

Full Doc, Express Doc, 1099, Bank Statement, WVOE,
P&L, Asset Utilization, Jumbo AUS (DU®/DO®/LPA®)

Series S: Prime			
FULL DOC, EXPRESS DOC, ASSET UTILIZATION, 1099, BANK STATEMENT, 12/24 MONTH P&L, AND WVOE			
PRIMARY RESIDENCE (1-3 Units)			
TRANSACTION TYPE	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN FICO
PURCHASE RATE AND TERM	90% (Purchase Only)	\$1,000,000	700
	85%	\$2,000,000	680
	80%	\$2,000,000	660
		\$2,500,000	680
		\$3,000,000	700
	75%	\$3,500,000	700
CASH OUT	80%	\$1,500,000	700
		\$2,000,000	720
	75%	\$1,500,000	660
		\$2,000,000	700
		\$2,500,000	720
	70%	\$2,000,000	660
		\$2,500,000	700
		\$3,000,000	720
SECOND HOME (1 Unit)			
TRANSACTION TYPE	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN FICO
PURCHASE RATE AND TERM	85%	\$1,000,000	680
		\$1,500,000	720
	80%	\$1,000,000	660
		\$2,000,000	680
		\$2,500,000	700
	75%	\$1,500,000	660
\$2,500,000		680	
65%	\$3,000,000	720	
CASH OUT	75%	\$1,500,000	680
		\$2,000,000	720
	70%	\$1,500,000	660
		\$2,000,000	680
		\$2,500,000	720
	65%	\$2,000,000	660
INVESTMENT (1-4 Units)			
TRANSACTION TYPE	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN FICO
PURCHASE RATE AND TERM	80%	\$1,500,000	660
		\$2,000,000	680
		\$2,500,000	700
	75%	\$2,000,000	660
CASH OUT	75%	\$1,500,000	680
	70%	\$2,000,000	660
		\$2,500,000	720
<ul style="list-style-type: none"> - Condos – Max 85% LTV/CLTV - >85% LTV/CLTV: Min loan amount \$200k. Interest Only not permitted - No FTHB - >80% LTV/CLTV: Interest Only 40 Yr IO not permitted. - 12/24 Month P&L – Max 80% LTV/CLTV Purchase; 75% LTV/CLTV Rate and Term; 70% LTV/CLTV Cash Out; Max 2MM UPB - Non-Warrantable – Max 80% LTV/CLTV - WVOE – Max 80% LTV/CLTV Purchase; 70% LTV/CLTV Rate and Term / Cash Out; Max 1.5MM UPB 		Asset Utilization <ul style="list-style-type: none"> - Primary and 2nd home – Max 80% LTV/CLTV - Investment Property – Max 65% LTV/CLTV - Cash out – Max 60% LTV/CLTV 	

Series S: Expanded Prime			
FULL DOC, EXPRESS DOC, ASSET UTILIZATION, 1099, BANK STATEMENT, 12/24 MONTH P&L			
PRIMARY RESIDENCE (1-3 Units)			
TRANSACTION TYPE	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN FICO
PURCHASE RATE AND TERM	80%	\$1,500,000	640
		\$2,000,000	660
		\$2,500,000	700
	75%	\$2,000,000	620
		\$2,500,000	680
		\$3,000,000	700
CASH OUT	80%	\$1,000,000	680
		\$1,500,000	660
	75%	\$2,000,000	680
		\$1,500,000	640
	70%	\$2,000,000	660
		\$2,500,000	700
65%	\$1,500,000	620	
	\$2,500,000	680	
SECOND HOME (1 Unit)			
TRANSACTION TYPE	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN FICO
PURCHASE RATE AND TERM	80%	\$1,000,000	640
		\$1,500,000	660
		\$2,000,000	680
	75%	\$1,500,000	640
		\$2,000,000	660
		\$2,500,000	700
70%	\$2,000,000	640	
	\$2,500,000	680	
	\$2,500,000	680	
CASH OUT	75%	\$1,500,000	660
		\$2,000,000	700
	70%	\$1,000,000	640
\$2,000,000		680	
65%	\$2,000,000	660	
	\$2,000,000	660	
INVESTMENT (1-4 Units)			
TRANSACTION TYPE	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN FICO
PURCHASE RATE AND TERM	80% (Purchase Only)	\$1,000,000	640
		\$1,500,000	660
		\$2,000,000	680
	75%	\$1,500,000	640
		\$2,000,000	660
		\$2,500,000	680
CASH OUT	75%	\$1,500,000	660
		\$2,000,000	700
	70%	\$1,000,000	640
		\$2,000,000	660
	65%	\$1,500,000	640
		\$2,500,000	680

