

BISCAYNE PELICAN - JUMBO

15 Year Fixed Rate
ARMS 5/1 7/1 10/1 LIBOR

Primary Purchase and Rate & Term

Property Type	Min Loan Amount >	Max Loan Amount <=	LTV/CLTV	Min Credit Score	Reserves	Max DTI	Available Terms	FTHB Allowed
SFR, SFA, Condo & PUD	\$510,400	\$1,000,000	80%/80%	700	6 Months	43%	15 Year Fixed & ARM	No
	\$1,000,000	\$2,000,000	80%/80%	700	9 Months	43%	15 Year Fixed & ARM	No
	\$2,000,000	\$2,500,000	70%/70%	720	24 Months	43%	15 Year Fixed & ARM	No

Primary Cash Out – Max Cash Out \$500,000

Property Type	Min Loan Amount >	Max Loan Amount <=	LTV/CLTV	Min Credit Score	Reserves	Max DTI	Available Terms	FTHB Allowed
SFR, SFA, Condo & PUD	\$510,400	\$1,000,000	75%/75%	700	6 Months	43%	15 Year Fixed & ARM	No
	\$1,000,000	\$2,000,000	75%/75%	700	9 Months	43%	15 Year Fixed & ARM	No

Primary Purchase for First Time Home Buyer (FTHB)							
Property Type	Min Loan Amount >	Max Loan Amount <=	LTV/CLTV	Min Credit Score	Reserves	Max DTI	Available Terms
SFR, SFA, Condo & PUD	\$510,400	\$1,500,000	80%/80%	700	12 Months	43%	15 Year Fixed & ARM

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Occupancy	<ul style="list-style-type: none"> • Primary
Loan Purpose	<ul style="list-style-type: none"> • Purchase • Rate/Term Refinance • Cash-Out Refinance
Available Products	<ul style="list-style-type: none"> • Year Fixed • 5/1, 7/1, 10/1 LIBOR ARM P&I
Qualifying Rate: Fully Amortizing	<ul style="list-style-type: none"> • 5/1 ARM: The higher of the fully indexed rate or the initial note rate + 2% • 7/1 & 10/1 ARM: The higher of the fully indexed rate or the initial note rate
Documentation	<ul style="list-style-type: none"> • Full Documentation Only
Secondary Financing	<ul style="list-style-type: none"> • Permitted up to maximum LTV/CLTV per matrix
Property Type	<ul style="list-style-type: none"> • Single family (attached and detached) • Condo • PUD
Rate and Term	<ul style="list-style-type: none"> • Lesser of 1% or \$2,000 max cash back is allowed
ARM Margins, Caps & Floor	<ul style="list-style-type: none"> • Margin: 2.25% 5/1, 7/1 & 10/1: Caps 2% /2% /5%. Floor 2.25% Index: 1-year LIBOR
Mortgage Insurance	<ul style="list-style-type: none"> • Not required at any LTV

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Eligible Borrowers	<ul style="list-style-type: none"> • US Citizens • Permanent Resident Alien • Non-Permanent Resident Alien, with the following restrictions: <ul style="list-style-type: none"> ○ Owner-occupied single-family residence only
Non-Permanent Resident	<ul style="list-style-type: none"> • Acceptable visa types are as follows: <ul style="list-style-type: none"> ○ 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 • Additional Requirements: <ul style="list-style-type: none"> ○ Must have valid Social Security Number ○ Maximum LTV of 80% ○ Must have a minimum of two (2) year employment history in US and qualifying income must be from the U.S. (two (2) year history will be based on note date) ○ Must verify that current employment has a probability of three (3) year continuance ○ Must have a two-year credit history in US and must meet minimum credit requirements (two (2) year history will be based on note date)
First Time Home Buyer (FTHB)	<ul style="list-style-type: none"> • FTHB is defined as ALL borrowers have not owned a home in the US within the previous three (3) years from the application date <ul style="list-style-type: none"> ○ Owner Occupied only ○ Max Loan Amount \$1,500,000

