

Conventional Conforming Fixed Matrix				
PURCHASE AND RATE TERM REFINANCE				
Occupancy	Units	FICO	DU LTV/CLTV/HCLTV <sup>1</sup>	LP LTV/CLTV/HCLTV <sup>1</sup>
Primary Residence	1	620	97/97/97 <sup>2</sup>	95/95/95
	2	620	85/85/85	80/80/80
	3-4	620	75/75/75	80/80/80
Second Home	1	620	90/90/90	85/85/85
Investment Property	1	620	<b>Purchase 85/85/85 Rate/term 75/75/75</b>	<b>Purchase 85/85/85 Rate/term 75/75/75</b>
	2-4	620	75/75/75	75/75/75
CASH-OUT REFINANCE				
Occupancy	Units	FICO	DU LTV/CLTV/HCLTV <sup>1</sup>	LP LTV/CLTV/HCLTV
Primary Residence	1	620	80/80/80	80/80/80
	2-4	620	75/75/75	75/75/75
Second Home	1	620	75/75/75	75/75/75
Investment Property	1	620	75/75/75	75/75/75
	2-4	620	70/70/70	70/70/70
Program Matrix Notes				
<ul style="list-style-type: none"> <li>• 1 unit includes attached/detached single family and PUD, low and high condo, and modular home</li> <li>• Maximum loan amount equals conforming loan limit</li> <li>• Please see underwriting guidelines for additional program details               <ol style="list-style-type: none"> <li>1. Minimum FICO for loans requiring mortgage insurance. Some states may be subject to limited MI availability, or require higher FICOs, or LTV reductions.</li> <li>2. LTV/CLTV/HCLTVs &gt; 95% have the following restrictions:                   <ul style="list-style-type: none"> <li>• Purchase transactions are allowed if at least 1 borrower is a first time homebuyer.</li> <li>• Rate term refinance transactions are allowed if the existing loan being refinanced is owned (or securitized) by Fannie Mae. Documentation may come from:                       <ul style="list-style-type: none"> <li>◦ the lender's servicing system,</li> <li>◦ the current servicer (if the lender is not the servicer),</li> <li>◦ Fannie Mae's <a href="#">Loan Lookup tool</a>, or</li> <li>◦ any other source as confirmed by the lender.</li> </ul> </li> <li>• Must be DU Approve/eligible.</li> </ul> </li> </ol> </li> </ul>				

Note: All Product Revised on 02/08/2016.

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Product Detail	Product Guidelines
<b>AUS</b>	<ul style="list-style-type: none"> <li>• Desktop Underwriter (DU) with "Approve/Eligible" Findings</li> <li>• Loan Prospector (LP) with "Accept" Recommendation</li> <li>• Manual UW is not allowed.</li> </ul>
<b>Ability to Repay/Qualified Mortgage Rule</b>	<ul style="list-style-type: none"> <li>• American Lending will purchase only Safe Harbor Qualified Mortgages as defined under HUD and the Dodd-Frank Wall Street Reform and Consumer Protection Act.</li> </ul>
<b>Age of Documents</b>	<ul style="list-style-type: none"> <li>• For existing construction, credit documents must be no more than 120 days old on the date the note is signed, including credit reports and employment, income and asset documents.</li> <li>• For new construction, credit documents must be no more than 120 days old on the date the note is signed, including credit reports and employment, income and asset documents.</li> <li>• Preliminary Title Policies must be no more than 180 days old on the date the note is signed.</li> </ul>
<b>Amortization Type</b>	<ul style="list-style-type: none"> <li>• Fixed</li> </ul>
<b>Appraisals</b>	<p>Appraisal transfers are not allowed.</p> <p><b>DU Note:</b> Determined by DU Findings. Property Inspection Waiver (PIW), through DU is acceptable with a \$75 delivery fee.</p> <p><b>LP Note:</b> Determined by LP Findings. Property Inspection Alternative (PIA), through LP is acceptable with a \$50 delivery fee.</p> <p><b>Guidelines:</b></p> <ul style="list-style-type: none"> <li>• If the effective date of the appraisal is more than 120 days before the Note Date, and not more than 12 months before the Note Date, an appraisal update with at least an exterior-only inspection is required. If the effective date of the appraisal is more than 12 months before the Note Date, a new appraisal with an interior and exterior inspection is required.</li> </ul> <p>American Lending will purchase loans secured by properties with "unpermitted" structural additions under the following conditions:</p> <ul style="list-style-type: none"> <li>• The subject addition complies with all investor guidelines;</li> <li>• The quality of the work is described in the appraisal and deemed acceptable ("workmanlike quality") by the appraiser;</li> <li>• The addition does not result in a change in the number of units comprising the subject property (e.g. a 1 unit converted into a 2 unit).</li> <li>• If the appraiser gives the unpermitted addition value, the appraiser must be able to demonstrate market acceptance by the use of comparable sales with similar additions and state the following in the appraisal:             <ul style="list-style-type: none"> <li>◦ Non-Permitted additions are typical for the market area and a typical buyer would consider the "unpermitted" additional square footage to be part of the overall square footage of the property.</li> <li>◦ The appraiser has no reason to believe the addition would not pass inspection for a permit.</li> </ul> </li> <li>• Recert of values in accordance with Agency guidelines are acceptable.</li> </ul>

