

DG Non QM Gold – Standard Doc and Alt Doc

Maximum LTV/CLTV – Primary Residence							
Minimum Credit Score	Maximum Loan Amount	Standard, Bank Statement, 1099			Profit & Loss Statement Only, Written VOE, Asset Utilization		
		Purchase	Rate/Term	Cash-out	Purchase	Rate/Term	Cash-out
720	1,000,000	90	85	80	80	75	70
	1,500,000	90	85	80	80	75	70
	2,000,000	85	80	80	80	75	70
	2,500,000	80	75	75	75	70	70
	3,000,000	75	70	70	70	NA	NA
	3,500,000	70	65	NA	NA	NA	NA
	4,000,000	70	65	NA	NA	NA	NA
700	1,000,000	90	85	80	80	75	70
	1,500,000	90	85	80	80	75	70
	2,000,000	85	75	70	80	75	70
	2,500,000	75	70	65	75	70	65
	3,000,000	75	70	65	70	NA	NA
	3,500,000	70	65	NA	NA	NA	NA
680	1,000,000	90	85	75	80	75	70
	1,500,000	85	80	75	80	75	70
	2,000,000	80	75	70	75	70	65
	2,500,000	75	70	65	70	65	60
	3,000,000	70	65	65	NA	NA	NA
660	1,000,000	80	80	75	NA	NA	NA
	1,500,000	80	75	75	NA	NA	NA
	2,000,000	75	70	65	NA	NA	NA
	2,500,000	70	65	65	NA	NA	NA
640	1,000,000	80	75	70	NA	NA	NA
	1,500,000	70	65	65	NA	NA	NA
	2,000,000	65	NA	NA	NA	NA	NA
620	1,000,000	70	70	NA	NA	NA	NA
Maximum LTV/CLTV – Second Home / Investment							
Minimum Credit Score	Maximum Loan Amount	Standard, Bank Statement, 1099			Profit & Loss Statement Only, Written VOE, Asset Utilization		
		Purchase	Rate/Term	Cash-out	Purchase	Rate/Term	Cash-out
720	1,000,000	85	80	75	80	75	70
	1,500,000	85	80	75	80	75	70
	2,000,000	85	80	75	80	75	70
	2,500,000	80	75	75	75	70	70
	3,000,000	75	70	70	NA	NA	NA
	3,500,000	70	65	NA	NA	NA	NA
	4,000,000	NA	NA	NA	NA	NA	NA
700	1,000,000	85	80	75	80	75	70
	1,500,000	85	80	75	80	75	70
	2,000,000	85	75	70	80	75	70
	2,500,000	75	70	65	75	70	65
	3,000,000	75	70	65	NA	NA	NA
	3,500,000	70	65	NA	NA	NA	NA
	1,000,000	85	80	75	80	75	70

680	1,500,000	85	80	75	80	75	70
	2,000,000	80	75	70	75	70	65
	2,500,000	75	70	65	70	65	60
	3,000,000	70	65	65	NA	NA	NA
660	1,000,000	80	80	75	NA	NA	NA
	1,500,000	80	75	75	NA	NA	NA
	2,000,000	75	70	65	NA	NA	NA
	2,500,000	70	65	65	NA	NA	NA
640	1,000,000	80	75	70	NA	NA	NA
	1,500,000	70	65	65	NA	NA	NA
	2,000,000	65	NA	NA	NA	NA	NA
620	1,000,000	70	70	NA	NA	NA	NA

DG Non QM Gold – Standard Doc and Alt Doc, cont.

