

MAX LTV'S

0x60 - 12 Month Mortgage History

Loan Amount	Reserves	FICO	Purchase and Rate / Term	Cash Out
≤ \$1,000,000	3 Months	680	90%	85%
		640	85%	80%
		620	85%	80%
		580	80%	80%
		500	75%	70%
> \$1,000,001	6 Months	640	85%	75%
		620	80%	75%
		580	80%	70%
		500	70%	65%

ADDITIONAL PROGRAM REQUIREMENTS

Program	Additional Requirements	FICO	Reserves
First Time Home Buyers	-	580	6 Mo
12 Month Personal or Business Bank Statements, 1 year Tax Return, or 1 Year W-2	43% Max DTI, 85% Max LTV	620	
24 Month Personal or Business Bank Statements	-	580	
Interest-Only	-	620	
Second Homes	80% Max LTV	580	
Limited Tradelines	Lesser of actual and 580 FICO		12 Mo
Non-US Credit	Qualify at 620 FICO		
50.01% - 55%DTI (Full Doc, Primary only)	85% Max LTV	680	

Arm Features Index: 1 Year LIBOR	Product	Margin	Caps	Floor
	5/1	3.50%	2/2/5	3.50%
	7/1	3.50%	5/2/5	3.50%
Qualifying Rate	Fixed = Note Rate			
	ARM = Greater of Note Rate or Fully Indexed			
Interest Only Features	IO Period	Amort Term	Final Maturity	
	10 Years	30 Years	40 Years	
	10 Years	20 Years	30 Years	

Property Type Requirements		
Property Type	Max LTV Owner Occupied	Max LTV Non-Owner Occupied
2-4 Unit	80%	75%
Non-Warrantable Condo	80%	75%
Rural Properties	80%	N/A
Log Homes	80%	N/A
Modular Homes	80%	80%

All Non-QM loans require impound accounts.



LHFS PROGRAM CODES			
PROGRAM	CODES	PROGRAM	CODES
Full Doc Fixed 30	WEFAM30-092	12 Mo Bk Stmts Fixed 30	WEFAM12MBS30-092
Full Doc 5/1 ARM	WEFAM51L-092	12 Mo Bk Stmts 5/1 ARM	WEFAM12MBS51L-092
Full Doc 7/1 ARM	WEFAM71L-092	12 Mo Bk Stmts 7/1 ARM	WEFAM12MBS71L-092
Full Doc 5/1 ARM – Interest Only	WEFAM51LIO-092	12 Mo Bk Stmts 5/1 ARM – Interest Only	WEFAM12MBS51LIO-092
Full Doc 7/1 ARM – Interest Only	WEFAM71LIO-092	12 Mo Bk Stmts 7/1 ARM – Interest Only	WEFAM12MBS71LIO-092
24 Mo Bk Stmts Fixed 30	WEFAM24MBS30-092	Lite Credit Full Doc Fixed 30	WEFAMLC30-092
24 Mo Bk Stmts 5/1 ARM	WEFAM24MBS51L-092	Lite Credit Full Doc 5/1 ARM	WEFAMLC51L-092
24 Mo Bk Stmts 7/1 ARM	WEFAM24MBS71L-092	Lite Credit Full Doc 7/1 ARM	WEFAMLC71L-092
24 Mo Bk Stmts 5/1 ARM – Interest Only	WEFAM24MBS51LIO-092	Lite Credit Full Doc 5/1 ARM – Interest Only	WEFAMLC51LIO-092
24 Mo Bk Stmts 7/1 ARM – Interest Only	WEFAM24MBS71LIO-092	Lite Credit Full Doc 7/1 ARM – Interest Only	WEFAMLC71LIO-092
Business Bk Stmts Fixed 30	WEFAMBBS30-092	Business Bk Stmts 5/1 ARM	WEFAMBBS51L-092
Business Bk Stmts 7/1 ARM	WEFAMBBS71L-092	Business Bk Stmts 5/1 ARM – Interest Only	WEFAMBBS51LIO-092
Business Bk Stmts 7/1 ARM – Interest Only	WEFAMBBS71L-092		

