



## **200 Series Portfolio Products**

### **Table of Contents**

<b><u>PRODUCT</u></b>	<b><u>PAGE NUMBER</u></b>
<b>Premier Access</b> Loan amount minimum \$100,000 Asset Depletion is an income option	<b>2</b>
<b>Fresh Start Program</b> BK, Foreclosure, Deed in Lieu, Short Sale: no seasoning in most cases Low credit score requirement, non-traditional credit allowed.	<b>5</b>
<b>Homeowner's Access Program</b> BK, Foreclosure, Deed in Lieu, 24 months seasoning. Short Sale no seasoning required. D/R to 55%, higher LTVs, no MI, non-traditional credit allowed	<b>8</b>
<b>Investment Program</b> Unlimited number of financed properties, higher seller concession, higher loan limits	<b>11</b>
<b>Foreign National Program</b> Domestic Credit Report is not required. 2 <sup>nd</sup> Homes and Investment properties are allowed; owner occupied is not allowed.	<b>14</b>
<b>Appraisal Valuation Variance Chart</b> This is applicable to all programs	<b>18</b>

**\*\*\* The above products all require a Manual Underwrite, however, for all except the Foreign National product, they also require an AUS to demonstrate the borrower is not eligible for an Agency Program \*\*\***

**Residual Income: See residual income requirement, for each program.**

## Premier Access PROGRAM 200 SERIES

<b>Product Description</b>	<b>200 Series Premier Access, Wholesale and Retail, Fixed &amp; ARM.</b>
<b>Program Numbers</b>	200 - 30 yr fixed 200 - 5/1 ARM 200 - 5/1 Interest Only ARM
<b>Non-Arms Length</b>	Allowed on primary residence only
<b>ARM ADJUSTMENTS</b>	Applicable to 5/1 ARM, and 5/1 I.O. ARM
<b>Index</b>	1 Year Libor
<b>Margin</b>	4%
<b>Annual Adjust. Cap</b>	2%
<b>Lifetime Cap</b>	6%
<b>Floor Rate</b>	4%
<b>First Adjust. Cap</b>	2%
<b>Temporary Buydown</b>	Not Permitted
<b>Prepayment Penalty</b>	Not Permitted
<b>Qualifying Rate</b>	Fixed Rate = Note Rate 5/1 ARM = Greater of fully indexed rate, or Note rate 5/1 I.O. ARM = Note rate based on fully amortizing principal and interest payment
<b>Max Debt Ratio</b>	50% - 55% (may be lower depending on loan parameters; see matrix) Also, must meet residual income requirements.
<b>Payment Shock</b>	Applicable to 1 <sup>st</sup> time homebuyers, & borrowers with < 5 years job history and/or consistent earned income. Not to exceed 250%
<b>Non-Occupant Co-borrower</b>	Allowed. Must be a family member. Max # borrowers is 4. May use non-occupant co-borrower income, and assets, and must include non-occ co-borr liabilities. Max combined D/R 43%.
<b>Types of Financing</b>	Purchase, Rate Term Refinance, Cash Out Refinance
<b>Max Loan Amount</b>	\$2,000,000
<b>Min Loan Amount</b>	\$100,000.
<b>Eligible Property Type</b>	1-4 Units, Condo, PUD
<b>Eligible Borrowers</b>	U.S. Citizens, Permanent Resident Aliens, Non-Permanent Resident Alien with an unexpired Visa, and a minimum 2 year history of credit and employment in the U.S. (See separate Foreign National program matrix if applicable) Tenants in Common are not allowed.
<b>Mortgage Insurance</b>	Not Applicable
<b>Employment</b>	Minimum 2 year history of employment in the United States is required.
<b>Income, including Asset Depletion Requirements</b>	Use Standard documentation and calculation for most income types: base, OT, bonus, cmmsn, self employed, rent... This program also allows "Asset Depletion" as an income source.  OPTION 1: Borrower(s) must be at minimum 59.5 years old, and may use checking, savings and investment accounts as qualifying income per below guidelines: <ol style="list-style-type: none"> <li>1) Assets must be in a United States financial institution.</li> <li>2) All funds must be immediately accessible</li> <li>3) Require terms and conditions of the account, including confirmation that no penalties will be incurred for liquidation purposes.</li> <li>4) Investment account assets must be fully vested. Use 70% of balance</li> <li>5) Divide asset balance by 180 months regardless of balance or loan term, to determine qualifying income.</li> </ol> OPTION 2: Borrower(s) less than 59.5 years old may use employment related assets as qualifying income per below guidelines: <ol style="list-style-type: none"> <li>1) ONLY RETIREMENT assets may be used as a basis of qualifying income</li> <li>2) Asset must be recognized by IRS as a retirement account.</li> <li>3) Borrower(s) must be sole owner of the account</li> <li>4) Account must be immediately accessible in entirety</li> <li>5) Require terms and conditions of the account, including confirmation that no penalties will be incurred for liquidation purposes.</li> <li>6) Account must be fully vested. Use 70% of balance.</li> <li>7) Divide asset balance by 180 months regardless of balance or loan term, to determine qualifying income.</li> </ol>
<b>Residual Income Required</b>	See Separate Residual Income Evaluation Worksheet. Minimum 80% Residual Income required if 2 of the following are met: 1) $\leq$ 80% LTV, 2) $\geq$ 720 FICO, 3) EITHER $\geq$ 12 months reserves, or debt ratio $\leq$ 40%.

