# Non-QM Programs

October 2021



Assurance	BANK STATEMENT PROGRAM				
FINANCIAL	General Requirements				
Product Type	30-YR Fixed		40-YR Fixed - Interest Only, 10YR I/O Period		
1.1	Primary & Second Home	Min 680 FICO	40-YR term qualified at 30-YR AM full PITIA payment		
Interest Only	Second Home Max LTV75%		Interest-only Payment Calculation: Loan Amount x Interest Rate divided by 12 months		
	Min. \$150K		LTV >85% Requirements		
Loan Amounts	Max. \$3M		Residential Pay History 0x30x24		
Loui Amounts	Loan Amounts > \$2M   Min. 700 Credit Score   Max. 80% LT\		Credit Seasoning - No BK or FC ever		
	Loan Amounts > \$1.5M - \$2M   Min. 660 Credit Score		Max DTI 40% / 50%	Primary Residence	
Loan Purpose	Purchase, Rate-Term Refinance, and Cash-Out Refinance				
Occupancy	Primary, Second Home and I	nvestment			
Second Home/NOO	Min. 640 FICO   Max. 80% LT	V	Min. 660 FICO   Max. 85% LT	·V	
	Max. Loan Amt. \$2M				
Escrow Waiver	Allowed when LTV <=80%		Not HPML	Not HPML	
	Min. FICO 700				
Prepayment Penalty	-	on excess of 20% of the original p	•	rise restricted by law)	
(PPP) NOO Only	Cost Buyout25% fee for 2 years; .75% fee for 1 year; 1% fee for no PPP Rate Buyout - 2 YR PPP .125% adjustment to rate, 1 YR PPP .375% adjustment to rate, No PPP5% adjustment to rate No PPP = Max YSP of 0%   States with PPP restrictions - Max YSP of 2%			2.5% adjustment to rate	
Property Type	Single-Family, PUDs, 2-4 Uni	ts, Townhouse and Condos			
	Min FICO 640   Max 80% LT\	/ Min. FICO 740   Max. 85% LTV	Second Home/NOO Max. 85	5% LTV   12mo seasoning require	
Cash-Out	Max. Cash-Out \$1M   \$500,001 - \$1M Max. 60% LTV   Cash-Out > \$300K   Min. 700 FICO				
	Texas 50(a)(6) loans - Max. 80% LTV				
Appraisals	Loan amounts >=\$1.5M a borrower-paid second appraisal must be obtained				
Appluisuis	Loan amounts >=\$1.5M a bor	rower-paid second appraisal mus	t be obtained		
Approisus		Underwriting	g Requirements		
Documentation	Business or Personal Bank St	Underwriting		1in. 640 FICO	
Documentation	Business or Personal Bank St 1099: 1 or 2 years statements	Underwriting catements: 24 or 12 months	g Requirements	1in. 640 FICO	
	Business or Personal Bank St 1099: 1 or 2 years statements Primary wage earners middle	Underwriting tatements: 24 or 12 months are FICO score	Requirements  12 Month Bank Statement: N	1in. 640 FICO	
Documentation  Credit Score	Business or Personal Bank St 1099: 1 or 2 years statements Primary wage earners middle Residential pay history 1 x 30	Underwriting ratements: 24 or 12 months a FICO score  0 x 12	Requirements  12 Month Bank Statement: N  Rent free not allowed		
Documentation	Business or Personal Bank St 1099: 1 or 2 years statements Primary wage earners middle Residential pay history 1 x 30 Due to forbearance (delinque	Underwriting tatements: 24 or 12 months are FICO score	Rent free not allowed	p to 6 consecutive missed	
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Assurance		Invi	ESTOR CASH	+ FLOW (DSCR)		
FINANCIAL	General Requirements					
Product Type	30-YR Fixed			40-YR Fixed - Interest Only, 10YR I/O Period		
	Max LTV 80%	Min 680 FICO		40-YR term qualified at 30-YR AM full PITIA payment		
Interest Only	Second Home Max LTV75%			Interest-only Payment Calculation: Loan Amount x Interest Rate divided by 12 months		
	Minimum Loan Amount \$75K			Maximum Loan Amount \$1,000,000		
Loan Amounts	Loan Amounts < \$100K   Max. 65% LTV					
Loan Purpose	Purchase, Rate-Term Refinance, and Cash-Out Refinance					
Occupancy	Investment					
	Allowed when LTV <= 80%					
Escrow Waiver	Min. FICO 700			Not HPML		
Property Type	1-4 Units			Condominiums		
Cash-Out	Min. FICO 700	Max. 75% LTV		6 month seasoning off of appraised value, see guide for details		
Cash in Hand	Maximum \$500,000					
Maximum Exposure	With Angel Oak it's 5 propertie	es in aggregate \$3	M; there are r	no limitations to property ownership outside of Angel Oak		
Seller Concessions	Up to 3% towards closing					
			Prepaym	ent Penalty		
Standard	3 years - 6 months' interest on excess of 20% of the original principal balance (unless otherwise restricted by law)					
