

PrimeGen Non-QM Product Matrix: Alternative Documentation

Effective 8.15.2023

Maximum LTV/CLTVs		Alt Doc - Bank Statements and 1099 - Primary Residence		
Credit Score	Loan Amount	Purchase / Rate & Term	Debt Consolidation	Cash-Out Refinance
760 +	≤1,500,000	90	80	80
	1,500,001 – 2,000,000	90 85	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
	3,000,001 – 3,500,000	75	70	70
740 - 759	≤1,500,000	90 85	80	80
	1,500,001 – 2,000,000	90 85	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
	3,000,001 – 3,500,000	75	70	70
720 - 739	≤1,500,000	85	80	80
	1,500,001 – 2,000,000	80	80	80
	2,000,001 – 2,500,000	80	75	75
	2,500,001 – 3,000,000	80	75	70
	3,000,001 – 3,500,000	75	70	70
700 - 719	≤1,500,000	85	80	80
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 2,500,000	80	75	70
	2,500,001 – 3,000,000	75	70	70
	3,000,001 – 3,500,000	75	70	70
680 - 699	≤1,500,000	80	75	75
	1,500,001 – 2,000,000	80	75	75
	2,000,001 – 2,500,000	75	70	70
	2,500,001 – 3,000,000	70	65	65
660 - 679	≤1,000,000	80	75	75
	1,000,001 – 1,500,000	75	70	70
	1,500,001 – 2,500,000	70	65	65
640 - 659	≤1,000,000	75	70	70
	1,000,001 – 1,500,000	75	70	65
	1,500,001 – 2,000,000	70	65	60
Credit Score	Occupancy Restrictions - 2 nd Home		Occupancy Restrictions - Investment (Business Purpose)	
760 +	Lessor of LTV in Matrix Above or		Lessor of LTV in Matrix Above or	
	Purchase or R/T Refi	85	Purchase or R/T Refi	85
	Cash Out	80	Cash Out	80
640 - 759	Reduce OO LTV by 5%		Reduce OO LTV by 5%	
	Purchase or R/T Refi	Maximum 80	Purchase or R/T Refi	Maximum 80
	Cash Out	Reduce OO by 5%	Cash Out	Reduce OO by 5%
Housing History and Housing Event Seasoning Restrictions				
Housing History	1x30x12	2x30x12	0x60x12	0x90x12 (OO Only)
BK/FC/SS/DIL/Mod Ch 13 use filing or dismissal date	≥ 48 Months	≥ 36 Months	≥ 24 Months	≥ 12 Months
Maximum LTV/CLTV	90	80	70	65
Max LTV Cash Out	80	75	70	Not Applicable
Maximum Loan Amount	3,500,000	3,000,000	2,000,000	2,000,000

PrimeGen Credit Matrix - Alternative Income Documentation

General Requirements	
Product Types	<ul style="list-style-type: none"> 40-Year Fixed, 30-Year Fixed, 15-Yr Fixed, 40-yr Fixed I/O = Max 80% LTV
Interest Only	<ul style="list-style-type: none"> Min Credit Score: 680 Max LTV: 80% 120 Month I/O Period Qualify with Interest Only Pymt
Loan Amounts	<ul style="list-style-type: none"> Min: 125,000 125,000 - \$149,999 Reduce Maximum LTV by 5% Max: 3,500,000
Occupancy	Primary, Second Home, Investment (no business purpose)
Loan Purpose	Purchase, Rate/Term, Debt Consolidation and Cash Out (Purchase money flips not allowed - seller must be on title for 180 days)
Cash Out	<ul style="list-style-type: none"> Minimum of 6 (six) months seasoning from most recent transaction If LTV ≤ 60% - Unlimited Cash-in-Hand If LTV > 60% - Maximum \$750K or unlimited with 18 Months Reserves exclusive of cash back Condos - Maximum 75% LTV
Debt Consolidation	<ul style="list-style-type: none"> Primary Resident Only Non Occupant Co-Borrower Not Allowed Maximum \$5K Cash-in-Hand Total debt savings 10% or greater; Must Recoup CC < 60 Months Max Consumer Debt 0x60x6 Min 3 Mos Reserves - no add'l reserves required for other loan features If LTV > 80%: OO SFR Only, Maximum 43% DTI, Max Loan Amount \$1.5M, Max non-MTG debt paid \$250K
2-1 Temporary Buydown Purchase Option	<ul style="list-style-type: none"> Min Credit Score: 680 O/O and N/O/O Qualify at Full Payment Max LTV: 80% 30-Year Fixed Rate Only Seller or Builder Funded Only Max DTI: 50% Mixed Use FN and ITIN Not Eligible See Guidelines for Interested Party Contributions
Appraisals	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection 2nd Full Appraisal Required for loans > \$2,000,000 Appraisal Review Product to be ordered on all loans with an SSR over 2.5 with the exception of those with a full second appraisal.
Property Type	<ul style="list-style-type: none"> Single Family, Attached, Detached, Condominiums, 2-4 Unit Condotels
Condo/Units LTV	<ul style="list-style-type: none"> Warrantable Max 80% LTV Non-Warrantable 80% Max LTV 2-4 Units Max 80% LTV
Condotel	<p><u>NOO Purchase or Rate/Term LTV:</u></p> <ul style="list-style-type: none"> 700+ Max 75%; 680-699 Max 70% Maximum Loan Amount: \$1.5M Minimum 400 Square Feet Maximum Cash Out: \$250K Must have a kitchen and 1 full separate bedroom <p><u>NOO Cash-Out LTV:</u></p> <ul style="list-style-type: none"> 700+ Max 65%; 680-699 Max 60% If Free & Clear: Max 50% LTV Must be in a resort area or affiliated with a national hotel chain 6 Months Reserves Required
Declining Markets	<ul style="list-style-type: none"> Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV
Rural Property	<ul style="list-style-type: none"> Rural properties (as defined in the Guides) permitted up to 80% LTV; Max 20 acres
Income Guidelines	
Personal Bank Statements	<ul style="list-style-type: none"> 24 or 12-months of Personal and 2-months of business bank statements Qualifying income is determined by the total eligible deposits from the 24 or 12-months of personal statements divided by the number of statements. The business bank statements must reflect business activity and transfers to the personal account. Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment)
Business Bank Statements	<ul style="list-style-type: none"> 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"> Fixed Expense Ratio (50%); OR Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10%; OR 3rd party P&L Stmt (CPA or EA) Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment) Note* Business narrative acceptable to be completed certified signed and dated by borrower
1099	<ul style="list-style-type: none"> 2-Years or 1-Year 1099 Fixed Expense Ratio of 10% > 85% LTV up to \$1.5M YTD Documentation to support continued receipt of income from same source