<b>Appraisal</b>	<p><b>PURCHASE:</b>  Loan amount &lt; / = \$1,500,000 - 1 appraisal  Loan amount &gt; \$1,500,000 - 2 appraisals</p> <p><b>REFINANCE:</b>  Loan amount &lt; / = \$1,000,000 - 1 appraisal  Loan amount &gt; \$1,000,000 - 2 appraisals  Minimum 6 comps required; 4-6 comps must be closed sales. Appraisal expires in 180 days; recert of value is not allowed.  ** see page 19 for Appraisal Valuation Variance Chart **</p>
<b>Appraisal Review</b>	CDA is required from Clear Capital. When there are 2 appraisals, value will be the lesser of the 2. CDA is required on the lower valued of the 2. 2-4 unit properties require a Field Review. Also, see page 19
<b>Declining Markets</b>	Reduce max LTV by 5%
<b>Value Determination</b>	Lesser of 2 appraisals, or lesser of appraisal and Field Review.
<b>Property Restrictions</b>	Max 50 acres, subject may not be income producing
<b>Delegated</b>	Not Delegated, 2 <sup>nd</sup> signature is required for all loan amounts
<b>Impounds</b>	Required
<b>Max Cash Out</b>	See LTV matrix
<b>Credits/Concessions</b>	6%
<b>2<sup>nd</sup> Home</b>	Units are not allowed.
<b>Investment Property</b>	Not allowed (see Investment Portfolio matrix)
<b>Max # Financed Properties</b>	O/O – no limit. 2 <sup>nd</sup> Home - 10
<b>Document Expirations</b>	Credit, Income, Assets, Title = 90 days, Appraisal = 180 days
<b>Minimum Credit Score</b>	660-700 See matrix on following page(s)
<b>Gifts</b>	<p>From a relative – All funds required to close this transaction may come from a gift.</p> <p>Not from a relative – minimum 5% required from borrowers own funds. Gifts are allowed on O/O only. Gifts are not allowed on non-arm's length transaction</p>
<b>First Time Homebuyer</b>	Allowed. Max payment shock 250%
<b>Credit</b>	<p><b>TRADITIONAL CREDIT:</b> Disputes must be removed. Minimum 2 open tradelines required for all borrowers, reporting for a minimum of 12 months. One of the 2 must be open and active within the last 12 months. Authorized user accounts cannot be used to satisfy this.</p> <p><b>NON-TRADITIONAL CREDIT:</b> Allowed on O/O, purchase and rate/term refi only, max d/r 43%, 3 months additional reserves required, must be used with existing established credit. Minimum 2 account references with OX30 in past 12 months; 2 of the following may be used as credit references:  Rental housing payment, Utility bills as long as they are separate from housing expense, medical insurance that is not payroll deducted, Auto insurance, Life insurance, household or renters insurance. Credit references must be in borrower's name. Credit references must be provided to credit reporting vendor to create a non-traditional credit report.</p>
<b>Housing Payment History</b>	OX30 housing payment lates in past 24 month per credit report, cancelled checks, VOM/VOR. If private VOM/VOR require minimum 18 months cancelled checks in addition to 24 month VOM/VOR. If borrower presently owns home free and clear, require proof all property tax, insurance, and HOA dues if applicable paid on time. Gaps in payment history, or borrowers with > 18 but < / = 24 months housing payment history have the following restrictions: Require LOE regarding gap, O/O only, max gap of 6 months, max D/R 43%. Borrowers living rent free with family members must meet the following guidelines: letter from family member confirming there is no monthly housing obligation, max D/R 43%, first time homebuyer acceptable, O/O only, purchase only.
<b>Major Adverse Credit</b>	Foreclosure, BK, Short Sale, etc: None allowed in last 4 years.
<b>Debt Pay Down</b>	Debts may not be paid down to qualify
<b>Reserve Requirement</b>	See next pages

**\*\* Subordinate Financing is Not Allowed \*\***

<b>Fixed and ARM (see below for I.O. ARM. I.O. is not allowed on fixed) Purchase and Rate/Term Refinance<sup>1</sup></b>					
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Max Debt Ratio<sup>2</sup></b>	<b>Max LTV</b>	<b>Max Loan Amount</b>	<b># Months Reserves<sup>3</sup></b>
O/O & 2nd Home	680	50	90	\$2,000,000	9
O/O & 2nd Home	660	50	85		6
O/O & 2nd Home	660	50	80		3
<b>Cash Out Refinance<sup>4</sup></b>					
O/O & 2nd Home	700	50	85	\$1,500,000	6
O/O & 2nd Home	660	50	80	\$1,500,000	3

<b>Cash Out Refinance - Debt Consolidation<sup>5</sup></b>					
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Max Debt Ratio</b>	<b>Max LTV</b>	<b>Max Loan Amount</b>	<b># Months Reserves</b>
O/O & 2nd Home	680	35	90	750,000	9
O/O & 2nd Home	660	35	85		6
O/O & 2nd Home	660	35	80		3

<b>I.O. ARM (Fixed not allowed) Purchase and Rate/Term Refinance</b>					
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Max Debt Ratio</b>	<b>Max LTV</b>	<b>Max Loan Amount</b>	<b># Months Reserves</b>
O/O & 2nd Home	700	50	80	\$2,000,000	3
O/O & 2nd Home	660	50	75		3

<sup>1</sup> Max cash out \$2,000

<sup>2</sup> OK to 55% debt ratio as long as loan parameters meet 2 of the following compensating factor: 1)  $\leq$  80% LTV, 2)  $\geq$  720 qualifying credit score, 3) EITHER:  $\geq$  12 mo reserves, or  $\geq$  125% residual income

<sup>3</sup> Minimum 2 months reserves allowed if the loan parameters meet two of the following compensating factors: 1)  $\leq$  80% LTV,  $\geq$  720 qualifying credit score, 3) Either Debt Ratio  $\leq$  40% or  $\geq$  125% residual income

<sup>4</sup> Max cash out \$750,000

<sup>5</sup> Total amount of reoccurring obligations to be paid off by the borrower cannot exceed \$100,000 (excluding mortgage liens).