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<p><b>Assets</b></p>	<ul style="list-style-type: none"> <li>• Follow AUS</li> <li>• When a bank account or asset statement indicates FBO (for the betterment of) or ITF (Trust Account) confirmation that the client of record has access to the account (is either the beneficiary or the trustee) is required. This can be satisfied by the following:               <ul style="list-style-type: none"> <li>○ Copy of the trust or trust certificate indicating they are the beneficiary or trustee</li> <li>○ Their name matches the FBO account</li> </ul> </li> </ul>
<p><b>Assignment of Mortgages</b></p>	<ul style="list-style-type: none"> <li>• All loans must be registered with MERS at time of delivery and a MERS transfer of beneficial rights and transfer of servicing right must be initiated by the Seller, within 24-hours of purchase.</li> </ul>
<p><b>Borrower Eligibility</b></p>	<ul style="list-style-type: none"> <li>• All borrowers must have a Social Security Number</li> <li>• U.S. citizens</li> <li>• LP: Non-owner occupied transactions cannot close in the name of a Trust</li> <li>• Permanent resident aliens, with proof of lawful permanent residence</li> <li>• Non-permanent resident alien:       <ul style="list-style-type: none"> <li>○ No restriction on LTV, occupancy type, or transaction type.</li> <li>○ A valid social security number is required. However, a social security card may not be used as evidence of employment eligibility.</li> <li>○ All non-permanent resident aliens must provide evidence of a valid, acceptable visa or EAD as listed within documentation requirements below.</li> <li>○ When utilizing an acceptable visa, a copy of the unexpired visa and a copy of passport must be included in the loan file. The following are acceptable visa classifications:           <ul style="list-style-type: none"> <li>- A Series (A-1, A-2, A-3) E Series (E-1, E-2) Treaty Trader</li> <li>- G series (G-1, G-2, G-3, G-4, G-5) H-1, Temporary Worker</li> <li>- L-1, Intra-Company Transferee</li> <li>- TN, NAFTA visa</li> <li>- TC, NAFTA visa</li> </ul> </li> <li>○ I-797 documents can be utilized in lieu of a VISA if it meets the following criteria:           <ul style="list-style-type: none"> <li>- I-797 evidences an approval for an acceptable VISA class</li> <li>- The approval term is not expired</li> <li>- Visa extension is current with an end date that meets Caliber Home Loans policy.</li> </ul> </li> <li>○ Employment Authorization Documents are permitted as long as the meet the following criteria:           <ul style="list-style-type: none"> <li>- If the borrower has &lt;2 years within the US, a copy of a Passport used to enter the country and a copy of the I-94 issued by the USCIS are required.</li> <li>- If the borrower has &gt; 2 years within the US, a copy of the current and previous EAD cards are required.</li> </ul> </li> <li>○ Loans to non-citizens who have been granted political asylum require underwriting to non-permanent resident alien guidelines must provide:           <ul style="list-style-type: none"> <li>- An unexpired Arrival and Departure Records (INS Form I-94); and</li> <li>- Copies of their employment authorization documents.</li> </ul> </li> <li>○ If the authorization for temporary residency status will expire within 3 months or if it is set to expire, confirmation from USCIS that employer has re-filed petition of extension is required. If there are no prior renewals, proof of a three year continuance must be determined, based on information from USCIS.</li> <li>○ An individual classified under Diplomatic Immunity, Temporary Protected Status, Deferred Enforced Departure, or Humanitarian Parole is not eligible.</li> </ul> </li> </ul>

