



**SEQUOIA EXPANDED LOAN PROGRAM**  
**LTV/CLTV MATRIX - Owner Occupied & Second Home\*\***

Loan Amount	Credit Score	Full Doc - 24 Months		Full Doc - 12 Months		Bank Statement - 24 Months		Bank Statement - 12 Months	
		Purchase Rate & Term	Cash Out	Purchase Rate & Term	Cash Out	Purchase Rate & Term	Cash Out	Purchase Rate & Term	Cash Out
\$100,000 - < \$1,000,000	720+	95% * / 90%	90%	90%	85%	90%	85%	90%	85%
	680	90%	90%	85%	85%	90%	85%	85%	85%
	660	85%	80%	85%	80%	85%	80%	85%	80%
	640	85%	80%	85%	80%	85%	80%	85%	80%
	620	85%	80%	85%	80%	85%	80%	80%	80%
\$1,000,001 - \$1,500,000	720+	90%	80%	85%	75%	85%	75%	80%	75%
	680	85%	80%	80%	75%	80%	75%	80%	75%
	660	85%	80%	80%	75%	80%	75%	80%	75%
	640	85%	80%	80%	75%	80%	75%	80%	75%
	620	85%	80%	80%	75%	80%	75%	80%	75%
\$1,500,001 - < \$2,000,000	720+	90%	75%	80%	70%	80%	70%	75%	70%
	680	80%	75%	75%	70%	75%	70%	75%	70%
	660	80%	75%	75%	70%	75%	70%	75%	70%
	640	80%	75%	75%	70%	75%	70%	75%	70%
	620	80%	70%	75%	65%	N/A	N/A	N/A	N/A
\$2,000,001 - < \$2,500,000	720+	80%	70%	80%	65%	75%	65%	70%	60%
	680	80%	65%	75%	65%	75%	65%	70%	60%
	660	75%	65%	70%	60%	70%	60%	65%	55%
	640	75%	65%	70%	60%	65%	55%	60%	50%
	620	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\*>90% LTV - Purchase Only, Primary, Max DTI ≤ 43%

