

Loan Amount	Reserves	Max DTI	FICO	Full Doc		Options 3 - 6		Alt Doc*		Option 8	
				Options 1 - 2		Options 7 **					
				Purch-R/T	Cash Out	Purch-R/T	Cash Out	Purch-R/T	Cash Out	Purch-R/T	Cash Out
\$100,000 - 1,500,000	3mo	50%	720	90%	85%	90%	85%	75%	70%	80%	70%
			700	90%	85%	90%	85%	75%	70%	80%	70%
			680	90%	85%	90%	85%	75%	70%	80%	70%
			660	90%	80%	90%	80%	-	-	80%	70%
			640	85%	80%	85%	80%	-	-	75%	65%
			620	80%	75%	80%	75%	-	-	75%	65%
			600	75%	70%	75%	70%	-	-	-	-
\$1,500,001 - 2,500,000	9mo	50%	720	85%	80%	85%	80%	75%	70%	80%	70%
			700	85%	80%	85%	75%	75%	70%	80%	70%
			680	85%	80%	80%	75%	75%	70%	80%	70%
			660	80%	75%	80%	75%	-	-	80%	70%
			640	80%	70%	80%	70%	-	-	75%	65%
			620	75%	65%	75%	65%	-	-	75%	65%
			600	70%	65%	65%	60%	-	-	-	-
\$2,500,001 - 3,000,000	12mo	50%	720	85%	80%	85%	75%	75%	70%	80%	70%
			700	85%	80%	85%	75%	75%	70%	80%	70%
			680	85%	80%	80%	75%	75%	70%	80%	70%
			660	80%	75%	80%	75%	-	-	80%	70%
			640	75%	70%	75%	70%	-	-	-	-
			620	65%	60%	60%	50%	-	-	-	-
			600	60%	55%	50%	45%	-	-	-	-

\* Alt Doc Refer to additional program requirements for Alt Doc Options

\*\* Option 7 Refer to additional program requirements for Options 7 (Reserves min 9mo for Option 7)

Products										
Type	Product Code	Doc Type	Qual Rate	Margin	Floor	Index	Caps	I/O	Amort Term	Final Maturity
5/1	PP30A51	1-8	Greater	Refer to Rate Sheet	Margin	1yr LIBOR	2/2/5	-	30yr	30yr
5/1 30yr IO	PP30A51IO	1-8	of Note					10yr	20yr	30yr
5/1 40yr IO	PP40A51IO	1-8	Rate or				10yr	30yr	40yr	
7/1	PP30A71	1-8	Fully				-	30yr	30yr	
7/1 30yr IO	PP30A71IO	1-8	Indexed	5/2/5	10yr	20yr	30yr			
7/1 40yr IO	PP40A71IO	1-8	Rate		10yr	30yr	40yr			
30yr Fixed	PP30F	1-8	Note Rate	-	-	-	30yr	30yr		
40yr Fixed IO	PP40FIO	1-8	Note Rate	-	-	-	10yr	30yr	40yr	

Documentation Types			
Option	Type	Name	Detail
1	Full	Full Doc	Standard FNMA Documentation
2	Full	Full Doc W-2	W-2 (12mo) or Tax Returns (12mo)
3	Alt	Bank Statement	Bank Statement (24mo, 12mo)
4	Alt	Bank Statement Plus	Bank Statement + Asset Statement (24+2mo, 12+2mo) [Asset Amortization]
5	Alt	Bank Statement P&L	Bank Statement + P&L (3+24mo, 2+12mo) [CPA, CTEC, EA]
6	Alt	Asset Qualifier	Asset Statement (6mo)
7	Alt	P&L Only	P&L (12mo) [CPA, CTEC, EA]
8	Alt	VOE Only	VOE, VVOE, Employment History (24mo)

