

Jumbo Plus – Fixed and ARM

Primary Residence

Amortizing Fixed - All States Maximum Loan Amount \$2,000,000

Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit / PUD/ Condo / Co-op ¹	89.99/89.99/89.99%	740	35%
		85/85/85%	700	43%
		80/80/80%	680	43%
	2 Unit	80/80/80% ²	700	43%
	3-4 Units	75/75/75%	700	43%
Cash Out Refinance ³	1 Unit / PUD / Condo / Co-op ¹	80/80/80%	720	43%
		70/70/70%	680	43%
	2-4 Unit	Not Eligible		

Footnotes

¹ Co-op eligible in NY only.

² Cannot use rental income from subject to qualify for LTV/CLTV/HCLTVs > 75%

³ Maximum Cash-out: \$500,000. See Refinance Cash-out in the Product Guides for additional requirements

Note: NCO Refinance transactions are limited to Investor-to-Investor when LTV/CLTV/HCLTV greater than 85%.

Second/Vacation Home

Amortizing Fixed – All States Maximum Loan Amount \$2,000,000

Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit / PUD / Condo / Co-op*	80/80/80%	680	43%
Cash Out Refinance	Not eligible			

Footnotes

* Co-op eligible in NY only.

Investment

Amortizing Fixed – All States Maximum Loan Amount \$1,000,000

Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit/PUD	80/80/80% ¹	740	43%
		75/75/75%	700	
	Condo / Co-op	Not Eligible		
	2-4 Units	75/75/75%	700	43%
Cash Out Refinance	Not eligible			

Footnotes

¹ Investment with LTV >75%; minimum 24 months reserves required. Refer to Minimum Reserves in this document for details.

Jumbo Plus – Fixed and ARM

Primary Residence

Amortizing ARM – All States Maximum Loan Amount \$2,000,000

Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit / PUD Condo / Co-op ¹	89.99/89.99/89.99%	740	35%
		85/85/85%	700	43%
		80/80/80%	680	43%
	2 Unit	80/80/80% ²	700	43%
	3-4 Units	75/75/75%	700	43%
Cash Out Refinance ³	1-4 Unit / PUD / Condo / Co-op ¹	80/80/80%	720	43%
		70/70/70%	680	43%
	2-4 Unit	Not Eligible		

Footnotes

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² Cannot use rental income from subject to qualify for LTV/CLTV/HCLTVs > 75%

³ Maximum Cash-out: \$500,000. See Refinance Cash-out in the Product Guides for additional requirements

Note: NCO Refinance transactions are limited to Investor-to-Investor when LTV/CLTV/HCLTV greater than 85%

Second/Vacation Home

Amortizing ARM – All States Maximum Loan Amount \$2,000,000

Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit / PUD / Condo / Co-op *	80/80/80%	680	43%
Cash Out Refinance	Not Eligible			

Footnotes

* Co-op eligible in NY only.

Investment

Amortizing ARM – Maximum Loan Amount \$1,000,000

Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit/PUD	80/80/80% ¹	740	43%
		75/75/75%	700	
	Condo / Co-op	Not Eligible		
	2-4 Units	75/75/75%	700	43%
Cash Out Refinance	Not eligible			

Footnotes

¹ Investment with LTV >75%; minimum 24 months reserves required. Refer to Minimum Reserves in this document for details.

Primary Residence

Jumbo Plus – Fixed and ARM

Interest Only ARM – All States Maximum Loan Amount \$2,000,000				
Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit / PUD / Condo / Co-op*	70/70/70%	700	43%
	2-4 Units	Not Eligible		
Cash Out Refinance	Not eligible			
Footnotes				
* Co-op eligible in NY only.				

Second/Vacation Home				
Interest Only ARM – All States Maximum Loan Amount \$2,000,000				
Transaction Type	Property Type	Maximum LTV/CLTV/HCLTV	Minimum Credit Score	Maximum DTI*
Purchase and No Cash-Out Refinance	1 Unit / PUD / Condo / Co-op*	65/65/65%	740	43%
Cash Out Refinance	Not Eligible			
Footnotes				
* Co-op eligible in NY only.				

Jumbo Plus – Fixed and ARM

Amortizing Fixed & ARM - Additional LTV/CLTV/HCLTV Requirements Follow Based Product Guides except as Noted in the table below

State/County	Transaction Type	Property Type	Max LTV/CLTV/HCLTV					
			Primary		Second Home		Investment	
			LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO
CO: Pueblo HI: Maui ID: Ada, Boise, Canyon, Gem, Owyhee NJ: Atlantic City NM: San Juan NV: Clark OR: Deschutes TX: Cameron, Ector, Hardin, Hidalgo, Jefferson, Midland, Orange PA: Erie	Purchase and No Cash Out Refinance	1 Unit/PUD	80/80/80%	700	80/80/80%	700	70/70/70% Purchase Only	720
		Condo	80/80/80%	700	80/80/80%	700	Not Eligible	
		2 Unit	75/75/75%	700	N/A			
		3-4 Unit	70/70/70%	700				
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit/PUD	80/80/80%	760	Not Eligible		Not Eligible	
		Condo	70/70/70%	720				
		2-4 Unit	Not Eligible					

