

Rockstone Products Alert

*Please Check Matrix for Program Details and
LTV restrictions or contact your AE.



Rockstone Wholesale, Inc.

444 West Lake St., Suite 1700
Chicago, IL 60606
www.rockstonewholesale.com | 866.281.3111

Effective Date: 2/5/2025

ROCKSTONE NONQM MATRIX

ROCKSTONE NONQM MATRIX																																							
CONTACTS		TURN TIMES			LENDER FEES																																		
<p>Applications: submission@rockstonewholesale.com *Submit to TPO Portal if you have logins</p> <p>Help Desk: helpdesk@rockstonewholesale.com</p> <p>Lock Request: lockdesk@rockstonewholesale.com</p> <p>Lock Desk Closes at 7:00 PM EST</p>		<p>Initial Disclosures: 24 Hours</p> <p>Initial Underwrite: 1 - 2 Business Days</p> <p>Conditions: 1 - 2 Business Days</p> <p>Docs: 24 Hours</p>			<p>Underwriting Fee: \$1,995</p> <p>Doc Fee: \$150.00 (TX Only)</p>																																		
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ALPHA

Full Doc

Maximum LTV/CLTVs		Primary Residence		
Credit Score	Loan Amount	Purchase & Rate/ Term	Cash-Out Refinance	Property
740	\$150,000 - \$3,000,000	80%	75%	SFR, PUD, W/Condo, & 2-4 Units
	\$3,000,001 - \$3,500,000	75%	70%	
720	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	80%	75%	
700	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	75%	70%	
680	\$150,000 - \$1,500,000	75%	70%	
	\$1,500,001 - \$2,000,000	75%	65%	
Maximum LTV/CLTVs		Second Home		
Credit Score	Loan Amount	Purchase & Rate/ Term	Cash-Out Refinance	Property
740	\$150,000 - \$3,000,000	80%	75%	SFR, PUD, & W/Condo
	\$3,000,001 - \$3,500,000	75%	70%	
720	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	75%	70%	
700	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	75%	70%	
680	\$150,000 - \$1,000,000	75%	70%	
	\$1,000,001 - \$2,000,000	70%	65%	
Housing Event / Credit Event				
Credit Event Minimum Requirements BK/FC/SS/DIL/Mod	Borrowers with significant derogatory credit events must meet the following criteria: ⌚ Max DTI 45% ⌚ All borrowers must have reestablished acceptable credit verified after the credit event. ⌚ Borrower with unrelated multiple significant credit events, are ineligible. ⌚ Must meet all other Flex Supreme requirements. ⌚ Minimum 4 years must have elapsed from the date of the credit event ⌚ FTHB - requires >= 7 years			
State Restrictions				
⌚ FL: Non-Permanent Resident Aliens from China are ineligible. ⌚ HI: Non-licensed State. ⌚ TX: Refinance of Texas Section 50(a)(6), Texas Section 50(f)(2) and Texas Section 50(a)(3) Loans are ineligible.				
General Requirements				
Product Type	⌚ 40-Year Fixed Rate Interest Only ⌚ 30-Year Fixed Rate – Fully Amortizing ⌚ 20-Year Fixed Rate – Fully Amortizing			
Interest Only	⌚ 10 year I/O period ⌚ Must qualify off fully amortizing payment			
Loan Amounts	⌚ Min \$150,000 and Max \$3,500,000			
Occupancy	⌚ Primary and Second Homes. Investment Properties are not permitted.			
Loan Purpose	⌚ Purchase, Rate/Term, Debt Consolidation and Cash Out			
Cash Out	⌚ Minimum of 6 (six) months seasoning from most recent transaction ⌚ Max cash-out - \$1,000,000 ⌚ Refinance of an existing Texas 50(a)(6), Texas Section 50(a)(4) and Texas Section 50(a)(3) Loans are ineligible. ⌚ Not permitted in Declining Markets			
Rate and Term	⌚ Max cash back is the lesser of \$5,000 or 2% of the loan amount. ⌚ Paying off debt at closing with any portion of the allowable cash back will result in the loan being deemed a cash out refinance.			
Borrower Eligibility	⌚ US Citizens ⌚ Permanent Resident Aliens ⌚ Non-Permanent Resident (H1B & L1 Visas only)		Ineligible: ⌚ Non-Occupant Co-Borrowers ⌚ ITINs ⌚ Foreign Nationals	
Appraisals	⌚ FNMA Form 1004, 1025, 1073 with interior/exterior inspection. ⌚ 2 nd Appraisal required for loans > \$2,000,000. ⌚ Appraisal Review Product to be ordered on all loans with an SSR over 2.5 with the exception of those with a full second appraisal.			
Property Type	⌚ Single Family (Attached, Detached), PUD ⌚ Warrantable Condominiums – FNMA Full Project Review, FNMA PERS Approved or ⌚ 2-4 Unit (not eligible for FTHBs) ⌚ Max 10 acres ⌚ Leasehold not permitted. ⌚ Rural Properties are not permitted. Non-Warrantable Condos and Condotels are not permitted			
Declining Markets	⌚ Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV. Cash Out not permitted in Declining Markets.			
Income Requirements – Full Doc				
Income	⌚ Wage/Salary: Paystubs, W-2, 2-Years or 1-Year of Tax Returns, IRS Form 4506 ⌚ Self-Employed: 2-Years or 1-Year of Personal and Business Tax Returns, YTD P&L, IRS Form 4506, 2 months of most recent bank statements ⌚ Verbal VOE required within 10-days of Note Date for wage earners; 30 days for self-employed borrowers.			
Underwriting Requirements – Full Doc				

Credit Score	For each borrower: ▫ The lowest mid-score(s) of 3 scores will be used to qualify. ▫ A minimum of 2 scores is required. ▫ Borrowers with 2 credit scores: use the lower of the two scores to qualify. ▫ Non-traditional credit reports and credit reports which are not Tri-Merge. ▫ The loan qualifying score will be based on the lowest qualifying score of all borrowers.	DTI Requirements	▫ Max 50%
		Residual	▫ Defined as Gross Monthly Income – Total Monthly Obligations. ▫ Requirement based on # in household. ▫ Applies to HPML loans or when the DTI > 43%: ▫ 1 person = \$1,500 ▫ 2 persons = \$2,500 ▫ Add \$150 per additional household member
		Assets	▫ 60-day asset verification required ▫ Deposits > 50% of gross income must be documented on purchases.
Tradelines	▫ Each borrower must have a min of 3 traditional tradelines rated for at least 12 months. ▫ At least 3 trades must reflect an acceptable payment history – no exceptions. ▫ Closed accounts may be used to satisfy the min tradeline requirements if payment history is acceptable. ▫ Deferred accounts (w/o payment history) cannot be used to meet the min requirement.	Reserves	▫ ≤ \$500,000 = 3 months PITIA ▫ > \$500,000 to \$1,500,000 = 6 months PITIA ▫ > \$1,500,000 to \$2,500,000 = 9 months PITIA ▫ > \$2,500,000 to \$3,500,000 = 12 months PITIA ▫ Cash-out proceeds may be used to satisfy reserves. ▫ Borrowers owning multiple financed properties require an additional 2 months of the subject properties PITIA in total (not per additional REO)
		Gift Funds	▫ 5% primary ▫ 10% second home ▫ Gift funds not permitted to be used towards reserves. ▫ 100% of down payment and closing cost
	▫ Tradeline requirements are not waived when the Primary has 3 credit scores. ▫ Borrower who do not meet the requirements above are ineligible.	First Time Home Buyers	▫ 1-Unit Primary Residence only ▫ 0x30x24 rental history ▫ At least 1 borrower must have a 24-month rental history. ▫ Min 7-years seasoning for credit events.
	▫ If borrower does not have sufficient credit reference in the U.S., foreign credit reference may not be used, and the loan will be ineligible.		▫ When at least one borrower has owned a residential property in the prior 3 years, the
Housing/Rental History	▫ 0x30x12 ▫ FTHB 0x30x24	Prepayment Penalty	▫ Not permitted.
Age of Documentation	▫ Credit reports must be dated within 120 days of the Note date. ▫ Income and Asset Documentation must be dated within 90 days of the Note date.		



Alt Doc

ALPHA

Maximum LTV/CLTVs		Primary Residence		
Credit Score	Loan Amount	Purchase & Rate/ Term	Cash-Out Refinance	Property
740	\$150,000 - \$3,000,000	80%	75%	SFR, PUD, W/Condo, & 2-4 Units
	\$3,000,001 - \$3,500,000	75%	70%	
720	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	80%	75%	
700	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	75%	70%	
680	\$150,000 - \$1,500,000	75%	70%	
	\$1,500,001 - \$2,000,000	75%	65%	
Maximum LTV/CLTVs		Second Home		
Credit Score	Loan Amount	Purchase & Rate/ Term	Cash-Out Refinance	Property
740	\$150,000 - \$3,000,000	80%	75%	SFR, PUD, & W/Condo
	\$3,000,001 - \$3,500,000	75%	70%	
720	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	75%	70%	
700	\$150,000 - \$1,500,000	80%	75%	
	\$1,500,001 - \$3,000,000	75%	70%	
680	\$150,000 - \$1,000,000	75%	70%	
	\$1,000,001 - \$2,000,000	70%	65%	
Housing Event / Credit Event Seasoning Requirements				
Credit Event Minimum Requirements BK/FC/SS/DIL/Mod	Borrowers with significant derogatory credit events must meet the following criteria:			
	▫ Max DTI 45%			
	▫ All borrowers must have reestablished acceptable credit verified after the credit event.			
	▫ Borrower with unrelated multiple significant credit events, are ineligible.			
	▫ Must meet all other Flex Supreme requirements.			
	▫ Minimum 4 years must have elapsed from the date of the credit event.			
	FTHB - requires >= 7 years seasoning from the completion date of a significant derogatory credit event.			
State Restrictions				
▫ FL: Non-Permanent Resident Aliens from China are ineligible.				
▫ HI: Non-licensed State.				
▫ TX: Refinance of Texas Section 50(a)(6), Texas Section 50(f)(2) and Texas Section 50(a)(3) Loans are ineligible.				
General Requirements				
Product Type	▫ 40-Year Fixed Rate Interest Only ▫ 30-Year Fixed Rate – Fully Amortizing ▫ 20-Year Fixed Rate – Fully Amortizing			
Interest Only	▫ 10 year I/O period ▫ Must qualify off fully amortizing payment			
Loan Amounts	▫ Min \$150,000 and Max \$3,500,000			
Occupancy	▫ Primary and Second Homes. Investment Properties not permitted			
Loan Purpose	▫ Purchase, Rate/Term, and Debt Consolidation / Cash Out			
Cash Out	▫ Minimum of 6 (six) months seasoning from most recent transaction ▫ Max cash-out - \$1,000,000 ▫ Refinance of an existing Texas 50(a)(6), Texas Section 50(a)(4) or Texas Section 50(a)(3) Loan are ineligible. Not permitted in Declining Markets.			
Rate and Term	▫ Max cash back is the lesser of \$5,000 or 2% of the loan amount. ▫ Paying off debt at closing with any portion of the allowable cash back will result in the loan being deemed a cash out refinance.			
Borrower Eligibility	▫ US Citizens ▫ Permanent Resident Aliens ▫ Non-Permanent Resident (H1B & L1 Visas only)		Ineligible: ▫ Non-Occupant Co-Borrowers ▫ ITINs ▫ Foreign Nationals	
Appraisals	▫ FNMA Form 1004, 1025, 1073 with interior/exterior inspection. ▫ 2nd Appraisal required for loans > \$2,000,000. ▫ Appraisal Review Product to be ordered on all loans with an SSR over 2.5 with the exception of those with a full second appraisal.			
Property Type	▫ Single Family (Attached, Detached), PUD ▫ Warrantable Condominiums – FNMA Full Project Review, FNMA PERS Approved or CPM Approval ▫ 2-4 Unit (not eligible for FTHBs) ▫ Max 10 acres ▫ Leasehold not permitted.			

