

Close-End Second Mortgage Comparison Chart

	LITE DOC	FULL DOC
Minimum Loan Amount	\$100,000 (\$200,000 in TX)	\$100,000
Maximum Loan Amount	\$500,000	\$500,000
Max CLTV	80%	85%
Max Cash-Out	Unlimited	Unlimited
Min FICO	680	680
Occupancy	Primary; Second Home; Investor	Primary; Second Home; Investor (not eligible for Non-Perm Residents)
Max Combined Loan Amount (1st + 2nd UPB)	Primary Residences: \$3,000,000 Second-Home: \$2,000,000 Investment Properties: \$3,000,000	\$2,500,000
Reserves (PITIA)	CLTV<=65% = 0 months CLTV>65% = 3 months **Cannot use Cash-out proceeds towards Reserves. Reserves must come from borrower funds.**	None
Max DTI	All Occupancies = 50%	Primary = 50% Second Home = 45% Investor = 45%
Housing Lates Allowed	0x30 last 12 months	0x30 last 12 months
Warrantable Condo-Max CLTV	80%	80%
Non Warrantable Condo-Max CLTV	70%	N/A
Coops	N/A	N/A
Tradeline Requirements	3 reported for at least 12 months or 2 reported for at least 24 months	Follow Fannie/Freddie Guidelines
Employment / Income Verification	QB Written VOE or 12-Month Accountant-Prepared P&L	Follow Fannie/Freddie Guidelines
Asset Requirements	One-month (30 days) most recent bank statement	Follow Fannie/Freddie Guidelines
State Eligibility	All 50 States	Not Eligible in Texas and Tennessee
Borrower Eligibility	Not Eligible for ITIN and FN Borrowers	Not Eligible for ITIN and FN Borrowers
4506-C Required	No	Yes
I/O Available	No	No
Rural Properties	Case-by-Case	No
CLTV Basis	Lesser of the appraised value and the purchase price for properties owned less than 6 months.	Lesser of the appraised value and the purchase price for properties owned less than 12 months.
Appraisal	Full interior/exterior appraisal is required.	Full interior/exterior appraisal is required.
Declining Markets	Maximum CLTV will be reduced by 5%.	Maximum CLTV will be reduced by 10%.
Title Report	<ul style="list-style-type: none"> For loan amounts less than or equal to \$400,000: <ul style="list-style-type: none"> Owner's & Encumbrance Report verifying and validating the senior lien; or ALTA Standard Coverage Policy. For loan amounts great than \$400,000: <ul style="list-style-type: none"> ALTA Standard Coverage Policy insuring the second lien amount. 	<ul style="list-style-type: none"> For loan amounts less than or equal to \$250,000: <ul style="list-style-type: none"> Owner's & Encumbrance Report verifying and validating the senior lien; or ALTA Standard Coverage Policy; or ALTA Residential Limited Coverage Junior Loan Policy For loan amounts great than \$250,000: <ul style="list-style-type: none"> ALTA Standard Coverage Policy insuring the second lien amount.
Foreclosures	7 years from event	4 years from event
All Other Significant Derogatory Credit Events	4 years from event	4 years from event
Pre-pay penalty	No	No