

DENALI JUMBO						
Owner Occupied						
Loan Purpose	Max Loan Amount	Property Type	Credit Score	LTV / HCLTV	DTI	Reserves*
Purchase / Rate & Term	\$850,000	SFR, PUD, and Condo	680	80%	43%	6 Months
	\$1,000,000	SFR, PUD, and Condo	700	80%		6 Months
	\$1,500,000	SFR, PUD, and Condo	720	80%		12 Months
	\$2,000,000	SFR, PUD, and Condo	740	75%		12 Months
	\$2,000,000	2 Units	740	65%		12 Months
2nd Home						
Loan Purpose	Max Loan Amount	Property Type	Credit Score	LTV / HCLTV	DTI	Reserves*
Purchase / Rate & Term	\$2,000,000	SFR, PUD and Condo	740	70%	43%	18 Months
Investment Property						
Loan Purpose	Max Loan Amount	Property Type	Credit Score	LTV / HCLTV	DTI	Reserves*
Purchase / Rate & Term	\$1,500,000	SFR, PUD, Condo and 2 Units	740	65%	43%	18 Months

* Additional Reserves are required for REO and FTHB

DENALI JUMBO						
	Product	Qualifying Rate	Term	Margin	Caps	Index
Available Products	30 Year Fixed	Note Rate	360	N/A	N/A	N/A
	20 Year Fixed	Note Rate	240	N/A	N/A	N/A
	15 Year Fixed	Note Rate	180	N/A	N/A	N/A
Secondary Financing	Allowed - See LTV/HCLTV grid Only existing subordinate financing may be re-subordinated. New simultaneously subordinate financing is not allowed.					
PACE / HERO	Payoff of a pace hero lien seasoned 12 months or more is considered a rate/term. These liens cannot be subordinated.					
Property Type	Single Family Residence (Detached & Attached) PUD Condo (All condo's must meet FNMA warrantable condo requirements) 2 Units (not allowed on 2nd Home) 3-4 Units not eligible					
Rate Term Refi	Payoff of unseasoned private mortgages not allowed. Unseasoned defined as less than 12 month. If property is owned 9 months or less, use lesser of purchase price or appraisal value. 9 months is defined from acquisition to doc date. Incidental cash back is allowed up to 1%. Proceeds from the 1% cannot be used to retire consumer debt.					
Cash-Out	Not allowed.					
Delayed Financing	Not allowed.					
Flips	If property is owned by the seller less than 180 days, and there is an increase in the seller's acquisition price, then transaction is ineligible. 180 days is measured by seller's acquisition date to contract date.					

Borrower Requirements	
Eligible Borrowers	<p>Four borrowers max</p> <ul style="list-style-type: none"> - US Citizens - Permanent Resident Alien - Non-Permanent Resident Alien
Non-Permanent Resident	<p>Non-Permanent Resident Aliens are eligible to maximum 75% LTV/HCLTV, max DTI 38, primary residence only, and two years uninterrupted employment. A non-permanent resident alien is someone who is:</p> <ul style="list-style-type: none"> - Not a U.S. Citizen - Granted the right to live and work in the U.S. on a temporary basis, and a lawful non-permanent resident of the U.S. (Visa Holder) - Only H1B and L1 visas are allowed.
Multiple Properties Owned	<p>The maximum number of residential 1-4 unit properties personally financed is four (4). Properties owned free and clear are NOT included in this limitation.</p> <p>Max exposure to Newfi for any one (1) borrower is five (5) loans or \$5,000,000 UPB</p>
Non-Occupant Co-Borrowers	Not allowed.
First Time Home Buyer	<p>Primary residence only:</p> <ul style="list-style-type: none"> - 38 max DTI - 740 min credit score - 12 months reserves - 1 unit property only - Max loan amount of \$1,500,000 - 24 months rental history with no late payments