## 200 Series FRESH START PROGRAM

<b>Product Description</b>	<b>200 Series Fresh Start, Wholesale and Retail Fixed and ARM</b>
<b>Program Numbers</b>	200 - 30 yr Fixed 200 - 5/1 ARM
<b>Non-Arms Length</b>	Allowed in primary residence only
<b>ARM ADJUSTMENTS</b>	Applicable to 5/1 ARM
<b>Index</b>	1 yr Libor
<b>Margin</b>	6.5%
<b>Annual Adjust. Cap</b>	2
<b>Lifetime Cap</b>	6
<b>Floor Rate</b>	6.5%
<b>First Adjust. Cap</b>	2
<b>Temporary Buydown</b>	Not Permitted
<b>Prepayment Penalty</b>	Not Permitted
<b>Qualifying Rate</b>	Fixed Rate = Note Rate 5/1 ARM = Greater of fully indexed rate, or Note rate
<b>Max Debt Ratio</b>	Up to 50% - 55% - see following pages
<b>Payment Shock</b>	Max for First Time Homebuyer, or borrower with less than 5 years employment history or 5 years consistent earnings, is 250%.
<b>Non-Occupant Co-borrower</b>	Allowed. Must be a family member. Max # borrowers is 4. May use non-occupant co-borrower income, and assets, and must include non-occ co-borr liabilities. Max combined D/R 43%
<b>Types of Financing</b>	Purchase, Rate Term Refinance, Cash Out Refinance
<b>Max Loan Amount</b>	\$1,000,000
<b>Min Loan Amount</b>	\$100,000
<b>Eligible Property Type</b>	1-4 Units, Condo PUD
<b>Eligible Borrowers</b>	U.S. Citizens, Permanent Resident Aliens, and Non-Permanent Resident Aliens with acceptable VISA, and/or work authorization. Tenants in Common are not allowed
<b>Mortgage Insurance</b>	NA
<b>Employment</b>	Minimum 2 year employment history in United states.
<b>Income</b>	W-2 wage earners: always require at minimum, most recent full month's paystubs, and most recent 2 years W-2s. For Self employed, rental income, and any other type income, follow standard documentation requirements, and calculation methods.

<b>Residual Income Required</b>	<b>See Separate Residual Income Evaluation Worksheet. Minimum 80% Residual Income required if 2 of the following are met: 1) <math>\leq</math> 75% LTV, 2) <math>\geq</math> 650 FICO, 3) EITHER <math>\geq</math> 12 months reserves, or debt ratio <math>\leq</math> 40%.</b>
<b>Appraisal</b>	<b>PURCHASE: Loan amount <math>\leq</math> \$1,500,000 - 1 appraisal Loan amount <math>&gt;</math> \$1,500,000 - 2 appraisals REFINANCE: Loan amount <math>\leq</math> \$1,000,000 - 1 appraisal Loan amount <math>&gt;</math> \$1,000,000 - 2 appraisals Minimum 5 comps required preferably all closed sales. Appraisal expires in 180 days; recert of value is not allowed. ** see page 19 for Appraisal Valuation Variance Chart **</b>
<b>Appraisal Review</b>	<b>CDA is required from Clear Capital. When there are 2 appraisals, value will be the lesser of the 2. CDA is required on the lower valued of the 2. 2-4 unit properties require a Field Review. Also, see page 19</b>
<b>Declining Markets</b>	<b>Reduce max LTV by 5%</b>
<b>Value Determination</b>	<b>Lesser of 2 appraisals, or lesser of appraisal and Field Review.</b>
<b>Property Restrictions</b>	<b>Max 10 acres, and may not be income producing</b>
<b>Delegated</b>	<b>Not Delegated, 2<sup>nd</sup> signature is required for all loan amounts</b>
<b>Impounds</b>	<b>Required</b>
<b>Max Cash Out</b>	<b>See following page</b>
<b>Credits/Concessions</b>	<b>6%</b>
<b>2<sup>nd</sup> Home</b>	<b>Allowed</b>
<b>Investment Property</b>	<b>Not Allowed</b>
<b>Max # Financed Properties</b>	<b>Primary Residence – unlimited 2<sup>nd</sup> Home 10</b>
<b>Document Expirations</b>	<b>Credit, Income, Assets, Title = 90 days, Appraisal = 180 days</b>
<b>Minimum Credit Score</b>	<b>580 – 660 – see matrix</b>
<b>Gifts</b>	<b>Acceptable on primary residence only. If from relative, no minimum borrower contribution required. If not from relative, minimum 5% borrower contribution required.</b>
<b>First Time Homebuyer</b>	<b>Max payment shock, 250%</b>
<b>Credit</b>	<b>Minimum 2 open tradelines for each borrower reporting for a minimum of 12 months. 1 of the 2 must be open and active within the last 12 months. If borrower can not meet above requirement, the following may be considered: 2 account references with 0X30. May be rent payments, utility bills, medical insurance which is not payroll deducted, auto insurance, life insurance, renters insurance. All credit references must be in borrower's name. Credit references must be provided to a credit reporting vendor to create a non-traditional credit report to validate payment history. The following parameters must be met: Primary residence only, cash out refi not allowed, max D/R 43%, 3 additional months reserves required. Non-traditional credit is not allowed for a 0 credit score, or 0 reporting accounts; must be used in conjunction with existing established credit. All past due accounts must be brought current prior to closing, except: Medical collections <math>\leq</math> \$2k, <math>&gt;</math> \$2k but <math>\leq</math> \$5k must include 5% payment; Student loans <math>\leq</math> \$25,000 requires 5% payment. DISPUTED ACCOUNTS: -0- balance and <math>&gt;</math> 24 months ago do not need to be removed / resolved. See Separate Matrix if borrower has Multiple Derogatory Housing Events in past 7 years.</b>
<b>Housing Payment History</b>	<b>Housing payment history is not required.</b>
<b>Major Adverse Credit</b>	<b>No seasoning required for a derogatory event but Derogatory Event must be completed prior to application date (or in case of Ch 13BK, case be filed) A Derogatory Event is defined as a short-sale (SS), deed-in-lieu (DIL), mortgage loan charge-off (MCO), foreclosure (FCL) or Chapter 7 or Chapter 13 Bankruptcy (BK) Multiple Event Scenario is allowed within the most recent 4 years.</b>
<b>Debt Pay Down</b>	<b>Pay down debt to qualify is not allowed.</b>
<b>Reserve Requirement</b>	<b>See Reserve Matrix below</b>

