loan Program

AAA LENDINGS offers the Standard Fannie Mae and Freddie Mac's Conforming, High Balance, HomeReady and HomePossible Loan Program, All requirements follow with Fannie Mae and Freddie Mac Seller Guideline.

Government Down Payment Assistance (DPA) First Lien

Primary Home Only	Santa Clara County	Los Angeles County
Area	Santa Clara County	The property is in the unincorporated area of Los Angeles County or in one of the HOP Participating Cities. Eligible Area check here:
DPA amount	1. Min. Loan Amount- \$68,000 2. Max. loan amount of \$250,000, up to 30% of the purchase price.	Up to \$85,000, or 20% of the purchase prices, whichever is less.
1 st lien/ Max. purchase price	1. 1st lien: 1) Must be 30-year fully amortized fixed rate loan 2) Min. LTV is 60%, Max LTV is \$80% 2. Max. purchase price: No maximum purchase price cap.	1. 1st lien: Must be FHA or Conventional and have fixed interest rate, and fully amortized regulations, VA loans are permitted. 2. Max. Purchase price: The maximum purchase price allowed for existing or new homes is \$700,000 for Single-Family Homes, Condominiums, and Townhomes
Term and rate/ Lien position	1. The term of the deferred loan is thirty (30) years. No monthly principal or interest payments are required for 30 years. 2. Repayment of loan principal and a share of the appreciation is due at sale, cash-out refinance, default of the terms and conditions of the loan, or at the end of the term. 3. 2nd lien	1. 0% interest loans with a deferred payment 2. Repayment is required when the home is sold, there is a transfer of title, or the home is no longer owner-occupied. 3. 2nd lien
Credit score	Min. 620	Follow 1st mortgage
Income limit	Not exceed 120% of the AMI	80% COUNTY MEDIAN INCOME *Income not to exceed maximum amount per family size.
DTI	1. The Min. Front-end ratio is 25%, and cannot exceed 38%. 2. DTI cannot exceed 45%	Follow DU



Government Down Payment Assistance (DPA) First Lien

Primary Home Only	Santa Clara County	Los Angeles County
LTV/CLTV	CLTV cannot exceed 97%	Follow 1st mortgage
Citizenship	US Citizen, Permanent Residents	US Citizen, Permanent Residents
First-time homebuyer	All applicants, co-applicants, a non-borrowing spouse, and the applicants' adult household members must be FTHBs.	First Time Home Buyers only
Education for borrowers	The borrowers, including non-borrowing spouses are required to attend and complete an eight (8) hour in-person, virtual, or online HUD certified homebuyer education course.	All HOP applicants must complete an eight-hour first-time homebuyer education seminar and obtain a Certificate of Completion from a HUD-approved facilitator. The LACDA must receive a copy of the certificate before the close of escrow.
Eligible Use	Used for down payment only	Down payment and/or closing assistance
Property Types & unit	A single unit residence (condominium, townhome, or single-family home)	The property must be a single family residence, condominium, or townhouse dwelling.
Shared Appreciation	<ol style="list-style-type: none">1. The share of net appreciation shall be capped at 100% of the original EMPOWER loan amount for the first ten (10) years of the loan.2. After the initial ten (10) year period, there is no cap on the share of net appreciation.3. The Percentage Share of Appreciation based on percentage of Original EMPOWER principal loan amount to the original purchase price of the home.	<ol style="list-style-type: none">1. When the property is sold or transferred within the first five (5) years, the LACDA will share a maximum 20% of the property's appreciated value with the Homeowner.2. There is no "shared appreciation" applied if the property is sold or transferred after the completed five (5) years of the recording of the HOP loan.
Borrower contribution	<ol style="list-style-type: none">1. At least 3% or greater amount if required by the Senior Lender, plus closing costs.2. Min. 50% of the required down payment must be the applicant's own funds.3. Will allow up to 50% of the required borrower contribution to be in the form of a gift.	<ol style="list-style-type: none">1. Borrower must provide 1% of their own funds for the down payment and it cannot be from gift funds.2. Maximum Borrower Contribution: \$ 150,000
Asset Reserve / Limitation	<ol style="list-style-type: none">1. Borrowers must have a minimum of one-month reserves2. The household's post-closing assets (excluding retirement accounts) cannot exceed \$125,000.	