Trust vesting	Primary residence only.
Tenants in Common Vesting	Title held as tenants in common with unequal ownership is ineligible.
Power of Attorney	Follow Fannie Mae. If one borrower, POA acceptable, If two borrowers, then the POA must be one of the two borrowers.
Continuity of Obligation	At least one borrower on the new loan must also be obligated on the current Note; or Borrower has been on title to the subject property for the previous 12 months; occupied the subject property for the previous 12 months; and can demonstrate having made the payments in the previous 12 months.
Exceptions to Continuity of Obligation	The borrower acquired the subject property through an inheritance or was legally awarded the property through a court ordered agreement. This scenario requires no minimum waiting period for continuity of obligation.
Credit and Liabilities	
AUS	Must follow and meet all requirements of the DU or LP Loan may be "ineligible" for loan amount, LTV, cash out amounts allowable in accordance with the jumbo underwriting guidelines, and cash-out amounts resulting from non-purchase money second lien payoffs as a rate and term refinance.
Credit Score	See matrix When multiple borrowers apply, the lowest middle score is the qualifying credit score minimum two credit scores required per borrower
Age of Documentation	Income, Assets, Credit, Title & Appraisal - 120-days
Housing Payment History	0x30x12 0x30x24 for FTHB
Major Credit Events	Seven (7) years seasoning is required for the following credit events: - Bankruptcy (Chapter 7, 11 or 13), Short Sale / Short Refi, Deed-in-Lieu, NOD, and foreclosure - Multiple Bankruptcies not allowed
Modifications	Refinance of a restructured loan is ineligible.

Collections & Charge Offs	<p>Liens impacting title must be satisfied prior to closing.</p> <p>All collections and charge-offs must be paid if an individual collection or charge-off is equal to or greater than \$1000 or if the cumulative total of collections and charge-offs per loan is equal to or greater than \$2500.</p> <p>All settled debts reported in the previous 24 months must be fully explained and taken into consideration in the full credit review.</p>
Minimum Trade Lines	3 trade lines with a 12 month history. All 3 with activity in the last 12 months.
Business Liabilities	<p>Business debt in borrowers name can be excluded following FNMA guidance:</p> <ul style="list-style-type: none"> - The account does not have history of delinquency - 12-months canceled checks or bank statements showing debt paid by the business are provided - The cash flow analysis of the business takes payment of the obligation into consideration - Excluding business debt in borrower's name when business type is schedule C is not allowed
Forbearance - Mortgage Accounts	Only cured forbearance allowed. Borrowers who enter lender modification plans are not allowed.
Paying Off Revolving Debt	Allowed. Accounts made remain open.
Paying Off Installment Debt	<p>Allowed.</p> <p>Accounts with less than 10 payments can be excluded provided borrower has additional reserves to cover the remaining balance</p>
Non Subject Mortgage Liabilities	Must be qualified at a fully amortized payment.
Alimony and Child Support	Must be treated as an obligation. Cannot be deducted from income.
Open Accounts	Must be debt serviced with 5% of the current balance.
Departure Property Converted to Rental	<p>25% equity position must be documented with an appraisal no less than 6 months old</p> <ul style="list-style-type: none"> - departure property cannot be a multi-unit property - 12 month lease required, must be arms length - receipt of security deposit and/or 1st month's rent is required

