



BISCAYNE JUMBO AUS						
Purchase / Rate & Term Fixed Rate						
Occupancy	Max Loan Amount <=	Max LTV / CLTV <=	Credit Score	DTI	Property Type	Reserves
Primary/ 2nd Home	\$2,000,000	89.99%*	680	45%	SFR, PUD, Condo, & 2-4 Units	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 - 12 Months PITI LA > \$3,000,000 <= \$3,500,000 - 18 Months PITI
	\$2,000,000	80%*	660	50%		
	\$3,000,000	80%*	700	50%		
	\$3,500,000	80%*	740	50%		
Non-Owner	\$2,000,000	80%*	680	50%		
	\$2,000,000	70%*	660	50%		
	\$3,000,000	75%*	720	50%		
Cash-Out Fixed Rate						
Occupancy	Max Loan Amount <=	Max CLTV <=	Credit Score	DTI	Property Type	Reserves
Primary/ 2nd Home	\$2,000,000	80%*	680	50%	SFR, PUD, Condo, & 2-4 Units	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 - 12 Months PITI
	\$3,000,000	80%*	740	50%		
Non-Owner	\$2,000,000	75%*	680	50%		
	\$3,000,000	70%*	740	50%		
*Interest Only Program: Reduce LTV by 5%, max LTV 80%						



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 10 year IO, 20 year amortization period Reduce LTV by 5%, maximum LTV capped at 80% Reserves are calculated based on qualifying payment			
APR / APOR	No higher priced covered transactions allowed. All loans must be QM Safe Harbor			
AUS Approval	All files must have a FNMA DU approval. The AUS must reflect either Approve /Eligible or Approve/Ineligible. If the AUS in Approve / Ineligible, it must be ineligible for loan amount only. Fully manual underwritten files are not allowed on this product. Underwriting Requirements If not specifically addressed in these guides, please consult the FNMA seller guide. Any topic addressed in these guides will supersede FNMA if there is a conflict.			
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"> - The buydown is only available on Owner Occupied purchase transactions - For qualification purposes the actual locked rate and associated payment are used - 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 - For loans with impounds/escrows: the borrower makes the full monthly payment amount for any impounds/escrows - There is no negative amortization - Buydown amount cannot exceed IPC limits - Cannot be combined with Interest Only payment option - Appraisal must reflect that the IPC used to fund, or partially fund, a buydown has been included in the analysis - Purchase agreement must reflect IPC to be granted to the buyer/borrower - A Buydown agreement is signed at closing by the borrower - Buydown option is only available for 30 year fixed rate P&I loan term 			



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.
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	<p>Primary Res/2nd Home:</p> <ul style="list-style-type: none"> - > 50% LTV up to \$500,000 allowed - <= 50% LTV up to \$1,000,000 allowed <p>Non-owner Occupied:</p> <ul style="list-style-type: none"> - \$500,000 all LTVs <p>Cash out limitations do not apply on delayed financing transactions.</p>
Property Value Determination	Current Appraised Value used on all transactions
Flips	<p>A property is considered a flip, and a second appraisal will be required, if either of the following are true:</p> <ul style="list-style-type: none"> - The purchase price exceeds the seller's acquisition cost by more than 10% if the property was acquired 90 or fewer days prior to the borrower's purchase contract date - The purchase price exceeds the seller's acquisition cost by more than 20% if the property was acquired 91 – 180 days prior to the borrower's purchase contract date
Delayed Financing	<p>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</p> <p>Cash-back to the borrower in excess of the original purchase price or appraised value (whichever is less) is not allowed</p> <p>Delayed financing refinances are underwritten as cash out refinances and are subject to cash-out pricing and eligibility</p> <p>Property may not be located in Texas</p> <p>Max equity withdrawal does not apply to delayed financing transactions</p>



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"> - Irrevocable trust - Land trust - Blind trust - Borrower with diplomatic immunity - Entities, including non-profit - Any material parties to the transaction on HUD's Limited Denial of Participation (LDP) or General Services Administration (GSA) or any other exclusionary list - Foreign Nationals - Any borrower that is party to lawsuit
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, blended ratios OK



Credit and Liabilities	
Credit Score	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	No specific requirement unless specified in the AUS
Major Credit Events	Waiting periods for major credit events are as follows: Foreclosure - 7 years DIL / Short Sale / Short Refi / Charge Off - 4 years BK-7, BK-11, and BK-13 - 4 years Multiple BK filings in the past 7 years - 5 years
Collections & Charge Offs	No specific requirement unless specified in the AUS
Required Credit History	No specific requirement unless specified in the AUS
Loan Modifications	No specific requirement unless specified in the AUS
Business Liabilities	Business debt in borrower's name can be excluded following FNMA guidance: - The account does not have history of delinquency - 12-months canceled checks showing debt paid by the business are provided - The cash flow analysis of the business tax returns takes payment of the obligation into consideration
Forbearance - Mortgage Accounts	6-months on-time payments required after entering Lender's post forbearance modification plan
Mortgage Debt Paid by Other (Contingent Liability)	Mortgage to be excluded must meet the following two criteria: - Person paying the mortgage must be the primary obligor - Documentation of 12-months most recent and on-time payments paid by primary obligor