-12/24 Month P&L – Max 80% LTV/CLTV Purchase; 75% LTV/CLTV Rate and Term; 70% LTV/CLTV Cash Out; Max 2MM UPB

Asset Utilization

- Primary and 2nd home – Max LTV/CLTV 80%
- Investment Property – Max LTV/CLTV 65%
- Cash out – Max LTV/CLTV 60%

Series S: Jumbo AUS					
FNMA DU®/DO® or FHLMC LPA® ("AUS") DOCUMENTATION					
OCCUPANCY	TRANSACTION TYPE	CREDIT GRADE	MAX LTV/CLTV	MAX LOAN AMOUNT	MIN FICO
PRIMARY 1-3 Units	PURCHASE RATE AND TERM	PRIME	80%	\$2,500,000	660
		EXPANDED PRIME			640
	CASH OUT	PRIME	75%	\$2,500,000	660
		EXPANDED PRIME			640
SECOND HOME 1 Unit	PURCHASE RATE AND TERM	PRIME	75%	\$2,500,000	680
		EXPANDED PRIME			640
INVESTMENT 1-4 Units	PURCHASE RATE AND TERM	PRIME	70%	\$2,500,000	660
		EXPANDED PRIME			640

- 12/24 Month P&L – Max 80% LTV/CLTV Purchase; 75% LTV/CLTV Rate and Term; 70% LTV/CLTV Cash Out; Max 2MM UPB

PRODUCTS	All Products	Product	Term	IO Term	Initial Cap	Periodic Cap	Life Cap
		5/6 ARM	360 mo	NA	2	1	5
		5/6 ARM	480 mo	NA	2	1	5
		5/6 ARM IO	360 mo	120 mo	2	1	5
		5/6 ARM IO	480 mo	120 mo	2	1	5
		7/6 ARM	360 mo	NA	5	1	5
		7/6 ARM	480 mo	NA	5	1	5
		7/6 ARM IO	360 mo	120 mo	5	1	5
		7/6 ARM IO	480 mo	120 mo	5	1	5
		30 Yr Fixed	360 mo	NA	NA	NA	NA
		30 Yr Fixed IO	360 mo	120 mo	NA	NA	NA
		40 Yr Fixed	480 mo	NA	NA	NA	NA
40 Yr Fixed IO	480 mo	120 mo	NA	NA	NA		
MIN LOAN AMOUNT	All Programs	\$125,000					
INTEREST ONLY	PRIME	Purchase: Max 85% LTV/CLTV Rate & Term and Cash-Out: Max 80% LTV/CLTV Min 700 FICO					
	EXPANDED PRIME	Purchase/Rate & Term/Cash-Out: Max 80% LTV /CLTV Min 680 FICO					
	JUMBO AUS	Purchase/Rate &Term: Max 80% LTV/CLTV, Cash-Out 75% LTV/CLTV					
INTEREST ONLY PERIOD	40 Year Interest Only = 10 year I/O then 30-year amortization; Max 80% LTV/CLTV 30 Year Interest Only = 10 year I/O then 20-year amortization; Max 85% LTV/CLTV						
QUALIFICATION	PRIME, EXPANDED PRIME, JUMBO AUS	5/6s and 7/6s – greater of Note Rate or the Fully Indexed Rate (rounded to the nearest .125)					
	JUMBO AUS	5/6s – greater of the Note Rate + 2% or Fully Indexed rate 7/6s – greater of Note Rate or the Fully Indexed rate					
	For I/O's, calculate payment based on (1) the Qualifying Rate described above, (2) the original balance, and (3) a term that equals the amortization term (i.e., 360 months for 40 year I/O). Qualifying payment for I/O must include principal component.						
DTI	PRIME, EXPANDED PRIME	> 85% LTV/CLTV		45% DTI			
		≤ 85% LTV/CLTV		50% DTI			
	JUMBO AUS	Per FNMA DU®/DO® or FHLMC LPA® ("AUS") Findings (max of 50% DTI)					
BORROWER	Non-Occupant Co-Borrower	All Programs	Per FNMA/FHLMC/AUS Eligible with blended ratios				