	<ul style="list-style-type: none"> ○ 12 Months PITI Reserves ○ 80% LTV/CLTV Maximum
Non-Occupant Co-Borrowers	<ul style="list-style-type: none"> ● Non-occupant co-borrower allowed ● Non-occupant co-borrower income NOT allowed
Non-Arm's Length	<ul style="list-style-type: none"> ● The following NALs are eligible with proper documentation: <ul style="list-style-type: none"> ○ Sales or transfers between members of the same family (transaction may not be due to any adverse circumstances) ○ Property seller acting as his or her own real estate agent ○ Borrower acting as his or her own real estate agent ○ Borrower purchasing from his or her current landlord (cancelled checks or bank statements required to verify satisfactory pay history)
Multiple Properties Financed	<ul style="list-style-type: none"> ● Borrowers may not own more than four (4) residential 1-4 unit financed properties regardless of the occupancy of the subject property ● Six (6) months PITI reserves for each additional financed property owned ● Financed properties held in the name of an LLC or other corporation, commercial properties and unimproved land may be excluded

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Credit Score	<ul style="list-style-type: none"> Refer to Matrices When multiple borrowers apply, the lowest middle score is the qualifying credit score
Age of Credit Docs	<ul style="list-style-type: none"> Credit docs valid for 90 days from note date Appraisal valid for 120 days from note date
Credit Events	<ul style="list-style-type: none"> Seven (7) year seasoning required on all major credit events Seasoning is measured form the date of credit event to the application date
Minimum Credit History	<ul style="list-style-type: none"> Three (3) open and active tradelines with 24 months history Two (2) tradelines must have activity within the most recent six (6) months of application date One (1) tradeline must be installment, mortgage, or rental history Rental history may be used as one (1) of the three tradelines Borrowers not meeting the three tradeline requirement above are acceptable if they meet the following criteria: <ul style="list-style-type: none"> Minimum of eight (8) tradelines (one must be mortgage or rental) One trade must be open for a minimum of 12 months Minimum ten (10) year credit history
Housing Payment History	<ul style="list-style-type: none"> A 24-month housing history required: 0X30 in last 24 months

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Self-Employment	<ul style="list-style-type: none"> • Self-employed borrowers are eligible: <ul style="list-style-type: none"> ○ Borrower is considered S/E when their ownership interest in the business is =>25% ○ Declining income not allowed if 20% or more year over year ○ Four (4) business entities max per loan transaction – no limit on Schedule C ○ Year-to-date P&L and Balance Sheet are required if note date is beyond 90 days from the end of the last fiscal year
Employment Gaps	<ul style="list-style-type: none"> • A two (2) year minimum of employment and income is required for all borrowers • Employment gaps greater than 30 days during the most recent two (2) year period require a borrower LOE • All borrowers contributing income for qualification must be employed at present employer for a minimum of six (6) months to qualify if there is a gap in the employment greater than six (6) months during the previous two (2) years • VVOE or WVOE for all jobs in the last two (2) years required to confirm dates of employment
Max DTI	<ul style="list-style-type: none"> • See matrices
Departing Residence	<ul style="list-style-type: none"> • The rental income from the departing residence may be used if the property has a loan to value of 75% or less as evidenced with one of the following: <ul style="list-style-type: none"> ○ Current appraisal (no more than six months old from application date) OR ○ Exterior only appraisal (2055) OR ○ Automated Valuation Model (AVM) • A 25% expense / vacancy deduction must be applied to all rental income

	<ul style="list-style-type: none"> • Copy of the signed lease is required • Reserves of six months PITI must be documented in addition to the required reserves for the subject property
Appendix Q	<ul style="list-style-type: none"> • All income sources and method of calculation must meet most recent Appendix Q standards for Determining Monthly Debt and Income
Unreimbursed Business Expenses	<ul style="list-style-type: none"> • Unreimbursed business expenses prior to 2018 just be deducted from income and borrower must be self-employed in order to deduct business expenses
Tax Transcripts	<ul style="list-style-type: none"> • Two (2) years tax transcripts are required