Elite Jumbo

Occupancy	Loan Purpose	Property Type	Max LTV	Max Loan amount	FICO
Primary	Purchase& R/T Refi	1-Unit PUD Warrantable Condo	89.99%	\$800K	>=700
			89.99%	\$1.0M	>=720
			80.00%	\$1.5M	>=700
			75.00%	\$2.0M	>=700
			70.00%	\$2.5M	>=720
		1-Unit PUD	70.00%	\$3.0M	>=740
			60.00%	\$3.5M	
			55.00%	\$4.0M	
		2-Units	65.00%	\$1.0M	>=700
			60.00%	\$1.5M	>=720
	C/O Refi	1-Unit PUD Warrantable Condo	80.00%	\$1.0M	>=700
			75.00%	\$1.5M	>=720
			70.00%	\$2.0M	>=720
			60.00%	\$2.5M	>=720
Second Home	Purchase& R/T Refi	1-Unit PUD Warrantable Condo	75.00%	\$1.0M	>=720
			70.00%	\$1.5M	
			65.00%	\$2.0M	
			50.00%	\$2.5M	

Occupancy	★Investment is not acceptable.
Product	★Min Loan amount: accept the high balance loan limits. ★Amortization Term (360 months) ★30-day Average SOFR, 3.00 Margin ★5/6 ARM, 2/1/5 Cap ★7/6 ARM, 5/1/5 Cap
Citizenship	★US Citizens ★Lawful Permanent and Non-Permanent Resident Aliens ★All borrower must have a social security number.
Qualifying Rate	★5/6 ARM, Greater of the fully-indexed rate or Note rate plus 2% ★7/6 ARM, Greater of the fully-indexed rate or Note rate
Cash out limit	★LTV>55, Max Cash Out \$500,000 LTV<=55, Max Cash Out \$750,000
Reserve	★Primary Home: Loan amount<=850,000, 3 months PITIA Loan amount 850,001-1,000,000, 6 months PITIA Loan amount 1,000,001-1,500,000, 9 months PITIA Loan amount 1,500,001-2,000,000, 12 months PITIA Loan amount 2,000,001-4,000,000, 24 months PITIA ★Second Home: Loan amount<=850,000, 6 months PITIA Loan amount 850,001-1,000,000, 12 months PITIA Loan amount 1,000,001-1,500,000, 18 months PITIA Loan amount 1,500,001-2,500,000, 24 months PITIA
Credit	The credit report(s) must meet one the following tradeline requirement: ★2 tradelines with a minimum 12-month history or ★1 tradeline with a minimum 12-month history and a 12-month housing reference
Appraisal	★Loan amout ≤ \$2,000,000, One Full Appraisal ★Loan amout > \$2,000,000, Two Full Appraisals ★All properties in which the seller purchased property within 90 days of the fully executed purchase contract, Two Full Appraisals are required and: <ul style="list-style-type: none">• Seller on purchase contract must be the owner of record• Increases in value must be documented with commentary from the appraiser and recent paired sales
DTI	★Max DTI 45%
Other Requirements	★Mortgage Insurance required for LTV>80% ★Required 1 yrs landlord history for using rental income if use lease agreement. ★Max Financed Properties 4



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Full Doc Prime Jumbo (30 Yrs Fixed & 10/6 ARM)