State/County	Transaction Type	Property Type	Max LTV/CLTV/HCLTV					
			Primary		Second Home		Investment	
			LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO
AZ: Maricopa, Pinal	Purchase and No Cash Out Refinance	1 Unit/PUD	85/85/85%	700	80/80/80%	680	80/80/80%	740
		Condo	80/80/80%	680			75/75/75%	700
		2 Unit*	80/80/80%	700	N/A		75/75/75%	700
		3-4 Unit	75/75/75%	700				
	Cash-out Refinance (Max Cash-out: \$500k)	1 Unit PUD	80/80/80%	720	Not Eligible		Not Eligible	
		Condo	70/70/70%	680				
AZ: Coconino, Mohave	Purchase and No Cash Out Refinance	1 Unit/PUD	80/80/80%	700	80/80/80%	700	70/70/70% Purchase Only	720
		Condo	80/80/80%	700	80/80/80%	700	Not Eligible	
		2 Unit	75/75/75%	700	NA		Not Eligible	
		3-4 Unit	70/70/70%	700				
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit PUD	80/80/80%	760	Not Eligible		Not Eligible	
		Condo	70/70/70%	720				
2-4 Unit	Not Eligible							

Amortizing Fixed & ARM - Additional LTV/CLTV/HCLTV Requirements								
Follow Based Product Guides except as Noted in the table below								
State/County	Transaction Type	Property Type	Max LTV/CLTV/HCLTV					
			Primary		Second Home		Investment	
			LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO
CA: Eldorado, Placer, Riverside, Sacramento, San Bernardino, Yolo	Purchase and No Cash Out Refinance	1 Unit/PUD	85/85/85%	700	80/80/80%	680	80/80/80%	740
		Condo	80/80/80%	680			75/75/75%	700
		2 Unit*	80/80/80%	700	N/A	75/75/75%	700	
		3-4 Unit	75/75/75%	700				
	Cash-out Refinance (Max Cash-out: \$500k)	1 Unit PUD	80/80/80%	720	Not Eligible		Not Eligible	
		Condo	70/70/70%	680	Not Eligible		Not Eligible	
CA: Kern, Merced, Kings, Tulare	Purchase and No Cash Out Refinance	1 Unit/PUD	80/80/80%	700	80/80/80%	700	70/70/70%	720
		Condo	80/80/80%	700	80/80/80%	700	Not Eligible	
		2 Unit	75/75/75%	700	NA		Not Eligible	
		3-4 Unit	70/70/70%	700	NA		Not Eligible	
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit PUD	80/80/80%	760	Not Eligible		Not Eligible	
		Condo	70/70/70%	720	Not Eligible		Not Eligible	
CA: San Francisco	Purchase and No Cash Out Refinance	1 Unit/PUD	80/80/80%	700	80/80/80%	700	70/70/70%	720
		Condo	80/80/80%	740	70/70/70%	700	Not Eligible	
		2 Unit	75/75/75%	700	N/A		Not Eligible	
		3-4 Unit	70/70/70%	700	N/A		Not Eligible	
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit PUD	80/80/80%	760	Not Eligible		Not Eligible	
		Condo	70/70/70%	760	Not Eligible		Not Eligible	
CA: San Benito, Santa Clara	Purchase and No Cash Out Refinance	1 Unit/PUD	89.99/89.99/89.99%	740	80/80/80%	680	80/80/80%	740
		Condo	85/85/85%	700			75/75/75%	700
		2 Unit*	80/80/80%	700	NA		75/75/75%	700
		3-4 Unit	75/75/75%	700	NA		75/75/75%	700
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit PUD	70/70/70%	680	Not Eligible		Not Eligible	
		Condo	70/70/70%	680	Not Eligible		Not Eligible	
		2 Unit	Not Eligible					
		3-4 Unit	Not Eligible					

Maximum DTI 43%

*Cannot use rental income from subject to qualify for LTV/CLTV/HCLTVs >75%

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Amortizing Fixed & ARM - Additional LTV/CLTV/HCLTV Requirements Follow Based Product Guides except as Noted in the table below

State/County	Transaction Type	Property Type	Max LTV/CLTV/HCLTV					
			Primary		Second Home		Investment	
			LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO
CT: Fairfield	Purchase and No Cash Out Refinance	1 Unit/PUD	80/80/80%	680	80/80/80%	680	70/70/70%	700
		Condo					Not Eligible	
		2 Unit*	80/80/80%	700	N/A		70/70/70%	700
		3-4 Unit	75/75/75%	700			70/70/70%	700
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit PUD	70/70/70%	680	Not Eligible		Not Eligible	
		Condo						
CT: New London	Purchase and No Cash Out Refinance	1 Unit/PUD	80/80/80%	700	80/80/80%	700	70/70/70% Purchase Only	720
		Condo	80/80/80%	700	80/80/80%	700	Not Eligible	
		2 Unit	75/75/75%	700	NA			
		3-4 Unit	70/70/70%	700				
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit PUD	80/80/80%	760	Not Eligible		Not Eligible	
		Condo	70/70/70%	720				
	2-4 Unit	Not Eligible						