	<ul style="list-style-type: none">▮ Rural Properties are not permitted.▮ Non-Warrantable Condos and Condotels are not permitted		
Declining Markets	<ul style="list-style-type: none">▮ Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.Cash Out not permitted in Declining Markets.		
Income Requirements - Alt Doc			
Stability and Continuance of Self-Employment	<ul style="list-style-type: none">▮ Borrower's self-employment income used to calculate the DTI must be reasonable for the profession, verified stable and likely to continue.▮ Sellers must verify the borrower's self-employment for the most recent consecutive 2 full years in the same business.▮ Borrowers receiving 1099 income (filing as Schedule C or E) are eligible provided that the 1099 income is in the same line of work and meets the required most recent consecutive 2 full years.▮ The name of business noted on the initial 1003 must match the business name noted as account holder on the business bank account(s).		
Acceptable Variance Levels	<p>12-months Bank Statements</p> <ul style="list-style-type: none">▮ Variances from month to month are likely to occur; however, a consistent pattern of declining deposits on a monthly basis or evidence of a decline in earnings will require sufficient satisfactory justification/explanation from the borrower and the income should be carefully considered for qualifying. <p>24-months Bank Statements</p> <ul style="list-style-type: none">▮ If the eligible deposits decline greater than 5% up to 10% year over year, it should be addressed.▮ If the decline of deposits is greater than 10% year over year, then the account is ineligible for use in the income calculation.▮ See Declining Income in the Flex NonQM guide.		
Personal Bank Statements	<ul style="list-style-type: none">▮ 24 or 12-months of Personal and 2-months of business bank statements. If updated bank statements are provided, the income must be recalculated.▮ Qualifying income is determined by the total eligible deposits from the 24 or 12-months of personal statements divided by the number of statements.▮ The business bank statements must reflect business activity and transfers to the personal account.▮ Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment)		
Business Bank Statements / Co-Mingled Bank Statements	<ul style="list-style-type: none">▮ 24 or 12-months of business bank statements. If updated bank statements are provided, the income must be recalculated. Qualifying income is determined by ONE of the following analysis methods:<ul style="list-style-type: none">o Fixed Expense Ratio (50%); ORo Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10%, ORo 3rd party prepared Profit & Loss Statement (CPA or EA).▮ Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment)		
Asset Utilization	<ul style="list-style-type: none">▮ May not be used as supplemental income.▮ Assets must be seasoned for 3 months to be deemed eligible.▮ Monthly Income Calculation =<ul style="list-style-type: none">o Net Qualified Assets / 84 Months. Restrictions:<ul style="list-style-type: none">o Cash-out transactions are ineligible.o Max LTV must be reduced by 10%.▮ <u>Ineligible Assets</u>:<ul style="list-style-type: none">o Business assets.o Unseasoned Foreign Assets.o Proceeds from sale of real estate which is not seasoned for a minimum of 6 months.o Privately traded or restricted / non-vested stocks.o Assets which produce income already included in the income calculation.		
IRS Form 1099	<ul style="list-style-type: none">▮ 2-Years' 1099 (filing as Schedule C or E) only▮ Fixed Expense Ratio of 10%▮ YTD documentation to support continued receipt of income from the same source.▮ Refer to the Flex Supreme Alt Doc Bank Statement Income Documentation section in the Guidelines.		
Underwriting Requirements – Alt Doc			
Credit Score		DTI Requirements	▮ Max 50%
	For each borrower: <ul style="list-style-type: none">▮ The lowest mid-score(s) of 3 scores will be used to qualify.▮ A minimum of 2 scores is required.▮ Borrowers with 2 credit scores: use the lower of the two scores to qualify.▮ Non-traditional credit reports and credit reports which are not Tri-Merge.▮ The loan qualifying score will be based on the lowest qualifying score of all borrowers.	Residual	<ul style="list-style-type: none">▮ Defined as Gross Monthly Income – Total Monthly Obligations.▮ Requirement based on # in household.▮ Applies to HPML loans or when the DTI > 43%:<ul style="list-style-type: none">▮ 1 person = \$1,500▮ 2 persons = \$2,500▮ Add \$150 per additional household member.
		Assets	<ul style="list-style-type: none">▮ 60-day asset verification required▮ Deposits > 50% of gross income must be documented on purchases.

Tradelines	<ul style="list-style-type: none"> Each borrower must have a min of 3 traditional tradelines rated for at least 12 months. At least 3 trades must reflect an acceptable payment history – no exceptions. Closed accounts may be used to satisfy the min tradeline requirements if payment history is acceptable. Deferred accounts (w/o payment history) cannot be used to meet the min requirement. 	Reserves	<ul style="list-style-type: none"> <= \$500,000 = 3 months PITIA > \$500,000 to \$1,500,000 = 6 months PITIA > \$1,500,000 to \$2,500,000 = 9 months PITIA > \$2,500,000 to \$3,500,000 = 12 months PITIA Cash-out proceeds may be used to satisfy reserves. Borrowers owning multiple financed properties require an additional 2 months of the subject properties PITIA in total (not per additional REO)
	<ul style="list-style-type: none"> If borrower does not have sufficient credit reference in the U.S., foreign credit reference may not be used, and the loan will be ineligible. Borrower who do not meet the requirements above are ineligible. Tradeline requirements are not waived when the Primary has 3 credit scores. 		
Housing/Rental History	<ul style="list-style-type: none"> 0x30x12 FTHB 0x30x24 	Gift Funds	<ul style="list-style-type: none"> Permitted on 1-unit properties only, provided borrower meets the minimum contribution. 5% primary 10% second home Gift funds not permitted to be used towards reserves. 100% of down payment and closing cost may come from gifted funds for OO and SH to 75% LTV.
Age of Documentation	<ul style="list-style-type: none"> Credit reports must be dated within 120 days of the Note date. Income and Asset Documentation must be dated 		
PPP	<ul style="list-style-type: none"> Not permitted. 	First Time Home Buyers	<ul style="list-style-type: none"> 1-Unit Primary Residence only Min 7-years seasoning for credit events. At least 1 borrower must have a 24-month rental history. When at least one borrower has owned a residential property in the prior 3 years, the FTHB requirements do not apply.

Maximum LTV/CLTVs		Standard Doc - Primary Residence		
Credit Score	Loan Amount	Purchase / Rate & Term	Debt Consolidation	Cash-Out Refinance
760	<=1,500,000	90	80	80
	1,500,001 – 2,000,000	90	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
	3,000,001 – 3,500,000	75	70	70
740	<=1,500,000	90	80	80
	1,500,001 – 2,000,000	90	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
	3,000,001 – 3,500,000	75	70	70
720	<=1,500,000	90	80	80
	1,500,001 – 2,000,000	90	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
	3,000,001 – 3,500,000	75	70	70
700	<=1,500,000	85	80	80
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 2,500,000	80	75	70
	2,500,001 – 3,000,000	75	70	70
	3,000,001 – 3,500,000	75	70	70
680	<=1,500,000	80	75	75
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 2,500,000	75	70	70
	2,500,001 – 3,000,000	70	65	65
660	<=1,000,000	80	75	75
	1,000,001 – 1,500,000	75	70	70
	1,500,001 – 2,500,000	70	65	65
640	<= 1,000,000	75	70	70
	1,000,001 – 1,500,000	75	70	65
	1,500,001 – 2,000,000	70	65	60
Occupancy Restrictions - 2 nd Home		Occupancy Restrictions – Investment (Business Purpose)		
760+	Purchase or Rate & Term Lesser of LTV in above matrix or 85%	760+	Purchase or Rate & Term Lesser of LTV in above matrix	
700-759	Purchase or Rate & Term Lesser of LTV in above matrix or 80%	700-759	Purchase or Rate & Term Lesser of LTV in above matrix	
700+	Cash Out Lesser of LTV in above matrix or 80%	700+	Cash Out Lesser of LTV in above matrix	
640-699	Purchase or Rate & Term Reduce LTV by 5% to a Max of 80%	640-699	Purchase or Rate & Term Reduce LTV by 5% to a Max of	
	Cash Out Reduce LTV in the above matrix by 5%		Cash Out Reduce LTV in the above	
Housing History and Housing Event Seasoning Restrictions Past due balloon: considered a delinquency (1x30) not a housing event, only within 180 days of maturity. Ch.13: use filing date if discharged; use dismissal date if dismissed.				
	1x30x12	2 x 30 x 12	0x60x12	0x90x12 O/O Only
BK/FC/SS/DIL/Mod:	>=48 Mo	>= 36 Mo	>= 24 Mo	>= 12 Mo
Max LTV/CLTV:	90	80	70	65
Max LTV Cash-out	80	75	70	NA
Max Loan Amt:	\$3,500,000	\$3,000,000	2,000,000	\$2,000,000
State Restrictions				

IL counties: Cook, Kane, Peoria and Will: Not permitted for OO and SH – Does not apply to Correspondents.			
FL: Non-Permanent Resident Aliens from China are ineligible			
NY:			
o STRs in the 5 NYC Boroughs are ineligible.			
o No 5/6 ARMs on OO loans below the FNMA loan limits.			
o Subprime permitted on Fixed Rate only. See guidelines for full details.			
MS: LTVs must be reduced by 5%.			
HI: Non-licensed State			
General Requirements – Full Doc			
Product Type	40 Yr Fixed; 40-yr Fixed I/O = Max 80% LTV 30-Yr Fixed, 15-Yr Fixed, 5/6 ARM 30-Yr Term Fully Amortizing, 5/6 ARM 30-Yr Term (10-Yrs I/O period), 5/6 ARM 40-Yr Term (10-Yrs I/O period) ARMs not available in MS		
Interest Only	Min Credit Score: 680	Max LTV: 80%	10 year I/O period Must qualify off fully amortizing payment
Loan Amounts	Min: \$125,000 Max: \$3,500,000 Loan Amounts \$125,000 - \$149,999 require a 5% reduction in LTV		
Occupancy	Primary, Second Home, Investment Property (Business Purpose)		
Loan Purpose	Purchase, Rate/Term, Debt Consolidation and Cash Out		
Cash Out	Minimum of six (6) months seasoning from most recent transaction. See guide for details. Max cash-out (defined as cash in hand): <ul style="list-style-type: none">If LTV <= 60% = UnlimitedIf LTV > 60% = Max \$750K or unlimited with 18 months reserves exclusive of cash back. o If Express/DU approved, may waive the 18 months reserves for loans < 2M. Condos – Max 75% LTV		
Debt Consolidation	Primary Residence only Max \$5000 cash in hand Minimum 3 months reserves after closing (no additional reserves required for other loan features) Non-mtg debt being paid max \$250K	Non-occupant co-borrowers not permitted. Consumer debt max 0x60x6 Total debt savings 10% or greater Recoup closing costs in 60	
2-1 Temporary Buydown Purchase Option	Minimum Score 680 Max LTV 80% Max DTI 50% Qualify off Full Payment (Note Rate) O/O, 2nd Home and Investment Properties.	Eligible w/Select Prime Full & Alt Doc, ITIN to 80% LTV and DSCR 1-4 Units only. Not eligible for Mixed Use, or FN. Available on 30-Yr Fixed Term only.	Seller or Builder Funded Only for Wholesale Broker Clients. Lender Paid or 3rd Party Buydowns (Excluding Real Estate Agents, Brokerages, Borrower, or relatives) are permitted for Correspondent Clients only. See Guides for Max Interested Party Contribution Limits.
Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. 2 nd Appraisal required for loans > \$2,000,000. Appraisal Review Product to be ordered on all loans with an SSR over 2.5 with the exception of those with a full second appraisal.		
Property Type	Single Family, Attached, Detached, Condominiums, 2-4 Unit Condotels		
Condo and 2-4 Unit LTV Limits	Condos – Warrantable / Non-Warrantable o Purchase & Rate/Term: Max 85% LTV o Cash-out: 75% LTV 2-4 Units: Max 80% LTV		
Condotel	NOO Purchase or Rate/Term 700+ Max 75%LTV 680-699 Max 70% LTV NOO Cash Out 700+ Max 65% LTV 680-699 Max 60% LTV	Max Loan Amount \$1,500,000 Minimum 6 months reserves Minimum 400 square feet Must have full kitchen & 1 separate bedroom.	Must be in a resort area or affiliated with a national hotel chain
Declining Markets	Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.		
Rural Property	Rural properties (as defined in the Guides) permitted for OO only, up to 80% LTV; Max 20 acres		
Income Requirements – Full Doc			
Wage/Salary: Paystubs, W-2, 2 Years or 1 Year of Tax Returns, IRS Form 4506			
Self-Employed: 2 Years or 1 Year of Personal and Business Tax Returns, YTD P&L, IRS Form 4506, 2 months of most recent bank statements			
Verbal VOE required within 10-days of Note Date for wage earners; 30 days for self-employed borrowers			
Underwriting Requirements – Full Doc			
Credit Score	Middle of 3 scores or lower of 2 for Primary Income- Earner. Additional borrowers must have a minimum score of 540	DTI Requirements	Max 50% 40 Yr Fixed Must Qualify as a 30-Yr at <=55% DTI.