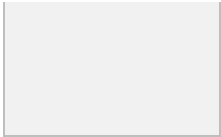
	Non-Permanent Resident Aliens	PRIME, EXPANDED PRIME	Refer to 'Non-Permanent Resident' section of manual
		JUMBO AUS	Per FNMA/FHLMC/AUS Refer to 'Non-Permanent Resident' section of manual
<p>Limited Partnerships, General Partnerships, Corporations, Limited Liability Company – Eligible (Layered entities not permitted) First Time Homebuyers – Eligible (See guidelines for details) Foreign Nationals – Ineligible All borrowers must have a valid SSN</p>			
CREDIT EVENTS		Short Sale, Foreclosure, Single Bankruptcy, 120+	12 Month Housing History
	PRIME	4 Years BK – Ch 7, 11, 13 – based on discharge or dismissal date Note: Cash out cannot be used to settle, BK must have been settled prior to application	0 x 30 x 12
	EXPANDED PRIME	2 Years	0 x 60 x 12
		1 Year (additional LLPA applies)	
	JUMBO AUS	Follow applicable PRIME or EXPANDED PRIME credit grades	PRIME: 1 x 30 x 12 (per AUS, no rolling) EXPANDED PRIME: 0 x 60 x 12
For loan casefiles with credit events outside of FNMA or FHLMC allowances, "Extenuating Circumstance (EC)" override in AUS may be used. The loan must still fall within PRIME or EXPANDED PRIME requirements for seasoning. See Underwriting Guidelines for details.			
QUALIFYING FICO	Full Doc, Express Doc, Asset Utilization and JUMBO AUS	Primary wage earner	
	Bank Statement	Primary wage earner Borrowers with 50/50 split ownership need to use the higher of the two mid FICO scores	
	No borrower can have a middle FICO score less than 660 (PRIME; JUMBO AUS), 640 (EXPANDED PRIME), 620 (JUMBO AUS PLUS) For refinances, the use of highest score is only eligible if that borrower meets continuity First Time Investors – Min 700 FICO		
RESERVES	PRIME, EXPANDED PRIME	Full Doc (Full Doc, Express Doc, 1099)	3 months
		Alt Doc (Bank Statements, P&L, Asset Utilization, and WVOE)	6 months
		R/T Refi, Max 60% LTV/CLTV, Min 0x30x12	No reserves needed
	JUMBO AUS	Per AUS	
ASSETS	<ul style="list-style-type: none"> • Asset Statements <ul style="list-style-type: none"> ○ Asset Utilization: 4 months statements ○ All other programs: 1 month statement <ul style="list-style-type: none"> ○ Statements not required for Cash-Out transactions which satisfy reserves • Most recent required months asset statements, quarterly statement or FNMA approved third party direct pull services 100% value of Bank Accounts, Stocks, Bonds, Mutual Funds, Retirement Accounts at vesting percentage 		
GIFT FUNDS	Primary Purchase Only Borrower must have 5% of their own funds documented but not required to use; Borrowers with no housing history must have 10% of their own funds documented but not required to use Gift of equity eligible to a max 75% LTV (Primary Only) Jumbo AUS – Follow FNMA/FHLMC Selling Guide for all gift, gift of equity and minimum borrower contribution requirements		
	If min borrower contribution % is not used towards the down payment, those funds can be used towards reserves		

