

MAXIMUM LTV*

Owner Occupied / Second Home	Max Loan Amount	FICO	Purchase / Rate Term Refi LTV/CLTV	Cash Out LTV/CLTV
SFR / PUD	\$2,500,000	700+	60% / 70%	55% / 70%
		660-699	55% / 70%	N/A
	\$1,500,000	700+	75% / 75%	75% / 75%
		680-699	70% / 70%	70% / 70%
	\$1,000,000	660-679	60% / 70%	60% / 70%
		640-659	55% / 70%	55% / 70%
2-4 Units	\$2,500,000	700+	60% / 70%	55% / 70%
		660-699	55% / 70%	N/A
	\$1,000,000	700+	60% / 70%	60% / 70%
		660-699	55% / 70%	55% / 70%
	\$1,000,000	640-659	55% / 70%	50% / 70%
		620-639	50% / 70%	50% / 70%

Owner Occupied / Second Home	Max Loan Amount	FICO	Purchase / Rate Term Refi LTV/CLTV	Cash Out LTV/CLTV
Condo	\$1,000,000	700+	75% / 75%	70% / 70%
		680-699	70% / 70%	65% / 70%
		660-679	55% / 70%	55% / 70%
		620-659	50% / 70%	50% / 70%
Investment Properties	Max Loan Amount	FICO	Purchase / Rate Term Refi LTV/CLTV	Cash Out LTV/CLTV
SFR, PUD, 2-4 Family Units	\$2,500,000	700+	60% / 70%	55% / 70%
	\$1,000,000	680+	60% / 70%	50% / 70%
Condo	\$1,000,000	620-679	50% / 70%	50% / 70%
		700+	60% / 70%	55% / 70%
Condo	\$1,000,000	620-699	55% / 70%	50% / 70%

*The state of New York is now eligible as of 6/30/2018 (max LTV is 65%)

Select Mortgage Benefits

- 12 months seasoning foreclosure, short sale, or DIL
- 12 months seasoning on BK
- 5/1 ARM – Interest only also available
- Available to any borrower with a 25% or greater ownership in a business
- Unlimited Cash-out (LTV's up ≤ 55%)
- Credit scores down to 620
- DTI up to 55%
- Gift funds allowed
- Loans up to \$2.5 million (minimum loan amount \$50,000)
- No pre-payment penalties
- No seasoning requirements for refinance transactions
- Non-warrantable condos considered
- Owner occupied, and 2nd homes
- Sole proprietors may use both Personal and Business bank statements
- Up to 75% LTV

LHFS PROGRAM CODES			
LHFS Select Program	Select Program Codes	LHFS Select Program	Select Program Codes
Select 12 Bank Statements 5/1 Libor ARM	WEBSL51L-078	Select 12 Bank Statements 5/1 Libor ARM I/O	WEBSL51LIO-078

HELPFUL LINKS:

- [Select - Underwriting and Documentation Guidelines](#)
- [Select Comparison](#)
- [Select Submission](#)