Rate Buyout	2 YR PPP .125% adjustment to rate, 1 YR PPP .375% adjustment to rate, No PPP .5% adjustment to rate					
Cost Buyout	2YR PPP cost .25%; 1YR PPP cost .75%; No PPP cost 1%					
Max. Price	No PPP = Max YSP of 0%   Stat	tes with PPP restri	ctions - Max \	YSP of 2%		
	Underwriting Requirements					
			Underwriting	g Requirements		
DSCR	(Rents) / (PITI + HOA Payment		Underwriting	g Requirements		
DSCR	(Rents) / (PITI + HOA Payment Minimum DSCR 1.00   No DSCF	t) = DSCR				
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Qualifying  Credit Score  Housing History  Credit History  Tradelines Seasoning Reserves Assets  30 YR Fixed only   40YR In Max 70% LTV   Cash-Out Borrowers must clear OFA	Minimum DSCR 1.00   No DSCR Purchase: Market rents from an Refinance: Market rents from a If one borrower use middle scot Mortgage pay history 0 x 30 x Due to forbearance (delinquen payments if due to forbearance Consumer credit pay history 0 Due to forbearance (delinquen payments if due to forbearance 3 tradelines reporting for >=12 Foreclosure, Deed-in-lieu, Short Subject property 6 months Must be sourced or seasoned for the	t) = DSCR  R Minimum FICO 7  ppraisal  ppraisal or leases  pre, if multiple born  24  procyprior to March  e if now current with  x 30 x 24  procyprior to March  e if now current with  months; or 2 trade  rt Sale, Modification  for 30 days	with proof of rowers use the 2020 will not ith 3 current pelines reporting, 120 day lat  Foreign Minimum D 12 months ranctions list	a months rents received  e lowest middle score of all borrowers  FTHB not allowed - borrower must own a primary residence  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  property of the past 12 months  e & bankruptcy - 48 months  Cash-out may be used to satisfy reserve requirements  Gift funds not allowed  National  SCR 1.00  reserves		
Qualifying  Credit Score  Housing History  Credit History  Tradelines Seasoning Reserves Assets  30 YR Fixed only   40YR In Max 70% LTV   Cash-Out Borrowers must clear OFA	Minimum DSCR 1.00   No DSCR Purchase: Market rents from an Refinance: Market rents from a If one borrower use middle scot Mortgage pay history 0 x 30 x Due to forbearance (delinquen payments if due to forbearance Consumer credit pay history 0 Due to forbearance (delinquen payments if due to forbearance 3 tradelines reporting for >=12 Foreclosure, Deed-in-lieu, Short Subject property 6 months Must be sourced or seasoned for the	t) = DSCR  R Minimum FICO 7  ppraisal  appraisal or leases  pre, if multiple born  24  acy prior to March e if now current wi x 30 x 24  acy prior to March e if now current wi months; or 2 trade rt Sale, Modification  for 30 days  Dept of Treasury s	with proof of rowers use the 2020 will not ith 3 current pelines reporting, 120 day lat  Foreign Minimum Delines I months reactions list  No gift fund	a months rents received  e lowest middle score of all borrowers  FTHB not allowed - borrower must own a primary residence  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  per for >=24 months with activity in the past 12 months  e & bankruptcy - 48 months  Cash-out may be used to satisfy reserve requirements  Gift funds not allowed  National  SCR 1.00  Teserves  dis allowed		
Qualifying  Credit Score  Housing History  Credit History  Tradelines Seasoning Reserves Assets  30 YR Fixed only  40YR II Max 70% LTV   Cash-Out II Borrowers must clear OFA No forbearance allowed Assets must be sourced a	Minimum DSCR 1.00   No DSCR Purchase: Market rents from an Refinance: Market rents from a If one borrower use middle scot Mortgage pay history 0 x 30 x Due to forbearance (delinquen payments if due to forbearance Consumer credit pay history 0 Due to forbearance (delinquen payments if due to forbearance 3 tradelines reporting for >=12 Foreclosure, Deed-in-lieu, Short Subject property 6 months Must be sourced or seasoned for the seasoned for the seasoned for the seasoned for the seasoned for 60 days and mental seasoned for 60 days