

Program Maximum LTV/CLTVs		Primary Residence				Second Home				Investment Property		
Loan Amount	FICO	Purchase	Rate & Term	Cash Out	Purchase	Rate & Term	Cash Out	Purchase	Rate & Term	Cash Out		
< \$1,000,000	720	90%	90%	80%	85%	85%	80%	85%	85%	80%		
	700	90%	90%	80%	85%	85%	80%	85%	85%	80%		
	680	90%	90%	80%	85%	85%	80%	80%	80%	80%		75%
	660	80%	80%	75%	80%	80%	75%	80%	80%	80%		70%
	640	80%	80%	70%	80%	80%	70%	N/A	N/A	N/A		
\$1,000,001 - \$1,500,000	720	90%	90%	80%	85%	85%	80%	85%	85%	80%		
	700	90%	90%	80%	85%	85%	80%	80%	80%	80%		75%
	680	85%	85%	75%	85%	85%	75%	80%	80%	80%		75%
	660	80%	80%	75%	80%	80%	75%	75%	75%	75%		70%
	640	70%	70%	65%	70%	70%	65%	N/A	N/A	N/A		
\$1,500,001 - \$2,000,000	720	90%	90%	80%	85%	85%	80%	80%	80%	80%		75%
	700	85%	85%	75%	85%	85%	75%	80%	80%	80%		75%
	680	80%	80%	70%	80%	80%	70%	75%	75%	75%		70%
	660	75%	75%	65%	75%	75%	65%	70%	70%	70%		65%
\$2,000,001 - \$2,500,000	720	80%	80%	75%	80%	80%	75%	75%	75%	75%		65%
	700	75%	75%	65%	75%	75%	65%	75%	75%	75%		65%
	680	75%	75%	65%	75%	75%	65%	70%	70%	70%		65%
	660	70%	70%	65%	70%	70%	65%	70%	70%	70%		65%
\$2,500,001 - \$3,000,000	720	75%	75%	70%	75%	75%	70%	75%	75%	75%		65%
	700	75%	75%	65%	75%	75%	65%	70%	70%	70%		60%
	680	70%	70%	65%	70%	70%	65%	70%	70%	70%		60%
\$3,000,001 - \$3,500,000	720	70%	70%	55%	70%	70%	55%	70%	70%	70%		55%
	700	70%	70%	55%	70%	70%	55%	70%	70%	70%		55%
\$3,500,001 - \$4,000,000	720	70%	70%	50%	70%	70%	50%	N/A	N/A	N/A		

Requirements												
Program Requirements		Property Overlays	Max LTV/CLTV		Products							
Minimum Loan Amount	\$150,000		Purch/R&T	Cash Out	30 Year Fixed							
Max Loan Amount	\$4,000,000	Rural	80%	75%	30 Year Interest Only and 40 Year Interest Only - Investment Property Max 80% LTV							
<b>Unlimited Cash Out Allowed</b>		Warrantable Condo	90%*	80%*								
<b>Max DTI</b>		Non-Warrantable Condo	85%*	80%*	<b>IO Period</b> 10 years							
50%		2 - 4 Units	85%*	80%*	<b>Amortization Term</b> 20/30 years							
DTI > 50% to 55% Max	Allowed with min 700 FICO Max 80% LTV/CLTV Primary Residence Only No FTHB Purchase or Rate & Term Only \$1,500,000 Max Loan Amount No 40 YR IO	Declining Markets	5% reduction from max LTV *Reduce LTV by 5% from maximum on Investment Properties									
		<b>Reserve Requirements</b>			<b>Final Maturity</b> 30/40 years							
		<= \$1,000,000	6 months		<b>Qualifying Rate</b> Fixed = Note Rate							
		\$1,000,001 to \$2,000,000	9 months		<b>Qualifying Payment</b>							
		\$2,000,001 to \$4,000,000	12 months		All: Use Qualifying Rate for calculating PITIA							
		Reserve Requirement reduced by 3 months with 5% reduction from max qualifying LTV			<b>Interest-Only:</b> Use the fully amortized payment with the Qualifying Rate over the fully amortized term of the loan.							
		Cash out can be used toward reserves										
Other Requirements												
Approved States	Listed on our website: <a href="#">Approved States – Nations Direct Mortgage</a>											
Citizenship	US Citizen, Permanent Resident Alien & Non-Permanent Resident Alien (with US Credit).											
Credit	Use the representative score (lower of two or middle of three) of the primary wage earner. All borrowers on the loan must have a valid credit score defined as one score from at least two credit bureaus. Minimum credit score for co-borrowers is 600											
Credit - Tradeline Requirements	Minimum three trade lines reporting for a minimum of 12 months OR two trade lines reporting for a minimum of 24 months. All trade lines must have activity in the last 12 months. Borrowers that have three credit scores satisfy the minimum trade line requirements.											
Escrows	Required for taxes & insurance on HPML Loans and on LTVs >80%. Otherwise, Escrows can be waived. Refer to NDM rate sheets for pricing hit.											
First Time Home Buyer	<b>Borrower with Rental History:</b> 0x30x12, Primary or Second Home Only, No other restrictions. <b>Borrower without Rental History/Living Rent Free:</b> Must meet trade line requirement, max 80% LTV/CLTV, min 680 FICO, Primary or Second Home Only, No Gift, No Non-Occupant Co-Borrower. Maximum Loan Amount \$1.5MM.											
Geographic Overlays	Investment Properties in Baltimore, MD are ineligible											
Gift Funds	Must contribute 5% of own funds toward down payment. Not allowed for reserves.											
Income Types	One Year or Two-Year Full Doc: Wage Earner with W2s or Self-Employed with Tax Returns											

