



Acadia Closed End Second				
CLTV MATRIX – 2nd Home				
Loan Amount	Credit Score	Full Doc 1-2 years	Max Combined Liens \$	Max DTI
≤ \$350,000	720	80%	\$2.0M	50%
	700	80%		
	680	75%		
	660	70%		
≤ \$450,000	720	75%	\$2.5M	
	700	75%		
	680	70%		
	660	65%		
≤ \$550,000	720	70%	\$2.5M	
	700	70%		
	680	65%		
	660	60%		
CLTV MATRIX – Non-Owner Occupied				
Loan Amount	Credit Score	Full Doc 1-2 years	Max Combined Liens \$	Max DTI
≤ \$350,000	720	80%	\$2.0M	50%
	700	80%		
	680	75%		
	660	70%		
≤ \$450,000	720	80%	\$2.5M	
	700	75%		
	680	70%		
	660	65%		
≤ \$550,000	720	75%	\$2.5M	
	700	70%		
	680	65%		
	660	60%		



Fixed Rate Closed End 2nd	
Term	10 Year Fixed, 15 Year Fixed, 20 Year Fixed & 30 Year Fixed
QM Points and Fees	5% Limit
Cash Out Seasoning	Borrower must have six (6) months ownership in property, six months is measured from acquisition date to note date
Ownership Seasoning	Properties owned less than six (6) months ineligible. Seasoning is not required for properties that are inherited or legally acquired through a divorce, separation, or dissolution of a domestic partnership.
Loan Amount	Minimum Loan Amount: \$150,000 Loan amounts rounded down to the nearest \$100 increment
Occupancy	Second Home Non-Owner
Geographic Restrictions	Not Available in the following states: MA, MN, TX
Eligible Borrowers	<p><b>U.S. Citizens</b></p> <p><b>Permanent Resident Aliens</b> Permanent Resident Aliens with an Alien Registration Card (Green Card) are eligible for financing with the same terms as U.S. Citizens.</p> <p><b>Non-Permanent Resident Aliens</b> A Non-Permanent Resident Alien is a non-U.S. citizen authorized to live and work in the U.S. on a temporary basis. Legal Status Documentation:</p> <ul style="list-style-type: none"> <li>- Visa types allowed: E-1, E-2, E-3, EB-5, G-1 through G-5, H-1, L-1, NATO, O-1, R-1, TN NAFTA</li> <li>- Visa must be current. If the visa will expire within six (6) months of the loan closing date, additional documentation is required. Document that extension steps and fees paid as shown by the USCIS website.</li> <li>- When applicable, valid employment authorization doc (EAD) required for US employment if not sponsored by current employer</li> </ul>



Ineligible Borrowers	Non-occupying co-borrowers Foreign Nationals Borrowers with diplomatic immunity or otherwise excluded from US jurisdiction
Multiple Properties Owned	The maximum number of residential 1-4 unit properties owned (financed or free and clear) is two (2)
First Time Homebuyer	Eligible A First Time Home Buyer is required to have a documented 0x30x12 month housing history. Private party housing histories are ineligible
Vesting	Individual or trust
Ineligible 1st Liens	<ul style="list-style-type: none"><li>- Loans in active forbearance or deferment. Any deferred balance must be paid through closing</li><li>- Loans with negative amortization</li><li>- Reverse mortgages</li><li>- Balloon loans that the balloon payment comes due during the amortization period of the 2nd loan</li><li>- Private Party</li></ul>
Interest Only 1st Mortgage	Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI
Hybrid ARM 1st Mortgage	Less than 3 years in remaining fixed period qualifies at fully indexed payment



