



PLAZA HOME MORTGAGE, INC.

The Wave Jumbo A ARMs

	JUMBO 3/6	JUMBO 5/6	JUMBO 7/6
Product Description	<ul style="list-style-type: none"> • Conventional Jumbo three year/six month adjustable rate mortgage • 30 year maturity date • Fully amortizing 	<ul style="list-style-type: none"> • Conventional Jumbo five year/six-month adjustable rate mortgage • 30 year maturity date • Fully amortizing 	<ul style="list-style-type: none"> • Conventional Jumbo seven year/six-month adjustable rate mortgage • 30 year maturity date • Fully amortizing
Product Codes	• 3/6 Jumbo ARM: W36	• 5/6 Jumbo ARM: W56	• 7/6 Jumbo ARM: W76
Index	London interbank offered rate for six-month U.S. dollar-denominated deposits as published in the Wall Street Journal (LIBOR).		
Margin	2.25%		
Annual/Adjustments Caps	Initial cap at first adjustment is 2%; thereafter, the periodic rate cap is 1% every 6 months (2/1/6)	Initial cap at first adjustment is subject to life cap, thereafter, the periodic rate cap is 1% every 6 months (5/1/5)	
Life Cap	6%	5%	
Rate Adjustment	<ul style="list-style-type: none"> • Initial note rate is in effect for 36 months. The first interest rate adjustment is 2%, thereafter, a 1% semi-annual adjustment cap begins with the second adjustment. • Rate is equal to the note margin plus index rounded to the nearest .125%. Subject to annual/life caps. 	<ul style="list-style-type: none"> • Initial note rate is in effect for 60 months. The first interest rate adjustment is subject to the life cap, thereafter, a 1% semiannual adjustment cap begins with the second adjustment. • Rate is equal to the note margin plus index rounded to the nearest .125%. Subject to annual/life caps. 	<ul style="list-style-type: none"> • Initial note rate is in effect for 84 months. The first interest rate adjustment is subject to the life cap, thereafter, a 1% semi-annual adjustment cap begins with the second adjustment. • Rate is equal to the note margin plus index rounded to the nearest .125%. Subject to annual/life caps.
Maximum/Minimum Loan Amounts	Minimum Loan Amount • Must exceed conforming loan limits. Example: Minimum loan amount for 1 unit property in the Continental U.S. is \$417,001 with the exception of Santa Fe County, NM, which has a minimum loan amount of \$427,501. Minimum loan amount for 1 unit in AK or HI is \$625,501. Maximum Loan Amount • \$2,000,000		



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Occupancy	Primary Residences only.
Transactions	<p><u>Purchase Transactions</u></p> <p><u>Rate and Term Refinances</u></p> <ul style="list-style-type: none">• No seasoning of first mortgage.• If owned less than 12 months, LTV must be based on the lower or appraised value or original sales price plus documented improvements. If the value has increased greater than 15%, photos of the improvements are required.• If owned more than 12 months, LTV is based on current appraised value. HUD-1 or Deed must be provided to verify ownership.• Reasonable and customary closing costs, prepaids and seasoned junior liens may be incorporated into the loan amount.• Cash out is limited to 1% of the principal amount of the new loan, or \$2000, whichever is less.• One year seasoning on junior liens from funding unless documentation is provided to verify it was incurred as part of acquisition or for home improvements. This does not apply to draws of 1% or less of the new loan amount or a maximum of \$2,000 within the past 12-month period.• Properties listed for sale in the last 6 months (on or before the application date) are not eligible for refinance transactions. <p>• Primary residences located in Texas:</p> <ul style="list-style-type: none">• If the first or second Texas Section 50(a)(6) loan is being paid off, regardless of whether the borrower is getting any cash back, the loan is restricted to the Texas Home Equity product.• If the first mortgage is not a Texas Section 50(a)(6) loan and the second mortgage is a Texas Section 50(a)(6), the second lien may be subordinated and is considered a rate and term refinance. The second lien must be subordinate to the new Plaza first mortgage and a subordination agreement must be executed. Borrower cannot receive any cash back from first mortgage transaction.• If a Texas Section 50(a)(6) second lien is being paid off, the loan is restricted to the Texas Home Equity product.• The title policy will reference Texas Section 50(a)(6). <p><u>Cash Out Refinances</u></p> <ul style="list-style-type: none">• All borrowers must have held title to the subject property for a minimum of 6 months. (note date to application date)• If owned less than 12 months, LTV must be based on lower of appraised value or original sales price plus documented improvements. If the value has increased greater than 15%, photos of the improvements are required.• If owned more than 12 months, LTV is based on current appraised value. HUD-1 or Deed must be provided to verify ownership.• Properties listed for sale in the last 6 months (on or before the application date) are not eligible for refinance transactions.• Primary residences located in Texas subject to Texas Section 50(a)(6) are NOT eligible• Cash out limitations– Includes payoff of unseasoned second mortgages, HELOCs and/or non-mortgage debt.



