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HELOC AND FIXED RATE - PROGRAM RED UNDERWRITING NOTES

Max Loan Amounts and CLTVs

MAX LOAN	\$250K full doc. Stated seconds, see below. Max non owner is 100K, full doc only.		
MAX CLTV PROPERTY VALUE	100% 660 and higher, 80% 620 to 659 score. Max property value is \$750K when CLTV = 100%. Over \$750K to \$1 million is 90%, call for property value over \$1 million. See restricted counties.		
MAX CLTV Stated Income Stated Assets (SISA)	Minimum Credit Score	Maximum Loan Amount	Maximum CLTV
	680	\$100K	80%
	700	\$150K	100%
	700	\$200K	90%
MAX CLTV Stated Income Verified Assets (SIVA) Requires 6 months PITI + HOA in reserve Sourced, not seasoned	740	\$200K	100%
	620	\$50K	80%
	660	\$150K	80%
	660	\$100K	90%
MAX CLTV Stated Income Verified Assets (SIVA) Requires 6 months PITI + HOA in reserve Sourced, not seasoned	680	\$200K	90%
	680	\$150K	100%
	700	\$200K	100%
Additional Underwriting Considerations			
RESTRICTED COUNTIES	If the credit score is less than 700, and the property value is over 500k, then the CLTV is reduced 10% in Clark and Nye (NV), Mohave (AZ), Miami and Dade (FL), Island, Snohomish and King (WA), Riverside, San Bernardino, El Dorado, Placer, and Sacramento (CA), states of NJ, WV, MASS, VA, NH and MD. Same rule in CA except the property value must exceed \$600K In SF, LA, Orange, Alameda, Contra Costa, Marin, Santa Clara, San Diego and San Mateo Counties.		
CREDIT	For all loans, use the primary wage earner's mid of three scores, or lower of two. Min 5 satisfactory trades, 2 trades reported current or in the past 6 months. One trade must be 3 years old. All borrowers must have min 620 score.		
EMPLOYMENT	Salaried minimum 1 year in same field. Self employed min 2 years and minimum 2 years same company. S/E full = 2 years 1040's, YTD P&L and supporting bank statements. Self employed is anyone with 25% of their income other than salary. Independent verification of the business is required.		
DTI	45% DTI allowed up to \$4K month income, up to 50% DTI when income is over \$4K per month. Case by case over 50% to 55%. Loans over \$200K restricted to 45% DTI.		
BK & FORECLOSURE	BK must be 7 years discharged. No foreclosures or repossessions allowed. CCC treated same as BK		
COLLECTIONS, ETC	Pay all collections if within last 24 months. Tax liens, Judgments and charge offs, regardless of age must be paid. Ok to use proceeds. Repossessions are an automatic decline.		
NON OWNER	Full doc only, \$100K max. SFR to 80% CLTV, 660+, or 70% CLTV under 660 score. 2 units 70% CLTV 660 min score, or 60% with less than 660 score.		
PROPERTY/SEASONING	SFR, FNMA warrantable (call for exception) condos or PUD projects. No manufactured housing, Call for 2 units. Property may not be listed in the past 6 months. No more than 10 acres. 6 month seasoning required to use appraised value except Nevada, 12 months. No leaseholds.		
EXISTING FIRST	Gross up neg am first to max balance and max interest to calculate payment and CLTV. No balloon firsts, leased land, Cal Vet first, or Private Party first. HELOC first ok at max line amount.		
TITLE POLICY	Abbreviated title okay up to \$100K loan amount, refis only. Full title over \$100k and all purchase money transactions. Title changes must be seasoned for at least 6 months, call for title changes between spouses.		
ALL FIXED SECONDS & PREPAY INFO	Minimum loan \$25,000. No Hi Cost Hi Fee loans. 15, 20 and 30/15 terms available. 3 year where allowed, buy down to 1 year w .5% add to rate or 1 point in fee. No power of attorney. Brokers or employees may not apply directly. No broker owned escrows, no real estate investors, no non resident aliens. Seller contributions ok, NRCC only, 6% up to 90% CLTV and 3% on CLTV over 90%. Full appraisal for all purchases and loan amounts over \$100K, otherwise drive by appraisal okay. HELOC max rate 18% or state maximum.		