\*\*Second Home Max 80% LTV/CLTV

## LTV/CLTV MATRIX - Non Owner Occupied

Loan Amount	Credit Score	Full Doc - 24 Months		Full Doc - 12 Months		Bank Statement - 24 Months		Bank Statement - 12 Months	
		Purchase Rate & Term	Cash Out	Purchase Rate & Term	Cash Out	Purchase Rate & Term	Cash Out	Purchase Rate & Term	Cash Out
\$100,000 - < \$1,000,000	720	80%	80%	80%	75%	80%	75%	80%	75%
	680	80%	75%	80%	75%	80%	75%	80%	75%
	660	80%	75%	80%	75%	75%	70%	75%	70%
	640	80%	75%	80%	75%	75%	70%	75%	70%
	620	80%	70%	80%	70%	75%	70%	75%	70%
\$1,000,001 - \$1,500,000	720	80%	75%	80%	70%	80%	70%	75%	70%
	680	80%	75%	75%	70%	75%	70%	75%	70%
	660	80%	75%	75%	70%	75%	70%	75%	70%
	640	80%	75%	75%	70%	75%	70%	75%	70%
	620	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$1,500,001 - < \$2,000,000	720	75%	65%	70%	60%	70%	60%	65%	60%
	680	70%	65%	65%	60%	65%	60%	65%	60%
	660	70%	65%	65%	60%	65%	60%	65%	60%
	640	70%	65%	65%	60%	N/A	N/A	N/A	N/A
	620	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$2,000,001 - < \$2,500,000	720	70%	60%	65%	55%	65%	55%	60%	55%
	680	65%	60%	60%	55%	60%	55%	60%	55%
	660	65%	60%	60%	55%	60%	55%	60%	55%
	640	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	620	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Product Details and Options								
<b>Available Products</b>	5/1 ARM	5/1 ARM-IO	7/1 ARM	7/1 ARM-IO	30 Yr Fixed	40 Yr Fixed - IO	30 Yr Fixed-IO	15 Yr Fixed
<b>Margin</b>	3.50%	3.50%	3.50%	3.50%				
<b>Caps</b>	2/2/5	2/2/5	5/2/5	5/2/5				
<b>Index</b>	1YR LIBOR	1YR LIBOR	1YR LIBOR	1YR LIBOR				
<b>Floor</b>	MARGIN	MARGIN	MARGIN	MARGIN				
<b>IO PERIOD</b>	N/A	120 MONTHS	N/A	120 MONTHS	N/A	120 MONTHS	120 MONTHS	N/A
<b>Amortization Term</b>	30 Years	20 Years	30 Years	20 Years	30 Years	30 Years	20 Years	15 Years
<b>Maturity</b>	30 Years	30 Years	30 Years	30 Years	30 Years	40 YEARS	30 Years	15 Years
<b>Qualifying Rates</b>	The higher of the fully indexed rate or the initial note rate.	The higher of the fully indexed rate or the initial note rate using the fully amortizing payment during the principal repayment period.	The higher of the fully indexed rate or the initial note rate.	The higher of the fully indexed rate or the initial note rate using the fully amortizing payment during the principal repayment period.	The Note Rate	The note rate using the fully amortizing payment during the principal repayment period.	The note rate using the fully amortizing payment during the principal repayment period.	The Note Rate
<b>Prepayment Penalty Options</b>	Six (6) Months interest on 80% of the UPB - allowed on N/O/O properties only and in accordance with all state laws.							
<b>Interest Only Option</b>	Loans with Interest Only are limited to an 85% LTV maximum							
<b>Secondary Financing</b>	Allowed. See LTV/CLTV grid. Junior financing must meet the requirements as defined by Fannie Mae. Any energy efficiency based liens, like PACE or HERO, are not allowed to remain on title and must be paid and removed. If paid with loan proceeds, the transaction will be considered cash out.							
<b>Property Type</b>	<b>SFR &amp; PUD</b> <b>Warrantable Condo MAX to 85% LTV / CLTV</b> <b>Non-Warrantable Condo - MAX 80% LTV / CLTV</b> <b>Multi-family (2-4 units) - MAX 80% LTV / CLTV</b>							
<b>Max Cash Out</b>	Equity withdrawal is the amount of proceeds net to the borrower after closing costs and payoff of the to be retired mortgage have been deducted from the loan amount. The dollar amount of equity withdrawn in a cash-out refinance is limited to the following as a percentage of the property value: -Loan amounts < \$1,000,000 subject to 70% max -Loan amounts > \$1,000,000 but < \$1,500,000 subject to 60% max -Loan amounts > \$1,500,000 subject to 50% max							
<b>LTV Determination</b>	<b>Rate &amp; Term: use current appraised value</b> <b>Cash Out owned ≥ 12: use current appraised value</b> <b>Cash Out owned &lt; 12 months: LTV ≤ 70 use current appraised value; LTV &gt; 70% use lesser of acquisition cost or appraised value</b>							
<b>Cash Out Transactions</b>	At least one borrower must be on title for 6 months or more Payoff of a HELOC with more than \$3,000 advanced in the last 12 months is considered cash out For LTV's 20% below maximum, no title seasoning requirement, however equity withdrawal may not exceed original down payment							

<b>Delayed Financing</b>	Borrowers who purchased the subject property within the past six months (measured from the date on which the property was purchased to the disbursement date of the new mortgage loan) are eligible for a cash-out refinance: follow Fannie Mae requirements
<b>Mortgage Insurance</b>	MI not required at any LTV