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Credit Matrix

Purchase and Rate / Term Refinance				
1-2Units ²	Primary Residence ¹			
	Full Doc			
	Loan Amount	LTV ¹	CLTV ¹	Minimum Credit Score
	\$1,000,000	80%	80%	700
	\$2,000,000	80%	80%	720
3-4 Units	\$1,000,000	70%	70%	700
	\$1,500,000	70%	70%	720

¹ Declining Market Max LTV: (See the [Declining Market](#) section for more information)

- B Market: Reduce Max LTV/CLTV by 5%.
- C Market: Reduce Max LTV/CLTV by 10%.
- D Market: Reduce Max LTV/CLTV by 15%.

Market Upgrade of 5% LTV/CLTV may be permitted on purchase or rate/term refinances based on the credit guidelines below:

- Minimum 720 credit score
- Maximum DTI of 35%
- SFR, PUD or Site Condo
- Two full appraisals
- Maximum Combined Loan Amount \$2,000,000

² Eligible one unit properties are limited to SFRs, PUDs and Site Condos. Attached condos are not eligible.



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Credit Matrix

Cash Out Refi ¹				
1-2 Units ³	Primary Residence			
	Full Doc			
	Loan Amount	LTV ²	CLTV ²	Minimum Credit Score
	\$1,000,000	80%	80%	700
	\$1,500,000	80%	80%	720

¹ **Cash out limits**

¹ **Max Cash out for Primary Residence 1-2 units:**

- > 65 – 80% LTV/CLTV is \$250,000
- < = 65% LTV/CLTV is \$350,000

² Declining Market Max LTV: (See the [Declining Market](#) section for more information)

- B Market: Reduce Max LTV/CLTV by 5%.
- C Market: Reduce Max LTV/CLTV by 10%.
- D Market: Reduce Max LTV/CLTV by 15%.

³ Eligible one unit properties are limited to SFRs, PUDs and Site Condos. Attached condos are not eligible.



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Property Types

Eligible Property Types

- Single Family Residence
- Modular Home, Pre-Cut Home, Panelized Home
- Planned Unit Development (PUD)
- Site Condominium (Detached Condo)
- Multifamily (2 to 4 units)

Ineligible Property Types

- Condominium, Non-warrantable condominium & Condo-Hotel
- Leaseholds
- Property or project with pending structural litigation. Non-structural litigation may be considered on a case-by-case basis.
- Property that restricts the owner's ability to occupy the unit, have mandatory rental pools or guaranteed rent-backs
- Projects with non-incident business operations owned or operated by the Homeowners Association such as, but not limited to, a restaurant, spa, health club, etc.
- Cooperative
- Manufactured or Mobile Homes
- Mixed use property
- Multi-family dwelling with more than 4 units
- Property zoned and used for commercial or industrial purposes
- Working farm, ranch or orchard
- Property with more than 10 acres
- Property without full utilities installed to meet all local health and safety standards: Continuing supply of potable water, public sewer or certified septic system, public electricity, natural or LP gas.
- Property that represents a legal, but Non-Conforming use if zoning regulations prohibit rebuilding the improvements to current density in the event of full or partial destruction
- Assisted Living Projects
- Common Interest Apartments
- Tax-sheltered syndicate
- Time share units/projects
- Unimproved land
- Any property listed for sale in the past 6 months.