Credit & Liabilities	
Housing Payment History	<p>0x30x12 required</p> <p>Borrowers must have satisfactory consecutive 12-month mortgage and/or rent payment history in the three (3) years prior to loan application. Mortgage and rental payments not reflected on the credit report must be documented via an institutional Verification of Rent or Verification of Mortgage (VOR/VOM), or with alternative documentation. Alternative documentation must show the most recent 12-month history, and may be in the form of cancelled checks or bank statements, mortgage/rental statements including payment history, etc. Payments to private lenders require support with cancelled checks.</p> <p>Alternative documentation is ineligible for FTHB.</p>
Credit Report	<p>Borrower explanations are to be provided for any Disputed Tradelines with derogatory information reported in the last two years measured from application date.</p> <p>Any borrower activated security freeze must be removed and credit repulled.</p>
Credit Score	<p>Minimum two credit scores required per borrower</p> <p>Lowest middle score used for qualification</p>
Tradeline Requirements	<p>The primary wage-earner must meet either of the minimum tradeline requirements listed below:</p> <ul style="list-style-type: none"> <li>- At least three (3) tradelines reporting for a minimum of twelve (12) months with activity in the last 12 months; or,</li> <li>- At least two (2) tradelines reporting for a minimum of twenty-four (24) months with activity in the last 12 months</li> </ul> <p>Valid tradelines have the below characteristics:</p> <ul style="list-style-type: none"> <li>- The credit line must be reflected on the borrower's credit report</li> <li>- The account must have activity in the last 12 months but may be open or closed</li> <li>- Student loans may be counted as tradelines as long as they are in repayment and are not deferred</li> <li>- An acceptable 12 or 24-month housing history not reporting on credit may also be used as a tradeline (VOR from professional management company)</li> </ul> <p>The following are not acceptable to be counted as valid tradelines:</p> <ul style="list-style-type: none"> <li>- Liabilities in deferment status</li> <li>- Accounts discharged through bankruptcy</li> <li>- Authorized user accounts</li> <li>- Charge-offs</li> <li>- Collection accounts</li> <li>- Foreclosures</li> <li>- Deed-in-lieu foreclosures</li> <li>- Short sales</li> <li>- Pre-foreclosure sales</li> </ul>



Seasoning on Major Credit Events	48 months required on the following: NOD Short Sale/Short Refi Deed in Lieu Foreclosure Bankruptcy (all types)  No multiple credit/housing events (FC, BK, SS/DIL, NOD) in the last seven (7) years
Age of Docs	Credit Documents: 120 Days Income Documents: 60 Days Asset Documents: 60 Days Appraisal: 120 Days (max of 180 with recert of value) Title Report: 120 Days
Consumer Credit	<ul style="list-style-type: none"><li>- Applicants with current credit delinquencies are ineligible</li><li>- Open charge-offs or collections &lt; \$1,000 per occurrence are acceptable. Open medical collections &lt; \$1,000 per occurrence are acceptable</li><li>- Borrowers enrolled in credit counseling are ineligible</li><li>- All judgements, garnishments and all outstanding liens must be paid off prior to or at loan closing</li><li>- All income tax liens (federal, state, local) must be paid off prior to or at loan closing</li></ul>



Income & Assets	
Income	<p>Self-employed borrowers:</p> <ul style="list-style-type: none"> <li>- 1 or 2 years tax returns (business and personal) including all schedules</li> <li>- Current YTD P&amp;L (borrower prepared ok), or 3 months bank statements</li> <li>- Qualifying income based on tax returns. P&amp;L or bank statement to support tax return income</li> <li>- Tax transcripts</li> </ul> <p>W-2 borrowers:</p> <ul style="list-style-type: none"> <li>- W-2s for most recent 1 or 2-years and 30 day most recent paystubs</li> <li>- W-2 transcripts</li> </ul> <p>Where silent, FNMA guidelines apply</p>
Employment and Income Verification	<ul style="list-style-type: none"> <li>- Most recent two (2) years employment is required to be documented and verified for all income/documentation types unless otherwise noted by specific program requirements</li> <li>- If any borrower is no longer employed in the position disclosed on the Form 1003 at the Vista Point purchase date, loan will be ineligible for purchase</li> <li>- A two-year employment history is required for the income to be considered stable and used for qualifying</li> <li>- When the borrower has less than a two-year history of receiving income, Seller must provide written analysis to justify the stability of the income used to qualify the Borrower</li> </ul>
IRS Tax Transcripts	Required for all income used for qualification
Max # of Business Entities	<p>No limit on the number for Schedule C.</p> <p>A transaction may have up to two (2) 1065 and/or 1120 entities between all the borrowers.</p> <p>REO held inside an entity is generally not considered an entity for this purpose provided the entity's sole activity is to hold real estate.</p> <p>An entity with a percentage of ownership that does not require business returns is not considered in this calculation for max number of entities.</p> <p>Transactions that exceed the number of entities may be approved case by case via exception.</p>
Ineligible Income	<p>Non-occupying co-borrowers</p> <p>Income produced, or in relation to, cannabis or hemp</p> <p>Income produced, or in relation to, the adult entertainment industry</p>
Assets	Loans must follow and meet all requirements of FNMA



