



ACTIVATOR

Consumer - Full & Alt Doc

Primary Residence & Second Home

| Loan Amount | FICO | Reserves (Rate & Term Refinance ≤ 65% LTV No Min. Required) | Purchase & Rate and Term | Cash Out Refinance |
|--------------------------|-----------|---|--------------------------|--------------------|
| <1,000,000 | 720+ | 3 Months | 85%* | 80% |
| | 700 - 719 | | 80% | 80% |
| | 680 - 699 | | 80% | 75% |
| | 660-679 | | 70% | 70% |
| ≥1,000,000 - \$1,500,000 | 720+ | 6 Months | 85%* | 80% |
| | 700 - 719 | | 80% | 80% |
| | 680 - 699 | | 80% | 75% |
| | 660-679 | | 70% | 70% |
| >1,500,000 - 2,000,000 | 720+ | 9 Months | 80% | 80% |
| | 700 - 719 | | 80% | 80% |
| | 680 - 699 | | 80% | 75% |
| | 660-679 | | 70% | 70% |
| >2,000,00 - 2,500,000 | 720+ | 9 Months | 80% | 80% |
| | 700 - 719 | | 80% | 80% |
| | 680 - 699 | | 80% | 75% |
| | 660-679 | | 70% | 70% |
| >2,500,00 - 3,000,000 | 720+ | 9 Months | 75% | 75% |
| | 700 - 719 | | 75% | 75% |
| | 680 - 699 | | 75% | 75% |
| | 660-679 | | 75% | 75% |

| Credit | Max DTI | *WVOE | Property Overlays |
|--|--|--|---|
| <ul style="list-style-type: none"> Housing History: 0x30x12 (no restrictions) Housing History: 1x30x12 Max LTV *80% Housing History WVOE: 0x30x24 Credit Event BK/FC/SS/DL: ≥ 36 Months: Max LTV 80% | <ul style="list-style-type: none"> Max DTI: 50% DTI >45%: Max LTV 80% FTHB Max DTI 45% | <ul style="list-style-type: none"> Primary Only Min FICO: 680 FICO ≥ 720: <ul style="list-style-type: none"> MAX LTV: P R&T -80% MAX LTV: C/O OR FTHB - 70% FICO < 720: <ul style="list-style-type: none"> MAX LTV: P R&T -75% MAX LTV: C/O OR FTHB - 70% Gift Funds NOT allowed | <ul style="list-style-type: none"> Condominium Max 85% LTV Non-Warrantable: Max 80% LTV 2-4 Unit: Max LTV 80% Condotels: Ineligible |
| * Second Home | *P&L Only | | |
| Max LTV 80% | <720 FICO: MAX LTV 75% | | |

Residual Income: \$1,500

Residual Income = Gross Monthly Income - Total Monthly Obligations

An additional \$250 for the first dependent and \$125 per additional dependent must also be included. Initial 1003 should reflect the number of dependents for all borrowers on transaction.

