



# Product Specifications for Fully Amortized Conforming Fixed and ARM Loans

Updated: 2/17/2010

Units	Max Loan Amt - 48 Contiguous States	Max Loan Amt - Alaska and Hawaii
1 / Condo / PUD	\$417,000	\$625,500
2	\$533,850	\$800,775
3	\$645,300	\$967,950
4	\$801,950	\$1,202,925

Product Codes		
C15: 15 YR Fixed		C31: 30 YR 3/1 ARM
C20: 20 YR Fixed	TXC30: 30 YR Fixed TX 50(a)(6)	C51: 30 YR 5/1 ARM
C25: 25 YR Fixed		C71: 30 YR 7/1 ARM
C30: 30 YR Fixed		C101: 30 YR 10/1 ARM
C40: 40 YR Fixed		

*\*Note: Minimum Loan Amount is \$50,000 on all loan programs except TX Cash-Out. Minimum Loan Amount is \$100,000 for TX Cash-Out.*

Loan Purpose	Occupancy	Units	Max LTV	Max CLTV	Minimum FICO	
Purchase Rate Term Refinance	Primary	1	95	95	680	
		1 to 2	80	95	620	
		3 to 4	75	N/A	620	
	Second Home	1	80*	90	620	
		Investment	1 to 2 (purchase only)	80*	80	680
			1 to 2 (rate/term refi only)	75*	75	620
	3 to 4	75*	75	620		
Cash-Out Refinance	Primary	1	80	NA	620	
	Second Home	1	75	75		
	Investment	1 to 2	75	75		
		3 to 4	70	70		

*\* if Secondary financing applies then Max LTV is reduced by 5% \*\*See PMI table regarding Construction-Perm*

Topic	Underwriting Specifications
Appraisals	<ul style="list-style-type: none"> <li>AUS findings to determine appraisal report type</li> <li>Full appraisal required on Texas Cash-Out refinances regardless of AUS findings</li> <li>Properties that have been listed for sale within last 6 months are ineligible.</li> <li>Appraiser has to be an approved appraiser of NexBank SSB</li> <li>Form 1004MC required on all appraisals</li> <li>Forms 216 and/or 1007 will be required on all investment properties regardless if rental income being used to qualify or not.</li> </ul>
Bankruptcy & Foreclosure	<ul style="list-style-type: none"> <li>Bankruptcies for Chapter 13 require a 2 year time period from discharge date is required.</li> <li>All other Bankruptcy types require a 4 year time period from the discharge date.</li> <li>Foreclosures require a 5 year time period from the completion date.</li> </ul>
Buy Down, Temporary	<ul style="list-style-type: none"> <li>Temporary Buy Downs are currently not permitted</li> </ul>
Credit History	<ul style="list-style-type: none"> <li>Acceptable credit history must reflect a minimum of 3 open and active tradelines with a 12 mo history.</li> <li>Loan must receive AUS Approval recommendation</li> </ul>
Declining Market	<ul style="list-style-type: none"> <li>LTV/CLTV will be reduced by 5% for properties located in a declining market.</li> </ul>
Eligible Borrowers	<ul style="list-style-type: none"> <li>U.S. Citizens</li> <li>Permanent Resident Aliens *</li> <li>Non-Permanent Resident Aliens *</li> </ul> <p><i>* See Non-U.S. Citizens section of our Guidelines for complete requirements.</i></p>
Eligible Funds	<ul style="list-style-type: none"> <li>Must be borrower's own funds, OR</li> <li>Gifts permitted for Primary and Second/Vacation homes. A minimum of 5% from Borrower's own funds is required on loans when LTV / CLTV exceeds 80%. *</li> <li>Gift funds are not permitted on Investment Properties.</li> </ul> <p><i>* See our Guidelines for complete details and requirements.</i></p>

