

EQUITY LOAN PROGRAMS

HELOC and Closed-End Fixed Rate Seconds

Seller's Guide	Section 16.1															
Eligible Property Types	Attached and Detached SFRs and PUDs, Low-/High-Rise Condos, 2-4 Units and Rural Properties ≤ 20 acres						Attached and Detached SFRs and PUDs, Low-/High-Rise Condos and Rural Properties ≤ 20 acres						Attached and Detached SFRs and PUDs, Low-/High-Rise Condos and 2-4 Units			
Occupancy	Owner-Occupied						Second Home						Investment			
Doc Type	Full/Alt & Streamline		Reduced		Super Streamline		Full/Alt & Streamline		Reduced		Super Streamline		Full/Alt & Streamline		Reduced & Super-Streamline	
Maximum CLTV	Maximum Loan Amount	Minimum Credit Score	Maximum Loan Amount	Minimum Credit Score	Maximum Loan Amount	Minimum Credit Score	Maximum Loan Amount	Minimum Credit Score	Maximum Loan Amount	Minimum Credit Score	Maximum Loan Amount	Minimum Credit Score	Maximum Loan Amount	Minimum Credit Score	Maximum Loan Amount	Minimum Credit Score
100%	\$250,000	660	\$200,000	700	Not allowed		Not allowed		Not allowed		Not allowed		Not allowed		Not allowed	
95%	\$215,000	620	\$200,000	660	Eligible for piggyback transactions only. See restrictions below.		\$215,000	620	\$200,000	660	Not allowed		Not allowed		Not allowed	
90%	\$215,000	620	\$150,000	620	\$125,000 ¹	700	\$215,000	620	\$150,000	620	\$125,000 ¹	700	\$215,000	620	Not allowed	
				\$50,000 ²											680	
80%	\$500,000	720*	\$150,000	620			\$215,000	620	\$150,000	620			\$215,000	620	\$200,000 (Reduced only)	660 (Reduced only)
	\$300,000	620													\$125,000 ¹ (Super Streamline)	700 (Super Streamline)
															\$50,000 ² (Super Streamline)	680 (Super Streamline)
70%	\$1,000,000	720														
Additional Restrictions:	<ul style="list-style-type: none"> 100% CLTV: <ul style="list-style-type: none"> Loan amounts > \$100,000 require all borrowers to have a minimum credit score of 660. 3-4 Units: <ul style="list-style-type: none"> Maximum loan amount of \$215,000 Maximum 95% CLTV Loans greater than \$500,000 up to \$1,000,000: <ul style="list-style-type: none"> Eligible for HELOCs only SFRs, PUDs, Low/High-Rise Condos and 2 Units only <p>* Piggyback Transactions: A minimum 700 credit score.</p>		<ul style="list-style-type: none"> 3-4 Units: <ul style="list-style-type: none"> Max. 90% CLTV Factory-Built housing: Not allowed 		<ul style="list-style-type: none"> Piggyback Transactions: Equity loan must close simultaneously with a first lien. Stand-Alone Transactions: First lien must be originated and purchased within 12 months prior to the equity loan Note date. The first lien Note date must also be within 12 months of the equity loan Note date. CLTVs greater than 90%: Piggyback purchase transaction required. <p>¹ Lesser of \$125,000 or 25% of the principal balance of the first lien at the close of the second lien or</p> <p>² Lesser of \$50,000 or 25% of the principal balance of the first lien at the close of the second lien</p>		<ul style="list-style-type: none"> 2-4 Units and Factory-Built Housing: Not allowed 		<ul style="list-style-type: none"> 2-4 Units and Factory-Built Housing: Not allowed 		<ul style="list-style-type: none"> 2-4 Units and Factory-Built Housing: Not allowed. Countrywide Piggyback Transactions: Equity loan must close simultaneously with a first lien. Stand-Alone Transactions: First lien must be originated within 12 months prior to the equity loan Note date. The first lien Note date must also be within 12 months of the equity loan Note date. <p>¹ Lesser of \$125,000 or 25% of the principal balance of the first lien at the close of the