State/County	Transaction Type	Property Type	Max LTV/CLTV/HCLTV					
			Primary		Second Home		Investment	
			LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO
FL: Broward, Miami Dade, Palm Beach	Purchase and No Cash Out Refinance	1 Unit/PUD	85/85/85%	700	80/80/80%	680	80/80/80%	740
			80/80/80%	680			75/75/75%	700
		Condo	80/80/80%	740	70/70/70%	700	Not Eligible	
			75/75/75%	700	N/A		75/75/75%	700
	Cash Out Refinance (Max Cash-out: 1 Unit/ PUD \$500k – Condo \$250k)	1 Unit PUD	80/80/80%	720	Not Eligible		Not Eligible	
		Condo	70/70/70%	760				
	2-4 Unit	Not Eligible						

State/County	Transaction Type	Property Type	Max LTV/CLTV/HCLTV					
			Primary		Second Home		Investment	
			LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO
MA: Suffolk	Purchase and No Cash Out Refinance	1 Unit	89.99/89.99/89.99%	740	80/80/80%	680	80/80/80%	740
		PUD	85/85/85%	700			75/75/75%	700
			80/80/80%	680	70/70/70%	700	Not Eligible	
		Condo	80/80/80%	740	N/A		75/75/75%	700
	Cash Out Refinance (Max Cash-out: 1 Unit/ PUD \$500k – Condo \$250k)	2 Unit*	80/80/80%	700				
		3-4 Unit	75/75/75%	700				
	1 Unit PUD	80/80/80%	720	Not Eligible		Not Eligible		
	Condo	70/70/70%	680					
	2-4 Unit	Not Eligible						

Amortizing Fixed & ARM - Additional LTV/CLTV/HCLTV Requirements

Jumbo Plus – Fixed and ARM

Follow Based Product Guides except as Noted in the table below

State/County	Transaction Type	Property Type	Max LTV/CLTV/HCLTV					
			Primary		Second Home		Investment	
			LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO	LTV/CLTV/HCLTV	FICO
NY: Kings, New York	Purchase and No Cash Out Refinance	Condo Co-op	80/80/80% 75/75/75%	740 700	70/70/70%	700	Not Eligible	
	Cash-out Refinance (Max Cash-out: \$250k)	Condo Co-op	70/70/70% 60/60/60%	760 720	Not Eligible			
NY: Bronx, Queens	Purchase and No Cash Out Refinance	Condo Co-op	80/80/80%	700	80/80/80%	700	Not Eligible	
	Cash-out Refinance (Max Cash-out: \$250k)	Condo Co-op	80/80/80% 70/70/70%	760 720	Not Eligible			
NY: Bronx, Kings, Queens, New York	Purchase and No Cash Out Refinance	1 Unit / PUD	80/80/80%	700	80/80/80%	700	70/70/70% Purchase Only	720
		2 Unit	75/75/75%	700	N/A		Not Eligible	
		3-4 Unit	70/70/70%	700	Not Eligible		Not Eligible	
	Cash-out Refinance (Max Cash-out: \$250k)	1 Unit PUD	80/80/80% 70/70/70%	760 720	Not Eligible		Not Eligible	
2-4 Unit		Not Eligible		Not Eligible		Not Eligible		

Interest Only - Additional LTV/CLTV/HCLTV Requirements

County / State	Property Type	Max LTV/CLTV/HCLTV
Miami-Dade County, FL	Condo	More restrictive of charts above or 80%
Fairfield County, CT	1 Unit/Condo/PUD	More restrictive of charts above or 80%
New York County, NY	Condo / Co-op	Apply 10% reduction to LTV/CLTV/HCLTV indicated charts above
All	Condo	More restrictive LTV/CLTV may apply if Condo Project Review Type is Limited Review. Refer to Investor Limited Review for Established Condo Project Topic for additional information

PRODUCT SPECIFICATIONS							
Overlays	Not Applicable. Non-Agency loans must be underwritten in accordance with Lender guidelines						
Market Types & Loan Terms	Fixed Products						
	20-25-30-Year Fixed Rate	650					
	10- and 15-Year Fixed Rate	651					
	Amortizing SOFR ARM Products						
	5yr/6m SOFR ARM	763					
	7yr/6m SOFR ARM	725					
	10yr/6m SOFR ARM	726					
	I/O Amortizing LIBOR ARM Products						
	5yr/6m SOFR ARM	727					
	7yr/6m SOFR ARM	728					
10yr/6m SOFR ARM	729						
Special Features	Amortizing Fixed: Eligible Features: <ul style="list-style-type: none"> Texas 50(a)(6) and Texas 50(f)(2) – not eligible 						
	Amortizing ARMS: Eligible Features: <ul style="list-style-type: none"> Texas 50(a)(6) Texas 50(f)(2) 						
Amortization Type	Amortizing Fixed and ARM's: <ul style="list-style-type: none"> Fully Amortizing Interest Only ARM <ul style="list-style-type: none"> 10 Years interest only payments, followed by 20 Years fully amortizing payments 						
Delegated Correspondent Eligibility	To be eligible to underwrite Non-Agency loans under Delegated Non-Agency authority, Correspondents must meet the criteria outlined in the <i>Correspondent Seller Eligibility Standards</i> topic.						
Minimum Loan Amount	Amortizing Fixed and Interest Only ARMS The minimum loan amount is the conforming loan limit, plus \$1						
	Amortizing ARMs Minimum Loan Amounts apply as follows:						
	<table border="1"> <thead> <tr> <th>For products and features that are:</th> <th>The minimum loan amount is:</th> </tr> </thead> <tbody> <tr> <td>Available under the Lender Agency High Balance programs</td> <td>The HERA Agency High Balance loans limits as specified for the county, state and number of units, plus \$1</td> </tr> <tr> <td>Not available under the Lender Agency High Balance programs</td> <td>The conforming loan limit as specified for the state and number of units, plus \$1</td> </tr> </tbody> </table>	For products and features that are:	The minimum loan amount is:	Available under the Lender Agency High Balance programs	The HERA Agency High Balance loans limits as specified for the county, state and number of units, plus \$1	Not available under the Lender Agency High Balance programs	The conforming loan limit as specified for the state and number of units, plus \$1
For products and features that are:	The minimum loan amount is:						
Available under the Lender Agency High Balance programs	The HERA Agency High Balance loans limits as specified for the county, state and number of units, plus \$1						
Not available under the Lender Agency High Balance programs	The conforming loan limit as specified for the state and number of units, plus \$1						

