

ASSET DEPLETION

PROGRAM ID: SP A8

Program Description: Ability to repay documented through assets

Products and Terms:

5/1 ARM: Fully Amortizing

5/1 Interest Only LIBOR ARM: 40-year term with 10-year Interest-Only period (*not available in IL*)

Eligible borrowers: Citizens / US persons only

Maximum debt to income ratio: 50% for LTVs to 65%; 43% for First Time Home Buyers (Loans with higher than 43% *require residual income*)

Minimum credit score: 680, no foreclosure, bankruptcy, deed-in-lieu or short sale over past 12 months at standard LTVs and reserves. Maximum permitted mortgage or rental payment delinquency is 0x30x12

Loan amounts and loan to value limits (*example based on 680 min credit score*):

Primary Residence / Second Home

Purchase and Rate & Term Re-fi

50% to \$2,000,000

Primary Residence / Second Home

Cash-out Refi

50% to \$2,000,000

Investment 1-4 Unit

Purchase and Rate & Term Re-fi

50% to \$2,000,000

Acceptable occupancy: Primary residences, second homes, investment properties

Acceptable property types: 1-4 units, warrantable / non-warrantable condos and PUDs

Required reserves: 9 months PITIA (*based on \leq \$1,500,000 loan amount; additional requirements may apply*). 12 months PITIA (*based on $>$ \$1,500,000 loan amount; additional requirements may apply*)

Acceptable states: 49 states and DC, except NY (*US Territories not allowed; cash out not allowed in TX*)

Other Info: Gifts permitted. Must conform to FNMA requirements. 3-yr prepayment penalty required for investor occupancy loans where permitted by law; PPP buyouts may be available. Caps: 5% initial, 2% each year, 5% lifetime; Margins: 3.25%; Index: 1-year LIBOR; Floor: margin