

Near-Prime Matrix

Effective Date:
4/2/2018

Program Max LTVs		Full Doc			Alternative Doc	
Loan Amount	Reserves	FICO	Purchase & R/T	Cash Out	Purchase & R/T	Cash Out
≤ \$1,500,000	6 Months	720	95%** / 90%	85%	90%	85%
		680	90%	85%	90%	85%
		660	90%	80%	85%	80%
		640	85%	80%	85%	80%
		620	85%	80%	80%	80%

Program Requirements	
Mortgage History	1x30x12
Foreclosure Seasoning	36 Months
Short Sale/DIL Seasoning	36 Months
Chapter 13 BK Seasoning	36 Months
Chapter 7/11 BK Seasoning	36 Months
Residual Income	\$2,500
Maximum Cash Out	\$1,000,000
Standard Debt Ratio	50%
Expanded Debt Ratio	Up to 55%
Minimum Loan Amount	\$100,000
Maximum Loan Amount	\$1,000,000

**95% LTV
<ul style="list-style-type: none"> • Purchase • Primary • > \$453,100 • Max DTI = 35%

55% DTI
<ul style="list-style-type: none"> • Full Doc • FICO ≥ 680 • Primary • 12 Months Reserves • Residual Income ≥ \$3,500

1 Year Alt Doc*
<ul style="list-style-type: none"> • 1Y Tax Return • 1Y W-2 • 12M Pers Bank Stmt • Max LTV = 85% • Max DTI = 43%

Max LTV	
Second Homes	80%
Interest Only	85%
Condominium	85%
Non-Warrantable, 2-4 Unit, Modular, Rural & Log Home	80%

Products		
5/1 ARM	7/1 ARM	30 Year Fixed
Interest-Only: 5/1 ARM-IO & 7/1 ARM-IO		
IO Period	Amort Term	Final Maturity
10 Years	30 Years	40 Years
10 Years	20 Years	30 Years

Income	
Full Documentation	2 Years W-2 Income or 2 Years Tax Returns
Asset Depletion	FICO ≥ 680 and ≤ 80% LTV
Alternative Documentation	24 Months Personal Bank Statements
	24 Months Business Bank Statements
	12 Months Personal Bank Statements* 1 Year Documentation (W-2 or Tax Return)*

ARM Margins & Caps		
5/1 ARM	Margin: 3.50	Caps: 2/2/5
7/1 ARM	Margin: 3.50	Caps: 5/2/5
Index = 1 Year LIBOR, Floor = Margin		
Qualifying Rate (See also Qualifying Payment below)		
Fixed = Note Rate		
ARM = Greater of Note Rate or Fully Indexed Rate		

Other	
Occupancy	Primary Residence and Second Homes
Property Types	SFR, PUD, Townhome, Condominium, 2-4 Unit, Modular, Rural & Log Homes
Cash Out	Cash Out amounts > \$500,000 require a 5% LTV reduction; Maximum = \$1,000,000 Cash Out can be used for reserve requirements and/or to pay off debt for qualifying
Residual Income	\$2,500 plus an additional \$150 per dependent is required
Qualifying Payment	ALL: use Qualifying Rate for calculating PITIA; Interest-Only: qualify using the fully amortized payment with the Qualifying Rate over the fully amortized term of the loan
Subordinate Financing	Max 90% CLTV (Institutional seconds only)
Citizenship	US Citizen, Permanent Resident Alien & Non-Permanent Resident Alien (with US credit)
Assets	Sourced or seasoned for 60 days
Credit	Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months Qualifying FICO = the FICO of the Primary Wage Earner which will be the score used for grading and pricing
Compliance	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%
Seller Concessions	Up to 6% towards closing
Ineligible States	AK, NY, WV & all other MAM ineligible states

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