Credit			
Housing Lates	Max	0x30x12	1x30x12
Seasoning	Min	48mo	36mo
	SS/DIL	Min	48mo
	BK 7*	Min	48mo
	BK 13*	Min	48mo
			36mo
			Discharge
Residual Income	DTI > 43%	Per VA or \$2,500 + \$150/dependent	
Cash-Out	Max	\$2,000,000	
FTHB	Fico	Min	680

\* BK Discharge or Dismissal for Ch 7; Discharge for Ch 11/13

Limited Credit		
Documentation Types	Maximum LTV	
	Purch & R/T	Cash Out
Options: 1, 2, 3, 4, 5, 6	75%	70%
DTI	Max	50%

Overlays		
Occupancy	Maximum LTV	
	Interest Only	85%
2nd Home	80%	
Foreign National (2nd Home)	70% (w/o US credit)	75% (w/ US credit)
FTHB w/o verifiable rental history	70% or existing guides (lower of two)	
Property Type	Maximum LTV	
	Purch & R/T	Cash Out
Non-Warrantable Condo	80%	75%
Condo	85%	80%
2 Unit	85%	80%
3-4 Unit	80%	75%
Log Homes	70%	65%
Modular	75%	70%
Rural	75%	70%
40yr Fixed IO		
	Restrictions	
LTV	Max	80%
DTI	Max	50%
Expanded DTI (50.01-55.00)		
	Restrictions	
Fico	Min	680
LTV	Primary	Max
	2nd Home	Max
		70%
Additional Reserves	+ 3mo (max 12)	

Option 1	<b>Full Doc</b>	Standard FNMA Documentation	<ul style="list-style-type: none"> <li>Alternative Loan Review Form (Exhibit F) or DU Ineligible finding is required at time of submission</li> <li>Credit and Income determined per DU findings</li> </ul>
Option 2	<b>Full Doc W-2</b>	W-2 (12mo) or Tax Returns (12mo)	<ul style="list-style-type: none"> <li>Alternative Loan Review Form (Exhibit F) or DU Ineligible finding is required at time of submission</li> <li>Wage Earner - 1 year most recent W-2 or 1 year tax returns plus 30 days paystubs</li> <li>Self-Employed - 1 year most recent tax returns plus <b>either</b>:               <ul style="list-style-type: none"> <li>YTD P&amp;L</li> <li>3 months bank statements verifying cash flow (No P&amp;L)</li> </ul> </li> </ul>
Option 3	<b>Bank Statement</b>	Bank Statement (24mo, 12mo)	<ul style="list-style-type: none"> <li>Personal &amp; Business Combined or Business (12mo or 24mo):               <ul style="list-style-type: none"> <li>50% expense factor will apply.                   <ul style="list-style-type: none"> <li>If business operates &lt;50% expense factor, a letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) stating amount required</li> </ul> </li> <li>No P&amp;L required</li> <li>No 4506-T/tax transcripts/tax returns</li> <li>Excessive NSF's may cause loan to be ineligible</li> <li>At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)</li> </ul> </li> <li>Personal &amp; Business Separated (12mo or 24mo):               <ul style="list-style-type: none"> <li>Personal used to qualify, 3 months business to show business cash flows in order to utilize 100% of business related deposits in personal account (no expense factor)</li> <li>No P&amp;L required</li> <li>No 4506-T/tax transcripts/tax returns</li> <li>Excessive NSF's may cause loan to be ineligible</li> <li>At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)</li> </ul> </li> </ul>
