



BISCAYNE JUMBO AUS						
Purchase / Rate & Term Fixed Rate - Max 45% DTI						
Occupancy	Property Type	Max Loan Amount <=	Max LTV / CLTV <=	Credit Score	Reserves	
Primary/ 2nd Home	SFR, PUD, Condo, & 2-4 Units	\$2,000,000	89.99%	680	Follow the greater of the AUS reserve requirements or reserve requirements listed below:  LA <= \$2,000,000 - Follow AUS Requirements LA > \$2,000,000 <= \$2,500,000 - 12 Months PITI LA > \$2,500,000 <= \$3,000,000 - 18 Months PITI	
		\$2,000,000	80%	660		
		\$2,500,000	80%	720		
		\$3,000,000	80%	740		
Non-Owner	SFR, PUD, Condo, & 2-4 Units	\$2,000,000	80%	680		
		\$2,000,000	70%	660		
		\$2,500,000	75%	720		
Purchase / Rate & Term Interest Only - Max 43% DTI						
Occupancy	Property Type	Max Loan Amount <=	Max LTV / CLTV <=	Credit Score	Reserves	
Primary/ 2nd Home	SFR, PUD, Condo, & 2-4 Units	\$1,000,000	75%	700	Follow the greater of the AUS reserve requirements or reserve requirements listed below:  LA <= \$2,000,000 - Follow AUS Requirements LA > \$2,000,000 <= \$3,000,000 - 24 Months PITI	
		\$1,000,000	80%	740		
		\$2,000,000	75%	720		
		\$3,000,000	75%	760		
Cash-Out Fixed Rate - Max 45% DTI						
Occupancy	Property Type	Max Loan Amount <=	Max CLTV <=	Credit Score		Reserves
Primary	SFR, PUD, Condo, & 2-4 Units	\$2,000,000	80%	680		Follow the greater of the AUS reserve requirements or reserve requirements listed below:  LA <= \$2,000,000 - Follow AUS Requirements LA > \$2,000,000 <= \$3,000,000 - 18 Months PITI
		\$3,000,000	80%	740		
2nd Home	SFR, PUD, Condo, & 2-4 Units	\$2,000,000	75%	700		
		\$3,000,000	75%	740		
Non-Owner	SFR, PUD, Condo, & 2-4 Units	\$1,000,000	75%	680		
		\$2,000,000	70%	680		
		\$2,000,000	75%	720		



BISCAYNE JUMBO AUS				
Available Products	Product	Qualifying Rate	Term	I.O. Term
	30 Year Fixed	Note Rate	360	N/A
	30 Year Fixed I.O.	Note Rate	360	120
Interest Only Qualification	I/O loans qualify based on original principal balance and note rate over 240 months			
APR / APOR	No higher priced covered transactions allowed. All loans must be QM Safe Harbor			
Buydown Option	<p>A buydown option is available on owner occupied purchase transactions. The buydown is funded by interested party contributions (IPC) or Lender Credit. The buydown fund contributions can only come from the seller, builder, realtors, or from lender credit. Any combination of these sources is acceptable. The buydown is available in 3 different options: 3/2/1, 2/1, or 1. The year 1 payment is based on a bought down rate, for example, on the 3/2/1, the first year rate is 3% below the locked rate, the year two payment is based on a rate that is 2% below the locked rate, and finally, year three payments are based on a rate that is 1% below the locked rate.</p> <p>The difference between the actual payment and the payment required by the note rate is paid every month by the loan servicer from the buydown premium collected at closing. At the beginning of the year following the end of the buydown period, and thereafter, the full amortizing payment is made by the borrower. If the loan pays off prior to the end of the buydown period, the remainder of the buydown fund is credited to the borrower in the payoff calculation.</p> <p>The following terms and restrictions apply:</p> <ul style="list-style-type: none"> <li>- The buydown is only available on Owner Occupied purchase transactions</li> <li>- For qualification purposes the actual locked rate and associated payment are used</li> <li>- The buydown only impacts the amount of the monthly payments made by the borrower over the first 1, 2, or 3 years depending on which option is selected</li> <li>- For loans with impounds/escrows: the borrower makes the full monthly payment amount for any impounds/escrows</li> <li>- There is no negative amortization</li> <li>- Buydown amount cannot exceed IPC limits</li> <li>- Cannot be combined with Interest Only payment option</li> <li>- Appraisal must reflect that the IPC used to fund, or partially fund, a buydown has been included in the analysis</li> <li>- Purchase agreement must reflect IPC to be granted to the buyer/borrower</li> <li>- A Buydown agreement is signed at closing by the borrower</li> <li>- Buydown option is only available for 30 year fixed rate P&amp;I loan term</li> </ul>			