CASH OUT TRANSACTION	Cash-Out permitted to meet reserves for all programs Borrower must have owned the property for a minimum of 6 months prior to the note date
-----------------------------	--

MAX CASH OUT	Max Cash Out	>70 LTV/CLTV	≤70 LTV/CLTV
	All Programs	\$1MM	Unlimited
INCOME DOC TYPES (See guidelines for more details)	Full Doc Connect		Express Connect
	<ul style="list-style-type: none"> Eligible with PRIME and EXPANDED PRIME Wage Earner - most recent YTD paystub with at least 30 days earnings or Electronic VOE (i.e. The Work Number) and 2 years W2 (or tax transcripts) Self-Employed = 2 years personal & business tax returns w/ YTD P&L if application is dated more than 120 days after the end of the business tax year 		<ul style="list-style-type: none"> Eligible with PRIME and EXPANDED PRIME Wage Earner - most recent YTD paystub with at least 30 days earnings or Electronic VOE (i.e. The Work Number) and 1-year W2 (or tax transcripts) Self-Employed = 1 year personal and business tax returns with YTD P&L if application is dated more than 120 days after the end of the business tax year
	Bank Statement Connect		Asset Utilization
	Eligible with PRIME, EXPANDED PRIME AND JUMBO AUS		<ul style="list-style-type: none"> Qualified assets with draw schedule of 5 years JUMBO AUS – Follow AUS guides w/ a 5-year draw
	12/24 Month CPA Prepared P&L		FLEX Connect
	<ul style="list-style-type: none"> Eligible with PRIME, EXPANDED PRIME AND JUMBO AUS See UW Manual for documentation requirements 		<ul style="list-style-type: none"> Follow AUS findings with min 1-year verification of income If the tax return year is dated > 90 days prior to the Note date, a YTD (P&L) dated within 90 days of note date, along with the two most recent months of bank statements. Electronic VOE (i.e., The Work Number) is acceptable Bank Statement product is eligible with JUMBO AUS features
1099 Borrowers		Written Verification of Employment	
<ul style="list-style-type: none"> Eligible with PRIME, EXPANDED PRIME 1 or 2 years of 1099s See UW Manual for documentation requirements		<ul style="list-style-type: none"> FNMA Form 1005 VVOE within ten calendar days prior to the funding date See UW Manual for documentation requirements	
BANK STATEMENT INCOME (12 OR 24 MONTHS)	BUSINESS BANK STATEMENTS		
	Borrowers who are using more than 5 separate bank accounts must qualify using personal bank statements		
	OPTION 1 – FIXED EXPENSE RATIO		OPTION 2 - THIRD PARTY EXPENSE RATIO
	<p style="text-align: center;"><u>Option A: 50% Expense Factor</u></p> Loans with LTV>85% will be required to use 50% expense factor <ul style="list-style-type: none"> Verify borrower is minimum 25% owner of business Decreasing or negative ending balances must be addressed Cyclical and seasonal trends may be taken into consideration <p style="text-align: center;"><u>Option B: 20% Expense Ratio (Max LTV 85%)</u></p> Eligible only if all of the following applies to the business <ul style="list-style-type: none"> Borrower is sole owner and operator of the business (no partners, employees, etc.) Service business (no cost of goods, no heavy equipment, machinery, etc.) Does not require office space that would incur rent 		<p style="text-align: center;">(CPA/Tax Attorney/Enrolled Agent/CTEC)</p> <ul style="list-style-type: none"> Purchase/Rate & Term - Max 80% LTV Cash-out refinance – Max 75% LTV 10% Floor 3rd party must have filed most recent business tax returns, audited the business financial statements, OR reviewed working papers provided by the borrower Tax Professional must verify the borrower’s ownership percentage To determine net income, multiply eligible business deposits by the following: 100% minus the Expense Ratio as described above PTINs ineligible

