



MODERATE CREDIT, BANK STATEMENT

PROGRAM ID: SP M4

Program Description: Qualify with bank statements; recency of credit events and credit score determines allowable LTV and loan amount

Products and Terms:

- 5/1 ARM: Fully Amortizing
- 5/1 ARM: With 7 or 10year Interest-Only period
- 7/1 ARM: Fully Amortizing
- 7/1 ARM: With 10year Interest-Only period
- 30-Yr Fixed: With 7 or 10year Interest-Only period
- 30-Yr Fixed: Fully Amortizing

Eligible borrowers: Citizens / US persons only, foreign borrowers not permitted.

Maximum debt to income ratio: 50%

Minimum credit score: 620. Mortgage or rental payment history may show rolling 60 (12 x 60 x 12); no 90-day lates permitted.

Loan amounts and loan to value limits:

<u>Primary Residence / Purchase and Rate & Term Re-fi</u> (640 min credit score)	<u>Primary Residence / Cash-out</u> (620 min credit score)	<u>Investment / Business Purpose / Purchase and Rate & Term Re-fi</u> (660 min credit score)
85% to \$1,500,000	80% to \$1,000,000 75% to \$1,500,000	75% to \$1,000,000 70% to \$1,500,000 65% to \$2,000,000

Recency and severity of credit event will limit max loan amount and max LTV; see Consolidated Guidelines for details.

Acceptable occupancy: Primary residences, second homes, investment properties

Acceptable property types: 1-4 units, warrantable / non-warrantable condo (*non-warrantable condos require a rate add-on*)

Required reserves: 3 - 12 months PITIA (based on loan amount). For cash-out refinances, loan proceeds disbursed to Borrower may be used to meet reserve requirements. If Borrowers own investment properties which are not the Subject Property, then required reserves must be increased by 1% of the mortgages outstanding on mortgage debt not secured by the Subject Property.

Acceptable states: 50 states and DC (*US Territories not allowed*)

Other Info: ARM Index - 1-yr LIBOR; Margins – owner occupied 3.25%; investor-occupied 5.25%; Floor (lifetime minimum rate) is initial note rate. Escrows required. 3-yr prepayment penalty required for investor occupancy loans where permitted by law; PPP buyouts may be available.