Option 4	<b>Bank Statement Plus</b>	Bank Statement (24mo, 12mo) + Asset Statement (2mo) [Asset Amortization]	<ul style="list-style-type: none"> <li>Refer to Option 3 for bank statement income documentation and qualification</li> <li>Asset amortization used for additional qualifying income</li> </ul>
Option 5	<b>Bank Statement P&amp;L</b>	Bank Statement + P&L (3+24mo, 2+12mo) [CPA, CTEC, EA]	<ul style="list-style-type: none"> <li>Business or Personal (3mo or 2mo):               <ul style="list-style-type: none"> <li>24 month CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) prepared P&amp;L with 3 months most recent bank statements</li> <li>12 month CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) prepared P&amp;L with 2 months most recent bank statements</li> <li>No 4506-T/tax transcripts/tax returns</li> <li>Excessive NSF's may cause loan to be ineligible</li> <li>At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)</li> </ul> </li> </ul>
Option 6	<b>Asset Qualifier</b>	Asset Statement (6mo)	<ul style="list-style-type: none"> <li>Most recent 6 months asset documentation verified by: cash in bank (100%); stocks, bonds, and/or mutual funds (90%); IRAs, 401K, and/or retirement accts (80%)</li> <li>Employment or income on 1003 not required. If not disclosed, please enter "Not applicable to this loan."</li> <li>Allowable assets <b>minus</b> (loan amount + closing costs/prepays) = residual assets</li> <li>Residual assets must be more than the required funds to cover all other debt for 60 months plus required reserves</li> </ul>
Option 7	<b>P&amp;L Only</b>	P&L (12mo) [CPA, CTEC, EA]	<ul style="list-style-type: none"> <li>At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)</li> <li>A letter from the CPA, CTEC (California Tax Education Council) or EA (Enrolled Agent) stating that the CPA/CTEC/EA prepared the most recent 2 years of business tax return filing, and indicating the business name, borrower's name, and percentage of business ownership by the borrower</li> <li>CPA/CTEC/EA signed/prepared P&amp;L statement(s) and/or business tax returns are required</li> </ul>
Option 8	<b>VOE Only</b>	VOE, VVOE, Employment History (24mo)	<ul style="list-style-type: none"> <li>2 year employment history as wage earner</li> <li>2 year employment &amp; YTD written VOE</li> <li>No 4506-T, W-2, paystubs or tax returns</li> <li>Lender VVOE prior to closing</li> </ul>