Prop.Type	Loan Amt	Max LTV	Min FICO	Max C/O Amt	Max DTI	Reserves
Primary Home Purchase / R/T Refinance						
1-2 Unit	\$1.0M	80.00%	720	NA	43.00%	12
	\$2.0M	75.00%	720		41.00%	18
	\$3.0M	70.00%	760		41.00%	24
		75.00%				36
3-4 Unit	\$2.0M	70.00%	720	NA	43.00%	18
	\$3.0M	65.00%	760		41.00%	36
Primary Home C/O Refinance						
1-2 Unit	\$1.0M	70.00%	740	\$350K	43.00%	18
	\$1.5M	65.00%				
Second Home Purchase / R/T Refinance (C/O Refin. Ineligible)						
1 unit	\$1.5M	70.00%	740	NA	43.00%	18
2-4 Units are ineligible						
Investment Purchase / R/T Refinance (C/O Refin. Ineligible)						
1 unit	\$1.5M	65.00%	760	NA	40.00%	36
2-4 Units are ineligible						
Product	★Prime 30 Yrs Fixed ★Prime 10/6 ARM (30-day Average SOFR/2.75Margin; 5/1/5 Cap, Qualifying Rate is the Higher of Note Rate or Fully Index Rate. Floor rate = margin)					
Citizenship	★U.S. Citizens ★Permanent Resident borrowers ★Non-Permanent Resident ★All U.S. citizens, permanent resident global clients, and non-permanent global clients must have a social security number in order to be eligible.					
Job & Income	★Acceptable sources of income include: (1)Wage Earner Income: All non-self-employed borrowers who receive a W-2 at year end to summarize total earnings– includes hourly, weekly,biweekly, part-time, seasonal, bonus, commission, and tips/gratuity. (2)Self-Employed: Sole Proprietorship, Partnership, Corporations, and S-Corporations. (3)Non-Employed Income: Alimony/ Maintenance/Child Support/Separate Maintenance, Foster Care, Unemployment/Welfare/ADC,Disability/Worker’s Compensation, Retirement/Pension, Social Security, Annuity, IRA, Military/VA Benefits, Trust, Interest & Dividend,Inheritance/Guaranteed Income, Note Receivables, Mortgage Differential/ COLA, and Rental. ★Note: 2 years' tax returns will be required for all borrowers, if using tax return income or one of the borrower is self-employed.					
Assets	★Primary: LTV is 70% or less, minimum 5% contribution from own funds (liquid assets); LTV above 70%, minimum 10% contribution from own funds (liquid assets). ★2nd Home or N/O/O can not use gift funds. ★Gift funds cannot be reserves. ★Assets from China are unacceptable including gifts. ★Most recent bank statement(s) covering a two month period for all accounts that are being used for down payment, closing costs, prepaids and reserves must be provided.					
Credit	★4 trade lines in all, one of which is open and has a minimum of 24 months history, the other 3 may be open or closed but must be rated for at least 12 months. ★0x30x12 for mtg/rent.					
Appraisal	★Depreciating Markets policy applies to any MSA depreciating 5.01% or more. The above maximum LTV/CLTV/HCLTV should be reduced by 5% if the subject property is located in a depreciating market. ★Properties must be appraised or inspected (if that level of property fieldwork is recommended by DU or LPA) within the 12 months preceding the date of the note.					
Other Requirements	★ At least 2 years landlord experience history is required. ★Max financed properties 5 for Primary Transaction; 4 for 2nd Home/Investment Transaction. ★Full Doc JUMBO 30 Yrs Fixed and 10/6 ARM can accept the high balance loan limits(2023 high balance limits).					



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No Job No Income ^(retail only)					
LTV & Loan Amount Requirements		Max Loan Amt	Purchase/Rate & Term	Cash-Out	
	Owner-Occupied	\$2,500,000	60%	55%	
	Non-Owner Occupied		55%	50%	
	Non-permanent Resident Foreign National		50%	45%	
Property Type	★SFR/PUD/Condo; 2-4 Units				
Citizenship	★U.S. Citizen ★Permanent Resident ★Non-permanent Resident ★Foreign National				
Assets & Reserve		Loan Amt	Reserve (P&I)	★Business Funds/Gift Funds are NOT allowed. ★Loan proceed from subject transaction may NOT be used for required reserves.	
	Owner-Occupied	\$2,500,000	24 mos		
	Non-Owner Occupied		24 mos		
	Foreign National		36 mos		
	Cash-Out		36 mos		
TCD Account	★Reserves must be held in an US institution, 24 months or 36 months P&I must be deposited into AAA-designated account prior to closing. ★Required reserve amounts must be in a 25 month or 37 month TCD account prior to closing. ★TCD account will be hold interest rate, and deposits can be withdrawn after 6 months, early withdrawal penalty equal to 180 days of interest.				
Credit	★Mortgage/Rent: Max 1x30x24 ★Tradeline: 2 tradelines seasoned for at least 12 months required for single application. ★Bankruptcy/SS&DIL/ Foreclosure are NOT Allowed. ★Loan Modification: 2 Years.				
Foreign Nationals	★Copy of passport, I-94 and valid VISA (Diplomat are not allowed). I-94 or I-94W not required for refinance transaction. ★Copy of passport and either I-94W or proof of ESTA Approval required for borrowers on VISA Waiver Program. ★Borrower must have U.S. address when applying for loan. ★Foreign assets used for downpayment, closing costs, and/or reserves must be transferred to U.S. institutional account prior to ordering loan docs. ★Automatic debit payment required from AAA-Designated Account or U.S. banking institution. ★Foreign Credit Report with at least one trade-line is required. ★36 mos P&I reserves required for subject property. 37 mos AAA-Designated TCD account must be opened.				
Appraisal	★For loan amount up to \$1,000,000: One Full Appraisal is required. For loan amount 1,000,001 to \$2,500,000: One Full Appraisal & Third Party Review are required.				
Other Requirements	★Condo must be warrantable by Fannie Mae; non-warrantable condominiums will be reviewed on an individual basis. ★High Rise condo in Super Lien States are not allowed. ★Automatic Debit Payment required from AAA-Designated account or U.S Financial Institutional Bank. ★Foreign Asset must be transferred to U.S Institutional Bank to be used as downpayment, closing cost & reserves. ★Subject property cannot be listed for sale and must be withdrawn prior to closing for R&T refi. & prior to application for Cash-Out Refi. ★Financed Properties: If the subject property is a primary residence or second home, there is no limit to the number of financed properties. If the subject property is an investment property, the borrower may own or be obligated on up to 5 financed properties. The financed property limit applies to the borrower's ownership of one-to-four unit financed properties or mortgage obligations on such properties and is cumulative for all borrowers. These limitations apply to the total number of properties financed. ★Non-Arm's Length /FSBO Transactions are not allowed.				