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Income Guidelines (Continued)	
P&L and 2 Mos Bank Statements	<ul style="list-style-type: none"> • 24 or 12-month P&L, prepared by CPA or EA or PTIN licensed Tax Preparer • Minimum of 2-months business bank statements • Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment) • Minimum 760 score required for > 85% LTV to Max \$1.5M
P&L Only	<ul style="list-style-type: none"> • 700 Minimum Credit Score • Maximum Loan Amount: \$1.5M • Max LTV 80% Owner Occupied; 75% NOO and 2nd Home • 24 or 12 month P&L; prepared by CPA or EA. CPA must also attest to having prepared the borrower's most recent tax returns. • Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history • Not permitted with Express or for licensed professionals with a business in existence for one year
Asset Utilization	<ul style="list-style-type: none"> • Eligible assets divided by 60 to determine a monthly income stream; or if DTI is 60% or less without using assets for income, divide eligible assets by 36 months to determine qualifying income. • Purchase/Rate and Term; follow LTV limits on matrix for owner occupied; reduce 10% for NOO and 5% for second home • Cash Out; follow LTV limits on matrix for owner occupied; reduce 10% for NOO and 5% for second home • Maximum loan amount \$3,000,000
One-Year Self Employment option for licensed professionals	<ul style="list-style-type: none"> • Self-employed licensed professionals considered from a business in existence less than two (2) years but greater than one (1) year provided the borrower has at least three (3) years documented experience in the same profession, or evidence of formal education in a related field. • 700 Minimum Credit Score • Max LTV 80% Owner Occupied; 75% NOO and 2nd Home • Not permitted with Express • Not available for P&L only documentation type
Underwriting Guidelines	
Credit Score	<ul style="list-style-type: none"> • Middle of 3 scores or lower of 2 for Primary Income- Earner. • Additional borrowers must have a minimum score of 540.
Tradelines	<ul style="list-style-type: none"> • Primary wage earner has 3 scores; <u>or</u> 2 open and reporting 24-mos; <u>or</u> 3 open and reporting 12-mos; <u>or</u> 24-mos mortgage rating reporting on credit • NOTE: ITINs must follow trade requirements and must reference credit pulled from ITIN number. Please refer to guidelines for details
DTI	<ul style="list-style-type: none"> • Max 50% • 40-Year Fixed Must Qualify as a 30-Year at 55% DTI or less
Residual Income	<ul style="list-style-type: none"> • OO and 2nd Homes Only • Gross Monthly Income Less Total Monthly Obligations (2 persons) \$2500 for additional household member \$150 each add dependent
Assets	<ul style="list-style-type: none"> • 30-Day Asset Verification Required • Deposits > 50% of gross income must be sourced and seasoned on purchases
Reserves	<ul style="list-style-type: none"> LTVs > 85: • 760 Score & Loan Amt <= \$1.5M: 6 months PITIA • 760 Score & Loan Amt > \$1.5M: 12 months PITIA • 12 or 24 Months Bank Statements Only: > \$1.5M to \$2.0M & 740+ Score: 12 months PITIA LTVs <= 85%: • Loan Amount <= \$1.5M: 6 months PITIA • Loan Amount > \$1.5M: 9 months PITIA • Loan Amount > 2.5M: 12 months • Debt Consolidation: 3 months • * Cash out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> • Gift funds permitted provided borrower meets minimum contribution: 5% primary residence; 10% second home/investment • Gift funds not permitted to be used towards reserves
FTHB	<ul style="list-style-type: none"> • First-Time Homebuyers permitted to a maximum loan size of \$1.5m on O/O and 2nd Homes
Document Age	<ul style="list-style-type: none"> • 90-Days
Prepayment Penalty (PPP) - Investment Property Only	<ul style="list-style-type: none"> • PPP periods up to 5-Years eligible, see rate sheet • PPP not allowed in AK, DE, KS, MI, MN, NM, OH, and RI • PPP not allowed on loans vested to individuals in MD and NJ • IL, Cook County. Permitted when vested in an entity and rate is < 8% AND loan amount > \$250K. All other counties permitted when vested in an entity and rate is < 8%. • PA: Allowed regardless of loan size when closing in the name of an entity/LLC. When closing in the borrower's name: Penalties not allowed on loan amounts less than \$301,022 • declining prepayment penalty structures not allowed

