

CLOSED END SECOND MORTGAGE MATRIX									
Min and Max Loan Amount	Max Combined Liens Amount	Total Debt Ratio	Minimum Credit Score	Owner Occupied Max CLTV		Second Home Max CLTV		Non-Owner Occupied Max CLTV	
				Full Doc	Bank Statement	Full Doc	Bank Statement	Full Doc	Bank Statement
\$125,000 to \$350,000	\$2.0MM	50%	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
\$350,001 to \$450,000	\$2.5MM	50%	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 to \$550,000	\$2.5MM	50%	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

Homebridge Standalone HELOC Quick Reference Guide

Product Description

The Homebridge Standalone HELOC requires a full draw at closing and has **no** prepayment penalties

Terms Available: 5, 10, 15, and 30 years

Maximum DTI: 50%

1-Unit Properties **ONLY** (SFR, PUD, Condo)

Minimum Loan Amount: \$25,000

Owner-Occupied 1 st or 2 nd Lien			Owner-Occupied 3 rd Lien			2 nd Home & Investment 1 st or 2 nd Lien		
Max Loan	Max CLTV	FICO	Max Loan	Max CLTV	FICO	Max Loan	Max CLTV	FICO
\$125,000	65%	620-639	\$100,000	70%	680-759	\$200,000	70%	680-719 ^{1,2}
	75%	640-659 ¹	\$150,000	70%	760-850	\$225,000	70%	720-759 ^{1,2}
	80%	660-679 ¹				\$250,000	70%	760-850 ^{1,2}
\$150,000	85%	680-759 ¹						
\$200,000	80%	680-699 ¹						
\$250,000	80%	700-739						
	85%	740-850						
\$300,000	80%	740-850						
\$350,000	75%	740-759						
\$400,000	75%	760-850						

Footnotes:

1. Oklahoma: Minimum 720 FICO
2. Second home/investment: Minimum 680 FICO

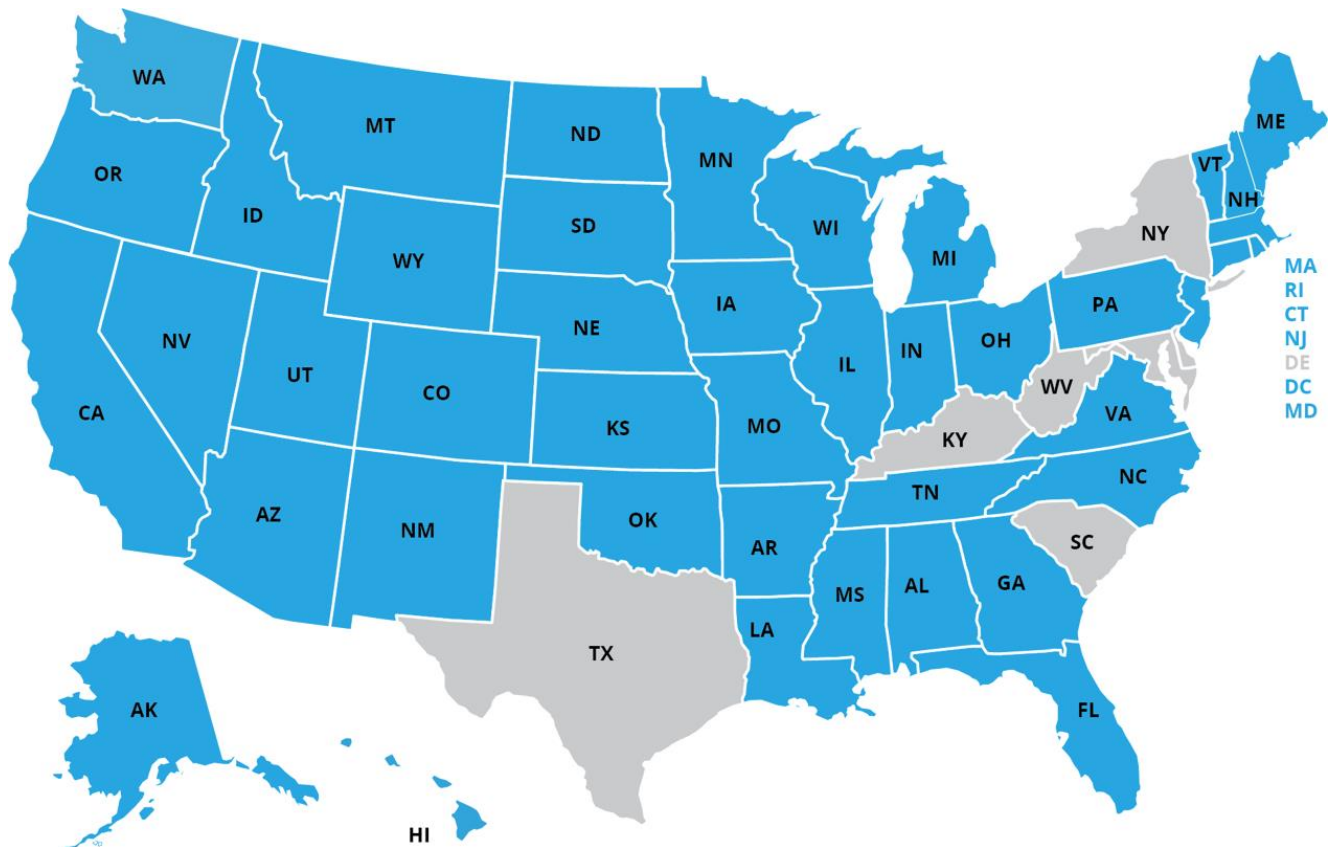
Eligibility Criteria

General Application Requirements	<ul style="list-style-type: none"> Only one borrower may apply (no co-borrowers) Changes are allowed after the loan application is completed in certain instances; refer to the Standalone HELOC FAQ, under the Homebridge Standalone HELOC section on the Working With Us page for details 										
Credit	<ul style="list-style-type: none"> FICO must be greater than or equal to 620 except: <ul style="list-style-type: none"> - Minimum of 680 for 2nd home/investment - Minimum of 720 for subject properties located in Oklahoma, or - As required in the chart above Credit is valid for 30 days Inquiries: Total number of inquiries (excluding mortgage and auto) must be less than 6 										
Income	<ul style="list-style-type: none"> Marital income may be used for qualifying in all states except the following: <ul style="list-style-type: none"> - Connecticut, Georgia, Indiana, Maine, Massachusetts, Oregon, Pennsylvania, Rhode Island, Utah, Virginia Income may be a combination of earnings and/or asset depletion Borrower may validate income via bank account data, paystubs, or tax filings Income verification is primarily automated; only paystubs may be manually uploaded 										
Late Payments, Collections and Derogatory Events	<ul style="list-style-type: none"> No mortgage 30 days or more delinquent reported in the last 6 months No tradeline 60 days or more delinquent reported in the last 12 months (including non-medical collections) No non-medical collections with a balance greater than \$500 No public record Bankruptcy filed in the last 5 years No applicants with non-discharged/dismissed bankruptcy filings No foreclosure proceedings in the last 5 years Borrowers currently in forbearance are eligible 										
Property	<ul style="list-style-type: none"> 1-Unit SFR, Condo, or PUD only Fee Simple Only; Leasehold / ground lease / co-ops ineligible Property size cannot exceed 20 acres Property value must be supported by proprietary AVM; no appraisal reviews allowed Properties purchased within 90 days are ineligible 										
Lien Position	<ul style="list-style-type: none"> Homebridge standalone HELOC may be in 1st, 2nd, or 3rd lien position 										
Draw Terms and Structure	<ul style="list-style-type: none"> A full draw is required at closing No prepayment penalty applies 100% maximum redraw available (based on initial credit line) in minimum increments of \$500 Draw period of 5, 4, 3, or 2 years, depending on initial term (30, 15, 10, or 5 years, respectively) <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr style="background-color: #00AEEF; color: white;"> <th>Term</th> <th>Draw Period</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5</td> <td style="text-align: center;">2 years</td> </tr> <tr> <td style="text-align: center;">10</td> <td style="text-align: center;">3 years</td> </tr> <tr> <td style="text-align: center;">15</td> <td style="text-align: center;">4 years</td> </tr> <tr> <td style="text-align: center;">30</td> <td style="text-align: center;">5 years</td> </tr> </tbody> </table>	Term	Draw Period	5	2 years	10	3 years	15	4 years	30	5 years
Term	Draw Period										
5	2 years										
10	3 years										
15	4 years										
30	5 years										

Homebridge Standalone HELOC Quick Reference Guide

Eligibility Criteria (cont.)	
Rate	<ul style="list-style-type: none"> Quoted interest rates include a 0.25% discount for automatic payments. Opting out of this feature will increase the interest rate accordingly. Interest rates are fixed with no interest-only period; payments are fully amortized
Fees	One-time origination fee based on applicant selection (choices vary based on creditworthiness and state of residence). Maximum origination fee 2.99% NOTE: If the property is currently listed for sale a 2.99% origination fee required
Eligible States* (NO Exceptions)	AK, AL, AR, AZ, CA, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, OH, OK, OR, PA, RI, SD, TN, UT, VA, VT, WA, WI, WY
Ineligible States**	DE, KY, NY, SC, TX, WV

* Blue States: Eligible
* Gray States: Ineligible



IMPORTANT NOTE: Originating Broker must be licensed in the state where the subject property is located

Matrix				Owner Occupied		2nd Home		Non Owner Occupied	
				Full Doc	Bank Statement	Full Doc	Bank Statement	Full Doc	Bank Statement
Loan Amount	Max. Combined Liens	Max DTI %	FICO	12mo or 24mo	12mo	12mo or 24mo	12mo	12mo or 24mo	12mo
				CLTV	CLTV	CLTV	CLTV	CLTV	CLTV
\$75,000 to \$350,000	\$2 Million	50	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
\$350,001 to \$450,000	\$2.5 Million	50	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 to \$550,000	\$2.5 Million	50	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

Details		OO/2nd	NOO	
Assets		x	x	• None required.
Appraisal Requirements		x		• New Appraisal (thru NDM Approved AMC) & AVM supporting value within 10% variance. Greater than 10% use the lower of two values.
			x	• New 2055 appraisal & CDA (Residential Appraisal Review) supporting value within 10% variance. Greater than 10% use lower of two values.
				• OR
				• Previous appraisal w/in 12 mos + CDA (Residential Appraisal Review). Review value must be equal to or greater than appraisal.
		x	x	• Declining markets maximum 75% CLTV on Owner Occupied/2nd Home. Maximum 70% CLTV on Non Owner Occupied.
Recently Listed Properties		x	x	• Properties listed for sale in the last 6 months are not eligible.
Borrowers - Eligible		x	x	• US Citizen
		x	x	• Non-Permanent Resident Alien (with US Credit)
		x	x	• Permanent Resident Alien
Borrowers - Ineligible		x	x	• Non-occupant co-borrowers
		x	x	• Vesting is not permitted to be in the name of an LLC, Corporation or Partnership
		x	x	• No Section 32 or State High Cost
Compliance		x	x	• Loans must comply with all applicable federal and state regulations.
		x	x	• Fully documented Ability to Repay including Borrower Attestation.
		x	x	• Higher-Priced Mortgage Loans (HPML) & Higher-Priced Covered Transactions (HPCT) are permitted subject to complying with all applicable regulatory requirements.
Credit		x	x	• 3 tradelines reporting for 12+ months OR 2 tradelines reporting for 24+ months all with activity in the last 12 months.
Credit Scores		x	x	• Lowest of 2 scores, middle of 3 scores. Qualifying score is lowest of all borrowers.
		x	x	• Non-traditional credit ineligible.
Credit Event Seasoning		x	x	• 48 months - Foreclosure, foreclosure actions, short-sale, deed in lieu, bankruptcy. No multiple events in last 7 years.
Derogatory Credit		x	x	• No open/unpaid charge-offs or collection accounts in the last 48 months. Charge-offs or collections paid off over 12 months ago are acceptable.
				• Open medical collections less than \$1000 per occurrence are permitted to be left open.
Housing Lates		x	x	• All judgments, garnishments, outstanding liens including income tax liens & installment agreements must be paid prior or at closing.
States		x	x	• 0x30x12 On all mortgages for all borrowers. Minimum 12 months housing history required. All must be current at funding.
		x	x	• Ineligible: AK, AR, DE, HI, IA, KS, MO, MS, ND, NE, NM, NY, SD, TN, TX, VT, WY.
		x	x	• MN- Loan Amounts <\$100,000, the note rate must be less than FNMA Average Rate +4%.
Ineligible Senior Liens		x	x	• Loans in active forbearance or deferment. Any deferred balance from a COVID period forbearance is considered active and must be paid prior to or through closing. Older deferments from previous modifications are allowed with a documented hardship.
		x	x	• Negative amortization.
		x	x	• Reverse mortgages.
		x	x	• Interest only mortgages where the borrower's DTI exceeds 45% (Borrower will be qualified using Interest Only Payment on the 1st).
		x	x	• FHA or VA first mortgage on a purchase with an NDM piggyback.
		x	x	• 1st Liens that are assumable by another party.
		x	x	• Balloon loans that the balloon payment comes due during the amortization period of the 2nd lien.
		x	x	• Loans that are held by a Private Party.
Loan Amount Requirements		x	x	• All loan amounts must be rounded to the nearest \$100 increment staying within CLTV maximums.
Purchase Piggyback Lien		x	x	• Allowed behind an NDM originated 1st trust deed. Income documentation type must be the same for both loans.
Property Type		x	x	• SFR and PUD max CLTVs as listed above; Warrantable Condos & 2-4 Units 75% max CLTV for primary residence and 70% max Non Owner
Qualifying Payment		x	x	• Qualifying ratios based on Full Note Rate for all 2nd Mortgages.
		x	x	• If the Senior Lien is an ARM use FNMA guidelines for qualifying payment according to the length of time of the initial fixed period.
		x	x	• 1st Lien ARMS with less than 3 years remaining on the fixed period must be qualified on the fully indexed payment.
Reserves		x	x	• Not required on Stand Alone 2nds. Only required on Purchase Piggybacks according to DU or NDM NonQM 1st mortgage guidelines.
Title Report		x	x	• ALTA Short Form – Lenders Policy.
Seasoning		x	x	• > 6 months seasoning no restrictions. Less than 6 months seasoning ineligible.
Non QM- 2nd TDs Guidelines		x	x	• Refer to NDM Non QM 2nd TD Guidelines for additional requirements.