**\*\* Subordinate Financing is Not allowed \*\***

<b>Purchase and Rate Term Refinance <sup>6, 7</sup></b>					
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Max <sup>8</sup> Debt Ratio</b>	<b>Maximum LTV</b>	<b>Maximum Loan Amount</b>	<b># Months Reserves <sup>9</sup></b>
<b>Primary &amp; 2<sup>nd</sup> Home</b>	660	50	85	1,000,000	6
<b>Primary &amp; 2<sup>nd</sup> Home</b>	620	50	80	1,000,000	3
<b>Primary &amp; 2<sup>nd</sup> Home</b>	580	50	70	1,000,000	3
<b>Cash Out Refinance</b>					
<b>Primary &amp; 2<sup>nd</sup> Home</b>	620	50	80	1,000,000	6

<b>Cash Out Refinance - Debt Consolidation <sup>10, 11</sup></b>					
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Max Debt Ratio</b>	<b>Maximum LTV</b>	<b>Maximum Loan Amount</b>	<b># Months Reserves</b>
<b>Primary &amp; 2<sup>nd</sup> Home</b>	660	35	85	750,000	6
<b>Primary &amp; 2<sup>nd</sup> Home</b>	620	35	80	750,000	3
<b>Primary &amp; 2<sup>nd</sup> Home</b>	580	35	70	750,000	3

<sup>6</sup> Delayed Refinance = Rate/Term Refinance - max cash back does not apply

<sup>7</sup> Rate/Term Refi - Max Cash back is the lesser of 2% of the loan amount or \$2k

<sup>8</sup> 55% Debt Ratio allowed if loan parameters meet at least 2 of the following compensating factors: 1)  $\leq$  75% LTV, 2)  $\geq$  650 qualifying credit score, 3) EITHER:  $\geq$  12 months reserves, or  $\geq$  125% Residual Income

<sup>9</sup> Two months reserves allowed if the loan parameters meet 2 of the following compensating factors: 1)  $\leq$  75% LTV, 2)  $\geq$  650 qualifying credit score, 3) EITHER: Debt ratio  $\leq$  40% or  $\geq$  125% Reserves

<sup>10</sup> Total reoccurring obligations to be paid may not > \$100,000 (excluding mortgages)