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PrimeGen Express Alternative Documentation Underwriting Guidelines				
Method	• DU Approve Eligible and Approve/Ineligible		• Ineligibility only due to loan size or feature, such as IO	
Credit	• Follow AUS with the exception of housing history must be 0x30x12 and no extenuating circumstances for BK/Housing event			
Income	• Follow program documentation requirements		• Follow program DTI restrictions	
	• Not permitted with P&L Only or for One Year Self-Employed licensed professionals			
Residual Income	• OO and 2nd Homes Only	• Gross Monthly Income Less Total Monthly Obligations	• \$2500 plus \$250 for 1st dependent and \$125 for each add'l dependent	
Reserves	LTVs > 85%: • 760 Score & Loan Amt <= \$1.5M: 6 months PITIA • 760 Score & Loan Amt > \$1.5M: 12 months PITIA • 12 or 24 Months Bank Statements Only: > \$1.5M to \$2.0M & 740+ Score: 12 months PITIA			
	LTVs <= 85%: • Loan Amount <= \$1.5M: 6 months PITIA • Loan Amount > \$1.5M: 9 months PITIA • Loan Amount > 2.5M: 12 months Consolidation: 3 Months Cash out may be used to satisfy requirement			• Debt
Appraisals/Property	• Appraisal Waiver not Allowed	• Reduced Condo Review not Allowed	• 2 appraisals required for loan amounts > \$2,000,000	
FTHB	• First-Time Homebuyers permitted to a maximum loan size of \$1.5m on O/O and 2nd Homes			
Document Age	• 90-Days			
Alternative Documentation ITIN				
Credit Score	Purchase/RT Refi OO	Cash Out OO	Purchase/RT Refi 2nd Home/NOO	Cash Out 2nd Home/NOO
720+	80	80	75	70
700 - 719	80	80	75	70
660 - 699	80	80	70	65
Max Loan Size	1,500,000	1,500,000	1,500,000	1,500,000
ITIN Requirements	<ul style="list-style-type: none"> • Minimum loan amount \$150,000 • Max 50% DTI • Express guidelines not available • 12 or 24 Mo Doc Types Available • Reserves: 6 mos seasoned 60 days • Gift funds allowed w/10% own funds • Cash out on a free and clear property = lesser of max LTV 60% or \$500K cash out • Non-Traditional Credit permitted with LTV of 80% or less (see guides for details) • All gift permitted with LTV 75% or less on OO loans • ITIN must be valid. If expires within 6 mos, provide W7 filed with the IRS • All property types above permitted however condos must be warrantable • Reference of SS# not allowed on credit report - only pull ITIN# (Note: 2-4 units OO, 2nd home, and NOO not allowed)			

PrimeGen Credit Matrix - Alternative Income Documentation

Product Description	Product Code
PrimeGen 30-Year Fixed Rate Alternative Full Documentation	PG30 ALT
PrimeGen 15 Year Fixed Rate Alternative Documentation	PG15 ALT
PrimeGen 40 Year Fixed Rate Alternative Documentation	PG40 ALT
PrimeGen 40 Year Fixed Rate Interest Only Alternative Documentation	PG40IO ALT
ITIN 30 Year Fixed Rate Alternative Documentation	I30 ALT
ITIN 15 Year Fixed Rate Alternative Documentation	I15 ALT
ITIN 40 Year Fixed Rate Alternative Documentation	I40 ALT
ITIN 40 Year Fixed Rate Interest Only Alternative Documentation	I40IO ALT
Foreign National 30 Year Fixed Rate Alternative Documentation	FN30 ALT
Foreign National 15 Year Fixed Rate Alternative Documentation	FN15 ALT