

Maximum LTV/CLTV											
FIXED RATE Loan / LTV Matrix											
Minimum Credit Score	Maximum Loan Amount	Primary Residence		Second Home		Investment					
		Purchase,R&T	Cash-Out	Purchase,R&T	Cash-Out	Purch,R&T	Cash-Out				
740	\$1,000,000	85	80	80	75	80	75				
	\$2,000,000	85	80	80	75	80	75				
	\$2,500,000	80	75	80	75	N/A	N/A				
	\$3,000,000	80	75	80	75	N/A	N/A				
720	\$1,000,000	85	80	80	70	80	75				
	\$2,000,000	85	80	80	70	80	75				
	\$2,500,000	80	N/A	N/A	N/A	N/A	N/A				
700	\$1,000,000	85	80	80	70	75	70				
	\$2,000,000	85	80	80	70	N/A	N/A				
680	\$1,000,000	85	80	80	N/A	75	70				
	\$2,000,000	85	80	80	N/A	N/A	N/A				
ADJUSTABLE-RATE Loan / LTV Matrix											
Minimum Credit Score	Maximum Loan Amount	Primary Residence		Second Home		Investment					
		Purchase,R&T	Cash-Out	Purchase,R&T	Cash-Out	Purchase,R&T	Cash-Out				
760	\$1,000,000	80	65	80	65	80	65				
	\$2,000,000	80	65	80	65	80	65				
	\$2,500,000	80	65	N/A	N/A	N/A	N/A				
	\$3,000,000	80	65	N/A	N/A	N/A	N/A				
740	\$1,000,000	80	65	80	65	80	65				
	\$2,000,000	80	65	80	65	80	65				
	\$2,500,000	80	N/A	N/A	N/A	N/A	N/A				
	\$3,000,000	80	N/A	N/A	N/A	N/A	N/A				
720	\$1,000,000	80	65	75	N/A	80	N/A				
	\$2,000,000	80	N/A	N/A	N/A	N/A	N/A				
700	\$1,000,000	70	N/A	75	N/A	N/A	N/A				
Property Types											
<b>Fixed Rate</b>				<b>Adjustable-Rate</b>							
<ul style="list-style-type: none"> <li>Single Family: attached, detached</li> <li>Warrantable Condo: Max LTV/CLTV 75%</li> <li>2-4-Units: LTV reduced by 5% on all tiers, max 75 LTV</li> <li>Ineligible: Rural, Leaseholds, Non-Warrantable Condo</li> </ul>				<ul style="list-style-type: none"> <li>Single Family: attached, detached</li> <li>Warrantable Condo: Max LTV/CLTV 75%</li> <li>Ineligible: 2-4-Units, Rural, Leaseholds, Non-Warrantable Condo</li> </ul>							
State Eligibility											
<ul style="list-style-type: none"> <li>Ineligible locations: Puerto Rico, Guam &amp; the US Virgin Islands</li> <li>Texas: Home Equity 50(a)(6) not eligible</li> <li><b>Ineligible: Investor occupancy loans in Baltimore City, MD</b></li> </ul>											
Declining Market											
If the appraisal report identifies the property in a declining market: Max LTV/CLTV is reduced by 10%											
Housing History				Credit Event Seasoning							
0x30x12				BK/FC/SS/DIL: ≥84 months							
General Requirements											
Verification Safe Harbor QM	<ul style="list-style-type: none"> <li>Must meet Verification Safe Harbor QM standards that comply with Chapters B3-3 through B3-6 (Income, Asset, Credit, and Liability) of the FNMA Single Family Selling Guide dated 06/03/2020, and any subsequent updates to the Guide.</li> </ul>										
Product Type	<ul style="list-style-type: none"> <li>Fixed Rate Terms: 15-,30-year</li> <li>ARMs: 5/6, 7/6, 10/6</li> </ul>										
Interest Only (I/O)	<ul style="list-style-type: none"> <li>Not Eligible</li> </ul>										
Loan Amounts	<ul style="list-style-type: none"> <li>Minimum: \$1 &gt; Agency limit</li> <li>Maximum: \$3,000,000</li> </ul>										
Loan Purpose	<ul style="list-style-type: none"> <li>Purchase, Rate &amp; Term Refinance, Cash-Out Refinance</li> </ul>										
Occupancy	<ul style="list-style-type: none"> <li>Primary, Second Home, Investment</li> </ul>										

