

**Stated EZ / 3mo PBS EZ / 6mo BBS EZ**

Program Codes: SI -30 &amp; 7/6, 3Mo Personal Bank Stmt EZ -30 &amp; 7/6, 6Mo Business Bank Stmt EZ -30 &amp; 7/6

Units	Loan Amount (CA Only)	Min FICO	Max LTV/CLTV/HCLTV					
			Primary / 2nd Home / Investment					
			Purchase & R/T	Cash-Out				
1 units & PUD, 2-4 Units	≤ \$2,000,000	680	75%	NA				
Condo	≤ \$2,000,000	700	70%					
Foreign Nationals	NA							
Units	Loan Amount (Non-CA Only)	Min FICO	Max LTV/CLTV/HCLTV					
			Primary / 2nd Home / Investment					
			Purchase & R/T	Cash-Out				
1 units & PUD, 2-4 Units	≤ \$2,000,000	700	70%	NA				
Condo	≤ \$2,000,000	700	70%					
Foreign Nationals	NA							
<b>General Underwriting Guidelines</b>								
DTI	38/43%							
Asset	<ul style="list-style-type: none"> <li>- Most recent 2month bank statement or VOD with 60day average balance</li> <li>- Business Funds may be used up to 100% of current balance if borrower can demonstrate 100% ownership of the business. If used for reserves, funds from business account must be transferred into borrower's personal account.</li> <li>- For Cash-Out, Assets must be liquid – Checking, Savings, or MMA</li> <li>- Foreign assets used for down payment, closing costs, and/or reserves must be transferred to US Institutional account prior to ordering docs</li> </ul>							
Income Docs	<b>Stated Income</b>	<ul style="list-style-type: none"> <li>▪ Self-Employed Verification</li> <li>Provide two of the following three options:</li> <li>- CPA Letter verifying business ownership for at least 2 years</li> <li>- 2 years of business license</li> <li>- Current Employment (1003) listed on the credit report or Third-party listing to verify business name and contact</li> <li>▪ Salary Employees Verification</li> <li>- Verbal Verification of Employment / Current Employment (1003) must show on credit report</li> <li>▪ Income Calculation</li> <li>- The lower of the listed income on the 1008 and the Total Verified Assets/6 (Reasonability of Income Applies)</li> <li>- Large deposits of more than 100% of the monthly income must be sourced</li> </ul>						
	<b>3 Months Bank Statement</b>	<ul style="list-style-type: none"> <li>▪ Self-Employed Verification</li> <li>Provide two of the following three options:</li> <li>- CPA Letter verifying business ownership for at least 2 years</li> <li>- 2 years of business license</li> <li>- Current Employment (1003) listed on the credit report or Third-party listing to verify business name and contact</li> <li>▪ Salary Employees Verification</li> <li>- Verbal Verification of Employment</li> <li>▪ Income Calculation</li> <li>- Calculate the average total deposits of 3 consecutive bank statements. Max age of documents is 90 days</li> <li>- Source and explain all large deposits more than 150% of calculated average monthly income</li> </ul>						
	<b>6 Months Business Bank Statement</b>	<ul style="list-style-type: none"> <li>▪ Self-Employed Verification</li> <li>Provide two of the following four options:</li> <li>- CPA Letter verifying business ownership for at least 2 years</li> <li>- 2 years of business license</li> <li>- Current Employment (1003) listed on the credit report or Third-party listing to verify business name and contact</li> <li>- Business Name listed on the credit report or third-party asset statements</li> <li>▪ Income Calculation</li> <li>- Calculate the average total deposits of 6 consecutive bank statements and reduce by 50% for expense ratio. Max age of documents is 90 Days. Income must be adjusted based on percentage of ownership (must be <math>\geq</math> 25% ownership).</li> <li>- A 50% expense ratio is required regardless of business type</li> </ul>						
Reserves	<ul style="list-style-type: none"> <li>- 6 Month P&amp;I in US Financial Institution</li> <li>- Must be own fund (No gift allowed)</li> </ul>							
Gift	<ul style="list-style-type: none"> <li>- Gift is allowed for down payment and closing cost</li> </ul>							
Tradelines	3 open tradelines seasoned for at least 12 months required (Non-traditional tradeline allowed)							
Housing History	Max 1x30x12							
Housing Event Seasoning	BK SS / DIL FC / Mod	5 years 5 years 5 years						
Acceptable Number of Late Payment	<b>Mortgage/Rent</b>							
	Maximum Allowed	Past 12 month	Past 24 months	Past 36 months				
	x30	1	2	4				
	x60	0	1	2				
	x90	0	0	0				
	No Limit if past 36 months							
	<b>Installment/Revolving Debt</b>							
	Maximum Allowed	Past 12 month	Past 24 months	Past 36 months				
	x30	3		4				
	x60	0	1	2				
	x90	0	1	1				
	No Limit if past 36 months							

General Requirements	
<b>Product Type</b>	30Yr Fixed, 7/6 ARM
<b>Loan Amount</b>	Max: \$2,000,000
<b>Loan Purpose</b>	Purchase and Rate/Term
<b>Occupancy</b>	Primary, Second Home, Investment
<b>Property Type</b>	Single Family   Attached   Detached   2-4 Units   Condo   PUD
<b>Escrow Impound</b>	No Impound
<b>Cash-Out</b>	Not allowed
<b>Appraisal</b>	One Full Appraisal and one Automated Valuation Model (AVM)
<b>Qualifying Rate</b>	The Greater of start rate or fully-indexed rate
<b>Interested Party Contributions (IPC)</b>	<ul style="list-style-type: none"> <li>- Primary &amp; Second Home: 6%</li> <li>- Investment: 2%</li> </ul>
<b>Listing History</b>	Subject property cannot be listed for sale at the application date for R&T and C/O.
<b>Condo</b>	Must be warrantable by Fannie Mae
<b>Foreign Nationals</b>	Not allowed
<b>Ineligible Transaction</b>	<ul style="list-style-type: none"> <li>- Non-arm's length transactions</li> <li>- For sale by owner transactions</li> <li>- Employed by a family member or related individuals are not eligible for qualification</li> <li>- Borrowers vesting on title with undivided % of ownership or as tenants in common</li> </ul>