



COFFEE CAKE CREDIT EVENT

2/26/2024

Primary Residence (See below for other occupancy)		Bank Statement / 1099				
FICO	Loan Amount	Purchase	Rate&Term	Cash Out		
700	\$1,000,000	85%	80%	80%		
	\$1,500,000	85%	80%	80%		
	\$2,000,000	80%	75%	75%		
	\$3,000,000	70%	65%	65%		
680	\$1,000,000	85%	80%	75%		
	\$1,500,000	80%	75%	75%		
	\$2,000,000	80%	70%	70%		
	\$3,000,000	70%	65%	65%		
660	\$1,000,000	80%	80%	75%		
	\$1,500,000	80%	75%	75%		
	\$2,000,000	70%	65%	65%		
640	\$1,000,000	80%	75%	70%		
	\$1,500,000	70%	NA	NA		
	\$2,000,000	65%	NA	NA		
620	\$1,000,000	70%	70%	NA		
Housing History Restrictions				Occupancy Restrictions - Second Home & Investment		
Housing History:	1x30x12	0x60x12	0x90x12			
Max LTV/CLTV: Purchase	85%	80%	70%		Max LTV/CLTV: Purchase	80%
Max LTV/CLTV: Refinance	80%	75%	NA		Max LTV/CLTV: Purchase	75%
Max Loan Amount:	\$3,000,000	\$1,500,000	\$1,000,000	Max Loan Amount:	\$2,500,000	
Housing History Restrictions				Forbearance, Modification or Deferral		
BK/FC/SS/DIL:	≥ 36 Months	≥ 24 Months	≥ 12 Months			
Max LTV/CLTV: Purchase	85%	80%	70%		See Below	
Max LTV/CLTV: Refinance	80%	75%	NA			
Max Loan Amount:	\$3,000,000	\$1,500,000	\$1,000,000			
Declining Market and State/CBSA Restrictions						
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 80% for purchases and 75% for all refinances and the maximum loan amount is limited to \$2MM.						
General Information						
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)					
Interest Only	● Min Credit Score: 660		● Max LTV: 85%			
Loan Amounts	● Min: \$150,000		● \$3,000,000			
Loan Purpose	● Purchase, Rate/Term and Cash Out					
Occupancy	● Primary, Second Home, Investment					
Property Type	<ul style="list-style-type: none"> ● Single Family: Attached, Detached ● 2-4 Units and Condominiums: Max LTV/CLTV Purchase 80%. Refinance 75%. ● Condo Hotel: Max LTV/CLTV Purchase 80%, Refinance 75% Max Loan Amount \$2,500,000 ● Rural: Not Eligible 		<u>Florida Condominiums:</u> <ul style="list-style-type: none"> ● A structural inspection is required for projects: <ul style="list-style-type: none"> ○ greater than 5 stories; and ○ over 30 years old (or 25 years if within 3 miles of the coast) ● Projects with an unacceptable or no inspection are ineligible 			
Acreage	● Property up to 20-acres, not meeting the rural definition, eligible. 10 or more acres limited to a max LTV/CLTV 80%					
Cash-In-Hand	● Max Cash-In-Hand: Unlimited					
Appraisals	<ul style="list-style-type: none"> ● FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained ● 2nd Appraisal required for loans > \$2,000,000. 					
Income Requirements						
Personal Bank Statements:	<ul style="list-style-type: none"> ● 24 or 12-months of Personal and 2-months of business bank statements. ● Qualifying income is determined by the total eligible deposits from the 24 or 12-months of personal statements divided by the number of statements. ● The business bank statements must reflect business activity and transfers to the personal account. 					
Business Bank Statements:	<ul style="list-style-type: none"> ● 24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> ○ Fixed Expense Ratio (50%) ○ Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 10% ○ 3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer) 					
IRS Form 1099	● 2-Years or 1-Year 1099	● Fixed Expense Ratio of 10%	● YTD Documentation to support continued receipt of income from same source			



COFFEE CAKE CREDIT EVENT (cont.)

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Underwriting Requirements			
Assets	<ul style="list-style-type: none"> Min of 30-days asset verification required; any large deposit must be sourced 	DTI Requirements	Max: 50% FTHB: 43% FTHB w/ 12 month rental history: 45%
Credit Score	<ul style="list-style-type: none"> Use credit score of the borrower with the highest qualifying income Middle of 3 scores or lower of 2 	Reserves	<ul style="list-style-type: none"> LTV < 80%: 3 months of PITIA LTV ≥ 80%: 6-months of PITIA Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> Min contribution: 5% primary, 10% investment 	Document Age	<ul style="list-style-type: none"> 90 Days
Tradelines	<ul style="list-style-type: none"> Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived 	Prepayment Penalty – Investment Property Only	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in AK, KS, MI, MN, NM, OH and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Only declining prepayment penalty structures allowed in MS
Forbearance, Modification or Deferrals	<p>Greater than 12 months from Note Date: Forbearance, loan modifications, or deferrals (including COVID-19 related events) completed or reinstated greater than 12-months from the Note date of the subject transaction and having a 0x30x12 Housing History are allowed under all programs</p> <p>Within 12 months of Note Date: Forbearance, loan modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12-months of the Note date of the subject transaction are not eligible</p>		