<sup>11</sup> Max cash back is the lesser of 2% of the loan amount or \$2k

## 200 Series

### HOMEOWNER'S ACCESS PROGRAM

<b>Product Description</b>	<b>200 Homeowner's Access, Wholesale and Retail Fixed and ARM</b>
<b>Program Numbers</b>	200 - 30 yr Fixed 200 - 5/1 ARM
<b>Non-Arms Length</b>	Allowed in primary residence only
<b>ARM ADJUSTMENTS</b>	Applicable to 5/1 ARM
<b>Index</b>	1 yr Libor
<b>Margin</b>	5%
<b>Annual Adjust. Cap</b>	2
<b>Lifetime Cap</b>	6
<b>Floor Rate</b>	5%
<b>First Adjust. Cap</b>	2
<b>Temporary Buydown</b>	Not Permitted
<b>Prepayment Penalty</b>	Not Permitted
<b>Qualifying Rate</b>	Fixed Rate = Note Rate 5/1 ARM = Greater of fully indexed rate, or Note rate
<b>Max Debt Ratio</b>	See following pages
<b>Payment Shock</b>	Max for First Time Homebuyer, or borrower with less than 5 years employment history or 5 years consistent earnings, is 250%. Also, refer to debt ratio section, and housing payment history section.
<b>Non-Occupant Co-borrower</b>	Allowed. Must be a family member. Max # borrowers is 4. May use non-occupant co-borrower income, and assets, and must include non-occ co-borr liabilities. Max combined D/R 43%.
<b>Types of Financing</b>	Purchase, Rate Term Refinance, Cash Out Refinance
<b>Max Loan Amount</b>	\$2,000,000
<b>Min Loan Amount</b>	\$100,000
<b>Eligible Property Type</b>	1-4 Units, Condo PUD
<b>Eligible Borrowers</b>	U.S. Citizens, Permanent Resident Aliens, and Non-Permanent Resident Aliens with acceptable VISA, and/or work authorization. Tenants in Common are not allowed.
<b>Mortgage Insurance</b>	NA
<b>Employment</b>	Minimum 2 year employment history in United states.
<b>Income</b>	W-2 wage earners: always require at minimum, most recent full month's paystubs, and most recent 2 years W-2s. For Self employed, rental income, and any other type income, follow standard documentation requirements, and calculation methods.
<b>Residual Income Required</b>	<b>See Separate Residual Income Evaluation Worksheet.</b> Minimum 80% Residual Income required if 2 of the following are met: 1) $\leq$ 75% LTV, 2) $\geq$ 680 FICO, 3) EITHER $\geq$ 12 months reserves, or debt ratio $\leq$ 40%.
<b>Appraisal</b>	<b>PURCHASE:</b> Loan amount $\leq$ \$1,500,000 - 1 appraisal <b>REFINANCE:</b> Loan amount $\leq$ \$1,000,000 - 1 appraisal Loan amount $>$ \$1,000,000 - 2 appraisals Minimum 5 comps required preferably all closed sales. Appraisal expires in 180 days; recert of value is allowed from 181 days to 365 days. ** see page 19 for Appraisal Valuation Variance Chart **
<b>Appraisal Review</b>	CDA is required from Clear Capital. When there are 2 appraisals, value will be the lesser of the 2. CDA is required on the lower valued of the 2. 2-4 unit properties require a Field Review. Also, see page 19
<b>Declining Markets</b>	Reduce max LTV by 5%
<b>Value Determination</b>	Lesser of 2 appraisals, or lesser of appraisal and Field Review.
<b>Property Restrictions</b>	Max 10 acres, and may not be income producing
<b>Delegated</b>	Not Delegated, 2 <sup>nd</sup> signature is required for all loan amounts
<b>Impounds</b>	Required



<b>Max Cash Out</b>	Rate Term Refinance = \$2k Cash Out Refinance \$500,000
<b>Credits/Concessions</b>	6%
<b>2<sup>nd</sup> Home</b>	Allowed
<b>Investment Property</b>	Not Allowed
<b>Max # Financed Properties</b>	Primary Residence – unlimited 2 <sup>nd</sup> Home with Qualifying Credit Score: >/ = 700 - 20. 660-699 – 10 < 660 - 4
<b>Document Expirations</b>	Credit, Income, Assets, Title = 90 days, Appraisal = 180 days
<b>Minimum Credit Score</b>	620 – 680 – see LTV matrix
<b>Gifts</b>	Acceptable on primary residence only. If from relative, no minimum borrower contribution required. If not from relative, minimum 5% borrower contribution required.
<b>First Time Homebuyer</b>	Max payment shock, 250%
<b>Credit</b>	Minimum 2 open tradelines for each borrower reporting for a minimum of 12 months. 1 of the 2 must be open and active within the last 12 months. If borrower can not meet above requirement, the following may be considered: 2 account references with 0X30. May be rent payments, utility bills, medical insurance which is not payroll deducted, auto insurance, life insurance, renters insurance. All credit references must be in borrower's name. Credit references must be provided to a credit reporting vendor to create a non-traditional credit report to validate payment history. The following parameters must be met: Primary residence only, cash out refi not allowed, max D/R 43%, 3 additional months reserves required. Non-traditional credit is not allowed for a 0 credit score, or 0 reporting accounts; must be used in conjunction with existing established credit. All past due accounts must be brought current prior to closing, except: Medical collections < / = \$2k, > \$2k but < \$5k must include 5% payment; Student loans < / = \$25,000 requires 5% payment. DISPUTED ACCOUNTS: -0- balance and > 24 months ago do not need to be removed / resolved. See Separate Matrix if borrower has Multiple Derogatory Housing Events in past 7 years.
<b>Housing Payment History</b>	Delinquent payments on housing (i.e mortgage or rental) are permitted Mortgage and rental payments must be no worse than 1x60x12.
<b>Major Adverse Credit</b>	24 months seasoning required for BK, Pre-foreclosure Sale, Foreclosure, Deed in Lieu, and Short Sale. Only 1 BK allowed in past 7 years. All events must be completed prior to application date. If borrower has Multiple Derogatory Housing Events in past 4 years, most recent must be seasoned at minimum 2 years.
<b>Debt Pay Down</b>	Pay down debt to qualify is not allowed.
<b>Reserve Requirement</b>	See Matrix below

**\*\* Subordinate Financing is Not Allowed \*\***

<b>Purchase and Rate Term Refinance<sup>12, 13</sup></b>					
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Max D/R<sup>14</sup></b>	<b>Maximum LTV</b>	<b>Maximum Loan Amount</b>	<b># Months Reserves<sup>15</sup></b>
<b>Primary &amp; 2nd Home</b>	<b>680</b>	<b>50</b>	<b>90</b>	<b>1,500,000</b>	<b>9</b>
	<b>660</b>	<b>50</b>	<b>85</b>	<b>1,500,000</b>	<b>6</b>
	<b>620</b>	<b>50</b>	<b>80</b>	<b>1,500,000</b>	<b>3</b>
<b>Cash Out Refinance<sup>16</sup></b>					
<b>Primary &amp; 2nd Home</b>	<b>660</b>	<b>50</b>	<b>80</b>	<b>1,000,000</b>	<b>6</b>
	<b>620</b>	<b>50</b>	<b>75</b>	<b>1,000,000</b>	<b>3</b>

<b>Cash Out Refinance - Debt Consolidation<sup>17, 18</sup></b>					
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Max D/R</b>	<b>Maximum LTV</b>	<b>Maximum Loan Amount</b>	<b># Months Reserves<sup>15</sup></b>
<b>Primary &amp; 2nd Home</b>	<b>680</b>	<b>35</b>	<b>90</b>	<b>750,000</b>	<b>9</b>
	<b>660</b>	<b>35</b>	<b>85</b>	<b>750,000</b>	<b>6</b>
	<b>620</b>	<b>35</b>	<b>80</b>	<b>750,000</b>	<b>3</b>

<sup>12</sup> Delayed Financing may be underwritten and priced as a rate term refinance. Maximum LTV and loan amount per Matrix. Rate term cash back amount restriction does not apply

<sup>13</sup> For Rate term transactions, maximum cash back amount is equal to the lesser of 2% of new refinance loan balance or \$2,000.