FLEX – EXPANDED NICHE PROGRAM MORTGAGE BENEFITS

- Provides liquidity to borrowers who may have consumer credit challenges.
- 24 months seasoning on Chapter 7 and 11 bankruptcies
- No seasoning requirement for Chapter 13 bankruptcies when the bankruptcy is discharged prior to closing. If the Chapter 13 bankruptcy was dismissed, 12-months' seasoning is required from the date of the dismissal.
- 24 months seasoning Foreclosure, Short Sale, or DIL
- 5/1 ARM, 7/1 ARM, or 30 FRM – Interest only available
- Cash-out up to \$500,000
- Credit scores down to 500 (including jumbo loans)
- DTI 43% – exceptions up to 55% considered
- Gift funds allowed
- Loans up to \$2 million (minimum loan amount \$100,000)
- No pre-payment penalties (Primary & Second Homes only)
- Non-warrantable condos considered
- Rural properties, log homes, and modular homes allowed
- Owner occupied, 2nd homes, and Investment Properties allowed
- Seller concessions up to 9% (Primary & Second Homes), up to 2% for Investment Properties
- Up to 90% LTV
- 12 or 24 months' personal bank statements (bank statement program)
- 12 or 24 months' business bank statements (bank statement program)
- 1 Year alternative documentation

ADDITIONAL FLEX PROGRAMS:

- [Flex "A+"](#)
- [Flex "A"](#)
- [Flex "B"](#)
- [Flex "C" \(Credit Event\)](#)
- [Flex Foreign National](#)
- [Flex Investor Advantage](#)

HELPFUL LINKS:

- [Flex Guidelines](#)
- [Flex Income Calculator](#)
- [Flex Product Comparison](#)



