

PROGRAM CODE: PBHG

Current Prime Index: 5.500%

PACBAY HELOC						
PIGGYBACK - PURCHASE / R&T / CASH-OUT						
OCCUPANCY	UNITS	CLTV / HCLTV	CREDIT LIMIT	COMBINED LOAN AMOUNT	MIN FICO	DTI
PRIMARY	SFR, PUD, CONDO	89.999%	\$250,000	\$1,500,000	680	45%
		80%	\$300,000	\$1,500,000	700	36%
		70%	\$350,000	\$1,500,000	720	
SECOND HOME		80%	\$250,000	\$1,500,000	680	45%
		70%	\$300,000	\$1,500,000	700	36%

30YR TERM: 10YRS IO DRAW FOLLOWED BY 20YR AMORTIZATION

- 1. ELIGIBLE BORROWER: FOLLOW FNMA SELLER GUIDE EXCEPT:
 - NO NON-OCCUPANT CO-BORROWERS
 - NO E-2 INVESTOR VISAS
 - NO DACA RECIPIENTS
 - NO TAX IDS IN LIEU OF VALID SOCIAL SECURITY NUMBERS
- 2. OCCUPANCY: OWNER OCCUPIED
SECOND/VACATION HOMES
NON-OWNER OCCUPIED HOMES ARE INELIGIBLE
NON-OCCUPANT CO-BORROWERS ARE INELIGIBLE
- 3. ELIGIBLE FIRST LIEN PROGRAMS: AGENCY & GOVERNMENT FIXED RATE AND ARM'S WITH INITIAL FIXED RATE TERM ≥ 5 YEARS
NON-CONFORMING FIXED RATE AND ARM'S WITH INITIAL FIXED RATE TERMS ≥ 5 YEARS
AUS APPROVAL REQUIRED (DU/LP) FOR PIGGYBACKS
INTEREST ONLY, NEGATIVE AMORTIZATION AND OTHER HIGH RISK PRODUCT FEATURES ARE INELIGIBLE
- 4. CREDIT: MINIMUM FICO SCORE IS 680
NON TRADITIONAL CREDIT SCORING IS INELIGIBLE
CREDIT DOCUMENT AGE MUST FOLLOW AUS REQUIREMENTS
UNPAID FEDERAL INCOME TAXES, PROVIDE INSTALLMENT AGREEMENT WITH IRS, PAYMENT HISTORY SHOWING AT LEAST 1 PAYMENT HAS BEEN MADE AND THAT THE BORROWER IS CURRENT, AND INCLUDE THE MONTHLY PAYMENT IN THE BORROWERS DEBT OBLIGATION. PROOF OF INCOME TAX PAYMENT MAY BE REQUIRED TO VERIFY THERE ARE NO PAST DUE TAXES
TAX LIENS MUST BE PAID OFF AT OR BEFORE CLOSING

BANKRUPTCY	7 YEARS	MTG DELINQUENCY (0X30)	2 YEARS
FORECLOSURE / DIL		JUDGMENT	5 YEARS
SHORT SALE		CHARGEOFF	
MODIFICATION/FORBEARANCE/ DEFERMENT (EXCLUDING COVID-19 RELATED)		REPOSSESSIONS	

- 5. INCOME: FOLLOW FIRST LIEN REQUIREMENTS FOR INCOME REQUIREMENTS
THIRD PARTY VERIFICATIONS OF INCOME, DEBTS, AND ASSETS ARE ACCEPTABLE
- 6. SELF EMPLOYED: MINIMUM INCOME DOCUMENTATION:
 - FOLLOW AUS FOR TAX RETURN REQUIREMENTS
 - YTD P&L
 FOR BUSINESSES IMPACTED BY PANDEMIC, FOLLOW FNMA SELLER GUIDE, INCLUDING LENDER LETTERS (LL-2020-03) AND ALL UPDATES
 MAXIMUM CREDIT LIMIT \$250,000 TO MAXIMUM HCLTV 85% ON OWNER OCCUPIED
 MAXIMUM CREDIT LIMIT \$250,000 TO MAXIMUM HCLTV 70% ON SECOND/VACATION HOMES
 MINIMUM CREDIT SCORE 720
 COMPLEX OWNERSHIP STRUCTURES, BUSINESS MODELS (MULTIPLE AFFILIATES OR ENTITIES), OR BORROWERS WITH SIGNIFICANT CONTINGENT LIABILITIES ARE INELIGIBLE
- 7. ASSETS/RESERVES: FOLLOW FIRST LIEN REQUIREMENTS
- 8. QUALIFYING FACTOR: NOTE RATE + 2% P&I OVER 30 YEAR AMORTIZATION
- 9. INTERESTED PARTY CONTRIBUTIONS: SEE FIRST LIEN REQUIREMENTS

