

PROGRAM CODE: FJ15, FJ30

FLEX JUMBO						
FIXED						
PURCHASE / RATE & TERM						
OCCUPANCY	UNITS	MAX LOAN AMT	LTV / CLTV	MIN FICO	RESERVES	
PRIMARY	1	\$1,000,000	70	680	6	
			80	700		
			80	720		
			85	740		
		\$1,500,000	70	680	12	
			80	700		
	85		720			
	\$2,000,000	65	680	740		
		75	700			
		75	720			
	CONDO	\$1,000,000		70	680	6
				75	700	
				75	720	
				80	740	
		\$1,500,000		70	680	12
				75	700	
75				720		
80				740		
\$2,000,000			60	680		
			70	700		
			70	720		
			80	740		
SECOND HOME	1	\$1,000,000	70	680	6	
			75	700		
			75	720		
			80	740		
		\$1,500,000		70	680	12
					700	
				720		
	\$2,000,000		75	740		
			60	720		
			65	740		
	CONDO	\$1,000,000		70	680	6
					700	
					720	
				75	740	
		\$1,500,000		70	680	12
					700	
				720		
				740		
\$2,000,000		70	680			
			700			
			720			
			740			

CASH OUT						
OCCUPANCY	UNITS	MAX LOAN AMT	LTV / CLTV	MIN FICO	RESERVES	
PRIMARY	1	\$1,000,000	70	680	6	
				700		
				720		
		\$1,500,000	70	740		
				680		
				700		
	\$2,000,000	55	720			
			740			
			740			
	CONDO	\$1,000,000	70	680	6	
				700		
				720		
740						
\$1,500,000				70		680
						700
		720				
\$2,000,000		70	740			
			680			
			700			
\$2,000,000		70	720			
			740			
	740					

1. MINIMUM LOAN AMOUNT: \$1 OVER THE AGENCY CONFORMING LOAN AMOUNT
2. PROPERTY TYPE: SFR, PUD, CONDO
3. INCOME: RENTAL INCOME - MUST HAVE 2 YEARS LANDLORD HISTORY (SEE COVID OVERLAYS)
 BORROWER MUST START EMPLOYMENT BEFORE LOAN CLOSING
 SALARY EMPLOYEES 2 YEARS TAX RETURNS REQUIRED
 W2 TRANSCRIPTS WITH THE ACTUAL W2S AND RETURNS ARE NOT REQUIRED
 WRITTEN VOE CANNOT BE SUBSTITUTED FOR W2S AND/OR PAYSTUBS
 VVOE SHOULD CONFIRM THE BORROWER IS STILL EMPLOYED WITHIN 10 BUSINESS DAYS OF THE NOTE DATE
 SELF-EMPLOYED MOST RECENT 2 YEARS OF INDIVIDUAL, SIGNED FEDERAL TAX RETURNS WITH ALL SCHEDULES TO INCLUDE W2S, 1099, AND K1S IF APPLICABLE
 MOST RECENT 2Y OF CORPORATE, S-CORP, LLC, AND/OR PARTNERSHIP (IF APPLICABLE), SIGNED FEDERAL TAX RETURNS WITH ALL SCHEDULES
 SIGNED COPY OF THE YTD BALANCE SHEET, REGARDLESS OF CORPORATE STRUCTURE, AND YTD P&L STATEMENT FOR THE BUSINESS (MAY NOT BE MORE THAN 120 DAYS OLD AS OF THE NOTE DATE)
 BUSINESS ASSETS CAN BE USED FOR DOWN PAYMENT, CLOSING COSTS, AND/OR RESERVES BORROWER MUST BE 100% OWNER OF THE COMPANY
 *P&L STATEMENTS MUST BE AUDITED WHEN INCOME REPORTED ON THE P&L INCREASES/ DECREASES AND THE P&L INCOME IS USED TO QUALIFY THE SELF-EMPLOYED BORROWER
 CAPITAL GAINS IS NOT AN ALLOWABLE SOURCE OF INCOME
 CONTINUANCE OF INCOME RETIREMENT - 10Y
 TRUST INCOME - 7Y
4. ASSETS: LARGE DEPOSITS MUST BE EXPLAINED AND SOURCED FOR BOTH SINGLE AND MULTIPLE DEPOSITS OVER A MONTH PERIOD EXCEED 50% OF THE TOTAL MONTHLY INCOME. IF BACKING OUT THE DEPOSIT FROM THE VERIFIED FUNDS, AN LOE FROM THE BORROWER IS STILL REQUIRED
 WHEN STOCKS, STOCK OPTIONS, OR MUTUAL FUNDS ARE THE SOURCE OF FUNDS USED FOR DOWN PAYMENT OR CLOSING COSTS, DOCUMENTATION EVIDENCING THE BORROWER'S RECEIPT OF LIQUIDATED FUNDS IS REQUIRED, PRIOR TO CLOSING
 RETIREMENT ACCOUNTS USING THE CORRECT CALCULATION ON ACCOUNTS ON WHICH THE BORROWER HAS A LOAN
 CALCULATION: VESTED AMOUNT X 60% - OUTSTANDING LOAN
 TERMS OF WITHDRAWAL FOR RETIREMENT ACCOUNTS IS REQUIRED WHEN USING THE ACCOUNT FOR RESERVES

