

EQUITY SOLUTIONS CLOSED-END SECOND N/O/O

[Full Doc, Bank Statement, 1099, WVOE, P&L Only]

Program Code: PB##HES

Loan Size	FICO	Investment Property			
		Full Doc	Bank STMT 1099	WVOE	P&L Only
\$50,000 - \$350,000	720	80	80	75	70
	700	80	75	70	65
	680	75	70	65	60
	660	70	60	60	55
\$350,001 - \$500,000	720	80	75	70	65
	700	80	70	65	60
	680	70	65	60	55
	660	65	60	55	50
\$500,001 - \$750,000	720	75	70	65	60
	700	70	65	60	55
	680	65	55	55	50
	660	60	50	50	45

Income Documentation	
Full Doc (2 or 1 Years) - Salaried	<ul style="list-style-type: none"> W-2s (1 or 2 yrs) + YTD paystub (min. 30 days earnings)
Full Doc (2 or 1 Years) - Self Employed	<ul style="list-style-type: none"> Tax returns (1 or 2 yrs, all schedules) YTD P&L or 3 months business bank statements to support income continuance
Bank Statement Personal & Business - Combined (24 mo, 12 mo)	<ul style="list-style-type: none"> ≥1 borrower must be self-employed ≥2 years (≥25% ownership) Asset depletion allowed with bank statement documentation 50% standard expense factor Lower expense factor allowed with CPA / CTEC / EA letter or P&L CPA / CTEC / EA expense factor must be reasonable
Bank Statement Personal & Business - Separated (24 mo, 12 mo)	<ul style="list-style-type: none"> ≥1 borrower must be self-employed ≥2 years (≥25% ownership) Asset depletion allowed with bank statement documentation on Closed End Seconds only Personal used to qualify; 2 mo business stmts to verify cash flow and allow 100% business deposits (no expense factor).
1099(12 mo)	<ul style="list-style-type: none"> 1099 + current check/stub or bank statement showing deposits from each 1099 payor (10% expense factor) Qualifying income = 1099 gross - 10% expense factor; check stub or bank deposits must align with 1099 income
WVOE	<ul style="list-style-type: none"> WVOE FNMA Form 1005 completed by HR, Payroll, Company Officer plus 2 mos personal bank statements supporting wages, or WVOE from online data source (Work Number, Finicity, etc.) Borrowers employed by a family owned or managed business are ineligible for WVOE documentation program
P&L (12 mo) [CPA, CTEC, EA]	<ul style="list-style-type: none"> Self-employed (2yrs - 25% or greater ownership) P&L prepared by CPA, CTEC or EA Qualifying income based on the net income as reflected on P&L statement (multiplied by borrower's ownership percentage) / 12 months

Program Guidelines						
Combined Lien Balance	Max Comb. Lien Bal. Max CLTV	\$2,000,000	\$3,000,000	\$3,500,000	\$4,000,000	\$5,000,000
		90	85	80	75	60
Loan Purpose		<ul style="list-style-type: none"> Purchase 		<ul style="list-style-type: none"> Rate & Term Refinance 		<ul style="list-style-type: none"> Cash-Out Refinance
Occupancy Type		<ul style="list-style-type: none"> Primary Residence 			<ul style="list-style-type: none"> Second Home 	
Property Type		<ul style="list-style-type: none"> SFR 	<ul style="list-style-type: none"> PUD 	<ul style="list-style-type: none"> 2-4 Unit 	<ul style="list-style-type: none"> Warrantable Condo 	
Product Type		30 Year Fixed, 20 Year Fixed, 15 Year Fixed, 10 Year Fixed				
Ineligible Senior Liens		<ul style="list-style-type: none"> Loans in active forbearance or deferment are ineligible. Deferred balance from modifications > 12mos may remain open Balloon loans that the balloon payment comes due during the amortization period of the 2nd lien. Negative amortization Reverse mortgages 				
Interest Only Senior Lien		<ul style="list-style-type: none"> Max 45 DTI using 1st Lien Interest Only Payment Qualify 1st lien I/O on Fully Amortized payment on remaining term after I/O period 				
Prepayment Penalty		Not Allowed				
Citizenship Status		U.S Citizen, Permanent Resident, and Non-Permanent Resident				
Foreign National		Not Allowed				
Non Occupant Co-borrower		Not Allowed				
Minimum Loan Amount		\$50,000				
Max Loan Amount		\$750,000				
Min Fico		660				
Max DTI		50%				
Title Seasoning		<ul style="list-style-type: none"> > 6 months ownership seasoning no restrictions. ≤ 6 months ownership seasoning ineligible for refinance ≤ 6 months seasoning since previous refinance on either 1st lien or 2nd lien max 80 CLTV 				
Housing Lates		<ul style="list-style-type: none"> 0x30x12 On all mortgages for all borrowers Minimum 12 months housing history required 				
Tradelines Requirement - Stand-Alone		3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months				
Tradelines Requirement - Piggy-Back		Default to AUS Approval (If applicable), no minimum tradelines required				
Tradelines Requirement - Limited Credit		Does not meet tradeline requirements. Primary only ok with 0x30x12 mortgage reported on credit				
Credit Event Seasoning		Foreclosure / Bankruptcy / SS / DIL		4 Years		
		No multiple credit / housing events (FC/BK/SS/DIL)		7 Years		
		<ul style="list-style-type: none"> Open charge-offs/collections < \$1,000 per occurrence allowed; medical collections < \$1,000 allowed All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing 				
Rural Property		Not Allowed				
Appraisal requirement - HPML		One full appraisal (1004, 1025, 1073)				
Appraisal requirement - HPML		Loan Amount ≤ \$400k		AVM with a 90% Confidence Factor and Property Condition Inspection		
		Loan Amount > \$400k		One full appraisal (1004, 1025, 1073)		