

SELECT ASSET OPTIMIZER

PROGRAM ID: **SP A11**

Program description: Asset Depletion

Products and Terms:

- 5/1 ARM:** Fully Amortizing
- 5/1 ARM:** With 10 year Interest-Only period
- 7/1 ARM:** Fully Amortizing
- 7/1 ARM:** With 10 year Interest-Only period
- 15-Yr Fixed:** Fully Amortizing
- 30-Yr Fixed:** Fully Amortizing

Eligible borrowers: Citizens / US persons and foreign borrowers permitted (foreign borrowers only permitted for 2nd home and investor occupancy and limited to the lesser of 60% LTV and \$2,500,000 or the 680 FICO requirements.)

Maximum debt to income ratio: 50% DTI

Minimum credit score: 660 (680 in NY). No foreclosure, bankruptcy, deed in lieu or short sale permitted in the past 24 months. If foreclosure, bankruptcy, deed in lieu or short sale between 24 and 48 months, then max 65% LTV and reserves increased by 6 months. Mortgage and Rental History: maximum 1 x 30 x 12 with 0 x 30 in the last 6 months from Note Date

Loan amounts and loan to value limits:

<u>Primary Residence / Purchase and Rate & Term Re-fi</u>	<u>Second Home / Purchase and Rate & Term Re-fi</u>	<u>Investment / Business Purpose / Purchase and Rate & Term Re-fi</u>
1-4 unit, Condo, Condotel** <i>(example based on 720 min credit score)</i>	1-2 unit, Condo, Condotel ** <i>(example based on 720 min credit score)</i>	1-4 unit, Condo, Condotel** <i>(example based on 720 min credit score)</i>
80% to \$2,500,000 *	80% to \$2,000,000 *	75% to \$1,500,000
75% to \$3,000,000	75% to \$2,500,000	70% to \$2,000,000
70% to \$3,500,000	70% to \$3,000,000	65% to \$2,500,000
65% to \$4,000,000	65% to \$3,000,000	60% to \$3,000,000
60% to \$4,000,000	60% to \$4,000,000	
<u>Primary Residence / Cash-out</u>	<u>Second Home / Cash-out</u>	<u>Investment / Business Purpose Cash-out</u>
<i>(example based on 720 min credit score)</i>	<i>(example based on 720 min credit score)</i>	<i>(example based on 700 min credit score)</i>
75% to \$2,000,000	75% to \$1,000,000	60% to \$1,500,000
70% to \$2,500,000	70% to \$2,000,000	55% to \$2,000,000
65% to \$3,000,000	65% to \$2,500,000	50% to \$2,500,000
	60% to \$3,000,000	

* 2-4 unit limited to 75% LTV ** Condotel loans limited to 65% LTV

Acceptable occupancy: Primary residences, second homes, investment properties. (For investment / business purpose Borrowers must sign a business use affidavit)

Acceptable property types: 1-4 units, warrantable / non-warrantable condo, condotels. Condotel loans limited to 65% LTV

Required reserves: 110% of the loan amount plus 6 months PITIA for loan amount <\$2MM; 110% of the loan amount plus 12 months PITIA for loan amount ≥ \$2MM

Acceptable states: All 50 states and DC (US Territories not permitted). Wholesale; verify currently licensed states

Other Info: ARM Index - 1-yr LIBOR; Margins – owner occupied 3.25%; investor-occupied 5.25%; Caps – 2% initial, 2% each year and 5% lifetime; Floor (lifetime minimum rate) - is initial note rate. 3-yr prepayment penalty required for investor occupancy / business purpose loans where permitted by law; PPP buyouts may be available. For escrow information please see the Sprout Sales Guide.