

# Credit Ascent Non QM Portfolio Product

Effective Date: 3/18/2019

FICO	Maximum LTVs	Standard Doc		Alt Doc		Other Doc Restrictions
		Purch / RT Refi	Cash-Out	Purch / RT Refi	Cash-Out	
720+	<=1,000,000	90	85	90	80	<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 85%</li> <li>• Min Credit Score: 620</li> <li>• Max DTI: 50%</li> <li>• A, B, &amp; B- Grades Only</li> </ul>
	1,000,001-1,500,000	90	80	85	75	
	1,500,001-2,000,000	85	75	85	75	
	2,000,001-3,000,000	80	70	70	65	
	3,000,001-5,000,000	70	60	70	60	
680 - 719	<=1,000,000	90	80	85	80	<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 85%</li> <li>• Min Credit Score: 620</li> <li>• Max DTI: 50%</li> <li>• A, B, &amp; B- Grades Only</li> </ul>
	1,000,001-1,500,000	90	80	85	75	
	1,500,001-2,000,000	85	75	85	75	
	2,000,001-3,000,000	75	65	70	60	
	3,000,001-5,000,000	65	60	65	60	
660 - 679	<=1,000,000	85	80	85	80	<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 75%</li> <li>• Min Credit Score: 680</li> <li>• Max Loan: \$1,500,000</li> <li>• Min Reserves: 6 Months</li> <li>• Max DTI: 50%, when applicable</li> <li>• A Grade Only</li> </ul>
	1,000,001-1,500,000	85	80	85	75	
	1,500,001-2,000,000	85	75	85	75	
	2,000,001-3,000,000	80	75	80	75	
640 - 659	<=1,000,000	85	80	85	80	<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 80%</li> <li>• Max LTV/CLTV (Cash-Out): 70%</li> <li>• Min Credit Score: 620</li> <li>• Max DTI: 50%</li> <li>• A &amp; B Grades Only</li> </ul>
	1,000,001-1,500,000	85	75	85	75	
	1,500,001-2,000,000	80	75	80	75	
620 - 639	<=1,000,000	85	80	85	80	<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 80%</li> <li>• Max LTV/CLTV (Cash-Out): 70%</li> <li>• Min Credit Score: 620</li> <li>• Max DTI: 50%</li> <li>• A &amp; B Grades Only</li> </ul>
	1,000,001-1,500,000	80	75	80	75	
600 - 619	<=1,000,000	80	75	80	75	<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 80%</li> <li>• Max LTV/CLTV (Cash-Out): 70%</li> <li>• Min Credit Score: 620</li> <li>• Max DTI: 50%</li> <li>• A &amp; B Grades Only</li> </ul>
	1,000,001-1,500,000	80	75	80	70	
580 - 599	<=1,000,000	80	75	80	75	<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 80%</li> <li>• Max LTV/CLTV (Cash-Out): 70%</li> <li>• Min Credit Score: 620</li> <li>• Max DTI: 50%</li> <li>• A &amp; B Grades Only</li> </ul>
	1,000,001-1,500,000	80	70	80	70	
500 - 579	<=1,000,000	75	70			

Grade	Grade Restrictions			
	A	B	B-	C
Housing	1x30x12	0x60x12	0x90x12	1x120x12
BK (Chap 13 Discharge)	12 mo	Settled	Settled	Settled
BK (Other)	24 mo	24 mo	12 mo	Settled
Foreclosure	24 mo	24 mo	12 mo	Settled
Short Sale/DIL	24 mo	24 mo	Settled	Settled
Min FICO	500	500	500	500
Max LTV: Purchase & R/T	90	85	85	70
Max LTV: Cash-Out	85	80	75	65
Max CLTV	90	90	85	70
Max Loan Amount	5,000,000	1,500,000	1,000,000	1,000,000
Fixed Terms	30 Year Fixed & 15 Year Fixed	30 Year Fixed & 15 Year Fixed	30 Year Fixed & 15 Year Fixed	30 Year Fixed & 15 Year Fixed
5/1 LIBOR ARM (2/2/5 Caps)	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor
7/1 LIBOR ARM (5/2/5 Caps)	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor
Available Doc Types	Standard Doc - 2 yr Standard Doc - 1 yr Alt Doc - WVOE (Primary Res) Alt Doc - Asset Utilization Alt Doc - 24 mo Bank Statement Alt Doc - 12 mo Bank Statement Alt Doc - 24 mo CPA Prepared P&L Alt Doc - 12 mo CPA Prepared P&L	Standard Doc - 2 yr Standard Doc - 1 yr Alt Doc - WVOE Alt Doc - 24 mo Bank Statement Alt Doc - 12 mo Bank Statement Alt Doc - 24 mo CPA Prepared P&L Alt Doc - 12 mo CPA Prepared P&L	Standard Doc - 2 yr Standard Doc - 1 yr Alt Doc - 24 mo Bank Statement Alt Doc - 24 mo CPA Prepared P&L	Standard Doc - 2 yr