Products				Product Code	Min Amt	Doc Type Option	Qual Rate	Amort Term	Product Code	Min Amt	Doc Type Option	Qual Rate	Amort Term
Fixed Rate	Full Am	10yr	75k	All	Note Rate			10yr	All	75k		Note Rate	10yr
		15yr	75k					15yr					15yr
		20yr	75k					20yr					20yr
		30yr	75k					30yr					30yr

NATIONS DIRECT MORTGAGE-The information in this document is intended for use by licensed mortgage brokers and mortgage loans officers, and may not be viewed, used, or relied upon by consumers. The information disclosed in this document is subject to change without notice. Not available in all states.

HELOC - Home Equity Line of Credit

(The information shown below is specific to the product listed on this page. Refer to the Spring EQ underwriting guidelines for additional information and requirements)

Release Date: 9/18/2023

FICO / HCLTV / Occupancy Maximums	Minimum FICO	Max HCLTV		
		Owner Occupied	2 nd Home	Investment
	700+	95%	80%	
	680-699	90%		
660-679	80%			

Product Terms	<ul style="list-style-type: none"> 30 Year HELOC with 10 Year Draw Period <ul style="list-style-type: none"> 30-year variable term (Index plus a margin) 10-year interest only draw period with a 20-year fully amortizing repayment period 30 Year HELOC with 3 Year Draw Period <ul style="list-style-type: none"> 30-year variable term (Index plus a margin) 3-year draw period and 10-year interest only payment period with a 20-year fully amortizing repayment period
Initial Draw	<ul style="list-style-type: none"> Minimum \$50k
Additional Draws	<ul style="list-style-type: none"> Prohibited during the first 90 days following closing date Minimum \$1000 not to exceed credit limit
Index	<ul style="list-style-type: none"> Prime Rate as published in the WSJ on the 1st of the month, if there is a range published the highest rate will be used
Lifetime Rate Cap / Floor	<ul style="list-style-type: none"> Lifetime Cap = 18.00% unless prohibited by law Floor Rate = 4.00%
Debt to Income	<ul style="list-style-type: none"> Maximum Line amounts greater than or equal to \$250,000 – Max 43% DTI Maximum Line amounts less than \$250,000 with CLTV less than 90%– Max 50% DTI with Minimum 700 FICO Score and \$3,500 of Monthly Residual Income <ul style="list-style-type: none"> Monthly Residual Income = Total Monthly Income – Total Monthly Mortgage and Non-Mortgage Obligations listed in the Underwriting Guidelines Maximum Line amounts less than \$250,000 with CLTV greater than or equal to 90%– Max 45% DTI 30 year, fully amortized payment based on start rate + 2% and the total credit limit used to qualify
Line Amount	<ul style="list-style-type: none"> Minimum Line Amount- \$50,000 Maximum Line Amount- \$500,000
Maximum Total Financing	<ul style="list-style-type: none"> Single Borrower - \$500,000 in aggregate (principal balance of Spring EQ originated loans) <ul style="list-style-type: none"> Aggregate is defined as the sum of all outstanding closed end loans and the max available credit on a HELOC Owner-Occupied - Limited to \$3,000,000 (total amount of 1st and 2nd lien combined) Second Homes - Limited to \$2,000,000 (total amount of 1st and 2nd lien combined)
Ineligible Senior Lien	<ul style="list-style-type: none"> Senior liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> Tax and judgement liens Loans in active forbearance or deferment Negative amortization mortgages (this does not include language in the mortgage note warning Borrower’s that the lack of payment may result in negative equity and negative amortization is not a feature of the product) Balloon mortgages, (balloon terms resulting from a loan modification are acceptable subject to the terms in modification requirement. The Spring EQ mortgage term cannot exceed the balloon payment due date) Partial claim as a result of a loan modification Reverse Mortgages Construction loans (this does not include construction loans that have been modified to permanent financing as evidenced by all pages of the fully executed loan documents detailing the terms of the permanent financing and the most recent mortgage statement showing fully amortizing loan terms) Private Mortgages opened within the past 12 months Texas 50(a)(6) HELOC in the draw period
Assumptions	<ul style="list-style-type: none"> Spring EQ originated loans are not assumable
Housing History	<ul style="list-style-type: none"> 0x30x6 inclusive of all mortgages when the borrower is obligated on the mortgage/note on all REO for all borrowers on the transaction (No Late Payments in the last 6 months) Max 1x30x12 inclusive of all mortgages when the borrower is obligated on the mortgage/note on all REO for all borrowers on the transaction (Max of 1 - 30 Day late payments in the past 12 months) Any mortgage lien on the subject property where the borrower is not a note holder (e.g. mortgage held by another party), or is not reporting on credit requires payment history to verify no late or missed payments in the most recent 12-month period (product specific) Purchase transactions- 12 months rental history verification is required Rent free borrowers are ineligible for all transaction types If VOM/VOR is from a private party, cancelled checks and/or bank statements are required The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented

Homeowners Insurance	<ul style="list-style-type: none"> • Existing coverage amount must be equal to the lesser of the following: <ul style="list-style-type: none"> ◦ 100% of the insurable value of the improvements, as established by the property insurer; or ◦ the unpaid principal balance of all existing liens against the subject property, plus the new HELOC Maximum Line Amount
Mortgagee Clause	<ul style="list-style-type: none"> • Specialized Loan Servicing LLC (SLS) ISAOA/ATIMA PO Box 4500 Springfield, OH 45501
State Specific Restrictions	<ul style="list-style-type: none"> • Texas- <ul style="list-style-type: none"> ◦ Max CLTV is 80% ◦ Properties with >10 Acres ◦ 30 Year HELOC with 3 Year Draw Period is not permitted ◦ Second Home and Investment/Non-Owner-Occupied refinance or purchase transactions are not permitted ◦ Piggyback refinance or purchase transactions are not permitted • Massachusetts- Loans with mortgage liabilities marked to be paid with loan proceeds opened within 60 months from the application date are ineligible
Lien Positions & States	<ul style="list-style-type: none"> • 1st Liens • 2nd Liens (Spring EQ must be in 2nd lien position at the time of closing) • 1st Lien HELOC cannot be used for Purchase Transactions • WHOLESALE: <ul style="list-style-type: none"> ◦ 2nd Lien- Available in all states except: AK, HI, ID, ND, NY, SD, TN, WV, WY ◦ 1st Lien Available in all states except: AK, AR, DC, HI, ID, IN, LA, MT, ND, NE, NM, NY, PA, SD, WV, WY • RETAIL: <ul style="list-style-type: none"> ◦ 2nd Lien- Available in all states except: AK, HI, ID, ND, NV, NY, SD, UT, WV, WY ◦ 1st Lien- Available in all states except: AK, HI, ID, ND, NV, NY, PA, SD, UT, VA, WV, WY

HELOC Plus - Home Equity Line of Credit

(The information shown below is specific to the product listed on this page. Refer to the Spring EQ underwriting guidelines for additional information and requirements)

Release Date: 9/18/2023

FICO / HCLTV / Occupancy Maximums	Minimum FICO	Max HCLTV		
		Owner Occupied	2 nd Home	Investment
	740+	80%	80%	
Product Terms	<ul style="list-style-type: none"> 30 Year HELOC with 10 Year Draw Period <ul style="list-style-type: none"> 30-year variable term (Index plus a margin) 10-year interest only draw period with a 20-year fully amortizing repayment period 30 Year HELOC with 3 Year Draw Period <ul style="list-style-type: none"> 30-year variable term (Index plus a margin) 3-year draw period and 10-year interest only payment period with a 20-year fully amortizing repayment period 			
Initial Draw	<ul style="list-style-type: none"> Minimum \$50k 			
Additional Draws	<ul style="list-style-type: none"> Prohibited during the first 90 days following closing date Minimum \$1000 not to exceed credit limit 			
Index	<ul style="list-style-type: none"> Prime Rate as published in the WSJ on the 1st of the month, if there is a range published the highest rate will be used 			
Lifetime Rate Cap / Floor	<ul style="list-style-type: none"> Lifetime Cap = 18.00% unless prohibited by law Floor Rate = 4.00% 			
Debt to Income	<ul style="list-style-type: none"> Maximum Line amounts greater than or equal to \$250,000 – Max 43% DTI Maximum Line amounts less than \$250,000 – Max 45% DTI 30 year, fully amortized payment based on start rate + 2% and the total credit limit used to qualify 			
Line Amount	<ul style="list-style-type: none"> Minimum Line Amount- \$50,000 Maximum Line Amount- \$500,000 			
Maximum Total Financing	<ul style="list-style-type: none"> Single Borrower - \$500,000 in aggregate (principal balance of Spring EQ originated loans) <ul style="list-style-type: none"> Aggregate is defined as the sum of all outstanding closed end loans and the max available credit on a HELOC Owner-Occupied - Limited to \$3,000,000 (total amount of 1st and 2nd lien combined) Second Homes - Limited to \$2,000,000 (total amount of 1st and 2nd lien combined) 			
Ineligible Senior Lien	<ul style="list-style-type: none"> Senior liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> Tax and judgement liens Loans in active forbearance or deferment Negative amortization mortgages (this does not include language in the mortgage note warning Borrower's that the lack of payment may result in negative equity and negative amortization is not a feature of the product) Balloon mortgages, (balloon terms resulting from a loan modification are acceptable subject to the terms in modification requirement. The Spring EQ mortgage term cannot exceed the balloon payment due date) Partial claim as a result of a loan modification Reverse Mortgages Construction loans (this does not include construction loans that have been modified to permanent financing as evidenced by all pages of the fully executed loan documents detailing the terms of the permanent financing and the most recent mortgage statement showing fully amortizing loan terms) Private Mortgages opened within the past 12 months Texas 50(a)(6) HELOC in the draw period Interest Only Mortgages Senior liens that have been assumed 			
Assumptions	<ul style="list-style-type: none"> Spring EQ originated loans are not assumable 			
Housing History	<ul style="list-style-type: none"> Max 0x30x24 inclusive of all mortgages when the borrower is obligated on the mortgage/note on all REO for all borrowers on the transaction (No late payments in the past 24 months) Any mortgage lien on the subject property where the borrower is not a note holder (e.g. mortgage held by another party), or is not reporting on credit requires payment history to verify no late or missed payments in the most recent 24-month period (product specific) Purchase transactions- 12 months rental history verification is required Rent free borrowers are ineligible for all transaction types If VOM/VOR is from a private party, cancelled checks and/or bank statements are required The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented 			
Homeowners Insurance	<ul style="list-style-type: none"> Existing coverage amount must be equal to the lesser of the following: <ul style="list-style-type: none"> 100% of the insurable value of the improvements, as established by the property insurer; or the unpaid principal balance of all existing liens against the subject property, plus the new HELOC Maximum Line Amount 			
Mortgagee Clause	<ul style="list-style-type: none"> Specialized Loan Servicing LLC (SLS) ISAOA/ATIMA PO Box 4500 Springfield, OH 45501 			

Credit Union Membership	<ul style="list-style-type: none"> • Must be eligible for Membership to Partnered Credit Unions • Previous rejection or Red Flags to Partner Credit Unions will not be allowed
State Specific Restrictions	<ul style="list-style-type: none"> • Texas- <ul style="list-style-type: none"> ○ Max CLTV is 80% ○ Properties with >10 Acres ○ 30 Year HELOC with 3 Year Draw Period is not permitted ○ Second Home and Investment/Non-Owner-Occupied refinance or purchase transactions are not permitted ○ Piggyback refinance or purchase transactions are not permitted • Massachusetts- Loans with mortgage liabilities marked to be paid with loan proceeds opened within 60 months from the application date are ineligible
Lien Positions & States	<ul style="list-style-type: none"> • 1st Liens • 2nd Liens (Spring EQ must be in 2nd lien position at the time of closing) • 1st Lien HELOC cannot be used for Purchase Transactions • WHOLESALE: <ul style="list-style-type: none"> ○ 2nd Lien- Available in all states except: AK, HI, ID, ND, NY, SD, TN, WV, WY ○ 1st Lien Available in all states except: AK, AR, DC, HI, ID, IN, LA, MT, ND, NE, NM, NY, PA, SD, WV, WY • RETAIL: <ul style="list-style-type: none"> ○ 2nd Lien- Available in all states except: AK, HI, ID, ND, NV, NY, SD, UT, WV, WY ○ 1st Lien- Available in all states except: AK, HI, ID, ND, NV, NY, PA, SD, UT, VA, WV, WY