<sup>14</sup> 55% debt ratio allowed as long as the loan parameters meet 2 of the following compensating factors: 1)  $\leq$  75% LTV, 2)  $\geq$  680 qualifying credit score, 3) EITHER:  $\geq$  12 months reserves, or  $\geq$  125% Residual Income.

<sup>15</sup> Two months reserves allowed if loan parameters meet 2 of the following compensating factors: 1)  $\leq$  75% LTV, 2)  $\geq$  680 qualifying credit score, 3) EITHER:  $\geq$  12 months reserves or Debt Ratio  $\leq$  40%.

<sup>16</sup> For Cash-out transactions, maximum cash back amount is \$500,000.

<sup>17</sup> Total amount of reoccurring obligations to be paid off by the borrower cannot exceed \$100,000 (excluding mortgage liens).

<sup>18</sup> Maximum cash back amount is equal to the lesser of 2% of new refinance loan balance or \$2,000.

## 200 Series Investment

Product Description	200 Series Investment, Wholesale and Retail Fixed and ARM
Program Numbers	200 - 30 yr Fixed 200 - 5/1 ARM
Non-Arms Length	Not allowed
<u>ARM ADJUSTMENTS</u>	Applicable to 5/1 ARM
Index	1 yr Libor
Margin	5%
Annual Adjust. Cap	2
Lifetime Cap	6
Floor Rate	5%
First Adjust. Cap	2
Temporary Buydown	Not Permitted
Prepayment Penalty	Not Permitted
Qualifying Rate	Fixed Rate = Note Rate 5/1 ARM = Greater of fully indexed rate, or Note rate
Max Debt Ratio	43% and must meet residual income requirements.
Payment Shock	NA
Non-Occupant Co-borrower	Not allowed
Types of Financing	Purchase, Rate Term Refinance, Cash Out Refinance
Max Loan Amount	\$2,000,000
Min Loan Amount	\$100,000
Eligible Property Type	1-4 Units, Condo, PUD
Eligible Borrowers	U.S. Citizens, & Permanent Resident Aliens. Tenants in Common are not allowed.
Mortgage Insurance	NA
Employment	Minimum 2 year employment history in United states.
Income	W-2 wage earners: always require at minimum, most recent full month's paystubs, and most recent 2 years W-2s. For Self employed, rental income, and any other type income, follow standard documentation requirements, and calculation methods.

<b>Residual Income Required</b>	<b>See Separate Residual Income Evaluation Worksheet.</b>
<b>Appraisal</b>	<p><b>PURCHASE:</b>  Loan amount &lt; / = \$1,500,000 - 1 appraisal  Loan amount &gt; \$1,500,000 - 2 appraisals</p> <p><b>REFINANCE:</b>  Loan amount &lt; / = \$1,000,000 - 1 appraisal  Loan amount &gt; \$1,000,000 - 2 appraisals  Minimum 5 comps required preferably all closed sales. Appraisal expires in 180 days; recert of value is allowed when appraisal is 181 – 360 days old.  ** see page 19 for Appraisal Valuation Variance Chart **</p>
<b>Appraisal Review</b>	CDA is required from Clear Capital. When there are 2 appraisals, value will be the lesser of the 2. CDA is required on the lower valued of the 2. 2-4 unit properties require a Field Review. Also, see page 19
<b>Declining Markets</b>	Reduce max LTV by 5%
<b>Value Determination</b>	Lesser of 2 appraisals, or lesser of appraisal and Field Review.
<b>Property Restrictions</b>	Max 10 acres, and may not be income producing
<b>Delegated</b>	Not Delegated, 2 <sup>nd</sup> signature is required for all loan amounts
<b>Impounds</b>	Required
<b>Max Cash Out</b>	Rate Term Refinance = \$2k Cash Out Refinance \$350,000
<b>Credits/Concessions</b>	6%
<b>Primary Residence</b>	Not allowed
<b>2<sup>nd</sup> Home</b>	Not Allowed
<b>Investment Property</b>	Allowed – this program is specifically for Investment property.
<b>Max # Financed Properties</b>	Unlimited. Borrowers with less than 12 months history of managing multiple rental properties are limited to 4 acquired properties in last 12 months.
<b>Document Expirations</b>	Credit, Income, Assets, Title = 90 days, Appraisal = 180 days
<b>Minimum Credit Score</b>	620 to 660 – see matrix
<b>Gifts</b>	Not allowed
<b>First Time Homebuyer</b>	NA
<b>Credit</b>	Minimum 2 open tradelines for each borrower reporting for a minimum of 12 months. 1 of the 2 must be open and active within the last 12 months. All past due accounts must be brought current prior to closing, except: Medical collections < / = \$2k, > \$2k but < \$5k must include 5% payment; Student loans < / = \$25,000 requires 5% payment. DISPUTED ACCOUNTS: -0- balance and > 24 months ago do not need to be removed / resolved. Multiple Derogatory Housing Events in past 7 years are not allowed
<b>Housing Payment History</b>	0 X 30 in most recent 12 months on all mortgages/rentals
<b>Major Adverse Credit</b>	24 months seasoning is required after BK dismissal/discharge, pre-foreclosure sale, foreclosure, deed in lieu, loan modification, & short sale, (completion date to application date). Detailed LOE is required.
<b>Debt Pay Down</b>	Pay down debt to qualify is not allowed.
<b>Reserve Requirement</b>	See Reserve Matrix below

