

Near-Prime Additional Program Requirements																								
<b>Appraisal Review Product</b>	• Required for certain loans - See guidelines for details																							
<b>Assets</b>	• Assets sourced or seasoned for 60 days • Gift funds allowed - See guidelines for details																							
<b>Cash Out</b>	<ul style="list-style-type: none"> <li>• Up to \$200,000: Program LTV's</li> <li>• \$200,001 - \$300,000: 5% LTV reduction</li> <li>• \$300,001 - \$500,000: 10% LTV reduction</li> </ul>																							
<b>Compliance</b>	<ul style="list-style-type: none"> <li>• Escrows required for taxes and insurance • Fully documented ability-to-repay</li> <li>• No section 32 or state high cost • Total Borrower Paid Points and Fees must be less than 5%</li> <li>• Compliance with all applicable Federal and State regulations</li> </ul>																							
<b>Credit</b>	• Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months																							
<b>Debt Ratios</b>	<ul style="list-style-type: none"> <li>• Max 35% Housing Ratio and 43% Total DTI Ratio.</li> <li>• No Housing Ratio required for FICO ≥ 660 and LTV ≤ 70% or FICO ≥ 680 and LTV ≤ 80%</li> <li>• Exceptions to 50% (Full Doc only) available in some situations - See guidelines for details</li> </ul>																							
<b>Income</b>	<ul style="list-style-type: none"> <li>• Full Doc; 24 Month Personal Bank Statements; 12 Month Personal Bank Statements or 24 Month Business Bank Statements - See guidelines for details</li> <li>• Asset Depletion Income (subject to Full Doc Income Requirements) - 700+ FICO and LTV ≤ 80% or 680+ FICO and LTV ≤ 75% - See guidelines for details</li> </ul>																							
<b>Ineligible States</b>	• AK, MA, NY, WV																							
<b>Occupancy</b>	• Owner Occupied and Second Homes Only																							
<b>Product Types</b>	<ul style="list-style-type: none"> <li>• 30yr Fixed-Rate • 5/1 ARM • 7/1 ARM • 5/1 IO ARM • 7/1 IO ARM</li> </ul> <p style="text-align: center;"><u>ARM Features</u></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Grade</th> <th>Product</th> <th>Margin</th> <th>Caps</th> <th>Floor</th> </tr> </thead> <tbody> <tr> <td rowspan="2">A+</td> <td>5/1</td> <td>4.00%</td> <td>2/2/5</td> <td>4.00%</td> </tr> <tr> <td>7/1</td> <td>4.00%</td> <td>5/2/5</td> <td>4.00%</td> </tr> <tr> <td rowspan="2">A</td> <td>5/1</td> <td>4.00%</td> <td>2/2/5</td> <td>4.00%</td> </tr> <tr> <td>7/1</td> <td>4.00%</td> <td>5/2/5</td> <td>4.00%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>• Index: 1yr LIBOR • Interest Only Term: 120 Months</li> </ul>	Grade	Product	Margin	Caps	Floor	A+	5/1	4.00%	2/2/5	4.00%	7/1	4.00%	5/2/5	4.00%	A	5/1	4.00%	2/2/5	4.00%	7/1	4.00%	5/2/5	4.00%
Grade	Product	Margin	Caps	Floor																				
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<b>Property Types</b>	• Single Family Residences • Townhomes • Condominiums (non-warrantable condos considered - see guidelines) • 2-4 Units																							
<b>Reserves</b>	• 6 months minimum; 12 months required for certain programs																							
<b>Residual Income</b>	• \$2,500 plus an additional \$150 per dependent is required																							
<b>Seller Concessions</b>	• Up to 6% towards closing																							
<b>Subordinate Financing</b>	• Max 90% CLTV (Institutional seconds only)																							

### Near-Prime Correspondent Matrix

Maximum Program LTV's														
Grade			A+						A					
Mortgage History			0x30						1x30					
FC Seasoning			48 Months						24 Months					
SS/DIL Seasoning			48 Months						24 Months					
BK Seasoning			24 Months						24 Months					
Minimum Loan Amount			\$100,000						\$100,000					
Maximum Loan Amount			\$2,500,000						\$2,500,000					
Amortization			5/1, 7/1, 30yr Fixed (IO available on ARMs)						5/1, 7/1, 30yr Fixed (IO available on ARMs)					
Documentation			Full Doc			24 Month Personal Bank Statements			Full Doc			24 Month Personal Bank Statements		
Loan Amount	Reserves	FICO	Purchase	Rate/Term	Cash Out	Purchase	Rate/Term	Cash Out	Purchase	Rate/Term	Cash Out	Purchase	Rate/Term	Cash Out
< \$1,000,000	6 Months	720	90%	85%	80%	85%	80%	80%	90%	85%	80%	85%	80%	80%
		680	90%	80%	80%	85%	80%	80%	90%	80%	80%	85%	80%	75%
		660	85%	80%	80%	80%	80%	80%	85%	80%	75%	80%	80%	75%
		640	-	-	-	-	-	-	80%	75%	75%	80%	75%	70%
		620	-	-	-	-	-	-	80%	70%	70%	80%	70%	65%
\$1,000,000 - \$1,500,000	12 Months	720	85%	80%	75%	80%	75%	75%	85%	80%	75%	80%	75%	75%
		680	85%	75%	75%	80%	75%	75%	85%	75%	75%	80%	75%	70%
		660	80%	75%	75%	75%	75%	75%	80%	75%	70%	75%	75%	70%
		640	-	-	-	-	-	-	75%	70%	70%	75%	70%	65%
		620	-	-	-	-	-	-	70%	65%	65%	70%	65%	60%
> \$1,500,000	12 Months	720	80%	75%	70%	75%	70%	70%	80%	75%	70%	75%	70%	70%
		680	80%	70%	70%	75%	70%	70%	80%	70%	70%	75%	70%	65%
		660	75%	70%	70%	70%	70%	70%	75%	70%	65%	70%	70%	65%
		640	-	-	-	-	-	-	70%	65%	65%	70%	65%	60%
		620	-	-	-	-	-	-	65%	60%	60%	65%	60%	55%

Additional Program Requirements			
Feature	LTV	FICO	Term
Interest Only (5/1 and 7/1 ARM)	5% Reduction; 80% Max	660	120 Months
12 Month Personal Bank Statements	80% Max	720	
	70% Max	680	
Second Homes	5% Reduction; 75% Max	-	-
Business Bank Statements	5% Reduction From Personal Bank Statements		