

7/1 ARM (Full Amortized for 30 Years)

PURCHASE OR RATE/TERM REFINANCE for PRIMARY RESIDENCE or 2ND HOME

PROPERTY TYPE	Max Loan Amt	MAX LTV/CLTV	MIN FICO	Max DTI
SFR & PUD	Up to \$625,000	70%	700	41%
	>\$625K - \$1MM	65%	700	
	>\$1MM - \$1.5MM	60%	700	
	>\$1.5MM - \$2.5MM	55%	720	
CONDO*	Up to \$750K	65%	700	
Minimum loan amount = \$417,001				

**Condos will require full review and investor approval*

PROGRAM HIGHLIGHTS:

AUS System Requirement	Manual Underwriting
Occupancy	Owner Occupied and Secondary Residence
Property Eligibility	Single Family Detached & Attached, PUD's & Warrantable Condos
Borrower Eligibility	US Citizens and Permanent Residence Power of Attorney for Buyer / Borrower Not Allowed
Employment Eligibility	Self-Employed Only <i>Commission Borrowers and Salary Borrowers are Not Allowed</i>
Income	Self-Employed will utilize P&L for qualifying income Borrower(s) Must Have Documented 100% Ownership
Assets/Reserves	Reserves vary between 6 – 12 months See Product Guide
Gifts	Allowed after 10% borrower own funds Gift funds are not eligible for Reserves
Seller Paid Closing Cost	3%
Credit History	5 year credit depth & Prior VOR & VOM Required
Derogatory Credit	Not Allowed, No Collections or Judgments No Prior Bankruptcy / Foreclosures / Short Sales
Appraisal	CoreLogic AVM and Collateral Underwriter Required Loan Amounts Over \$1,000,000 require 2 nd appraisal Rate/Term: No MLS Listings in prior 6 months to application

ASSETS/RESERVES

Up to \$750,000	6	<ul style="list-style-type: none"> • Two months consecutive Personal Bank Statements Required • Based on Qualifying PITIA for Subject Property • Ineligible Reserve Sources: Gift Funds or Borrowed funds
>\$750,000 to \$2,000,000	12	
>\$2,000,000	18	

- First Time Home Buyers require minimum of 12 months Reserves Regardless of loan amount
- Retained Departure Residence requires an additional 6 months PITIA for the retained property
- Add two months PITIA on each additional financed property.
- Gift Funds Allowed for Primary Residence, after 10% own funds; Follow Fannie Mae Requirements for Gifts
- Stocks, Bonds, Mutual Funds: Discount by 70%
- Vested Retirement Accounts: Discount by 60%, confirm terms & conditions for withdrawal
- Business Funds as Reserves: Allowed at 50% with documentation of 100% ownership of the business. (3 months bank statements required)

Employment & Income Requirements

Self-employed Income Documentation	<ul style="list-style-type: none"> • Document Borrower(s) is 100% Owner of Business • P&L for YTD and Prior Year Signed & Dated by Borrower • Professional and Business License for prior 2 years • Third Party Verification of Business Phone Number & Address • CPA letter verifying: business name, borrower's percentage of ownership in the business, and has prepared most recent 2 years business tax returns • Third Party Verification of CPA license, address & phone number • Enrolled Agents as Business Tax Preparer is Not Eligible for Program • Self-Prepared Tax Returns is Not Eligible for Program
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- Borrowers Must Sign an Ability to Repay Certification
- *Commission and Salaried Borrowers are Ineligible*

Credit Requirements

- Credit Depth of at least 5 years with a minimum of 10 trades, each reporting at least 12 months
- At least 3 of the 10 trades must be currently reporting active for the most recent 12 months
- Document 0x30 VOR & VOM for prior 12 months; Cancelled Checks Required if Private Landlord/Mortgage
- Lack of Rental or Mortgage history will be reviewed on a case-by-case basis, Possible LTV Reduction
- History of late payments Not Allowed
- None Allowed: Prior/Current Collections, Judgements, Foreclosures, Short Sales, or Modifications

General Eligibility

- Escrow Impounds Permitted for this Program
- Four (4) maximum properties (including financed, free and clear and commercial properties)
- Investment Properties not permitted
- Foreign Nationals not permitted
- All appraisals require acceptable Collateral Underwriter findings.

ARM TERM	CAPS	Margin	Index	Qualifying Rate
7/1	5/2/5	3.250	LIBOR	Greater of Fully Indexed or Note Rate