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No Doc No Credit

Credit Standards	★No minimum tradeline requirement. ★BK/ FC / SS / DIL allowed
Asset Requirements	★Stated assets on the 1003 is required. ★All reserves must be deposited in loan investor bank. (Reserve Account: Non-Interest Depository Account)
Appraisal	★1 Appraisal + 1007 Rent Schedule
Eligible Entities	★LLC or Corporation ★Individual Borrower(s) or Trust (Revocable)
To open an account for reserves (not req. for submission)	★Limited Liability Company (LLC): LLC Operating Statement; Certificate of Formation; Resolution/Minutes (Current Officers and Title/Positions); EIN Copy ★Corporation: Articles of Incorporation; Certificate of Incorporation; Bylaws; Resolution/Minutes (Current Officers and Title/Positions); EIN Copy
General Requirements	★Foreign National: allowed - Must obtain ITIN (W-7 Form) and CPA Letter. ★POA: allowed - Only Individual Borrower(s) ★Property Type: SFR (1-4 units), Condo, Townhome, PUD ★All Funds included EMD, Reserve, and Closing Funds must be wired from the borrower's bank account(s) indicated on 1003.
State Specific	★For Florida, Max LTV -5.000%. (If Duval or Manatee Countie, there will be additional 5.000% LTV reduction.) ★For Florida, all properties will be required to have Flood Insurance (no exceptions). ★For Harris County in Texas, Overall LTVs to be LOWERED by 5% due to heightened risk of natural disasters. ★For Coastal Areas where Hurricanes are becoming more common, Windstorm Insurance/Endorsements will be required.

WVOE & Self Prepared P&L

Property Type	★1 unit SFR/PUD/Condo; 2-4 Units
Citizenship	★U.S. Citizen ★Permanent Resident ★Non-permanent Resident ★Foreign National
Job & Income	★WVOE: Written VOE completed by employer. ★Self Prepared P&L: · For application received on or before 6/30: YTD and full year of interim Profit & Loss Statement completed and signed by independent 3rd party. · For application received on or after 7/1: YTD Profit & Loss Statement completed and signed by an independent third-party. · CPA Letter (from CPA that prepared previous 2 years tax returns) verifying prepared business ownership and same location for at least 2 year & 2 years business ★Please call for more details about Trued Stated Income.
Assets & Reserve	★All scenarios require 12 months P & I in US Financial Institution as reserves except Foreign National Loan. ★Foreign National Loan requires 24 months P & I in US Financial Institution as reserves ★Most recent 2 months bank statements required. ★Business funds may be used up to 100% of current balance if borrower can demonstrate 100% ownership of the business. ★Gift is allowed for 100% of down payment for all occupancies and properties, but no gift funds may be used for reserves. ★All Assets must be Liquid – Checking, Savings, or MMA. Cash-Out funds can only be used for reserves if deposited into investor's Account with ACH.
Credit	★Mortgage/Rent: Max 1x30x12 ★Bankruptcy: 3 Years ★Short Sale&Deed In Lieu: 2 Years ★Foreclosure: 5 Years ★Loan Modification: 5 Years ★Tradeline: 3 tradelines seasoned for at least 12 months required for each applicant.
Foreign Nationals	★Copy of passport, I-94 and valid VISA (F-1 and F-2 type are not allowed). ★Copy of passport and either I-94W or proof of ESTA Approval required for borrowers on VISA Waiver Program. ★Foreign assets used for downpayment, closing costs, and/or reserves must be transferred to U.S. institutional account prior to ordering loan docs. ★24 mos P&I reserves required for subject property. Therein, 12 mos P&I reserves to be deposited into the account AAA LENDINGS assigns prior to funding.
Appraisal	★For loan amount up to \$1,000,000: A desk review report is required. For loan amount 1,000,001 to \$2,000,000: 1 Full Appraisal & 1 Field Review are required
Other Requirements	★Max Front-End/Total Debt-to-Income (DTI) ratio allowed: 36%/41%. ★Qualifying Interest Rate: the greater of start rate or fully-indexed rate. ★No minimum borrower contribution on owner occupied and second homes. (excludes Foreign National).

