

Lassen Jumbo							
Owner-Occupied							
Loan Purpose	Loan Amounts*	Property Type	Min Credit Score	LTV	CLTV	DTI	Reserves
Purchase / Rate & Term	<= \$1,500,000	SFR, PUD	700	80%	89.99%	45%	<= \$1.0mm greater of DU reserve requirement or 6 months PITI <= \$1.5mm greater of DU reserve requirement or 12 months PITI <= \$2.5mm greater of DU reserve requirement or 15 months PITI <= \$3.0mm greater of DU reserve requirement or 18 months PITI
	<= \$1,500,000	Condo, 2-units	700	80%	80%		
	<= \$2,500,000	SFR, PUD, Condo, 2-units	720	80%	80%		
	<= \$3,000,000	Condo	740	50%	50%	43%	
	<= \$3,000,000	SFR, PUD, 2-units	740	70%	70%		
Cash-Out	<= \$1,500,000	SFR, PUD, Condo	700	80%	80%	45%	
	<= \$1,500,000	2-units	700	75%	75%		
	<= \$2,500,000	SFR, PUD, Condo	720	80%	80%		
	<= \$2,500,000	2-units	720	70%	70%	43%	
	<= \$3,000,000	SFR, PUD, 2-units	740	70%	70%		
	<= \$3,000,000	Condo	740	50%	50%		
*Minimum loan amount is \$1 above standard conforming loan limits.							
2nd Home							
Loan Purpose	Loan Amounts*	Property Type	Min Credit Score	LTV	CLTV	DTI	Reserves
Purchase / Rate & Term	<= \$1,500,000	SFR, PUD, Condo	700	75%	75%	45%	<= \$1.0mm greater of DU reserve requirement or 12 months PITI <= \$1.5mm greater of DU reserve requirement or 18 months PITI <= \$2.5mm greater of DU reserve requirement or 18 months PITI <= \$3.0mm greater of DU reserve requirement or 18 months PITI
	<= \$2,500,000	SFR, PUD, Condo	720	70%	70%		
	<= \$3,000,000	SFR, PUD	740	60%	60%	43%	
	<= \$3,000,000	Condo	740	50%	50%		
Cash-Out	<= \$1,500,000	SFR, PUD, Condo	700	75%	75%	45%	
	<= \$2,500,000	SFR, PUD, Condo	720	70%	70%		
	<= \$3,000,000	SFR, PUD	740	60%	60%	43%	
	<= \$3,000,000	Condo	740	50%	50%		
*Minimum loan amount is \$1 above standard conforming loan limits.							

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	Product	Qualifying Rate	Term	Margin	Caps	Index
Available Products	30 Year Fixed	Note Rate	360 months	N/A	N/A	N/A
	15 Year Fixed	Note Rate	180 months	N/A	N/A	N/A
	7/6 ARM	Greater of note rate or fully indexed rate	360 months	2.75%	5 - 1 - 5	30-day SOFR Avg.
	10/6 ARM	Greater of note rate or fully indexed rate	360 months	2.75%	5 - 1 - 5	30-day SOFR Avg.
Secondary Financing	<p>Allowed - See LTV/CLTV grid</p> <p>Junior financing must meet the requirements as defined by FNMA</p> <p>PACE / HERO liens are not allowed to be subordinated. Follow FNMA for payoff requirements</p> <p>If paying off a secondary lien, it must be purchase money or have a balance no more than the allowed cash-back amount for a rate & term refinance, to treat transaction like rate & term</p>					
Property Type	<p>Single Family Residence (Detached & Attached)</p> <p>PUD</p> <p>Condo (All condo's must meet FNMA warrantable condo requirements)</p> <p>2-Units - Primary Residence ONLY (rental income cannot be used for qualification)</p>					
Cash-Out	Max Cash out \$500,000. (This includes non subject mortgage debt payoff, unseasoned 2nd, and cash in hand)					
Rate & Term - Allowable Cash Back	<p>The lesser of 2% or \$2,000</p> <p>Principal reductions up to \$2,500 are allowed</p>					
Delayed Financing	<p>Properties purchased with cash within the past six (6) months (measured from the purchase date of the property to the disbursement date of the new loan) are eligible for a cash-out refinance.</p> <p>Cash-Out pricing is applicable</p> <p>Follow all other FNMA requirements</p>					
Ownership Seasoning	<p>Rate & Term - No Seasoning requirement</p> <p>Cash-Out - 6 months</p>					

