

# Near-Prime Matrix

Jan. 2018

## Program Max LTVs

Loan Amount	Reserves	FICO	Full Doc		Bank Statements	
			Purchase & R/T	Cash Out	Purchase & R/T	Cash Out
≤ \$1,000,000	6 Months	720	90%	85%	90%	80%
		680	90%	80%	85%	80%
		660	85%	80%	85%	80%
		640	85%	80%	80%	80%
		620	80%	80%	80%	80%

## Program Requirements

Credit	
Mortgage History	0x30x12
FC Seasoning	36 Months
SS/DIL Seasoning	36 Months
BK Seasoning*	36 Months
Residual Income	\$2,500
Maximum Cash Out**	\$1,000,000
Standard Debt Ratio	43%
Expanded Debt Ratios**	Up to 55%
Tradelines***	Standard
Other	
Minimum Loan Amount	\$100,000
Maximum Loan Amount	\$1,000,000
Products**	5/1, 7/1, 30Yr Fixed

\* Discharge for Chapter 7; discharge or dismissal for Chapter 11/13  
 \*\* See Additional Program Requirements for details  
 \*\*\* Limited Tradelines not allowed

## Additional Program Overlays

Feature	LTV	FICO	Reserves	Residual Income
<b>Expanded DTI*</b>				
43.01%-50% (Full Doc & 24 Mos Psnl Bank Stmt)	90%	660	12 Months	Program
50.01%-55% (Full Doc only)	85%	680	12 Months	\$3,500
<b>Other</b>				
12 Months Personal Bank Statements	80%	680	Program	Program
24 Months Business Bank Statements	85%	Program	Program	Program
Interest Only (5/1 and 7/1 ARMs)	80%	660	Program	Program
Second Homes	80%	Program	Program	Program

\* See Additional Program Requirements for details

## Property Type Requirements

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

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# Near-Prime --- Additional Program Requirements

Jan. 2018

<b>Appraisal Review Product</b>	<ul style="list-style-type: none"> <li>Required for certain loans - See guidelines for details</li> </ul>																								
<b>Assets</b>	<ul style="list-style-type: none"> <li>Assets sourced or seasoned for 60 days • Gift funds allowed - See guidelines for details</li> </ul>																								
<b>Cash Out</b>	<ul style="list-style-type: none"> <li>Up to \$250,000: Program LTVs</li> <li>\$250,001 - \$500,000: 5% LTV reduction</li> <li>\$500,001 - \$1,000,000: 10% LTV reduction</li> </ul>																								
<b>Compliance</b>	<ul style="list-style-type: none"> <li>Escrows required for taxes and insurance • Fully documented ability-to-repay • Compliance with all applicable federal and state regulations</li> <li>No section 32 or state high cost • Total borrower paid points and fees must be less than 5%</li> </ul>																								
<b>Credit</b>	<ul style="list-style-type: none"> <li>Standard: 3 tradelines reporting for 12+ months <u>or</u> 2 tradelines reporting for 24+ months all with activity in the last 12 months (Limited not allowed)</li> </ul>																								
<b>Debt Ratios</b>	<ul style="list-style-type: none"> <li>Maximum 43% Total DTI Ratio</li> <li>Expanded DTI to 50% available with <u>ALL</u> of the following compensating factors present (Full Doc and 24 Months Personal Bank Statements only):                             <ul style="list-style-type: none"> <li>- FICO ≥ 660; 12 Months Reserves</li> </ul> </li> <li>Expanded DTI to 55% available with <u>ALL</u> of the following compensating factors present (Full Doc only):                             <ul style="list-style-type: none"> <li>- FICO ≥ 680; Primary Residence; LTV ≤ 85%; Residual Income ≥ \$3,500; 12 Months Reserves</li> </ul> </li> </ul>																								
<b>Income</b>	<ul style="list-style-type: none"> <li>Full Doc; 12 &amp; 24 Months Personal Bank Statements; or 24 Months Business Bank Statements - See guidelines for details</li> <li>Asset Depletion Income (subject to Full Doc income requirements) - 680+ FICO &amp; LTV ≤ 80% - See guidelines for details</li> </ul>																								
<b>Ineligible States</b>	<ul style="list-style-type: none"> <li>AK; NY; WV &amp; all MAM's other ineligible states</li> </ul>																								
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>Primary Residence and Second Homes only</li> </ul>																								
<b>Product Types</b>	<ul style="list-style-type: none"> <li>5/1 ARM • 7/1 ARM • 30Yr Fixed</li> </ul> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="4">ARM Features</th> <th colspan="2">Interest Only Features*</th> </tr> <tr> <th>Product</th> <th>Margin</th> <th>Caps</th> <th>Index</th> <th>Amort Term</th> <th>Final Maturity</th> </tr> </thead> <tbody> <tr> <td>5/1</td> <td>3.50%</td> <td>2/2/5</td> <td>1YR LIBOR</td> <td>30 Years</td> <td>40 Years</td> </tr> <tr> <td>7/1</td> <td>3.50%</td> <td>5/2/5</td> <td>1YR LIBOR</td> <td>30 Years</td> <td>40 Years</td> </tr> </tbody> </table> <p style="text-align: right; font-size: small;">*120 month IO term</p>	ARM Features				Interest Only Features*		Product	Margin	Caps	Index	Amort Term	Final Maturity	5/1	3.50%	2/2/5	1YR LIBOR	30 Years	40 Years	7/1	3.50%	5/2/5	1YR LIBOR	30 Years	40 Years
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<b>Property Types</b>	<ul style="list-style-type: none"> <li>SFR • Townhomes • Condominiums (Non-Warrantable Condos considered - see guidelines) • 2-4 Unit • Rural Properties</li> </ul>																								
<b>Reserves</b>	<ul style="list-style-type: none"> <li>6-12 months minimum as determined by loan amount; 3 months required if LTV is 10% less than program maximum and DTI &lt; 43% (Primary only)</li> </ul>																								
<b>Residual Income</b>	<ul style="list-style-type: none"> <li>\$2,500 plus an additional \$150 per dependent is required</li> </ul>																								
<b>Seller Concessions</b>	<ul style="list-style-type: none"> <li>Up to 6% towards closing</li> </ul>																								
<b>Subordinate Financing</b>	<ul style="list-style-type: none"> <li>Max 90% CLTV (Institutional seconds only)</li> </ul>																								

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