Bank Statement

FICO		Loan Amount	Primary Home			Second Home			Investment		
			P	R/T Refi	C/O Refi	P	R/T Refi	C/O Refi	P	R/T Refi	C/O Refi
>=740		<= \$1.0mm	90.00%		80.00%	85.00%		70.00%	85.00%		70.00%
		<= \$1.5mm	85.00%		75.00%	80.00%		70.00%	80.00%		70.00%
		<= \$2.0mm	85.00%		75.00%	80.00%		70.00%	80.00%		70.00%
		<= \$2.5mm	80.00%		70.00%	75.00%		65.00%	75.00%		65.00%
		<= \$3.0mm	75.00%		65.00%	70.00%		60.00%	70.00%		60.00%
		<=\$3.5mm	65.00%		NA	60.00%		NA	NA		NA
>=720		<= \$1.0mm	85.00%		75.00%	85.00%		70.00%	85.00%		70.00%
		<= \$1.5mm	85.00%		75.00%	80.00%		70.00%	80.00%		70.00%
		<= \$2.0mm	80.00%		70.00%	80.00%		70.00%	80.00%		70.00%
		<= \$2.5mm	80.00%		70.00%	75.00%		65.00%	75.00%		65.00%
		<= \$3.0mm	75.00%		65.00%	70.00%		60.00%	70.00%		60.00%
		<=\$3.5mm	60.00%		NA	60.00%		NA	NA		NA
>=700		<= \$1.0mm	85.00%		75.00%	85.00%		70.00%	85.00%		70.00%
		<= \$1.5mm	85.00%		75.00%	80.00%		70.00%	80.00%		70.00%
		<= \$2.0mm	80.00%		70.00%	80.00%		70.00%	80.00%		70.00%
		<= \$2.5mm	75.00%		65.00%	75.00%		65.00%	75.00%		65.00%
		<= \$3.0mm	70.00%		60.00%	70.00%		60.00%	70.00%		60.00%
>=680		<= \$1.0mm	80.00%		70.00%	80.00%		70.00%	80.00%		70.00%
		<= \$1.5mm	80.00%		70.00%	80.00%		70.00%	80.00%		70.00%
		<= \$2.0mm	75.00%		65.00%	75.00%		65.00%	75.00%		65.00%
		<= \$2.5mm	70.00%		60.00%	70.00%		NA	70.00%		NA
		<= \$3.0mm	NA		NA	NA		NA	NA		NA
>=660		<= \$1.0mm	80.00%		70.00%	80.00%		70.00%	80.00%		70.00%
		<= \$1.5mm	75.00%		70.00%	75.00%		70.00%	75.00%		70.00%
		<= \$2.0mm	75.00%		60.00%	70.00%		60.00%	70.00%		60.00%
		<= \$2.5mm	70.00%		NA	65.00%		NA	65.00%		NA
		<= \$3.0mm	NA		NA	NA		NA	NA		NA
Assets & Reserves	★Most recent 2 months bank statement required. ★100% access letter obtained from all joint owners. ★Gift funds are acceptable for use toward down payment and loan costs. ★Stocks/Bond/Mutual Funds - 90% of stock accounts may be considered in the calculation of assets for closing costs and reserves. ★Vested Retirement Account funds – 80% may be considered for closing and/or reserves. ★When bank statements are used, large deposits must be evaluated. Large deposits are defined as a single deposit that exceeds 50% of the total monthly qualifying income for the loan. ★Cash out proceeds may be as reserves. ★Reserves: Loan Amt \$150,000-\$1,000,000: 6 Months PITIA; Loan Amt \$1,000,001 - 2,000,000: 9 months PITIA; Loan Amt>\$2,000,000: 12 months PITIA 2 Months Incremental PITIA required per other Financed Property										
Appraisal	★Loan amounts ≤ \$1,500,000 = 1 Full Appraisal (ARR, CDA or FNMA CU Risk score of 2.5 or less is required in addition to appraisal) ★Loan amounts > \$1,500,000 or "flip" transaction = Two Full Appraisals										
Credit & Credit Event	★Each Borrower’s credit profile must include a minimum of two (2) trade lines within the last twenty-four (24) months that show a twelve (12) month history, or a combined credit profile between Borrower and co-Borrower with a minimum of three (3) tradelines ★Max Mtg Late 0x30x12 ★Bankruptcy/Foreclosure/ShortSales/Deed-in-Lieu ≥3 Years.										
Other Requirements	★Prepaid Payment Penalty is the 5% of the remaining loan balance. ★MD Investment for No PPP only. ★Delayed Financing is allowed for primary only ★If using business bank statement to qualify the loan, qualifying income is equal to the total monthly business deposits divided by 12 months with the consideration of 50% expense factor. or with CPA Letter/ P&L to support expense factors.										