second lien</p> <p>² Lesser of \$50,000 or 25% of the principal balance of the first lien at the close of the second lien</p>		<ul style="list-style-type: none"> Reduced Documentation: <ul style="list-style-type: none"> 3-4 Units: Max 75% CLTV Factory-Built Housing: Not allowed Super-Streamline Documentation <ul style="list-style-type: none"> Countrywide Piggyback Transaction: Equity loan must close simultaneously with a first lien. Stand-Alone Transactions: first lien originated and purchased within 12 months prior to the equity loan Note date. The first lien Note date must also be within 12 months of the equity loan Note date. <p>¹ Lesser of \$125,000 or 25% of the principal balance of the first lien at the close of the second lien with a 700 minimum credit score</p> <p>² Lesser of \$50,000 or 25% of the principal balance of the first lien at the close of the second lien with a minimum 680 credit score</p>			

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Underwriting Addendum																	
Section 16.1																	
Documentation	Description	Reserve Requirements	Appraisal Requirements			Eligible Borrowers	Credit Score	Max DTI Ratio									
Full/Alt Documentation	<ul style="list-style-type: none"> Verify Income/Verify Assets Current verification of employment, 2-year history required (self-employed = same business at same location for 2 years) 4506 required (if tax returns are included in loan file) 	No minimum reserve requirement	<table border="1"> <tr> <th>Maximum Loan Amount or Property Value</th> <th>Appraisal</th> <th>Minimum Credit Score</th> </tr> <tr> <td rowspan="2">L/A ≤ \$30,000</td> <td>Stated Value ²</td> <td>680</td> </tr> <tr> <td>2055 or 1075 ^{1,3}</td> <td>620</td> </tr> <tr> <td>L/A ≤ \$100K & P/V ≤ \$700K</td> <td>2055 or 1075 ^{1,3}</td> <td>620</td> </tr> </table>	Maximum Loan Amount or Property Value	Appraisal	Minimum Credit Score	L/A ≤ \$30,000	Stated Value ²	680	2055 or 1075 ^{1,3}	620	L/A ≤ \$100K & P/V ≤ \$700K	2055 or 1075 ^{1,3}	620	<ul style="list-style-type: none"> Salaried, self-employed, commissioned and passive income borrowers allowed. U.S. Citizens and Permanent resident aliens: Allowed Non-Permanent Resident Aliens: Allowed with restrictions 	Use middle of 3 or lowest of 2 for the PRIMARY wage earner.	Min. credit score of 660: 50% Credit scores less than 660: 45% <i>DU may give an Accept with higher ratios.</i>
			Maximum Loan Amount or Property Value	Appraisal	Minimum Credit Score												
L/A ≤ \$30,000	Stated Value ²	680															
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P/V > \$500,000	Full Appraisal ⁴	620															
Streamline Documentation	<ul style="list-style-type: none"> Piggyback Transactions: Documentation requirements based on approved AUS (DUSM or LP) certificate from a corresponding 1st lien. Stand-Alone Transactions: <ul style="list-style-type: none"> Salaried Borrowers: Current paystub and verbal VOE for 2-year history. Self Employed: Most recent tax return, YTD P & L statement and evidence of 2-year employment history. 	No minimum reserve requirement	<table border="1"> <tr> <td>L/A > \$100K & ≤\$250K & P/V ≤ \$1M</td> <td>2055 or 1075 ²</td> <td>720</td> </tr> <tr> <td>L/A > \$100K</td> <td>Full Appraisal</td> <td>620</td> </tr> <tr> <td>P/V > \$500,000</td> <td>Full Appraisal ⁴</td> <td>620</td> </tr> </table>	L/A > \$100K & ≤\$250K & P/V ≤ \$1M	2055 or 1075 ²	720	L/A > \$100K	Full Appraisal	620	P/V > \$500,000	Full Appraisal ⁴	620	<ul style="list-style-type: none"> Salaried, self-employed, commissioned and passive income borrowers allowed. U.S. Citizens and Permanent resident aliens: Allowed Non-Permanent Resident Aliens: Allowed with restrictions 	Use middle of 3 or lowest of 2 for the PRIMARY wage earner.	Min. credit score of 660: 50% Credit scores less than 660: 45% <i>DU may give an Accept with higher ratios.</i>		