and men	t) = DSCR  R Minimum FICO 7  ppraisal  appraisal or leases  pre, if multiple born  24  acy prior to March e if now current wi x 30 x 24  acy prior to March e if now current wi months; or 2 trade rt Sale, Modification  for 30 days  Dept of Treasury s	with proof of rowers use the 2020 will not ith 3 current pelines reporting, 120 day lat  Foreign Minimum Delines I months reactions list  No gift fund	a months rents received  e lowest middle score of all borrowers  FTHB not allowed - borrower must own a primary residence  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  per for >=24 months with activity in the past 12 months  e & bankruptcy - 48 months  Cash-out may be used to satisfy reserve requirements  Gift funds not allowed  National  SCR 1.00  Teserves  dis allowed		
Qualifying  Credit Score  Housing History  Credit History  Tradelines Seasoning Reserves Assets  30 YR Fixed only   40YR In Max 70% LTV   Cash-Out Borrowers must clear OFA No forbearance allowed Assets must be sourced a Properties not allowed in	Minimum DSCR 1.00   No DSCR Purchase: Market rents from an Refinance: Market rents from a If one borrower use middle scot Mortgage pay history 0 x 30 x Due to forbearance (delinquen payments if due to forbearance Consumer credit pay history 0 Due to forbearance (delinquen payments if due to forbearance 3 tradelines reporting for >=12 Foreclosure, Deed-in-lieu, Short Subject property 6 months Must be sourced or seasoned for the seasoned for the seasoned for the seasoned for the seasoned for 60 days and mental seasoned for 60 days and men	t) = DSCR  R Minimum FICO 7  ppraisal  appraisal or leases  pre, if multiple born  24  acy prior to March e if now current wi x 30 x 24  acy prior to March e if now current wi months; or 2 trade rt Sale, Modification  for 30 days  Dept of Treasury s	with proof of rowers use the 2020 will not ith 3 current pelines reporting, 120 day lat  Foreign Minimum Delines I months reactions list  No gift fund	a months rents received  e lowest middle score of all borrowers  FTHB not allowed - borrower must own a primary residence  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  per for >=24 months with activity in the past 12 months  e & bankruptcy - 48 months  Cash-out may be used to satisfy reserve requirements  Gift funds not allowed  National  SCR 1.00  Teserves  dis allowed		
Qualifying  Credit Score  Housing History  Credit History  Tradelines Seasoning Reserves Assets  30 YR Fixed only   40YR In Max 70% LTV   Cash-Out Borrowers must clear OFA No forbearance allowed Assets must be sourced a Properties not allowed in ACH required	Minimum DSCR 1.00   No DSCR Purchase: Market rents from an Refinance: Market rents from a If one borrower use middle scot Mortgage pay history 0 x 30 x Due to forbearance (delinquen payments if due to forbearance Consumer credit pay history 0 Due to forbearance (delinquen payments if due to forbearance 3 tradelines reporting for >=12 Foreclosure, Deed-in-lieu, Short Subject property 6 months Must be sourced or seasoned for the seasoned for the seasoned for the seasoned for the seasoned for 60 days and mental seasoned for 60 days and men	t) = DSCR  R Minimum FICO 7  ppraisal  appraisal or leases  pre, if multiple born  24  acy prior to March e if now current wi x 30 x 24  acy prior to March e if now current wi months; or 2 trade rt Sale, Modification  for 30 days  Dept of Treasury s	with proof of rowers use the 2020 will not ith 3 current pelines reporting, 120 day lat  Foreign Minimum Delines I months reactions list  No gift fund	a months rents received  e lowest middle score of all borrowers  FTHB not allowed - borrower must own a primary residence  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  be considered forbearance): Up to 3 consecutive missed payments (rate adjustment applies)  per for >=24 months with activity in the past 12 months  e & bankruptcy - 48 months  Cash-out may be used to satisfy reserve requirements  Gift funds not allowed  National  SCR 1.00  Teserves  dis allowed		