HELOC AND FIXED RATE - PROGRAM WHITE UNDERWRITING NOTES

Maximum Loan Amounts			
	700+	660-699	620-659
95.01-100%* <small>*>\$100K min. 660 score all borrowers</small>	\$250K	\$250K	N/A
90.01-95%	\$250K	\$250K	N/A
80.01-90%	\$250K	\$250K	\$215K
Up to 80%	\$250K	\$250K	\$215K
Stated Income	\$200K	\$200K	\$150K
Non Owner	\$200K	\$200K	\$200K
Maximum CLTV			
SFR	100%	100%	90%
2 units (\$150 max loan)	90%	90%	80%
Stated (no units)	100%	95%	90%
Non Owner	80%, full and stated	80% full, 680 stated	80% full doc only
Additional Underwriting Considerations			
STATED INCOME LOANS	No units. No rural. Salaried or self employed only. No retired borrowers. Stated loans must make sense, underwriting may ask for full documentation. For all stated income loans, 3 months PITI sourced and seasoned for one month are required in reserve. For non owner occupied loans, 6 months PITI required in reserve. For stated loans use the lowest mid score for all borrowers.		
CREDIT	Full doc, use primary wage earner score, for stated use lowest middle score. 2 year credit history, 4 tradelines, and one open account not derogatory and has had activity in past 6 months. All borrowers must have a minimum 620 credit score. No mortgage lates in the past 12 months.		
EMPLOYMENT	Minimum 2 consecutive years same field. Self employed minimum 2 years same company. Verify self employment income with 2 years 1040's, YTD profit and Loss and bank statements supporting profit and loss. Independent verification of the business is required.		
DTI	Max DTI 45% when score under 660, otherwise max DTI 50%. 401K loans are not required for DTI calculation. We include deferred student loans in DTI.		
BK & FORECLOSURE	BK, repossessions or foreclosures minimum 5 years old. CCC needs 24 months completion. No derogatory accounts after BK. No first time home buyers.		
COLLECTIONS, ETC	All collections, charge offs, judgments tax liens must be paid. Items paid in past 12 months must not exceed \$500. If less than \$500 and not paid, ok to use proceeds to pay		
NON OWNER	80% stated, 680 score, see add to rate. 6 months PITI, sourced and seasoned required in reserve.		
PROPERTY/SEASONING	SFR, FNMA warrantable condos, call for up to 4 units. <10 acres. No manufactured housing. 12 months seasoning required		
EXISTING FIRST	Gross up negative amortization first to max balance to calculate CLTV. Use fully indexed rate at current balance to calculate payment. Balloon firsts must have minimum three years remaining. No leased land, HELOC, Cal Vet first, or Private Party first.		
TITLE POLICY	Abbreviated title okay up to \$100K loan amount, refinances only. Full title over \$100k and all purchase money transactions. Title changes must be seasoned for at least 6 months, call for title changes between spouses.		
ALL FIXED SECONDS & PREPAY INFO	Minimum loan amount \$25,000. No Hi Cost Hi Fee loans. Sometimes low credit score combined with high CLTV result in unacceptable rates and Freedom may change desired product, reduce or eliminate Broker and/or Freedom fees, or deny due to Hi Cost restrictions. 15, 20 and 30/15 terms available. 3 year where allowed, buy down to 1 year w .5% add to rate or 1 point in fee. No power of attorney. Brokers or employees may not apply directly. No broker owned escrows, no real estate investors, no non resident aliens. Seller contributions ok, NRCC only, 6% up to 90% CLTV and 3% on CLTV over 90%. Full appraisal for all purchases and loan amounts over \$100K, otherwise drive by appraisal okay.		



FIXED RATE - PROGRAM BLUE UNDERWRITING NOTES

Maximum Loan Amounts			
Full Doc	720+	680-719	650-679
90.01-100%	\$150K	\$150K	\$100K (660 score)
80.01-90%	\$250K	\$250K	\$150K
Up to 80%	\$500K	\$500K	\$500K
Stated Income			
90.01-100%	\$150K	\$150K	N/A
80.01-90%	\$250K	\$250K	N/A
Up to 80%	\$500K	\$350K	N/A
Additional Underwriting Considerations			
STATED INCOME LOANS	No units. Salaried or self employed only. No retired borrowers. Stated loans must make sense, underwriting may ask for full documentation. For all loans, use the score from the primary wage earner. Brokers, employees of brokers or relatives of brokers must go full doc.		
CREDIT	For all loans, use primary wage earner's middle credit score. 3 tradelines, each with a minimum 12 month history. All borrowers must have a minimum 620 credit score. No mortgage lates in the previous 12 months. 680 minimum score for rural properties.		
RESERVE REQUIREMENTS	Reserves not required on refinances. Any funds required to satisfy a purchase transaction must be verified plus 2 months PITI.		
EMPLOYMENT	Minimum 2 consecutive years same field. Self employed minimum 2 years same company. Verify self employment income with 2 years 1040's, YTD profit and Loss and bank statements supporting profit and loss. Independent verification of the business is required.		
DTI	We apply payments to deferred student loans. Payments against retirement accounts not included in DTI. Max DTI 45% when score under 680, otherwise max DTI 50%.		
BK & FORECLOSURE	BK, repossessions or foreclosure minimum 4 years old and 4 years re-established credit. CCC needs 24 months completion and demonstrated ability to manage credit. No mortgage lates after BK, no more than 2x30 on any other credit. No new public records.		
COLLECTIONS, ETC	All judgments or tax liens must be paid prior to closing. All collections or charge offs must be paid prior to closing unless over 24 months old, in which case proceeds may be used for paying items.		
PROPERTY/SEASONING	SFR, FNMA warrantable condos, call for up to 4 units. Up to 10 acres. 6 months seasoning allowed with full appraisal, no drive-by. HOA cert required. No manufactured housing.		
EXISTING FIRST	No Negative Amortization, Payment Option, leased land, HELOC, Cal Vet, Balloon or Private Party first. IO firsts allowed with min 680 credit score.		
TITLE POLICY	Abbreviated title okay up to \$100K loan amount, refinances only. Full title over \$100k and all purchase money transactions. Title changes must be seasoned for at least 6 months, call for title changes between spouses.		
APPRAISAL	Full appraisal for all purchases and loan amounts over \$100K and any property valued over \$1 million. Otherwise drive by appraisal okay on property owned over 12 months. Appraisals good for 4 months. Max CLTV rural 80%.		
OTHER	Minimum loan amount \$25,000. No Hi Cost Hi Fee loans. 15, 20 and 30/15 terms available. 3 year prepayment on fixed products where allowed, buy down to 1 year w .5% add to rate or 1 point in fee. No power of attorney. Brokers or employees may not apply directly. No broker owned escrows, no real estate investors, no non resident aliens. Seller contributions ok, NRCC only, 6% up to 90% CLTV and 3% on CLTV over 90%.		