

Portfolio - Self-prepared P & L / WVOE

MATRIX

Units	Max Loan Amount	Min FICO	Max LTV / CLTV / HCLTV	
			Primary / 2nd Home / Investment	
			Purchase / R & T	Cash-Out
SFR, PUD, 2-4 units	\$2,000,000	680	70	70
	\$2,500,000	700	60	60
Condo	\$2,000,000	680	70	70
Foreign National	\$2,500,000	N/A	60	60

* Units + ADUs > 4 : Only allowed in CA, Limit to 60% LTV

General Guideline

General Requirements	<ul style="list-style-type: none"> > Max DTI allowed: 38/43% > Qualifying Interest Rate: the greater of start rate or fully-indexed rate. > Condo must be warrantable by Fannie Mae; non-warrantable condominiums will be reviewed on an individual basis. > No minimum borrower contribution on Owner Occupied and Second Homes (excludes Foreign National). > Gift is allowed for 100% of down payment for all occupancies and properties. > No gift funds may be used for reserves. > Foreign Asset must be transferred to U.S Institutional Bank to be used as down payment, closing cost & reserves. > Subject property cannot be listed for sale at the application date for R&T and Cash-Out. 		
Income Documents	Self-Employed	<ul style="list-style-type: none"> - For application received on or before 6/30: YTD and full year of interim Profit & Loss Statement completed and signed by independent 3rd party. **Self-prepared P&L is available with add-on to rate** - For application received on or after 7/1: YTD Profit & Loss Statement completed and signed by an independent third-party. **Self-prepared P&L is available with add-on to rate** - CPA Letter (from CPA that prepared previous 2 years tax returns) verifying prepared business ownership and same location for at least 2 year & 2years business 	
	Wage Earner	<ul style="list-style-type: none"> - Written VOE form (FNMA Form 1005) completed by employer. 	
Asset	<ul style="list-style-type: none"> - Most recent 2 months bank statement required - Business funds may be used up to 100% if borrower has 100% ownership and transferred into personal account 		
Appraisal	<ul style="list-style-type: none"> - One full appraisal and a desk review 		
Credit	Mortgage / Rent	Max 1x30 in past 12 months	
	Tradelines	3 seasoned for at least 12 months	
	BK / SS & DIL / Foreclosure	3 years / 2 years / 5 years	
	Loan Modification	5 years	
	Non-traditional Credit	Allowed	
Foreign Nationals	<ul style="list-style-type: none"> > Copy of passport, I-94 and valid VISA (F-1 and F-2 type are not allowed). > Copy of passport and either I-94W or proof of ESTA Approval required for borrowers on VISA Waiver Program. > Borrower must have U.S. address when applying for loan. > Foreign assets used for down payment, closing costs, and/or reserves must be transferred to U.S. institutional account prior to ordering loan docs. > Automatic debit payment required from U.S. banking institution. > 12 mos P&I reserves required for subject property. 6 P&I reserves to be deposited into Assigned Bank account prior to funding. 		
Cash-Out	6 mon. title seaning required.		
ADU	<ul style="list-style-type: none"> > ADU must be permitted > ADU on 2-4 units allowed > Rental income from ADU is NOT acceptable and cannot be used 		
Reserves	Loan Amount	Reserves (P&I)	US Financial Institution
	Up to \$ 2.00 mil.	2 mon.	Any US institution
	Over \$ 2.00 mil.	6 mon.	Any US institution
	Units + ADUs	6 mon.	Any US institution
	Cash-out transactions		
	Up to \$ 2.00 mil.	6 mon.	Any US institution
	Over \$ 2.00 mil.	6 mon.	Assigned Account
	*All Cash-Out Assets must be Liquid – Checking, Savings, or MMA. Cash-Out funds can only be used for reserves if deposited into Assigned Account with ACH.		
	Foreign Nationals	6 mon.	Assigned Account