<b>Acreage</b>	<ul style="list-style-type: none"> <li>Property up to 20-acres, not meeting the rural definition, eligible</li> </ul>		
<b>Cash-In-Hand</b>	<ul style="list-style-type: none"> <li>Max Cash-in-Hand: \$500,000</li> <li>Texas Home Equity 50(a)(6) not eligible</li> </ul>		
<b>Appraisals</b>	<ul style="list-style-type: none"> <li>FNMA Form 1004, 1073 with interior/exterior inspection. Appraisal review product required unless 2<sup>nd</sup> appraisal obtained</li> <li>2<sup>nd</sup> appraisal required for loans &gt; \$2,000,000</li> </ul>		
<b>Income Requirements</b>			
<b>Standard Doc</b>	<ul style="list-style-type: none"> <li>Wage/Salary: Paystubs, 2-years W2s, IRS Form 4506-C, Verbal VOE</li> <li>Self-Employed: 2-years of Personal and Business Tax Returns, YTD P&amp;L, IRS Form 4506-C Verbal VOE</li> <li>Must meet QM standards utilizing the FNMA seller guide dated 6/3/2020, Chapter B3-3, and any subsequent updates to the Guide.</li> </ul>		
<b>Underwriting Requirements</b>			
<b>Credit Score</b>	<ul style="list-style-type: none"> <li>Use credit score of the borrower with the lowest representative score</li> </ul>	<b>Document Age</b>	<ul style="list-style-type: none"> <li>120 days</li> </ul>
<b>Qualifying Payment</b>	<ul style="list-style-type: none"> <li>Fixed Rate: Note Rate</li> <li>5/6 ARM: higher of the fully indexed or initial note rate plus 2%</li> <li>7/6 ARM &amp; 10/6 ARM: higher of the fully indexed or initial note rate</li> </ul>	<b>DTI Requirements</b>	<ul style="list-style-type: none"> <li>Maximum: 45%, if &gt; 43% rate spread Safe Harbor as well as verification Safe Harbor standards must be satisfied</li> </ul>
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>Minimum: 3 reporting 24-months with activity in last 12-months</li> </ul>	<b>First-Time Homebuyer</b>	<p>ARMs are restricted as follows:</p> <ul style="list-style-type: none"> <li>Minimum credit score: 740</li> <li>Maximum loan amount: \$1,250,000</li> </ul>
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>Minimum contribution: 5% primary/second home</li> <li>Investment ineligible for gift funds</li> </ul>	<b>Assets</b>	<ul style="list-style-type: none"> <li>Minimum of 60-days asset verification required; any large deposit must be sourced</li> </ul>
<b>Reserves</b>	<p><b>Primary Residence</b></p> <ul style="list-style-type: none"> <li>Loan balance up to \$2MM: 6-months of PITIA</li> <li>Loan balance &gt; \$2MM - \$2.5MM: 12-months PITIA</li> <li>Loan balance &gt; \$2.5MM: 18-months PITIA</li> <li>LTV &gt; 80%: 12-months of PITIA</li> <li>Cash-out loan balance &gt; \$2MM: 18-months of PITIA</li> </ul> <p><b>Second Home</b></p> <ul style="list-style-type: none"> <li>Minimum of 12-months of PITIA</li> <li>Loan balance &gt; \$2.5MM: 18-months of PITIA</li> <li>Cash-out loan balance &gt; \$2MM: 18-months PITIA</li> </ul> <p><b>Investment</b></p> <ul style="list-style-type: none"> <li>Minimum of 12-months of PITIA</li> </ul> <p><b>All Occupancy</b> – Cash-out may not be used to satisfy reserve requirements</p>		
<b>Escrows</b>	<ul style="list-style-type: none"> <li>HPML loans require escrows for property taxes, hazard insurance and flood insurance (if applicable)</li> </ul>		