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	<ul style="list-style-type: none"> <li>○ Non-permanent residents must be employed in the U.S. if income is used to qualify.</li> <li>○ If a non-permanent resident alien is borrowing with a U.S. citizen, it does NOT eliminate or reduce any documentation requirements.</li> <li>○ ITIN's are not allowed</li> </ul>																	
<b>Condominiums / PUDs</b>	<ul style="list-style-type: none"> <li>• DU loans must meet Fannie Mae condominium guidelines and LP loans must meet Freddie Mac condominium guidelines.</li> </ul>																	
<b>Construction to Permanent Financing</b>	<ul style="list-style-type: none"> <li>• Two time closings are allowed per Fannie and Freddie guidelines.</li> <li>• One time closings cannot be delivered to American Lending until the construction is completed and the terms of the construction loan have converted to the permanent financing.               <ul style="list-style-type: none"> <li>○ LP loans: Can be closed as a purchase or rate term transaction. Allowed per Freddie guidelines.</li> <li>○ DU loans: Must be closed as a rate term transaction. The Borrower may have acquired the land through a purchase, inheritance, gift or divorce settlement. Follow Fannie Mae for additional guidelines.</li> </ul> </li> </ul>																	
<b>Credit</b>	<ul style="list-style-type: none"> <li>• Any debt not reported on the credit report must be documented as being repaid in a satisfactory manner.</li> <li>• Credit report inquiries: follow AUS.</li> <li>• Must payoff any existing judgments or tax liens.</li> </ul>																	
<b>Debt/Liabilities</b>	<ul style="list-style-type: none"> <li>• Determining Monthly Payments on Revolving Accounts:               <ul style="list-style-type: none"> <li>○ DU: If the credit report does not show a required minimum payment amount and there is no supplemental documentation to support a payment, 5% of the outstanding balance must be used as the borrower's recurring monthly debt obligation. Open 30-day charge accounts are not required to be included in the debt-to-income ratio.</li> <li>○ LP: If the credit report does not show a required minimum payment amount for a revolving or open-end account and there is no supplemental documentation to support a payment, 3% of the outstanding balance must be used as the borrower's recurring monthly debt obligation.</li> </ul> </li> </ul>																	
<b>Derogatory Credit</b>	<ul style="list-style-type: none"> <li>• Waiting Periods are as determined by AUS.</li> <li>• Extenuating circumstances are allowed with a DU approve/eligible.</li> <li>• Manual underwriting is not allowed.</li> </ul> <table border="1" data-bbox="423 1472 1463 1833"> <thead> <tr> <th data-bbox="423 1472 756 1514">Derogatory Event</th> <th data-bbox="756 1472 1130 1514">DU Waiting Period</th> <th data-bbox="1130 1472 1463 1514">LP Waiting Period</th> </tr> </thead> <tbody> <tr> <td data-bbox="423 1514 756 1549">Bankruptcy Ch. 7-11</td> <td data-bbox="756 1514 1130 1549">4 years</td> <td data-bbox="1130 1514 1463 1549">4 years</td> </tr> <tr> <td data-bbox="423 1549 756 1623">Bankruptcy Ch.13</td> <td data-bbox="756 1549 1130 1623">2 years from discharge date 4 years from dismissal date</td> <td data-bbox="1130 1549 1463 1623">2 years from discharge date 4 years from dismissal date</td> </tr> <tr> <td data-bbox="423 1623 756 1696">Multiple Bankruptcy</td> <td data-bbox="756 1623 1130 1696">5 years if more than one filing within the past 7 years</td> <td data-bbox="1130 1623 1463 1696">5 years</td> </tr> <tr> <td data-bbox="423 1696 756 1833">Foreclosure</td> <td data-bbox="756 1696 1130 1833">7 years Extenuating circumstance: 3 years with DU approve/eligible "Confirmed"</td> <td data-bbox="1130 1696 1463 1833">7 years</td> </tr> </tbody> </table>			Derogatory Event	DU Waiting Period	LP Waiting Period	Bankruptcy Ch. 7-11	4 years	4 years	Bankruptcy Ch.13	2 years from discharge date 4 years from dismissal date	2 years from discharge date 4 years from dismissal date	Multiple Bankruptcy	5 years if more than one filing within the past 7 years	5 years	Foreclosure	7 years Extenuating circumstance: 3 years with DU approve/eligible "Confirmed"	7 years
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Product Detail	Product Guidelines		
	Derogatory Event	DU Waiting Period	LP Waiting Period
		CR FC EC,"	
	Deed-in-Lieu of Foreclosure, Preforeclosure Sale, Short Sale, Mortgage Debt Charge Off	4 years Extenuating circumstance: 2 years with DU approve/eligible	Per LP
<b>Documentation</b>	<ul style="list-style-type: none"> <li>• Full</li> <li>• Determined by AUS</li> </ul>		
<b>Down Payment Requirements</b>	As determined by AUS.		