UNDERWRITING SPECIFICATIONS

<p>Amortized ARM and Interest Only ARM Features</p>	<ul style="list-style-type: none"> • Index: <ul style="list-style-type: none"> ○ 30-Day Average of SOFR • Rate Adjustments: <ul style="list-style-type: none"> ○ Interest rate can be adjusted up or down at each rate change date, based on the movements in the index ○ The interest rate will be adjusted to equal the sum of the index plus the required margin, rounded to the nearest .125% subject to the interest rate caps ○ The monthly payment will be adjusted in accordance with the change in the interest rate • Interest Rate Change Dates: <ul style="list-style-type: none"> ○ The interest rate at lock-in will remain constant until the first rate change date. Subsequent rate change dates will occur on the 1st day of every 6th calendar month thereafter ○ The first change date is the month prior to the first payment date plus the number of years (5, 7 or 10) based on the ARM program type. For Example: 5yr/6m ARM with a First Payment date of 4/01/2020 would have an Interest Rate change date of 3/01/2025 • Interest Only Period (Only applicable to Interest Only ARM program) <ul style="list-style-type: none"> ○ During the first 10 years of the payment will be interest only for Non-Agency ARM loans based on the amount of outstanding principal balance. ○ For the remaining 20 years for Non-Agency ARM loans the payment will be calculated at principal and interest and will amortize over the remaining term. • Caps: <ul style="list-style-type: none"> ○ 5yr/6m SOFR ARM: 2/1/5 % ○ 7yr/6m and 10yr/6m SOFR ARMs: 5/1/5% • Margin: <ul style="list-style-type: none"> ○ 5yr/6m, 7yr/6m, 10yr/6m SOFR ARM: 2.75% ○ The Floor is the margin • ARM Change Look Back Period: <ul style="list-style-type: none"> ○ 45 days <p>Note: ARM Notes must always include the following Limits on Interest Rate Changes language:</p> <p>The interest rate I am required to pay at the first Change Date will not be greater than ____% or less than ____%. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than one percentage points from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than ____% or less than the Margin</p>
<p>Appraisals</p>	<p>Follow requirements noted in Appraisal and Property Requirements, plus</p> <ul style="list-style-type: none"> • An interior inspection is required* • Two appraisals are required for loan amounts >\$2 million <= \$3 million
<p>Assumability</p>	<p>Fixed</p> <ul style="list-style-type: none"> • Loans are not assumable <p>Amortized ARM and Interest Only ARM</p> <ul style="list-style-type: none"> • Loans are assumable after the initial fixed rate period under certain conditions described in the Security Instrument • Co-ops are not Assumable
<p>Buydown (Temporary)</p>	<ul style="list-style-type: none"> • Not available
<p>Completion Escrows</p>	<ul style="list-style-type: none"> • Eligible on Purchase transactions only (all occupancy types). Refer to Escrow Holdback/Completion Escrow Requirements for detailed requirements