	PERSONAL BANK STATEMENTS	
	OPTION 1 PERSONAL BANK STATEMENTS WITH EVIDENCE OF BUSINESS BANK ACCOUNT	OPTION 2 PERSONAL BANK STATEMENTS WITH NO BUSINESS BANK ACCOUNT
		<ul style="list-style-type: none"> 100% of business deposits in a personal bank account can be used. Provide most recent 2 months business statements to validate deposits are from the borrower owned business bank account (Only giving credit for transfers from the business; or receipt of payroll from business and distributions only) Minimum 20% ownership
12/24 MONTH CPA/ENROLLED AGENT (EA) PREPARED PROFIT & LOSS	<ul style="list-style-type: none"> Max LTV 80% Purchase; 75% R&T; 70% Cash Out Refinance; Min 680 FICO \$2.0MM Max Loan Amount Primary residence only Self-Employed borrowers only Most recent 12 or 24 -month Profit & Loss statement (P&L). The P&L end date must be less than 90 days old at closing All Profit & Loss statements must be completed by an independent CPA/EA CPA/EA license must be verified Self-employed borrowers who file their own tax returns are not eligible Minimum of 2 years self-employment in the current profession Borrower narrative on nature of business required See Underwriting Manual for additional requirements PTINs ineligible 	
WRITTEN VERIFICATION OF EMPLOYMENT	<ul style="list-style-type: none"> Max LTV 80% Purchase; 70% R/T / Cash Out; Min 680 FICO \$1.5MM Max Loan Amount Prime Only Primary Residence Only FTHB – Max 70% LTV Wage Earners Only Two years history of employment in the same industry and 1-year continuous employment at current job Two months bank statements with deposits from employer to support at least 65% of the wage/salary reflected on the WVOE 	
JUMBO AUS (AUS Documentation and Bank Statement Income)	<p>JUMOB AUS program will utilize Fannie Mae Desktop Underwriter (DU®/DO®) or Freddie Mac Loan Product Advisor (LPA®) findings, to throughout this document as "AUS," with the added guideline allowance of PRIME AND EXPANDED PRIME benefits for ease of process. The loan will be underwritten to the JUMBO AUS program matrix, the AUS Findings and the overlays noted below. Any items addressed in this section will default to FNMA/FHMLC Selling Guides. This is a Non-QM program. Please refer to full matrix and guidelines for additional process details.</p>	
	Underwriting Process	<ul style="list-style-type: none"> FNMA DU®/DO® or FHLMC LPA® is required <ul style="list-style-type: none"> References to "AUS" throughout this document collectively refer to FNMA DU®/DO® or FHLMC LPA® Findings For underwriting guidelines not addressed in this document or UW Guidelines, please reference the Fannie Mae or Freddie Mac Seller Guide for details
AUS Requirements	<ul style="list-style-type: none"> Approve/Eligible Approve/Ineligible (due to loan amount, loan structure, Interest Only, property (non-warrantable condo) and credit event Refer to 'Credit Event' section for details Note: Refer or Caution findings will not be eligible for delivery, however, may be eligible under PRIME Connect or PLUS Connect Program and considered a manual underwrite 	