Borrower Requirements	
<b>Eligible Borrowers</b>	US Citizens Permanent Resident Aliens Non-Permanent Resident Aliens (Primary Residence ONLY)
<b>Non-Permanent Resident</b>	Acceptable Visa types (visas must have 60 days remaining at closing) E Series (E-1, E-2, E-3) G Series (G-1, G-2, G-3, G-4, G-5) H Series (H-1B, H-1C, H-2, H-3, H-4) L Series (L-1A, L-1B, L-2) NATO Series (NATO 1 – 6) O Series (O-1) TN-1, Canadian NAFTA visa TN-2, Mexican NAFTA visa
<b>First Time Home Buyer</b>	Defined as borrowers who have not owned residential property in the past three years If one borrower is an FTHB and the other borrower is not, then FTHB guidance does not apply Property owned outside of the USA is not considered in the FTHB determination Max loan amount \$2,000,000 <= 43% DTI, no more than 200% payment shock allowed <= 50% DTI, no more than 150% payment shock allowed LTV <= 90% 12 month income programs not available
<b>Multiple Properties Financed</b>	The maximum number of residential 1-4 unit properties owned, financed or free and clear, is six (6)
<b>Non-Occupant Co Borrowers (Partial Blended Ratios)</b>	Not allowed on bank statement program. The primary occupying borrower must have a DTI of no more than 60%. A minimum of 5% of the down payment must come from the primary-occupant borrower's own funds. Must be an immediate family member such as a parent, child, grandparent, or sibling.
<b>Non-Occupant Co Borrowers (Blended Ratios)</b>	Blended ratios allowed with the following requirements: - 680 minimum credit score - 90% LTV with max loan amount of \$1,000,000 - 85% LTV with max loan amount of \$1,500,000 - 80% LTV follows program matrix - 43% maximum blended DTI - 2-year full doc income - LTV > 80% requires a minimum 10% occupant borrower down payment contribution - Purchase and R&T refi only

Credit	
<b>Age of Credit Docs</b>	90 days from note date
<b>Housing Payment History</b>	Maximum of 0 x 30 in last 12 months. Derogs in months 13-24 evaluated case by case, in general, minor derogs are ok
<b>Major Credit Events</b>	<p>Three (3) years from credit event date to note date includes:</p> <ul style="list-style-type: none"> <li>Bankruptcy (BK13 Discharge requires only 2 years)</li> <li>Foreclosure</li> <li>Deed in Lieu</li> <li>Short-Sale and Short-Refinance</li> <li>Modification with principal forgiveness (of any kind)</li> </ul>
<b>Collections &amp; Charge Offs</b>	<p>Charged-off accounts and collection accounts that do not impact title do not need to be paid off under the following guidelines:</p> <ul style="list-style-type: none"> <li>Individual accounts less than \$500 and cumulative balance \$2,500 or less</li> <li>Medical collections up to \$10,000 cumulative</li> <li>Collections/Charge Offs that have passed the individual state statute of limitations</li> </ul>
<b>Required Credit History</b>	<p><b>Option #1: 3 for 12 OR 2 for 24</b></p> <ul style="list-style-type: none"> <li>- 3 open and active trade lines with a 12 month history OR</li> <li>- 2 trade lines open 24 months both showing activity in the most recent 12 months</li> <li>- Trade lines with recent serious adverse history are not acceptable</li> <li>- Rental verification can be included as a trade line</li> <li>- Student loans can be counted in credit depth as long as they are in repayment and not being deferred</li> </ul> <p><b>Option #2: 8 for 8</b></p> <ul style="list-style-type: none"> <li>- A minimum of 8 trade lines are reporting</li> <li>- 1 must be a mortgage or a rental history</li> <li>- At least 1 trade line has been open &amp; active for the most recent 12 months</li> <li>- The borrower has an established credit history for at least 8 years, showing a pattern of consistent credit usage over the 8 year period</li> </ul> <p><b>Option #3: 3 credit scores</b></p> <ul style="list-style-type: none"> <li>- Borrower has 3 credit scores reporting</li> <li>- Minimum of 4 tradelines reporting</li> <li>- Max LTV/CLTV of 75% or 15 points under max allowed for loan amount and credit score</li> <li>- A minimum 10% borrower contribution has been made by the borrower from their own funds on purchase transactions</li> <li>- Primary residence only</li> <li>- Allowed on 24-month income documentation only</li> <li>- Must have a satisfactory 24-month history of current housing payments, borrowers with no current housing expense are not allowed</li> </ul>