<p>Construction to Perm Financing</p>	<p>Eligible: Single Close Modification A construction modification program which allows the conversion of construction financing to permanent financing through a modification of the original loan documents at the completion of construction. A variety of products are available for the permanent financing along with the ability, under certain circumstances, to increase the loan amount to cover unexpected additional costs of construction.</p> <p>Two Time Close A Two Time Close transaction involves two separate closing transactions, one for the construction phase and another closing for the permanent financing.</p> <ul style="list-style-type: none"> • Use the maximum refinance LTV/CLTV/HCLTV • The LTV is calculated by dividing the loan amount of the construction-to-permanent financing by the as-completed appraised value of the property (lot and improvements) • Amortized ARM's and Interest Only ARM's: Limited Cash Out (NCO) <p>See Refinance No Cash Out sections for additional requirements on refinance transactions</p>						
<p>Conversion Option</p>	<p>None</p>						
<p>Credit History</p>	<p>Follow Lender Credit guidelines, plus:</p> <ul style="list-style-type: none"> • Minimum two years established credit history is required. • A minimum credit risk score is required. See the Maximum LTV/CLTV/HCLTV & Minimum Credit Score topic for minimum score requirements. 						
<p>Credit Only Applications</p>	<p>Not eligible</p>						
<p>Deed Restricted Properties</p>	<ul style="list-style-type: none"> • Deed Restrictions that negatively impact marketability or are considered prejudicial (such as, restrictions based on buyer's marital status, race, religion, etc.) are not eligible. • Code, Covenant and Restrictions (including, but not limited to, restrictions requiring home must be maintained or HOA must approve addition, colors, etc.) are permitted and do not require Lender approval 						
<p>Disputed Derogatory Credit</p>	<p>In some circumstances, the borrower may be disputing the reported derogatory credit occurrence with the creditor. In those cases, to verify there is an active dispute, the borrower must provide documentation such as:</p> <ul style="list-style-type: none"> • Legal documents, • Contractual documents, • Insurance papers, or • Correspondence between the parties. <table border="1" data-bbox="381 1176 1531 1423"> <thead> <tr> <th data-bbox="381 1176 954 1213">IF underwriter...</th> <th data-bbox="954 1176 1531 1213">Then...</th> </tr> </thead> <tbody> <tr> <td data-bbox="381 1213 954 1276">provides an approval with the inclusion of the disputed derogatory credit item(s),</td> <td data-bbox="954 1213 1531 1276">underwriter/findings will indicate if further action is necessary.</td> </tr> <tr> <td data-bbox="381 1276 954 1423">approval is not received and/or the approval terms were affected by the disputed credit,</td> <td data-bbox="954 1276 1531 1423"> <ul style="list-style-type: none"> • The loan must be manually reviewed, taking the disputed derogatory item(s) into consideration, or resolution to the disputed item is required and a new credit report confirming the resolution must be obtained. </td> </tr> </tbody> </table> <p>The underwriter must:</p> <ul style="list-style-type: none"> • Evaluate the impact the disputed derogatory credit item may have on the borrower(s)' ability to manage the mortgage debt and how other debts have been managed in the past. • Take into consideration the equity investment in the property, amount of the disputed credit item, the borrower's asset position, credit risk score, and repayment history with respect to other debts. <p>Note: If these areas are acceptable, the serious or major derogatory credit may be considered an isolated incident, with no material impact in the underwriting analysis.</p>	IF underwriter...	Then...	provides an approval with the inclusion of the disputed derogatory credit item(s),	underwriter/findings will indicate if further action is necessary.	approval is not received and/or the approval terms were affected by the disputed credit,	<ul style="list-style-type: none"> • The loan must be manually reviewed, taking the disputed derogatory item(s) into consideration, or resolution to the disputed item is required and a new credit report confirming the resolution must be obtained.
IF underwriter...	Then...						
provides an approval with the inclusion of the disputed derogatory credit item(s),	underwriter/findings will indicate if further action is necessary.						
approval is not received and/or the approval terms were affected by the disputed credit,	<ul style="list-style-type: none"> • The loan must be manually reviewed, taking the disputed derogatory item(s) into consideration, or resolution to the disputed item is required and a new credit report confirming the resolution must be obtained. 						
<p>Documentation</p>	<ul style="list-style-type: none"> • Full Doc Only • Refer to Tax Transcripts for Income Documentation topic for 4506-C and transcript requirements <p>NOTE: Refer to the Underwriting additional guidance on successfully documenting and underwriting loan files.</p>						
<p>Eligible Borrowers</p>	<ul style="list-style-type: none"> • U.S. Citizens • Permanent Residents* • Temporary Residents* <p>*Refer to Foreign Borrowers, Income, Assets, and Documentation Considerations for detailed requirements.</p>						

Escrow Holdback/Completion Escrow	<p>Lender does not allow multiple contracts to be combined when determining the purchase price for a newly-constructed property (such as, a third-party contract for pool installation).</p>
Escrow Waivers	<p><u>Funding Requirements</u> In addition to meeting standard funding requirements, all non-escrowed loans must meet the following funding requirements:</p> <ul style="list-style-type: none"> • Meet escrow waiver requirements for the loan product type; see Escrow Waivers section of the applicable product guide • Lock must indicate escrows waived • Page 4 of the Closing Disclosure (CD) must reflect the loan will not have an escrow account and the No Escrow portion must be completed • Underwriter approval required for LTV >80%
Foreign Nationals	<p><u>Amortizing Fixed and ARM's:</u> <u>Temporary Residents:</u></p> <ul style="list-style-type: none"> • Must be occupying borrower • Primary Residence only <ul style="list-style-type: none"> ○ Maximum LTV/CLTV/HCLTV: LTV/CLTV/HCLTV stated above, or ○ 80% (ARMs) • Minimum FICO: See Max LTV/CLTV/HCLTV and Min Credit Score Topic in this guide • If LTV > 70%, borrower must be established in U.S. with two years residence and employment history • Maximum Loan Amount: \$2,000,000 • Minimum Reserves: See Reserve section of this guide for reserve requirements • All borrowers on the loan must take title to the subject property and sign all applicable legal documents (such as, Mortgage, Note, 1003) • When a temporary resident is a borrower on a loan along with a U.S. citizen or permanent resident, and the temporary resident is contributing less than 50% of the qualifying income and less than 50% of the required funds for the transaction, underwrite the loan following U.S. Citizen/Permanent Resident eligibility requirements <p><u>Undocumented Foreign Nationals:</u> Not eligible</p> <p><u>Permanent Residents:</u> Eligible with proof of lawful permanent residency Underwritten the same as U.S. citizen</p>
Geographic Restrictions	<p><u>Amortizing Fixed</u> See Additional LTV/CLTV/HCLTV Requirements above for Additional LTV/CLTV/HCLTV Requirements Co-ops:</p> <ul style="list-style-type: none"> • Eligible in NY only <p><u>Miscellaneous State Legislation Requirements:</u></p> <ul style="list-style-type: none"> • Follow your state-specific guidelines <p><u>Amortizing ARMs</u> See Additional LTV/CLTV/HCLTV Requirements above for Additional LTV/CLTV/HCLTV Requirements Co-ops:</p> <ul style="list-style-type: none"> • Eligible in NY only <p><u>Miscellaneous State Legislation Requirements:</u> Follow your state-specific guidelines, plus</p> <ul style="list-style-type: none"> • Massachusetts: First time homebuyers not eligible on Non-Agency ARM transactions <p><u>Interest Only ARM</u> <u>Co-ops:</u></p> <ul style="list-style-type: none"> • Eligible in NY only and must meet Fannie Mae Criteria <p><u>Miami-Dade County, FL</u></p> <ul style="list-style-type: none"> • Condo: Maximum LTV/CLTV 80/80% <p><u>New York Count, NY</u></p> <ul style="list-style-type: none"> • Apply 10% reduction to maximum LTV for condos and co-ops as indicated in Maximum LTV/CLTV and Minimum credit score topic <p><u>Miscellaneous State Legislation Requirements:</u></p> <ul style="list-style-type: none"> • Follow your state-specific guidelines • Georgia: Non-Agency interest only transactions are limited to 1-unit transactions only. Multi units are not eligible