HELOAN - Home Equity Loan

(The information shown below is specific to the product listed on this page. Refer to the Spring EQ underwriting guidelines for additional information and requirements)

Release Date: 9/18/2023

FICO / CLTV / Occupancy Maximums	Minimum FICO	Max CLTV		
		Owner Occupied	2 nd Home	Investment
	700+	95%	90%	85%
	680-699	90%	90%	85%
	660-679	80%	80%	80%
	640-659	70%	60%	60%
Terms	<ul style="list-style-type: none"> Stand-Alone Second Liens and Piggybacks Fixed rate terms: 5, 10 ,15, 20, 25 & 30 years 			
Debt to Income	<ul style="list-style-type: none"> Loan amounts greater than or equal to \$250,000 – Max 43% DTI Loan amounts less than \$250,000 with CLTV less than 90%– Max 50% DTI with Minimum 700 FICO Score and \$3,500 of Monthly Residual Income <ul style="list-style-type: none"> Monthly Residual Income = Total Monthly Income – Total Monthly Mortgage and Non-Mortgage Obligations listed in the Underwriting Guidelines Loan amounts less than \$250,000 with CLTV greater than or equal to 90%– Max 45% DTI 			
Loan Amount	<ul style="list-style-type: none"> Minimum Loan Amount- \$25,000 Maximum Loan Amount- \$500,000 			
Maximum Total Financing	<ul style="list-style-type: none"> Single Borrower - \$500,000 in aggregate (principal balance of Spring EQ originated loans) <ul style="list-style-type: none"> Aggregate is defined as the sum of all outstanding closed end loans and the max available credit on a HELOC Owner-Occupied - Limited to \$3,000,000 (total amount of 1st and 2nd lien combined) Second Homes - Limited to \$2,000,000 (total amount of 1st and 2nd lien combined) Investment Properties - Limited to \$2,000,000 (total amount of 1st and 2nd lien combined) <ul style="list-style-type: none"> Limited to 10 Financed Properties 			
Ineligible Senior Lien	<ul style="list-style-type: none"> Senior liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> Tax and judgement liens Loans in active forbearance or deferment Negative amortization mortgages (this does not include language in the mortgage note warning Borrower's that the lack of payment may result in negative equity and negative amortization is not a feature of the product) Balloon mortgages, (balloon terms resulting from a loan modification are acceptable subject to the terms in modification requirement. The Spring EQ mortgage term cannot exceed the balloon payment due date) Partial claim as a result of a loan modification Reverse Mortgages Construction loans (this does not include construction loans that have been modified to permanent financing as evidenced by all pages of the fully executed loan documents detailing the terms of the permanent financing and the most recent mortgage statement showing fully amortizing loan terms) Private Mortgages opened within the past 12 months Texas 50(a)(6) HELOC in the draw period Interest Only Mortgages 			
Assumptions	<ul style="list-style-type: none"> Spring EQ originated loans are not assumable 			
Housing History	<ul style="list-style-type: none"> Max 0x30x24 inclusive of all mortgages when the borrower is obligated on the mortgage/note on all REO for all borrowers on the transaction (No late payments in the past 24 months) Any mortgage lien on the subject property where the borrower is not a note holder (e.g. mortgage held by another party), or is not reporting on credit requires payment history to verify no late or missed payments in the most recent 24-month period (product specific) Purchase transactions- 12 months rental history verification is required Rent free borrowers are ineligible for all transaction types If VOM/VOR is from a private party, cancelled checks and/or bank statements are required The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented 			
Homeowners Insurance	<ul style="list-style-type: none"> Use of existing coverage amount is permitted. Replacement cost estimator or increases in coverage are not required regardless of outstanding lien amounts 			
Mortgagee Clause	<ul style="list-style-type: none"> Specialized Loan Servicing LLC (SLS) ISAOA/ATIMA PO Box 4500 Springfield, OH 45501 			
State Specific Restrictions	<ul style="list-style-type: none"> Texas- <ul style="list-style-type: none"> Max CLTV is 80% Properties with >10 Acres Minimum loan amount- \$40,000 Second Home and Investment/Non-Owner-Occupied refinance or purchase transactions are not permitted Piggyback refinance or purchase transactions are not permitted Massachusetts- Loans with mortgage liabilities marked to be paid with loan proceeds opened within 60 months from the application date are ineligible 			

**Lien Positions &
States**

- 2nd Lien Only (Spring EQ must be in 2nd lien position at the time of closing)
- **WHOLESALE**- Available in all states **except:** AK, HI, ID, ND, NY, SD, WV, WY
- **RETAIL**- Available in all states **except:** AK, HI, ID, ND, NV, NY, SD, UT, WV, WY

HELOAN Plus - Home Equity Loan

(The information shown below is specific to the product listed on this page. Refer to the Spring EQ underwriting guidelines for additional information and requirements)

Release Date: 9/18/2023

FICO / CLTV / Occupancy Maximums	Minimum FICO	Max CLTV		
		Owner Occupied	2 nd Home	Investment
	740+	80%		
Terms	<ul style="list-style-type: none"> Stand-Alone Second Liens and Piggybacks Fixed rate terms: 5, 10 ,15, 20, 25 & 30 years 			
Debt to Income	<ul style="list-style-type: none"> Max 43% DTI 			
Loan Amount	<ul style="list-style-type: none"> Minimum Loan Amount- \$25,000 Maximum Loan Amount- \$500,000 			
Maximum Total Financing	<ul style="list-style-type: none"> Single Borrower - \$500,000 in aggregate (principal balance of Spring EQ originated loans) <ul style="list-style-type: none"> Aggregate is defined as the sum of all outstanding closed end loans and the max available credit on a HELOC Owner-Occupied - Limited to \$2,000,000 (total amount of 1st and 2nd lien combined) 			
Ineligible Senior Lien	<ul style="list-style-type: none"> Senior liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> Tax and judgement liens Loans in active forbearance or deferment Negative amortization mortgages (this does not include language in the mortgage note warning Borrower's that the lack of payment may result in negative equity and negative amortization is not a feature of the product) Balloon mortgages, (balloon terms resulting from a loan modification are acceptable subject to the terms in modification requirement. The Spring EQ mortgage term cannot exceed the balloon payment due date) Partial claim as a result of a loan modification Reverse Mortgages Construction loans (this does not include construction loans that have been modified to permanent financing as evidenced by all pages of the fully executed loan documents detailing the terms of the permanent financing and the most recent mortgage statement showing fully amortizing loan terms) Private Mortgages opened within the past 12 months Texas 50(a)(6) HELOC in the draw period Interest Only Mortgages Senior liens that have been assumed 			
Assumptions	<ul style="list-style-type: none"> Spring EQ originated loans are not assumable 			
Housing History	<ul style="list-style-type: none"> Max 0x30x24 inclusive of when the borrower is obligated on the mortgage/note on mortgages and all REO for all borrowers on the transaction (No late payments in the past 24 months) Any mortgage lien on the subject property where the borrower is not a note holder (e.g. mortgage held by another party), or is not reporting on credit requires payment history to verify no late or missed payments in the most recent 24-month period (product specific) Purchase transactions- 12 months rental history verification is required Rent free borrowers are ineligible for all transaction types If VOM/VOR is from a private party, cancelled checks and/or bank statements are required The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented 			
Homeowners Insurance	<ul style="list-style-type: none"> Use of existing coverage amount is permitted. Replacement cost estimator or increases in coverage are not required regardless of outstanding lien amounts 			
Mortgagee Clause	<ul style="list-style-type: none"> Specialized Loan Servicing LLC (SLS) ISAOA/ATIMA PO Box 4500 Springfield, OH 45501 			
State Specific Restrictions	<ul style="list-style-type: none"> Texas- <ul style="list-style-type: none"> Max CLTV is 80% Properties with >10 Acres Minimum loan amount- \$40,000 Second Home and Investment/Non-Owner-Occupied refinance or purchase transactions are not permitted Piggyback refinance or purchase transactions are not permitted Massachusetts- Loans with mortgage liabilities marked to be paid with loan proceeds opened within 60 months from the application date are ineligible 			
Lien Positions & States	<ul style="list-style-type: none"> 2nd Lien Only (Spring EQ must be in 2nd lien position at the time of closing) WHOLESALE- Available in all states except: AK, HI, ID, ND, NY, SD, WV, WY RETAIL- Available in all states except: AK, HI, ID, ND, NV, NY, SD, UT, WV, WY 			

General Information - All Products

(Refer to the Spring EQ underwriting guidelines for additional information and requirements)

Release Date: 9/18/2023

Qualified Mortgage (QM)

Spring EQ offers both QM (qualified mortgage) and non-QM loan products. All higher-priced mortgage loans (HPMLs) that are also non-QM loans require full interior appraisals. The following explains the General QM Rule as it applies to Spring EQ's subordinate lien closed-end products. This is a nonexclusive list of the characteristics of QM loans. A complete list is set forth at 12 CFR 1026.43(e). **The QM rule does not apply to home equity lines of credit.**

QM Loans – Subordinate Liens (Safe Harbor): The annual percentage rate (APR) does not exceed the average prime offer rate (APOR) for a comparable transaction as of the date the interest rate is set by 3.5 or more percentage points

QM Loans – Subordinate Liens (Rebuttable Presumption – Loan Amounts < \$74,599): The annual percentage rate (APR) does not exceed the average prime offer rate (APOR) for a comparable transaction as of the date the interest rate is set by 6.5 or more percentage points

Non-QM Loans – Subordinate Liens: For loan amounts at or above \$74,599, the APR exceeds APOR by 3.5 or more percentage points. For loan amounts below \$74,599, the APR exceeds APOR by 6.5 or more percentage points

To be considered a QM loan, total points and fees may not exceed:

- 3% of the total loan amount for loans greater than or equal to \$124,331;
- \$3,730 for loans greater than or equal to \$74,599 and less than \$124,331;
- 5% of the total loan amount for loans greater than or equal to \$24,866 and less than \$74,599.

Appraisal Requirements

- **Loan or Maximum Line amounts less than \$250,000 with CLTV less than or equal to 90%, any of the following options are permitted:**
 - AVM with Property Condition Report with the following requirements:
 - Not Allowed for Non-QM Loans (HELOAN products only)
 - Prior Use Appraisal (review the requirements below)
 - Drive By Appraisal
 - Not Allowed for Non-QM Loans (HELOAN products only)
 - **Wholesale Only:** Spring EQ to order with UW Approval
 - Full Interior Appraisal (1004/1025/1073)*
- **Loan or Maximum Line amounts greater than or equal to \$250,000 with CLTV less than or equal to 90%, any of the following options are permitted:**
 - Full Interior Appraisal (1004/1025/1073)*
 - Prior Use Appraisal (review the requirements below)
- **Loans with CLTV greater than 90%, the following options are permitted:**
 - Full Interior Appraisal (1004/1025/1073)*
 - Prior Use Appraisal (Piggyback only- review the requirements below)
- **1st Lien HELOC's (ALL Maximum Line Amounts), any of the following options are permitted:**
 - Full Interior Appraisal (1004/1025/1073)*
 - Prior Use Appraisal with Desktop Review (review the requirements below)

* When a full interior appraisal shows "SUBJECT TO", a 1004D from the same appraiser who completed the appraisal is required to certify that any required repairs or improvements mentioned in the appraisal have been completed.

A prior use appraisal is an existing full interior appraisal that was completed prior to or in conjunction with the mortgage loan application from a lender other than Spring EQ.