<b>Appraisal</b>	<ul style="list-style-type: none"> <li>• ≤ \$1,500,000 = 1 Full Appraisal (ARR, CDA or FNMA CU Risk score of 2.5 or less is required in addition to appraisal)</li> <li>• &gt; \$1,500,000 = Two Full Appraisals</li> <li>• See guidelines for details</li> </ul>																				
<b>Assets</b>	<ul style="list-style-type: none"> <li>• Assets sourced or seasoned for two months unless utilizing assets to document income (6 months)</li> <li>• Gift funds are acceptable for use toward down payment and loan costs</li> <li>• See guidelines for details</li> </ul>																				
<b>Cash-Out</b>	<ul style="list-style-type: none"> <li>• Cash-out may be counted toward reserve requirement.</li> <li>• See guidelines for details</li> </ul>																				
<b>Compliance</b>	<ul style="list-style-type: none"> <li>• Impounds required on LTV &gt; 80% or HPML loans unless otherwise specified by applicable state law</li> <li>• Fully documented Ability to Repay including Borrower Attestation</li> <li>• No Section 32 or state high cost</li> <li>• Points and Fees max 5% limit</li> <li>• Loans must comply with all applicable federal and state regulations</li> </ul>																				
<b>Standard Credit</b>	<ul style="list-style-type: none"> <li>• 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months</li> <li>• No mortgage or rental history (Max 70% LTV, 50% DTI)</li> <li>• FTHB minimum 680 FICO</li> </ul>																				
<b>Limited Credit</b>	<ul style="list-style-type: none"> <li>• Minimum requirements per standard credit are not met</li> <li>• Valid FICO per FNMA required</li> </ul>																				
<b>Foreign National</b>	<ul style="list-style-type: none"> <li>• Eligible for Option 1,2,6</li> <li>• Qualify at 660 FICO</li> <li>• Maximum \$1,000,000 Loan Amount</li> <li>• Minimum 12 months reserves</li> <li>• 2nd Homes only</li> <li>• Maximum LTV/CLTV: 75% with qualifying US Credit</li> <li>• Maximum LTV/CLTV: 70% with qualifying Foreign Credit (no established US Credit/FICO)</li> </ul>																				
<b>Ineligible States</b>	<ul style="list-style-type: none"> <li>• NY No Interest-Only when using New York Consolidation, Extension and Modification Agreement</li> <li>• TX No Interest-Only when using Texas Section 50(a)(6) Equity Cash-Out transactions</li> </ul>																				
<b>Interest Only</b>	<table border="0"> <tr> <td>• 5/1 30yr ARM</td> <td>5yr Fixed</td> <td>10yr I/O</td> <td>20yr Full Amortization after I/O Period</td> </tr> <tr> <td>• 5/1 40yr ARM</td> <td>5yr Fixed</td> <td>10yr I/O</td> <td>30yr Full Amortization after I/O Period</td> </tr> <tr> <td>• 7/1 30yr ARM</td> <td>7yr Fixed</td> <td>10yr I/O</td> <td>20yr Full Amortization after I/O Period</td> </tr> <tr> <td>• 7/1 40yr ARM</td> <td>7yr Fixed</td> <td>10yr I/O</td> <td>30yr Full Amortization after I/O Period</td> </tr> <tr> <td>• 40yr Fixed</td> <td></td> <td>10yr I/O</td> <td>30yr Full Amortization after I/O Period</td> </tr> </table>	• 5/1 30yr ARM	5yr Fixed	10yr I/O	20yr Full Amortization after I/O Period	• 5/1 40yr ARM	5yr Fixed	10yr I/O	30yr Full Amortization after I/O Period	• 7/1 30yr ARM	7yr Fixed	10yr I/O	20yr Full Amortization after I/O Period	• 7/1 40yr ARM	7yr Fixed	10yr I/O	30yr Full Amortization after I/O Period	• 40yr Fixed		10yr I/O	30yr Full Amortization after I/O Period
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<b>Occupancy</b>	<ul style="list-style-type: none"> <li>• Owner Occupied</li> <li>• 2nd Homes</li> </ul>																				
<b>Property Types</b>	<table border="0"> <tr> <td>• SFR</td> <td>• Condominium</td> <td>• Townhouse</td> </tr> <tr> <td>• PUD</td> <td>• Non-Warrantable Condominium</td> <td>• Rowhouse</td> </tr> <tr> <td>• D-PUD</td> <td>• Modular</td> <td>• Log Home</td> </tr> <tr> <td>• 2-4 unit</td> <td>• Rural</td> <td></td> </tr> </table>	• SFR	• Condominium	• Townhouse	• PUD	• Non-Warrantable Condominium	• Rowhouse	• D-PUD	• Modular	• Log Home	• 2-4 unit	• Rural									
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<b>Qualifying Payment</b>	<ul style="list-style-type: none"> <li>• Full Amortization: Qualifying ratios based on greater of Note Rate or Fully Indexed Rate (PITIA)</li> <li>• Interest Only (DTI): Qualifying ratios based on greater of Note Rate or Fully Indexed Rate (PITIA), fully amortized payment on remaining term after I/O period</li> </ul>																				
<b>Residual Income</b>	<ul style="list-style-type: none"> <li>• Required on DTI &gt; 43% only</li> <li>• Per VA or \$2,500 plus an additional \$150/dependent</li> <li>• VA Residual Income Calc per VA Form #26-6393 and VA Residual Income Tables in VA Lending Manual Chapter 4.9</li> </ul>																				
<b>Seller Concessions / IPC</b>	<ul style="list-style-type: none"> <li>• Per FNMA (LTV 75.01 to 90% up to 6% toward closing; 75% or less 9% max Interested Party Contribution)</li> </ul>																				
<b>Subordinate Financing</b>	<ul style="list-style-type: none"> <li>• CLTV max = LTV max</li> </ul>																				