

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 subject to limitations on LTV and Loan Amount; see Sales Guide for details.)

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

-- Loans with one or more foreign borrowers: --

* 2 unit properties limited to 80% LTV; 3-4 unit properties limited to 75% LTV; Condotel loans limited to 70% LTV ** Condotel purchase transactions limited to 70% LTV; Condotel refinance transactions limited to 65% LTV	<u>2nd Home Purchase and Rate & Term Re-fi</u> 70% to \$1,000,000 65% to \$2,500,000 <u>2nd Home Cash-Out Re-fi</u> 65% to \$2,500,000	<u>Invstmnt/ Bus Purpose/ Purch and Rate & Term Re-fi</u> 70% to \$1,000,000 65% to \$2,500,000 <u>Invstmnt/ Bus Purpose/ Purch and Rate & Term Re-fi</u> 65% to \$2,500,000
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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.