


Lock Desk Support		Mortgage History	Credit Event	Residual Income	Reserves	5/6 ARM Cap	7/6 ARM Cap	Margin	Index
305-824-2421 lock@admortgage.com		0x60x12	12 months	\$1,500	3 months* PITIA	2/1/5	5/1/5	5.75%	SOFR
Underwriting Requirements									
Minimum Loan Amount		▫ \$100,000		Maximum Loan Amount		\$1,500,000			
Appraisal		▫ 120 days age max ▫ Second Appraisal required for loan amounts > \$1.5MM							
Assets		▫ Assets sourced and seasoned for 30 days, 120 days age max ▫ Gift Funds allowed (under 80% CLTV Borrower Contribution Required: OO - 0% , Asset Ut, WVOE, P&L - 20%; Inv - 10%; over 80% CLTV: OO - 5%, Asset Ut, WVOE, P&L - NA; Inv - NA) ▫ Overseas Assets sourced and seasoned for 30 days ▫ 1031 Exchange Eligible							
Cashout		▫ Max Cash in Hand: No limitation for CLTV <55%; \$1,000,000 for CLTV from 55% to 65%; \$500,000 for CLTV >65% ▫ Delayed Financing has Cash Out pricing ▫ Non-occupying co-borrowers are ineligible for Cash Out transactions ▫ Non-Permanent Residents are ineligible							
Credit & Tradelines		▫ If 3 scores are not available: 3 for past >=12 months OR 2 for past >=24 months, active in the last 12 month ▫ Middle Lowest for multiple borrowers, Lowest if only 2 scores ▫ 120 days age max▫Limited tradelines are allowed							
Credit Event		▫ BK, FCL, SS, DL, modification, forbearance and 120+ days are considered as a Credit Event							
DTI		▫ Up to 50% for all Super Prime / Prime ▫ 50.01% - 55%: ▫ Min FICO 680 ▫ Max CLTV 80% ▫ Max loan amount is \$1,000,000 ▫ Only Purchase or Rate Term on OO ▫ First-Time Homebuyer is not eligible							
Eligible States OO		▫ AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, IA, ID, IL, IN, KS, KY, LA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NM, NV, NE, NH, NJ, NY, OH, OK, OR, PA, RI, SC, SD, VA, VT, TN, TX, UT, WA, WI, WV, WY							
Eligible States Inv		▫ AK, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, IA, ID, IL, IN, KS, KY, LA, MA, ME, MI, MO, MN, MS, MT, NC, ND, NE, NV, NH, NJ, NM, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV, WY							
Eligible States Inv (No License Required)		▫ AK, AL, AR, CO, CT, DE, FL, GA, IA, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, MT, NC, NE, NH, NJ, NY, OH, OK, PA, RI, SC, TN, TX, WA, WI, WV, WY							
Escrow		▫ Escrows required for all HPML loans ▫ No Escrow Waiver with Interest Only ▫ No Escrow Waiver adj in NY ▫ Max CLTV 80% (90% in CA)							
First-Time Homebuyer (FTHB)		▫ FTHB allowed: Max LA = \$1,000,000; Min FICO = 660; Min reserves: 6 months; Max DTI = 50%; borrower must contribute at 5% own funds for OO transaction and 10% for investment; FTHB with payment shock exceeding 250% are ineligible							
Income	2 or 1 Year Full Doc	▫ Traditional Conforming Full Documentation Income ▫ 120 days age max							
	Asset Utilization	▫ 3 months seasoning ▫ Qualifying Assets are 100% Cash or Money Market, 100% from Public Securities, 70% from Retirement Accounts							
	12 or 24 Months Bank Statements	▫ License or Business LOE for Personal Bank Statements Tax Preparer / CPA Prepared P&L for Business Bank Statements (UW will review industry standards) or use 50% expense ratio ▫ Mixed Income allowed							
	2 or 1 Year P&L*	▫ Last 2 or 1 year(s) P&L provided by licensed CPA, Enrolled Tax Agent or Licensed Tax Preparer ▫ Min FICO 660 ▫ *Max LA: \$2,500,000							