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Eligible and Ineligible Borrowers	<p><u>Eligible Borrowers</u></p> <p>U.S. Citizen</p> <p>Permanent Resident Aliens</p> <ul style="list-style-type: none">• Provide Alien Registration Card• Must provide a valid Social Security number <p>Non-Permanent Resident Alien</p> <ul style="list-style-type: none">• Maximum LTV/CLTV for 1-2 units is 75%.• Maximum LTV/CLTV for 3-4 units is 70%.• Must provide a valid Social Security number• Must provide documentation to support that the Borrower is eligible to work in the U.S. as evidenced by an unexpired Employment Authorization Document (EAD) issued by the United States Citizenship and Immigrations Services (USCIS). For further information, see www.uscis.gov<ul style="list-style-type: none">• If the authorization for temporary residency status will expire within one year and a prior history of residency status renewals exists, continuation may be assumed. If there are no prior renewals, the likelihood of renewal must be determined, based on information from USCIS• Borrowers sponsored by a specific employer do not need an EAD. A valid passport, a letter from the employer/sponsor and an I-94 or I-797 form proving they may work in the U.S. are acceptable in lieu of the EAD.• A Social Security card may not be used as evidence of eligibility of employment; the USCIS EAS must be used. <p>First Time Homebuyer</p> <ul style="list-style-type: none">• Verification of 12 months rental payments is required. The loan file must contain 12 months canceled checks or bank statements to evidence eligibility for the required mortgage/housing history referenced in the Credit section. Written verification or verification via the credit report is not permitted. Direct written verification of rent is acceptable in lieu of canceled checks when the landlord is a large professional management company.• 12 months reserves required.• Borrowers who are living rent free require 12 months liquid reserves (excluding retirement accounts). This only applies when all borrowers are living rent free. <p>Non-occupant Co-Borrower, guarantor, and co-signor</p> <ul style="list-style-type: none">• An established relationship with the Borrower must exist• A party with an interest in the property sales transaction, (including but not limited to the builder, property seller, or real estate broker) is not eligible as a non-occupant Co-Borrower, guarantor, or co-signor.• A non-occupant co-borrower, guarantor, or co-signor must provide verification of income• Maximum LTV/CLTV for 1-2 units: 75% CLTV• Maximum LTV/CLTV for 3-4 units: 70% CLTV• Qualifying total debt ratio for the occupant borrower may not exceed 45%.• Refer to the Assets section within these guidelines for non-occupant co-borrower asset requirements. <p><u>Ineligible Borrowers/Transactions</u></p> <ul style="list-style-type: none">• An individual classified under Diplomatic Immunity, Temporary Protected Status, Deferred Enforced Departure or Humanitarian Parole.• Foreign National• Non-Arm's length transactions
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Documentation Types

Full Documentation

Initial application must disclose a 2 year history of income and source of income.

Executed IRS 4506-T for all borrowers with transcripts ordered by Plaza Home Mortgage, Inc., prior to docs.

Salaried Borrowers:

- Paystub(s) for most recent 30 day period showing YTD income.
- Last 2 years W2s.

Self Employed Borrowers:

- Two years personal and business tax returns with all schedules.
- If more than 120 days has elapsed since filing tax return, a signed and dated YTD P&L is required.

Non-Salaried/Retired:

- Two years documentation required.

Verbal Verification of Employment – Required for all borrowers

A verbal verification to confirm the borrower's current employment status is required for all borrowers within 10 calendar days from the Note date for wage income and within 30 days for self-employment income.

If the borrower is in the military, a military Leave and Earnings Statement (LES) dates within 30 days of closing is acceptable in lieu of a verbal verification.

If using a third party service to verify employment (i.e., The Work Number), the date of request shown on The Work Number form must be within 10 calendar days of the Note date.

Verbal Verification of Employment Requirements:

- Employer's name and date of contact
- Borrower's date of employment, borrower's employment status and borrower's job title.
- Name, phone number and title of individual contacted at entity
- Name and title of associate contacting employer
- Method and source used to obtain the phone number

Self-Employed Verbal Verification of Employment Requirements

A verbal verification of employment for a self-employed borrower must contain the following information:

- Verification of the existence of the borrower's business from a third party, such as a CPA, regulatory agency or the applicable licensing bureau, and listing address for the borrower's business using a telephone book, the internet or directory assistance
- If contact is made verbally, document the source of the information obtained and the name and title of the associate.

To comply with a verbal verification of employment (or telephone confirmation) requirement, independently obtain the phone number and address for the borrower's employer. This can be accomplished using a telephone book, directory assistance or by contacting the applicable licensing bureau.