- Prior Use Appraisal- Recertification is acceptable when the following requirements are met:
 - Report has been completed within 12 months of settlement date
 - Current appraisal provided must be on form 1004(Single family), 1025(multi-family), or 1073(Condo)
 - Original appraisal must be "AS IS" or be accompanied by a 1004D from the same appraiser who completed the prior use appraisal certifying that any required repairs or improvements mentioned in the appraisal have been completed when "SUBJECT TO" shows
 - A Desktop Review and Property Condition Report are required and will be ordered by Spring EQ to validate any use of a prior use appraisal
 - Desktop Review Risk Score must be low or moderate with no additional review recommended by reviewer
 - Desktop Review commentary contains no comments that adversely impact value, marketability, or condition of the property
 - Desktop Review Home Data Index must support either a neutral or increasing market trend
 - **Wholesale Only:** Desktop Reviews & Property Condition Reports will be ordered by Spring EQ to validate the use of an existing appraisal

	<ul style="list-style-type: none"> When using a Full Interior, Exterior Drive-By or Prior Use appraisal, the following requirements must be met: <ul style="list-style-type: none"> Minimum Q5 quality rating Minimum C5 condition rating Shows As Is (Full Interior ordered by Spring EQ or Prior Use only) Cost to cure cannot exceed the lower of \$2,000 or 2% of the appraisal value <p>Wholesale Only:</p> <ul style="list-style-type: none"> Effective 2/6/2023, Full Interior Appraisals will be ordered by Spring EQ. The Broker is no longer required to place the order
<p>Value Seasoning</p>	<ul style="list-style-type: none"> Loan or Maximum Line amounts greater than or equal to \$250,000 – <ul style="list-style-type: none"> 0-18 months – Must use the lower of the value from the earliest date when the current title holder(s) obtained title OR the appraised value >18 Months – Must use the appraised value Loan or Maximum line amounts less than \$250,000 – <ul style="list-style-type: none"> 0-6 Months – Must use the lower of the value from the earliest date when the current title holder(s) obtained title OR the appraised value >6 Months – Must use the appraised value
<p>Ownership Seasoning</p>	<ul style="list-style-type: none"> Owner Occupied and 2nd Home- None Investment Properties- 6 months ownership is required (HELOAN product only) Inherited Properties- 6 months ownership is required
<p>Eligible Property Types</p>	<ul style="list-style-type: none"> Single Family PUD's Modular homes (as defined by Fannie Mae) Condominiums (Fannie Mae Warrantable) 2 Unit Properties (HELOAN products only)
<p>Ineligible Property Types</p>	<ul style="list-style-type: none"> Cooperatives Condotel's New Construction Condominium Projects Hotel/Motel Condominiums Mobile Homes Manufactured Housing Commercial Operations Geodesic & Monolithic Domes Working farms and ranches Unimproved Land Properties with >20 Acres (Review the state specific restrictions for Texas) Timeshares Leasehold 2-4 Unit Properties (HELOC products only) 3-4 Unit Properties (HELOAN products only) Properties listed for sale in the past 12 months Mixed Use Properties in a flood zone that require flood insurance (HELOAN Plus only) Properties with solar power as the only source of electricity Vacant Properties (purchase transactions excluded)
<p>Condominiums</p>	<ul style="list-style-type: none"> Established projects only Online search for no condotel or short-term rental If Master Condominium insurance policy does not contain walls-in coverage, an H06 policy is required An H03 policy is acceptable for properties identified as a detached condo
<p>Self-Employed Income</p>	<p>For Self-Employed borrowers, the following documentation will be required for qualification:</p> <ul style="list-style-type: none"> All pages and schedules of the most recent 2 years personal and business federal tax returns Tax transcripts <p>Declining income:</p> <ul style="list-style-type: none"> Income declining more than 20% is permitted with the following requirements <ul style="list-style-type: none"> Most recent 12-month average must be used to calculate the income DTI cannot exceed 40%
<p>Credit Score</p>	<ul style="list-style-type: none"> The credit score used to qualify will be based on a single Experian (version 8) repository score – The lowest of all borrowers' scores A credit score must be available; non-traditional credit not permitted
<p>Trade lines</p>	<ul style="list-style-type: none"> Minimum of three trade lines are required for all borrowers that are contributing income to qualify. At least one trade line must be open with the date of the last activity within 6 months from the current date and reporting for at least the past 12 months A current mortgage paid as agreed for past 36 months will override the minimum trade line requirement
<p>Significant Derogatory Credit</p>	<ul style="list-style-type: none"> Measured from the Disbursement Date Period of time that must elapse prior to loan eligibility is as follows: <ul style="list-style-type: none"> Foreclosure - 7 years Charge-Off of a Mortgage Account, Deed-in Lieu, Pre-foreclosure Sale, or Short Sale - 4 years Restructured or Short Payoff of a mortgage secured by a property other than the subject- 4 Years Chapter 7 or 11 Bankruptcy - 4 years from discharge or dismissal Chapter 13 Bankruptcy- 2 years from discharge or 4 years from dismissal Multiple events within the past 7 years are not permitted

Major Adverse Credit	<ul style="list-style-type: none"> Major adverse credit is identified as collection accounts, charge-off accounts, judgments, liens, delinquent property taxes, repossessions, garnishments, and non-mortgage accounts currently 90 calendar days or more delinquent Collection accounts and/or charge-offs on non-mortgage accounts do not have to be paid off at or prior to closing if the balance of an individual account is less than \$250 or the total balance of all accounts is \$1,000 or less. These accounts may be left open provided they do not affect title All past due State and IRS taxes in addition to property tax liens (for the Mortgaged Property and other properties), regardless of seasoning, are required to be paid in full whether or not they currently affect title. No payment plans, or subordination is allowed Loan or Maximum Line amounts greater than or equal to \$250,000 – <ul style="list-style-type: none"> Major adverse credit where the total balance of all accounts is \$10,000 or more are ineligible
Liabilities	<ul style="list-style-type: none"> Paying off debt to qualify is permitted (Paying down debt to qualify is not permitted) Student loans- <ul style="list-style-type: none"> When a monthly student loan payment is provided on the credit report, it is acceptable to use that amount (other than \$0) for qualifying purposes When the credit report does not reflect the correct monthly payment, use the monthly payment that shows on the student loan documentation (most recent student loan statement) to qualify the borrower When the credit report does not provide a monthly payment for the student loan, or if the credit report shows \$0 as the monthly payment, determine the qualifying monthly payment using one of the following options: <ul style="list-style-type: none"> Income-driven payment plans- Obtain student loan documentation to verify the Borrowers actual monthly payment is \$0. Once verified, the Borrower can be qualified with the \$0 payment Deferred loans or loans in forbearance- Calculate one of the following: <ul style="list-style-type: none"> A payment equal to 1% of the outstanding student loan balance (even if this amount is lower than the actual fully amortizing payment), OR A fully amortizing payment using the documented loan repayment terms
Title Insurance	<ul style="list-style-type: none"> Loan or Maximum Line amounts less than or equal to \$250,000: Owner and Encumbrance Property Report Loan or Maximum Line amounts greater than \$250,000: Full Title is required <p>Wholesale Only:</p> <ul style="list-style-type: none"> Spring EQ to order all title work For piggyback transactions: <ul style="list-style-type: none"> Title insurance, Wire Instructions, and CPL are required for the Spring EQ proposed loan Spring EQ requires risk review to be completed by Secure Insight to validate the settlement agent
Ineligible Borrowers	<ul style="list-style-type: none"> Non-Occupant co-borrowers are not permitted Vesting is not permitted to be in the name of an LLC, corporation, or partnership Power of Attorney is limited to Piggyback Purchases only and must follow GSE Requirements Irrevocable Trusts are not permitted Land Trusts are not permitted
Prepayment Penalty	<ul style="list-style-type: none"> Not permitted
Escrows	<ul style="list-style-type: none"> Not required
Piggyback Additional Requirements	<ul style="list-style-type: none"> Final Approval from first lien lender showing all conditions met Final Closing Disclosure from first lien to confirm final CLTV and DTI calculation Title policy from first lien transaction should use a supplemental title policy to the first lien transaction that must include title insurance, CPL, and Wire Instructions Use of existing appraisal from first lien is acceptable subject to Desktop Review (CDA). Review the Appraisal Requirements section for additional information Agreement of sale on purchase transactions Piggyback refinance or purchase transactions are not permitted in Texas <p>Wholesale Only:</p> <ul style="list-style-type: none"> Spring EQ to perform closing agent validation audit prior to closing
Disaster Policy	<ul style="list-style-type: none"> Please refer to the list of affected counties published by FEMA using the following link: http://www.fema.gov/disasters Prior to closing, Spring EQ will require a property inspection for any loan secured by a property in the affected area where individual assistance was provided. <p>If the subject property is located in one of the impacted counties and the collateral valuation was completed prior to the incident period end date, Spring EQ will require a post disaster inspection confirming the property was not adversely affected by the disaster.</p>
Age of Documents	<ul style="list-style-type: none"> Expiration Dates are based on the Note Date of the Loan: <ul style="list-style-type: none"> Credit Report – 60 Days Income documents – 60 Days Asset documents – 60 Days Collateral – 90 Days Title – 90 Days Appraisal – 90 Days <ul style="list-style-type: none"> Full Interior Appraisal greater than 90 Days- A Desktop Review or a 1004D is acceptable to recertify the value
Estimated Wholesale Fees	<p>Wholesale Fee Breakdown</p>

PROGRAM CODES		
Terms	Concurrent	Stand-Alone
30-Year Fixed	Coming Soon	CES30
20-Year Fixed	Coming Soon	CES20
10-Year Fixed	Coming Soon	CES10

The **AmWest Closed-End Second Program** is a second mortgage that allows you to tap into your home equity without affecting your first mortgage. A closed-end second mortgage gives you the option of a fixed interest rate.

 **AmWest CLOSED-END SECOND Program Matrix**

Primary Residences and Second Homes ^{1,2}					
Property Type	Minimum Loan Amount	Maximum Loan Amount	Max LTV/CLTV ²	Minimum FICO	DTI
1-4 Units	\$25,000	\$350,000	89.99%	740	50.00
	\$25,000	\$500,000	85.00%	700	50.00
	\$25,000	\$500,000	75.00%	680	50.00

Investment Properties					
Property Type	Minimum Loan Amount	Maximum Loan Amount	Max LTV/CLTV	Minimum FICO	DTI
1-4 Units	\$25,000	\$350,000	80.00%	740	50.00
	\$25,000	\$500,000	75.00%	700	50.00
	\$25,000	\$500,000	65.00%	680	50.00

Footnotes	
1	1-Unit only for Second Homes
2	Second Homes: Max CLTV of 75%

Contact Information



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NMLS ID #167441

Wholesale Division
amwestwholesale.com

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View All AmWest Loan Programs
<https://www.amwestwholesale.com/Products>

	Concurrent	Stand-Alone
Underwriting:	<i>Coming Soon</i>	Manually Underwritten to the standards set out in this program's guidelines.
Max DTI:	50%	
Loan Terms:	<ul style="list-style-type: none"> Fixed rate terms: 10, 20, and 30-Years Fully Amortizing Concurrent (coming soon) and stand-alone loans 	
Unallowable 1st Mortgage Types:	AmWest will not allow 1 st mortgages that have: <ul style="list-style-type: none"> Interest Only terms Negative Amortization payment terms Land Contracts or Contracts for Deed Reverse Mortgages Home Equity Lines of Credit or any other future advance liens Loans with Balloon Terms 	
Ineligible Transaction:	<i>Coming Soon</i>	<ul style="list-style-type: none"> Purchase transactions Texas 50(a)(6) transactions Prepayment Penalties HPML Flip transactions
Eligible Properties:	<ul style="list-style-type: none"> 1-4 Unit properties (second homes must be 1-unit) PUD attached or detached Warrantable condos 	
Ineligible Property Type:	<ul style="list-style-type: none"> Manufactured Housing Mixed-Use Properties Non-Warrantable Condos Condotels Condition Ratings at C5 or C6 Agricultural properties Timeshares Houseboats Co-op 	<ul style="list-style-type: none"> Lot Loans Log Homes Mobile Homes Leasehold properties / Land Trusts Hobby Farms Properties zoned Commercial or Agricultural Properties with Deed/Resale Restrictions Properties in a business name
Eligible Borrowers:	<ul style="list-style-type: none"> U.S. citizens Permanent resident aliens Non-permanent resident aliens Revocable/"living" trusts are acceptable provided it is established by, and the primary beneficiary is, an individual. Maximum number of borrowers on a loan transaction is limited to four (4). Note: Borrowers who are party to a lawsuit are ineligible.	
Combined Loan to Value:	LTV/CLTV/HCLTV is generally calculated based on the appraisal value or valuation of the property. <ul style="list-style-type: none"> Properties purchased within 120 days of the application will use the lesser of the purchase price or appraised value to calculate LTV/CLTV/HCLTV, measured from the date on which the property was purchased to the disbursement date of the new mortgage loan. 	
Tradelines Requirements:	AmWest requires a minimum of two (2) tradelines from a traditional credit report that reports for 24 months or more. The tradelines may be open or closed.	
Credit Accounts with Modification, Deferment or Forbearance:	<i>Coming Soon</i>	For installment or revolving accounts that are reporting a modification plan, a payment deferral plan, or forbearance plan to the account, AmWest follows FNMA guidance. Please refer to the FNMA Selling Guide.
Recent Credit Inquiries:	All recent credit inquiries (within last 90 days) must be explained via LOX or Processor's Certification. Any new debt must be verified and factored into DTI ratio.	
Maximum number of Borrower owned properties:	10 properties owned is the maximum allowed in total between all borrowers on the loan application.	
Income:	<i>Coming Soon</i>	The borrower(s) should have a history of generating steady income for at least 2 years. AmWest follows Agency Income Guidelines (refer to FNMA Selling Guide) unless otherwise specified. <ul style="list-style-type: none"> Salaried Borrower: <ul style="list-style-type: none"> ✓ A copy of most recent paystub and most recent W-2. ✓ Must include all year-to-date earnings. (continued onto next page):

