


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		0x30x12 and 0x90x24	48 months	\$2,000	3 months* PITIA	2/1/5	5/1/5	5.75%	SOFR
Underwriting Requirements									
Minimum Loan Amount		\$100,000		Maximum Loan Amount*		\$4,000,000			
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							
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 ◦ Valid for at least 60 days at submission / 120 days max age							
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) ◦ Cash Out transactions are not allowed for non-permanent residents ◦ ITIN: min FICO 660, max 70 CLTV, max LA 1.5 MM, max DTI 50 ◦ Foreign Nationals are not allowed (See Foreign National program)							
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: 85% (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) ◦ 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 LENDER

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