Prime HELOC

Occupancy	Property Type	Loan Purpose	Max Loan Amount	Max LTV/CLTV	FICO	Max DTI
Primary Home	1 to 4-Unit Warrantable Condo PUD	Purchase Cash Out Refinance	\$500,000	89.99% (Concurrent)	>=680	45.00%
				85% (Standalone)	>=700	
Second Home	1-Unit Warrantable Condo PUD	Purchase Cash Out Refinance	\$500,000	80% (Concurrent)	>=700	45.00%
				80% (Standalone)	>=720	
Eligible Borrowers	★ Borrowers must be the same for the first mortgage loan and HELOC (concurrent HELOCs only) ★ U.S. citizens ★ Permanent resident aliens ★ Non-permanent resident aliens ★ Non-occupant co-borrowers ★ Revocable/"living" trusts are acceptable provided it is established by, and the primary beneficiary is, an individual; for concurrent HELOCs, loans closing in a trust must follow the same trust requirement as the first mortgage					
Assets	★Concurrent HELOCs:The asset requirements and documentation standards of the first mortgage product will be used for the HELOC; this applies to transactions where the first mortgage is underwritten using an automated underwriting system (AUS) (e.g., Fannie/Freddie loans) as well as first mortgages that are manually underwritten (e.g., jumbo loans). ★Standalone HELOCs: a single deposit that exceeds 50% of the total monthly qualifying income as the large deposits.					
Job & Income	★Wage-Earner Income: All non-self-employed applicants who receive a W-2 at year end to summarize total earnings – includes hourly, weekly, biweekly, part-time, seasonal, bonus, commission, and tips/gratuity. ★Self-Employed Income: Sole proprietorship, Partnership, Corporations, and S-Corporations ★Other Non-Employment Income: Alimony/Child Support/Maintenance, Unemployment/Public Assistance, Disability/Worker’s Compensation, Retirement/Pension, Social Security, Annuity, IRA, Military/VA Benefits, Trust, Interest & Dividend, Inheritance/Guaranteed Income, Note Receivables, Mortgage Differential/COLA & Rental ★Readily Convertible Assets: Bank Deposits, Money Market, Marketable Securities, Mutual Funds, Annuities, and Bonds					
Appraisal	★The appraisal fee is required to quote with appraisal department. ★Loan amt>\$250k: Standard Full Appraisal Report must be required. ★loan amt≤\$250k(see below for cases requiring a Standard Full Appraisal Report for ≤ \$250,000): 3rd party Collateral Evaluation must be required. ★Full appraisal must be required for properties with any of the following characteristics: (1) Recent Remodel or Extensive Renovations (2) Properties with excess acreage(15+Acres) (3) Unique design or amenities(Berm/dome/log home or atypical amenities such as private tennis court, multiple outbuildings, etc.) (4) Adequate subject property and/or comparable data is not available.					
Ineligible First Lien Types	★(1) CONCURRENT HELOCS <ul style="list-style-type: none">• FHA, VA, or USDA mortgages• Construction or renovation loans ★(2) STANDALONE HELOCS <ul style="list-style-type: none">• Land contracts or contracts for deed• Reverse mortgages• Negative amortization loans• Home equity lines of credit or other future advance liens					
Other Requirements	★Eligible Transaction Types: (1) Purchase (2) Cash-out refinance ★Qualifying Payment: (Maximum Line Amount / 240) + Maximum Line Amount x (Index + Margin + 2.00%) x (30 / 365)					