<b>Down Payment Assistance</b>	<p>Allowed per Agency guidelines.            Employer Assistance Homeownership (EAH) is acceptable in accordance with Agency guidelines.            Mortgage Credit Certificates (MCCs) are not allowed.</p>		
<b>Employment / Income Verification</b>	<ul style="list-style-type: none"> <li>• For salaried employees the verbal verification of employment must be completed within 10 business days prior to the note date.</li> <li>• For self-employed borrowers the verbal verification of employment must be completed within 30 days prior to the note date.</li> <li>• W-2 transcripts provided by the IRS may be used in place of IRS W-2's.</li> <li>• For borrowers in the military, a military Leave and Earnings Statement dated within 30 days prior to the note date is acceptable in lieu of a verbal verification of employment.</li> <li>• Provide a written analysis of the income used to qualify the borrower on the Transmittal Summary or like document(s) in the file. An Income Analysis must be completed for self- employed borrowers.</li> <li>• Assets as a basis of qualification is acceptable per Agency guidelines.</li> <li>• Government/Public Assistance Income (commonly known as Section 8) is allowed.</li> </ul> <p><b>Projected (Future) Income</b></p> <p>DU loans:</p> <ul style="list-style-type: none"> <li>• Projected income is allowed on purchase transactions of a primary residence only. If employment begins after the loan closes, the borrower's offer for future employment may be used to underwrite and close the loan. Additional requirements:               <ul style="list-style-type: none"> <li>○ Contract for future employment must be included in file.</li> <li>○ History of employment in the same field.</li> <li>○ A paystub is not required at time of delivery, however American Lending will not purchase the loan until the paystub is received and incorporated into the file. Income and employment history must be documented per DU findings; therefore, if DU requires a paystub evidencing 30 days of income, then that documentation must be obtained before the loan can be purchased.</li> <li>○ Standard defective delivery fees apply.</li> </ul> </li> </ul>		

Product Detail	Product Guidelines
	<p>LP Loans:</p> <ul style="list-style-type: none"> <li>• Projected income is allowed on purchase transactions of a primary 1 unit residence only. The calculation of the Borrower's stable monthly income and documentation of the amount in the file may include income from a future salary increase or income from future primary employment, provided that:               <ul style="list-style-type: none"> <li>(a) in connection with income received from a salary increase;                   <ul style="list-style-type: none"> <li>o Loan must be approved though LP.</li> <li>o the Borrower's employer verifies in writing the amount and effective date of that salary increase and the documentation is retained in the mortgage file;</li> <li>o the effective date of the salary increase must be no more than 45 days after the Note Date; and</li> <li>o a verbal verification of employment (VOE) is required;</li> </ul> </li> <li>(b) in connection with income from future primary employment;                   <ul style="list-style-type: none"> <li>o Loan must be approved though LP.</li> <li>o the Borrower's employment offer must be non-contingent and the non-contingent offer letter must be retained in the file;</li> <li>o the Borrower's written acceptance of the employment offer must be retained in the file;</li> <li>o the time frame between the Mortgage Note Date and the commencement of employment (the employment gap) must not exceed 45 days;</li> <li>o the Borrower must have adequate cash reserves after the Note Date to pay the monthly housing expense, during the employment gap plus one additional month; and</li> <li>o a verbal VOE in connection with the Borrower's future primary employment is not required.</li> </ul> </li> </ul> </li> </ul> <p><b>Marijuana Related Business (MRB)</b> Marijuana Related Business (MRB) employment and income is not permitted.</p>
<p><b>Escrow Holdbacks</b></p>	<ul style="list-style-type: none"> <li>• If adverse weather conditions prevent completion of the repairs, American Lending will permit escrow accounts established by the Seller for postponed improvements provided they comply with <b>Fannie Mae and Freddie Mac requirements</b>. American Lending will leave the work of managing the escrow funds with the Seller at time of loan funding. It will be the Seller's responsibility to monitor and disburse the funds in escrow and provide American Lending with a clear final inspection.</li> <li>• Additional requirements:           <ul style="list-style-type: none"> <li>o Lender must provide a 1004D confirming completion of the repairs within 90 days from closing on loans where appraisal is "subject to" completion of improvements.</li> <li>o Lender must provide a final title policy endorsement that ensures the priority of the first lien.</li> <li>o Escrow Holdback items must be minor in nature</li> <li>o Max allowable cannot exceed 10% of the value of the property or \$5000 whichever is less</li> </ul> </li> </ul>
