

HELOAN Plus

(Piggy back, Standalone 2nd TD)

Program Code: HELOAN Plus -30, -20, -15, -10

Loan Amt	Min FICO	Max CLTV		
		Primary	2 nd Home	Investment
		Full Doc		
100,000-250,000	740	85%	80%	75%
	700	80%	75%	70%
	680	75%	75%	NA
250,001-500,000	740	80%	80%	75%
	700	80%	75%	70%
	680	75%	75%	NA
* Warrantable Condo Max CLTV: 80% * 2-4 Units Max CLTV: 65% * Declining Market Restrictions: Maximum LTV/CLTV is reduced by 10% - the appraisal report identifies the property as a declining market;				
General Requirements				
DTI	<ul style="list-style-type: none"> ▪ Maximum DTI ratio: <ul style="list-style-type: none"> ○ 50% DTI (Primary) ○ 45% DTI (2nd /Investor) ○ If 1st lien is an Interest Only (IO), fully amortizing payment to be used to qualify ○ If 1st lien is an Adjustable Rate Mortgage (ARM), the higher of the fully indexed rate or Note rate to be used to qualify 			
Occupancy	<ul style="list-style-type: none"> ▪ Primary Residence ▪ Second Home ▪ Investment 			
Product Type	<ul style="list-style-type: none"> ▪ 30-Yr Fixed ▪ 20-Yr Fixed ▪ 15-Yr Fixed ▪ 10-Yr Fixed 			
Loan Purpose	<ul style="list-style-type: none"> ▪ Stand-Alone Cash-Out ▪ Concurrent(Piggyback) 			
Loan Amount	<ul style="list-style-type: none"> ▪ Min: \$100,000 ▪ Max: \$500,000 			

	<ul style="list-style-type: none"> ▪ \$2.5M Maximum Loan Amount (1st & 2nd Lien combined)
Cash-Out	<ul style="list-style-type: none"> ▪ Max Cash-Out: \$500,000
Property Type	<ul style="list-style-type: none"> ▪ Single Family ▪ 2-4 Units (Max 65% CLTV) ▪ PUD ▪ Fannie Mae Warrantable Condo (Max 80% CLTV)
Ineligible Property	<ul style="list-style-type: none"> ▪ Assisted Living/Continuing Care Facilities ▪ Boarding Houses / Group Homes ▪ Builder Model Leaseback ▪ C5 or C6 Property Condition Grades ▪ Condotels ▪ Cooperatives ▪ Fractional Ownership / Timeshares ▪ Geodesic Domes ▪ Homes on Native American Land (Reservations) ▪ Houseboats ▪ Live / Work Condos ▪ Log Homes ▪ Mandatory Country Club Memberships ▪ Manufactured Homes ▪ Mixed Use Properties ▪ Non-Warrantable Condo ▪ Properties listed for sale within the last 6 (six) months ▪ Properties under Construction ▪ Properties used for the cultivation, distribution, manufacture, or sale of Marijuana ▪ Properties with >20 acres ▪ Rural properties ▪ Theme Park Resort Properties ▪ Unique Properties ▪ Working Farms ▪ Zoning Violations ▪ Unpermitted Additions
State Restrictions	<ul style="list-style-type: none"> ▪ TX: Not allowed
Appraisals	<ul style="list-style-type: none"> ▪ One Full Appraisal required ▪ Appraisals are good for one hundred twenty (120) days. Any appraisal seasoned greater than one hundred twenty (120) days will require a recertification of value completed by the original licensed appraiser. A recertification of value will be permitted up to one hundred eighty (180) days ▪ Legal non-conforming zoned properties must indicate that the subject property can be rebuilt if it is severely damaged or destroyed ▪ Appraisals with condition or quality ratings of C5 or C6 will not be eligible ▪ Form 1007 Schedule of Rents is required for all Non-Owner-Occupied loans ▪ For concurrent (piggyback) transactions, utilization of the Appraisal from the 1st lien is acceptable
Escrow Impound	<ul style="list-style-type: none"> ▪ Not Required
Prepayment Penalties	<ul style="list-style-type: none"> ▪ Not allowed