Citizenship - Borrowers must be a citizen of a foreign country, who do not reside or work within the United States.



Assurance	Portfolio Select			
FINANCIAL	General Requirements			
Product Type	30-YR Fixed 40-		40-YR Fixed - Interest Only, 10YR I/O Period	
Interest Only	Primary Residence & Second Home	Min. 680 FICO	40-YR term qualified at 30-YR AM full PITIA payment	
interest Only	Second Home - Max LTV 75%		Interest-only Payment Calculation: Loan Amount x Interest Rate divided by 12 months	
Loan Amounts	Minimum Loan Amount \$125K		Maximum Loan Amount \$2,500,000	
Eddii Ailloulits	Loan Amounts > \$2M   Max. 80% LTV   Minimum 720 FICO			
Loan Purpose	Purchase, Rate-Term Refinance, and Cash-Out Refinance			
Occupancy	Primary, Second Home and Investment			
F	Allowed when LTV <= 80%		N+ UDMI	
Escrow Waiver	Min. FICO 700		Not HPML	
	Min. FICO 640   Max. 80% LTV		Min. FICO 660   Max. 85% LTV	
Second Home/NOO	NOO Max. Loan Amount \$1.5M			
	3 years - 6 months' interest on	excess of 20% of the original p	rincipal balance (unless otherwise restricted by law)	
Prepayment Penalty NOO Only	Cost Buyout - 2YR PPP cost .2	adjustment to rate, 1 YR PPP .3. 5%; 1YR PPP cost .75%; No PPP les with PPP restrictions - Max		
Property Type	Single-Family, PUDs, 2-4 Units,	Townhouses and Condos		
	Min. FICO 620   Max. LTV 75%		Min. FICO 640   Max. LTV 80%	
	TX 50(a)(6) loans - Max. 80% l	_TV	Second Home/NOO Max. LTV 80%	
Cash-Out	Max Cash-Out \$1M   \$200,001-\$400K - 5% LTV Reduction   \$400,001-\$500K -10% LTV Reduction   \$500,001-\$1M Max 60% LTV			
	2nd Home/NOO Max. Cash-in-hand \$300K   \$200,001-\$300K - 5% LTV Reduction			
Payoff of non-lien & HELOCs with withdrawals in past 12 months is considered cash out		12 months seasoning required		
Appraisals	Loan amounts >= \$1.5M a borro	ower-paid second appraisal mu	st be obtained	
		Underwriting	g Requirements	
Credit Score	Primary wage earner's middle FICO score			
	Mortgage pay history 1 x 30 x 1	2	Rent free not allowed	
Housing History	Due to forbearance (delinquency prior to March 2020 will not be considered forbearance): Up to 6 consecutive missed payments if due to forbearance if now current with 3 current payments (rate adjustment applies)			
Credit History	No 60-day late payments in past 12 months  Collections/charge-offs/judgments allowed in past months; must be paid off		Collections/charge-offs/judgments allowed in past 24 months; must be paid off	
	Due to forbearance (delinquency prior to March 2020 will not be considered forbearance): Up to 6 consecutive missed payments if due to forbearance if now current with 3 current payments (rate adjustment applies)			
Tradelines	3 tradelines reporting for >=12 months; or 2 tradelines reporting for >=24 months with activity in the past 12 months			
DTI Requirements	Max. 40%/50%   NOO Max. 50%			
Payment Shock	Maximum 250%			
Residual Income	Minimum required \$2,000	the Callandard State of the Ca	and an analysis of the state of	
Soconing	Foreclosure, Deed-in-lieu, Short Sale, Modification, Forbearance or 120 day late - 12 months from deed date (<24 months radjustment applies)			
Seasoning Requirements	Short Sale - No seasoning if paid as agreed through the sale de		T .	
	BK CH 7 & 11 - 24 months from discharge date  60 months if multiple filings  BK CH 13 - 24 months from filing date (if paid as agreed and discharged prior to application)			
	Minimum 6 months	ig uate (ii paid as agreed and d		
Reserves/ Cash to Close		ding balance may be the lesser	Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership	
	in daining business runius, trie end	-	nentation	
Assets	Must be sourced or seasoned f		Gift funds allowed - owner occupied only	
Assets	Full Doc: Wage Earner: W2, Pa	-	1 YR Tax Return: Self-Employed 2 years	
Income		-	The lax rectains our Employed 2 years	
<u> </u>	Self-Employed - 2 years' personal and business returns			