<b>Major Derogatory Credit</b>	<b>Foreclosures, Deed in Lieu, Short Sale, Loan Modification Due to Default, etc. / Bankruptcy Chapter 7/11/13 - BK Seasoning from Discharged/Dismissed Date</b>  36 months OR 24 months with a 5% reduction from maximum qualifying LTV. No multiple credit events in 7 years.
<b>Mortgage History</b>	1x30x12 OR 0X60X12 with a 5% reduction from maximum qualifying LTV
<b>Non-Occupant Co-Borrower</b>	Non-Occupant must be an immediate family member. Purchase or Rate and Term on Primary Only.  Reduce LTV/CLTV from maximum qualifying by 5%.  Occupant borrower must have a maximum DTI of 60% (excluding income/debts of non-occupant borrowers). Blend income to determine back-end ratio. Non-occupant may contribute remaining funds to close and reserves.
<b>Non-Warrantable Condo</b>	Full Condo Review Required. Only one non-warrantable feature is permitted.  Allowable reasons are the following: <ul style="list-style-type: none"> <li>Commercial Space - must be typical for the market, have no negative impact and be &lt; 50% of the project space</li> <li>Delinquent HOA Dues- no more than 20% of the total units in the project may be 60+ days past due</li> <li>Investor Concentration- up to 60%; Single Owner/Entity- up to 25%</li> <li>Litigation- is permitted as long as the lawsuit does not involve structural issues, health and safety issues, or does not impact the marketability of the project.</li> </ul>
<b>Prepayment Penalty</b>	Allowed on Investment Properties Only. Purchases, Rate & Term, and Cash Out if use meets Business Purpose Requirements. Permitted in the following states: AL, AZ, CA, CO, CT, DC, FL, GA, HI, ID, IN, KY, LA, MA, MD (Maximum 3 years), ME, MN (Loan Amount >\$647,200), MO, MT, NC, NV, OK, OR, PA (Loan Amount >\$329,411 applies only to 1-2 units), SC, TN, TX, UT, VA (Loan Amount >\$75,000), WA, WI, WV, & WY. 1-to-5-year prepayment terms available.
<b>Property Types</b>	SFR, PUD, Warrantable Condo, Non- Warrantable Condo, 2-4 Units
<b>Seasoning Requirements</b>	<b>Cash Out:</b> Properties owned 6 months or longer at application date can use appraised value to determine LTV. If purchased less than 6 months prior to application date a 5% reduction from maximum qualifying LTV is required and property value is limited to the lesser of the current appraised value or purchase price plus documented improvements.  <b>Property Listing:</b> Subject Property must be taken off the market prior to application date. If the loan purpose is cash out listing must be removed one month prior to application date.
<b>Seller Concessions</b>	<b>Primary &amp; Second Home</b> - 9% with max 75% LTV/CLTV; 6% 75.01% to 90% LTV/CLTV; and 5% over 90% <b>Investment</b> - 6% regardless of LTV/CLTV
<b>Texas Home Equity 50(a)(6) Cash Out</b>	80% LTV/CLTV Max. One Unit Principal residences and claimed as Borrower's homestead.  Copy of current Mortgage or Note is required to determine previous terms are not subject to Texas 50 (a)(6).  12-month seasoning required.  Maximum 2% fee limitation for all closing costs, fees and charges.  Texas (a)(6) loan may not close until: 12 days after the borrower submits the loan application OR all borrowers sign the 12-day notices, whichever is later; One day after the borrower(s) receives a copy of the Initial Closing Disclosure and 12 months seasoning of the existing Texas (a)(6) loan.

**Texas Non-Home Equity  
50(a)(4)**

80% LTV/CLTV Max. The refinance must occur at least one year after the Home Equity Loan closed.

The additional loan amount only covers the cost of refinancing and does not provide the borrower with any cash proceeds.

All title holders must be provided with affidavit acknowledging the refinance of their Texas 50 (a)(6) loan to a no cash out Texas 50 (a)(4) refinance loan provided no later than 3 business days after the date the application is received AND at least 12 days before loan closing.