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L/A > \$100K	Full Appraisal	620															
P/V > \$500,000	Full Appraisal ⁴	620															
<p>¹ Form 2055 for SFRs/PUDs; Form 1075 for condos.</p> <p>² Stated value is allowed with these requirements:</p> <ul style="list-style-type: none"> Owner-occupied SFRs, PUDs, and condos only Follow 100% CLTV pricing & guidelines Value must be indicated and stated by borrower on 1003 & 1008 Stated value is not allowed in Kansas, New York, West Virginia or Clark County, Nevada. Properties in soft markets not allowed TPOs not allowed Reduced documentation and second homes not allowed <p>³ AVM valuation allowed in lieu of an exterior appraisal (2055 or 1075) subject to the following requirements:</p> <ul style="list-style-type: none"> Minimum property value of \$100,000 Owner-occupied primary residence only 1-unit detached SFR, PUD or condo only Property size of 10 acres or less Stand alone seconds transactions only Approved vendors: <ul style="list-style-type: none"> ValueFinderSM (LandSafe®) Home Value Explorer® / HVE (Freddie Mac®) PASS (Basis 100) ValuePoint (FARES) HPA2000 (MRAC / Basis 100) <p>⁴ An exterior appraisal (2055 or 1075) is allowed if loan amount ≤ \$100,000 and property value ≤ \$750,000.</p>																	
Reduced Documentation	<ul style="list-style-type: none"> State Income/Verify Assets Salaried Borrower: Verbal verification of employment Self-Employed: Current verification of employment with 2 year history in the same location 4506 not required 	<ul style="list-style-type: none"> Owner-occupied: 3 months Second homes & Investment properties: 6 months 	<ul style="list-style-type: none"> Stated value is not allowed in Kansas, New York, West Virginia or Clark County, Nevada. Properties in soft markets not allowed TPOs not allowed Reduced documentation and second homes not allowed 	<ul style="list-style-type: none"> Salaried, self-employed, commissioned and passive income borrowers allowed. U.S. Citizens and Permanent resident aliens: Allowed Non-Permanent Resident Aliens: Allowed with restrictions 	Use the middle of 3 or lowest of 2 for the LOWEST scoring borrower.	Min. credit score of 660: 50% Credit scores less than 660: 45% <i>DU may give an Accept with higher ratios.</i>											
Super Streamline Documentation	<ul style="list-style-type: none"> State Income/State Assets Current verification of employment with 2 year history in the same location 4506 not required 	No minimum reserve requirement	<ul style="list-style-type: none"> 1-unit detached SFR, PUD or condo only Property size of 10 acres or less Stand alone seconds transactions only Approved vendors: <ul style="list-style-type: none"> ValueFinderSM (LandSafe®) Home Value Explorer® / HVE (Freddie Mac®) PASS (Basis 100) ValuePoint (FARES) HPA2000 (MRAC / Basis 100) 	<ul style="list-style-type: none"> Salaried, self-employed, and commissioned allowed. U.S. Citizens and Permanent resident aliens: Allowed Non-Permanent Resident Aliens: Allowed with restrictions 	Use the middle of 3 or lowest of 2 for the LOWEST scoring borrower.	Not required* (Piggyback) 50% (Stand-alone) <i>DU may give an Accept with higher ratios.</i> *DTI requires recalculation only if there has been a change in title since original application.											