Tradelines	<ul style="list-style-type: none">Primary wage earner has 3 scores; or2 open and reporting 24-months; or3 open and reporting 12-months; or24-months mortgage rating reporting on creditNOTE: ITINs must follow trade requirements in ITIN section of guide	Residual OO and 2 nd Homes only	<ul style="list-style-type: none">Defined as Gross Monthly Income – Total Monthly Obligations.Requirement based on # in household.Applies to HPML loans or when the DTI > 43% on OO and 2nd homes only:1 person = \$1,5002 persons = \$2,500Add \$150 per additional household member
Assets	<ul style="list-style-type: none">30-day asset verification requiredDeposits > 50% of gross income must be documented on purchases	Reserves	<ul style="list-style-type: none"><= \$500,000 = 3 months PITIA w/LTV <= 80%<= \$500,000 = 6 months PITIA w/LTV > 80%> \$500,000 to \$1,500,000 = 6 months PITIA> \$1,500,000 to \$2,500,000 = 9 months PITIA> \$2,500,000 to \$3,500,000 = 12 months PITIACash-out proceeds may be used to satisfy reserves.Debt consolidation = 3 months PITIANON-PERM: When qualifying with US credit, min 6 months reserves; with foreign credit, min 12 months reserves.
Gift Funds	<ul style="list-style-type: none">Gift funds permitted provided borrower meets minimum contribution:5% primary10% second home/investmentGift funds not permitted to be used towards reserves.100% of down payment and closing cost may come from gifted funds for OO and SH with a 5% reduction in LTV to a max of 80%.		
FTHB	<ul style="list-style-type: none">Permitted to a maximum loan size of \$1.5m on O/O, 2nd Home, and NOO.	Prepayment Penalty	<ul style="list-style-type: none">Required on Investment Properties when permitted.See PPP Requirements Matrix.No PPP – Correspondent Only
Age of Documentation	<ul style="list-style-type: none">Credit reports must be dated within 120 days of the Note date.Income and Asset Documentation must be dated within 90 days of the Note date.		
Full Doc Follow standard guidelines where silent in this section.			
Underwriting Method	<ul style="list-style-type: none">DU Approve Eligible and Approve/IneligibleIneligibility only due to loan size or feature, such as IO.Loan may not be ineligible due to risk factors	Income	<ul style="list-style-type: none">Follow program documentation requirements.Follow program DTI restrictions.Transcripts required for number of years of income used to qualify on Full Doc loans.
Credit	<ul style="list-style-type: none">Follow AUS with the exception of housing history must be 0x30x12 and no extenuating circumstances for BK/Housing event	Reserves	<ul style="list-style-type: none">LTVs > 85%:Up to \$1.5M with 760+ Score = 6 months PITIALTV <= 85%:Loans <= \$2,000,000 follow DU FindingsLoans > \$2,000,000 must meet product reserve requirements.
Eligibility	<ul style="list-style-type: none">740-759 Score > 85% LTV not eligible; follow standard program requirements		
Loans with a Non- Occupant Co-Borrower	Ratios for the Occupying Borrower and Non-Occupant Co-Borrower may be blended provided FNMA requirements are	Appraisals / Property	<ul style="list-style-type: none">Reduced Condo Reviews not permitted.
		Age of Documentation	<ul style="list-style-type: none">Credit reports must be dated within 120 days of the Note date.Income and Asset Documentation must be dated within 90 days of the Note date.

Maximum LTV/CLTVs		Bank Statements and 1099 - Primary Residence		
Credit Score	Loan Amount	Purchase/Rate and Term	Debt Consolidation	Cash-Out Refinance
760	<=1,500,000	90	80	80
	1,500,001 – 2,000,000	90	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
	3,000,001 – 3,500,000	75	70	70
740	<= \$1,000,000	90	80	80
	<=1,500,000	90	80	80
	1,500,001 – 2,000,000	90	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
720	3,000,001 – 3,500,000	75	70	70
	<=1,500,000	90	80	80
	1,500,001 – 2,000,000	90	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
700	3,000,001 – 3,500,000	75	70	70
	<=1,500,000	85	80	80
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 2,500,000	80	75	70
	2,500,001 – 3,000,000	75	70	70
680	3,000,001 – 3,500,000	75	70	70
	<=1,500,000	80	75	75
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 2,500,000	75	70	70
660	2,500,001 – 3,000,000	70	65	65
	<=1,000,000	80	75	75
	1,000,001 – 1,500,000	75	70	70
	1,500,001 – 2,500,000	70	65	65
640	<= 1,000,000	75	70	70
	1,000,001 – 1,500,000	75	70	65
	1,500,001 – 2,000,000	70	65	60
Occupancy Restrictions - 2 nd Home		Occupancy Restrictions – Investment (Business Purpose)		
760+	<i>Purchase or Rate & Term</i> Lesser of LTV in above matrix or 85%	760+	<i>Purchase or Rate & Term</i> Lesser of LTV in above matrix or	
700-759	<i>Purchase or Rate & Term</i> Lesser of LTV in above matrix or 80%	700-759	<i>Purchase or Rate & Term</i> Lesser of LTV in above matrix or	
700+	<i>Cash Out</i> Lesser of LTV in above matrix or 80%	700+	<i>Cash Out</i> Lesser of LTV in above matrix or	
640-699	<i>Purchase or Rate & Term</i> Reduce LTV by 5% to a Max of 80%	640-699	<i>Purchase or Rate & Term</i> Reduce LTV by 5% to a Max of	
	<i>Cash Out</i> Reduce LTV in above matrix by 5%		<i>Cash Out</i> Reduce LTV in above matrix by 5%	
Housing History and Housing Event Seasoning Restrictions Past due balloon: considered a delinquency (1x30) not a housing event, only within 180 days of maturity. Ch.13: use filing date if discharged; use dismissal date if dismissed.				
Housing History	1x30x12	2 x 30 x 12	0x60x12	0x90x12 O/O Only
BK/FC/SS/DIL/Mod:	>=48 Mo	>= 36 Mo	>= 24 Mo	>= 12 Mo
Max LTV/CLTV:	90	80	70	65
Max LTV Cash-out	80	75	70	NA
Max Loan Amt:	\$3,500,000	\$3,000,000	2,000,000	\$2,000,000
State Restrictions				

<ul style="list-style-type: none">IL counties: Cook, Kane, Peoria and Will: Not permitted for OO and SH – Does not apply to Correspondents.FL: Non-Permanent Resident Aliens from China are ineligibleNY:<ul style="list-style-type: none">STRs in the 5 NYC Boroughs are ineligible.No 5/6 ARMs on OO loans below the FNMA loan limits.Subprime permitted on Fixed Rate only. See guidelines for full details.MS: LTVs must be reduced by 5%.HI: Non-licensed State			
General Requirements – Alt Doc			
Product Type	<ul style="list-style-type: none">40 Yr Fixed, 40-yr Fixed I/O = Max 80% LTV30-Yr Fixed, 15-Yr Fixed5/6 ARM 30-Yr Term Fully Amortizing, 5/6 ARM 30-Yr Term (10-Yrs I/O period), 5/6 ARM 40-Yr Term (10-Yrs I/O period)ARMs not available in MS		
Interest Only	<ul style="list-style-type: none">Min Credit Score: 680	<ul style="list-style-type: none">Max LTV: 80%	<ul style="list-style-type: none">10 year I/O periodMust qualify off fully amortizing payment
Loan Amounts	<ul style="list-style-type: none">Min: \$125,000 no exceptionsMax: \$3.5MLoan Amounts \$125,000 - \$149,999 require a 5% reduction in LTV		
Occupancy	<ul style="list-style-type: none">Primary, Second Home, Investment Property (Business Purpose)		
Loan Purpose	<ul style="list-style-type: none">Purchase, Rate/Term, and Cash Out		
Cash Out	<ul style="list-style-type: none">Minimum of 6 (six) months seasoning from most recent transaction. See guide for details.Condos – Max 75% LTVMax cash-out (defined as cash in hand):<ul style="list-style-type: none">LTV <= 60% = UnlimitedLTV > 60% = Max \$750K or unlimited with 18 months reserves exclusive of cash back; orIf Express (DU) approved, may waive the 18 months reserves for loans < \$2M.		
Debt Consolidation	<ul style="list-style-type: none">Primary Residence onlyMax \$5,000 cash in handMinimum 3 months reserves after closing (no additional reserves required for other loan features)Non-mtg debt being paid max \$250K.	<ul style="list-style-type: none">Non-occupant co-borrowers not permitted.Consumer debt max 0x60x6Total debt savings 10% or greater recoup closing costs in 60 months.	
2-1 Temporary Buydown Purchase Only Option	<ul style="list-style-type: none">Eligible w/Select Prime Full & Alt Doc (Bank Statement Only); ITIN to 80% LTV and Investor DSCR 1-4 Units.Minimum Score 680Max LTV 80%Max DTI 50%.	<ul style="list-style-type: none">Qualify off Full Payment (Note Rate)O/O, 2nd Home and Investment Properties.Available on 30-year Fixed Term onlyNot eligible for Mixed Use, or FN.Seller or Builder Funded Only	<ul style="list-style-type: none">Lender Paid or 3rd Party Buydowns (Excluding Real Estate Agents, Brokerages, Borrower, or relatives) are permitted for Correspondent Clients only.See Guides for Max Interested Party Contribution Limits.
Appraisals	<ul style="list-style-type: none">FNMA Form 1004, 1025, 1073 with interior/exterior inspection.2nd Appraisal required for loans > \$2,000,000.Appraisal Review Product to be ordered on all loans with an SSR over 2.5 with the exception of those with a full second appraisal.		
Property Type	<ul style="list-style-type: none">Single Family, Attached, Detached, Condominiums, 2-4 Units, Condotel		
Condo and 2-4 Unit LTV Limits	<ul style="list-style-type: none">Condos – Warrantable / Non-Warrantable<ul style="list-style-type: none">Purchase & Rate/Term: Max 85% LTVCash-out: 75% LTV2-4 Units: Max 80% LTV		
Condotel	<ul style="list-style-type: none"><u>NOO Purchase or Rate/Term</u>700+ Max 75%LTV680-699 Max 70% LTV<u>NOO Cash Out</u>700+ Max 65% LTV680-699 Max 60% LTV	<ul style="list-style-type: none">Max Loan Amount \$1,500,000Minimum 6 months reserves	<ul style="list-style-type: none">Minimum 400 square feetMust have full kitchen & 1 separate bedroom.Must be in a resort area or affiliated with a national hotel chain
Declining Markets	<ul style="list-style-type: none">Declining markets, as identified by the appraiser, require a 5% LTV reduction off		
Rural Property	<ul style="list-style-type: none">Rural properties (as defined in the Guides) permitted for OO only, up to 80% LTV; Max		
Income Requirements – Alt Doc			
Personal Bank Statements	<ul style="list-style-type: none">24 or 12-months of Personal and 2-months of business bank statements.Qualifying income is determined by the total eligible deposits from the 24 or 12-months of personal statements divided by the number of statements.The business bank statements must reflect business activity and transfers to the personal account.Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment)		