Minimum Loan Amount	Minimum loan amount is \$1 over the current Agency loan limit based on the subject property county and number of units. AUS findings required with Approve/Accept Ineligible due only to the loan amount exceeding the Agency loan limit for the subject property county and number of units or LTV exceeding maximum allowed on cash-out refinances.
AUS Decision Requirements	Loan can be "ineligible" due to loan amount only
Secondary Financing	Allowed - See LTV/CLTV grid Junior financing must meet the requirements as defined by Fannie Mae
Property Type	Single Family Residence (Detached & Attached) PUD Condo (All condo's must meet FNMA warrantable condo requirements) 2 - 4 Unit
Ineligible Transactions	Texas 50(a)(6) 1031 exchange where subject is an owner occupied 2-4 unit property
Max Cash-Out	\$500,000
Property Value Determination	Current Appraised Value used on all transactions
Flips	Follows Fannie Mae Any increases must be supported by the appraiser
Delayed Financing	Delayed financing refinances in which the borrower(s) purchased the subject property for cash within 180-days from the date of the application are eligible Cash-back to the borrower in excess of the original purchase price or appraised value (whichever is less) is not allowed Delayed financing refinances are underwritten as cash out refinances and are subject to cash-out pricing and eligibility Property may not be located in Texas \$500,000 max equity withdrawal does not apply to delayed financing transactions



Borrower Requirements	
Eligible Borrowers	US Citizens Permanent Resident Alien Non-Permanent Resident Alien as defined by Fannie Mae. Must have 2-years 1040 and a history of VISA/EAD renewals
Ineligible Borrowers	<ul style="list-style-type: none"> <li>- Irrevocable trust</li> <li>- Land trust</li> <li>- Blind trust</li> <li>- Borrower with diplomatic immunity</li> <li>- Entities, including non-profit</li> <li>- Any material parties to the transaction on HUD's Limited Denial of Participation (LDP) or General Services Administration (GSA) or any other exclusionary list</li> <li>- Foreign Nationals</li> <li>- Any borrower that is party to lawsuit</li> </ul>
Multiple Properties Owned	The maximum number of residential 1-4 unit properties financed is five (5). 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
Max # of Borrower's	Maximum of 4 borrowers per loan
Non-Occupant Co-Borrowers	Allowed per AUS. Blended ratios OK



Credit	
Credit Score	See matrix When multiple borrowers apply, the lowest middle score is the qualifying credit score
Age of Documentation	Income & Assets - 90-days Credit, Title & Appraisal - 120-days
Housing Payment History	Follow AUS
Major Credit Events	Foreclosure, Deed-In-Lieu, Bankruptcy, Short Sales, NOD, 120/150 day lates - Seven (7) years seasoning is required counted from event date to note date
Collections & Charge Offs	Follow AUS
Required Credit History	AUS approval required
Business Liabilities	Business debt in borrower's name can be excluded following FNMA guidance: <ul style="list-style-type: none"> <li>- The account does not have history of delinquency</li> <li>- 12-months canceled checks showing debt paid by the business are provided</li> <li>- The cash flow analysis of the business tax returns takes payment of the obligation into consideration</li> </ul>
Forbearance - Mortgage Accounts	6-months on-time payments required after entering Lender's post forbearance modification plan
Debts Paid by Other (Contingent Liability)	Debts to be excluded must meet the following two criteria: <ul style="list-style-type: none"> <li>- Person paying the debt must be the primary obligor</li> <li>- Documentation of 12-months most recent and on-time payments paid by primary obligor</li> </ul>



Income	
Debt to Income Ratios (DTI)	Maximum 45% DTI Maximum 43% DTI for Interest Only
Paying Off Debt to Qualify	Follow FNMA Non-Lease 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
Income	Follow the DU and the requirements in chapters B3-3 through B3-6 of the Fannie Mae Single Family Selling Guide, published June 3, 2020 or follow the LPA and the requirements in Sections 5102 through 5500 of the Freddie Mac Single-Family Seller/Servicer Guide, published June 10, 2020. If a discrepancy exists between DU and the aforementioned Fannie Mae guide or LPA and the aforementioned Freddie Mac guides the guide requirements must be followed
Tax Transcripts	Transcripts not required for W2 wage earners. For self-employed borrowers 1040 transcripts required Business transcripts not required unless business income is not reported on 1040's 1040 transcripts not required for W2 wage earner with rental income
P&L's	Full year P&L required if most recent tax forms are due but not filed
Self-Employed	Year to date P&L required - Needs to be no older than 90-days from note date 3-months business bank statements with ending period same as YTD P&L Balance sheet dated within 90-days from note date
Rental Income	Requires one (1) year 1040 1040 transcripts not required for W2 wage earner with rental income
Unacceptable Income	Cannabis related Boarder Income
RSU Income	Follow Freddie guidance. Can use with either LPA or DU approval
Declining Income	Follow FNMA