Borrower Requirements	
Eligible Borrowers	<p>US Citizens Permanent Resident Alien Non-Permanent Resident Alien</p>
Non-Permanent Resident	<p>Non-Permanent Resident Aliens are eligible. 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 is a lawful non-permanent resident of the U.S. (Visa Holder) <p>Borrowers who are Non-Permanent resident aliens and provide evidence of lawful residency and right to work in U.S. are eligible for financing with the same terms as U.S. Citizens.</p> <ul style="list-style-type: none"> - EAD alone is not sufficient, borrower must have a valid, acceptable Visa. Underwriter to review current Visa for acceptability. <p>Acceptable Visa types are too numerous to list and categorize, the underwriter will review the Visa provided and determine if it's eligible. The Visa types below are some, but not all of the Unacceptable Visa's:</p> <ul style="list-style-type: none"> - A-3, B-1, B-2, F-1, H-1C, I, J-1, K-1, M-1, M-2, O-2, P-1, P-2, P-3, Q-1, Q-2, R-1, U-1, U-2, U-3, U-4, U-5
Multiple Properties Owned	<p>The maximum number of residential 1-4 unit properties financed is four (4). Properties owned free and clear are NOT included in this limitation. Max exposure to Newfi for any one (1) borrower is five (5) loans or \$5,000,000 UPB</p>
Non-Occupant Co-Borrowers	<p>Allowed per AUS. Blended ratios OK.</p>
Membership	<p>Must establish membership If loan signed with a POA, primary borrower must complete and sign membership</p>

Credit	
Credit Score	Refer to Matrices for eligibility When multiple borrowers apply, the lowest middle score is the qualifying credit score
Age of Documentation	Income & Assets - 120-days Credit & Title - 120-days Appraisal - 120-days
Housing Payment History	Follow AUS, any non reported housing obligation will need to verified as 0x30x24 or better.
Major Credit Events	Seasoning is measured between the event date and our transactions note date. Standard policy on BK 7, 11, & 13: 7 Years. Multiple BK: Not acceptable. Modifications of a Previous Mortgage Loan: Standard policy 4 years.
Collections, Charge Offs, & Past-Due Accounts	Past Due accounts must be brought current. 1-unit owner occupied: no requirements 2-unit owner occupied & 2nd Home: If the aggregate total is > \$5,000, all accounts must be paid
Required Credit History	Follow AUS "Refer with Caution" not allowed Loan may be "ineligible" for loan amount ONLY LP not allowed
Business Liabilities in Borrower Name	Follow FNMA Guidance
Forbearance - Mortgage Accounts	Borrowers who participated in forbearance within last 12 months must provide: <ol style="list-style-type: none"> 1) proof forbearance ended/cancelled (or was in error) 2) proof loan is current 3) proof the borrower did not take advantage of forbearance & continued to make the normal monthly payments on time