<b>Reserve Requirements</b>		
<b>Occupancy</b>	<b>LTV</b>	<b># Months PITI/HOA Reserves Required</b>
<b>Investment</b>	>80	9
<b>Investment</b>	</= 80	6
<b>Additional Reserves Required for Each Financed Property</b>	All	6

**\*\* Subordinate Financing is not allowed \*\***

<b>Purchase and Rate/Term Refinance<sup>19 20</sup></b>			
<b>Occupancy</b>	<b>Minimum Credit Score</b>	<b>Maximum LTV</b>	<b>Maximum Loan Amount</b>
<b>Investment Property</b>	660	85	1,500,000
	620	80	1,500,000
	620	75	1,750,000
	620	70	2,000,000
<b>Cash Out Refinance<sup>21</sup></b>			
<b>Investment Property</b>	640	80	1,000,000

<sup>19</sup> Delayed Financing may be underwritten and priced as a rate term refinance. Maximum LTV per Matrix. Maximum loan amount per Matrix. Rate term cash back amount restriction does not apply

<sup>20</sup> For Rate term transactions, maximum cash back amount is \$2,000

<sup>21</sup> Max cash back \$350,000

## 200 Series Foreign National

\*\* See page 17 Foreign National Ineligible Country list, along with other  
Ineligibility parameters \*\*

<b>Product Description</b>	<b>200 Foreign National, Wholesale and Retail Fixed and ARM</b>
<b>Program Numbers</b>	200 - 30 yr Fixed 200 - 5/1 ARM
<b>Non-Arms Length</b>	Not allowed
<b>ARM ADJUSTMENTS</b>	Applicable to 5/1 ARM
<b>Index</b>	1 yr Libor
<b>Margin</b>	5.5%
<b>Annual Adjust. Cap</b>	2
<b>Lifetime Cap</b>	6
<b>Floor Rate</b>	5.5%
<b>First Adjust. Cap</b>	2
<b>Temporary Buydown</b>	Not Permitted
<b>Prepayment Penalty</b>	Not Permitted
<b>Qualifying Rate</b>	Fixed Rate = Note Rate 5/1 ARM = Greater of fully indexed rate, or Note rate
<b>Max Debt Ratio</b>	43%
<b>Payment Shock</b>	NA
<b>Non-Occupant Co-borrower</b>	Not Allowed.
<b>Types of Financing</b>	Purchase, & Rate Term Refinance
<b>Max Loan Amount</b>	\$2,000,000
<b>Min Loan Amount</b>	\$200,000
<b>Eligible Property Type</b>	1 Unit, Condo, PUD
<b>Eligible Borrowers</b>	Foreign Nationals: Defined as individuals that don't reside in U.S., do not possess a green card or visa, do not work in the U.S. and have a primary residence within their country of origin, or country of residence. Borrower(s) must establish a ACH debit from a U.S. Based bank. POA is not allowed. Tenants in Common is not allowed
<b>Mortgage Insurance</b>	NA
<b>Employment</b>	Minimum 2 year history is required
<b>Income</b>	W-2 wage earners: always require at minimum, most recent full month's paystubs, and most recent 2 years W-2s. For Self employed, rental income, and any other type income, follow standard documentation requirements, and calculation methods.
<b>Certificate of Foreign Status of Beneficial Owner for U.S. Tax Withholding</b>	Form W-8 is required for all borrowers
<b>Closing</b>	All closings are to occur within a U.S. based title agent's office
<b>Translated documents</b>	All credit, income, assets, and any other documentation not in English, must be translated into English by an uninterested 3 <sup>rd</sup> party, and all currencies exchanged to U.S. dollars.