Business Bank Statements / Co- Mingled Bank Statements	<ul style="list-style-type: none">24 or 12-months of business bank statements. Qualifying income is determined by ONE of the following analysis methods:<ul style="list-style-type: none">Fixed Expense Ratio (50%); ORExpense ratio provided by a 3rd party (CPA or EA) min ratio of 10%, OR3rd party prepared Profit & Loss Statement (CPA or EA).Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment)		
P&L and 2 Months Bank Statements	<ul style="list-style-type: none">24 or 12-month P&L, prepared by CPA or EA or PTIN licensed Tax Preparer.Minimum of 2-months business bank statementsEvidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment)Minimum 760 score required for > 85% LTV to Max \$1.5M		
P&L Only	<ul style="list-style-type: none">Max Loan Amount \$1,500,000700+ Score: Max LTV is the lesser of the LTV on the Matrix or 80% Owner Occupied; 75% NOO and 2nd Home.680-699 Score: Max LTV is the lesser of the LTV on the Matrix or 75% Owner Occupied; 70% NOO and 2nd Home.24- or 12-month P&L; prepared by CPA/EA or Tax Preparer. CPA/EA/Tax Preparer must also attest to having prepared the borrower's most recent tax returns. Verbal verification of P&L is required prior to closing.Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history.Not permitted with Express or for licensed professionals with a business in existence for one year.		
IRS Form 1099	<ul style="list-style-type: none">2-Years or 1-Year 1099> 85% LTV up to \$1.5MFixed Expense Ratio of 10%	<ul style="list-style-type: none">YTD Documentation to support continued receipt of income from same source, is required only when the most recent 1099 is >90 days from the note date.	
Tip Income	<p>Sample target borrower: restaurant server, bartender, cabdriver, etc.</p> <ul style="list-style-type: none">Must have a history of receipt of at least one full year without gaps in employment.WVOE with 2+ Months Bank Statements with 680 score to 80% LTVMay not be employed by a family members or related individuals.		
WVOE	<ul style="list-style-type: none">WVOE – FNMA 1005 completed with the past 2 years of income/employment. Form must be completed by Human Resources, Payroll, or an Officer of the Company.Two (2) most recent months of bank statements reflecting deposits from the employment verified via the WVOE in both statements. The deposits must support at least 65% of the gross wages reflected on the WVOE.Verification of delivery and receipt of the FNMA Form 1005 must comprise the following form of documentation: Physical mail, Fed-Ex, facsimile, or email communication. Physical mail, Fed-Ex, and facsimile must come directly from the employer's address. An email communication must properly identify the Company representative.One-year history with the same employer with minimum two (2) years in the same line of work.Minimum credit score of 680.One-year 0x30 housing history is required; borrowers without a housing history must qualify under a different documentation type.OO Max 80% LTV; SH and NOO Max 75% LTV.Borrowers may not be employed by family members or related individuals.W2s, Tax Returns, Paystubs, 4506-C are not required.Borrowers can have no other active source of income; passive income such as rental income may be included.		
Asset Utilization	<ul style="list-style-type: none">Eligible assets divided by 60 to determine a monthly income stream; or if <=60% DTI without using assets for income, divide eligible assets by 36 months to determine qualifying income (sourced and seasoned for 4-months).Purchase/Rate & Term:<ul style="list-style-type: none"><= 85% LTV – follow LTV limits per the matrix> 85%LTV – permitted per the matrix provided the DTI is <=60% without using assets for income.Cash Out: follow LTV limits per the matrix.ITIN: allowed - See Alt Doc ITIN section for limitations.		
Less than 2 years Self Employment options	<ul style="list-style-type: none">OPTION 1: S/E 18+ months with 3+ yrs prior experience in the same line of business.OPTION 2: Licensed Professional (medical, legal, accounting, etc.) with 12+ months business existence provided 3+ yrs prior experience in the same line of work or evidence of formal education in related field. <p>For both Option 1 and Option 2, the following requirements apply:</p> <ul style="list-style-type: none">Minimum Score: 700Max LTV: 80% OO / 75% 2nd Home / 70% NOONot available for P&L only documentation typeNot available for Select Prime Express		
Underwriting Requirements – Alt Doc			
Credit Score	<ul style="list-style-type: none">Middle of 3 scores or lower of 2 for Primary Income Earner.Additional borrowers must have a min score of 540.	DTI Requirements	<ul style="list-style-type: none">Max 50%40 Yr Fixed Must Qualify as a 30-Yr at <=55% DTI.
Tradelines	<ul style="list-style-type: none">Primary wage earner has 3 scores; orMin 2 open & reporting 24-months; or3 open and reporting 12-months; or24-months mortgage rating reporting on credit	Residual OO and 2 nd Homes only	<ul style="list-style-type: none">Defined as Gross Monthly Income – Total Monthly Obligations.Requirement based on # in household.Applies to HPML loans or when the DTI > 43% on OO and 2nd homes only:<ul style="list-style-type: none">1 person = \$1,5002 persons = \$2,500Add \$150 per additional household member.

Assets	<ul style="list-style-type: none">30-days asset verification requiredDeposits > 50% of gross income or average deposits on a bank statement loan must be documented on purchases.	Reserves	<ul style="list-style-type: none"><= \$500,000 = 3 months PITIA w/LTV <= 80%<= \$500,000 = 6 months PITIA w/LTV > 80%> \$500,000 to \$1,500,000 = 6 months PITIA> \$1,500,000 to \$2,500,000 = 9 months PITIA> \$2,500,000 to \$3,500,000 = 12 months PITIACash-out proceeds may be used to satisfy reserves.NON-PERM: When qualifying with US credit, min 6 months reserves; with foreign credit, min 12 months reserves.
Gift Funds	<ul style="list-style-type: none">Gift funds permitted provided borrower meets minimum contribution:5% primary10% second home/investmentGift funds not permitted to be used towards reserves.100% of down payment and closing cost may come from gifted funds for OO and SH with a 5% reduction in LTV to a max of 80%.	Prepayment Penalty	<ul style="list-style-type: none">Required on Investment Properties when permitted.See PPP Requirements MatrixNo PPP – Correspondent Only
		Age of Documentation	<ul style="list-style-type: none">Credit reports must be dated within 120 days of the Note date.Income and Asset Documentation must be dated within 90 days of the Note date.
FTHB	Permitted to a maximum loan size of \$1.5m		
Alt Doc Follow standard guidelines where silent in this section.			
Underwriting Method	<ul style="list-style-type: none">DU Approve Eligible and Approve/IneligibleIneligibility only due to loan size or feature, such as IO.	Income	<ul style="list-style-type: none">Follow program documentation requirements.Follow program DTI restrictions.P&L Only not permitted.One-Year Self Employed professionals not permitted.
Credit	<ul style="list-style-type: none">Follow AUS with the exception of housing history must be 0x30x12 and no extenuating circumstances for	Reserves	<ul style="list-style-type: none">LTVs > 85%:Up to \$1.5M with 760+ Score = 6 months PITIA LTV <= 85%:Loans <= \$2,000,000 follow DU FindingsLoans > \$2,000,000 must meet product reserve requirements.
Eligibility	<ul style="list-style-type: none">740-759 Scores and > 85% LTV not eligible; follow standard program requirements		
Loans with a Non-Occupant Co-Borrower	<ul style="list-style-type: none">Ratios for the Occupying Borrower and Non- Occupant Co-Borrower may be blended provided FNMA requirements are	Appraisals / Property	<ul style="list-style-type: none">Reduced Condo Reviews not permitted.
		Age of Documentation	<ul style="list-style-type: none">Credit reports must be dated within 120 days of the Note date.Income and Asset Documentation must be dated within 90 days of the Note date.



Investor – DSCR

Investment Property (Business)

DELTA

Maximum LTV/CLTVs		>=1.00 DSCR*		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
740	125,000 - < 150,000	80	80	75
	150,000 - 1,000,000	85	80	75
	1,000,001 – 1,500,000	85	75	70
	1,500,001 – 2,000,000	75	75	60
	2,000,001 – 2,500,000	70	70	60
	2,500,001 – 3,000,000	70	70	60
720	125,000 - <150,000	80	80	75
	150,000 - 1,000,000	85	80	75
	1,000,001 – 1,500,000	85	75	70
	1,500,001 – 2,000,000	75	75	60
	2,000,001 – 2,500,000	70	70	60
	2,500,001 – 3,000,000	70	70	60
700	<=1,500,000	75	75	70
	1,500,001 – 2,000,000	70	70	60
	2,000,001 – 2,500,000	70	70	60
	2,500,001 – 3,000,000	70	70	60
680	<=1,500,000	75	75	70
	1,500,001 – 2,000,000	70	70	60
	2,000,001 – 2,500,000	70	70	60
	<=1,000,000	70	70	65
660	1,000,001 – 1,500,000	65	65	60
	1,500,001 – 2,000,000	60	60	55
	<=1,000,000	65	65	60
640 – 659	1,000,001 – 1,500,000	60	60	55
	1,500,001 – 2,000,000	55	55	50
Maximum LTV/CLTVs		< 1.00 DSCR* Note Minimum DSCR is .75		
740	<=1,000,000	75	75	70
	1,000,001 – 1,500,000	75	75	70
	1,500,001 – 2,000,000	75	75	60
720	<=1,000,000	75	75	70
	1,000,001 – 1,500,000	70	70	65
	1,500,001 – 2,000,000	65	65	NA
700	<=1,000,000	75	75	70
	1,000,001 – 1,500,000	70	70	65
	1,500,001 – 2,000,000	65	65	NA
680	<=1,000,000	65	65	60
Maximum LTV/CLTV		No Ratio		
740	<=1,000,000	75	75	65
	1,000,001 – 1,500,000	70	70	60
	<=1,000,000	70	70	60
720	1,000,001 – 1,500,000	65	65	60
	<=1,000,000	65	65	60
700	1,000,001 – 1,500,000	65	65	60
Housing History		Property Type Restrictions		
0x30x12 – No reduction 1x30x12: o 5% LTV reduction Past due balloon will be considered a delinquency (1x30) not a housing event, only if within 180 days of maturity. 1x30 not permitted on No Ratio		Borrower to qualify using the IO payment based on the qualifying rate (Greater of the fully indexed rate or note rate).		
State Restrictions		General Requirements – Investor		
FL: Non-Permanent Resident Aliens originating from China are ineligible HI: Non-licensed State. NY: o STRs in the 5 NYC Boroughs are ineligible. o No 5/6 ARMs on OO loans below the FNMA loan limits. o Subprime permitted on Fixed Rate only. See guidelines for full details. MS: LTVs must be reduced by 5%.		Product Type		
40-Year Fixed IO = Max 75% LTV 30-Yr Fixed IO = Max 80% LTV 30-Yr Fixed, 15-Yr Fixed Interest only not permitted on No Ratio. When ARMs are reinstated, ARMs are not permitted in MS or with DSCRs < 1		Interest Only		
Min Credit Score: 640 when DSCR >= 1% Min Credit Score: 700 when DSCR < 1% Interest Only not allowed on No Ratio Loans		Loan Amounts		
Min: 75,000 Max \$3,000,000		Occupancy		
Investment Properties (Business Purpose)		Loan Purpose		
Purchase, Rate/Term, and Cash Out		2-1 Temporary Buydown Purchase Only Option		
Seller Paid Buydown/Concession Min Score 680 Min DSCR >= .75		Cash-Out		
LTV > 60% - \$500,000 or when DSCR is >= .75 unlimited cash out permitted with 18 months reserves exclusive of cash back LTV <=60% - Unlimited		Property Type		
Single Family, Attached, 2-4 Units, Warrantable Condo, and Non-Warrantable Condo. C4 condition rating or better. Condotels Rural Properties are not eligible.		Condotel		
Purchase or Rate/Term: 700 Score / Max LTV 70% 680 Score / Max LTV 65%		Cash Out: 700 Score / Max LTV 65% 680 Score / Max LTV 60%		
		Min DSCR >= .75 Max Loan Amt: \$1,500,000 Min Reserves: 6 months		

Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection 2 nd Appraisal required for loan amounts > \$2m on loans with a DSCR > .75. No Ratio loans with loan amounts > \$1,500,000 require 2 appraisals. Appraisal Review Product to be ordered on all loans with an SSR over 2.5 with the exception of those with a full second appraisal.		
Declining Markets	Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.		
Rural Property (Vacation Areas Only)	Properties meeting the rural definition are not allowed. Property up to 2-acres, not meeting the rural definition, eligible with the following restrictions: If property is accessible by a gravel road and distance of comparables is > 1 mile away, the property could be considered rural even if it is marked suburban, and then Max LTV is the lesser of 65% LTV or the applicable Matrix LTV. Min DSCR >= 1.00		
Income Requirements – Investor DSCR			
Income	General Requirements: All refinance transactions require the property to be leased. Vacant property not eligible with the exceptions of properties leased through short term rental agencies or on certain Delayed Financing loans (see guides for details). Property must not be occupied by any member of the borrower's LLC or any family member. Short Term Rentals: Defined as properties leased on a nightly, weekly, monthly, or seasonal basis. ALL STRs require evidence from third party vendor (such as Property Guard, Vrolio or equivalent) validating that the governing municipality where the subject STR is located allows properties to be rented as STRs; with the exception of the five (5) New York City Boroughs (Manhattan, Brooklyn, The Bronx, Queens and Staten Island), which are ineligible for purchase by NQM Funding. Not permitted for No Ratio. Max LTV: o Lesser of 75% or the LTV/CLTV available per the matrix. o Foreign Nationals: Lesser of 70% or the LTV/CLTV available per the matrix. DSCR Calculation Methods and Minimum DSCR: Option 1: Lesser of 1007/1025 completed using either long-term or short-term market rents – Min DSCR .75. o When the 1007/1025 is prepared with the use of short-term rentals, the appraiser is required to address the seasonality of the subject property short term rental market in computing the market rent. If the appraiser fails to appropriately address for seasonality, gross rents should be computed using the vacancy factor as determined by the AirDNA Property Earning Report. For example, if the occupancy rate is 60%, a 40% vacancy factor must be applied to the short term rental income from the comparable rent schedule. o For Long Term Rentals, when the actual rent as documented from the lease exceeds market rents, the higher figure may be used with two months proof of receipt of the higher rental income. Option 2: 12-month lookback period to determine avg rents or annual or monthly statements from AirBNB or similar service – Min DSCR .75. Option 3: AirDNA / Min DSCR 1.15. Available only on purchases or recently renovated refinances AirDNA's "Revenue Calculator/Property Earning Potential Report" (fka Rentalizer) must meet the following requirements: Forecast period must cover 12 months from Note date. Occupancy rate must be >= 50%. Income calculation (AirDNA annual gross revenue ÷ 12) Must have five (5) comparison properties. Must be similar in size, room count, amenities, availability, and occupancy. For 2-4 Units, a report must be pulled on each individual unit in AirDNA, and the sum of all combined units' rental income will be used to determine the DSCR ratio.		
Underwriting Requirements – Investor DSCR			
Credit Score	Lowest Middle score of all borrowers	DSCR	Loan amounts >= \$75K - < \$125K: 1.00. Cash out refinances on properties acquired in the past 12 months: .75. Minimum DSCR .75 unless qualifying using the No Ratio guides. Condotels min DSCR >= .75 See matrix for all else.
Tradelines when DSCR is .75 or greater	All borrowers have 3 scores: or Min: 2 open and reporting 24- months; or 3 open and reporting 12-months; or 24-months mortgage rating reporting on credit	Reserves (>= .75)	Loan Amount to \$500K and <=80% LTV = 3 months of PITIA Loan Amount to \$500K and > 80% LTV = 6 months of PITIA Loan Amount >\$500K to \$2.0M = 6 months of PITIA Loan Amount > \$2.0M = 12 months of PITIA Multi-Family @ 80% LTV requires greater of 6 months or reserves indicated above. Cash out may be used to satisfy requirement
Tradelines – No Ratio	Each borrower must have a minimum of two trades within 24 months that show a 12-month history OR a combined credit profile between both borrowers with a minimum of three tradelines. Tradeline activity is not required. Eligible trades cannot have delinquency in the past 24 months. Current housing not reporting on credit may count as a trade if cancelled checks/debits are provided.	Reserves – No Ratio	Loan Amount >=\$75K to \$500K – 3 months of PITIA Loan Amount > \$500,000 – \$2.0M = 6 months of PITIA Cash out may be used to satisfy requirement
		Gift Funds	Allowed after min 10% borrower contribution. Cannot be used to meet reserve requirements
		Assets	30-day asset verification required
Investor Experience	Not required	Age of Documentation	Credit reports must be dated within 120 days of the Note date. Income and Asset Documentation must be dated within 90 days of the Note date.
Prepayment Penalty	Required on Investment Properties when permitted. See PPP Requirements Matrix		



Foreign National – 2nd Home
and Investment Only

ZETA

Maximum LTV/CLTVs		2 nd Home 2 Year Standard Doc/Asset Utilization (Investment properties reduce LTV by 5%)			
Credit Score	Loan Amount	Purchase	R/T Refi	Cash-Out Refi	
700+	<=1,500,000	75	70	65	
	1,500,001 – 2,500,000	70	70	65	
	2,500,001 – 3,000,000	65	65	60	
Foreign Credit	<=1,000,000	70	70	65	
	1,000,001 – 1,500,000	70	70	65	
	1,500,001- 2,500,000	65	65	60	
	2,500,001 – 3,000,000	60	60	55	
Housing History	Housing Event Seasoning	First Time Investor	Unleased Properties		
0x30x12	BK/FC/SS/DIL/Mod: > 48 Mo	Allowed	Not Allowed on Refinances		
Property Type Restrictions					
Condo & 2-4 Units: Max LTV/CLTV: 70%					
Maximum LTV/CLTVs		DSCR (Investment Only)			
DSCR	Credit Score	Loan Amount	Purchase	R/T Refi	Cash-Out
>=1.00	700+	<=2,000,000	70	70	65
		2,000,001 – 2,500,000	65	65	60
		2,500,001 – 3,000,000	60	60	55
	Foreign Credit	<=2,000,000	70	70	65
		2,000,001 – 2,500,000	65	65	60
		2,500,001 – 3,000,000	55	55	50
Housing History	Housing Event Seasoning	First Time Investor	Unleased Properties		
0x30x12	BK/FC/SS/DIL/Mod: >= 36 Mo	Allowed	Not Allowed on Refinances		
State Restrictions					
<div><div>FL: Foreign Nationals originating from China are ineligible</div><div>HI: Non-licensed State.</div><div>IL: counties: Cook, Kane, Peoria, and Will: 2nd Homes not permitted - Does not apply to Correspondents.</div><div>NY:<div>o STRs in the 5 NYC Boroughs are ineligible.</div><div>o No 5/6 ARMs on OO loans below the FNMA loan limits.</div><div>o Subprime permitted on Fixed Rate only. See guidelines for full details.</div></div></div> <div>MS: LTVs must be reduced by 5%.</div>					
General Requirements					
Product Type	<div><div>30-Yr Fixed, 15-Yr Fixed, 30-Yr Interest Only</div><div>When ARMs are reinstated, ARMs are not available in MS</div></div>				
Interest Only	30-Yr Interest Only Available				
Loan Amounts	<div><div>Min: 150,000 (no exceptions)</div><div>Max: 3,000,000</div></div>				
Occupancy	<div><div>Full Doc – 2nd Home and Investment Property (Business Purpose)</div><div>DSCR – Investment Property (Business Purpose)</div></div>				
Loan Purpose	Purchase, Rate/Term, and Cash Out				
Cash-Out	<div><div>\$750,000 if LTV > 50%</div><div>Unlimited for LTV <= 50%</div></div>				
Property Type	<div><div>Single Family, Attached, 2-4 Units, Warrantable and Non-Warrantable Condo, Condotel (See NQM Funding, LLC Guide for Restrictions).</div><div>C4 condition rating or better.</div><div>Condo & 2-4 Units - Max LTV/CLTV: Purchase and R/T = 70%; Cash-out = 65%</div></div>				
Appraisals	<div><div>FNMA Form 1004, 1025, 1073 with interior/exterior inspection,</div><div>2nd Appraisal required for loan amounts > \$2M.</div></div>				
Declining Markets	Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.				
Rural Property (Vacation Areas Only)	<div><div>Not allowed as defined in the Guidelines.</div><div>Property up to 2-acres, not meeting the rural definition, eligible with the following restrictions:</div><div>If property is accessible by a gravel road and comparables distance are > 1 mile away, the property could be considered rural even if it is marked suburban, and then Max LTV is the lesser of 65% LTV or the applicable Matrix LTV.</div></div>				
Condotel	<div><div>Full Doc NOO Purchase or Rate/Term</div><div>Max 70% LTV</div><div>DSCR Purchase or Rate/Term</div><div>Max 65% LTV</div><div>Full Doc NOO or DSCR Cash Out</div><div>Max 60% LTV</div></div>	<div><div>Max Loan Amount \$1,500,000</div><div>Minimum 6 months reserves</div><div>Minimum 400 square feet</div><div>Must have full kitchen & 1 separate bedroom.</div></div>	<div><div>Must be in a resort area or affiliated with a national hotel chain.</div></div>		
ACH Form	Automatic Payment Authorization (ACH) Form is required for set-up along with a copy of a cancelled check.				
Income Requirements – Foreign National					
Income – Standard Doc	<div><div>Salary/Wage</div><div><div>Paystubs covering a minimum of 30-days (which include YTD income) and ONE of the following:</div><div><div>W-2 equivalent; OR</div><div>Two (2) years tax returns from borrower country of origin; OR</div></div></div></div>				
<div><div><div>o A letter from employer on company letter head providing current monthly salary, YTD earnings and total earnings for the past 2-years. Letter from employer must be on company letterhead, including address and company web address, Employer to be independently verified (LexisNexis, D&B, Google, other). All docs must be translated by an independent certified translator.</div><div>Self-Employed</div><div><div>Must be self-employed for a minimum of 2 years evidenced by a letter from the borrower's CPA or local equivalent (the "Accountant") on Accountant letterhead. The letter must include income figures for each of the last 2 years and YTD income. A business license (where required) and organization documents should be provided; and</div><div>A copy of the Accountant's current license is required. The Business & Accountant must be independently verified; and</div><div>All documents must be translated by an independent certified translator.</div></div></div></div>					