TRADELINES	PRIME EXPANDED	<ul style="list-style-type: none"> If the primary wage earner has three credit scores, the minimum tradeline requirement is waived for all borrowers Each borrower must have 2 tradelines or joint borrowers must have a total of 3 tradelines combined, rated at least 12 months, with activity in the last 24 months. Tradeline may be opened or closed Eligible tradelines cannot have any derogatory history in previous 24 months Current housing not reporting on credit can be considered an open tradeline if supported by bank records (cancelled checks/debits) No authorized user accounts will be used to satisfy minimum tradelines Non-traditional credit is not allowed as an eligible tradeline.
	PRIME	
	JUMBO AUS	Follow AUS Findings
SUBORDINATE FINANCING	Allowed behind Fixed and Institutional Financing Only, Primary Residence Only JUMBO AUS – Follow FNMA/FHLMC/AUS	
ESCROWS	Required for HPML loans per CFPB and LTVs > 85%	
PROPERTY	Primary 1-3 Units Second Home 1-Unit Non-Owner 1-4 Units Max Financed Properties – Prime/Expanded Prime- no limit; Jumbo AUS - as per FNMA DO®, DU®, FHLMC LPA® Series S Exposure to a single borrower/guarantor is limited to \$5M UPB or 10 loans. Subject Property Short Term Rentals not permitted	Live/Work Condos – Follow FNMA Co-Ops Permitted Max Acreage – Max 10 acres Minimum Square Footage – 500 sq ft per unit-No kitchenettes Declining Markets requires 5% LTV reduction from max borrower qualifies for - Floor: 75% Purchase; 70% Refinance
	Rural Properties – eligible for PRIME, EXPANDED PRIME. JUMBO AUS Primary Residence – Max 75% LTV/CLTV 2nd Home – Max 70% LTV/CLTV Investment - Ineligible Must be primarily for residential use	
NON-WARRANTABLE CONDOS	Non-Warrantable Condos – Limited to two (2)	
	Presale	At least 30% of the units must be sold or under bona fide contract
	Investor Concentration	Up to 70% of units can be tenant occupied
	Commercial Space	Up to 50%
	Recreational Leases	Eligible
	Single Entity Ownership	A single entity can own up to 30% of units
	Delinquent HOA	Up to 25%
	Master Coverage Deductible	Up to 10% allowed
	Reserves	<10% replacement, maintenance, and/or deductible
	Mandatory Memberships	Cannot exceed 10% of purchase price
	Material Litigation - Structural/Functional litigation against developer	Ineligible
	Insurance Coverage	Coverage amount less than the full replacement amount is ineligible (Actual Cash Value is not permitted)
	Newly Converted - Non-full gut rehabs	Ineligible
	Flood Insurance	Projects in a flood zone with no master flood coverage are ineligible. Borrower individual policies are not acceptable
Project Completion	Project must be 100% complete and HOA turned over	



APPRAISAL REQUIREMENTS	PRIME	Loan amount ≥ \$2,000,000 and >65% LTV/CLTV - 2 full appraisals			
	EXPANDED PRIME	1 Full appraisal required for all transactions			
	JUMBO AUS	Follow applicable credit grade (PRIME or EXPANDED PRIME) appraisal requirements. PIW Ineligible			
		All appraisals require a third-party desk review			
		For CU/LCA scores <= 2.5 – no additional review is required			
		Hybrid Appraisal Type	Purchase, Rate/ Term Cash Out	Interior Hybrid Appraisal signed by a state licensed/ certified appraiser	
		Max Loan Amount	\$1,500,000		
	Min FICO	680			
	Property Types	Eligible		Ineligible	
		<ul style="list-style-type: none"> • SFR 1-4 Unit • Condo • PUD 		<ul style="list-style-type: none"> • Rural • Leaseholds or Properties on leased land • Irregular or non-residential zoning • Atypical or extremely custom homes • Properties on acreage - 5+ Acres • Properties in need of major repairs • Condotels • New construction PUDs / Condos • Properties subject to inspection • HPML 	
Hybrid Appraisal Max LTV/CLTV		Purchase	Rate/Term	Cash Out	
	Owner Occupied	75%	70%	60%	
	2nd Home	70%	70%	60%	
	Investment	70%	65%	60%	
Fannie Mae/Freddie Mac - Collateral Underwriter Loan Collateral Advisor(CU/LCA) reports	PRIME AND EXPANDED PRIME				
	CU/LCA score of 2.5 and below, no 3 rd party review required				
<p>Jumbo AUS</p> <p>For CU/LCA scores <= 2.5 – no 3rd party review is required</p>					
<p>HPML flips require 2nd full appraisal</p> <p>All appraisals require a third-party valuation review (Desk Review/CU) by approved vendor <u>Approved</u></p> <p><u>Desk Review Vendors:</u></p> <ul style="list-style-type: none"> ○ Consolidated Analytics ○ Clear Capital ○ Servicelink ○ Stewart Lender Services ○ Summit Valuations <ul style="list-style-type: none"> • Desk review products must report a value within +/-10% of the original appraisal value • At 90% LTV, desk review variance cannot exceed +/-5% <p>Transferred appraisals acceptable – see Appraisal Transfer policy</p> <p>When 2 full appraisals are required – separate product review is not required</p>					