5. RESERVES: ALL LOANS REQUIRE 6MO RESERVES UP TO \$1M (12MO FOR > \$1M)
ADDITIONAL 6MO IF RETAINING THEIR CURRENT PRIMARY
IF EXCLUDING A DEBT WITH 10 OR LESS PAYMENTS, NEED TO INCLUDE RESERVES TO COVER THE BALANCE
30 DAY ACCOUNTS - INCLUDE RESERVES TO COVER THE BALANCE
6. OCCUPANCY: PRIMARY OR SECOND HOMES
INVESTMENT PROPERTY TRANSACTIONS ARE INELIGIBLE
7. MAX NUMBER OF FINANCED PROPERTIES: 4 FINANCED PROPERTIES, INCLUDING SUBJECT PROPERTY
8. MAX DTI: 43%
9. CREDIT: PAYMENT HISTORY REFLECTS 0x30 ON ALL HOUSING DEBTS FOR THE LAST 24MO (INCLUDING ALL MORTGAGE AND RENTAL PAYMENTS)
ALL HELOC PAYMENTS ARE BASED ON THE GREATER OF 1% OF THE FULL LINE AMOUNT OR THE PAYMENT AS REFLECTED ON THE CREDIT REPORT OR THE BORROWER'S MONTHLY HELOC STATEMENT (APPLIES TO ALL OWNED BY THE BORROWER)
LOE MUST PROVIDED FOR ALL DEROGATORY CREDIT

10. MINIMUM BORROWER CONTRIBUTION: BORROWER MUST CONTRIBUTE AT LEAST 5% FROM HIS OR HER OWN FUNDS TO THE TRANSACTION PURCHASE TRANSACTIONS ONLY

11. SELLER CONTRIBUTIONS:

PRIMARY RESIDENCES	
CLTV	MAX CONTRIBUTION %
CLTV ≤ 80%	6%
CLTV > 80%	3%

12. MIN TRADELINE REQUIREMENTS:

AT LEAST ONE BORROWER ON THE LOAN HAS A NON-DISPUTED INSTALLMENT OR MORTGAGE DEBT TRADELINE FOR EITHER OPTION 1 OR OPTION 2 BELOW:

OPTION 1

- CREDIT REPORT CONTAINS A TOTAL OF AT LEAST 3 OPEN NON-DISPUTED TRADELINES; 1 OF WHICH IS A NON-DISPUTED INSTALLMENT OR MORTGAGE TRADELINE,
- EACH OF THE 3 TRADELINES HAS BEEN OPEN FOR AT LEAST 24MO, AND
- EACH OF THE 3 TRADELINES HAS BEEN UPDATED WITHIN THE LAST 6MO

OPTION 2

- BORROWER(S) HAS A CREDIT HISTORY OF AT LEAST 5 YEARS,
- THE CREDIT REPORT CONTAINS AT LEAST 5 NON-DISPUTED TRADELINES (OPEN, PAID OR CLOSED); 1 OF WHICH IS A NON-DISPUTED INSTALLMENT OR MORTGAGE TRADELINE (OPEN, PAID OR CLOSED),
- INDIVIDUAL TRADELINES MAY BE ESTABLISHED FOR LESS THAN A 5 YEAR PERIOD, AND
- THE TRADELINES EVALUATED IN OPTION 2 HAVE HAD ACTIVITY WITHIN THE MOST RECENT 5 YEAR PERIOD

IF THE BORROWER DOES NOT MEET THE MINIMUM TRADELINE REQUIREMENTS, BUT ALL REQUIREMENTS BELOW HAVE BEEN MET:

- BORROWER IS NOT A FIRST TIME HOMEBUYER
- LOAN AMOUNT ≤ \$1M
- LTV/CLTV/HCLTV ≤ 70%
- GROSS DISPOSABLE INCOME ≥ \$6,000
- BORROWER HAS AT LEAST 24MO RESERVES
- NO MAJOR DEROGATORY CREDIT IN THE LAST 24MO
- THERE IS NOT MORE THAN \$1,000 IN AGGREGATED BALANCE(S) IN JUDGMENTS, COLLECTIONS, AND/OR CHARGE-OFFS REFLECTED ON THE CREDIT REPORT
- ANY OPEN JUDGMENT, COLLECTION, AND/OR CHARGE-OFF IS BEING PAID AT CLOSING, AND
- THE HOUSING HISTORY SHOWS NO LATE MORTGAGE OR RENTAL PAYMENT IN THE LAST 24MO
- FILE MEETS ALL OTHER CREDIT, INCOME, AND COLLATERAL GUIDELINES

