

HELOAN 1 (Standalone 2nd TD)

Owner Occupied Program Codes: HELOAN-1 OO -30, 20, 15 & 10

Non-Owner Occupied Program Codes: HELOAN-1 NOO -30, 20, 15 & 10

Loan Amount	Maximum Combined Liens Amount	Min FICO	Max CLTV					
			Owner Occupied		2nd Home		Investment	
			Full Doc	Bank Stmt	Full Doc	Bank Stmt	Full Doc	Bank Stmt
75,000-350,000	\$2M	720	90%	85%	80%	75%	80%	75%
		700	90%	80%	80%	70%	80%	70%
		680	85%	75%	75%	65%	75%	65%
		660	80%	70%	70%	60%	70%	60%
350,000-450,000	\$2.5M	720	85%	80%	75%	70%	80%	70%
		700	85%	75%	75%	65%	75%	65%
		680	80%	70%	70%	60%	70%	60%
		660	75%	65%	65%	55%	65%	55%
450,001-550,000	\$2.5M	720	80%	75%	70%	65%	75%	65%
		700	80%	70%	70%	60%	70%	60%
		680	75%	65%	65%	55%	65%	55%
		660	70%	60%	60%	50%	60%	50%

* 2-4 Units Max CLTV: Owner Occupied 75%, Non-Owner Occupied 70%

* Condo Max CLTV: Owner Occupied 75%, Non-Owner Occupied 70%

* Declining Market: Owner Occupied/2nd Home Max CLTV 75%, Non Owner Occupied Max CLTV 70%

Documentation Options

Full Doc	1 Year	W-2 Borrowers: W-2 for most recent year and 30 day most recent paystub Self-Employed: 1 years tax returns and <ul style="list-style-type: none"> • YTD P&L (borrower prepared OK) OR • 3 months bank statements verifying cash flow (No P&L)
	2 Year	W-2 Borrowers: W-2 for most recent 2 years and 30 day most recent paystub Self-Employed: 2 years tax returns and YTD P&L (borrower prepared OK)
Bank Statement	Personal & Business Combined OR Business Only (12mo or 24mo)	At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership) Standard expense factors apply: 50% expense factor If business operates < standard expense factor, P&L or expense letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) required Minimum expense factor with 3rd party prepared P&L or letter is 20%
	Personal & Business Separated (12mo or 24mo)	At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership) Personal used to qualify, 2 months business to show business cash flows in order to utilize 100% of business related deposits in personal account (no expense factor)

General Requirement	
Product Type	30-Yr Fixed, 20-Yr Fixed, 15-Yr Fixed, 10-Yr Fixed
Max DTI	50%
Assets	None required.
Appraisal Requirements	Primary / 2nd Home New Residential Appraisal and AVM supporting value within 10% variance. Lower of two values to be used.
	Investment Previous appraisal within 12 months + Residential Appraisal Review. Review value must be equal to or greater than appraisal. OR New 2055 Appraisal and Residential Appraisal Review supporting value within 10% variance. Lower of two to be used.
Declining Market	- Owner Occupied/2nd Home Max CLTV: 75% - Non Owner Occupied Max CLTV: 70%
Recently Listed Properties	Properties listed for sale in the last 6 months are not eligible.
Borrowers - Eligible	- US Citizen - Non-Permanent Resident Alien (with US Credit). (Allowable visas: E1, E2, E3, EB5, G1 to G5, H1, L1, NATO, O1, R1, TN NAFTA) - Permanent Resident Alien
Borrowers - Ineligible	- Non-occupant co-borrowers - Vesting is not permitted to be in the name of an LLC, Corporation or Partnership - DACA and C08 visa not allowed
Required Forms	Borrower must complete and submit Ability-to-Repay Borrower Attestation & Borrower Contact Consent Form Click to download Ability-to-Repay Borr Attestation Form Click to download Borrower Contact Consent Form
Compliance	- No Section 32 or state High Cost - Loans must comply with all applicable federal and state regulations - Fully documented Ability to Repay including Borrower Attestation - Higher-Priced Mortgage Loans (HPML) and Higher-Priced Covered Transactions (HPCT) are permitted subject to complying with all applicable regulatory requirements.
Credit	3 tradelines reporting for 12+ mo. or 2 tradelines reporting for 24+ mo. all with activity in the last 12 mo. - On primary residence only, borrowers who do not have the minimum tradelines are acceptable with a current mortgage history on their credit reporting 0x30x12 (no private party mortgages).
Credit Scores	- Qualifying score is the lowest of 2 scores or middle of 3 scores from the primary income earner. - Non-traditional credit ineligible.
Credit Event Seasoning	48 months - Foreclosure, short-sale, deed in lieu, bankruptcy. No multiple events in last 7 years.
Derogatory Credit	Open charge-offs or collections ≤ \$1,000 per occurrence are acceptable Open Medical collections ≤ \$1000 per occurrence ok.
Housing Lates	0x30x12 On all mortgages for all borrowers. Minimum 12 months housing history required.
Ineligible Senior Liens	- Loans in active forbearance or deferment are ineligible. Any deferred balance must be paid through closing. - Negative amortization - Reverse mortgages - Balloon loans that the balloon payment comes due during the amortization period of the 2nd lien. - Private Party
Senior Lien	- Senior Lien Interest Only Max DTI: 45% - Senior Lien ARM with < 3 years fixed period remaining must qualified on fully indexed payment
Property Type	SFR, PUD, Condo-Warrantable, 2-4 Unit
Qualifying Payment	Qualifying ratios based on Full Note Rate
Texas	Purchase only. No Refinances.
Title Report	ALTA Short Form – Lenders Policy
Seasoning	> 6 months seasoning no restrictions. Less than 6 months seasoning ineligible.