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Documentation Types, Continued	<p>Rental Income</p> <p>When considering income received from rental properties or the lease of land owned by the borrower, calculate the net cash flow as follows:</p> <ul style="list-style-type: none">• For properties owned one or more complete tax years, net cash flow must be calculated by using Schedule E from IRS form 1040. Obtain the most recent two years personal income tax returns, including Schedule E from IRS form 1040. If owned more than one year but less than two years, the most recent year's Schedule E is acceptable.• For properties owned less than one complete tax year, net cash flow must be calculated by using 75% of actual rent, established by copies of signed leases. Obtain a copy of the current and fully executed lease agreement. <p>Proposed Rental Income</p> <p>When a borrower indicates on the application their intention to rent their current primary residence, the property being purchased must be of greater value or in another geographic location.</p> <p>Rental income must be calculated as follows:</p> <ul style="list-style-type: none">• Up to 75% of the rental income may be used to offset the mortgage payment to qualify if there is documented equity of at least 30% on the retained property as evidenced by at least a 2055 exterior-only inspection, dated no more than 60 days prior to the Note Date.• The rental income must be documented with a copy of a fully executed lease agreement and receipt of a security deposits from the tenant. Evidence to show the security deposit has been deposited into the borrower's account is also required.• A family member, an individual with an established relationship or any interested party to the transaction may not sign the lease agreement as the renter.• A fair market rent letter may also be required subject to investor requirements. <p>NOTE: If the 30% equity in the property cannot be documented, rental income may not be used to offset the mortgage payment and,</p> <ul style="list-style-type: none">• Both the retained and the proposed mortgage payments must be used to qualify the borrower for the new transaction.• Six months PITI reserves are required for both the retained property and the subject property.
Retained Residence	<p>If the borrower's primary residence is for sale but will not close prior to the subject transaction, or the borrower is converting their property to a second home the following requirements apply:</p> <ul style="list-style-type: none">• Both the current and the proposed mortgage payments must be used to qualify the borrower for the subject transaction.• Six months PITI reserves required for both the retained and subject properties. <p>If the borrower is converting their property to an Investment Property:</p> <ul style="list-style-type: none">• Refer to the requirements in the Proposed Rental Income section above.



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Assets

Minimum Borrower Investment

• A minimum down payment of 5% of the value must be paid from the borrower's own funds. This includes transactions involving a non-occupant co-borrower. The balance may be paid from: borrower funds, gift funds or secondary financing. Document with two months bank statements to evidence adequate seasoning.

Business Funds: For self employed borrowers who are sole proprietors, business funds can be used as the minimum borrower investment. A letter from the borrower's CPA is required that states that there will be no negative impact on the business by using the funds.

Seller Contributions

- Maximum contribution is 3%.

Gifts

- Acceptable provided minimum borrower investment requirements are met.
- The minimum borrower investment is waived when gift reduces the LTV to $\leq 80\%$ and borrower pays own closing costs and no secondary financing exists.
- Gifts are not acceptable on loans $> \$1$ million.
- All standard Gift Documentation Requirements apply.

Reserves: For First Time Homebuyers, see the [First Time Homebuyer](#) section in these guidelines.

Reserves must come from borrower's own funds. Must be verified PITI (including HOA dues) reserves remaining after closing, exclusive of closing costs, cash out received, and proceeds from home equity transactions. Document with two months bank statements to evidence adequate seasoning.

Loan amount/Combined Loan Amount \geq \$1 million

- A minimum 12 months liquid reserves, (including HOA dues), and exclusive of cash out funds, business assets (other than schedule C).
- Maximum 6 months of reserves permitted from 401k/SEP account at 50% of full vested amount.

Loan amount/Combined Loan Amount $<$ - \$1 million

- DTI $\geq 35\%$
 - A minimum 12 months liquid reserves, including HOA dues and exclusive of cash out funds, business assets (other than schedule C)
 - Maximum 6 months reserves permitted from 401k/SEP account at 50% of full vested amount.
- DTI $< 35\%$
 - Minimum 6 months liquid reserves, including HOA dues.
 - Exclusive of 401k/SEP accounts, cash out funds, business funds (other than schedule C)

Retained Residence: If the borrower's primary residence is for sale but will not close prior to the subject transaction, or the borrower is converting his/her property to a second home or investment property, refer to the [Retained Residence](#) section for requirements.

Ineligible Sources for Reserves:

- Business assets (other than schedule C)
- Cash proceeds from the subject transaction
- Bridge loans
- Loans secured by other assets
- Proceeds from the sale of non-real estate assets

Retirement Account Funds:

- Funds from a retirement account must be reduced by 50%.