<p><b>Escrow Waivers</b></p>	<p>Escrow accounts are required if LTV &gt; 80%, except where prohibited by state law.</p>
<p><b>FICO</b></p>	<ul style="list-style-type: none"> <li>• All borrowers must have a minimum of one credit score to be eligible.</li> <li>• 620 regardless of AUS findings</li> </ul>

Product Detail	Product Guidelines
<p><b>Financing Concessions</b></p>	<ul style="list-style-type: none"> <li>• Financing concessions for primary residences and second homes must be within the following allowable percentages:               <ul style="list-style-type: none"> <li>○ 9% of value with LTV/CLTV ratios less than or equal to 75%</li> <li>○ 6% of value with LTV/CLTV ratios greater than 75% up to and including 90%</li> <li>○ 3% of value with LTV/CLTV ratios greater than 90% -The maximum financing concession for investment properties is 2% of value regardless of the LTV ratio</li> </ul> </li> <li>• Value is the lesser of the sales price or appraised value</li> </ul> <p>DU: Property Seller cannot pay for future HOA dues</p>
<p><b>High Cost / High Priced</b></p>	<p>Not Allowed</p>
<p><b>Interested Party /Non- Arm's Length Transactions</b></p>	<p>Non-arm's length transactions are purchase transactions in which there is a relationship or business affiliation between parties to the transaction such as family members, employer/employee, or principal/agent. This relationship may influence the transaction; therefore, at a minimum, American Lending requires the following:</p> <ul style="list-style-type: none"> <li>• These transactions include, but are not limited to:           <ul style="list-style-type: none"> <li>○ Family sales or transfers.</li> <li>○ Corporate sales or transfers.</li> <li>○ Borrowers employed in the real estate or construction trades who are involved in the construction, financing, or sale of the subject property.</li> <li>○ Some transactions involving principals or a lender or other vendor (such as an appraiser, settlement agent, or title company) who is involved in the lending process of the subject property.</li> </ul> </li> <li>• Non-arm's length sales transactions are generally permitted for primary residences. However, if the borrower is purchasing from a builder who is buying his or her existing residence, the transaction is not eligible for financing.</li> <li>• Purchase of second homes and investment properties are not eligible for financing.</li> <li>• Transactions must be fully disclosed as non-arm's length and require close examination to ensure the equity position is not compromised.</li> <li>• A non-arm's length transaction is not permitted if the subject property is in foreclosure or a Notice of Default has been filed.</li> <li>• Non-arm's length transactions require full documentation for assets and income, regardless of the AUS findings. (i.e.2 years for income and 2 months for assets).</li> <li>• The file must include all of the following documentation:           <ul style="list-style-type: none"> <li>○ Copy of the canceled earnest money check to verify payment to the seller.</li> <li>○ Verification that the borrower is not now on title and has not been on title within the past 24 months.</li> <li>○ Payment history for the existing mortgage (verification of seller's mortgage) on the subject property must be obtained. It must show that the loan is paid current and has no pattern of delinquency within the past 12 months.</li> <li>○ Borrower must provide a written explanation stating the relationship to the seller and the reason for purchase.</li> <li>○ The transaction must make sense and it must be apparent that the borrower will occupy the property as a primary residence.</li> </ul> </li> <li>• A full appraisal must be obtained regardless of the AUS findings. The appraiser must be informed of the non-arm's length transaction and address whether or not the market value has been affected by the relationship of the parties.</li> </ul>

Product Detail	Product Guidelines
<b>Lien Position</b>	First
<b>Maximum Loan Amount</b>	Conforming limit
<b>Minimum Loan Amount</b>	\$100,000
