

SLIM 7/6 & 5/6

Primary Residence				
Purchase and Rate/Term Refinance				
Property Type	Max Loan Amount	Min Credit Score	Max LTV/CLTV	Min Reserves
1-2 Units	\$1,500,000	660	70%	3 Months PITIA
1-2 Units	\$2,000,000	660	65%	3 Months PITIA
3-4 Units & Condo	\$1,500,000	660	65%	3 Months PITIA
3-4 Units & Condo	\$2,000,000	660	60%	3 Months PITIA
Cash-Out Refinance				
Property Type	Max Loan Amount	Min Credit Score	Max LTV/CLTV	Min Reserves
1-2 Units	\$1,500,000	660	65%	3 Months PITIA
1-2 Units	\$2,000,000	660	60%	3 Months PITIA
3-4 Units & Condo	\$1,500,000	660	60%	3 Months PITIA
3-4 Units & Condo	\$2,000,000	660	55%	3 Months PITIA
Second Home				
Purchase and Rate/Term Refinance				
Property Type	Max Loan Amount	Min Credit Score	Max LTV/CLTV	Min Reserves
1-2 Units	\$1,500,000	660	70%	4 Months PITIA
1-2 Units	\$2,000,000	660	65%	4 Months PITIA
3-4 Units & Condo	\$1,500,000	660	65%	4 Months PITIA
3-4 Units & Condo	\$2,000,000	660	60%	4 Months PITIA
Cash-Out Refinance				
Property Type	Max Loan Amount	Min Credit Score	Max LTV/CLTV	Min Reserves
1-2 Units	\$1,500,000	660	65%	4 Months PITIA
1-2 Units	\$2,000,000	660	60%	4 Months PITIA
3-4 Units & Condo	\$1,500,000	660	60%	4 Months PITIA
3-4 Units & Condo	\$2,000,000	660	55%	4 Months PITIA
Investment Home				
Purchase and Rate/Term Refinance				
Property Type	Max Loan Amount	Min Credit Score	Max LTV/CLTV	Min Reserves
1-2 Units	\$1,500,000	660	65%	4 Months PITIA
1-2 Units	\$2,000,000	660	60%	4 Months PITIA
3-4 Units	\$1,500,000	660	60%	4 Months PITIA
3-4 Units	\$2,000,000	660	55%	4 Months PITIA
Cash-Out Refinance				
Property Type	Max Loan Amount	Min Credit Score	Max LTV/CLTV	Min Reserves
1-2 Units	\$1,500,000	660	60%	4 Months PITIA
1-2 Units	\$2,000,000	660	55%	4 Months PITIA
3-4 Units	\$1,500,000	660	55%	4 Months PITIA
3-4 Units	\$2,000,000	660	50%	4 Months PITIA