	1099	▫ Allowed from the same single employer for the past 1 year ▫ Expense ratio 10%							
	WVOE	▫ Completed FNMA Form 1005 for 2 year history with same employer							
Interest Only		▫ 5/6 ARM, 30 Year Fixed, 40 Year Fixed. 120 Months of I/O Period, 240/360 Months of Amortization, Qualified at Amortized PITIA Payment after I/O Period, IO product not allowed in IL							
New Construction		▫ Max CLTV on PUD is 80% (OO) and 75% (Investment) for FL ▫ Max CLTV for Condo 75% (OO) and 70% (Investment) for FL ▫ No CLTV limitations on 1-4 units without community							
Non-Permanent Resident / FN / ITIN		▫ Eligible Status H-1, L-1, E1-E3, NATO, O1, R1, TN (additional statuses allowed are listed in the guidelines exhibit 1) ▫ ITIN not allowed ▫ Foreign Nationals are not allowed (See Foreign National program) ▫ Cash Out transactions are not allowed for non-permanent residents							
Occupancy Types		▫ Owner Occupied, Second Homes (1 unit only) and Investment (Vacant or Tenant Occupied - Lease Agreement Not Required if Not Used in DTI)							
Points & Fees		▫ Total Borrower Paid Points and Fees must be less than 5% (including Lender fees) on OO and less than 7% (including Lender fees) on Inv ▫ Broker's Maximum Compensation: 2.00% in TN on OO and in IA on OO/2nd home 1-2 units; in all other states: 3.00% (Borrower Paid), 2.75% (Lender Paid, Max Price 102.75) ▫ Lender Credit Max 2.75 points ▫ Broker's Processing Fee is a part of broker's compensation and capped at maximum allowed compensation ▫ Third Party's Processing Fee allowed ▫ UW fee can be waived							
Points Financed		▫ 2 Points may be financed into LA: OO Max CLTV 75% , Inv Max 70% CLTV							
Prepayment Penalty		▫ Investment Only ▫ Max PP Term - 5 years ▫ Penalty Amount: 6 months of interest on any amount over 20% of Note Principal ▫ PPP not allowed and buydown is required in: AR, KS, MD (LA < \$75,000), MI, NM, OH (on 1-2 units with LA < \$112,957), PA (on 1-2 units with LA < \$319,777), RI, VA (LA < \$75,000) ▫ Loans vested in individuals in IL, NJ, VT - buydown required or close in LLC (IL - max 3 years) ▫ Max PPP 3 years in ID, MA, MN ▫ Max PPP 3 years and Penalty Amount: max 2 months interest for any loan type in DC, MD ▫ Max PPP 2 years in MS							
Property Types		▫ Single Family Residence ▫ Townhome ▫ Warrantable / Non-Wr. Condo (Limited Review) with max CLTV: 80% (FL 75%) on OO; 75% (FL 70%) on Inv & 2nd Home ▫ Condotel ▫ 2-4 Unit (N/A for 2nd Home) ▫ PUD ▫ SFR Rural (Max CLTV: 80, Min FICO: 680) ▫ Manufactured Housing (Max CLTV: 70, Min FICO 680 or No FICO) ▫ Short-Term Rental (Max CLTV: 80%) ▫ Leasehold							
Reserves		▫ LA <= \$1,000,000: 3 months ▫ LA > \$1,000,000 and LA <= \$2,000,000: 6 months ▫ LA > \$2,000,000: 12 months							
Seller Concessions		▫ 6% if 80% (OO) or 80%(Inv) CLTV or less ▫ 4% if CLTV greater than 80% (OO) or 80% (Inv)							
Title		▫ Individuals ▫ LLCs / Corp (Maximum 4 owners allowed, all have to be borrowers and guarantors on the transaction) ▫ Title Commitment: 60 days max age							

EQUAL HOUSING OPPORTUNITY

** NMLS# 958660 A&D Mortgage LLC. Programs and Pricing are subject to change without notice. This ratesheet is intended to be used by mortgage professionals only and is not an advertisement under Section 226.24 of Regulation Z, and is not meant for use by the general public.