GENERAL REQUIREMENTS

APPRAISAL REVIEW	<p><u>Appraisal Review Product required for:</u></p> <ul style="list-style-type: none"> • Loan sizes ≥ \$453,100 • Cash out > \$100,000 • Flip transactions • Non-arm's length • All investment property refinances <p><u>Field Review or CDA required:</u></p> <ul style="list-style-type: none"> • LTV ≥ 80% • Loan amounts ≥ \$1,000,000 <p><u>2ND full appraisal required:</u></p> <ul style="list-style-type: none"> • Loan amounts ≥ \$1,500,000 • Approved loan amount exceptions
CASH OUT	<ul style="list-style-type: none"> • Up to \$500,000: Program LTV's <ul style="list-style-type: none"> ◦ Cash Out may be used for reserve requirements and/or to pay off debt for qualifying. ◦ Cash out not allowed for Investment properties in Texas
CITIZENSHIP	<ul style="list-style-type: none"> • US Citizen, Permanent Resident Alien, and Non-Permanent Resident Alien
COMPLIANCE	<ul style="list-style-type: none"> • Escrows required for taxes and insurance • Fully documented ability-to-repay • No section 32 or state high cost • Total Borrower Paid Points and Fees must be less than 5% • Compliance with all applicable Federal and State regulations • All Non-QM loans require impound accounts.
CREDIT	<p>0x60 - 12 Month Mortgage History <u>Standard:</u> 3 tradelines reporting for 12+ months <u>or</u> 2 tradelines reporting for 24+ months with activity in the last 12 months. <u>Limited:</u> No minimum tradeline requirements (Full Doc Only) <u>Non-US:</u> See Guidelines for Nonpermanent Resident Aliens <u>Seasoning:</u></p> <ul style="list-style-type: none"> • Foreclosure, Short Sale, and Deed in Lieu: 24 Months • Bankruptcy (Chapter 7/11): 24 Months • Bankruptcy (Chapter 13): Discharged
DEBT RATIOS	<ul style="list-style-type: none"> • 43% DTI • up to 50% DTI with FICO ≥ 620 • up to 55% DTI with the following compensating factors: <ul style="list-style-type: none"> ◦ Full Doc only, FICO ≥ 680, LTV ≤ 85%, primary residence, 12-month reserves, and residual income ≥ \$3,500
DOCUMENTATION - ASSETS	<ul style="list-style-type: none"> • Assets sourced or seasoned for 60 days • Gift funds allowed - see guidelines for details
DOCUMENTATION – INCOME	<p><u>WAGE-EARNERS:</u></p> <ul style="list-style-type: none"> • W-2s for the most recent 2 years W-2, Pay stub(s) covering the most recent 30-day period with year-to-date earnings, 4506-T and VVOE <p><u>SELF-EMPLOYED (25% or more ownership interest in a business):</u></p> <ul style="list-style-type: none"> • 2 years tax returns: Federal (including W2s/1099 if applicable), Partnership, Corporation, S Corp. along with YTD P/L. • 4506-T and Verification of the existence of the business <p><u>BANK STATEMENTS:</u></p> <ul style="list-style-type: none"> • Self-employed for at least 2 years. • Business must be in existence for at least 2 years. • YTD P/L and Verification of business existence. • Either 12 or 24 months personal bank statements OR 24 months business bank statements. <p><u>1-Year Alt Doc</u> In lieu of the standard 2-year documentation requirement for wage-earners and self-employed borrowers, the following will be accepted:</p> <ul style="list-style-type: none"> • Wage-Earners: the most recent year W-2 and pay stub(s) covering the most recent 30-day period providing year-to-date earnings • Self-Employed Full Doc: the most recent year filed federal income tax returns (personal and business; extensions are not allowed) and year-to-date P&L if end of applicable tax year is > 120 days from closing • Self-Employed Bank Statements: 12 months complete personal or business bank statements from the same account



GENERAL REQUIREMENTS

INELIGIBLE STATES	Alaska, New York, and West Virginia		
INVESTMENT PROPERTY OVERLAYS	Purch & R/T: Matrix Cash Out: Matrix	LTV less 5%	Document Type
		LTV less 10%	Fico
			Full Doc: FICO ≥ 580
			Alt Doc: FICO ≥ 620
		Loan Amt > \$1mm FICO ≥ 620	
Rural and log homes are not eligible. Guarantor is required (for LLC's) Min 6 mos reserves Standard Tradelines Only No subordinate financing Prepayment restrictions apply			
MINIMUM / MAX LOAN SIZE	\$100,000 / \$2,000,000		
OCCUPANCY	Owner Occupied, Second Homes Only, and Investment Properties		
PREPAYMENT PENALTY	Investment Only: 6 months interest on 80% of the amount prepaid (Standard Term = 3 years); Not allowed in IA*, IL*, KS, MD, MI, MN, MS, ND, NJ*, NM, OH, PA and RI *Prepay Penalty allowed for loans closed in the name of corporations or LLCs in IA, IL, and NJ		
PROPERTY TYPES	Single-Family Residences, Townhouses, Condominiums (non-warrantable condos considered – see guidelines), 2-4 Units, Rural Properties, Log Homes, and Modular Homes		
RESERVES	Investment & Second Homes Only: Minimum 6 months; 2 months of additional reserves required for each financed property; no limit on the number of properties borrowers may have financed		
RESIDUAL INCOME	\$1,500 plus an additional \$150 per dependent is required (for Primary and Second Homes)		
SELLER CONCESSIONS	Up to 9% towards closing for Primary and Second Homes (LTV ≤ 75%), 6% towards closing for Primary and Second Homes (LTV > 75%); Up to 2% toward closing for Investment Properties		
SUBORDINATE FINANCING	Max 90% CLTV (Institutional seconds only), Not allowed on Investment Properties		