Income	
Debt to Income Ratios (DTI)	Maximum 45% DTI
Income	Standard 2-years Full Doc. Must also have AUS Approve / Ineligible
Tax Transcripts	Fully executed 4506-C prepared in the name of the investor - Newfi to provide - Required PTD OR 2-years of 1040 transcripts covering the income used Transcripts required for all years documented in file
Rental Income	2-years 1040's plus leases. If leases are not current they must contain month-to-month rollover language.
Departure Property	In order to use the departure residence rental income a 25% equity position is required. Equity position can be demonstrated with either a full or drive-by appraisal no more than 6-months old, or by comparing the current mortgage UPB to the acquisition cost. Signed lease is required. Will apply the 25% rule to determine qualifying income. 75% of rent is added to income, full PITI is added to liabilities
Declining Income	Must be reasonable and supported with documentation to show trend is stable or increasing
Cannabis Income	Borrowers with Cannabis related income are not allowed; Either as W2 or Self-Employed
Assets	
Business Funds	Business funds allowed for down payment, closing costs, and reserves provided they meet the following requirements: - Business has a liquidity ratio of 1.00 or greater. - If borrower has less than 100% ownership of the business the following 3 items are required: 1) verify identity of all owners 2) provide most recent business tax returns 3) provide letter from all owners allowing use of business funds
Gift Funds	Follow FNMA Guidance
Paying Off Debt to Qualify	Revolving accounts may be excluded from the DTI ratio, documentation must be provided that the account was paid in full either prior to closing or at closing. Installment debt may be excluded if paid off and closed For Installment Debt, monthly payments may be excluded from DTI calculation if there are fewer than ten (10) monthly payments.
Reserves for Multiple Financed Properties	2% of the aggregate UPB when borrower has 1 to 4 financed properties Subject property and primary residence are excluded from UPB aggregation
Source of Reserves	100% of the value for retirement and non-retirement assets can be used. Assets that have restrictions on liquidating such as Private Equity and RSU's cannot be considered. TOW needs to be provided for any employer sponsored plans. (like 401k)
Paycheck Protection Plan	These loans cannot be included in assets or counted as income

Property / Appraisal Information	
Acreage	No more than twenty (20) acres
Rural Properties	<p>Allowed</p> <p>Properties indicated by the appraisal as rural must comply with the following criteria:</p> <ul style="list-style-type: none"> - The primary use must be residential - The property must not be agricultural, or otherwise providing a source of income to the Borrower or for the subject loan - The lot size and acreage must be typical for the area and similar to the surrounding properties - The maximum acreage allowed is twenty-five (25) acres, which includes road frontage and the subject property - The present use must be the "highest and best use" for the subject property - The condition, quality and use of outbuildings may be considered in determining the market value of the subject property when the appraiser clearly supports the adjustments with similar comparable information
Recently Listed Properties	Properties currently listed for sale are not eligible for refinance transactions. Property must be off market prior to application date.
Condos	<p>All condominiums must meet FNMA warrantable condo requirements</p> <p>Condo review type (Full or Limited) determined by FNMA requirements</p> <p>Detached Condos and small projects (2-4 units) do not require condo review</p>
Ineligible Properties	<p>Non-Permitted ADU</p> <p>Non-Warrantable Condos</p> <p>Manufactured Homes</p> <p>Condotels & resort style condos</p> <p>Unique style homes: earth, dome, etc.</p> <p>Property condition of C5 or C6</p> <p>Working farms or ranches</p> <p>Mixed Use Property</p> <p>Cantilevered Properties</p> <p>Properties zoned commercial or agricultural that do not allow residential usage in the event the property is destroyed</p> <p>Properties without a continuing supply of potable water</p> <p>Lava Zones 1 & 2</p>

Solar Panels	Follow FNMA Guidance
Appraisal Requirements	<p>Loan amounts up to and including \$2,000,000 require one (1) appraisal and a CDA. If the FNMA CU Score < 2.5 then a CDA is not required. Up to 10% tolerance on the CDA is allowed.</p> <p>If the tolerance exceeds 10% then a field review or a 2nd appraisal may be provided to support the appraised value.</p> <p>Any appraisal not meeting the above requirements may be accepted subject to management review.</p> <p>Loan amounts > \$2,000,000 require two (2) appraisals (no CDA required).</p>
Appraisal Age	Appraisal must be dated within 120 days of the note date. Re-certification of values are allowed.
Transferred Appraisals	Not allowed - no exceptions
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