Loan Amount	Debt Consolidation Refinance
<ul style="list-style-type: none"> <li>• Min Loan amount: \$100,000</li> <li>• Loan Amounts &gt; \$1MM &amp; Cash-Out &amp; LTV &gt; 70% require 2 appraisals</li> <li>• Loan Amounts &gt; \$1.5MM require 2 appraisals</li> <li>• Loan Amounts &gt; \$3MM, see additional overlays</li> </ul>	<ul style="list-style-type: none"> <li>• Applies to Primary Residences only</li> <li>• Transactions where mortgage &amp; non-mortgage debts are paid off and monthly debt pmtnts are lowered by &gt;= 10% and Closing Costs are recouped within 60 mo. Cash-in-hand may not exceed \$5,000 or 2% of the loan amt.</li> <li>• R/T Refi LTVs available for Debt Consolidation loans. LTV/CLTV capped at 85%</li> <li>• Cash-in-hand may be used to meet reserve requirements for loans meeting the Debt Consolidation definition</li> <li>• Reserve requirements reduced to 1-month for all income document types when all of the above meet</li> </ul>
<ul style="list-style-type: none"> <li>• Only Available in the following states: CA, IL, FL, NY, NJ, MD, VA, DC, WA</li> <li>- NY: Purchase money only</li> <li>• Cash-Out limited to the lower of 50% of property value or \$3,000,000</li> <li>• Property Types: SFR, Warrantable and Non-Warrantable Condos</li> <li>- Condos available in NY and FL only. FL Condos limited to 55% LTV</li> <li>• See Guidelines for specific appraisal requirements (OVERLAYS APPLY)</li> </ul>	<ul style="list-style-type: none"> <li>• Reserve requirements are waived when monthly payments are reduced by at least the 10%</li> </ul>
	<b>Rate &amp; Term Refinance</b> <ul style="list-style-type: none"> <li>• Impounds are required</li> <li>• Loans considered high-cost by Federal or State law not allowed</li> <li>• Points and Fees may not exceed 5% (Business Purpose loans exclude prepay penalty)</li> </ul>
	<b>Compliance</b>

Second Homes	
<ul style="list-style-type: none"> <li>• Max LTV/CLTV: 80%</li> <li>• Min FICO: 540</li> <li>• A, B, &amp; B- Grades Only</li> <li>• Residual Income: \$2,500</li> <li>+ \$250 for the first dependent</li> <li>+ \$125 for each additional dependent</li> </ul>	
<b>Investment Properties</b>	
<ul style="list-style-type: none"> <li>• Max LTV/CLTV</li> </ul>	
Program max: 80% FICO < 640: 75% Cash-out: 75% Cash-out & FICO < 640: 70% Loan Amount > \$2mm: 75%	
<b>Other Restrictions</b>	
<ul style="list-style-type: none"> <li>• Min FICO: 540</li> <li>• A, B, &amp; B- Grades Only</li> <li>• Rural Properties not allowed</li> </ul>	
<b>Other LTV/CLTV Limits</b>	
Condo: 80% 2-4 Unit: 80% Rural Property: 80% Loan Amount < 150k: 80%	

DTI	
<ul style="list-style-type: none"> <li>• Up to 43% Max DTI</li> <li>• Available for all Doc Types, no rate adjustment</li> </ul>	
<b>Up to 50% Max DTI</b>	
<ul style="list-style-type: none"> <li>• Standard Doc - 1 yr &amp; 2 yr</li> <li>• Alt Doc - 24or12 mo Bank Statement &amp; WVOE &amp; 24or12 mo CPA Prepared P&amp;L</li> </ul>	
<b>Up to 55% Max DTI</b>	
<ul style="list-style-type: none"> <li>• Standard Doc - 2 yr</li> <li>• Total of 12 Mo Reserves required</li> <li>• Max LTV/CLTV: 80</li> <li>• Primary Residence Only</li> <li>• First Time Home Buyer not permitted</li> <li>• Purchase, R/T Refi, and Debt Consol Only</li> <li>• Residual Income: \$3,000</li> <li>+ \$250 for 1st dependent</li> <li>+ \$125</li> </ul>	
<b>Interested Party Contributions</b>	
<ul style="list-style-type: none"> <li>• LTV &gt;= 80: 4%</li> <li>• LTV &lt; 80: 6%</li> </ul>	
<b>Max Acreage</b>	
<ul style="list-style-type: none"> <li>• 10 Acres</li> </ul>	