Expanded HELOC

DU/LP Eligibility	<ul style="list-style-type: none">★Standalones (Only HELOC transaction) does not need DU/LP approved, but require manually underwritten.★Piggyback's(First lien +HELOC/CES) First Mortgage must have DU Approved/Eligible, or LPA Accept, or Approve/Accept/Ineligible due to loan size for non-conforming 1st liens.
Eligible First Lien Programs	<ul style="list-style-type: none">★Fixed Rate fully amortizing Agency / Government eligible.★Agency ARM with initial fixed term ≥ 5 years.★Non-Agency Jumbo Fixed and ARM with initial fixed term ≥ 5 years.★AUS approval required (DU/LP), Approve/Ineligible (due to loan size) required for non-agency 1st liens.★Interest Only, Negative Amortization and other High Risk product features are ineligible. <p>Standalone: provide current mortgage statement (or CD if recently closed on 1st mtg) and copy of 1st Mortgage Note.</p>
Income Requirements	<ul style="list-style-type: none">★Salary Borrower: ①Piggybacks follow first lien requirements. ②Standalones: Most recent one month paystub + most recent year W2. ③Tax transcripts are required when using tax returns for qualifying purposes.★Self-employed: ①Piggybacks: follow AUS for tax return requirements.②Standalones: 2 yrs tax returns(business and personal) with all schedules, and Year to Date P&L.
Appraisal Requirements	<ul style="list-style-type: none">★Piggybacks: follow FNMA/FHLMC guidelines except the program will not accept appraisal waivers. If AUS permits a value acceptance, then instead provide:Desktop, exterior inspection and/or interior inspection★Standalones:<ul style="list-style-type: none">1) Desktop, exterior inspection and/or interior inspection or;2) FIRREA and USPAP compliant hybrid valuation.★For credit limits > \$250,000, a full appraisal with interior & exterior inspection containing color photos is required.★1004D Completion Alternatives are ineligible.★If property is located in a PUD, a HOA statement must be provided
General Requirements	<ul style="list-style-type: none">★Max DTI 43% for loan Limit <= \$250,000 34% for loan Limit > \$250,000★Note Rate + 2% P&I over 30 year amortization as the qualifying rate.★Assets/Funds to Close/Reserves:<ul style="list-style-type: none">①Piggybacks: follow first lien requirements.②Standalones: no asset verification is required if borrower is receiving cash-out (otherwise provide at least one month liquid asset statements showing sufficient funds to close)★Mortgage late: 0x30x24★Title may not be held in the name of a trust.★POAs are permitted for all transaction types but must cover the 2nd lien transaction if utilized.★Eligible Properties:<ul style="list-style-type: none">(1)1 unit Primary Residence: ①SFR / PUD / Townhouse / Rowhome ②Low-rise condominium (Fannie/Freddie Warrantable) ③High-rise condominium (Fannie/Freddie Warrantable)(2)1 unit Second Home: SFR / PUD / Townhouse / Rowhome★Credit limits: \$250,001-\$300,000 require minimum score of 700Credit limits: \$300,001-\$350,000 require minimum score of 720Maximum Credit Limit \$250,000 to 89.99% HCLTV, \$300,000 to 80% HCLTV, \$350,000 to 70% HCLTV on Owner Occupied.Maximum Credit Limit \$250,000 to 80% HCLTV, \$300,000 to 70% HCLTV on Second/Vacation homes.★When borrower is not on the Note of the First mortgage of the subject property, the PITI must be included in the DTI calculation. The mortgage payment history must be provided.★Self-employed: Max Line - \$250,000/ 720 min FICO / 85% HCLTV for Primary/70% HCLTV for Second Home.★Minimum Line/Draw: \$25,000; minimum draw the lesser of \$50,000 or 75% of the line



