

Near-Prime Matrix

Maximum Program LTV's										
Grade			A+				A			
12-Month Housing History			0x30				1x30			
FC Seasoning			48 Months				24 Months			
SS/DIL Seasoning			48 Months				24 Months			
BK Seasoning			24 Months				24 Months			
Minimum Loan Amount			\$100,000				\$100,000			
Maximum Loan Amount			\$1,000,000				\$1,000,000			
Amortization			5/1, 7/1, 30yr Fixed (IO available on ARMs)				5/1, 7/1, 30yr Fixed (IO available on ARMs)			
Documentation			Full Doc		24 Month Bank Statements		Full Doc		24 Month Bank Statements	
Loan Amount	Reserves	FICO	Purchase and Rate/Term	Cash Out	Purchase and Rate/Term	Cash Out	Purchase and Rate/Term	Cash Out	Purchase and Rate/Term	Cash Out
≤ \$1,000,000	6 Months	720	90%	85%	90%	80%	90%	85%	90%	80%
		680	90%	80%	85%	80%	90%	80%	85%	80%
		660	85%	80%	85%	80%	85%	80%	85%	80%
		640	-	-	-	-	85%	80%	80%	80%
		620	-	-	-	-	80%	80%	80%	80%
\$1,000,000	9 Months	720	90%	85%	85%	75%	90%	80%	85%	75%
		680	90%	80%	80%	75%	90%	80%	80%	75%
		660	85%	80%	80%	75%	85%	80%	80%	75%
		640	-	-	-	-	80%	75%	80%	75%
		620	-	-	-	-	80%	75%	80%	75%

Additional Program Requirements			
Feature	LTV	FICO	Term
Interest Only (5/1 and 7/1 ARM)	80% Max	660	120 Months
12 Month Personal Bank Statements	80% Max	680	-
24 Month Business Bank Statements	85% Max	620	-
Second Homes	80% Max	620	-
Limited Tradelines	Not Allowed		

Property Type Requirements			
Property Type	Max LTV	Property Type	Max LTV
Single Family / PUD	90%	2-4 Unit	80%
Townhouse	90%		
Condominium	85%		
Non-Warrantable Condo	80%		

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Near-Prime Additional Program Requirements

Appraisal Review Product	<ul style="list-style-type: none"> Required for certain loans - See guidelines for details 																											
Assets	<ul style="list-style-type: none"> Assets sourced or seasoned for 60 days • Gift funds allowed - See guidelines for details 																											
Cash Out	<ul style="list-style-type: none"> Up to \$250,000: Program LTV's \$250,001 - \$500,000: 5% LTV reduction \$500,001 - \$1,000,000: 10% LTV reduction 																											
Compliance	<ul style="list-style-type: none"> Escrows required for taxes and insurance • Fully documented ability-to-repay • Compliance with all applicable Federal and State regulations No section 32 or state high cost • Total Borrower Paid Points and Fees must be less than 5% 																											
Credit	<ul style="list-style-type: none"> Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months Limited: Not Allowed 																											
Debt Ratios	<ul style="list-style-type: none"> Maximum 40% Housing Ratio and 43% Total DTI Ratio / No Housing Ratio required for FICO \geq 660 and LTV \leq 80% Expanded DTI to 50% available with <u>ALL</u> of the following compensating factors present (Full Doc or 24M Personal Bank Statements only): <ul style="list-style-type: none"> FICO \geq 660 • 12 Months Reserves Expanded DTI to 55% available with <u>ALL</u> the following compensating factors present (Full Doc only): <ul style="list-style-type: none"> FICO \geq 680 • Primary Occupancy • LTV \leq 85% • Residual Income \geq \$3,500 • 12 Months Reserves 																											
Income	<ul style="list-style-type: none"> Full Doc; 24 Month Personal Bank Statements; 12 Month Personal Bank Statements or 24 Month Business Bank Statements - See guidelines for details Asset Depletion Income (subject to Full Doc Income Requirements) - 680+ FICO & LTV \leq 80% - See guidelines for details 																											
Ineligible States	<ul style="list-style-type: none"> In addition to the MAM original list: AK, MA, NY, WV 																											
Occupancy	<ul style="list-style-type: none"> Primary and Second Homes Only 																											
Product Types	<ul style="list-style-type: none"> 30yr Fixed 5/1 ARM 7/1 ARM <table border="1" style="margin-left: 40px;"> <thead> <tr> <th rowspan="2">Product</th> <th colspan="3">ARM Features</th> <th colspan="3">Interest Only Features</th> </tr> <tr> <th>Margin & Floor</th> <th>Caps</th> <th>Index</th> <th>IO Period</th> <th>Amort Term</th> <th>Final Maturity</th> </tr> </thead> <tbody> <tr> <td>5/1</td> <td>4.00%</td> <td>2/2/5</td> <td>1YR LIBOR</td> <td>10 Years</td> <td>30 Years</td> <td>40 Years</td> </tr> <tr> <td>7/1</td> <td>4.00%</td> <td>5/2/5</td> <td>1YR LIBOR</td> <td>10 Years</td> <td>30 Years</td> <td>40 Years</td> </tr> </tbody> </table>	Product	ARM Features			Interest Only Features			Margin & Floor	Caps	Index	IO Period	Amort Term	Final Maturity	5/1	4.00%	2/2/5	1YR LIBOR	10 Years	30 Years	40 Years	7/1	4.00%	5/2/5	1YR LIBOR	10 Years	30 Years	40 Years
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Property Types	<ul style="list-style-type: none"> SFR • Townhomes • Condominiums (non-warrantable condos considered - see guidelines) • 2-4 Units 																											
Reserves	<ul style="list-style-type: none"> 6 - 12 month minimum as determined by loan amount; 3 months required if LTV is 10% less than program maximum and DTI < 43% (Primary only) 																											
Residual Income	<ul style="list-style-type: none"> \$2,500 plus an additional \$150 per dependent is required 																											
Seller Concessions	<ul style="list-style-type: none"> Up to 6% towards closing 																											
Subordinate Financing	<ul style="list-style-type: none"> Max 90% CLTV (Institutional seconds only) 																											

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