<b>Mortgage Insurance</b>	<ul style="list-style-type: none"> <li>• Standard Coverage Required.</li> <li>• Financed MI is acceptable. The gross LTV cannot exceed American Lending’s program maximum.</li> <li>• Lender paid single premium and borrower paid single premium MI is acceptable.</li> <li>• Split Premium MI is acceptable. Split MI allows a portion to be collected upfront at closing, and a lesser monthly premium be added to the borrower’s monthly mortgage payment. The upfront premium may be paid by the borrower, seller, or a combination of both. Any amount paid by the seller must be included in the maximum seller contribution calculation. A portion of the premium may not be financed. Split Premium MI is allowed up to the max LTV for the product.</li> </ul>
<b>Number of Financed Properties</b>	<ul style="list-style-type: none"> <li>• American Lending will purchase a maximum of 4 properties per borrower.</li> <li>• When the subject property is a primary residence, the borrower may have unlimited financed properties.</li> <li>• When the subject property is a second home or investment property, the borrowers may not have more than 10 financed properties per Fannie Mae guidelines. (No exceptions) <ul style="list-style-type: none"> <li>○ This limitation includes joint or total ownership and is cumulative across all borrowers on the loan including borrowers who are obligated on the note without being the owner of record. This must be manually applied on all loans, as applicable, regardless of AUS requirements.</li> <li>○ For LP loans: standard reserves, FICO, and LTV/CLTV requirements allowed per the Program Matrix apply. For DU loans, follow the below “5 or 10 Financed Properties” section.</li> </ul> </li> </ul> <p><b>5 or 10 Financed Properties (DU Loans only)</b> Investor and second home borrowers with five or six financed properties must meet the following eligibility and underwriting requirements:</p> <ul style="list-style-type: none"> <li>• This section applies to DU loans only. LP loans may follow standard FICO, LTV/CLTV, and reserve requirements per Freddie Mac requirements. <ul style="list-style-type: none"> <li>○ DU is not able to determine the exact number of financed properties the borrower owns or is obligated on, but does issue a message on second home and investment property transactions when the borrower appears to have other financed properties. These eligibility and underwriting requirements must be manually applied.</li> <li>○ DU loans: 6 months reserves for each second home or investment property.</li> <li>○ DU loans: DU Refi Plus and Relief Refi loans are exempt from these requirements.</li> </ul> </li> </ul> <p><b>DU Loans:</b> Borrowers may not have more than 10 financed properties per Fannie Mae guidelines. <b>LP Loans:</b> Borrowers may not have more than 6 financed properties per Freddie Mac guidelines.</p>



Product Detail	Product Guidelines		
<p><b>Number of Financed Properties</b></p>	<b>DU Requirements for 5 or 10 Financed Properties</b>		
	<b>Transaction Type</b>	<b>Number of Units</b>	<b>Maximum LTV/CLTV/HCLTV Ratio</b>
	<b>Second Home or Investment Property</b>		
	Purchase  Limited Cash-Out Refinance	1 Unit	<b>Conforming &amp; High Balance Loan Limits:</b> Credit Score: 720 FRM: 75% ARM: 65%
	Cash-Out Refinance (only allowed if used in conjunction with delayed financing)	1 Unit	<b>Conforming &amp; High Balance Loan Limits:</b> Credit Score: 720 FRM: 70% ARM: 60%
	<b>Investment Property</b>		
	Purchase  Limited Cash-Out Refinance	2 - 4 Unit	<b>Conforming &amp; High Balance Loan Limits:</b> Credit Score: 720 FRM: 70% ARM: 60%
	Cash-Out Refinance (only allowed if used in conjunction with delayed financing)	2 - 4 Unit	<b>Conforming Loan Limits:</b> Credit Score: 720 FRM: 65% ARM: 60%
	<p>The following table describes how to apply the limitations based on the type of property ownership:</p>		
	<b>Type of Property Ownership</b>		<b>Property Subject to Limitations?</b>
Joint ownership of residential real estate. (This is considered to be the same as total ownership of an individual property.)  <b>Note:</b> Other properties owned or financed jointly by the borrower and co-borrower are only counted once.		Yes	
Ownership of commercial real estate.		No	
Ownership of a multifamily property consisting of more than four dwelling units.		No	
Joint or total ownership of a property that is held in the name of a corporation or S-corporation, even if the borrower is the owner of the corporation and the financing is in the name of the corporation or		No	

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<p><b>Number of Financed Properties</b></p>	<p><b>Type of Property Ownership</b></p>	<p><b>Property Subject to Limitations?</b></p>
	<p>S-corporation.</p>	<p>No</p>
	<p>Joint or total ownership of a property that is held in the name of a corporation or S-corporation, even if the borrower is the owner of the corporation; however, the financing is in the name of the borrower.</p>	<p>Yes</p>
	<p>Ownership in a timeshare.</p>	<p>No</p>
