



**Howard U. Prime Expanded**

Maximum LTV/CLTVs		Bank Statements, 1099 & Asset Utilization - Primary Residence		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
720 + **Exception required for Loan Amounts > \$2,000,000.	<=1,000,000	90	80	80
	1,000,001 – 1,500,000	85	80	80
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 3,000,000	75	70	70
	3,000,001 – 4,000,000	70	NA	NA
700 - 719 **Exception required for Loan Amounts > \$2,000,000.	<=1,000,000	90	80	80
	1,000,001 – 1,500,000	85	80	80
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 3,000,000	70	65	65
680 - 699** Exception required for Loan Amounts > \$2,000,000.	<=1,000,000	85	80	80
	1,000,001 – 1,500,000	85	75	75
	1,500,001 – 2,000,000	80	70	70
	2,000,001 – 3,000,000	70	65	65
660 - 679** Exception required for Loan Amounts > \$2,000,000.	<=1,000,000	80	75	75
	1,000,001 – 1,500,000	80	75	75
	1,500,001 – 2,500,000	70	65	65
<b>Housing History</b>	<b>Occupancy Restrictions - 2<sup>nd</sup> Home</b>	<b>Occupancy Restrictions – Investment</b>	<b>12 Mo Bank Statement, 1 Year 1099, &amp; Asset Utilization</b>  Price adjustor applies – see rate sheet	
0x30x12	Max LTV/CLTV: 80 - Purchase 75 - Refinance:	Max LTV/CLTV: 80 - Purchase 75 - Refinance:		
<b>Housing Event Seasoning</b>	Max Loan Amount: 2,500,000** Loan Amounts > \$2,000,000. Exception required	Max Loan Amount: 2,500,000 ** Loan Amounts > \$2,000,000. Exception required		
BK/FC/SS/DIL >=48 Months Forbearance, Mod or Deferral: See Verus Eligibility Guide				
<b>Written Verification of Employment and P&amp;L Only</b>	Max LTV 80% Purchase, Max LTV 70% refinance			

**State/CBSA Restrictions**

Overlays: Max loan amount \$2MM and 5% LTV reduction apply to all transactions secured by property in a [state or CBSA in the table](#) at the end of this document.

Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands

**General Requirements**

<b>Product Type</b>	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)		
<b>Interest Only</b>	• Min Credit Score: 660 • Max LTV: 90%		
<b>Loan Amounts</b>	• Min: 150,000 • Max: 4,000,000 **Exception required for Loan Amounts > \$2,000,000.		
<b>Loan Purpose</b>	Purchase, Rate/Term, and Cash Out		
<b>Occupancy</b>	Primary, Second Home, Investment		
<b>Property Type</b>	Single Family, Attached, Detached: No restrictions Rural: Not eligible	2-4 Units, Condominium: Max LTV/CLTV 85%	Condo Hotel Max LTV: Purchase – 75% Refinance – R/T & Cash-out – 65% Occupancy Type: Primary, 2 <sup>nd</sup> , Investment
<b>Acreage</b>	Property up to 20-acres, not meeting the rural definition, eligible. 10 or more acres limited to a max LTV/CLTV 80%		
<b>Cash-In-Hand</b>	• Max Cash-In-Hand: Unlimited		
<b>Appraisals</b>	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2 <sup>nd</sup> appraisal obtained. 2 <sup>nd</sup> Appraisal required for loans > \$2,000,000.		

**Income Requirements**

<b>Personal Bank Statements:</b>	<ul style="list-style-type: none"> <li>• 24 or 12-months of Personal and 2-months of business bank statements.</li> <li>• Qualifying income is determined by the total eligible deposits from the 24 or 12-months of personal statements divided by the number of statements.</li> <li>• The business bank statements must reflect business activity and transfers to the personal account.</li> </ul>		
<b>Business Bank Statements:</b>	<ul style="list-style-type: none"> <li>• 24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> <li>○ Fixed Expense Ratio (50%)</li> <li>○ Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10%</li> <li>○ 3rd party prepared Profit &amp; Loss Statement (CPA or EA)</li> </ul> </li> </ul>		
<b>Profit &amp; Loss Statement Only</b>	<ul style="list-style-type: none"> <li>• 24 or 12-month CPA/EA prepared Profit &amp; Loss Statement Only</li> <li>• CPA/EA/CTEC must attest they have prepared the borrower's most recent tax return</li> </ul>		
<b>Written Verification of Employment</b>	<ul style="list-style-type: none"> <li>• FNMA Form 1005</li> <li>• Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements</li> </ul>		
<b>IRS Form 1099</b>	<ul style="list-style-type: none"> <li>• 2-Years or 1-Year 1099 • Fixed Expense Ratio of 10% • YTD Documentation to support continued receipt of income from same source</li> </ul>		
<b>Asset Utilization</b>	Eligible assets divided by 84 to determine a monthly income stream		

**Underwriting Requirements**

<b>Credit Score</b>	• Use credit score of primary earner	<b>DTI Requirements</b>	Standard: max 50%
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	<ul style="list-style-type: none"> <li>• Middle of 3 scores or lower of 2</li> </ul>		
<b>Assets</b>	Min of 30-days asset verification required; any large deposit must be sourced	<b>Reserves</b>	<ul style="list-style-type: none"> <li>• LTV <math>\leq</math> 85%: 6 months of PITIA</li> <li>• LTV &gt; 85%: 12-months of PITIA</li> <li>• Loan Amount &gt; \$1.5M: 9-months of PITIA</li> <li>• Loan Amount &gt; \$2.5M: 12-months of PITIA</li> <li>• Cash out may be used to satisfy requirement</li> </ul>
<b>Gift Funds</b>	Min contribution: 5% primary, 10% investment	<b>Document Age</b>	90-days
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>• Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity</li> <li>• If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived</li> </ul>	<b>Prepayment Penalty - Investment Property Only</b>	<ul style="list-style-type: none"> <li>• Prepayment periods up to 5-Years eligible, see rate sheet</li> <li>• Penalties not allowed in AK, KS, MI, MN, NM, and RI</li> <li>• Penalties not allowed on loans vested to individuals in IL and NJ</li> <li>• Penalties not allowed on loan amounts less than \$301,022 in PA</li> <li>• Only declining prepayment penalty structures allowed in MS</li> </ul>