Prime CES(Closed End Second)

Loan Amount	Min FICO		Primary		2nd Home&Investment	
			Full Doc	Bank Stmt	Full Doc	Bank Stmt
\$75,000-\$350,000	>=720		90.00%	85.00%	80.00%	75.00%
	>=700		90.00%	80.00%	80.00%	70.00%
	>=680		85.00%	75.00%	75.00%	65.00%
	>=660		80.00%	70.00%	70.00%	60.00%
\$350,001-\$450,000	>=720		85.00%	80.00%	80.00%	70.00%
	>=700		85.00%	75.00%	75.00%	65.00%
	>=680		80.00%	70.00%	70.00%	60.00%
	>=660		75.00%	65.00%	65.00%	55.00%
\$450,001-\$550,000	>=720		80.00%	75.00%	75.00%	65.00%
	>=700		80.00%	70.00%	70.00%	60.00%
	>=680		75.00%	65.00%	65.00%	55.00%
	>=660		70.00%	60.00%	60.00%	50.00%
Job & Income	Bank Statement [12 months]	★Personal & Business-Combined or Business (12mo.): ①At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership); ②Asset Depletion allowed with Bank Statement documentation; ③Standard expense factors apply: 50% expense factor. ★Personal & Business Separated (12mo.): ①At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership); ②Asset Depletion allowed with Bank statement documentation; ③Personal used to qualify, 3 months business to show business cash flows in order to utilize 100% of business related deposits in personal account (no expense factor).				
	Full Doc	★Full Doc 2Yr(Standard FNMA Documentation): Income determined per DU findings - OR - W-2 borrowers, W-2 for most recent year and 30 day most recent paystub. Self-employed, 2 years tax returns and YTD P&L ★Full Doc 1Yr (W-2 (12mo) / Tax Returns (12mo)) ①Wage Earner - 1 year most recent W-2 plus 30 days paystubs. ②Self-Employed - 1 year most recent tax returns plus either: YTD P&L after April 30th or 3 months bank statements verifying cash flow (No P&L)				
Eligible Borrowers	★Borrowers - Eligible for US Citizen, Non-Permanent Resident Alien (with US Credit), Permanent Resident Alien. Ineligible for Non-occupant co-borrowers & entities.					
Property Type	★Property Type - SFR, 2-4 Units(max 75 CLTV OO, 70 CLTV NOO), PUD, Condo-Warrantable(max 75 CLTV OO, 70 CLTV NOO).					
Credit	★3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months. ★Housing Lates - 0x30x12 On all mortgages for all borrowers. Minimum 12 months housing history required. ★Credit Event Seasoning - 48 months - Foreclosure, short-sale, deed in lieu, bankruptcy. No multiple events in last 7 years. ★Derogatory Credit - Open charge-offs or collections <= \$1,000 per occurrence ok. No delinquent tradelines at closing. Open Medical collections <= \$1000 per occurrence ok.					
Appraisal Requirements	★Owner Occupied/2nd Home: (1)HPML Non-QM: Full appraisal (1004,1025,1073); (2)Non-HPML : ①Loan amts <=\$250K, AVM with a 90% Confidence Factor and Property Condition Inspection(PCI), AVM & PCI from ClearCapital, Collateral Analytics or coreLogic. ② Loan amts >\$250K, Full appraisal (1004, 1025, 1073) ★Non Owner Occupied: Previous appraisal within 12 months + Appraisal Desk Review. Review value must be equal to or greater than appraisal. Or New 2055 Appraisal and Appraisal Desk Review supporting value within 10% variance. Greater than 10% variance, use lower of two values; ★Declining markets maximum 75% CLTV on Owner Occupied/2nd Home. Maximum 70% CLTV on Non Owner Occupied.					
General Guideline	★Maximum Combined Liens - \$2.5 M. ★Most recent 2 months bank statements required if additional assets are required. ★Properties listed for sale in the last 6 months are not eligible. ★Loans that do not pass NY Subprime test are ineligible. ★Ineligible: Texas Section 50(a)(6) Equity Cash-Out. ★1st lien ARMS with < 3 years fixed period remaining qualified on fully indexed payment					