CONCURRENT REQUIREMENTS ("PIGGYBACKS")	<ul style="list-style-type: none"> Approval letter / final approval from 1st mortgage showing all conditions have been satisfied Final Closing Disclosure from 1st mortgage transaction Use of Appraisal from the 1st lien is acceptable Title policy from 1st lien transaction can be used and must include title insurance/CPL/wire instructions HOA statement, HOI, flood insurance from the 1st lien transaction (if applicable)
General Underwriting Guidelines	
Tradelines	<ul style="list-style-type: none"> Document per Fannie Mae Seller Guidelines or Freddie Mac Seller Guidelines <ul style="list-style-type: none"> Fannie Mae: No minimum tradeline required. Freddie Mac: 3 minimum tradelines required.
Credit Score	<ul style="list-style-type: none"> Qualifying score is the lowest of 2 scores or middle of 3 scores from the primary income earner. Non-traditional credit ineligible.
Housing History	<ul style="list-style-type: none"> 0x30x12 - Verification of mortgage history required on all loans.
Housing Event Seasoning	<ul style="list-style-type: none"> Foreclosure /Short Sale/Deed in Lieu / Any Bankruptcy/Default Modification, Notice of Default, Lis Pendens or 120+ Days Delinquent : : 48 month waiting period <ul style="list-style-type: none"> Borrowers with multiple Housing Events within the last seven (7) years are not eligible
INELIGIBLE TRANSACTIONS (1ST LIEN)	<ul style="list-style-type: none"> Construction Loans Temporary Buydowns Builder Bailout & Model leasebacks Conversion Loans Rent Credits Non-Arm's Length Lease Option Subject Loan being used as Bridge financing Cross Collateralized Renovation Loans
Interest Only	<ul style="list-style-type: none"> NA
Reserves	<ul style="list-style-type: none"> NA
Borrower Eligibility	<ul style="list-style-type: none"> US Citizen Permanent Resident Alien Non-Permanent Resident (Primary Residence ONLY) Daca Borrowers

Ineligible Borrower	<ul style="list-style-type: none"> ▪ Non-Occupant Co-borrowers ▪ Foreign Nationals ▪ ITINs ▪ Irrevocable or Blind Trusts ▪ Land Trusts ▪ Borrowers with diplomatic immunity ▪ Asylum applicants ▪ Self-employed Borrower deriving their income from any Cannabis related business ▪ Borrowers(s) with residence of any country not permitted to conduct business with U.S. Companies as determined by U.S. government authority
POWER OF ATTORNEY	<ul style="list-style-type: none"> ▪ Not Permitted
CASH OUT CLTV	<ul style="list-style-type: none"> ▪ Use the lesser of the appraised value and the purchase price for properties owned less than 12 months ▪ Properties that have been on the market within six months of the application date are ineligible
Senior Liens Requirement & Documentation	<ul style="list-style-type: none"> ▪ \$2.5mm Maximum Loan Amount (1st & 2nd Lien combined) ▪ Must document 1st mortgage with a copy of 1st mortgage note or billing statement ▪ Senior liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> ○ Loans with a Negative Amortization feature ○ Outstanding term >30 years ○ Loans in active forbearance or deferment ○ Reverse Mortgages ○ Private 1st liens ○ Balloon loans with a maturity date before the maturity date of the 2nd subject lien ○ First Lien HELOC ○ Land Contracts ○ Cross Collateralized loans
Solar Lease	<ul style="list-style-type: none"> ▪ Must conform to FNMA guidelines <ul style="list-style-type: none"> ○ PACE loans (or any similar loans with payments that are included in property taxes or take lien priority) are not eligible
Mortgage Insurance	<ul style="list-style-type: none"> ▪ Not required
Income Documentation Option	
Full Doc	<ul style="list-style-type: none"> ▪ Wage/Salary <ul style="list-style-type: none"> ○ Most recent 30-day paystubs ○ 2-years W-2s ○ Tax transcripts ▪ Self-Employed <ul style="list-style-type: none"> ○ 25% or greater ownership required ○ 2-years of Personal and Business Tax Returns ○ YTD P&L ○ Tax transcripts