Property Type			
<ul style="list-style-type: none">Single Family: Attached, Detached2-4 Units and Condominiums: Max LTV/CLTV 85%Condo Hotel: Max LTV/CLTV 85%, Max Loan Amount \$2,500,000Rural: Max LTV/CLTV 80% Purchase, 75% Refinance			
Housing History			
Housing History:	1x30x12	0x60x12	0x90x12
Max LTV/CLTV: Purchase	See matrix above	80	70
Max LTV/CLTV: Refinance	See matrix above	75	NA
Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000
Credit Event Seasoning			
BK/FC/SS/DIL/PreFC/MC:	>= 36 Mo	>= 24 Mo	>= 12 Mo
Max LTV/CLTV: Purchase	See matrix above	80	70
Max LTV/CLTV: Refinance	See matrix above	75	NA
Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000
Forbearance, Modification, or Deferral: <= 12 Mo to be treated as 0x90x12			
State Eligibility			
<ul style="list-style-type: none">State Overlays for CT, FL, IL, NJ, NY: Max LTV/CLTV limited to 85% for purchase and 80% for refinance transactions and max loan amount is limited to \$2.0MMIneligible locations: Puerto Rico, Guam, & the US Virgin Islands			
Declining Market			
If appraisal report identifies the property in declining market, max LTV/CLTV is limited to 85% for purchase and 80% for refinance, max loan amount limited to \$2.0MM			
General Requirements			
Product Type	<ul style="list-style-type: none">Fixed Rate Terms: 15, 30, 40-years5/6 ARM, 7/6 ARM, 10/6 ARM with 30-year term		
Interest Only	<ul style="list-style-type: none">Min Credit Score: 660Max LTV: 90%40-year term ARMs eligible when combined with interest only feature		
Loan Amounts	<ul style="list-style-type: none">Min: 150,000Max: 4,000,000		
Loan Purpose	<ul style="list-style-type: none">Purchase, Rate/Term, and Cash Out		
Occupancy	<ul style="list-style-type: none">Primary, Second Home, Investment		
Acreage	<ul style="list-style-type: none">Property up to 20-acres max		
Cash-In-Hand	<ul style="list-style-type: none">Max Cash-In-Hand: Unlimited		
Appraisals	<ul style="list-style-type: none">FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained.2nd Appraisal required for loans > \$2,000,000.		
Income Requirements			
Standard Doc or AUS Findings	<ul style="list-style-type: none">Standard Doc:<ul style="list-style-type: none">Wage/Salary: Paystubs, W-2's, 1-year or 2-years of Tax Returns, IRS Form 4506-C, Verbal VOESelf-Employed: 1-year or 2-years of Personal and Business Tax Returns, YTD P&L, IRS Form 4506-CAUS Findings:<ul style="list-style-type: none">Final AUS findings must be included in the loanfile for one of the following:<ul style="list-style-type: none">Fannie Mae DU Approve/Ineligible or Freddie Mac LPA Accept/Ineligible allowed for the following:<ul style="list-style-type: none">Loan amount, interest only, prepayment penalty, number of financed properties, credit score < 720 when borrower has ≥ 7 financed properties, refinances exceeding 75% LTV subject to program maxFannie Mae: DU Approve/EligibleFreddie Mac: LPA Accept/EligibleCaution or Refer with Caution not allowedFindings permitted to be used for income documentationAppraisal must follow the requirements of this program<ul style="list-style-type: none">Appraisal waiver option from DU or LPA findings not eligible		
Personal Bank Statements	<ul style="list-style-type: none">12- or 24-months of personal and 2-months of business bank statements.Qualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements.The business bank statements must reflect business activity and transfers to the personal account.		
Business Bank Statements	<ul style="list-style-type: none">12- or 24-months of business bank statements. Qualifying income is determined by one of the following analysis methods:<ul style="list-style-type: none">Fixed Expense Ratio (50%)Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10%3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)		

Profit & Loss Statement Only	<ul style="list-style-type: none"> • 12- or 24-months CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement Only • CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent business tax return • Max 1x30x12 housing • Min 36 months credit event seasoning
Written VOE	<ul style="list-style-type: none"> • FNMA Form 1005 • Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements • Max 1x30x12 housing • Min 36 months credit event seasoning
IRS Form 1099	<ul style="list-style-type: none"> • 1-year or 2-years 1099 • Fixed Expense Ratio of 10% • YTD Documentation to support continued receipt of income from same source
Asset Utilization	<ul style="list-style-type: none"> • Eligible assets divided by 84 to determine a monthly income stream • Max 1x30x12 housing • Min 36 months credit event seasoning

DG Non QM Gold – Standard Doc and Alt Doc, continued

Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> Use representative credit score of the borrower with the highest qualifying income 	Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required; any large deposit must be sourced
Reserves	<ul style="list-style-type: none"> LTV \leq 80%: 3-months of PITIA LTV 80.01 to 85%: 6-months of PITIA LTV > 85%: 12-months of PITIA Loan Amount > \$1.5M: 9-months of PITIA Loan Amount > \$2.5M: 12-months of PITIA Cash out may be used to satisfy requirement 	DTI Requirements	<ul style="list-style-type: none"> Max: 50% <ul style="list-style-type: none"> See FTHB guidelines for DTI restrictions Primary Residence - Up to 55% allowed: <ul style="list-style-type: none"> Min residual income of \$3,500 Max LTV/CLTV \leq 80% Standard Doc 2-years Minimum 6- months reserves First time homebuyer not eligible Min credit score: 660
Gift Funds	<ul style="list-style-type: none"> Min contribution: 5% primary/second home, 10% investment 	Document Age	<ul style="list-style-type: none"> 120-days
Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity. If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty – Investment Only	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in AK, KS, MI, MN, NM, and RI Penalties not allowed on loans vested to individuals in IL & NJ Penalties not allowed on loan amounts less than \$319,777 in PA Only declining prepayment penalty structures allowed in MS Penalties on 1-2 unit properties cannot exceed 1% of the loan balance during the 1st five years in OH
Escrows	<ul style="list-style-type: none"> HPML loans require escrows for property taxes, hazard insurance, and flood insurance (if applicable) See waiver options in Section 2.4.5 – Escrow/Impounds for non-HPML and Business Purpose loans 		