General Program Guidelines	
Transaction Eligibility	<ul style="list-style-type: none"> • Max DTI 43% • Delayed Financing is acceptable • Continuity of obligation is required: One of the borrowers must be on the existing mortgage • The transaction is available for CA, TX, and NV loans. Texas Cash Out is not allowed. • 12 months title seasoning is required for cash out transactions.
Income - Wage earner	<ul style="list-style-type: none"> • Written VOE form (FNMA Form 1005) completed by employer
Income - Self employed	<ul style="list-style-type: none"> • 12 months P&L prepared by CPA (self-prepared P&L option available with add-on to rate) • Business license or city/state permit for the business must be provided for 1099/Sch.C borrowers.
Income - Rental	<ul style="list-style-type: none"> • Purchase: Form 1007 from appraiser • Refinance: Form 1007 from appraiser or 75% of gross rent from a lease agreement, whichever lower
NMSI Lending Guide	<p>All loans must be underwritten to the standards contained within this matrix and the Lending Guide. Any guidance published on this matrix supersedes any guidance referenced within the Lending Guide.</p> <ul style="list-style-type: none"> • If guidance is not provided on this matrix or within the Lending Guide, please refer to the FNMA Seller Guide.
Qualifying Rate	<p>7/6 ARM (Note rate = Qualifying rate) 5/6 ARM (Note rate + 1% = Qualifying rate)</p>
Eligible Borrower	Eligible
	<ul style="list-style-type: none"> • U.S Citizen • Permanent Resident Alien • <u>First-Time Homebuyer</u>
	Ineligible
	<ul style="list-style-type: none"> • Foreign Nationals • <u>Non-occupant co-borrowers</u> • Applicants possessing diplomatic immunity • Borrowers from OFAC sanctioned countries • Politically exposed borrowers • Any material parties to transaction listed on HUD's Limited Denial of Participation (LDP) list, the federal General Services Administrative (GSA) Excluded Party list or any other exclusionary list
Power of Attorney	<ul style="list-style-type: none"> • A power of attorney is allowed per FNMA guidelines (See FNMA B8-5-06) • Power of Attorney is not allowed for Cash-Out Transactions
Appraisal Requirements	<ul style="list-style-type: none"> • One appraisal with an interior inspection required • <u>Transferred appraisal NOT allowed</u> • <u>Loans with subject properties located in disaster areas declared by FEMA are not eligible</u> • AVM is required to support the appraisal value.
Non-Arm's Length Transactions	<ul style="list-style-type: none"> • Not allowed
Liability	<ul style="list-style-type: none"> • Cosigned loans: 6 months payments made by the third party is required to omit the debts
Assets	<ul style="list-style-type: none"> • IIPC limit: 6% of the property value for primary and second home, 3% for investment home. • Most recent 1 month bank statements required. • Gift funds may be used to cover closing funds for purchasing a primary home. If borrower receives gift funds to borrower's account prior to closing, donor's ability – 2 mo. bank statements are required. If there is unreasonable large deposit, gift may not be used unless paper trail is provided. If gift funds is deposited to escrow/closing agent, donor's ability may not be required. Donors' business bank accounts are not an eligible source for gift funds. • Gift funds cannot cover reserves • Cash out proceeds may not be used to cover reserves • Large deposits are defined as a single deposit that exceeds 25% of the total monthly qualifying income for the loan

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Condo/Attached PUD	<ul style="list-style-type: none"> • Condo questionnaire and budget are required 																				
Credit	<ul style="list-style-type: none"> • No minimum tradeline requirements <p><u>Derogatory Credit Waiting Periods</u></p> <table border="1" data-bbox="513 499 1446 611"> <thead> <tr> <th data-bbox="513 499 938 537">Derogatory Event</th> <th data-bbox="943 499 1446 537">Waiting Period Requirement</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 543 938 575">Bankruptcy - Chapter 7,11, and 13</td> <td data-bbox="943 543 1446 575">2 years</td> </tr> <tr> <td data-bbox="513 581 938 611">Foreclosure</td> <td data-bbox="943 581 1446 611">4 years</td> </tr> </tbody> </table> <p><u>Payment History</u></p> <table border="1" data-bbox="513 684 1446 873"> <thead> <tr> <th data-bbox="513 684 938 762" rowspan="2">Payment Obligation</th> <th colspan="2" data-bbox="943 684 1446 722">Acceptable number of late</th> </tr> <tr> <th data-bbox="943 728 1154 762">< 12 mos</th> <th data-bbox="1159 728 1446 762">> 12mos & < 24 mos</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 768 938 800">Housing</td> <td data-bbox="943 768 1154 800">0*30</td> <td data-bbox="1159 768 1446 800">2*30</td> </tr> <tr> <td data-bbox="513 806 938 837">Installment</td> <td data-bbox="943 806 1154 837">3*30</td> <td data-bbox="1159 806 1446 837">4*30 or 3*60</td> </tr> <tr> <td data-bbox="513 844 938 873">Revolving</td> <td data-bbox="943 844 1154 873">4*30</td> <td data-bbox="1159 844 1446 873">5*30 or 4*60</td> </tr> </tbody> </table>	Derogatory Event	Waiting Period Requirement	Bankruptcy - Chapter 7,11, and 13	2 years	Foreclosure	4 years	Payment Obligation	Acceptable number of late		< 12 mos	> 12mos & < 24 mos	Housing	0*30	2*30	Installment	3*30	4*30 or 3*60	Revolving	4*30	5*30 or 4*60
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