Income	
DTI	<p>Max DTI is 50% on CLTVs <=80%</p> <p>Max DTI is 45% on CLTVs >80%</p>
Paying Off Debt to Qualify	<p>Follow FNMA</p> <p>Non-Lease installment debt may be paid off to qualify either before or at closing</p> <p>Revolving debt may be paid off to qualify either before or at closing</p>
Tax Transcripts	<p>Transcripts not required for W2 wage earners.</p> <p>For self-employed borrowers 1040 transcripts required</p> <p>Business transcripts not required unless business income is not reported on 1040's</p> <p>1040 transcripts not required for W2 wage earner with rental income</p>
Self-Employed	<ul style="list-style-type: none"> - One (1) or two (2) years 1040s required based on the AUS findings - A borrower prepared signed YTD P&L, and three (3) business bank account statements for the three (3) coinciding with the thru date reflected on the P&L - A borrower prepared signed gap year P&L, if applicable. Gap year and YTD P&Ls should not be combined. - 1040 tax transcripts
Rental Income	<p>Requires one (1) year 1040</p> <p>1040 transcripts not required for W2 wage earner with rental income</p>
Unacceptable Income	<p>Cannabis related</p> <p>Boarder Income</p>
RSU Income	<p>Follow FNMA</p>



Assets	
Interested Party Contributions	Owner Occupied & 2nd Homes: - 9% allowed <= 75% LTV/CLTV - 6% allowed > 75% LTV/CLTV Non-Owner Occupied: - 2% allowed for all LTV's
Business Funds	Business funds allowed for down payment and closing costs Loan must meet the FNMA requirements for use of business assets Business funds cannot be used for reserves
Gift Funds	Allowed per FNMA guidance
Gift of Equity	Not allowed
Reserves	Loan amounts <= \$2,000,000 follow AUS Loan amounts > \$2,000,000 <= \$3,000,000 requires 12 months PITI Loan amounts > \$3,000,000 requires 18 months PITI
Source of Reserves	<ul style="list-style-type: none"> - Gift funds - Funds in non-cash holdings (stocks, bonds, mutual funds) are not required to be discounted - Retirement accounts used for reserves. <ul style="list-style-type: none"> - Employer sponsored savings plans (like a 401k) require TOW from employer which allow for hardship withdrawal (not required for IRA)
Ineligible Sources of Reserves	<ul style="list-style-type: none"> - Funds from a 1031 exchange account - Funds from subject property cash out refinance - Business funds - RSU
Paycheck Protection Plan	These loans cannot be included in assets or counted as income
1031 Exchange	Tax deferred Exchanges are only eligible for purchases of investment properties 2-4 unit properties where one of the units is occupied by borrower, are not considered investment properties, and therefore are not eligible



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
Log or Log Style Homes	Log Homes are acceptable provided they meet the criteria listed below: <ul style="list-style-type: none"> - Modern in design and functionality - Must not have unique characteristics or design - Common for the area - A minimum of 2 log home comparables of similar characteristics to the subject are required
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 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"> - The current usage of the subject property is residential - Residential must be an allowed usage of the subject property zoning - Residential must be the highest and best use of the subject property, as defined by the appraiser <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"> - Must be minor in scope - Common for the area - They must have no impact on the property being residential in nature - They must be given only nominal contributory value by the appraiser and not impact marketability
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"> - Must be minor in scope - Common for the area - They must have no impact on the property being residential in nature - They must be given only nominal contributory value by the appraiser and not impact marketability
Appraisal Requirements	<ul style="list-style-type: none"> - Purchases with loan amounts up to and including \$3,000,000 require one (1) appraisal - Refinances with loan amounts <= \$2,000,000 require one (1) appraisal - Refinances with loan amounts > \$2,000,000 require two (2) appraisals



Appraisal Review Product	<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">- CDA from Clear Capital OR- Collateral Underwriter (CU Score) less than 2.5 OR- 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 <p>If the CDA reflects a value of 10% or less below the appraised value, the appraised value is accepted. 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>
Appraisal Age	Appraisal must be dated within 120 days of the note date
Transferred Appraisals	Allowed
Declining Property Value	Reduce maximum LTV/CLTV by 5% for any property located in an area of declining property values as noted on the appraisal