GENERAL REQUIREMENTS	
APPRAISAL REVIEW	1 Full Appraisal if Combined Loan Amount ≤ \$1,000,000 • 2 Full Appraisals if Combined Loan Amount > \$1,000,000
ARM / NOTE TERMS	ARM Documents: 5/1 ARM; 5-2-5 caps; floor rate is equal to the margin; 1 Year LIBOR index; Margin is 3.75% Interest-Only: Loans are interest only for the initial 60 months, then are fully amortizing for the remaining 300 months.
ASSETS	Minimum of two (2) most recent bank statements (LHFS may request/require additional months of bank statements).
CASH OUT	Cash Out transactions with an LTV ≤ 55% are not limited to the cash in hand the borrower can receive. Transactions with an LTV > 55% are limited to \$300,000 cash in hand to the borrower.
CREDIT	Mortgage / Rent: 0x30 past 12 months
	Maximum Financed: Borrowers are allowed up to 10 properties including the subject.
	Foreclosure, Short-Sale, Bankruptcy, Loan Modification: Must be seasoned at least twelve (12) months (no exceptions) Trade Lines: 2 active trade lines seasoned for at least 24 months are required (with activity in the last 12 months is required)
	Judgement, Tax Lien, Collection, Charge-Off: Must be paid off with no new derogatory credit within the past 12 months (medical excluded).
DEBT RATIO	Max DTI
	55%
	50%
	LTV
	≤ 65%
	≥ 65.01%
	<i>Loans with DTI ratios ≤ 43%, then no residual income required. Loans with DTI ≥ 43.01% require residual income.</i>
DOCUMENTATION - INCOME	Available to any borrower with a 25% or greater ownership in a business. Twelve (12) months of personal bank statements to determine income derived from Business - Income stated on 1003. If eligible, business bank statements may be utilized. Sole proprietors and 100% business owners (joint owner with spouse is acceptable) may use both personal and/or business bank statements. A combination of business and personal is prohibited. Income is considered to be transfers or deposits from business accounts, deposits from business accounts through an ATM, or payroll check deposits. Average monthly income over twelve (12) months. Twelve (12) month P&L prepared by borrower or 3rd party CPA/tax preparer and covering the same time period to further validate the income shown on the bank statements if business bank statements are used to qualify. CPA/tax preparer's attestation of borrower's percentage of ownership and that the borrower has been self-employed in the same business for a minimum of two (2) years. Tax returns and IRS form 4506-T will be not required unless noted. Rental income not diverted to a separate account must be taken into consideration when calculating the borrower's monthly income from bank statement for qualification purposes.



GENERAL REQUIREMENTS		
ELIGIBLE BORROWERS	<ul style="list-style-type: none"> • US Citizens • First Time Homebuyers (defined as a qualifying borrower who has not had ownership in a residence (principal or otherwise) during the three (3) year period ending on the date of the purchase of the property) • Foreign Nationals (Permanent Resident Aliens with appropriate documentation) • Non-occupant Co-borrowers (must be disclosed on the initial application; cannot be added at a later date to qualify; and must be related to the primary borrower). 	
GIFT FUNDS	Gift funds are acceptable after a minimum down payment has been made from the borrower's own resources as outlined below:	
	<table border="1"> <tr> <td>Owner Occupied Standard Doc Transactions: 10%</td> <td>All Other Transactions: 30%</td> </tr> </table>	Owner Occupied Standard Doc Transactions: 10%
Owner Occupied Standard Doc Transactions: 10%	All Other Transactions: 30%	
INELIGIBLE STATES	US Territories and TX (Cash-Out Refi's)	
INTEREST-ONLY	Qualify at the fully amortizing payment – the greater of the introductory or full-indexed rate (current index plus applicable margin) and substantially equal monthly payments of principal and interest that will fully repay the loan over the remaining term of the loan as of the date the loan is converted from interest only to principal and interest.	
MINIMUM LOAN SIZE	\$50,000	
OCCUPANCY	Owner Occupied, Second Home, and Investment Properties	
PROPERTY TYPES	Single Family Residence, 2-4 Units, Condos (Non-Warrantable Condo's reviewed on case by case basis), and PUD's	
QUALIFYING RATE	Qualify at the greater of the Start Rate or Fully Indexed Rate (i.e. Current Index + Margin) for income ratio calculations. The same rule applies to the Interest-Only programs (using the same criteria mentioned below, but it will be amortized over the remaining period after the IO period (25 or 23 years).	
RESERVES	Loan Amount	Required Reserves
	\$50,000- \$650,000	6 months, verified PITI
	\$650,001 - \$1,000,000	9 months, verified PITI
	\$1,000,001 – \$1,500,000	12 months, verified PITI
	\$1,500,001 – \$2,500,000	18 months, verified PITI
RESIDUAL INCOME	Defined as the cash flow remaining after all monthly obligations have been paid. Requirement – 0.0045 (.45%) of the UPB. (UPB x 0.0045 = required residual income)	
SECONDARY FINANCING	Only institutional secondary financing is acceptable.	
SELLER CONCESSIONS	Up to 6% towards closing	