	<ul style="list-style-type: none"> Massachusetts: First time homebuyers are not eligible on Non-Agency interest only ARM transactions West Virginia: Interest Only transactions not permitted 														
Interested Party Contributions	<table border="1"> <thead> <tr> <th colspan="3">Amortizing Fixed and ARM's</th> </tr> <tr> <th>Occupancy Type</th> <th>LTV/CLTV/HCLTV</th> <th>Maximum IPC</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Primary Residence and Second Homes</td> <td>>75%</td> <td>6%</td> </tr> <tr> <td><=75%</td> <td>9%</td> </tr> <tr> <td>Investment</td> <td>All LTVs</td> <td>2%</td> </tr> </tbody> </table>	Amortizing Fixed and ARM's			Occupancy Type	LTV/CLTV/HCLTV	Maximum IPC	Primary Residence and Second Homes	>75%	6%	<=75%	9%	Investment	All LTVs	2%
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<p>NOTE: May include seller paid prepaid items and other costs (may not exceed the allowed percentage as dictated by the LTV/CLTV/HCLTV. The CLTV limitations include secondary financing from all sources)</p>															
Legal Documents	Standard documentation applies														
Live Free Mortgages	Not eligible														
Multiple Property Ownership	<p>If the subject property is:</p> <ul style="list-style-type: none"> Primary Residence: Unlimited Second Home: 6 														
Non-Occupant Co-Borrower	Refer to the Qualifying Ratios section in this topic for requirements.														
Occupancy	Primary Only and Second Homes														
Predatory or High Cost Loan	<p>Lender will not purchase loans defined as a high cost or predatory mortgage loan.</p> <p>High Cost</p> <ul style="list-style-type: none"> Lender will not originate or purchase loans defined as a high cost or predatory mortgage loan. High cost/predatory testing is conducted on loans that meet criteria established by: <ul style="list-style-type: none"> Federal law, Investor/Agency requirements, State law, City/Village/Municipality law, and County Ordinance. Lender is responsible for ensuring all loans are originated and closed in accordance with all federal, state, city, county, and agency high-cost/predatory lending regulations. 														
Prepayment Option	None														
Principal Curtailments (also known as principal reduction)	All loans must comply with current guidelines and program requirements regarding cash-back to the borrower. Refer to TILA-RESPA Integrated Disclosure (TRID) topic for information.														
Private Mortgage Insurance	Not applicable														
Property Type	<p>Amortizing Fixed and ARM's:</p> <p>Primary Residence:</p> <ul style="list-style-type: none"> 1-4 Unit, Condo/PUD/Co-op* (Attached/Detached) <p>Second Homes:</p> <ul style="list-style-type: none"> 1 Unit, Condo/PUD/Co-op* (Attached/Detached) <p>Investment</p> <ul style="list-style-type: none"> 1-4 Unit, and PUD <p>Notes:</p> <ul style="list-style-type: none"> Co-ops eligible in New York Condotel/lodging units properties are not eligible 														