TEMPORARY BUYDOWNS	<p>Buydown Types:</p> <ul style="list-style-type: none"> • 2-1 Buydown • 1-0 Buydown <p>Eligibility:</p> <ul style="list-style-type: none"> • Primary Residence • Purchase • Seller/Builder and Third Party funded subsidies <ul style="list-style-type: none"> ○ Third Party subsidies include Real Estate Agents and Brokerages; Funds from Borrower(s) are ineligible • 30-year and 40-year Fully Amortizing Fixed Rate only • Borrower must qualify at the Note rate
PREPAYMENT PENALTY	Applies only to Investment Properties –PRIME, EXPANDED PRIME, JUMBO AUS - Standard Prepayment Penalty Term – 1, 2, 3, 4, or 5-year (see rate sheet)

Change Log – Matrix Updates

Date	Topic	Updates
1/19/2025	Prime FICO/LTV	<ul style="list-style-type: none"> • FICO reduced to 700 from 720 for > 85% Primary Purchase • FICO reduced to 700 and LTV to 75% for \$3.5M Investment Purchase • LTV increased to 85% for Refinance of Primary or Second Home/80% for Investment • \$2M+ loan amount no longer restricted to CA and 2-4 Unit
1/19/2025	Expanded Prime FICO/LTV	<ul style="list-style-type: none"> • Min FICO for \$2M Primary > 75% decreased to 660 • Min FICO for \$2.5M > 75% decreased to 700 • \$2M+ loan amount no longer restricted to CA and 2-4 Unit
1/19/2025	Jumbo AUS FICO/LTV	<ul style="list-style-type: none"> • \$2M+ loan amount no longer restricted to CA and 2-4 Unit
1/19/2025	Non-Occupant Co-Borrower	<ul style="list-style-type: none"> • No longer restricted to only Prime and Jumbo AUS Prime • Eligible with Blended Ratios
1/19/2025	Reserves	<ul style="list-style-type: none"> • Prime/Expanded Prime (Full Doc. Express Doc, 1099) – reduced to 3 months for any loan amount • Prime/Expanded Prime (Alt Doc – Bank Statements, P&L, Asset Utilize, WVOE) – 6 months for any loan amount • Removed additional reserve requirement for Departing Residence Pending Sale
1/19/2025	Cash Out Seasoning	<ul style="list-style-type: none"> • Based on note date instead of application date
1/19/2025	Business Ownership %	<ul style="list-style-type: none"> • Reduced to min. 20% ownership when using personal bank statements w/ evidence of business account
1/19/2025	P&L	<ul style="list-style-type: none"> • Primary Residence only • No PTINs
1/19/2025	Tradelines	<ul style="list-style-type: none"> • If primary wage earner has 3 credit scores, min. tradeline requirement is waived for all borrowers

Change Log – Guideline Updates (Note see guidelines for full guideline on topic. Only updated portions are included here)