Income					
<b>Debt to Income Ratios (DTI)</b>	<p><b>Bank Statement:</b> max 50% DTI</p> <p><b>Asset Depletion:</b> max 50% DTI. If DTI &gt; 43% the following apply: 680 min credit score, 80% max LTV, Primary residence or 2nd home. If asset depletion is &lt; 25% of total income, follow primary income DTI requirements</p> <p><b>FTHB:</b> max 50% DTI. Greater than 43% DTI requires 24 month income: full doc or bank statement</p> <p><b>Full Doc 12 &amp; 24 month:</b> max 50% DTI</p> <p><b>50% DTI Requirements:</b> max 85% LTV with 700 credit score OR 80% max with 680 credit score</p> <p><b>55% DTI Requirements:</b> max 80% LTV, 680 credit score, 24 month full doc, purch or R&amp;T, 12 months PITI, no payshock, \$3k residual</p> <p><b>Greater than 45% DTI</b> on any income type requires: 150% max payment shock and 3 additional months of reserves</p>				
<b>Personal Bank Statement Income</b>	<p>Intended for borrowers with 50% or more self-employment income:            Can be combined with all other income sources            Multiple bank accounts OK            Non-borrower on joint bank account OK but limited to 50% of deposits            Personal bank account used as a business bank account OK, however, must follow business bank statement income guidance</p>				
<b>Business Bank Statement Income</b>	<p>Can use P&amp;L or Fixed Expense Ratio (FER). <b>If using FER, a borrower prepared business narrative is required at time of submission</b>            Multiple bank accounts OK            20% minimum ownership in business allowed            Can be combined with non-business income: i.e. SSI, rental income, W2 wages</p>				
<b>Expense Ratio for Bank Statement income calculations</b>	The borrower must provide a brief, signed and dated, narrative describing the business activity: product, number of employees and contractors on average, years in operation, and borrower's role in the daily operation of the business.				
	Number of Employees	0	1-5	>5	Service Business Examples – Consulting, Accounting, Legal, Counseling, Therapy, Financial Planning, Insurance, Information Technology, etc.  Product Business Examples – Retail, Food Services/Restaurant, Manufacturing, Contracting/Construction etc.  The expense ratio should be reasonable for the profession, for both qualifying methods.
	Service Business	20%	40%	60%	
	Product Business	40%	60%	80%	
<b>History of Self-Employment</b>	For all income types, 2 years of self-employed history required. Less than 2 years but greater than 1 year can be considered case by case: strong previous experience, job industry specific training, or a previous work history to support lack of self employment history is required				
<b>Short Term Rental Income</b>	<p>Documentation Options: <span style="float: right;">2 year Schedule E</span>            income averaged over 2 years and supported with YTD host ledger (VRBO/AirBNB, etc.)            1 year Sch E supported by YTD host ledger and 1007. Gross income limited to 125% of 1007 rents.            Less than 1 year history is not an eligible income source</p>				

<p><b>Asset Depletion</b></p>	<p>Assets net of closing and reserves divided by 120 can be used as qualifying income          If asset depletion is 80% or more of total income, then assets must equal 1.5 times loan amount          If asset depletion is less than 80% of total income, then \$100,000 is minimum required asset amount          Six (6) months of statements required on all accounts for this income type          Non-Occupant Coborrowers not allowed          Cash out Transactions are ineligible, <b>however, debt consolidation refi is allowed, maximum of \$3k or 2% of the loan amount in proceeds is allowed.</b>          Asset Type with Qualifying Percentage Allowed:          Checking, Savings, Money Market Accounts = 100%          Stocks, Bonds and Mutual Funds = 70%          Restricted Stock Units (vested units at current price) = 70%          Retirement Accounts (401k / IRA):              Borrower is &lt; 59.5 Years Old = 60%              Borrower is &gt; 59.5 Years Old = 70%</p>
<p><b>Tax Transcripts: Full Doc</b></p>	<p>Required on all income used to qualify          Business transcripts not required if business income is reported on 1040</p>
<p><b>Tax Transcripts: Bank Statement and Asset Depletion</b></p>	<p>Transcripts and income validation not required for Asset Depletion and Bank Statement income.          Transcripts will be required for any non 1040 type full doc income used in conjunction with these 2 income types, i.e. W2 wages          SSI income should be validated with 2 months bank statements, 1099 transcripts are not required</p>
<p><b>Declining Income</b></p>	<p>Follow Fannie Mae: must be reasonable and supported with documentation to show trend is stable or increasing</p>