Assets	
Interested Party Contributions	<p>Owner Occupied &amp; 2nd Homes:</p> <ul style="list-style-type: none"> <li>- 9% allowed &lt;= 75% LTV/CLTV</li> <li>- 6% allowed &gt; 75% LTV/CLTV</li> </ul> <p>Non-Owner Occupied:</p> <ul style="list-style-type: none"> <li>- 2% allowed for all LTV's</li> </ul>
Business Funds	<p>Business funds allowed for down payment and closing costs</p> <p>Loan must meet the FNMA requirements for use of business assets</p> <p>Business funds cannot be used for reserves</p>
Gift Funds	Allowed per FNMA guidance
Gift of Equity	Not allowed
Reserves	See matrix
Source of Reserves	<p>Gift funds OK</p> <p>Cash-out proceeds from subject property cannot be used</p> <p>TOW needs to be provided for any employer sponsored <b>retirement plans, like a 401k.</b></p>
Ineligible Assets	<p>529 accounts</p> <p>Cryptocurrency is ineligible to be used as reserves and/or funds to close</p>
Paycheck Protection Plan	These loans cannot be included in assets or counted as income
1031 Exchange	<p>Proceeds from a 1031 exchange in escrow, properly documented and in compliance with Internal Revenue Code Section 1031 are eligible as funds to close</p> <p>Both the sold property and subject property must be similar and qualify as "like-kind"</p> <p>Tax deferred Exchanges are only eligible for purchases of investment properties</p> <p>2-4 unit properties where one of the units is occupied by borrower, are not considered investment properties, and therefore are not eligible</p>



Property / Appraisal Information	
Acreage	No more than twenty (20) acres Properties with greater than 10 acres must have three comparables with similar acreage
PIW	Property Inspection Waiver (PIW) not allowed
Recently Listed Properties	R/T Refinances - listing must be canceled or expired prior to the application date Cash-Out transactions - listing must be removed 6-months prior to application date
Condos	All condominiums must meet FNMA warrantable condo requirements Condo review type (Full or Limited) determined by FNMA requirements Detached Condos and small projects (2-4 units) do not require condo review Projects with any litigation are ineligible Minimum square footage 400 New projects are ineligible
Ineligible Properties	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 Properties held as leasehold Deed restricted or Resale restricted Lava Zone 1 and 2





Texas	Texas 50(a)(6) loans are ineligible
Oil & Gas Leases	Not allowed
Leasehold	Not allowed
Deed restricted or Resale restricted	Not allowed
HERO / PACE / Solar Panels	Any item that will include a UCC associated with the property and/or will create an easement on title is ineligible PACE / HERO Liens cannot be subordinated, must be paid off. If paid with loan proceeds transaction will be considered cash-out
Property Zoning	<p>Zoning designations are determined by the City or County based on the property location, each governing entity has their own unique zoning titles or descriptions. The property's specific zoning will describe, in general, what type of activity is allowed, and the density that is allowed. Regardless of what the zoning designation is for the subject property, the property must meet the 3 requirements listed below.</p> <ul style="list-style-type: none"> <li>- The current usage of the subject property is residential</li> <li>- Residential must be an allowed usage of the subject property zoning</li> <li>- Residential must be the highest and best use of the subject property, as defined by the appraiser</li> </ul> <p>As long as the property passes the 3 question test listed above, the zoning designation is acceptable.</p>
Non-Residential Improvements	<p>Any non-residential improvements, like shops, storage structures, barns or animal shelters must meet the criteria listed below:</p> <ul style="list-style-type: none"> <li>- Must be minor in scope</li> <li>- Common for the area</li> <li>- They must have no impact on the property being residential in nature</li> <li>- They must be given only nominal contributory value by the appraiser and not impact marketability</li> </ul>
Horse Improvements	<p>Must be minor in nature and consistent with owner usage only. In general, a 1 to 4 horse stable is acceptable. Small fenced off riding areas are usually acceptable. Any improvements that indicate usage for more than the owner, like grandstands, parking areas, guest quarters or excessive vehicles, will make the property ineligible. The horse improvements must meet the following test:</p> <ul style="list-style-type: none"> <li>- Must be minor in scope</li> <li>- Common for the area</li> <li>- They must have no impact on the property being residential in nature</li> <li>- They must be given only nominal contributory value by the appraiser and not impact marketability</li> </ul>



<p>Appraisal Requirements</p>	<ul style="list-style-type: none"> <li>- Purchases with loan amounts up to and including \$3,000,000 require one (1) appraisal</li> <li>- Refinances with loan amounts &lt;= \$2,000,000 require one (1) appraisal</li> <li>- Refinances with loan amounts &gt; \$2,000,000 require two (2) appraisals</li> </ul>
<p>Appraisal Review Product</p>	<p>An appraisal review product is required on every loan unless a second appraisal is obtained, one of the three options below is acceptable:</p> <ul style="list-style-type: none"> <li>- CDA from Clear Capital OR</li> <li>- Collateral Underwriter (CU Score) less than 2.5 OR</li> <li>- A field review or a second appraisal – These must be from a different company and appraiser than the first appraisal. Ordering a field review or second appraisal requires underwriting supervisor or manager approval</li> </ul> <p>If the CDA reflects a value of 10% or less below the appraised value, the appraised value is accepted.</p> <p>If the CDA reflects a value of more than 10% below the appraised value, a field review or a second appraisal is required. Ordering a field review or second appraisal requires underwriting supervisor or manager approval.</p>
<p>Appraisal Age</p>	<p>Appraisal must be dated within 120 days of the note date</p>
<p>Transferred Appraisals</p>	<p>Not allowed, no exceptions</p>
<p>Declining Property Value</p>	<p>Reduce maximum LTV/CLTV by 5% for any property located in an area of declining property values as noted on the appraisal</p>