Asset Utilization	<ul style="list-style-type: none">Eligible assets must be sourced and seasoned for a minimum of four (3) months.Qualified assets and reserves may be deposited in a financial institution outside the U.S. subject to State/LTV restrictions.Eligible assets must be divided by 60 to determine a monthly income stream.		
Income – DSCR	<p>General Requirements:</p> <ul style="list-style-type: none">All refinance transactions require the property to be leased. Vacant property not eligible with the exceptions of properties leased through short term rental agencies or on certain Delayed Financing loans (see guides for details).Property must not be occupied by any member of the borrower’s LLC or any family member. <p>Short Term Rentals:</p> <ul style="list-style-type: none">Defined as properties leased on a nightly, weekly, monthly, or seasonal basis.ALL STRs require evidence from third party vendor (such as Property Guard, Vrolio or equivalent) validating that the governing municipality where the subject STR is located allows properties to be rented as STRs; with the exception of the five (5) New York City Boroughs (Manhattan, Brooklyn, The Bronx, Queens and Staten Island), which are ineligible for purchase by NQM Funding. <p>DSCR Calculation Methods and Minimum DSCR:</p> <ul style="list-style-type: none">Option 1: Lesser of 1007/1025 completed using either long-term or short-term market rents – DSCR min 1.00.<ul style="list-style-type: none">When the 1007/1025 is prepared with the use of short-term rentals, the appraiser is required to address the seasonality of the subject property short term rental market in computing the market rent. If the appraiser fails to appropriately address for seasonality, gross rents should be computed using the vacancy factor as determined by the AirDNA Property Earning Report. For example, if the occupancy rate is 60%, a 40% vacancy factor must be applied to the short term rental income from the comparable rent schedule.For Long Term Rentals, when the actual rent as documented from the lease exceeds market rents, the higher figure may be used with two months proof of receipt of the higher rental income.Option 2: 12-month lookback period to determine avg rents or annual or monthly statements from AirBNB or similar service - DSCR min 1.00.Option 3: AirDNA / Min DSCR 1.15. Available only on purchases or recently renovated refinances <p>AirDNA’s “Revenue Calculator/Property Earning Potential Report” (fka Rentalizer) must meet the following requirements):</p> <ul style="list-style-type: none">Forecast period must cover 12 months from Note date.Occupancy rate must be >= 50%.Income calculation (AirDNA annual gross revenue ÷ 12)Must have five (5) comparison properties.Must be similar in size, room count, amenities, availability, and occupancy.For 2-4 Units, a report must be pulled on each individual unit in AirDNA, and the sum of all combined units’ rental income will be used to determine the DSCR ratio.		
Underwriting Requirements – Foreign National			
Documentation Requirements	<p>Provide borrower’s valid and unexpired passport and documentation the borrower is legally present:</p> <ul style="list-style-type: none">Copy of borrower’s unexpired visa OR an I-797 with valid extension dates and I-94Borrowers from countries participating in the visa waiver program are not required to provide a visa.Citizens of Canada traveling to the US do not require nonimmigrant visa.		
Credit Score	Middle of 3 scores or lower of 2, if available	DTI Requirements	Standard Max 50% (does not apply to DSCR)
Tradelines	Minimum: 2 open and reporting 24-months or 3 open and reporting 12-months even if 3 credit scores are available. See Guide for requirements	Reserves	<ul style="list-style-type: none">12-months of PITIA6-months with 5% LTV reduction.Cash out may be used to satisfy requirement
Assets	<ul style="list-style-type: none">30-days asset verification required for US Based Accounts; 60-days for Foreign AssetsDeposits > 50% of gross income must be documented on purchases	FN – Residual Income 2 nd Homes only	<ul style="list-style-type: none">Defined as Gross Monthly Income – Total Monthly Obligations.Requirement based on # in household.FN: applies to HPML loans or when the DTI > 43% on 2nd homes only:<ul style="list-style-type: none">1 person = \$1,5002 persons = \$2,500Add \$150 per additional household member.
Gift Funds	See NQMF Guidelines for Restrictions		
Age of Documentation	<ul style="list-style-type: none">Credit reports must be dated within 120 days of the note date.Income and Asset Documentation must be dated within 90 days of the Note date.		
Escrow Impounds	<ul style="list-style-type: none">Escrow of taxes and insurance are required with ACH payments for all Foreign National Loans.		
Prepayment Penalty	<ul style="list-style-type: none">Required on NOO when permitted.See PPP Requirements Matrix		

Maximum LTV/CLTVs		Full Documentation – Primary Residence			
Credit Score	Loan Amount	Purchase	Rate & Term	Cash-Out	Max DTI
740	\$3,500,001 - \$4,000,000	70	70	60	38%
720		65	65	55	
740	\$4,000,001 - \$4,500,000	65	65	55	
720		60	60	50	
740	\$4,500,001 - \$5,000,000	65	65	55	
720		60	60	50	
State Restrictions					
ⓘ FL: Non-Permanent Resident Aliens from China are ineligible.					
ⓘ HI: Non-licensed State.					
ⓘ IL counties: Cook, Kane, Peoria, and Will: Not permitted for OO - Does not apply to Correspondents.					
ⓘ MS: LTVs must be reduced by 5%.					
Program Description					
Program Description	ⓘ The Super Jumbo Program is a specialty product for high-net-worth borrowers (Solid and stable income and credit, considerable assets to cover down payment, closing costs and reserves).				
	ⓘ The collateral must be a prime real estate property within a prime real estate market for the property type.				
Underwriting	ⓘ Manual Underwriting.				
	ⓘ Express (DU) is not permitted.				
General Requirements					
Products	ⓘ 30-Year Fixed Fully Amortizing				
	ⓘ 40-Year Fixed IO				
Interest Only	ⓘ Purchase, R/T and Cash-Out: allowed per LTV limits in Matrix				
Loan Amounts	ⓘ Minimum Loan Amount: \$3,500,001				
Income Documentation	ⓘ 1-Yr Full Documentation				
	ⓘ 2-Yrs Full Documentation				
Borrower Eligibility	ⓘ Non-Occupant Co-Borrowers are not permitted.				
	ⓘ First Time Home Buyers are not permitted.				
	ⓘ ITIN borrowers are not permitted.				
Occupancy	ⓘ Primary Residence				
Property Types	ⓘ SFR/PUD 1-Unit				
	ⓘ SFR with more than one Accessory Dwelling Unit is not permitted.				
	ⓘ Condo (Warrantable/Non-Warrantable)				
	ⓘ Max 2 acres				
	ⓘ No farms/rural properties				
Appraisal Requirements	ⓘ Two (2) Full Appraisals (interior/exterior)				
	ⓘ FNMA Form 1004, 1073 with interior/exterior inspection				
Declining Markets	ⓘ Purchase and R/T: the lesser of matrix LTV or max 65%				
	ⓘ Cash-Out: the lesser of matrix LTV or max 55%				
Cash-Out	ⓘ Max cash-out (defined as cash in hand): \$1,500,000.				
	ⓘ Cash-Out proceeds may not be used to meet reserves				
Income Requirements					
Full Doc Income	ⓘ W-2, 2 Years or 1 Year, IRS Form 4506				
	ⓘ Self-Employed: 2 Years or 1 Year of Personal and Business Tax Returns,				
	ⓘ YTD P&L, IRS Form 4506, 2 months of most recent bank statements.				
	ⓘ S/E Borrower must have a minimum of 2 full years in the current business.				
	ⓘ The business must be in existence and operating for a minimum of 2 full years.				
	ⓘ Verbal VOE required within 10-days of Note Date for wage earners.				
	ⓘ 30 days for self-employed borrowers				
Underwriting Requirements Super Jumbo - Full Doc					
Credit Score	ⓘ Middle of 3 scores or lower of 2 for Primary Income Earner.	DTI Requirements	ⓘ Max 38%		
		Housing History	ⓘ 0x30x24		
Assets	ⓘ 30-day asset verification required	Escrow Waivers	ⓘ Not permitted		
Tradelines	ⓘ Primary wage earner has 3 scores; or	Reserves	ⓘ > \$3.5M to \$4.0M: 12 months min PITIA reserves		
	ⓘ Min 2 open & reporting 24-months; or		ⓘ > \$4.0M to \$5.0M: 18 months min PITIA reserves		
	ⓘ 3 open and reporting 12-months; or		ⓘ Cash-Out proceeds may not be used to meet reserves.		
	ⓘ 24-months mortgage rating reporting on credit				
Gift Funds	ⓘ Permitted after 20% contribution towards down payment, closing costs, prepaid and reserves are met from Borrower's own funds.	Age of Documentation	ⓘ Credit reports must be dated within 120 days of the Note date.		
			ⓘ Income and Asset Documentation must be dated within 90 days of the Note date.		
Credit Events	ⓘ >= 48 months	Prepayment Penalty	ⓘ Not permitted		