	<ul style="list-style-type: none"> Detached PUDs are considered Single Family Residential <p><u>Interest Only ARM</u></p> <p><u>Primary Residence:</u></p> <ul style="list-style-type: none"> 1 Unit, Condo/PUD/Co-op* (Attached/Detached) <p><u>Second Homes:</u></p> <ul style="list-style-type: none"> 1 Unit, Condo/PUD/Co-op* (Attached/Detached) <p><u>Notes:</u></p> <ul style="list-style-type: none"> Co-ops eligible in New York and must meet Fannie Mae criteria Condotel/lodging units properties are not eligible Detached PUDs are considered Single Family Residential 							
<p>Purchase Transaction Definition</p>	<p>A “Purchase-money” transaction is one in which the proceeds are used to finance the acquisition of a property. Proceeds from the transaction must be used to:</p> <ul style="list-style-type: none"> Finance the acquisition of the subject property, or Pay off the outstanding balance on an installment land contract (or contract for deed)(executed within the last 12 months). See the Land Contract (Contract for Deed) Definition in this topic for details. <p>Loan proceeds from the purchase transaction may not be used to give the borrower cash back other than the following:</p> <ul style="list-style-type: none"> An amount representing reimbursement for the borrower’s overpayment of fees and charges, including refunds that may be required in accordance with certain federal laws or regulations. The Closing Disclosure must clearly indicate the refund with a notation for the reason, and the loan file must include documentation to support the amount and reason for the refund A legitimate pro-rated real estate tax credit in locales where real estate taxes are paid in arrears Gift funds or earnest money deposited in an escrow account documented on the Closing Disclosure that is in excess of funds needed to complete the transaction <p><u>Notes:</u></p> <ul style="list-style-type: none"> If the borrower received a pro-rated real estate tax credit from the seller at closing for real estate taxes being paid in arrears, the amount cannot be considered when determining if the borrower has met the minimum borrower contribution requirements. If the borrower receives cash back for a permissible purpose as listed above, borrower must meet minimum borrower contribution requirements associated with the mortgage product, if any, and all funds used for the transaction must be properly verified and sourced. Reimbursements or refunds permitted above may also be applied as principal curtailment. Lender does not allow third-party/multiple contracts to be combined when determining the purchase price for a newly-constructed property (such as, a third-party contract for pool installation). 							
<p>Qualifying Ratios</p>	<p>Refer to maximum LTV/CLTV/HCLTV and Minimum Credit Score section of this guide for maximum DTI based on LTV/CLTV/HCLTV, credit score, transaction and property type.</p> <p><u>Fixed and Amortizing ARM’s:</u></p> <p><u>Non-Occupant Co-Borrowers</u></p> <ul style="list-style-type: none"> Qualify Occupant Borrower at lower of max DTI permitted based on credit score or 35/43% Qualify combined Incomes lower of max DTI permitted based on credit score or 28/36% Sum of all borrowers’ Income & Debt must qualify within Program Parameters ARM Only: Primary Residence Only <p>All products follow below:</p> <p>Use of the blended combination of occupant and non-occupant income in the calculation of the qualifying DTI ratio is allowed when parents are purchasing a property for their child, or children purchasing for their parents as follows:</p> <ul style="list-style-type: none"> 1-unit properties only (2- to 4-unit are ineligible) Purchase transactions Maximum LTV 80% Occupant and non-occupant must be on deed/title, mortgage and Note <table border="1" data-bbox="375 1696 1533 1919"> <thead> <tr> <th data-bbox="375 1696 954 1730">IF occupant DTI is...</th> <th data-bbox="954 1696 1533 1730">THEN...</th> </tr> </thead> <tbody> <tr> <td data-bbox="375 1730 954 1766">≤ 50%, and blended is ≤ 43%,</td> <td data-bbox="954 1730 1533 1766">originate and underwrite as Primary Residence.</td> </tr> <tr> <td data-bbox="375 1766 954 1919" rowspan="2">> 50%, and blended is ≤ 43%,</td> <td data-bbox="954 1766 1533 1864">originate as Primary Residence and underwrite to Second Home eligibility requirements.</td> </tr> <tr> <td data-bbox="954 1864 1533 1919">Note: Geographic limitations for second home proximity to primary residence do not apply.</td> </tr> </tbody> </table>	IF occupant DTI is...	THEN...	≤ 50%, and blended is ≤ 43%,	originate and underwrite as Primary Residence.	> 50%, and blended is ≤ 43%,	originate as Primary Residence and underwrite to Second Home eligibility requirements.	Note: Geographic limitations for second home proximity to primary residence do not apply.
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	<p>Note: Document the loan file to support the parent/child relationship. If the parent/child relationship cannot be established, follow existing non-occupant co-borrower DTI limits.</p> <p>Note: Refer to Foreign Nationals in this topic for additional requirements.</p> <p>Qualifying Rate:</p> <p>Amortizing ARM's</p> <ul style="list-style-type: none"> 5yr/6m SOFR ARM: Qualify at the higher of Note rate plus 2% or fully indexed rate 7yr/6m and 10yr/6m SOFR ARMs: Qualify at the higher of the Note rate or the fully indexed rate <p>Interest Only ARMs</p> <p>5yr/6m SOFR ARMs:</p> <ul style="list-style-type: none"> Will qualify at the fully amortizing (PITI) based on 20-year amortizing term at the higher of the Note Rate plus 2% or fully indexed rate. <p>7yr/6m and 10yr/6m SOFR ARMs:</p> <ul style="list-style-type: none"> Will qualify at the fully amortizing (PITI) based on 20-year amortizing term at the higher of the fully indexed rate or note rate. 						
<p>Refinance (Cash Out)</p>	<p>Interest Only ARMs: Not eligible</p> <p>Fixed and ARMs:</p> <p>Maximum cash-out: See Base Maximum LTV/CLTV/HCLTV and Minimum Credit Score topic and Additional County/State LTV/CLTV/HCLTV Requirements topic for maximum cash out.</p> <p>For areas that allow for a maximum Cash-out amount of \$500,000, refer to the chart below:</p> <table border="1" data-bbox="375 856 1531 1167"> <thead> <tr> <th>IF LTV/CLTV/HCLTV is...</th> <th>THEN the maximum cash out is...</th> </tr> </thead> <tbody> <tr> <td>> 60%,</td> <td>\$250,000</td> </tr> <tr> <td>≤ 60%,</td> <td>\$500,000</td> </tr> </tbody> </table> <p>For cash-out amounts between \$250,001 and \$500,000:</p> <ul style="list-style-type: none"> Maximum LTV/CLTV/HCLTV is the lesser of: LTV/CLTV/HCLTV reflected in product guide for occupancy and number of units, or 60% Not eligible if borrower received a prior Investor cash-out refinance on the property within the past 12 months <p>Note: Cash-out limits referenced in the above-table are not applicable to Delayed Financing/Technical Refinance transactions.</p>	IF LTV/CLTV/HCLTV is...	THEN the maximum cash out is...	> 60%,	\$250,000	≤ 60%,	\$500,000
IF LTV/CLTV/HCLTV is...	THEN the maximum cash out is...						
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<p>Refinance (No Cash Out)</p>	<p>Fixed and ARMs only:</p> <ul style="list-style-type: none"> Limited to Lender to Lender when LTV/CLTV/HCLTV greater than 85%. 						
<p>Relocating Trailing Co-Borrower</p>	<p>Corporate Relocation</p> <ul style="list-style-type: none"> Permitted. Refer to Credit Guide > Employment > Corporate Relocation for detail requirements <p>Trailing Co-Borrower</p> <ul style="list-style-type: none"> Not permitted 						