Financed Properties	
<ul style="list-style-type: none"> <li>• 20 financed properties including subject</li> <li>• Add 2 mo reserves for each added financed property. Total reserve requirement capped at 12 mo</li> <li>• ResMac exposure to a single borrower \$5MM or 6 properties</li> </ul>	

Cash-Out Limit		
% Property Value	Primary & 2nd Home	Investor
Program Max:	75%	70%
Loan Amt > \$1mm:	70%	65%
Loan Amt > \$3mm:	50%	50%
Condo & 2-4 Unit:	70%	65%
<b>Prepayment Penalty</b>		
<ul style="list-style-type: none"> <li>• Allowed on Investment properties only</li> <li>• Terms up to 3 Years are acceptable. The following structures are acceptable...</li> <li>- 6 months of interest on the amount of the prepayment that exceeds 20% of the original prin bal</li> </ul>		
<ul style="list-style-type: none"> <li>• Penalties not available in New Mexico and loans vested to individuals in New Jersey</li> </ul>		



Reserve Requirements	
Standard Doc (All):	2 mo
Alt Doc (All):	4 mo
Investor:	6 mo
Loan Amounts > \$1mm:	6 mo
Loan Amounts > \$2mm:	12 mo
<b>Residual Income</b>	
<ul style="list-style-type: none"> <li>• \$1,250 /mo</li> <li>+ \$250 for the first dependent</li> <li>+ \$125 for each add dependent.</li> </ul>	

State Restrictions	
Not Eligible	
Puerto Rico, Guam & the US VI	
<b>New York State Restrictions</b> <i>(Applies to conforming bails only)</i>	
<ul style="list-style-type: none"> <li>• Min Credit Score: 660</li> <li>• Max LTV/CLTV: 85</li> </ul>	

Residency	
<ul style="list-style-type: none"> <li>• US Citizen</li> <li>• Perm &amp; Non-Perm resident alien</li> <li>• Foreign National not eligible</li> </ul>	

Interest Only	
<ul style="list-style-type: none"> <li>• IO Period: 120 Months</li> <li>• Qualifying Term: Amort Term (240 months)</li> <li>• Loan Term: 360 months</li> <li>• A &amp; B Grades Only</li> <li>• Max LTV/CLTV: 85%</li> <li>• Min FICO: 580</li> </ul>	



## **Large Loan Balance Appraisal Overlays**

The following appraisal restrictions apply to original loan balances that exceed \$3,000,000.

### **Neighborhood Analysis**

- **Degree of Development and Growth Rate:** Properties designated as "rural" not allowed
- **Trend of Property Values:** "Declining" Markets not allowed
- **Supply of Properties in the Subject Neighborhood:** Markets in "Over-supply" not allowed
- **Price Range and Predominant Price:** The appraised value may not exceed the highest value of the Predominant Price Range by more than 10%
- **Marketing Time for Properties:** "Over 6 months" Not Allowed
- **Over-Improvement:** The subject property may not be designated as an "over-improvement"

### **Comparable Sales**

- Minimum of 4 closed comparable sales
- All comparable sales must have occurred within the 12 months preceding the appraisal date
- At least 1 closed comparable must have occurred with 120 days of the appraisal date
- All comparable sales must be located within 4 miles of subject
- At least 1 closed comparable sales must be located within 1 mile of subject
- At least 2 closed comparable sales must be located within the same neighborhood as the subject

### **Property Condition**

- Eligible Property Condition Ratings: C1, C2, C3
- Eligible Quality of Construction Ratings: Q1, Q2, Q3, Q4

### **Maximum Acceptable Acreage**

- 5 acres

### **Zoning**

- Properties zoned as agricultural are not eligible

### **Total Net Adjustments**

- Total net adjustments should be minimal if the comparable is truly similar. Net Adjustments may not exceed 15% of the sales price of the comparable so