Assurance	PLATINUM				
FINANCIAL	General Requirements				
Product Type	30-YR Fixed		40-YR Fixed - Interest Only, 10YR I/O Period		
Interest Only	Primary Residence & Second Home	Min. 680 FICO	40-YR term qualified at 30-YR AM full PITIA payment		
interest only	Second Home - Max LTV 75%		Interest-only Payment Calculation: Loan Amount x Interest Rate divided by 12 months		
Loan Amounts	Minimum Loan Amount \$250K		Maximum Loan Amount \$3,000,000		
20dii / tiilodiitis	Loan Amounts > \$2M   Max. 80	0% LTV   Minimum 700 FICO			
LTV >90%	Primary Residence		Max. DTI 40% / 50%		
Requirements	Credit Seasoning - 84 months		1		
Loan Purpose	Purchase, Rate-Term Refinance, and Cash-Out Refinance				
Occupancy	Primary, Second Home and Investment				
Escrow Waiver	Allowed when LTV <= 80%		Not HPML		
	Min. FICO 700				
Second Home/NOO	Min. FICO 660   Max. 85% LTV		NOO Max. Loan Amount \$2M		
Burney and Bereiter	3 years - 6 months' interest on	excess of 20% of the original p	rincipal balance (unless otherwise restricted by law)		
Prepayment Penalty NOO Only	Cost Buyout - 2YR PPP cost .2	adjustment to rate, 1 YR PPP .37 5%; 1YR PPP cost .75%; No PPP tes with PPP restrictions - Max `			
Property Type	Single-Family, PUDs, 2-4 Units,	Townhouses and Condos			
	Min. FICO 660   Max. LTV 80%		Min. FICO 740   Max. LTV 85%		
Cash Out	TX 50(a)(6) loans - Max. 80% l	_TV	Second Home/NOO Max. LTV 85%		
Cash-Out	Max Cash-Out \$1M   \$500,001-\$1M Max 60% LTV				
	Cash-Out >\$300K Min. 700 FIG	00	12 months seasoning required		
Appraisals	Loan amounts >= \$1.5M a borrower-paid second appraisal must be obtained				
	Underwriting Requirements				
Credit Score	Primary wage earner's middle	FICO score			
Housing History	Mortgage pay history 0 x 30 x	24	Rent free not allowed		
Credit History	No 60-day late payments in pa	ast 12 months	Collections/charge-offs/judgments allowed in past 24 mos		
Tradelines	3 tradelines reporting for >=12	months; or 2 tradelines reporting	3 tradelines reporting for >=12 months; or 2 tradelines reporting for >=24 months with activity in the past 12 months		
DTI Requirements	Max. 40%/50%   NOO Max. 50%				
	17lax: 40%/30%   1100 17lax: 30	70			
Payment Shock	Maximum 350%   FTHB 250%	70			
Payment Shock Residual Income	Maximum 350%   FTHB 250% Minimum required \$3,000				
-	Maximum 350%   FTHB 250% Minimum required \$3,000 Foreclosure, Deed-in-lieu, Shor	rt Sale, Modification, Forbearan	ce or 120 day late - 48 months from deed date		
Residual Income	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if pa	t Sale, Modification, Forbearand	late		
-	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if pa  BK CH 7 & 11 - 48 months from	t Sale, Modification, Forbearand iid as agreed through the sale o m discharge date	late 60 months if multiple filings		
Residual Income	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if pa  BK CH 7 & 11 - 48 months from  BK CH 13 - 48 months from filing	rt Sale, Modification, Forbearand aid as agreed through the sale of an discharge date ang date and 24 months from dis	late 60 months if multiple filings scharge date if paid as agreed		
Residual Income	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if path BK CH 7 & 11 - 48 months from BK CH 13 - 48 months from filling Forbearance - 0x30x24 prior to	rt Sale, Modification, Forbearand aid as agreed through the sale of an discharge date ang date and 24 months from dis	late  60 months if multiple filings scharge date if paid as agreed ill be ineligible if borrower misses payments		
Residual Income  Seasoning Requirements  Reserves/	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if path BK CH 7 & 11 - 48 months from BK CH 13 - 48 months from filling Forbearance - 0x30x24 prior to	rt Sale, Modification, Forbearand aid as agreed through the sale of m discharge date ang date and 24 months from dis of oforbearance request   Loan w	late 60 months if multiple filings scharge date if paid as agreed ill be ineligible if borrower misses payments		
Residual Income  Seasoning Requirements	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if pa BK CH 7 & 11 - 48 months from BK CH 13 - 48 months from filit Forbearance - 0x30x24 prior t No waiting period if borrowers  Minimum 6 months	t Sale, Modification, Forbearand and as agreed through the sale of modischarge date ang date and 24 months from dis of orbearance request   Loan wo made all payments during forb	ate 60 months if multiple filings scharge date if paid as agreed ill be ineligible if borrower misses payments bearance (0x30)		
Residual Income  Seasoning Requirements  Reserves/	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if pa BK CH 7 & 11 - 48 months from BK CH 13 - 48 months from filit Forbearance - 0x30x24 prior t No waiting period if borrowers  Minimum 6 months	rt Sale, Modification, Forbearand aid as agreed through the sale of m discharge date and date and 24 months from disconsisted of forbearance request   Loan w made all payments during forb	alate  60 months if multiple filings scharge date if paid as agreed ill be ineligible if borrower misses payments bearance (0x30)  Cash-out may be used to satisfy reserve requirements		