	Concurrent	Stand-Alone
Income (continued):	Coming Soon	<ul style="list-style-type: none"> • Self-Employed Borrower: <ul style="list-style-type: none"> ✓ Most recent 2 years tax returns ✓ Follow FNMA guidelines and requirements for calculating the income derived from Self-Employed businesses. • Rental Income Requirements: <ul style="list-style-type: none"> ✓ Follow FNMA guidelines and requirements for calculations and documentations.
Unacceptable Sources of Income:	<ul style="list-style-type: none"> • Income based on future earnings (unless documented from a source such as social security income or retirement account/annuity/disability or other sources of protected income based upon reliability and regularity of income where the source and term are verifiable). • Draw income • Capital withdrawals • VA Education Benefits • Income from Mortgage Certificates • Illegal income/income not listed on tax returns • Any income that cannot be documented and verified • Room/Boarder rent from subject property 	
Appraisal:	Coming Soon	<p>All AVMs/Appraisals must be ordered through one of AmWest's approved Providers.</p> <p>For loan amounts < or = \$250,000:</p> <ul style="list-style-type: none"> • AVM must support Forecast Standard Deviation (FSD) of a 10% variance with confidence score of >=90%, OR • Drive-by appraisal (Fannie Mae Form 2055 or 1075), OR • A full appraisal, OR • A prior full appraisal completed within 6 months from the settlement date is acceptable. <ul style="list-style-type: none"> ○ If the prior full appraisal is completed between 4 – 6 months from the settlement date, a 1004D Recertification is required. <p>** AVM must have a confidence score aligned with Fitch's guidance based on AVM provider.</p> <p>** AVMs must be ordered within 60 days of the note date.</p> <p>** AVMs are not acceptable for condominiums or rural properties.</p> <p>For loan amounts > \$250,000, Condos, and Rural Properties:</p> <ul style="list-style-type: none"> • A full FNMA 1004 or FHLMC 70 with interior & exterior inspection containing color photos are required. <p>Note 1.) Primary residence transactions that fail HPML require an interior physical inspection (Full Appraisal). AVM and Drive-By are not acceptable.</p> <p>*HPML test fails when the APR for Closed End Seconds is greater than the 30 year First Lien APOR + 3.5%</p> <p>Note 2.) Investment transactions being qualified with rental income requires a comparable rent schedule (Form 1007) along with the appraisal/valuation report being used.</p>
Condominiums	Coming Soon	All condominium properties require a full review. The property must be reviewed by AmWest Condo Desk when the loan is submitted to underwriting.
Credit Reports:	The credit report is good for 120 days and must contain complete information supplied by all repositories used and must be issued by an independent credit-reporting agency. A Tri-Merged Credit Report with a minimum of two (2) representative credit scores is required to proceed with the transaction.	
Contingent Liability:	Contingent liabilities can only be excluded from the DTI with proof the borrower is not the primary obligor.	
Verification of Mortgage:	<p>Verification of Mortgage - Not on Credit:</p> <p>If there is a first lien on the subject property that is not reporting on credit, a verification of mortgage must be provided to verify no late or missed payments in the last 24 months.</p> <p>Verification of Mortgage Requirements:</p> <p>Credit Report must reflect 24 months of trended data to demonstrate timely payments made for all mortgages, both subject and non-subject, to demonstrate no late or missed payment in the last 24 months or one of the following will be required:</p> <ul style="list-style-type: none"> • A loan payment history ledger from the servicer the last 24-months mortgage account statements and/or cancelled checks from the borrower • A verification of mortgage from the servicer, including credit supplements verified with servicer name and contact provided. 	
Significant Derogatory Credit Events (Bankruptcy, Foreclosure, Short-Sale, Deed-In-Lieu):	7-year seasoning is required on all derogatory events.	

	Concurrent	Stand-Alone
Collections and Charge-Offs of Non-Mortgage Accounts:	<i>Coming Soon</i>	<p>Accounts that are reported as past-due, not reported as collection accounts, must be brought current.</p> <ul style="list-style-type: none"> ✓ For owner-occupied properties, borrowers are not required to pay off outstanding collections or charge-offs, regardless of the amount, provided the collection will not threaten first-lien position. ✓ For second homes and investment properties, collections and charge-offs totaling more than \$5,000 must be paid in full prior to closing. <ul style="list-style-type: none"> • Delinquent credit, including taxes, judgments, charge-offs of non-mortgage accounts, tax liens, and other liens that have the potential to affect lien position or diminish the borrower's equity, must be paid off at or prior to closing. • Judgements, Garnishments, and Liens: Open judgments, garnishments, and all outstanding liens that are in the public records section of the credit report will be identified and must be paid off prior to closing. Documentation of the satisfaction of these liabilities, along with verification of funds sufficient to satisfy these obligations, must also be obtained.
Assets:	<i>Coming Soon</i>	<p>Asset verification will be required when borrower must bring \$3,000 or more to closing, or as deemed necessary by the underwriter.</p> <ul style="list-style-type: none"> • Bank/Account statements must cover most recent 2-month period.
Title:	<ul style="list-style-type: none"> • All loans require a minimum of an Owner and Encumbrance Property Report (the "O&E Property Report") ordered/obtained by approved title insurer or vendor. The title to the property must be in the Borrower(s) name (all borrowers) at the time of the loan application and Note Date. • The O&E Property Report, and related closing documents if applicable, must indicate that the lien for the Product on Collateral is subordinate to a first lien, and that no other liens or encumbrances remain. The O&E Property Report must be dated no more than 60 days to the Note Date. • The title documentation must include, but not limited to the following: <ul style="list-style-type: none"> ✓ Current grantee and grantor ✓ Last deed of record information ✓ Property address ✓ Recordable legal description ✓ Ownership interest (i.e., fee simple) ✓ Status of real estates taxes ✓ Open mortgages and voluntary encumbrances ✓ Judgments, liens, and involuntary encumbrances • The title of the second lien must be held in the same manner as the current vesting. 	
Hazard Insurance:	<p>Hazard insurance coverage must be sufficient.</p> <ul style="list-style-type: none"> • Requires Guaranteed Replacement Cost or an updated policy which covers both 1st and 2nd lien. 	
Flood Insurance:	<p>Flood insurance is required if the property and any of its improvements are located in a flood zone as shown on the flood determination.</p>	
Additional Requirements -	<i>Coming Soon</i>	<ul style="list-style-type: none"> • Current first mortgage statement showing: <ul style="list-style-type: none"> ✓ Current principal balance ✓ Fully amortized ✓ Term • Note/Deed • HOA statement (if applicable) • HOI, flood insurance (if applicable)
Approved States:	<ul style="list-style-type: none"> • Refer to eligible states at: https://www.amwestwholesale.com/Company/Licensed-States 	

PROGRAM CODES

	WVOE	P&L	12 Months Bank Statement ³	DCR
30-Year Fixed	CES30V	CES30P	CES30B	CES30D
With PPP (N/O/O only) ¹	CES30V-P1 / CES30V-P2	CES30P-P1 / CES30P-P2	CES30B-P1 / CES30B-P2	CES30D-P1 / CES30D-P2

• **20 Year Fixed terms now available! – Product codes for 20 Year Fixed terms will start with 'CES20'. Also available with Interest Only option!**

Portfolio Closed-End Second Program Matrix

Stand-Alone Closed-End Second Loan

Property Type	Maximum Loan Amount	Minimum Fico	CLTV ⁴		
			Primary Residence	Second Home ²	Investment Property ¹
1-4 Units	\$250,000	700	75%	75%	70%
		680	70%	70%	65%
		660	65%	65%	60%
	\$500,000	720	75%	75%	70%
		700	70%	70%	65%
		680	65%	65%	60%
Foreign Nationals ³	\$250,000	N/A	N/A	65%	60%

Footnotes

1	Investment Properties Only: Prepayment Penalty may apply – refer to guidelines and State restrictions.
2	1-Unit only for Second Homes
3	Foreign National Borrowers are ineligible under the 12 months Bank Statement Income Doc Type.
4	<p>For Loans with Interest Only 1st Liens or eligible 1st Lien Balloon Mortgages – Max CLTV: 65%</p> <ul style="list-style-type: none"> Interest Only 1st Lien loans: Qualify using the Interest Only payment on the 1st lien

Contact Information



AmWest Funding Corp.
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 6 Pointe Drive
 Suite 300
 Brea, CA 92821
 Office: (714) 831-3333

NMLS ID #167441

Wholesale Division
amwestwholesale.com

Become an Approved Broker
<https://www.amwestwholesale.com/Account/NewBrokers>

View All AmWest Loan Programs
<https://www.amwestwholesale.com/Products>

Underwriting:	Manually Underwritten to the standards of the different doc types set out in this program guidelines. Refer to Income/Doc Types in the guidelines.
Loan Amount:	<ul style="list-style-type: none"> Minimum Loan Amount: \$75,000 Maximum Loan Amount: \$500,000
Loan Terms:	<ul style="list-style-type: none"> Stand-Alone Second Lien 30-year Fixed and 20-year Fixed Amortization
Interest Only:	<ul style="list-style-type: none"> Interest-Only period is for the first ten (10) years of the loan, followed by fully amortized payment for the remaining 10 years after the Interest-Only period. Qualify using the fully amortized payment calculated over the fully amortizing period of 10-years. <ul style="list-style-type: none"> ✓ If the 1st lien loan is an Interest-Only loan, qualify using the Interest Only payment on the 1st lien, with 2nd lien loan qualified using the fully amortized payment calculated over the fully amortizing period of 10 years. For DSCR calculation, use the I/O payment based on the Note Rate.
Pre-Payment Penalty:	2 Years PPP: Only applies to Investment Property transactions (with options to buy down to 1 year or no PPP) – Refer to State specific restrictions. - (PPP Structure Max Rate: 3-3)
DTI:	50% on all Income Doc Types (excluding DSCR doc type)
Occupancy:	<ul style="list-style-type: none"> Owner-Occupied Second Homes Investment Properties – Limited to 10 Financed properties
Ineligible Transaction:	<ul style="list-style-type: none"> Purchase transactions Texas 50(a)(6) transactions HPML Flip transactions
Eligible Properties:	<ul style="list-style-type: none"> 1-4 Unit properties (second homes must be 1-unit) PUD attached or detached Warrantable condos
Ineligible Property Type:	<ul style="list-style-type: none"> Cooperatives Condotels / Non-Warrantable Condos Mobile Homes Manufactured Housing Commercial Operations Geodesic Domes Working farms and ranches Unimproved Land Properties with >20 acres Timeshares Leasehold Mixed use Lot Loans Log Homes Leasehold properties / Land Trusts Hobby Farms Properties zoned Commercial or Agricultural Properties with Deed/Resale Restrictions Properties in a business name Condition Ratios at C5 or C6
Eligible Borrowers:	<ul style="list-style-type: none"> U.S. citizens Permanent resident aliens Non-permanent resident aliens Foreign Nationals (Not allowed on 12 months Bank Statement Income Doc Type) Revocable/"living" trusts are acceptable provided it is established by, and the primary beneficiary is, an individual Maximum number of borrows on a loan transaction is limited to four (4). <p>Note: Borrowers who are party to a lawsuit are ineligible.</p>
Foreign Nationals:	<ul style="list-style-type: none"> Copy of passport, valid Visa, and I-94 required. Foreign Nationals allowed to legally travel to and from the United States without Visa are eligible. (e.g., Countries participating in the Visa Waiver Program, Canadian citizens) VWP are found under U.S. Department of State's website: https://travel.state.gov/content/travel/en/us-visas/tourism-visit/visa-waiver-program.html Note: I-94 is only required when the Borrower is already in the United States. (This applies to loan applications dated on or after 1/1/2019.) Borrower must have US address when applying for loan (must be entered as the mailing address on 1003). If asset is required: Foreign Assets (closing costs, gift funds) must be transferred to and accepted by US institutional bank account prior to ordering loan docs. Foreign Nationals of the countries listed on the Sanctions Programs and Country Information by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) are not eligible. Refer to: https://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx Primary Residence not allowed. (2nd home and Investment transactions only).
Ineligible Senior Lien:	<p>Senior liens with high-risk features which can include, but are not limited to:</p> <ul style="list-style-type: none"> Loans in active forbearance or deferment Negative Amortization Balloon, if the balloon payment has less than three years remaining at the time of Note Date of new loan (Max CLTV: 65%). Reverse Mortgages Private Mortgages opened within the past 12 months
Value Seasoning:	<p>LTV/CLTV/HCLTV is generally calculated based on the appraisal value or valuation of the property.</p> <ul style="list-style-type: none"> Properties purchased within 120 days of the application will use the lesser of the purchase price or appraised value to calculate LTV/CLTV/HCLTV, measured from the date on which the property was purchased to the disbursement date of the new mortgage loan.