IF BORROWER MEETS TRADELINE REQUIREMENTS WITH CO-BORROWER WHO DOES NOT MEET TRADELINE REQUIREMENTS

- THE BORROWER MEETING TRADELINE REQUIREMENTS MUST MEET THE CREDIT SCORE AND ALL PRODUCT/UNDERWRITING GUIDELINES
- IF THE CO-BORROWER HAS A CREDIT SCORE, AND IF THE CO-BORROWER'S INCOME IS REQUIRED TO QUALIFY, THE CREDIT SCORE MUST MEET PRODUCT REQUIREMENTS
- COMPENSATING FACTOR CODE EN2 MUST BE CAPTURED IN THE ORIGINATION SYSTEM FOR BORROWERS MEETING TRADELINE REQUIREMENTS, BUT THE CO-BORROWER DOES NOT

13. APPRAISAL:

LOAN AMOUNT	APPRAISAL REQUIREMENT
< \$1.5M	1 FULL APPRAISAL (FORM 1004 OR 1073) WITH INTERIOR AND EXTERIOR
\$1.5M	2 FULL APPRAISALS (FORM 1004 OR 1073) WITH INTERIOR AND EXTERIOR INSPECTION, PERFORMED BY A STATE CERTIFIED APPRAISER

14. COVID OVERLAYS:

APPRAISAL MUST BE 120 DAYS OLD OR LESS AT THE TIME OF CLOSING

IF APPRAISAL IS GREATER THAN 120 DAYS, BUT LESS THAN 12MO OLD, AN APPRAISAL UPDATE IS REQUIRED

- INCOME TRENDS AND STABILITY FOR NON-FLUCTUATING EMPLOYMENT (I.E. SALARIED AND NON-FLUCTUATING/NON-VARIABLE HOURLY)

IF THE UNDERWRITER DETERMINES THAT THE INCOME INTERRUPTION/FURLOUGH (E.G., REDUCED, DISCONTINUED) OCCURRED SOLELY DUE TO THE ECONOMIC CONDITIONS CREATED BY THE PANDEMIC, AND IT IS DOCUMENTED THAT THE BORROWER IS BACK AT WORK FULL-TIME, THE BASE EARNINGS (I.E. SALARIED INCOME OR NON-FLUCTUATING HOURLY) CAN BE USED FOR QUALIFYING NO MATTER IF THE YEAR-TO-DATE FIGURES ARE STABLE OR DECREASING AS A RESULT OF COVID-19.

- DECLINING INCOME TRENDS AND STABILITY FOR VARIABLE/FLUCTUATING EMPLOYMENT (I.E. FLUCTUATING/VARIABLE HOURLY, OVERTIME, BONUS, AND COMMISSION)

DUE TO THE RECOGNITION OF THE COVID-19 PANDEMIC AS AN ON-GOING EVENT, BREAKS IN EMPLOYMENT IMPACTING YEAR-TO-DATE INCOME CANNOT BE IGNORED IN THE INCOME CALCULATION. BECAUSE OF THE ON-GOING NATURE OF THE PANDEMIC, IT MUST BE TREATED AS A CURRENT FACTOR IN EMPLOYMENT AND NOT A SINGULAR EVENT, SUCH AN ISOLATED INJURY, CAUSING A BREAK IN EMPLOYMENT

- FORBEARANCE ELIGIBILITY REQUIREMENTS

STATUS OF ALL MORTGAGE LOANS ON WHICH THE BORROWER IS OBLIGATED MUST BE DETERMINED

ACCEPTABLE DOCUMENTS: LOAN PAYMENT HISTORY, MORTGAGE PAYOFF STATEMENT, MORTGAGE ACCOUNT STATEMENT, AND VERIFICATION OF MORTGAGE

BORROWER WHO IS NOT CURRENT AND HAS MISSED PAYMENTS ON ANY MORTGAGE LOAN IS ELIGIBLE FOR A NEW MORTGAGE LOAN IF THOSE MISSED PAYMENTS WERE RESOLVED IN ACCORDANCE WITH THE REQUIREMENTS

- RENTAL INCOME

DOCUMENTATION EVIDENCING CURRENT RECEIPT OF MONTHLY RENTAL INCOME FOR EACH RENTAL UNIT AND/OR RENTAL PROPERTY FOR THE MOST RECENT 2MO PRIOR TO CLOSING IS REQUIRED. LOANS CLOSING AFTER THE 15TH OF THE MONTH REQUIRE VERIFICATION OF RENTAL INCOME FOR THE CURRENT MONTH

DOCUMENTATION MAY INCLUDE: BANK STATEMENT SHOWING DEPOSIT OF RENTAL INCOME AMOUNT AS STATED IN RENTAL AGREEMENT

COPIES OF CANCELLED CHECKS (FRONT & BACK) FOR RENTAL AMOUNT AS STATED IN RENTAL AGREEMENT, OR

OTHER DOCUMENTATION THAT CAN ESTABLISH BORROWER'S RECEIPT OF RENTAL INCOME AMOUNT AS STATED IN RENTAL AGREEMENT (VENMO, PAYPAL)

- SELF-EMPLOYED BORROWERS

VOE (EVIDENCE OF EXISTING BUSINESS) IS REQUIRED 20 DAYS PRIOR TO THE NOTE DATE