

PRIMARY RESIDENCE					
Loan Purpose	LTV	CLTV	Loan Amount	Max Cash Back	FICO
Purchase Rate & Term	70%	70%	\$1,000,000	N/A	700
	60%	60%	\$2,000,000		700
Cash-out refi	70%	70%	\$1,000,000	\$400,000	700
SECOND HOME					
Loan Purpose	LTV	CLTV	Loan Amount	Max Cash Back	FICO
Purchase Rate & Term	60%	60%	\$750,000	N/A	700

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PROGRAM DETAILS	
Appraisals	<ul style="list-style-type: none"> A full appraisal with an interior and exterior inspection, including interior and exterior photos is required on all loans. All transactions with a loan amount >\$750,000 will require a desk review from Investor approved review appraiser. Properties that have been listed for sale within 3 months of the application date are ineligible. Maximum 20% appreciation if subject property was purchased within last 6 months. Additional restrictions may apply.
Bankruptcy Foreclosure, Short Sale or Deed-In-Lieu	<ul style="list-style-type: none"> Bankruptcy, Foreclosure, Short Sale, Deed-in-lieu - not permitted Consumer credit counseling is treated the same as bankruptcy and is therefore not permitted
Credit History	<ul style="list-style-type: none"> Payments: 0x30 day late housing within last 24 months, 0x30 day late revolving and installment within past 12 months Non-traditional credit is not acceptable Minimum two open and active trade lines with minimum 24 month history
Credit Review Documents	Documents older than 120 days as of the closing date are unacceptable. This includes new construction.
Eligible Borrowers	<ul style="list-style-type: none"> U.S. Citizens Permanent Resident Aliens Non-Permanent Resident Aliens Self Employed only

Documentation Requirements	<ul style="list-style-type: none"> • A full disclosure of income, assets and liabilities is required on 1003 • Self-employed borrowers must have been self-employed for a minimum of two years in same line of business • Self-employed business number must be verified via 411 or internet • Self-employed business license or CPA letter verifying borrower's ownership of business for last two years • Minimum 3 months bank statements for both business and personal assets must be provided • Rental agreements must be provided if rental income is used to qualify • Stated income levels are to be validated by documentation in file to be determined as reasonable. For example, average monthly deposits should support income levels or other documentation must be provided. • Passive income (retirement, Soc Security, trust, interest dividend, annuity, child support etc. must be fully verified
Eligible Funds	Must be borrower's own funds
Eligible States	CA, CO, OR, WA
Ineligible Transactions	<ul style="list-style-type: none"> • Borrowers who are principal or employees of third party originators • Property in an Estate • Employer/Employee Sales • Flip transactions • Borrower affiliated with the builder, developer or property seller
Interested Party Contributions	<ul style="list-style-type: none"> • Limited to 3%
Multiple Property Ownership	<ul style="list-style-type: none"> • In addition to the subject property, the borrower(s) may not own more than three (3) additional financed properties. • Properties owned which are free and clear of any financing do not count toward this limitation.
Non-Arms Length Transactions	<ul style="list-style-type: none"> • Gift of equity, sale by owner and any other non-arms length transactions are not permitted
Non-Occupant Co-Borrowers	Not allowed.
Non-Owner Occupied Property	Not allowed.
Private Mortgage Insurance	Not allowed.
Property Type	<ul style="list-style-type: none"> • 1 unit / PUD • 10 acre limit, no hobby farms • Condominium, Condo-tels and Cooperative property types are not eligible
Qualifying Rate ARM	<ul style="list-style-type: none"> • The qualifying interest rate will be the greater of the: • Note Rate • Fully Indexed Rate
Qualifying Payment	The fully amortized payment based on the qualifying rate will be used to qualify the borrower

Qualifying Ratios	<ul style="list-style-type: none"> Total monthly housing ratio is limited to 33% Total monthly debt ratio is limited to 43%
Liquidity - verified	<ul style="list-style-type: none"> Loan amount <= \$650,000, minimum liquidity = \$100,000 Loan amount >\$650,000 to \$1,000,000, minimum liquidity = \$250,000 Loan amount >\$1,000,000 to \$1,500,000, minimum liquidity = \$500,000 Loan amount >\$1,500,000, minimum liquidity = \$1,000,000 Cash, cash equivalent securities and other readily marketable securities may be used as verified liquidity Business account assets must be discounted to 33% of the current balance Stocks, Bonds and mutual funds must be discounted to 70% of the current balance Borrower(s) must be of retirement age (59 ½) in order for retirement assets to be used at 70% of the current balance Liquidity minimums are calculated after closing and do not include proceeds from cash out on current loan
Seasoning	Liens on the property must be seasoned for a minimum of 6 months. If the lien is a HELOC, it must be seasoned 12 months with no draws taken in the previous 12 months. Properties listed within 3 months of application date are not eligible for financing.
Subordination Agreement	<ul style="list-style-type: none"> Subordination agreement is mandatory, if applicable