Maximum LTV/CLTVs		Alt Documentation – Primary Residence			
Credit Score	Loan Amount	Purchase	Rate & Term	Cash-Out	Max DTI
740	\$3,500,001 - \$4,000,000	70	70	60	38%
720		65	65	55	
740	\$4,000,001 - \$4,500,000	65	65	55	
720		60	60	50	
740	\$4,500,001 - \$5,000,000	65	65	55	
720		60	60	50	
State Restrictions					
ⓘ FL: Non-Permanent Resident Aliens from China are ineligible. ⓘ HI: Non-licensed State. ⓘ IL counties: Cook, Kane, Peoria, and Will: Not permitted for OO - Does not apply to Correspondents. ⓘ MS: LTVs must be reduced by 5%.					
Program Description					
Program Description	ⓘ The Super Jumbo Program is a specialty product for high-net-worth borrowers (Solid and stable income and credit, considerable assets to cover down payment, closing costs and reserves). ⓘ The collateral must be a prime real estate property within a prime real estate market for the property type.				
Underwriting	ⓘ Manual Underwriting ⓘ Express (DU) is not permitted.				
General Requirements					
Products	ⓘ 30-Year Fixed Fully Amortizing ⓘ 40-Year Fixed IO				
Loan Amounts	ⓘ Minimum Loan Amount: \$3,500,001				
Interest Only	ⓘ Purchase, R/T and Cash-Out: allowed per LTV limits in Matrix				
Borrower Eligibility	ⓘ Non-Occupant Co-Borrowers are not permitted. ⓘ First Time Home Buyers are not permitted. ⓘ ITIN borrowers are not permitted.				
Occupancy	ⓘ Primary Residence only				
Property Types	ⓘ SFR/PUD- 1=Unit ⓘ Condo (Warrantable/Non-Warrantable) ⓘ Max 2 acres ⓘ No farms or rural properties				
Appraisal Requirements	ⓘ Two (2) Full Appraisals (interior/exterior) ⓘ FNMA Form 1004, 1073 with interior/exterior inspection				
Declining Markets	ⓘ Purchase and R/T: the lesser of matrix LTV or max 65% ⓘ Cash-Out: the lesser of matrix LTV or max 55%				
Cash-Out	Max cash-out (defined as cash in hand): ⓘ Max \$1,500,000 ⓘ Cash-Out proceeds may not be used to meet reserves.				
Income Requirements - Super Jumbo – Alt Doc					
Self-Employment	ⓘ S/E Borrower must have a minimum of 2 full years in the current business. ⓘ The business must be in existence and operating for a minimum of 2 full years.				
Personal Bank Statements:	ⓘ 24 months of Personal and 2-months of business bank statements. ⓘ Qualifying income is determined by the total eligible deposits from the 24 months of personal statements divided by the number of statements. ⓘ The business bank statements must reflect business activity and transfers to the personal account. ⓘ Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history.				
Business Bank Statements:	ⓘ 24 months of business bank statements. Qualifying income is determined by ONE of the following analysis methods: o Fixed Expense Ratio (50%); OR o Expense Ratio provided by a 3rd party (CPA or EA) min ratio of 10%, OR o 3rd party prepared Profit & Loss Statement (CPA or EA). ⓘ Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history				
Asset Utilization	ⓘ Eligible assets divided by 84 to determine a monthly income stream (sourced/seasoned for 3-months) ⓘ Purchase, Rate/Term and Cash-Out: follow LTV limits in matrix. ⓘ Maximum loan amount \$5,000,000				
Underwriting Requirements - Super Jumbo - Alt Doc					
Credit Score	ⓘ Middle of 3 scores or lower of 2 for Primary Income Earner.	DTI Requirements	ⓘ Max 38%		
		Housing History	ⓘ 0x30x24		
Assets	30-day asset verification required	Escrow Waivers	ⓘ Not permitted		
Tradelines	ⓘ Primary wage earner has 3 scores; or ⓘ Min 2 open & reporting 24-months; or ⓘ 3 open and reporting 12-months; or ⓘ 24-months mortgage rating reporting on credit	Reserves	ⓘ > \$3.5M to \$4.0M: 12 months min PITIA reserves ⓘ > \$4.0M to \$5.0M: 18 months min PITIA reserves ⓘ Cash-Out proceeds may not be used to meet reserves.		
Gift Funds	ⓘ Permitted after 20% contribution towards down payment, closing costs, prepaid and reserves are met from Borrower's own funds.	Age of Documentation	ⓘ Credit reports must be dated within 120 days of the Note date. ⓘ Income and Asset Documentation must be dated within 90 days of the Note date.		
Credit Events	ⓘ >= 48 months	Prepayment Penalty	ⓘ Not permitted		



ITIN – FULL DOC MATRIX

ITIN

Maximum LTV/CLTVs		Primary Residence		
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units
740	125,000 – 1,500,000	85*	80	1-Unit SFR/PUD, Condo*
	1,500,001 – 2,000,000	80	80	
	2,000,001 - 2,500,000	75	70	
720	125,000 – 1,500,000	85*	80	
	1,500,001 - 2,000,000	80	75	
	2,000,001 – 2,500,000	60	60	
700	125,000 - 1,500,000	85*	80	
	1,500,001 - 2,000,000	70	70	
660	125,000 - 1,500,000	80	75	
640	125,000 - 1,500,000	75	70	
720	125,000 - 1,500,000	80	75	2-4-Units Family Housing
	1,500,001 - 2,000,000	75	60	
700	125,000 - 1,500,000	80	70	
	1,500,001 - 2,000,000	70	60	
680	125,000 - 1,500,000	75	70	
Notes	• SFR, PUD, Townhouse: Max 85% LTV • Warrantable Condo* Projects: Max 80% LTV • Non-Warrantable Projects: Max 75% LTV			
Maximum LTV/CLTVs		Second Home		
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units
720	125,000 - 1,500,000	75	70	1-Unit SFR, Condo, PUD
	1,500,001 – 2,000,000	75	60	
700	125,000 – 1,500,000	75	70	
	1,500,001 – 2,000,000	70	60	
660-699	125,000 - 1,500,000	70	65	
Notes	• Second Homes: 2-4 Unit Properties are Ineligible • Non-Warrantable Projects: Max 75% LTV			
Maximum LTV/CLTVs		Investment Property (Business Purpose)		
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units
700	125,000 – 1,500,000	75	70	1-4-Units, Condo, PUD
	1,500,001 – 2,000,000	75	70	
	2,000,0001 – 2,500,000	70	65	
680	125,000 – 1,500,000	70	65	
	1,500,001 – 2,000,000	70	65	
	2,000,0001 – 2,500,000	65	60	
660	125,000 – 1,500,000	70	65	
	1,500,001 – 2,000,000	60	N/A	
Notes	• Non-Warrantable Condos: Max 75% LTV			
ITIN – Full Doc – Overlays				
ITIN Overlays	<div><div><div>▮ Max Loan Amount: \$2,500,000</div><div>▮ Eligible Products/Terms:<ul style="list-style-type: none">○ 5/6 SOFR ARM 30-Yr Term○ 5/6 I/O SOFR ARM 30-Yr○ 30-Yr FRM Full Am & I/O○ 15-Year Fixed Fully Amortizing</div><div>▮ I/O: ARMs and 30-Yr FRM= 30-yr Term only</div><div>▮ Tradelines:<ul style="list-style-type: none">○ Waived with three (3) scores.○ Spouses may combine trades.○ If no full housing history and has 3 scores, OR when only 2 scores are available:<ul style="list-style-type: none">▮ 2 open & active trades for 24 months; OR▮ 3 open & active trades for 12 months.</div><div>▮ Housing/Rental History: 0x30x12 plus VOR or VOM</div><div>▮ Credit Event Seasoning: 4 -years for BK, SS, DIL and 7-years for FCL.</div><div>▮ Max Cash-Out:<ul style="list-style-type: none">○ If LTV > 60% = Max \$750K (Not eligible with DU option for unlimited cash-out with 18 months additional reserves).</div></div><div><div>▮ Ratios and Qualifying:<ul style="list-style-type: none">○ See Residual Income in the guidelines.</div><div>▮ Income Doc Types:<ul style="list-style-type: none">○ Wage Earner: WVOE, 1-2 yrs W-2, 1-2-yr 1040s plus transcripts; and VVOE within 10 days from closing.○ If FNMA DU Validation electronic vendor VOE w/Income is provided, then transcript is not required.○ No eligible for Express (DU)○ Self-Employed Borrower: 1-2-yr 1040s plus transcripts; YTD P&L, plus 2-mos bank statements good thru the P&L period end date, transcripts; K-1s and Schedule E for business entities prior 1-2 yrs is >=25% ownership. Business Verification required within 30 days from closing.</div><div>▮ Gift Funds:<ul style="list-style-type: none">○ Gift funds not permitted on NOO.</div><div>▮ Property Restrictions:<ul style="list-style-type: none">○ Condo Warrantable – Max 80% LTV○ Condo Non-Warrantable – Max 75% LTV</div></div></div>			

ITIN – ALT DOC Matrix

Maximum LTV/CLTVs		Primary Residence			
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units	
740	125,000 - 1,500,000	80	80	1-Unit SFR, Condo, PUD	
	1,500,001 – 2,000,000	80	80		
	2,000,001 - 2,500,000	75	70		
720	125,000 - 1,500,000	80	80		
	1,500,001 - 2,000,000	80	75		
	2,000,001 – 2,500,000	60	60		
700	125,000 - 1,500,000	80	80		
	1,500,001 - 2,000,000	70	70		
660	125,000 - 1,500,000	80	75		
640	125,000 - 1,500,000	75	70		
720	125,000 - 1,500,000	80	75	2-4-Units Family Housing	
	1,500,001 - 2,000,000	75	60		
700	125,000 - 1,500,000	80	70		
	1,500,001 - 2,000,000	70	60		
680	125,000 - 1,500,000	75	70		
Notes	• Non-Warrantable Projects: Max 75% LTV				
Maximum LTV/CLTVs		Second Home			
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units	
720	125,000 – 1,500,000	75	70	1-Unit SFR, Condo, PUD	
	1,500,001 – 2,000,000	75	60		
700	125,000 – 1,500,000	75	70		
	1,500,001 – 2,000,000	70	60		
660-699	125,000 – 1,500,000	70	65		
Notes	• Second Homes: 2-4 Unit Properties are Ineligible • Non-Warrantable Projects: Max 75% LTV				
Maximum LTV/CLTVs		Investment Property			
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units	
700	125,000 – 1,500,000	75	70	1-4-Units, Condo, PUD	
	1,500,001 – 2,000,000	75	70		
	2,000,0001 – 2,500,000	70	65		
680	125,000 – 1,500,000	70	65		
	1,500,0001 – 2,000,000	70	65		
	2,000,0001 – 2,500,000	65	60		
660	125,000 – 1,500,000	70	65		
	1,500,0001 – 2,000,000	60	N/A		
Notes	• Non-Warrantable Condos: Max 75% LTV				
ITIN – Alt Doc – Overlays					
ITIN Overlays	▮ <u>Max Loan Amount:</u> \$2,500,000		▮ <u>Ratios and Qualifying:</u>		
	▮ <u>Eligible Products/Terms:</u>		o See Residual Income in the guidelines.		
	o 5/6 SOFR ARM 30-Yr Term		▮ <u>Income Doc Types:</u>		
	o 5/6 I/O SOFR ARM 30-Yr		o <u>12- or 24- months personal or business bank statements</u>		
	o 30-Yr FRM Full Am & I/O		o CPA/Tax Prep/EA 12-Month P&L + 2 months bank statements		
	o 15-Year Fixed Fully Amortizing		o P&L Only not eligible		
	▮ <u>I/Q:</u> ARMs and 30-Yr FRM/30-yr Term only		o 12- or 24- months 1099s		
	▮ <u>Tradelines:</u>		o Not eligible for Express (DU), WVOE w/Bank Statements or P&L Only.		
	o Waived with three (3) scores.		o <u>Asset Utilization:</u> Supplemental or standalone (60 months only). May be combined with Full Doc Income as primary source of income.		
	o Spouses may combine trades.		▮ <u>Gift Funds:</u>		
o If no full housing history and has 3 scores, OR when only 2 scores are available:		o Gift funds not permitted on NOO.			
▮ 2 open & active trades for 24 months; OR		▮ <u>Property Restrictions:</u>			
▮ 3 open & active trades for 12 months.		o Condo Non-Warrantable - Max 75% LTV			
▮ <u>Housing/Rental History:</u> 0x30x12 and VOR/VOM					
▮ <u>Credit Event Seasoning:</u> 4 -years for BK, SS, DIL and 7-years for FCL.					
▮ <u>Max Cash-Out:</u>					
o LTV > 60% = Max \$750K (Not eligible with DU option for unlimited cash-out with 18 months additional reserves).					