<b>Residual Income Required</b>	<b>See Separate Residual Income Evaluation Worksheet.</b>
<b>Assets</b>	All assets must be on deposit with a U.S. recognized depository or banking entity. When assets are moved from a foreign country to a U.S. bank, all must be sourced and seasoned a minimum of 30 days. Most recent 2 months bank statements are required. Foreign bank statements may be used for reserves only and must be translated and converted to U.S. dollars, and may not be from a country on the ineligible list. ** See Foreign National Ineligible Country List, and other Ineligibility parameters, page 17. ** Gifts, grants, and business funds are ineligible assets.
<b>Appraisal</b>	<b>PURCHASE:</b> Loan amount < / = \$1,500,000 - 1 appraisal Loan amount > \$1,500,000 - 2 appraisals <b>REFINANCE:</b> Loan amount < / = \$1,000,000 - 1 appraisal Loan amount > \$1,000,000 - 2 appraisals Minimum 5 comps required preferably all closed sales. Appraisal expires in 180 days; recert of value is allowed from 181 days to 365 days. ** see page 19 for Appraisal Valuation Variance Chart **
<b>Appraisal Review</b>	CDA is required from Clear Capital. When there are 2 appraisals, value will be the lesser of the 2. CDA is required on the lower valued of the 2. 2-4 unit properties require a Field Review. Also, see page 19
<b>Declining Markets</b>	Reduce max LTV by 5%
<b>Value Determination</b>	Lesser of 2 appraisals, or lesser of appraisal and Field Review.
<b>Property Restrictions</b>	Max 10 acres, and may not be income producing
<b>Delegated</b>	Not Delegated, 2 <sup>nd</sup> signature is required for all loan amounts
<b>Impounds</b>	Required
<b>Max Cash Out</b>	Rate Term Refinance = \$2k. Cash out Refinance is not allowed.
<b>Credits/Concessions</b>	6% on 2 <sup>nd</sup> home, 2% on Investment Property
<b>O/O</b>	Not Allowed .
<b>2<sup>nd</sup> Home</b>	Allowed.
<b>Investment Property</b>	Allowed. 1031 exchange is not allowed.
<b>Max # Financed Properties</b>	2
<b>Document Expirations</b>	Credit, Income, Assets, Title = 90 days, Appraisal = 180 days
<b>Minimum Credit Score</b>	680 if we have a U.S. Credit Report. If we do not have a U.S. credit report, the credit score is not applicable.
<b>Gifts</b>	Gifts are not allowed
<b>First Time Homebuyer</b>	Not allowed
<b>Credit</b>	Domestic Credit Report is not required. International Credit Report is required unless applicant has U.S. Credit report with sufficient trades or a Foreign Credit report provided by a U.S. Credit Reporting company; Equifax, Experian, CBC. See Separate Credit Report Order Form.
<b>Housing Payment History</b>	OX30 in most recent 24 months on all mortgages if borrower has a mortgage , or on rental if borrower is presently renting.
<b>Major Adverse Credit</b>	BK, Pre-foreclosure, Foreclosure, Short Sale, Deed in Lieu; minimum 7 years from completion date to application date is required.
<b>Debt Pay Down</b>	Pay down debt to qualify is not allowed.
<b>Reserve Requirement</b>	See Reserve Matrix below

## **Foreign National Ineligible Country List**

**Myanmar (Burma)**  
**Cuba**  
**Iran**  
**Iraq**  
**Liberia**  
**Sudan**  
**North Korea**  
**Syria**  
**Yemen**  
**Zimbabwe**  
**Ukraine**  
**Russia**  
**Afghanistan**  
**Somalia**  
**Egypt**  
**Democratic Republic of the Congo**

**Ineligibility can also be determined if any of the following occurs:**

- 1) Finding listed within World Compliance M system for any category.**
- 2) International credit report reveals discrepancy of info provided that cannot be cured with supplemental documentation.**
- 3) Borrower(s) currently retain a U.S. based property**
- 4) Borrower(s) retain a U.S. Social Security Number**
- 5) Borrower is considered a U.S. Ex-patriot**
- 6) Borrower is a current holder of a U.S. Visa, U.S. Passport, or Green Card**
- 7) Fraudulent activity is determined by any systemic or manual process.**
- 8) Politically exposed borrowers are not eligible for this program**
- 9) Person's of Political Interest are not eligible for this program.**
- 10) Borrowers with Diplomatic Immunity are not eligible for this program**
- 11) Borrowers whose income is not likely to continue for minimum 3 years are not eligible for this program**
- 12) Borrowers with passports from geographic areas with OFAC sanctions against them and/or borrowers listed on the Specially Designated Nationals list are not eligible for this program**

**Above is subject to change without notice, and does NOT provide a grandfather provision for loans currently in pipeline.**



## Reserve Requirements

Occupancy	# months PITI/HOA Reserves Required
2 <sup>nd</sup> Home	12
Investment Property	12
<b>Additional reserves are not required for any other financed property</b>	

\*\* Subordinate Financing Not Allowed \*\*

\*\* Cash Out Refinance is not Allowed \*\*

Purchase and Rate Term Refinance			
Occupancy	Minimum Credit Score (if applicable) <sup>22</sup>	Maximum LTV	Maximum Loan Amount
2 <sup>nd</sup> Home	680	70%	\$625,000
		65%	\$1,000,000
		60%	\$1,500,000
		50%	\$2,000,000
Investment Property		50%	\$1,000,000

<sup>22</sup> 680 If we have a U.S. Credit Report. If we do not have a U.S. credit report, the credit score is not applicable.

## Appraisal Valuation Variance Chart

**\*\* This is applicable to all 5 Portfolio Programs \*\***

If there is a variance in value between Appraisal and CDA, or Field Review, please refer to the following Chart. Additional review or documentation may be required.

Property Type	Appraisal Review Type	CDA Recommends Field Review	Variance	LTV </= 65%	LTV >65% to 75%	LTV >75% To 80%
<b>1 Unit</b>	<b>CDA</b>	<b>No</b>	None	Approve	Approve	Approve
			< 5%	Approve	Approve	Review & Approve CDA
			5% - < 8%	Approve	Review & Approve CDA	Field Review Required
			>= 8% or indeterminate	Field Review Required	Field Review Required	Field Review Required
		<b>Yes</b>	None	Approve	Approve	Approve
			<5%	Approve	Review & Approve CDA	Review & Approve CDA
			5% - < 8%	Review & Approve CDA	Review & Approve CDA	Field Review Required
		>= 8% or indeterminate	Field Review Required	Field Review Required	Field Review Required	
<b>2 Unit</b>	<b>Field Review</b>	<b>NA</b>	<b>NA</b>	Default to Field Review	Default to Field Review	Default to Field Review
<b>Field Review Variance Threshold</b>				<b>8%</b>	<b>8%</b>	<b>8%</b>