10. APPRAISAL: FOLLOW FNMA/FHLMC GUIDELINES (BASED UPON THE APPLICABLE AUS FEEDBACK TYPE PROVIDED) EXCEPT GBC WILL NOT ACCEPT APPRAISAL WAIVERS. IF AUS PERMITS AN APPRAISAL WAIVER, THEN INSTEAD PROVIDE:
- AVM AND EXTERIOR MINIMUM PROPERTY CONDITION REPORT (INCLUDING PHOTOS) DATED WITHIN 120 DAYS OF THE NOTE DATE OR
 - AN APPRAISAL (CAN BE A DESKTOP, EXTERIOR INSPECTION AND/OR INTERIOR INSPECTION) COMPLETED BY A LICENSED/STATE CERTIFIED APPRAISER DATED WITHIN 120 DAYS OF NOTE DATE
11. DISASTERS: FOR PROPERTIES LOCATED IN INDIVIDUAL ASSISTANCE DESIGNATED AREAS THAT HAVE BEEN DECLARED A MAJOR DISASTER BY FEMA AFTER A FULL APPRAISAL HAS BEEN COMPLETED, THEN AN EXTERIOR MINIMUM RE-INSPECTION INCLUDING A POST-DISASTER PHOTO DATED AFTER THE DISASTER DECLARATION DATE WITH CONFIRMATION THAT THE PROPERTY HAS NOT BEEN ADVERSELY AFFECTED BY THE DISASTER IS REQUIRED.
12. INELIGIBLE STATES: AK, HI, TX, NY
FOR TN, INTEREST RATE SET AT TIME OF LOCK MAY NOT EXCEED MAXIMUM EFFECTIVE INTEREST RATE LISTED HERE: <https://www.tn.gov/content/tn/tdfi/tdfi-how-do-i/info/mortgage-rate-of-interest/max-effective-interest-ratehistory.html>
FOR NC PROPERTIES TOTAL LENDER FEES MAY NOT EXCEED 1% OF CREDIT LIMIT
13. PROPERTY INSURANCE: FOLLOW FNMA SELLING GUIDE
MORTGAGEE CLAUSE FOR APPROPRIATE LIEN MUST BE IN THE NAME OF THE CREDITOR, ISAOA, ITIMA
14. TITLE POLICY: FULL ALTA OR JUNIOR ALTA REQUIRED
LENDER'S TITLE INSURANCE IN THE AMOUNT OF THE CREDIT LIMIT IS REQUIRED (FINAL POLICY MUST BE SEPARATE FROM 1ST LIEN TITLE POLICY)
BOTH SHORT FORM AND LONG FORM POLICIES ARE ACCEPTABLE
ALTA ENDORSEMENTS ARE NOT REQUIRED
CLOSING PROTECTION LETTERS ARE NOT REQUIRED
15. ESCROWS: FIRST LIEN HELOC'S WITH COLLATERAL LOCATED IN THE FEMA DESIGNATED FLOOD ZONE REQUIRE ESCROW/IMPOUNDS ACCOUNT FOR FLOOD INSURANCE
ADDITIONALLY, FOLLOW APPLICABLE STATE LAWS REGARDING ESCROW/IMPOUND ACCOUNTS ON FIRST LIENS
16. POWER OF ATTORNEY: POWER OF ATTORNEYS ARE PERMITTED FOR ALL TRANSACTION TYPES BUT MUST COVER THE APPROPRIATE LIEN TRANSACTION IF UTILIZED
17. LIEN POSITION: LOAN MAY BE IN FIRST OR SECOND LIEN POSITION
18. LIFETIME RATE FLOOR: 2.500%