FLEX CLOSED END SECOND LIEN 2 Year ALT Doc or 2 Year Full Doc										
Occupancy	Transaction Type	Property Type	Min Credit Score	CLTV	Max Loan Amount	Max Exposure w/CLTV > 80%	Max Exposure w/CLTV 70.01-80%	Max Exposure w/CLTV <= 70%		
Primary Residence	Purchase & Rate/Term Refinance	SFR	740	85%	\$500,000	\$2,000,000	\$3,500,000	\$4,000,000		
			720	80%						
		SFR/Condo¹	740	85%			\$3,000,000	\$3,500,000		
			700	80%						
			680	80%						
	Cash Out	SFR	740	85%			\$3,500,000	\$4,000,000		
			720	80%						
		SFR/Condo¹	700	80%					\$3,000,000	\$3,500,000
			740	85%						
			680	75%						
¹Second Homes and Non-Warrantable Condos: reduce max LTV by 5%										
General Requirements – Second Lien										
Restrictions	⌚ TPO must be approved to deliver second liens. ⌚ Not permitted in MS, NJ, NY, TN, or TX ⌚ FL: Non-Permanent Resident Aliens from China are ineligible. ⌚ HI: Non-licensed state. ⌚ IL: 2 nd liens in IL are only ineligible for TRID loans located in Cook, Kane, Peoria and Will Counties. Does not apply to Correspondents.									
Product Type	⌚ Fixed Closed End Second ⌚ Manual Underwriting only – Not eligible for Express (DU) .									
Available Terms	⌚ 15-Year, 20-Year, 25-Year, and 30-Year									
Loan Amounts	⌚ Min: \$125,000 ⌚ Max: \$500,000									
Occupancy	⌚ Primary and Second Home¹									
Borrowers	⌚ Non-Occupant Co-Borrowers are not permitted on the 1st or 2nd lien.									
Loan Purpose	⌚ Purchase, Rate/Term Refinance and Cash Out									
Cash-Out	⌚ Cash-out with less than six (6) months seasoning is permitted, provided the LTV is based off the lesser of the purchase price or the appraised value. ⌚ For a refinance transaction paying off an existing subordinate lien, if that subordinate lien was a cash out transaction, a minimum of six (6) months seasoning must elapse prior to the new refinance.									
Property Type	⌚ Single Family, Attached, Detached ⌚ PUD ⌚ Townhouse ⌚ Warrantable Condos ⌚ Non-Warrantable Condominium with 5% reduction in LTV ⌚ Condotels not permitted.									
Appraisals	⌚ Full interior/exterior appraisal required.									
Declining Markets	⌚ Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.									
Rural Property	⌚ Not permitted									
Income Requirements – Second Lien										
Full Doc	⌚ 2-year Full Doc									
Personal Bank Statements:	⌚ 24 months of Personal and 2-months of business bank statements. ⌚ Qualifying income is determined by the total eligible deposits from the 24 months of personal statements divided by the number of statements. ⌚ The business bank statements must reflect business activity and transfers to the personal account. ⌚ Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history.									
Business Bank Statements:	⌚ 24 months of business bank statements. Qualifying income is determined by ONE of the following analysis methods: ⌚ Fixed Expense Ratio (50%); OR ⌚ Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10%, OR ⌚ 3rd party prepared Profit & Loss Statement (CPA or EA) ⌚ Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history.									
24 months CPA/EA prepared Profit & Loss Statement	⌚ 24 months P&L, prepared by CPA or EA ⌚ Minimum of 2-months business bank statements ⌚ Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history									
IRS Form 1099	⌚ 2 Years 1099 ⌚ Fixed Expense Ratio of 10% ⌚ YTD Documentation to support continued receipt of income from same source.									
Asset Utilization	⌚ Not permitted									
Underwriting Requirements – Second Lien										
Credit Score	⌚ Middle of 3 scores or lower of 2 for Primary Income Earner. ⌚ Additional borrowers must have a minimum	DTI Requirements	⌚ Max 50% Primary ⌚ Max 43% Second Home							
Mortgage History	⌚ 0x30x24	I/O First Mortgage Qualifying Requirements	⌚ Interest Only (I/O) First Mortgage must be qualified at the fully amortizing P&I payment							
	⌚ If the Primary wage earner has 3 credit scores, there are no further tradeline requirements. ⌚ Otherwise, trades must meet one of the	Assets	⌚ 30-days asset verification required ⌚ Deposits > 50% of gross income or average deposits on a bank statement loan must be documented on purchases							

Tradelines	following: 3 reporting for 12+ months + activity within most recent 12 months (may be closed) 2 reporting for 24+ with activity within most recent 12 months (may be closed) 24-months mortgage history reporting on credit report with a score	Gift Funds	Gift funds permitted provided borrower meets minimum contribution: 5% primary 10% second home Gift funds not permitted to be used towards reserves Defined as Gross Monthly Income – Total Monthly Obligations. Requirement based on # in household. Applies to HPML loans or when the DTI > 43% on OO and 2nd homes only: 1 person = \$1,500 2 persons = \$2,500 Add \$150 per additional household member
		Residual OO and 2 nd Homes only	
Housing Event and BK Seasoning	4 years	Reserves	6 months reserves required. Cash out may be used to satisfy requirement
Age of Documentation	Credit reports must be dated within 120 days of the Note date. Income and Asset Documentation must be dated within 90 days of the Note date.	Prepayment Penalty	Not permitted



Investor – DSCR (5-10 Units or Mixed Use 2-

Investment Property (Business Purpose)

GAMMA

Maximum LTV/CLTVs		>=1.00 DSCR		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
720+	<=1,500,000	75	75	70
	1,500,001 – 2,000,000	75	70	65
	2,000,001- 2,500,000	70	70	65
	2,500,001 – 3,000,000	70	70	65
700+	<=1,500,000	75	75	65
	1,500,001 – 2,000,000	70	70	65
	2,000,001- 2,500,000	65	65	60
	2,500,001 – 3,000,000	65	65	60
680 - 699	<=1,500,000	70	65	65
	1,500,001 – 2,000,000	65	60	60
	2,000,001- 2,500,000	65	60	60
	2,500,001 – 3,000,000	65	60	60
660-679	<=1,500,000	65	65	60
	1,500,001 – 2,000,000	60	60	55
Housing History	State Restrictions	Investor Experience		
0x30x24	FL: Foreign Nationals or Non-Permanent Resident Aliens from China are ineligible. HI: Non-licensed States. MS: Reduce LTVs by 5%.	No First Time Investors Experienced Investor: Borrower must have a history of owning and managing commercial or residential real estate for at least 1 year in the last 3 years		
Housing Event Seasoning				
BK/FC/SS/DIL/Mod: 24 Mos				
General Requirements				
Product Type	40-Yr Fixed, 30-Yr Fixed, 15-Yr Fixed, 40 YR I/O, 30 YR I/O.			
Interest Only	Min Credit Score: 660 Max LTV: 75% Borrower to qualify using the IO payment based on the qualifying rate (Greater of the fully indexed rate or note rate).			
Loan Amounts	Min: \$250,000 and Max \$3,000,000 Loan sizes under \$400,000 require a 5% reduction to LTV			
Occupancy	Investment Properties (Business Purpose)			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Cash-Out	Max cash-out: \$1,000,000			
Foreign National	Min DSCR >= 1.00 Min Score: 700 if using US Credit Foreign Credit is permitted. Reserves: 12 months PITIA LTV requirements: <= \$2.0M = Purch & R/T: 70% LTV or Cash-Out: 65% LTV > \$2.0M - \$2.5M = Purch & R/T: 65% LTV or Cash-Out: 60% LTV > \$2.5M - \$3.0M = Purch & R/T: 60% LTV or Cash-Out: 55% LTV			
Property Type	Residential 5-10 Units Mixed Use 2-8 units. For properties with less than 5 units, at least 1 unit must be commercial. o 2-3 Units: Max 1 commercial unit o 4-5 Units: Max 2 commercial units o 6-8 Units: Max 3 commercial units o Commercial space must not exceed 49% of the total building area			
Property Requirements	Minimum 400 square feet per unit Be accessible for year-round residential use. Contain a full kitchen and bath. Represent highest and best use of the property. Not contain any health or safety issues			
Property Condition	No fair or poor ratings No environmental issues (Storage or use of hazardous material, ex. Dry Cleaners, Laundromat) No health or safety issues as noted by the appraiser (ex. Broker windows, stairs, etc.) No excessive deferred maintenance that could become a health or safety issue for tenants. No structural deferred maintenance (ex. Foundation, roof, electrical, plumbing)			

Unleased Units	<ul style="list-style-type: none">Maximum 1 vacant unit on a 2-3 Unit property; 2 vacancies on 4+ units. Note that properties are permitted to be delivered vacant on purchase transactions.Unleased units must be in lease ready condition; units cannot be undergoing rehab, etc.		
Appraisals	<p><u>Residential 5-10 units:</u></p> <ul style="list-style-type: none">FHLMC 71AFHLMC 71B for loan amounts < \$750K (Correspondent only)Narrative report may be used but is not required. <u>Mixed Use 2-8 Units:</u>FHLMC 71AFHLMC 71B for loan amounts < \$750 (Correspondent only)General Purpose Commercial Forms (ex. GP Commercial Summary Form) or Narrative report <p>For loan amounts > \$2M, a second appraisal is not required if the 71A or Commercial Narrative report is provided. The following are required with each report:</p> <ul style="list-style-type: none">Full Interior Inspection of each unitRent roll.Income and Expense StatementPhotos of subject including exterior/interior and street sceneAerial photoSketch or floor plan of typical units.MapPlot plan or survey.Appraiser qualifications <p>BPO to be ordered on all transactions with the exception of those including two full appraisals.</p>		
Declining Markets	<ul style="list-style-type: none">Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.		
Rural Property	<ul style="list-style-type: none">Up to 2 acres, not meeting the rural definition, permitted		
Income Requirements – DSCR (5-10 Units or Mixed Use 2-8 Units)			
Income	<ul style="list-style-type: none">Use lower of Estimated market rent or lease agreement.For leases that have converted to month-to-month, provide 2 months bank statements to support rental income.Vacant unit(s) – use 75% of market rents. Max 1 vacancy on 2–3-unit properties or 2 vacancies on 4+ units.Reduce qualifying rents by any management fee reflected on the appraisal report.2-8 Mixed Use: Income from commercial space must not exceed 49% of the total property income.Minimum DSCR >=1.00Loan Amounts => \$2,000,000 also require Debt Yield of 9% or greater (Net Operating Income/Loan Amount = 9% or greater)		
Underwriting Requirements – DSCR (5-10 Units or Mixed Use 2-8 Units)			
Credit Score	<ul style="list-style-type: none">Middle of 3 scores or lower of 2 of all Borrowers	Reserves	<ul style="list-style-type: none">Loan Amt <= \$1.5M: 6 Months PITIALoan Amt > \$1.5M - \$2.0M: 9 months PITIALoan Amt > \$2.0M - \$2.5M: 12 Months PITIALoan Amt > \$2.5M - \$3.0M: 12 Months PITIACash out may be used to meet reserve requirements
Tradelines	<ul style="list-style-type: none">All borrowers have 3 scores: orMin: 2 open and reporting 24- months; or3 open and reporting 12-months.	Gift Funds	<ul style="list-style-type: none">Allowed after min 10% borrower contribution.Cannot be used to meet reserve requirements
Assets	<ul style="list-style-type: none">30-day asset verification required	Age of Documentation	<ul style="list-style-type: none">Credit reports must be dated within 120 days of the Note date.Income and Asset Documentation must be dated within 90 days of the Note date.
Prepayment Penalty	<ul style="list-style-type: none">Required on Investment Properties when permitted.See PPP Requirements Matrix		