Residual Income  Seasoning Requirements  Reserves/	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if pa BK CH 7 & 11 - 48 months from BK CH 13 - 48 months from fillir Forbearance - 0x30x24 prior to No waiting period if borrowers Minimum 6 months  If using business funds, the end Must be sourced or seasoned for the same of	rt Sale, Modification, Forbearand id as agreed through the sale of midischarge date and 24 months from disconforbearance request   Loan will made all payments during forbearance may be the lesser Documer 30 days	ate  60 months if multiple filings scharge date if paid as agreed  ill be ineligible if borrower misses payments bearance (0x30)  Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership  mentation  Gift funds allowed - owner occupied only		
Residual Income  Seasoning Requirements  Reserves/ Cash to Close	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if paths BK CH 7 & 11 - 48 months from BK CH 13 - 48 months from filling Forbearance - 0x30x24 prior to No waiting period if borrowers Minimum 6 months  If using business funds, the end Must be sourced or seasoned for Full Doc: Wage Earner: W2, Paths Indicate the source of the seasoned for the seasoned for the source of the seasoned for the seasoned f	rt Sale, Modification, Forbearand id as agreed through the sale of midischarge date and 24 months from disconforbearance request   Loan with made all payments during forbearance may be the lesser Docum for 30 days	ate 60 months if multiple filings scharge date if paid as agreed ill be ineligible if borrower misses payments bearance (0x30)  Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership		
Residual Income  Seasoning Requirements  Reserves/ Cash to Close  Assets	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if pa BK CH 7 & 11 - 48 months from BK CH 13 - 48 months from fillir Forbearance - 0x30x24 prior to No waiting period if borrowers Minimum 6 months  If using business funds, the end Must be sourced or seasoned for the same of	rt Sale, Modification, Forbearand id as agreed through the sale of midischarge date and 24 months from disconstruction of forbearance request   Loan with made all payments during forbearance may be the lesser Docum for 30 days systubs, 2 Yrs Tax Returns and and business returns	date  60 months if multiple filings scharge date if paid as agreed iill be ineligible if borrower misses payments bearance (0x30)  Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership  nentation  Gift funds allowed - owner occupied only  1 YR Tax Return: Self-Employed 2 years		
Residual Income  Seasoning Requirements  Reserves/ Cash to Close  Assets  Income	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if paths and the seasoning is paths and the seasonin	rt Sale, Modification, Forbearand id as agreed through the sale of midischarge date and 24 months from disconforbearance request   Loan with made all payments during forbearance may be the lesser Documber of 30 days  ystubs, 2 Yrs Tax Returns  nal and business returns  Asset Qual	ate  60 months if multiple filings scharge date if paid as agreed fill be ineligible if borrower misses payments bearance (0x30)  Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership  mentation  Gift funds allowed - owner occupied only		
Residual Income  Seasoning Requirements  Reserves/ Cash to Close  Assets	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if paths of the seasoning is pa	rt Sale, Modification, Forbearand id as agreed through the sale of midischarge date and 24 months from disconstruction of forbearance request   Loan with made all payments during forbearance may be the lesser Docum for 30 days systubs, 2 Yrs Tax Returns and and business returns	date  60 months if multiple filings scharge date if paid as agreed iill be ineligible if borrower misses payments searance (0x30)  Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership sentation  Gift funds allowed - owner occupied only  1 YR Tax Return: Self-Employed 2 years		
Residual Income  Seasoning Requirements  Reserves/ Cash to Close  Assets  Income	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if paths of the seasoning is pa	rt Sale, Modification, Forbearand id as agreed through the sale of modischarge date and 24 months from disconference request   Loan words and all payments during forbearance may be the lesser Documber 30 days systubs, 2 Yrs Tax Returns and and business returns  Asset Qual 20   75% LTV 20   70% LTV 20   60% LTV	date  60 months if multiple filings scharge date if paid as agreed ill be ineligible if borrower misses payments searance (0x30)  Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership mentation  Gift funds allowed - owner occupied only  1 YR Tax Return: Self-Employed 2 years  ifier Program  Owner-Occupied Only		
Residual Income  Seasoning Requirements  Reserves/ Cash to Close  Assets  Income	Maximum 350%   FTHB 250%  Minimum required \$3,000  Foreclosure, Deed-in-lieu, Short Sale - No seasoning if paths of the seasoning is paths of the seasoning if paths of the seasoning is paths of the seasoning if paths of the seasoning is paths of the seasoning in seasoning is paths of the seasoning in se	t Sale, Modification, Forbearance id as agreed through the sale of midischarge date and 24 months from disconforbearance request   Loan was made all payments during forbearance may be the lesser Documber of 30 days yestubs, 2 Yrs Tax Returns and and business returns  Asset Qual 20   70% LTV 20   70% LTV 20   60% LTV	date  60 months if multiple filings scharge date if paid as agreed ill be ineligible if borrower misses payments searance (0x30)  Cash-out may be used to satisfy reserve requirements of 100% or the percent of the business ownership  mentation  Gift funds allowed - owner occupied only  1 YR Tax Return: Self-Employed 2 years  ifier Program  Owner-Occupied Only  BK/Housing Event = 5 YRS		