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Underwriting	<p>The Wave program requires prior approval by the purchasing investor regardless of the loan amount. All loans must be run through DU to receive appropriate fraud alerts and contributory messages prior to Plaza manually underwriting the loan. Loans must receive an "Approve/Ineligible" finding. Loan must be manually underwritten at the branch up to the underwriter's authority limit and then sent to the investor for approval. Loan amounts greater than the underwriter's authority limit must also be approved by Plaza Corporate Underwriting. Full loan packages, including but not limited to, the 1008, 1003, Credit, Income, Assets, DU Cert and Appraisal must be sent to the investor for underwriting approval prior to closing. Any loan conditions from the investor must be cleared by the investor prior to closing. See the Wave Prior Approval Process document for requirements.</p>
Credit	<p><u>Credit & Credit Report Requirements</u></p> <ul style="list-style-type: none">• A two-year history is required from traditional credit sources that result in an acceptable credit score. Refer to the Credit Matrix for requirements.• A minimum of three trade lines, each rated for at least 12 months with no derogatory credit reporting.• One of the three trade lines must have a credit limit of at least \$5,000.• One active trade line without derogatory credit in the past six months. Defined: Last activity in six months, a current open balance is not required.• Authorized User accounts may not be used to satisfy the trade line requirements.• There may be no major adverse credit reported in the last 24 months. (Collection accounts, charge-off accounts, judgments, liens, delinquent property taxes, repossessions, garnishments or any non-mortgage accounts with 90+ day late payments.• All State, IRS and property tax liens for any property must be paid. Payment plans are not allowed.• Credit Report may not be more than 60 days old at the time of funding. <p><u>Housing Payment History (Rental or Mortgage)</u></p> <ul style="list-style-type: none">• 0 x 30 mortgage/rental delinquency in past 12 months (all mortgages)• No 60+ mortgage/rental delinquency in past 24 months (all mortgages) <p>Mortgage/ rental history must be verified for the most recent 12 months if it does not appear on the credit report. Obtain 12 months cancelled checks or bank statement to evidence the payment history. Written verification via the credit report is not permitted. Direct written verification of rent is acceptable in lieu of cancelled checks when the landlord is a large professional management company. If a 12 month rental history is not available, see the First Time HomeBuyer section for guidelines.</p> <p>When the landlord is an interested party to the transaction (i.e., seller, broker) or a relative or employer of the borrower, 12 months canceled checks with a satisfactory payment history and a copy of the lease must be provided.</p> <p><u>Bankruptcy/Foreclosure</u></p> <ul style="list-style-type: none">• There may be no history in the past 7 years. This is measured by the discharge or dismissal date.



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Qualifying Rate and Ratios	<p>Qualifying Rate</p> <ul style="list-style-type: none">• Qualify at higher of Note rate or fully- indexed rate using the fully-amortized payment of principal, interest, taxes and insurance. <p>Maximum Debt-to-Income Ratio:</p> <ul style="list-style-type: none">• LTV/CLV < = 80% = 45% <p><u>Obligation Requirements</u></p> <p>Installment debt</p> <ul style="list-style-type: none">• If more than 10 monthly payments remain, the debt must be included in the DTI calculation.• If 10 or fewer monthly payments remain, the debt is included in the DTI calculation unless documentation reflects that the debt does not increase the DTI by more than 5% and incremental reserves (sufficient to payoff the account balance in addition to program reserve requirements) are documented. <p>Deferred Student Loans: Payment must be included in qualifying DTI.</p> <p>Auto Lease Payments: Payment must be included in qualifying DTI regardless of the remaining payments due.</p> <p>Alimony, Child Support and Maintenance Payments: Payments must be included in qualifying DTI unless it is fully documented that there are 10 or fewer payments.</p> <p>Payoff of Debt: The payoff of revolving or installment debt for qualification purposes is permitted, however, the paydown of revolving or installment accounts for qualifying is not permitted.</p>
Geographic Restrictions	<p>State or geographic restrictions are identified here, however, at this time Plaza may not be lending in all states listed. Properties are limited to those states where Plaza branches are currently authorized to originate loans.</p> <p>All States: All refinance transactions must benefit the borrower.</p> <p>Hawaii: Properties located in Lava Flow zones 1 or 2 are not allowed.</p> <p>Texas: Refer to the Transactions section within these guidelines.</p> <p>The following states are not eligible: Louisiana, Mississippi, New York & West Virginia.</p>