<p>Age of Credit Documentation:</p>	<ul style="list-style-type: none"> • Credit documents cannot be older than 90 days from the Note date. These documents include credit report, employment, income, and asset. (Asset documents used for funds to close must be dated within 60 days of the note date.) • Preliminary Title report is good for 90 days. • The effective date of the appraisal report must be dated within 120 days of the note date. If the effective date of the appraisal report is more than 120 days from the note date, the appraiser must acknowledge that the value of the subject property has not declined since the effective date of the original appraisal. The update must be completed on FNMA Form 1004D/FHLMC Form 442 and must be dated within 120 days prior to the note date.
<p>Credit Score:</p>	<ul style="list-style-type: none"> • All borrowers must have minimum of (2) FICO score on a tri-merged credit report and sufficient credit experience. • Foreign National Borrowers do not require credit.
<p>Tradelines:</p>	<ul style="list-style-type: none"> • 3 Tradelines with 12 months rating (may be open or closed.) The tradeline requirement may be waived when borrower(s) has 3 FICO scores reporting on the credit report. • Authorized User Account: Credit report tradeline that list a borrower as an authorized user cannot be considered in the minimum tradelines requirement.
<p>Housing History:</p>	<p>Mortgage History</p> <ul style="list-style-type: none"> • Credit report must reflect OX30 in last 12 months for all mortgages, both subject and non-subject. <ul style="list-style-type: none"> ✓ DSCR Loans: <ul style="list-style-type: none"> ○ Only applies to mortgages reported on the credit report, the borrower’s primary residence and the subject property. ○ For any non-subject property, non-primary mortgages not reporting to the credit bureau, additional housing history is not required. • If Private Lender, 12 months cancelled checks or 12 months bank statements must be provided to document mortgage. If mortgage is reported on Credit Supplement, then 12 months cancelled checks or 12 months bank statements are not required. • Foreign National borrowers are not required to document housing payment history unless borrower currently owns their primary residence in their country. If borrower owns properties in the US, mortgage rating(s) is required.
<p>Bankruptcy, Foreclosure, Deed in Lieu, Pre-Foreclosure, Short Sale:</p>	<ul style="list-style-type: none"> • Bankruptcy: 3 years from discharged / dismissed date to the Note date of the new loan. • Foreclosure: 5 years from completion date to the Note date of the new loan. • Deed in Lieu, Pre-Foreclosure, Short Sale: 2 years from completion or settlement date to the Note date of the new loan. <p>***No multiple events allowed for the past 7 years (84 months) prior to the initial application date. Any credit events that occurred greater than 7 years will not be included in the multiple events.</p>
<p>Liabilities:</p>	<ul style="list-style-type: none"> • Paying off debt to qualify is permitted • Lease payments are not permitted to be excluded
<p>Appraisal:</p>	<p>All Appraisals must be ordered through one of AmWest’s approved Providers.</p> <ul style="list-style-type: none"> • A full FNMA 1004 or FHLMC 70 with interior & exterior inspection containing color photos are required. • A prior full appraisal completed within 6 months from the settlement date is acceptable. If the prior full appraisal is completed between 4 – 6 months from the settlement date, a 1004D Recertification is required. <p>NOTE:</p> <ul style="list-style-type: none"> • For loans being qualified under DSCR doc type and investment transactions being qualified with rental income, a comparable rent schedule (Form 1007) is required along with the appraisal/valuation report being used. • Transferred appraisals not allowed.
<p>Condominiums:</p>	<p>All condominium properties require a full review. The property must be reviewed by AmWest Condo Desk when the loan is submitted to underwriting.</p>
<p>Assets:</p>	<p>Asset verification will be required when borrower must bring \$3,000 or more to closing. If Asset verification will be required for closing, or as deemed necessary by the underwriter, assets may be documented as follows:</p> <p>Most recent asset document required.</p> <ul style="list-style-type: none"> • Source of large deposit is not required to be documented. • The minimum funds to close will be based on the current balance. • Acceptable Asset Statements (Accounts must be opened for more than 60 days): <ul style="list-style-type: none"> ○ Bank Certification documenting current balance and opening date ○ 2 months bank statement ○ VOD ○ Bank prepared and stamped 60 days transaction history print-out.

Contingent Liability:	Contingent liabilities can only be excluded from the DTI with proof the borrower is not the primary obligor.																																																																
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Prepayment Penalty (PPP):	<p>The states that have "restricted" PPP are eligible according to the state requirements.</p> <p>** Refer to the complete Prepayment Penalty Matrix</p> <table border="1" data-bbox="311 1329 1373 1800"> <thead> <tr> <th colspan="4">Prepayment Penalties Not Allowed</th> </tr> </thead> <tbody> <tr> <td>Alaska</td> <td colspan="3">New Jersey (Fixed Rate)</td> </tr> <tr> <td>District of Columbia</td> <td colspan="3">North Carolina</td> </tr> <tr> <td>Kansas</td> <td colspan="3">Rhode Island</td> </tr> <tr> <td>Maryland</td> <td colspan="3">Texas</td> </tr> <tr> <td>Michigan</td> <td colspan="3">Vermont</td> </tr> <tr> <td>Minnesota</td> <td colspan="3">West Virginia</td> </tr> <tr> <td>Missouri</td> <td colspan="3">Wisconsin</td> </tr> <tr> <td>New Mexico</td> <td colspan="3"></td> </tr> <tr> <th colspan="4">States with "Restricted" Prepayment Penalties</th> </tr> <tr> <th>States</th> <th>PPP Allowed When:</th> <th>PPP Structures</th> <th>No PPP Allowed When:</th> </tr> <tr> <td>Illinois</td> <td>Always allowed</td> <td>Max Rates: 3-2-1</td> <td>Always allowed</td> </tr> <tr> <td>Indiana</td> <td>Fixed Loans</td> <td>Normal Rates</td> <td>ARM Loans</td> </tr> <tr> <td>Kentucky</td> <td>Always allowed</td> <td>Max Rates: 3-2-1</td> <td>Never</td> </tr> <tr> <td>New Jersey</td> <td>ARM Loans</td> <td>Normal Rates</td> <td>Fixed Loans</td> </tr> <tr> <td>Ohio</td> <td>>= \$107,633</td> <td>1-2 Units (Limited PPP): 1-1-1-1 3-4 Units (Normal PPP): 4-4-4-4 or 4-3-2-1</td> <td>< \$107,633</td> </tr> </tbody> </table>	Prepayment Penalties Not Allowed				Alaska	New Jersey (Fixed Rate)			District of Columbia	North Carolina			Kansas	Rhode Island			Maryland	Texas			Michigan	Vermont			Minnesota	West Virginia			Missouri	Wisconsin			New Mexico				States with "Restricted" Prepayment Penalties				States	PPP Allowed When:	PPP Structures	No PPP Allowed When:	Illinois	Always allowed	Max Rates: 3-2-1	Always allowed	Indiana	Fixed Loans	Normal Rates	ARM Loans	Kentucky	Always allowed	Max Rates: 3-2-1	Never	New Jersey	ARM Loans	Normal Rates	Fixed Loans	Ohio	>= \$107,633	1-2 Units (Limited PPP): 1-1-1-1 3-4 Units (Normal PPP): 4-4-4-4 or 4-3-2-1	< \$107,633
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INCOME DOC TYPES

Salaried Borrowers:

One of the following is required:

1. Most recent 2 years W2 and 30 days YTD paystub **OR**
2. Written Verification of Employment (FNMA Form 1005 or equivalent) completed by the employer.

** For U.S. Citizens or permanent residents working abroad - Foreign Income being paid in foreign funds/foreign currency is eligible with Written Verification (requires conversion in U.S. dollars) **AND** a CPA letter to confirm most recent 2 years filing of the foreign income.

Self-employed Borrower:

All of the 3 items listed below must be provided:

1. Business or Professional license for the past 2 years is required for all businesses that requires a license. Businesses or professional occupation that do not require a license must provide documentation to evidence such,
2. A Letter from the CPA, CTEC (California Tax Education Council) or EA (Enrolled Agent) on their business letterhead showing address, phone number & license number. The letter must also document the following information:
 - i. Document that the CPA, CTEC, or EA has either prepared or reviewed the most recent 2 years of business tax return filing.
 - ii. The name of the business, borrower's name, and percentage of business ownership by the borrower, and
3. CPA, CTEC, or EA signed/prepared Profit and Loss Statement(s):

WVOE / P&L:

Application Dates:	Required P&L:
January 1 to March 31	Full 1 year P&L from previous year
April 1 to December 31	Full 1 year P&L from previous year + YTD Interim Statement

Foreign Nationals:

- Salaried borrowers and self-employed borrowers may follow above guidelines or provide equivalent documentation.
- Document to be translated by certified translator and notarized, if necessary.

Rental Income:

All properties that the applicant owns must be listed on the Schedule of REO section of the 1003. Rental income should be verified from executed lease agreement(s) and internet searches (i.e. Zillow, rentometer, etc) and the lower rental income will be used for qualifying. When rental income is being used to qualify, the percentage of the rental income must be no more than the percentage of the borrowers' ownership of the property.

Total gross rent (minus 25% vacancy factor) may be used when:

- Properties owned jointly with a spouse,
- 12 months cancelled rent checks documenting 100% of rent was paid to the borrower, **-OR-**
- Schedule E of Tax Return is provided. When Schedule E is used to compute the net rental income, the vacancy factor is not considered.

12 Months Bank Statements:

The 12 months Bank Statements income documents are for borrower(s) who have been continuously self-employed for at least 2 years. (Wage earner income from a co-borrower may be used if not associated with the Borrowers business.) Borrowers may use Personal or Business bank statements. ** Foreign National borrowers are not allowed under this Doc Type**

Using Business Bank Statements to Qualify:

- Most recent 12 months business bank statements.
- Business or Professional license for the past 2 years (if available – depending on nature of business).
- A Letter from the CPA, CTEC (California Tax Education Council) or EA (Enrolled Agent) on their business letterhead showing address, phone number & license number. The letter must also document the following information:
 - i. Document that the CPA, CTEC, or EA has either prepared or reviewed the most recent 2 years of business tax return filing.
 - ii. The name of the business, borrower's name, and percentage of business ownership by the borrower.
- Business bank statements require 50% deduction for business expenses and overhead. **Less than 50% (minimum 30%) deduction may be considered with CPA/EA prepared P&L.**

Using Personal Bank Statements to Qualify:

- Most recent 12 months personal bank statements of each account.
- When borrower is operating a business out of a personal bank statement, the business must either be a Sole Proprietor or 1099 based. Business entity may not be a Corporation or a Partnership.
- Borrower must be a 100% owner of the business.
- Business or Professional license for the past 2 years (if available – depending on nature of business).
- A Letter from the CPA, CTEC (California Tax Education Council) or EA (Enrolled Agent) on their business letterhead showing address, phone number & license number. The letter must also document the following information:

(continued onto next page):

INCOME DOC TYPES

12 Months Bank Statements
(continued):

- i. Document that the CPA, CTEC, or EA has either prepared or reviewed the most recent 2 years of business tax return filing.
- ii. The name of the business, borrower's name, and percentage of business ownership by the borrower.
- Personal bank statements require 50% deduction for business expenses and overhead. **Less than 50% (minimum 30%) deduction may be considered with CPA/EA prepared P&L.**
- For Joint bank accounts:
 - ✓ Must deduct deposit(s) not associated with the borrower's business (i.e. co-account holder's payroll, etc.)
 - ✓ May only consider the percentage of account ownership (ex: If borrower holds a joint account with another account holder, only 50% of the deposits will be considered in the income/bank statement analysis) .

The following restrictions apply:

- Borrowers must be self-employed for at least 2 years
- Statements must be consecutive and reflect the most recent months available.
- Ineligible deposits, such as non-business related account transfers, one-time deposits, cash advances from credit cards, income sources already taken into account, product returns/credits, gift funds and credit line deposits/business financing related must be deducted from the calculation.
- Large deposits (defined as any single deposits exceeding 150% of average monthly total deposits) should be omitted or sourced/explained with LOE from the borrower.
- Additional income deposited into the bank statements but derived from a source other than the self-employed business may not be included in the bank statement average.
- Transfers between accounts should be excluded.
- The percentage of the income used must coincide with the percentage of the business ownership (when using personal bank statement, borrower must be a 100% owner).

Rental Income:

All properties that the applicant owns must be listed on the Schedule of REO section of the 1003. Rental income should be verified from executed lease agreement(s) and internet searches (i.e. Zillow, rentometer, etc.) and the lower rental income will be used for qualifying. When rental income is being used to qualify, the percentage of the rental income must be no more than the percentage of the borrowers' ownership of the property.

Total gross rent (minus 25% vacancy factor) may be used when:

- Properties owned jointly with a spouse,
- 12 months cancelled rent checks documenting 100% of rent was paid to the borrower, **-OR-**
- Schedule E of Tax Return is provided. When Schedule E is used to compute the net rental income, the vacancy factor is not considered.

Self-Employed Confirmation:

- Verification of the existence of the borrower's business from a third party, such as a CPA, CTEC, EA, regulatory agency or the application licensing bureau (CPA, CTEC or EA must be the individual who files the business taxes).
- Verify the listing and address for the borrower's business using telephone book, the internet or directory assistance.

Debt Coverage Ratio (DCR):

The Debt Coverage Ratio Doc Type is limited to Investment property transactions only.

Loan qualification is based on Debt Coverage Ratio (DCR) for the subject property. Debt to Income (DTI) ratio is not calculated. Use Note Rate to calculate PITIA for use in Debt Coverage Ratio (DCR).