Property Types	
Eligible Properties	Single Family (attached and detached) PUD 2-4 Units - Non-Owner <b>ONLY</b> , max 70% CLTV Warrantable Condo - Follow agency requirements - 75% CLTV 2nd Home/ 70% CLTV Non-Owner
Ineligible Properties	<ul style="list-style-type: none"> <li>- Rural</li> <li>- Condotels</li> <li>- Non-warrantable Condos</li> <li>- Manufactured</li> <li>- Log Homes</li> <li>- Working Farms and Hobby Farms</li> <li>- Unique Properties</li> <li>- Agricultural or Commercial Zoned Properties</li> <li>- Co-ops</li> <li>- Room and Board Facilities</li> <li>- Adult Assisted Living/Care Facilities</li> <li>- Leaseholds</li> </ul>
Rural	Not allowed
Minimum Property Requirements	<ul style="list-style-type: none"> <li>- 600 square feet.</li> <li>- Property constructed for year-round use</li> <li>- Permanently affixed continuous heat source</li> <li>- Maximum deferred maintenance cannot exceed \$2,000</li> <li>- No health or safety issues both internal or external</li> </ul>
Condo	2nd Home Max 75% CLTV Non-Owner Max 70% CLTV  <b>FNMA warrantable projects ONLY</b>
Condo Review	<ul style="list-style-type: none"> <li>- <b>Limited review acceptable for all occupancy types and state locations except Florida. FL condos require a full project review in all cases.</b></li> <li>- Detached units and units in 2-4 unit projects do not require review: follow Fannie Mae</li> </ul>
Acreage	maximum 10 acres



Valuation Requirements	
Valuation Requirements for 2nd Homes	<p>Loan amounts &lt;= \$250,000</p> <ul style="list-style-type: none"> <li>- AVM with a 90% Confidence Factor and Property Condition Inspection (PCI)</li> <li>- AVM &amp; PCI ordered from one of these three vendors: ClearCapital, Collateral Analytics or CoreLogic</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>- Full appraisal</li> </ul> <p>Loan amounts &gt; \$250,000</p> <ul style="list-style-type: none"> <li>- Full appraisal</li> </ul> <p>Declining markets maximum 75% CLTV Full appraisal required on HPML transactions</p>
Valuation Requirements for Non-Owner	<ul style="list-style-type: none"> <li>- New Appraisal (2055 or better) and Appraisal Desk Review supporting value within 10% variance. If the review variance is greater than 10%, the lower of the two is to be used to calculate CLTV</li> </ul> <p><b>OR</b></p> <ul style="list-style-type: none"> <li>- Air compliant appraisal from the previous transaction dated within 12 months and an Appraisal Desk Review. The review value must be equal to or greater than the appraisal value to use the previous appraisal value</li> </ul> <p>Declining markets maximum 70% CLTV on investor properties</p>
Appraisal Age	<p>Appraisal must be dated within 120 days of note date</p> <p>Re-certs of value (1004D Summary Appraisal Update reports) are acceptable if original appraisal was completed within 180 days of note date, cannot indicate value declined. Original report cannot exceed 180 days at closing.</p>
Transferred Appraisals	Not allowed
Recently Listed	Properties that have been on the market within six months of the application date are ineligible
Declining Values	Properties in which the appraiser is reporting a declining trend in values for the subject's market area are limited to a maximum 75% CLTV on 2nd homes, 70% CLTV on non-owner