

MAXIMUM LTV*

Owner Occupied / Second Home	Max Loan Amount	FICO	Purchase / Rate Term Refi LTV/CLTV	Cash Out LTV/CLTV	Owner Occupied / Second Home	Max Loan Amount	FICO	Purchase / Rate Term Refi LTV/CLTV	Cash Out LTV/CLTV
SFR / PUD	\$2,500,000	700+	65% / 70%	55% / 70%	Condo	\$1,000,000	700+	80% / 80%	70% / 70%
		660-699	60% / 70%	N/A			680-699	75% / 75%	65% / 70%
	\$1,500,000	700+	80% / 80%	75% / 75%			660-679	60% / 70%	55% / 70%
		680-699	80% / 80%	70% / 70%			640-659	55% / 70%	50% / 70%
	\$1,000,000	660-679	70% / 70%	60% / 70%			620-639	50% / 70%	50% / 70%
		640-659	65% / 70%	55% / 70%			Investment Properties		Max Loan Amount
2-4 Units	\$2,500,000	700+	65% / 70%	55% / 70%	SFR, PUD, 2-4 Family Units	\$2,500,000	700+	60% / 70%	55% / 70%
		660-699	60% / 70%	N/A			\$1,000,000	680+	65% / 70%
	\$1,000,000	700+	65% / 70%	65% / 70%	620-679	50% / 70%		50% / 70%	
		660-699	60% / 70%	55% / 70%	Condo	\$1,000,000	700+	65% / 70%	55% / 70%
	640-659	55% / 70%	50% / 70%	680-699			60% / 70%	50% / 70%	
	620-639	50% / 70%	50% / 70%	620-679	50% / 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
- Cash-out up to \$300,000
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
- Up to 80% LTV

LHFS PROGRAM CODES			
LHFS Select Program	Select Program Codes	LHFS Select Program	Select Program Codes
Standard Full Doc 5/1 Libor ARM	WE51L-078	Standard Full Doc 5/1 Libor ARM I/O	WE51LIO-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
	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)
	Maximum Financed: Borrowers are allowed up to 10 properties including the subject.
	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	Wage Earner: pay stubs covering at least one (1) month's year-to-date (YTD) earnings along with the most recent two (2) years W2 statements are required to verify the income. Borrowers with commission, bonus or overtime (OT) income greater than 25% of base income will require pay stubs, W2's and personal tax returns covering the most recent two (2) year period. Bonus, overtime and commission less than 25% of base income will require a written Verification of Employment (VOE) to confirm a two (2) year average and proof of continuance, unless DU/LP AUS findings require less, in which case, default to DU/LP AUS findings. Self Employed: 2 years personal & business returns. Self-Employed Borrowers must have been in business for at least two (2) years in order to be considered for qualification, unless DU/LP AUS findings require less, in which case, default to DU/LP AUS findings. Processed 4506-T, IRS transcripts required.
ELIGIBLE BORROWERS	• 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).



GENERAL REQUIREMENTS											
GIFT FUNDS	Gift funds are acceptable after a minimum down payment has been made from the borrowers 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%	All Other Transactions: 30%								
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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	<table border="1"> <thead> <tr> <th>Loan Amount</th> <th>Required Reserves</th> </tr> </thead> <tbody> <tr> <td>\$50,000- \$650,000</td> <td>6 months, verified PITI</td> </tr> <tr> <td>\$650,001 - \$1,000,000</td> <td>9 months, verified PITI</td> </tr> <tr> <td>\$1,000,001 – \$1,500,000</td> <td>12 months, verified PITI</td> </tr> <tr> <td>\$1,500,001 – \$2,500,000</td> <td>18 months, verified PITI</td> </tr> </tbody> </table>	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
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\$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										