Debt Coverage Ratio

- The debt coverage ratio is calculated by taking 100% of the gross rents divided by the PITIA of the subject property
- Use the Note Rate to calculate PITIA
- Rents are derived from the lesser of the rental/lease agreement or the rent survey (Form 1007)
- **DCR: ≥ 1.00**

DOCUMENTATION REQUIREMENTS- Long Term Rentals:

- Rental agreement and rent survey (FNMA Form 1007 or 1025) provided by the appraiser will be utilized.
- An expired lease agreement that has verbiage that states the lease agreement becomes a month-to-month lease once the initial lease/rental term expires is allowed.
- Monthly Gross Rents are determined by the lower of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 125% of the estimated market rent from the 1007/1025.

DOCUMENTATION REQUIREMENTS- - Short Term Rentals (e.g. AirBnB, Vrbo, FLIPKEY):

- **Any of the following methods may be used to determine the gross monthly rental income:**
 - ✓ A most recent 12-months rental history statements from the 3rd party rental/management agency. The statement must identify the subject property /unit, rents collect for the previous 12 months, and all vendor management fees. The rental income will exclude all vendor or management fees.
 - ✓ The most recent 12 months bank statements from the borrower evidencing short-term rental deposits. Borrower must provide a rental record for the subject property to support monthly deposits.

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INCOME TYPES

**Debt Coverage Ratio (DCR)
(continued):**

- Monthly gross rents based upon a 12-month average to account for seasonality required.
- Monthly Gross Rents are determined by the lower of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 125% of the estimated market rent from the 1007/1025.
- If the subject property is a condo, provide evidence that the property is eligible for short-term rentals (condo association letter, etc.)



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HELOC

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UWM offers Standalone and Piggyback HELOCs so you can give borrowers more flexibility and grow your business.

What is a HELOC?

- **Home Equity Line Of Credit**
- A line of credit secured by a property that a borrower can draw from, up to the amount they are approved for

What is a Standalone HELOC?

- Tied to a property that has an active mortgage attached to it
- The HELOC and the active mortgage do not need to be from the same lender

What is a Piggyback HELOC?

- Also referred to as a 2nd, Simultaneous Close HELOC
- The HELOC is done at the same time as the first mortgage on the subject property
- Typically done with a purchase transaction
- Both transactions will be done by UWM

GENERAL TERMS

Note Rate – The interest rate the loan closes on

Draw – Dollar amount the borrower pulls from against the available line of credit

Initial Draw Amount – The dollar amount the borrower pulls from the available credit line at closing

Draw Period – Timeframe in which the borrower is able to withdraw funds from the available line of credit

- 3-year and 10-year options available

Repayment Period – The timeframe in which the borrower repays the balance owed. Once the repayment period begins draws are no longer permitted. The outstanding balance becomes the loan amount.

Max Loan Amount – The maximum dollar amount that can be financed (borrowed) with a HELOC

Total Line Amount/Max Loan Amount – The highest balance that can be drawn on the HELOC

CLTV – Combined Loan to Value

1st Lien Mortgage + 2nd Lien Mortgage Balance / Appraised Value = CLTV

Ex. Owe \$300,000 on 1st mortgage, drew \$75,000 on HELOC. Appraised Value is \$550,000.

$\$375,000 / \$550,000 = 68.18\%$ CLTV

HCLTV – High Combined Loan to Value or Home Equity Combined Loan to Value

1st Lien Mortgage + 2nd Line Total Line Amount / Appraised Value = HCLTV

Ex. Owe \$300,000 on 1st mortgage. Total line amount (the highest balance available) is \$100,000.

Appraised Value \$550,000. $\$400,000 / \$550,000 = 72.73\%$ HCLTV

Interest-Only Payment – Monthly interest payment borrowers will pay during first 10 years of the HELOC.

Fully Amortized Payment – Monthly payment that will apply towards principal and interest during repayment period of the loan.

LOAN PARAMETERS

Minimum Line Amount: \$25,000

Minimum Initial Draw Amount: 75% of the line amount

- Minimum subsequent draw amount (draws after closing) = \$1000
- Subject to a 90 day lock-out period after the initial draw at closing

Rate Cap: 18% unless otherwise limited by state or regulatory requirements

Floor: 4%

Index: Prime Rate (resets monthly)

Margin: Subject to the rate sheet

Note Rate: Prime Rate + Margin

Qualifying Rate: Note Rate + 2%

Qualifying Payment: Qualifying rate over amortizing repayment period

- **EX:** 20-year HELOC at 8.5% rate. Qualifying payment = 10.5% over the 10-year fully amortization period.

AUS: No AUS run on Standalone or Piggyback HELOCs.

- Standalone – must follow Fannie Mae guidelines
- Piggyback – must follow the AUS ran on the 1st Lien Mortgage

Underwriting Fee:

- Standalone – \$1055 underwriting fee
- Piggyback – \$395 additional underwriting fee (on top of the underwriting fee for the 1st lien)

PRODUCT OPTIONS

- HELOCs cannot be correspondent loans, HELOCs must be closed in UWMs name
- No pre-payment penalties

STANDALONE

- 1st lien can be any product type or channel, Standalone must be Conventional or High Balance
- Requires three day Right of Rescission
- Available on Cash-Out transactions
- Standalone HELOCs are ineligible in Iowa or Vermont

30-year

- First 10 years = interest only payment
- Year 11 – 30 = payment is amortized over 20 years
- Min FICO = 680
- Max CLTV/HCLTV = 90%
- Max DTI = 50%
 - Max DTI = 43% for those with a FICO less than 680
- Primary residences, second homes, and investment properties
- Second home 2-4 units are ineligible

20-year

- First 10 years = interest only payment
- Years 11 – 20 = payment is amortized over 10 years
- Min FICO = 640
- Max CLTV/HCLTV = 85%
- Max DTI = 50%
- Max DTI = 43% for those with a FICO less than 680
- Primary residences and second homes only
- Second home 2-4 units are ineligible
- Non-occupant Co-Borrowers are not permitted

PIGGYBACK

30-year

- First 10 years = interest only payment
- Year 11 – 30 = payment is amortized over 20 years
- Available on Cash-Out, Purchase and Rate & Term refinance transactions
- Can only be paired with conventional loans

- 1st lien can be Correspondent, but Piggyback HELOC must be a broker loan
- Mortgagee can either be listed as the Correspondent Lender or UWM
- Does NOT require three day Right of Rescission
- Min FICO = 680
- Max CLTV/HCLTV = 90%
- Max DTI = 50%
- Primary residences, second homes, and investment properties
- Second home 2-4 units are ineligible

PROPERTY TYPES

Below are the eligible property types for both **Standalone** and **Piggyback** HELOCs:

- 1-4 unit attached or detached single-family residence (SFR)
- 1 unit attached or detached PUDs
- 1 unit attached or detached condos
- Attached condos must be on the Fannie Mae warrantable condo list

OCCUPANCY

Below are the eligible occupancy types for both **Standalone** and **Piggyback** HELOCs:

- Primary residences are eligible for the following property types:
 - 1-4 unit SFR, 1 unit PUDs, and 1 unit condos
 - Non-occupying co-borrowers are permitted and will be in the DTI calculation
- Second homes are eligible for the following property types:
 - 1 unit SFR, 1 unit PUDs, and 1 unit condos
 - Non-occupying co-borrowers are ineligible
- Investment properties are eligible on **30 year HELOC options** for the following property types:
 - 1 unit SFR, 1 unit PUDs, and 1 unit condos
 - Non-occupying co-borrowers are ineligible
- Investment properties and second home 2-4 units are ineligible

INELIGIBLE

Below are **ineligible** for both **Standalone** and **Piggyback** HELOCs:

- Loans to Goldman Sachs employees
- Texas loans
- Escrow holdbacks
- Temporary rate buydowns

NOTE: 1st lien mortgages can have a temporary rate buydown, but the 2nd lien HELOC cannot

- Properties listed for sale within the last six months as of the application date
- Condo hotels and condotels
- Non-Fannie Warrantable Condominiums
- Unique properties (such as log homes)
- Properties with more than ten (10) acres
- Rural properties (indicated as “rural” on the appraisal or has rural zoning on the appraisal)
- Manufactured homes
- Mobile homes
- Cooperatives
- Leaseholds
- Commercial, farms/working farms, churches, and mixed-use commercial properties
- Properties with agricultural characteristics
- Community seconds
- Negative amortization
- Assumable loans
- Reverse 1st lien mortgages
- High-Cost Mortgage Loans
- Power of Attorney (not permitted on Standalone or Piggyback DU Cash-out)

BORROWER ELIGIBILITY

CREDIT

For both **Standalone** and **Piggyback** HELOCs, at least **two** credit scores are required per borrower.

- The lower of the two scores will be the qualifying FICO
- Refer to the HELOC Product Matrix for the minimum credit score

MORTGAGE PAYMENT HISTORY

For both **Standalone** and **Piggyback** HELOCs, all mortgages must be current and no more than 45 days may have passed since the last payment date to the loan application date.

- Any mortgage loan currently in forbearance must be removed prior to loan application date

Standalone HELOCs

- 20-year term: borrowers cannot have more than 1 – 30 day late mortgage payment in past **24** months
 - If one is present, the late payment cannot be within the last **6** months
- 30-year term: borrowers cannot have **any** late mortgage payment in the last 12months
 - Unless during a COVID-19 forbearance as it is not considered late while in forbearance
 - If FICO is <680, borrowers can have 1 mortgage late in the last 24 months, as long as it isn't within the most recent 6 months

Piggyback HELOCs

- 30-year term: borrowers cannot have more than 1 – 30 day late mortgage payment in past **12** months
 - Unless during a COVID-19 forbearance as it is not considered late while in forbearance

INCOME REQUIREMENTS

For both **Standalone** and **Piggyback** HELOCs, income produced, or in relation to, cannabis, hemp, or the adult entertainment industry are **not** permitted.

THIRD PARTY DOCUMENTATION

HOI REPLACEMENT COST

For both **Standalone** and **Piggyback** HELOCs, a Replacement Cost Estimator (or equivalent) is required from the insurance provider.

- HOI policy must provide a dollar value if the policy is not “Full” or “Guaranteed” replacement cost

TITLE REQUIREMENTS

- All borrowers **must** be vested on title at the time of the loan application
- HELOC must be in the second lien position
- Subordinate financing is not permitted
- Additional subordinate mortgage liens must be paid off and/or closed

NOTE: There are no title seasoning requirements.

BROKER PARAMETERS

COMPENSATION

Brokers will be able to make money and charge differently for HELOCs than any other UWM loan. There may be additional Broker Compensation restrictions depending on the state. High cost tests are applicable on HELOCs.

LICENSING REQUIREMENTS

Michigan Brokers – Second Lien License is required

Wyoming Correspondents – HELOC license is required

TESTING STANDARDS

Federal Points and Fees Test

- Up to 5% cap on origination charges – 5% is calculated off the initial draw amount
- The UW fee, origination, and any yield spread earned are included in the high cost test
 - High cost test is calculated off the total line amount
 - High-Cost Loans are ineligible since they must pass the High Cost Test

Federal APR Test

- Caps the difference between the APOR and APR difference at 8.5%
- If APOR is roughly 5.8%, their APR can't be higher than 13.3%

STATE SPECIFIC STANDARDS

High Costs Tests

- Arkansas, Maine, Maryland, New Jersey, New York have state specific high cost tests for HELOCs in addition to the federal Section 32 tests

State Specific Calculations

- Iowa, Michigan, Minnesota, Missouri, New Jersey, New Mexico, Pennsylvania, Vermont, Virginia, Washington, and West Virginia have manual calculations developed for state requirements

Net Tangible Benefit Requirements

- Standalone and Piggyback HELOCs in Massachusetts require a Net Tangible Benefit (NTB) to be documented

State-Specific Fee Requirements

- Iowa:
 - No broker fees
 - Unable to make origination or charge fees
 - UW fee must be waived
 - No Standalone HELOCs
- Michigan:
 - Unable to make origination or charge fees
 - If origination is charged, it will be labeled as Broker Processing fee

- If a charge for the rate is incurred, it will be labeled as UWM processing fee
- Processing fees combined cannot exceed 5% of the line amount
- UW fee must be waived
- Minnesota:
 - Fees cannot exceed 5% of the total line amount
- Missouri:
 - Fees cannot exceed 5% of the total line amount
 - If a charge for the rate is incurred, it must be labeled as Lender Origination Fee
 - UW fee must be waived
- New Jersey:
 - Only a single application fee can be charged, which cannot exceed 3% and labeled as Application Fee
 - UW fee must be waived
- New Mexico:
 - All fees cannot exceed 6% of the total line amount
- New York
 - Fees cannot exceed 5% of the total line amount if it is \$50,000 or more
 - Fees cannot exceed the greater of 6% or \$1,500 if the total line amount is less than \$50,000
- Pennsylvania:
 - Any money going to the lender can only be charged as an Origination fee and cannot exceed 3% of the total line amount
 - UW fee must be waived
- Vermont:
 - Unable to buy down the rate
 - No Standalone HELOCs
- Virginia:
 - If there is a charge for the interest rate, fee will be labeled as Loan Fee
 - If there are origination charges, fee will be labeled as Broker Fee
 - Can also make yield spread premium (YSP), which will not show on docs
 - Broker Fees + Loan Fees (or YSP if there are any) cannot exceed 5% of the total line amount
 - UW fee must be waived
- Washington:
 - UW fee must be waived
- West Virginia:
 - All fees cannot exceed 6% of the total line amount

ADDITIONAL GUIDANCE - STANDALONE HELOCS

APPRAISAL VALUATION REQUIREMENTS

IF THE TOTAL LINE AMOUNT IS GREATER THAN (>) \$250K:

- A full appraisal must be completed within 4 months of the note date
- A Recertification of Value is acceptable if done within 12 months of note and supports the original value
- A new appraisal will be required if the original appraisal was completed more than 12 months from note

IF THE TOTAL LINE AMOUNT IS LESS THAN OR EQUAL TO (\leq) \$250K:

20-year Standalone HELOC

In lieu of the full appraisal option listed above, one of the following valuations below may be accepted to document the subject property value:

An Automated Valuation Model (AVM) may be obtained (HouseCanary / HVE) to show property value if:

- The Forecast Standard Deviation (FSD) score is between 0.00 – 0.20 (**EX.** 0.21+ is not accepted)
 - AVM is completed within 30 days of note date
 - **NOTE:** AVM cannot be used if full appraisal is provided and unexpired
- OR an exterior-only appraisal (Fannie Mae Form 2055 or 1075)

NOTE: If the subject property already has a full appraisal provided, an exterior-only appraisal value cannot be used (the value from a full unexpired appraisal would supersede the AVM's valuation).

