

# HIGH PRIME, PAYSTUBS & TAX RETURNS

PROGRAM ID: **SP P1**

**Program description:** Near Prime – up to \$6 million – qualify with paystubs & tax returns

**Products and Terms:**

30-yr fixed

15-yr fixed

5/1 ARM: Fully Amortizing

5/1 Interest Only LIBOR ARM: 40-yr term with 10 year Interest-Only period\*

7/1 ARM: Fully Amortizing

7/1 Interest Only LIBOR ARM: 40-yr term with 10 year Interest-Only period\* (requires price add-on)

\* Interest Only option not available in all states

**Eligible borrowers:** Citizens / US persons only; foreign borrowers not permitted.

**Maximum debt to income ratio:** 50%

**Minimum credit score:** 680

**Credit History:** No foreclosure, bankruptcy, deed-in-lieu or short sale over past 48 months at standard LTV and reserves. Mortgage / rental history maximum permitted delinquency is 0x30x12.

**Acceptable occupancy:** Primary residences, second homes, and investments

**Acceptable property types:** 1-2 units, warrantable / non-warrantable condo; condotels not permitted (non-warrantable condos require a rate add-on)

**Loan amounts and loan to value limits** (example based on 720 min credit score):

<u>Primary Residence – 1&amp;2 Unit / Condo</u>	<u>Primary Residence /</u>	<u>2<sup>nd</sup> Homes – 1 &amp; 2 Unit / Condo</u>	<u>Investment</u>
<u>Purchase and R&amp;T Re-fi</u>	<u>Cash-out Refinance</u>	<u>Purchase and R&amp;T Re-fi</u>	<u>Purchase and R&amp;T Re-fi</u>
		(740 minimum credit score)	(700 minimum credit score)
90% to \$1,500,000	80% to \$1,500,000	80% to \$2,000,000	70% to \$1,000,000
85% to \$2,000,000	75% to \$2,500,000	75% to \$3,000,000	65% to \$1,500,000
80% to \$3,000,000	70% to \$3,000,000	70% to \$4,000,000	55% to \$3,000,000
75% to \$3,500,000	65% to \$3,500,000	65% to \$5,000,000	
70% to \$4,000,000	60% to \$4,000,000	55% to \$6,000,000	
65% to \$5,000,000	55% to \$5,000,000		
60% to \$6,000,000	50% to \$6,000,000		

**Required reserves:** 6 months PITIA\* up to \$1,000,000; 12 months over \$1,000,000. For cash-out refinances, loan proceeds disbursed to Borrower may be used to meet reserve requirements.

\* If the Borrowers own investment properties which are not the Subject Property, then required reserves must be increased by 2 months PITIA for each mortgaged investment property owned by the borrowers which is not the Subject Property.

**Acceptable states:** 50 states and DC (US Territories not allowed)

**Other Info:** ARM Index - 1-yr LIBOR; Margins – owner occupied 3.25%. Floor (lifetime minimum rate) is initial note rate. Interest Only products are for a 40-year term. After the Interest Only period the loan must amortize over the remaining term. Gifts are not permitted. Escrows required. See Sprout Mortgage Sales Guide for complete details.