Assets	
<b>Business Funds</b>	Business funds allowed for down payment, closing costs and reserves - Must meet cash flow analysis of 3 months of statements
<b>Gift Funds</b>	If LTV/CLTV is greater than 80%, then borrowers must have 5% of own funds All gift allowed when LTV/CLTV is 80% or less Gift funds allowed on primary residence only. Gift must be from immediate family member, <b>fiancé(e) or domestic partner</b> Gift not acceptable for reserves
<b>Paying Off Debt to Qualify</b>	Revolving: ok to exclude if paid to zero, account does not need to be closed Installment: ok to exclude if paid off and closed. Paying down to 10 months is not allowed
<b>Reserves</b>	Loan amount <= \$1,500,000 requires 6 months PITI Loan amount > \$1,500,000 requires 12 months PITI <b>DTI &gt; 45% requires an additional 3 months PITI in reserves</b> Each additional financed 1-4 fam residential property requires 2 months PITI Departing residence converted to rental without landlord history and LTV or 75% or less requires 4 months PITI Departing residence converted to rental without landlord history and LTV 75.01 to 90% requires 6 months PITI Using 1007 projected rents requires an additional 4 months PITI
<b>Transactions Not Requiring Reserves</b>	Rate & Term refi with DTI <= 43% and with a payment lower than current payment. Cash Out refi with DTI <= 43% and either PITI is lower than current PITI or global debt payment is being reduced by a minimum of 10%. All other non-subject reserve requirements remain
<b>Source of Reserves</b>	<b>Funds in non cash holdings, like stocks, bonds &amp; mutual funds, must be discounted to 70%</b> Subject property proceeds up to 10% of property value and non subject property refinance proceeds Life insurance surrender value 529 Accounts Business Funds Company sponsored retirement accounts: 401k, etc.
<b>Retirement Accounts being used for reserves</b>	Discount non-cash holding to 70% for borrower 59 1/2 and older Discount non-cash holdings to 60% if younger than 59 1/2 Employer sponsored savings plans (like a 401K) require TOW from employer which allow for hardship withdrawal

Property/Appraisal Information	
<b>Acreage</b>	No more than 10 acres
<b>Rural Properties</b>	Owner Occupied ONLY, 80% Max LTV, Purchase or Rate & Term refi
<b>Recently Listed Properties</b>	Properties listed at the time of application are not eligible months prior to the application date are not eligible for cash out transactions Properties listed in the period between 3 and 6 months from app date may be eligible for Rate & Term refi on a case by case basis
<b>Warrantable Condos</b>	Established projects ONLY Detached units and small projects (2-4 condo units) follow Fannie Mae guidance: No HOA review required. All other projects full review required.
<b>Non Warrantable Condos</b>	Some non warrantable condos are acceptable on an exception basis, see your Account Manager for info
<b>Ineligible Properties</b>	Condotels & resort style condos Unique style homes: Earth, Dome Home, etc. Property condition of C5 or C6 Working farms or ranches
<b>Appraisal Requirements</b>	Loan amounts up to and including \$1,500,000 require one appraisal and CDA Up to a 10% tolerance on the CDA is allowed. If the CDA value is more than 10% below the appraisal value, the lower of the two values must be used. If the tolerance exceeds 10% then a field review may be provided to support the appraised value. If the field review value is within 10% of the original appraised value, then the original appraised value may be used. If the variance between the original appraised value and the field review is greater than 10%, a second full appraisal is required and the lesser of the two will be used. Loan amounts greater than \$1,500,000 require two appraisals
<b>Appraisal Age</b>	Appraisals must be dated within 120 days of the Note date Re-Certifications are required if appraisal is greater than 120 days Maximum appraisal age is 180 days