	<p>Obligation on a mortgage debt for a residential property (regardless of whether or not the borrower is an owner of the property).</p>	<p>Yes</p>
	<p>Ownership of a vacant (residential) lot.</p>	<p>No</p>
	<p>Ownership of property that is held in the name of a limited liability company (LLC) or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of 25% or more, regardless of the entity (or borrower) that is the obligor on the mortgage.</p>	<p>Yes</p>
	<p>Ownership of a property that is held in the name of an LLC or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of less than 25% and the financing is in the name of the LLC or partnership.</p>	<p>No</p>
	<p>Ownership of a property that is held in the name of an LLC or partnership where the borrower(s) have an individual or combined ownership in the LLC or partnership of less than 25% and the financing is in the name of the borrower.</p>	<p>Yes</p>
	<p>Joint or total ownership of a property that is held in the name of a limited liability company (LLC) or partnership.</p>	<p>Yes</p>
<p>Ownership of a manufactured home and the land on which it is situated that is titled as real property.</p>	<p>Yes</p>	
<p>Ownership of a manufactured home on a leasehold estate not titled as real property (chattel lien on the home).</p>	<p>No</p>	
	<ul style="list-style-type: none"> <li>• Primary residence – 1-4 units</li> <li>• Second home – 1 unit only</li> <li>• Investment Property – 1-4 units</li> <li>• <b>Borrower Financing a Home For a Disabled Child or Elderly Parent</b> <ul style="list-style-type: none"> <li>○ Borrowers looking to finance a home for a physically handicapped or developmentally disabled adult child or an elderly parent who is unable to work or who may not have sufficient income to qualify for a mortgage on their own are acceptable.</li> </ul> </li> </ul>	

Product Detail	Product Guidelines
<p><b>Occupancy</b></p>	<ul style="list-style-type: none"> <li>○ The occupancy type may be considered a primary residence in the following situations with acceptable documentation:               <ul style="list-style-type: none"> <li>- If the parent is unable to work or does not have sufficient income to qualify for a mortgage on his or her own, the child is considered the owner/occupant. The child does not have to occupy the property.</li> <li>- If the child is unable to work or does not have sufficient income to qualify for a mortgage on his or her own, the parent is considered the owner/occupant. The parent does not have to occupy the property.</li> </ul> </li> <li>○ If parents are financing for a disabled child or children financing for elderly parents, the following applies:               <ul style="list-style-type: none"> <li>- the disabled child or elderly parents are not required to be on title or on the mortgage loan,</li> <li>- “elderly parents” are defined as parents who are not able to work or have insufficient income to afford a home on their own (no minimum age requirement),</li> <li>- the loans are eligible as purchases, limited cash-out refinances and cash-out refinances, and</li> <li>- acceptable documentation must be included in the loan file to support the transaction.</li> </ul> </li> <li>○ This includes, but is not limited to, tax returns of the borrower which show the disabled adult child as a dependent or tax returns of the elderly parent(s) which documents insufficient income to qualify.</li> </ul>
<p><b>Points and Fees</b></p>	<ul style="list-style-type: none"> <li>• Lenders may not charge borrowers points and fees (whether or not financed) in an amount that exceeds the greater of               <ul style="list-style-type: none"> <li>• (i) 5 percent of the principal amount of the mortgage loan, or</li> <li>• (ii) \$1,000.</li> </ul> </li> <li>• Points and fees must be adequately disclosed in accordance with applicable law and regulation.</li> </ul>
<p><b>Program Codes and Terms</b></p>	<ul style="list-style-type: none"> <li>• CF10: 10 year term</li> <li>• CF15: 11 – 15 year terms</li> <li>• CF20: 16 – 20 year terms</li> <li>• CF25: 21 – 25 year terms</li> <li>• CF30: 26 – 30 year terms</li> </ul> <p>Only whole year terms allowed.</p>
<p><b>Property Flipping Policy</b></p>	<p>Property Flip Policy no longer applies.</p>
<p><b>Property Types</b></p>	<p><b>Eligible:</b></p> <ul style="list-style-type: none"> <li>• Single Family (Detached, Attached)</li> <li>• PUD (Detached, Attached)</li> <li>• Condominium - Warrantable (Detached, Attached)</li> <li>• Modular Home</li> <li>• Rural Properties (in accordance with agency Guidelines, loans must be residential in nature)</li> <li>• Leaseholds. LP loans must provide Freddie Mac Ground Lease Analysis (Form 461)</li> <li>• 2-4 Units</li> </ul> <p><b>Ineligible:</b></p> <ul style="list-style-type: none"> <li>• Manufactured homes (built on a permanent chassis and attached to permanent foundations)</li> <li>• Mobile Homes</li> </ul>

