

Interest Only	Allowed at all LTV's and Credit Scores 30 Year I/O, qualify using original principal balance and note rate over 240 months 40 Year I/O, qualify using original principal balance and note rate over 360 months
Property Type	Single Family (attached and detached) PUD (attached and detached) 2 - 4 Units Warrantable Condo - Follow FNMA Requirements Condo in New projects eligible only with FNMA CPM approval or professional 3rd party review Non-warrantable Condo in established projects, case-by-case, by exception only
Declining Market	5% LTV reduction from above matrix when LTV >70%
Rural	Allowed - Max 70% LTV; Max 20 Acres A property is considered rural if the appraiser indicates "rural" in the neighborhood section of the report OR any 2 of the following are present: - The property is located on a gravel road - 3 comps are more than 5 miles from the subject property - Less than 25% of the surrounding area is developed
Borrower Requirements	
Eligible Borrowers	US Citizens Permanent Resident Alien Non-Permanent Resident Alien
First Time Home Buyer	Defined as borrower who has not owned residential property in the US in the past 3 years, based on note date. All occupancy types allowed. If one borrower is FTHB and the other is not, then FTHB restrictions do not apply. Property owned outside of the US is not considered in FTHB determination. FTHB restrictions - Subject rents on investment property transaction not allowed - 660 minimum credit score (required on Expanded) - Maximum DTI is 50% - >45% DTI requires 300% max payment shock - Max loan amount is \$2,000,000 Payment Shock = Proposed Housing Payment/Present Housing Payment * 100 For borrowers with no housing obligation in the previous 12 months, payment shock calculation is not required
Non-occupant Co-borrower	- Purchase and Rate/Term Refinances only - Cash-out transactions are not allowed Blended Ratios are allowed using one of the three following options: Option 1: - Occupying borrower must have a DTI ≤ 60% AND - A minimum of 5% of the down payment must come from occupying borrower's own funds AND - Occupant borrower is responsible for 50% of the reserve requirement Option 2: - Occupying borrower must have a DTI ≤ 75% with combined DTI ≤ 40% AND - A minimum of 5% of the down payment must come from occupying borrower's own funds AND - Occupant borrower is responsible for 50% of the reserve requirement Option 3: - True blended ratios are allowed at ≤ 70% LTV/CLTV - No occupant contribution required for down payment or reserves
Credit and Liabilities	
Housing Payment History	Maximum of 0x30 in past 12 months
Major Credit Events	4 year seasoning is required on all major credit events Seasoning is measured from date of credit event to note date and includes: Bankruptcy, Foreclosure, Deed-in-Lieu, Short-Sale / Short-Refinance, and Modification Simple rate reduction modifications or modifications that were a result of a COVID-19 forbearance plan are acceptable with no restrictions