Visa Type	Description	Allowed	Program
A1, A2, A3	Employees of Foreign Governments	Yes	Non-Permanent
B1, B2	Visitors for Business or Pleasure	Yes	Foreign National
C1, C2, C3	Aliens in Transit	No	
D1, D2	Alien crew members of ships and aircraft	No	
E1, E2, E3	Treaty Traders and Investors	Yes	Non-Permanent
F1, F2, F3	Student in Academic Program	No	
G1, G2, G3. G4, G5	Employees of International Organizations	Yes	Non-Permanent
H1	Alien in Specialty Occupation	Yes	Non-Permanent
Н1-В	Chilean or Singaporean National in Specialty Occupation	Yes	Non-Permanent
H2, H3	Temporary Worker Performing Services Unavailable in the US	Yes	Foreign National
H4	Spouse of H1-H3	No	
I	Members of the Foreign Press	Yes	Foreign National
J1, J2	Exchange Visitors	Yes	Foreign National
K1, K2, K3, K4	Fiance or Spouse of a US Citizen	No	
L1	Intercompany Transfer from International Company	Yes	Non-Permanent
L2	Spouse of L1 Visa Holder	No	
M1, M2, M3	Vocational Students	No	
N8, N9	Parent or Child of a Permanent Resident	No	
01	Alien with Extraordinary Ability	Yes	Non-Permanent
02	Alien Accompanying or Assisting an O1 Visa Holder	Yes	Foreign National
03	Spouse or Child of O1 or O2 Visa Holder	No	
P1, P2	Internationally Recognized Athlete or Entertainer	Yes	Foreign National
P3	Artist or Entertainer in a Culturally Unique Program	No	
P4	Child or Spouse of P1-3 Visa Holders	No	
Q1, Q2, Q3	Cultural Exchange Visitors	No	
R1	Alien in a Religious Organization	Yes	Non-Permanent
R2	Spouse or Child of R1	No	
S5, S6, S7	Aliens Supplying Critical Information on Criminal Activity	No	
T1-T5	Victims of Trafficking	No	
U1-U5	Victims of Criminal Activity	No	
V1-V3	Spouse, Child or Parent of Lawful Permanent Resident	No	
TN	NAFTA Professional	Yes	Non-Permanent
TC	Formerly Known as Trade Canada	No	
TD	Spouse or Child of TN Visa Holder	No	