<p style="text-align: center;">Reserves</p>	<p>Fixed and ARMs: Follow Base Reserve Requirements for Primary and Second Homes in the following instances:</p> <ul style="list-style-type: none"> • Self-employed where the borrower’s business is generating negative earnings being considered in the qualification of the loan • Borrower(s) not using positive self-employed income to qualify • Rents received are not used in the underwriting analysis and the borrower qualifies with the full PITIA from the rental property • Salaried borrower <p>Otherwise follow Self-employed/Using Rental Income to Qualify (from any investment or owner-occupied/subject and non-subject) Reserve Requirements Primary and Second Home:</p> <p>Base Reserve Requirements Primary and Second Home:</p> <table border="1" data-bbox="375 558 1533 722"> <thead> <tr> <th>LTV/CLTV/HCLTV</th> <th>Reserve Requirements</th> </tr> </thead> <tbody> <tr> <td>≤ 80%</td> <td>6 If any portion from Retirement, 12 months reserves required</td> </tr> <tr> <td>>80-85%</td> <td>18</td> </tr> <tr> <td>>85-89.99%</td> <td>30</td> </tr> </tbody> </table> <p>Self-employed/Using Rental Income (from any investment or owner-occupied/subject and non-subject) to Qualify Reserve Requirements Primary and Second Home:</p> <table border="1" data-bbox="375 821 1533 953"> <thead> <tr> <th>LTV/CLTV/HCLTV</th> <th>Reserve Requirements</th> </tr> </thead> <tbody> <tr> <td>≤ 80%</td> <td>18</td> </tr> <tr> <td>>80-85%</td> <td>18</td> </tr> <tr> <td>>85-89.99%</td> <td>30</td> </tr> </tbody> </table> <p>Investment Transactions:</p> <table border="1" data-bbox="375 1020 1533 1119"> <thead> <tr> <th>LTV/CLTV/HCLTV</th> <th>Reserve Requirements</th> </tr> </thead> <tbody> <tr> <td>≤ 75%</td> <td>18</td> </tr> <tr> <td>>75-80%</td> <td>24</td> </tr> </tbody> </table> <p>For Second Home and Investment transactions, two months additional reserves required for each additional financed Second/Vacation or Investment Property owned.</p> <p>Interest Only Reserves:</p> <table border="1" data-bbox="375 1230 1533 1293"> <thead> <tr> <th>LTV/CLTV/HCLTV</th> <th>Reserve Requirements</th> </tr> </thead> <tbody> <tr> <td>≤ 75%</td> <td>24</td> </tr> </tbody> </table> <p>Note: Fully amortizing PITIA based on a 20-year amortizing payment required.</p> <p>Reserves can come from any eligible asset source.</p> <p>Note: For Second Home transactions, two months additional reserves required for each additional financed Second/Vacation or Investment Property owned.</p>	LTV/CLTV/HCLTV	Reserve Requirements	≤ 80%	6 If any portion from Retirement, 12 months reserves required	>80-85%	18	>85-89.99%	30	LTV/CLTV/HCLTV	Reserve Requirements	≤ 80%	18	>80-85%	18	>85-89.99%	30	LTV/CLTV/HCLTV	Reserve Requirements	≤ 75%	18	>75-80%	24	LTV/CLTV/HCLTV	Reserve Requirements	≤ 75%	24
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<p style="text-align: center;">Title/Deed Restrictions</p>	<p>The following are ineligible for delivery:</p> <ul style="list-style-type: none"> • Life Estate • Blind Trusts • Irrevocable Trusts • Community Land Trusts • Non-Permitted Additions outside of Lender published guidelines 																										
<p style="text-align: center;">Uniform Appraisal Dataset (UAD) Requirements</p>	<ul style="list-style-type: none"> • Non-Agency loans must comply with the UAD requirements. 																										
<p style="text-align: center;">Underwriting Method</p>	<p>Eligible Underwriting Methods:</p> <ul style="list-style-type: none"> • Non-delegated • Manual Underwrite only 																										