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Secondary Financing	<p><u>Subordinate financing is allowed per the Credit Matrix with the following requirements/restrictions:</u></p> <ul style="list-style-type: none">• The second mortgage may not have a maturity or call option date of less than 5 years, unless the loan is fully amortizing.• Monthly payments on subordinate financing must be included in the housing and debt ratio analysis.• Payments of interest only must be fixed and due on a regular basis, but not less often than semi-annually. <p>HELOCs – In addition to the requirements above, if the subordinate financing is a Home Equity Line of Credit, the following restrictions apply:</p> <ul style="list-style-type: none">• For an existing subordinate lien, if the current balance is zero and no draws will be used for the new transaction, a minimum payment need not be included in the qualifying ratio. If a balance appears on the line of credit or an advance will be part of the new transaction, calculate the housing payment by multiplying the total usable line of credit by the interest rate in effect at the time the loan application is underwritten. Use the higher of the calculated payment or the payment reported on the credit report.• For a simultaneous HELOC (originated with a new first mortgage) calculate the housing payment by multiplying the total usable line of credit by 1%. Use the higher of the calculated payment or the obligated payment. <p><u>Ineligible Subordinate Mortgages:</u></p> <ul style="list-style-type: none">• Subordinate mortgages subject to an interest rate buydown plan.• Subordinate mortgages that allow negative amortization.• Subordinate mortgages that involved graduated or variable payments.• Subordinate mortgages that have wraparound terms.• Subordinate mortgages through a Community Second Mortgage/Down Payment Assistance Program.• Subordinate mortgages held by the property seller.• Subordinate mortgages from the borrower's employer.• Any type of tax or judgment lien.
Multiple Properties Owned and/or Financed	<p>Multiple Loans to the Same Borrower</p> <ul style="list-style-type: none">• Maximum 20% concentration in any one project or subdivision.• A borrower may own a maximum of *4 properties, regardless of whether they are financed or owned free and clear. This includes land loans, vacant lots, commercial properties and multi-family (five or more units) properties.• A borrower may finance a maximum of 4 properties with Plaza and the cumulative amount financed among all Plaza loans cannot exceed \$1.5 million.• New multiple loans must be underwritten simultaneously.



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Declining Markets and Property Requirements

Ideally, property values should be stable or increasing; however, there may be areas of the county experiencing a decline in property values. Declining values are a concern due to the potential for equity erosion, and therefore, LTV and CLTV limits are restricted in areas where property values are declining.

The appraiser's role is to substantiate the stability of the market and to provide an estimated value of the subject property. In doing this, the appraiser is required to indicate on the appraisal report if property values in that market are "increasing," "stable" or "declining."

Comparable sales used to establish value must be sold and closed within six months of the date of the appraisal. Aged comparables may be an indication that the subject property is located in a market experiencing declining values. If any comparables are over six months, the appraiser must comment on the reason for using aged comparables.

Maximum financing is not available on properties in declining markets. Plaza underwriters must refer to the investor's website under the Market Indicator link under the Information Center to determine the results. All properties will be assigned a market classification of: A, B, C or D.

LTV Restrictions are as follows:

- B Market: Reduce Max LTV/CLTV by 5%.
- C Market: Reduce Max LTV/CLTV by 10%.
- D Market: Reduce Max LTV/CLTV by 15%.

If the property is located in a determined "C" or "D" market, the appraiser must use comparable sales that have been settled or closed within the last six months. The appraiser must comment on the reasons for using comparable sales that are more than three months old. If the appraiser does not have comparables that are within the last three months, the appraiser must provide two recent listings in addition to properly adjusted comparables that are older than three months.

If the property is located in a determined "A" market but the appraiser states the subject is in a declining market, downgrade to a "B" and reduce the maximum LTV/CLTV by 5%.

Market Upgrade

A Market Upgrade of 5% LTV/CLTV may be permitted when all of the following credit guidelines apply:

- Minimum 720 credit score
- Maximum DTI of 35%
- SFR, PUD or Site Condo
- Two full appraisals
- Maximum Combined Loan Amount \$2,000,000



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Appraisal Requirements	<p>Loan amounts less than \$850,000:</p> <ul style="list-style-type: none">• One full appraisal <p>Loan amounts greater than or equal to 850,000:</p> <ul style="list-style-type: none">• Two full appraisals by two independent appraisal firms are required each with interior photos.
Escrow Waivers	Property tax and insurance escrows may be waived for one unit properties when the LTV is 80% or less. Secondary price adjustments apply.
Assumptions	Permitted only after the initial note rate ends and in accordance with the Due on Sale and Assumption qualifications. Credit worthy borrowers only.
Conversion Option	N/A
Temporary Buydowns	N/A