Ineligible Locations: Hawaii lava zones 1 & 2

General Requirements

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| Product Type | 30-Yr Fixed, 5/6 ARM |
| Loan Amounts | Min Loan Amount: \$150,000 Max Loan Amount: \$3,000,000 |
| Loan Purpose | Purchase, Rate & Term Refinance and Cash Out Refinance |
| Occupancy | Primary and Second Home |
| Property Type | SFR, SFR + 1 ADU, Modular, PUD, Townhome, 2-4 Units, Condos, Non-Warrantable Condos, Rural properties Condotels are ineligible |
| Cash Out | Max Cash In Hand: > 65% LTV \$1,000,000 ≤ 65% LTV Unlimited. Cash-Out Proceeds may be used for 100% reserve requirements. (Asset utilization not eligible on cash-out program) |
| Declining Markets | 5% LTV reduction for all LTVs when appraisal states property is in a declining market and Max Loan Amount 2 million. |
| Citizenship | US Citizen, Permanent Resident Alien, Non-Permanent Resident Alien (With US Credit and acceptable VISA). Citizens of Venezuela are ineligible |
| Appraisals | Loan Amounts ≥ \$2,000,000 require 2 appraisals. Desk review required for all loan files not requiring 2nd appraisal. Transferred appraisal acceptable. 2nd appraisal or Desk Appraisal must be ordered from Champions Approved AMC. Properties with condition rating of 5 or 6 are not acceptable. |
| Assets | Sourced and seasoned for 30 days |
| Gift Funds | Borrowers must document a minimum of 5% (of the sales price) of their own funds on purchase transactions. A minimum borrower contribution of 10% must be documented on the following transactions: Primary residence with unverifiable housing history Second Home |
| Acreage | Property up to 20 acres |
| Credit | Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months; Max 0x30x12 reporting on acceptable tradelines. If the primary wage earner has three (3) credit scores, the minimum tradeline requirement can be waived with max LTV 75%. Qualifying FICO: The middle score if 3 agency scores are provided or lower score when only 2 agency scores are provided, of primary wage earner |
| Subordinate Financing | Secondary or subordinate financing is allowed with a max CLTV equaling maximum LTV per matrix. No seller carry-back; HELOC CLTV based on credit line limit, negative amortization not allowed, and subordinate financing from the borrower's employer may not include a provision requiring repayment upon termination. |
| No Housing History Less than 12 Mos Verified | Borrowers who do not have a complete 12-month housing history are subject to ALL of the following restrictions :1) Primary Residence ONLY 2) Minimum 6 months reserves 3) 10% Minimum contribution 4) MAX DTI 45% 5) Fully executed VOR/VOM with all applicable payments documented 5) Borrowers living rent free with a spouse are acceptable with rent-free letter from spouse and evidence of spouse's mortgage or current lease. Borrowers living rent free with anyone other than spouse are not eligible however could be reviewed for exception. |
| Seller Concession | Up to 6% towards closing |

Income Requirements -Full Doc

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| W2 Income | Most recent 1 year W2 & paystub covering most recent 30 days of earnings. 4506-C must be completed and executed by borrower(s). Income will be calculated in accordance with the most recent published FNMA guides. VVOE completed by Champions within 10 days of closing. |
| 12 Mos Tax Returns | Most recent 1 year tax return and YTD P&L (May be borrower prepared). 4506-C to be completed and executed by borrower(s). |
| Retirement (Non-Taxable Income) | Social Security, pension annuity or other forms of retirement or non-taxable income. May be grossed up by 125% or by the borrower's income tax bracket, whichever is less. |

Income Requirements -Alt- Doc

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|-------------------------------------|---|
| 12 Month Bank Statements (Personal) | Borrowers should be self-employed for at least two years. However, a borrower may qualify with less than two years but more than one year if the borrower can document at least two years of documented previous successful employment in the same line of work in which the person is self-employed or related occupation or one year of employment and formal education or training in the same line of work. Refer to program guidelines for calculation methods. |
| 12 Month Bank Statements (Business) | Business should be established and have been in existence for the past two years. However, if a borrower is qualifying with less than two years but more than one year of self-employment, then the business should be established for the same length of time and borrower must document they have been in the same line of work OR had schooling in the profession in the year preceding the business start date. Refer to program guidelines for calculation methods. |
| P&L Only | Profit and Loss covering most recent 12 months, valid if the most recent month is dated within 90 days of close. Completed and reviewed by CPA, IRS Enrolled Agent, or CTEC (California Tax Education Council) registered tax preparer. See guidelines for additional requirements. |
| WVOE | MIN FICO: 680 Primary residence only. Max LTV: FICO ≥ 720: : Purchase R&T: 80% C/O OR FTHB: 70% FICO < 720: Purchase R&T: 75% C/O OR FTHB: 70%. Two year history with same employer is required. FNMA 1005 form required to be completed by employer. Only Wage/Salary income may be used. 1 month personal bank statement reflecting direct deposits from employer supporting at least 65% of gross wage/salary. Only wage/salary are eligible for this program. Supplemental income sources such as commissions, bonus etc are not eligible. An internet search of the business is required with documentation to be included supporting the existence of the business. |
| 1099 (IRS Form) Only | One (1) Year 1099; Fixed Expense Ratio 10%; YTD Documentation to support continued receipt of income from source. Borrower(s) must be self-employed for at least 2 years, and the business must be in existence for at least 2 years. |
| Asset Depletion | Max LTV: Purchase R&T: 80% Ineligible cashout/debt consolidation. 100% of checking, savings and money market accounts. 60% of the remaining value of stocks and bonds 70% of retirement assets. (100% eligible retirement age) See Calculation options in Champions guidelines. . |