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Assets	<ul style="list-style-type: none"> • Bank or brokerage statements for the most recent two (2) consecutive months are required
Gift Funds	<ul style="list-style-type: none"> • Gift donor must be a relative, defined as a borrower’s spouse, child or other dependent or by any other individual who is related to the borrower by blood, marriage, adoption or legal guardianship or a fiancé or domestic partner • Borrower must contribute 5% of their own funds • Gift of equity is not eligible • Gift funds not allowed on investment property • Gift funds only allowed on LTV/CLTV of 80% or less • Gift funds may NOT be used to pay off installment debt to qualify • Gift funds may NOT be used to pay off revolving debt to qualify
Paying Off Debt to Qualify	<ul style="list-style-type: none"> • Installment debt may be paid off to qualify either before or at closing • Revolving debt may be paid off to qualify either before or at closing with appropriate documentation to evidence that the account has been closed • Paying down of debt is not permitted
Reserves	<ul style="list-style-type: none"> • Business funds and gift funds cannot be used for reserves
Retirement Accounts	<ul style="list-style-type: none"> • Vested funds from Individual Retirement Accounts (IRA/SEP/Keogh accounts) and tax-favored retirement savings accounts (401(k) accounts) are acceptable sources of funds for reserves • Ownership of the account and verification that the account is vested and allows withdrawals regardless of current employment status is required • When used for reserves, 70% of the value of the assets may be considered, and liquidation is not required
Liabilities	<ul style="list-style-type: none"> • All installment debt regardless of number of months remaining must be used in DTI calculation

- Child support payments of ten (10) months or fewer may be excluded
- Debts paid by another entity such as borrower's business or debts being paid by a family member must be included in the DTI calculation

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Condo Eligibility	<ul style="list-style-type: none"> • Full Condo review required, unless 2-4 condo OR detached condo follow FNMA • CC&Rs & Bylaws (maybe needed to support questionnaire) • Annual budget • E&O and liability insurance minimum \$1MM • Projects with any litigation are ineligible • Minimum square footage 400 • New projects ineligible • Low/Mid/High rise are eligible
Acreage	<ul style="list-style-type: none"> • Maximum ten (10) acres
Property Flips	<ul style="list-style-type: none"> • The following requirements apply to properties acquired within 90 days prior to the date of sales contract: <ul style="list-style-type: none"> ○ Property seller on the purchase contract is the owner of record ○ Second full appraisal is required ○ Increases in value should be documented with commentary from the appraiser
Recently Listed Properties R & T	<ul style="list-style-type: none"> • Listing must be canceled or expired prior to the application date
Recently Listed properties Cash Out	<ul style="list-style-type: none"> • Property listed for sale within the past six (6) months of application date are not eligible for cash out • If the property was listed within the previous 6 – 12 months of the application, a borrower letter explaining the reason for retaining the property is required
Appraisal Requirements	<ul style="list-style-type: none"> • For loan amounts up to \$1,500,000, one full appraisal completed by a certified appraiser is required • For loan amounts greater than \$1,500,000, two full appraisals completed by a certified appraiser are required • LTV will be based on lower of the two (2) values

	<ul style="list-style-type: none"> • All inconsistencies between the two (2) appraisals must be addressed and reconciled • A CDA is required on all loans regardless of the loan amount • If the CDA produces a value in excess of a 10% negative variance then a field review may be ordered to support the original appraised value, if the field review produces a value in excess of a 10% negative variance the loan is ineligible
Appraisal Age	<ul style="list-style-type: none"> • Appraisals must not be over 120 days old from the note date • If appraisal is over 120 days old a new appraisal is required • For new construction an appraisal update on form 1004D is required
Transferred Appraisals	<ul style="list-style-type: none"> • Transferred appraisals considered on loan amounts up to \$1,500,000
Declining Property Value	<ul style="list-style-type: none"> • Reduce maximum LTV/CLTV by 5%, max 85% LTV/CLTV for any property located in an area of declining property values as noted on the appraisal
Ineligible Property Types	<ul style="list-style-type: none"> • Manufactured Homes • Factory Built Housing • Properties with income producing attributes • Properties with oil and gas lease(s) • Condo hotel units, non-warrantable condominiums, condominiums with HOA in litigation • Log homes • Timeshare units • Geothermal homes • Unique properties • Mixed use properties, including home businesses i.e.: daycare • Working farms • Hobby farms • Commercial properties • Agriculturally zoned properties (agricultural/residential eligible) • Properties held as leasehold