Living Rent Free	<p>Borrowers living rent-free must meet the following requirements:</p> <ul style="list-style-type: none"> - The rent-free period must be the months directly preceding or during the loan purchase application process. - The rent-free period is consecutive and does not exceed 12 months. - The lender obtains an acceptable 12 or 24 months rental history (based on specific program requirements) for the time-frame immediately prior to the rent-free period, and; - The file contains an acceptable letter of explanation from the borrower.
Income	
Debt to Income Ratios (DTI)	Maximum 43% DTI, maximum with gift is 40%, maximum FTHB is 38%
Tax Transcripts	Required on all income used to qualify, 1040 transcripts only. Business transcripts not required if business income is reported on 1040.
Rental Income	Two years' IRS Form 1040 Schedule E (One-year IRS Form 1040 Schedule E will be considered when rental history is less than 24-months. Current lease is required
Rental Property with Split Ownership	Income is based on schedule E. 100% of the PITI will apply.
Declining Income	Must be reasonable and supported with documentation to show trend is stable or increasing.
Foreign Income	Not allowed.
RSU Income	Not allowed.
Date of Income Docs	Must be dated prior to consumption date.
Cannabis Income	Borrowers with Cannabis related income are not allowed; Either as W2 or Self-Employed
Employment Gaps	Borrowers with gaps of 6 months or more in the most recent 2 years requires 6 months on the current job.
Assets	
Business Funds	<p>Business assets are eligible for the borrower's down payment and closing costs. The percentage of business assets withdrawn from an account (for use in the transaction) should be equal to or less than the borrower's percentage of ownership in said business. Business assets are not eligible as reserves. Evidence of the following must be included in the file:</p> <ul style="list-style-type: none"> - Evidence supporting the borrower has full access to their percentage of the funds. - A cash-flow analysis or CPA letter stating the withdrawal of said funds will not negatively impact the business.

Gift Funds	<ul style="list-style-type: none"> - Source of gifts: relatives, fiancés, domestic partners only - primary residence only, 2-units not allowed - max DTI 40% - must provide proof of donor's ability to gift - gift of equity is not allowed - allowed for funds to close only, not allowed to use for reserves or for paying off debt to qualify
Reserves	<p>See matrix plus additional as per below:</p> <ul style="list-style-type: none"> - 6 months PITI or TI (if applicable) on all REO - 12 months for FTHB
Source of Reserves	<p>Funds in non-cash holdings, like stocks, bonds & mutual funds must be discounted to 70%.</p> <p>Life insurance surrender value</p> <p>Business funds, as per above</p> <p>Company sponsored retirement accounts i.e.: 401k (TOW required)</p>
Paycheck Protection Plan	These loans cannot be included in assets or counted as income
Interested Party Contributions	<p>Primary and Second Home, max 3%, NOO max 2%</p> <p>% based on the lesser of the appraised value or purchase price</p>
Privately Funded loans	Private bridge or home equity loans are not allowed as source of funds.
Co-Owned Accounts	Can only be used if all deposits are sourced to the borrower. Authorization from co-owner is required.
Property / Appraisal Information	
Acreage	No more than fifteen (15) acres
Recently Listed Properties	Property must be off the market at application date. (Refi)
Condos	<p>All condominiums must meet FNMA warrantable condo requirements</p> <p>Condo review type: Full review only</p> <p>Detached Condos and small projects (2-4 units) do not require condo review.</p>
HOA Dues	<p>All of the following are required:</p> <ul style="list-style-type: none"> - name of association - address, phone number, email - amount and status of dues - dues pay history

Ineligible Properties	<p>Non-Warrantable Condos Manufactured Homes Condotels & resort style condos Unique style homes: earth, dome, etc. Property condition of C5 or C6 Working farms or ranches Mixed Use Property Properties with deed restrictions other than for age or resale that meet Fannie Mae Modular/ prefab Properties on leased land Log home</p>
Rural Properties	Allowed with adequate comps.
Solar Panels	Follow FNMA Guidance.
Appraisal Requirements	<p>One (1) appraisal and CDA are required. Up to 10% tolerance on the CDA is allowed, use appraised value. If the CDA value is more than 10% below the appraisal value, a third valuation is required. A third valuation can be second appraisal or field review. If the field review 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. If the second appraisal is within 10% of the original appraisal, then the lower of the two values will be used. If the second appraisal is outside the 10% variance, then the lower value is used and must be supported by a secondary valuation product (CDA or field review, as per above).</p>
Appraisal Age	Appraisal must be dated within 120 days of the note date, a recert by the original appraiser is allowed.
Transferred Appraisals	No transfers or assignments allowed.
Declining Property Value	Reduce maximum LTV/CLTV by 10% for any property located in an area of declining property values as noted on the appraisal.
Assigned sales contracts	Not allowed.
Installment Land Contracts	Not allowed.