Profit and Loss 2nd

04/15/2026

MATRIX

Stand alone P & L 2nd	P & L Stand-Alone 2nd				
	Max Loan Amount	Min FICO	Max CLTV		
			Primary	2nd Home	Investment
	$500,000	700	80	80	75
		680	80	75	75
		660	75	65	65
	$750,000	720	75	70	n/a
		700	75	65	n/a
		660	70	60	n/a
	Declining Markets : Reduce Max LTV & CLTV by 5 %				
	*** Non-warrantable condo : Max CLTV 75%**				

General Requirements

Loan Amount	Min. Loan Amount	$ 50,000	Max. Loan Amount	$ 750,000
Max DTI	50%			
Mortgage Late	0 x 30 x 12			
Credit Events	BK / FC / SS / DIL		48 months	
Transaction Type	Standalone Second Only			
Occupancy	Primary, Second Homes & Investment Properties			
Eligible Property	SFR, PUD, Townhome, 2-4 Units, Warrantable Condos, Non-Warrantable Condos			
Ineligible Property	Condotels, Commercial/Agricultural, Leasehold Properties, Land Trusts, Age-Restricted Communities, Hobby Farms, Modular, Land Contract & Log Homes			
Assets / Reserves	- No Minimum Reserves - No cash to close and/or reserves are required			
Prior Mortgage / Ownership Seasoning	- No Ownership seasoning is required for Primary Residence. If less < 6 months seasoning, 10% CLTV reduction. Ownership seasoning of 6 months is required for Second Home & Investment. - The appraised value may be used to determine loan-to-value as established by the required appraisal product. Purchase date to note date is used to calculate the 6 months. - On Primary Residence, if less < 6 months seasoning - 10% CLTV reduction from matrix applies - Min 6 months must have elapsed since the most recent mortgage transaction on 2nd Homes & Investment (either the original purchase transaction or subsequent refinance)			
Title Policy	Loan Amounts ≤ $400,000		Owner and Encumbrance Property Report	
	Loan Amounts > $400,000		Full Title Policy	
Credit	- Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months with activity in the last 12 months or 1 tradeline reporting for 36+ months with activity in the last 12 months (36+ month tradeline must be a mortgage or installment account). - Acceptable tradelines must show 0x60 in most recent 12 months from application date - Limited Tradelines Allowed - Primary only; Max CLTV of 75% - Qualifying FICO: Mid score of primary wage earner			
Appraisal	**For loan amounts ≤ $400,000, one of:** - AVM (see requirements below) + Property Condition Report (or) Full interior appraisal (Fannie Mae Form 1004, 1073 or 1025) **For loan amounts > $400,000:** - Full interior appraisal (Fannie Mae Form 1004, 1073 or 1025); **Other Requirements:** - Appraisal Waivers are not acceptable | ▪ High Priced Mortgage Loans (HPML) require full interior appraisal			

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General Requirements		
AVM Requirements	- Confidence Rating / FSD by Vendor - ClearCapital (≥ 87% / ≤ 0.13) - Collateral Analytics (≥ 87% / ≤ 0.13) - CoreLogic (≥ 87% / ≤ 0.13) - Homegenius (≥ 87% / ≤ 0.13) - HouseCanary (≥ 87% / ≤ 0.13) - If the AVM does not provide the required FSD score or confidence rating, the AVM is considered ineligible and an Exterior-Only or Full Interior Appraisal is required.	
Listed Properties	Properties listed for sale in prior 6 months from application are ineligible	
Escrow	Sufficient flood insurance coverage required - defined as lessor of first lien unpaid balance + 2nd lien UPB or 250,000 - documentation of sufficient coverage required	
Declining Markets	If property is located in a declining market as indicated by the appraisal, Max LTV is reduced by 5%	
Solar panel	The presence of solar panels / solar panel agreements are allowed with adherence to FNMA guidelines; properties where solar panels carry a lien against the subject are not eligible for financing	
Hazard Insurance	100% replacement cost or updated coverage to cover both the 1st and 2nd lien required	
State Limitations	TN	Max 180 terms
	MD	Baltimore City, MD - Ineligible for all occupancy