30-year Standalone HELOC

While the information below applies to the 30-year term, Standalone HELOCs with a FICO <680 must follow the HELOC 20-year Underwriting Guidelines, including the guidance for second property valuations.

TOTAL LINE AMOUNT LESS THAN OR EQUAL TO (<) \$400K

One of the following valuations below may be accepted to document the subject property value:

- Full appraisal dated within four months of the note date
- An exterior-only appraisal (Fannie Mae Form 2055 or 1075)
 - If the subject property already has a full appraisal provided, an exterior-only appraisal value cannot be used (the value from a full un-expired appraisal would supersede the valuation)
- An Automated Valuation Model (AVM) obtained by UWM
 - AVM must be completed within one month of the note date
 - If the subject property already has a full appraisal provided, an AVM value cannot be used (the value from a full un-expired appraisal would supersede the AVM's valuation)

HouseCanary AVM	<ul style="list-style-type: none"> • Total Line Amount ≤ \$250K: FSD score must be ≤ 0.14 • Total Line Amount > \$250K: FSD score must be ≤ 0.09
Clear Capital AVM	<ul style="list-style-type: none"> • Total Line Amount ≤ \$250K: FSD score must be ≤ 0.13 • Total Line Amount > \$250K: FSD score must be ≤ 0.06
Collateral Analytics AVM	<ul style="list-style-type: none"> • Total Line Amount ≤ \$250K: FSD score must be ≤ 0.26 • Total Line Amount > \$250K: FSD score must be ≤ 0.06

Feedback

DEROGATORY CREDIT

For **Standalone HELOCs**, follow Fannie Mae for waiting period requirements. Extenuating circumstances are not permitted.

For both Standalone and Piggyback HELOCs, loan modifications or forbearance with missed payments are subject to a 4-year waiting period. The waiting period begins when the loan was removed from forbearance or when the loan modification began.

JUDGEMENTS/COLLECTIONS/TAX LIENS

For **Standalone HELOCs**, follow Fannie Mae requirements for judgments, collections, and tax liens.

Collection account general guidelines:

- For 1 unit, primary residences – borrower is not required to pay off outstanding collections
- For 2-4 unit, primary and second homes – borrower is required to pay outstanding collections prior to or at closing if they total over \$5,000

- For investment properties – borrower is required to pay outstanding collections prior to or at closing if the account is greater than or equal to \$250

Judgments/Tax Liens:

- Open judgments/tax liens and all outstanding liens that are in the Public Records section of the credit report must be paid off prior to or at closing

INCOME REQUIREMENTS

For **Standalone HELOCs**, the following guidance also applies:

- Follow Fannie Mae guidelines for documentation standards
- Tax transcripts are not required
- Are required if tax transcripts are used as the only income documentation
- Salary, variable, and secondary employment types will require unexpired paystub and most recent 2 years W-2s
- A written VOE cannot be used as the only income documentation or in lieu of W-2s
 - A year-end paystub can be used in lieu of a W-2 only if the W-2 is not yet available. The loan must close by 1/31 to utilize this option
- Self-employment income will require 2 years of signed tax returns and business returns (if applicable)
- VOBs must be dated within 10 business days of closing

Feedback

ASSET REQUIREMENTS

The borrower must utilize the HELOC's Draw Amount for closing costs/funds to close.

- Borrower cannot bring funds to closing!

TITLE REQUIREMENTS

IF THE TOTAL LINE AMOUNT IS GREATER THAN (>) \$250K:

- Full title report including wire instructions, title commitment, and closing protection letter is required
- Subject property cannot be owned free and clear
- Additional subordinate mortgage liens must be paid off and/or closed

IF THE TOTAL LINE AMOUNT IS LESS THAN OR EQUAL TO (≤) \$250K:

- Subject property cannot be owned free and clear for Rate & Term and Cash-out refinances

One of the following title options must be gathered:

- A full title report including wire instructions, title commitment, and closing protection letter,
- A Limited Title policy including a Master Home Equity or HELOC Policy with wire instructions and closing protection letter, **OR**
- An Ownership & Encumbrance report (wire instructions required) from an approved title company
- This report expires after 60 days

For all title options, the loan must close and fund with an approved Title/Escrow company.

SECONDARY VALUATION

A secondary valuation, in addition to the initial valuation, is required on **20-Year Standalone HELOCs**.

- Secondary valuation must be within 10% of the initial valuation

Acceptable options for a secondary valuation include a(n):

- Collateral Desktop Analysis (or desk review, and is only allowed if the first valuation was an appraisal)
- Broker Price Opinion (BPO) – provided by a real estate agent that is NOT involved in the transaction
- Exterior-only appraisal
- Field review (only allowed when the first valuation is an appraisal)
- A full appraisal

ADDITIONAL REQUIREMENTS - PIGGYBACK HELOCS

PROPERTY EVALUATION REQUIREMENTS

Total Line Amount ≤ \$400,000	Total Line Amount > \$400,000
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<p>One of the following is required:</p>	
<p><u>HouseCanary AVM</u></p> <ul style="list-style-type: none"> • Total Line Amount ≤ \$250K: FSD score must be ≤ 0.14 • Total Line Amount > \$250K: FSD score must be ≤ 0.09 • Expires after one month 	<p><u>Full appraisal</u></p> <p>Expires after four months</p>
<p><u>Clear Capital AVM</u></p> <ul style="list-style-type: none"> • Total Line Amount ≤ \$250K: FSD score must be ≤ 0.13 • Total Line Amount > \$250K: FSD score must be ≤ 0.06 • Expires after one month 	
<p><u>Collateral Analytics AVM</u></p> <ul style="list-style-type: none"> • Total Line Amount ≤ \$250K: FSD score must be ≤ 0.26 • Total Line Amount > \$250K: FSD score must be ≤ 0.06 • Expires after one month 	
<p><u>Exterior-only appraisal</u></p> <p>Expires after four months</p>	
<p><u>Full appraisal</u></p> <p>Expires after four months</p>	

Feedback

NOTE: If the subject property already has a full appraisal provided, an AVM value cannot be used (the value from a full un-expired appraisal would supersede the AVM's valuation).

DEROGATORY CREDIT

For Piggyback HELOCs, follow AUS selected on the primary loan (DU or LP) for waiting period requirements. Extenuating circumstances are **not** permitted.

For both Standalone and Piggyback HELOCs, loan modifications or forbearance with missed payments are subject to a 4-year waiting period. The waiting period begins when the loan was removed from forbearance or when the loan modification began.

JUDGEMENTS/COLLECTIONS/TAX LIENS

For Piggyback HELOCs, follow AUS in the primary loan (DU or LPA).

TITLE REQUIREMENTS

- Full title report including wire instructions, title commitment, and closing protection letter is required
- Subject property cannot be owned free and clear for Rate & Term and Cash-out refinances

HELOCs IN EASY QUALIFIER (EQ)

The following fields in Easy Qualifier (EQ) must be selected in order for HELOC pricing to show:

- Loan Type: HELOC / 2nd Mortgage
- Lien Position
- Loan Amount / Initial Draw Amount
- Second Loan Amount / 1st Lien Amount
- Total Line Amount
- Loan Term: 20 years
- Compensation: Borrower Paid

LOAN INFORMATION

DRAG & DROP

YOUR FNMA 3.2 FILE HERE

Fields marked with * must be completed.

Company Name *
Training Mortgage LLC (GT1234)

Occupancy *
Primary Residence

Credit Score *
700

Commitment Period ?
30 Day Lock
30 Day Lock Expires: 09/23/2022

Loan Officer *
[Empty]

Property Type *
Single Family Residence

Monthly Income
\$

Compensation Payer Type
Borrower Paid

Borrower Name *
[Empty]

Number Of Units *
1

Monthly Debt
\$

Documentation Type
Full

Escrow / Impound Waiver Type
No Waiver

Loan Type
HELOC / 2nd Mortgage

Lien Position
1st

Taxes (Annual)
\$

HOI (Annual)
\$

Loan Amount / Initial Draw Amount
\$

Second Loan Amount / 1st Lien Amount
\$ 0

Finance Charges ?
\$

Loan Term
20 Years

Total Line Amount
\$ 0

Sales Price *
\$ 0

Appraised Value *
\$ 0

Flex Term
20 Years

LTV *
0.000 %

CLTV *
0.000 %

HCLTV *
0.000 %

Property State *
[Empty]

County *
[Empty]

Financed Properties
1

New Construction

Self Employed

Waive Underwriting Fee

First Time Home Buyer

Exact Rate Type
[Empty]

Purpose *
Purchase Home

Refinance Purpose
[Empty]

- GET QUOTE
- RESET FORM
- MANAGE SCENARIOS
- VIEW COMPENSATION

*RefiNow product requires DU findings that specify loan is approved as RefiNow by FNMA.

Feedback

HELOCS IN THE FEE SCREEN

STANDALONE

The fees screen will be smaller and only include the necessary fees for a standalone HELOC.

PIGGYBACK

The fees screen will appear as normal as the 1st lien mortgage will still require all the traditional fees.

HELOC DISCLOSURES

A Closing Disclosure (CD) will not be provided on a Standalone or Piggyback HELOC.

A Settlement Statement and HELOC Agreement and Disclosures Statement will be provided at closing.

Final Document Generation Process

- Package only allowed to be generated by a UWM Closing team member after calculation is completed
- High-cost testing

EPO

HELOCs will follow the current UWM EPO policy. If a line is paid down to \$0 within 180 days of the original closing, you will be subject to the EPO.

SUBSEQUENT DRAWS

If the borrower wants to draw funds past time of closing, they will receive the necessary documents to do so, as well as a checkbook for them to make subsequent draws from, after the 90-day lockout period.

NOTE: The borrower is still required to make all the applicable interest-only payments based off the initial draw taken at closing. The 90-day lockout period is in regards to the borrower not being able to draw after closing until 90 days has passed.

DATE UPDATED: 7/10/2023

PROPRIETARY AND CONFIDENTIAL TO UWM - FOR USE BY UWM APPROVED PARTIES ONLY. NMLS #3038 

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HELOC (Standalone) 30 Year Matrix

3 or 10 Year Draw, 10 Year Interest-Only, 20 Year Amortization Period

Feedback

PRIMARY AND SECOND HOME

Units	Max DTI	Max Loan Size	Min FICO ^{2,3}	Max CLTV/HCLTV ⁴	
1-4 Unit/Condo ¹	50%	\$250,000	740	90%	
		\$350,000	700	85%	
		\$500,000	680	75%	
	43%			660	70%
		\$350,000		640	60%

¹2-4 Units Only Eligible On Primary Residence. ²Non-Occupant Co-Borrowers permitted for FICO \geq 680 ³Loans with FICO under 680 are not eligible for Drive-By appraisal

⁴Max CLTV of 75% for Second Homes

INVESTMENT

Units	Max DTI	Max Loan Size	Min FICO	Max CLTV/HCLTV ²
1 Unit/Condo	50%	\$250,000	720	70%
		\$350,000	700	65%

Feedback

BASIC PRODUCT PARAMETERS

Manual Underwrite, reference UWM's Underwriting Guidelines	Temporary buydowns not available	Manufactured home and co-ops not permitted (for full list of ineligible properties, see underwriting guidelines)
2nd Lien Positions Only	For line amounts ≤ \$400,000, an approved AVM, exterior-only appraisal, or full appraisal is required as the first property valuation. Line amounts > \$400,000 require a full appraisal as the first property valuation.	
90 Day draw lock-out period after closing	Minimum line amount of \$25,000	Minimum draw required of 75% of the line amount
Qualifying Rate = Index + Margin + 2%	See Escrow Waiver Policy for eligibility and state criteria.	See Products Not Offered Job Aid for list of products not currently offered by UWM.

STATE REQUIREMENTS

Texas, Vermont, and Iowa loans are not permitted.

DATE UPDATED: 6/20/2023

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Feedback