Product Detail	Product Guidelines
<b>Property Types</b>	<ul style="list-style-type: none"> <li>• Condotels/Hotel Condominiums or PUDs</li> <li>• Cooperatives</li> <li>• Timeshares</li> <li>• Geodesic Domes</li> <li>• Working Farms and Ranches</li> <li>• Unimproved Land</li> <li>• Land Trust</li> <li>• Condition Rating of C5/C6 or a Quality Rating of Q6.</li> </ul>
<b>Ratios</b>	<ul style="list-style-type: none"> <li>• Determined by AUS.</li> </ul>
<b>Recently Listed Properties</b>	<ul style="list-style-type: none"> <li>• No Cash-Out Transaction - The subject property must not be currently listed for sale. It must be taken off the market on or before the application date. Borrowers must confirm their intent to occupy the subject property (for principal residence transactions).</li> <li>• Cash-Out Transaction - Properties listed for sale in the six months preceding the application date for new financing are limited to 70% LTV/CLTV. Properties that were listed for sale must be taken off the market on or before the application date.</li> </ul>
<b>Rental Income Calculation</b>	<ul style="list-style-type: none"> <li>• History of managing rental properties: follow Agency guidelines.</li> <li>• Net rental income or loss calculation: follow Agency guidelines.</li> </ul>
<b>Reserves</b>	<ul style="list-style-type: none"> <li>• Primary Residence - Follow AUS findings.</li> <li>• Second Homes - Follow AUS findings. However if the borrower owns additional financed second homes or investment properties, then 2 months PITI required, regardless of the AUS decision, on each second home or investment property.</li> <li>• Investment - Follow AUS findings. However if the borrower owns additional financed second homes or investment properties, then 2 months PITI required, regardless of the AUS decision, on each second home or investment property.</li> </ul>
<b>Seasoned Loans</b>	<ul style="list-style-type: none"> <li>• Please refer to the American Lending's Seasoned Loan Policy located in the American Lending Seller Guide for requirements and loan-level price adjustments (if applicable).</li> </ul>
<b>State Restrictions</b>	<ul style="list-style-type: none"> <li>• Loans for properties in Hawaii are not eligible.</li> <li>• Illinois Land Trusts are not eligible.</li> </ul>
<b>Tax Transcripts</b>	<ul style="list-style-type: none"> <li>• Tax transcripts are required for the most recent year of income submitted in the file. W2 transcripts are allowed for salaried borrowers.</li> <li>• Generally, when the documentation used to verify income is from the same calendar period as the tax transcript, the information must match exactly. However, if the income documentation is from the current calendar year and the transcript is from a prior year, there can be acceptable variances. If this variance exceeds 20%, document the rationale for using current income.</li> <li>• If tax transcripts are not available (due to a recent filing) a copy of the IRS notice showing "No record of return filed" is required along with documented acknowledgement receipt (such as IRS officially</li> </ul>



Product Detail	Product Guidelines
	<p>stamped tax returns or evidence that the return was electronically received) from the IRS and the previous year's tax transcript.</p> <ul style="list-style-type: none"> <li>• A 4506-T, signed at application and closing, is required for all transactions per AUS guidelines.</li> </ul>
<p><b>Transaction Types</b></p>	<p><b><u>Purchase</u></b> New York CEMA purchase transactions are not allowed.</p> <p><b><u>Limited Cash-Out/Rate &amp; Term Refinance</u></b></p> <ul style="list-style-type: none"> <li>• LP/DU: Proceeds can be used to Pay off a first mortgage regardless of age.</li> <li>• Proceeds can be used to pay off any junior liens related to the purchase of the subject property.</li> <li>• Pay related Closing Costs and Prepaid items.</li> <li>• Disburse cash out to the Borrower in an amount not to exceed 2% of the new Mortgage or \$2,000, whichever is less.</li> <li>• New York CEMA refinance transactions are allowed.</li> </ul> <p><b><u>Cash Out</u></b></p> <ul style="list-style-type: none"> <li>• There is no minimum seasoning required for a first lien to be paid off if at least one Borrower either inherited or was legally awarded the subject property.</li> <li>• Delayed financing provision is acceptable per Agency guidelines.</li> <li>• All refinance transactions must meet Continuity of Obligation guidelines per Agency requirements.</li> <li>• Restructured loans or short payoff refinances are not eligible.</li> <li>• New York CEMA refinance transactions are allowed.</li> </ul>