Topic	Underwriting Specifications			
<b>Interested Party Contributions</b>	<u>Primary Residence &amp; Second/Vacation Homes</u>		<u>Non-Owner Occupied</u>	
	LTV/CLTV > 90%	3%	All LTV/CLTV	2%
	LTV/CLTV > 75%	6%		
	LTV/CLTV ≤ 75%	9%		
<b>Interest Rate Caps &amp; Margins</b>	<u>Product Code</u>	<u>Interest Rate Cap</u>	<u>Margin</u>	
	CA303/1	2/2/6	2.25	
	CA305/1	5/2/5	2.25	
	CA307/1	5/2/5	2.25	
	CA3010/1	5/2/5	2.25	
	<i>*Note: ARM Disclosures can be found on our website under the Resource Center.</i>			
<b>Multiple Property Ownership</b>	<ul style="list-style-type: none"> <li>• There is no limit to the number of properties owned or financed on Occupied Residences.</li> <li>• A Max of 4 financed properties applies if subject property is Second/Vacation home or Non-Owner Occupied Resid.</li> </ul>			
<b>Non-Occupant Co-Borrowers</b>	<ul style="list-style-type: none"> <li>• Only allowed on 1 unit, purchase and primary residence loans.</li> <li>• Not permitted on TX Cash-Out loans.</li> <li>• LTV is limited to 80%.</li> <li>• Must not have an interest in sale of the subject property.</li> <li>• DTI is limited to 43%</li> <li>• Down payment of 5% must come from Occupying Borrower unless on LTV's greater than 80%.</li> </ul>			
<b>Non-Owner Occupied Property</b>	<ul style="list-style-type: none"> <li>• May not be affiliated with the builder/developer or property seller.</li> <li>• Down payment, closing costs, pre-paid items must be from own sources. Gifts not permitted.</li> </ul>			
<b>Private Mortgage Insurance</b>	<u>Standard Coverage</u>			
	<u>Fixed Rate</u>	<u>80.01 - 85 %</u>	<u>85.01 - 90%</u>	<u>&gt;90%</u>
	> 20 years	12%	25%	30%
	≤ 20 years	6%	12%	25%
	<i>*LPMI available at FICO 680 and a maximum LTV of 95%</i>			
	<i>** FICOs 620 - 659 require A- MI rates. (Not available at this time)</i>			
	<i>***Construction-to-Permanent maximum LTV = 90%, minimum FICO 720</i>			
<b>Program Restrictions</b>	<ul style="list-style-type: none"> <li>• Interest only Payment is not applicable</li> <li>• Prepayment Penalties are not permitted</li> </ul>			
<b>Property Type</b>	<ul style="list-style-type: none"> <li>• 1 to 4 unit, primary residence</li> <li>• 1 unit, Second / Vacation home</li> <li>• 1 to 4 unit, non-owner occupied</li> <li>• Investment loans on HUD repo's not allowed</li> </ul>			
<b>Qualifying Rates</b>	<ul style="list-style-type: none"> <li>• Fixed will be equal to Note Rate</li> <li>• ARM's are determined using indexed rate or note rate, whichever is higher.</li> </ul>			
<b>Qualifying Ratios</b>	LTV > 80% - 41% regardless of AU findings			
	LTV < or = 80% - to be determined by AU findings			
<b>Reserves</b>	<ul style="list-style-type: none"> <li>• If Primary Residence and LTV &gt;80% then 2 months PITI is required.</li> <li>• If second home then 2 months' PITI, plus an additional 2 months' reserves on every other financed second home and Investment property is required</li> <li>• If Investment property then 6 months' PITI, plus an additional 2 months' reserves on every other second home and investment property is required</li> <li>• If Trailing Co-Borrower is applicable then 6 months PITI is required.</li> </ul>			
<b>Seasoning Requirements</b>	<ul style="list-style-type: none"> <li>• 12 mo must have elapsed since previous TX Cash-Out applicable under section 50(a)(6).</li> <li>• 6 mo seasoning required for all refinance transactions.</li> </ul>			
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>• Manual underwriting not permitted. Must be approved with DU.</li> </ul>			