1/19/2025	5.3 Non-Permanent Resident	<ul style="list-style-type: none"> • Removed LTV, FICO, Occupancy and Loan Purpose restrictions
1/19/2025	5.7 Business Entities	<ul style="list-style-type: none"> • Up to 2 business entities allowed on Title
1/19/2025	5.9 Intervivos Revocable Trusts	<ul style="list-style-type: none"> • Is using Trust Assets to qualify and/or vesting in trust, full trust documents are required, and borrower must be the beneficiary of the trust
1/19/2025	5.10 Maximum Financed Properties/ Exposure	<ul style="list-style-type: none"> • 3 or more loans to the same borrower in the same condo complex, sub-division, PUD, or the like will be considered case-by-case
1/19/2025	5.11 Ineligible Borrowers	<ul style="list-style-type: none"> • Borrowers involved in active litigation or pending separation/divorce
1/19/2025	7.1 Purchase	<ul style="list-style-type: none"> • Assignment of contract with finder’s fees are not eligible to be included in the sales price or LTV/CLTV
1/19/2025	7.2 Rate/Term Refinance	<ul style="list-style-type: none"> • Removed requirement for first mortgage to be seasoned 6 months for rate and term refinance • Refinance of a previous cash out loan < 12 months from Note to Note considered cash out; appraised value may be used for LTV/CLTV
1/19/2025	7.3 Cash Out	<ul style="list-style-type: none"> • Removed LTV restrictions for Cash Out owned 6-12 months, new appraised value may be used

1/19/2025	7.5 Properties Listed for Sale	<ul style="list-style-type: none"> LTV based on lower of appraised value or lowest listing price in the last 12 months
1/19/2025	7.8 Continuity of Obligation	<ul style="list-style-type: none"> At least one borrower on new loan must be on title of the subject at application for rate/term Removed requirement that owner needs to have been making the mortgage payment for cash out seasoning
1/19/2025	7.12 Non-Arm's Length	<ul style="list-style-type: none"> Second homes eligible
1/19/2025	9.1 Credit Events	<ul style="list-style-type: none"> Events seasoned less than 4 years require the borrower to have 0*30*12 evidenced in the most recent 12 months
1/19/2025	9.2 Bankruptcy	<ul style="list-style-type: none"> Chapter 13 pay history not required
1/19/2025	9.3 Housing History	<ul style="list-style-type: none"> Removed requirement that free and clear properties in lieu of 12 month housing history requires exception Property Taxes must be current
1/19/2025	9.7 Credit Report Detail	<ul style="list-style-type: none"> All mortgage accounts > 1*30, each within 2 years of closing require a full explanation (no longer required for revolving and installment lates)
1/19/2025	10.1 Self-Employed	<ul style="list-style-type: none"> Clarified ownership % can be documented by licensed tax preparer Tax Preparer letters prepared by PTINs ineligible for all programs
1/19/2025	10.4 Bank Statements	<ul style="list-style-type: none"> IOLTA accounts or similar trust holding accounts are ineligible
1/19/2025	10.4.2 Bank Statements	<ul style="list-style-type: none"> Expense Ratio floor lowered to 10% Tax Preparer Attestation letter requirements updated
1/19/2025	10.5 P&L	<ul style="list-style-type: none"> Passive income from crowdfunding, real estate investors (with fewer than 10 residential units), venture capitalists, asset speculation, day trading and the like are considered ineligible forms of P&L income
1/19/2025	10.7 Asset Utilization	<ul style="list-style-type: none"> Added option for min. 250K assets if 1.25 times loan amount Can be used as supplemental income with min \$250K liquid assets and max 45 DTI Added additional Eligible Assets
1/19/2025	10.8 Supplements Income when Tax Returns Not Required	<ul style="list-style-type: none"> Internet rental searches are allowed to show market rent for rental income support Alimony/Child support – must be finalized, accepted by the court and seasoned 3 months to note date
1/19/2025	10.9.16 Restricted Stock Units	<ul style="list-style-type: none"> Non-vested or restricted stock accounts are not eligible for use as down payment or reserves
	10.11 Ineligible Income	<ul style="list-style-type: none"> Clarified any Non-Profit and/or marijuana related income is ineligible
	13.4 Property Types	<ul style="list-style-type: none"> Removed Mixed Use as Eligible Added Lava Zone restrictions Removed bedroom restriction Removed significant Rural restrictions
1/19/2025	13.6 Accessory Dwelling Units	<ul style="list-style-type: none"> 2 ADUs allowed on SFRs