# CONDOMINIUM REQUIREMENTS - GUIDES AND FACT SHEET

All condominium transactions must have a completed Homeowners' Association (HOA) Certification and a valid project approval. The HOA certification may not be greater than 90-days old at the time of funding.

All condominium projects must meet the following requirements: (Note that FN and ICF require full 10% reserves.)

LTVs and/or Condo Presale Requirements*	HOA Reserve Requirements
Condos less than 90% closed and sold	>= 10% of the annual budget
> 80%	>= 10% of the annual budget
70% - 80%	>= 5% of the annual budget
< 70%	No reserve accounts required

<sup>\*</sup>Excluding Foreign Nationals

- The sustainability, marketability and financial stability of the project must be supported.
- The project must be located in an area where acceptability of the condominium ownership is demonstrated.
- The project must be in compliance with all applicable state or local laws. The HOA must be incorporated in the state in which the project is located.
- Condo projects must have acceptable insurance coverage. No co-insurance and 100% replacement. If in a flood zone, we will NOT make an exception to not having the master flood policy.
- All common areas and amenities within the project or subject phase must be complete.
- Subject unit must have at least 600 sqft of living space.
- HOA Delinguency (maximum): 15% of the units; and
- Annual Budget Dollar Delingunecy (maximum): 10%
- No single entity, the same individual, investor group, partnership or corporation may own more than 10% of the total units in the project. In the case of a project that has fewer than 10 units, no single entity may own more than one unit. Very few exceptions can be made to this.

- Investor concentration (maximum): 100%
- Projects with pending or threatened litigation are typically ineligible. Litigation may be acceptable if it is determined to be minor and immaterial. Details of the litigation must be submitted with project review documentation to determine acceeptability. An environmental hazard assessment is required for condo projects if an environmental problem is identified by the originator or loan purchaser through performance of its project underwriting or due diligence. The solution to the problem must be deemed acceptable by Angel Oak. Any litigation involving construction defects or potential leaks in the building will not be considered, this is denied.
- The project must be located on one contiguous parcel of land. The project may be divided by a public street.
- The structures within the project must be within a reasonable distance from each other. Common elements and facilities, such as recreational facilities and parking, must be consistent with the nature of the project and competitive in the marketplace.
- All programs are limited to a maximum number of units purchased by loan purchaser within one project of 20% or 20 units, whichever is less.



# CONDOMINIUM REQUIREMENTS - GUIDES AND FACT SHEET

#### **Condominium Conversions**

A condominium conversion is the conversion of an existing building to a condominium project. Project conversions legally created in the past three years are not allowed.

#### **Condominium Insurance**

Earthquake Insurance Analysis, FHLMC Form 465S, must be completed when subject property is located in California. Earthquake insurance is required for projects located in "moderate" or "high" risk zip codes. Obtain a copy of the Site-Specific Earthquake Risk Analysis (SSERA) from the condominium project association.

## **Ineligible Projects**

- Projects comprised of manufactured homes
- Projects managed and operated as a hotel or motel
- Projects containing the word hotel or motel in the name
- Projects with registration services or that offer rental of units on a daily basis
- Projects that restrict the owner's ability to occupy the unit
- Projects with mandatory rental pooling agreements that require unit owners to either rent their units or give a management firm control over unit occupancy
- Projects with non-incidental business operations owned or operated by the homeowners' association (such as a restaurant, spa, health club, etc.)
- · Common interest apartments
- Timeshare or segmented ownership projects
- Multi-unit dwelling condos that permit an owner to hold title to more than one dwelling unit, with ownership of all of his or her
  owned units evidenced by a single deed and financed by a single mortgage.
- No condotels Google if you know it is in a resort area
- No self-managed
- No co-insurance

# **New Condominium Projects**

- 90% Sold and Closed: No restrictions
- · Foreign Nationals and Investor Cash Flow borrowers must meet this requirement
- <25% Sold and Closed: Not eligible
- ≥ 25% 89% Sold and Closed: Maximum concentration for Angel Oak is 5% and maximum LTV is reduce by 10%

# **Site Condominiums**

Projects consisting of single-family detached dwellings (also known as site condominiums) are acceptable provided the appraisal supports market acceptance of site condominiums in the subject's market area.

• SFD or Condo appraisal forms are acceptable

## **Unacceptable Condo Issues**

- Litigation NO construction issues! If minor slip and fall a letter from an attorney required saying insurance is covering and no current safety concern
- 15% max owned by 1 entity



## **All Loans**

- Assets
- Sales Contract (Purchase)

# **Bank Statement Program**

- Business and/or Personal Bank Statements (12-24 months)
- CPA/Tax Preparer Letter (Confirming percentage of ownership and business expense ratio)
- NEVER send Tax Returns

#### **Investor Cash Flow**

• Lease with 3 months' receipt of rent

#### **Non-Warrantable Condos**

• Condo Questionnaire

# **Platinum & Portfolio Select**

- Paystubs (Most recent 30 days)
- Tax Returns (Last 2 years)
- W2s/1099s (Last 2 years)