

NATIONS DIRECT MORTGAGE		NONQM PROFIT & LOSS ONLY						Effective Date: 5.1.2025		
Program Maximum LTV/CLTVs		Primary			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	700+	80%	75%	70%	80%	75%	70%	80%	75%	70%
	680	80%	75%	70%	80%	75%	70%	80%	75%	70%
	660	75%	75%	70%	75%	75%	70%	70%	70%	65%
\$1,000,001 - \$1,500,000	700+	80%	75%	70%	80%	75%	70%	80%	75%	70%
	680	80%	75%	70%	80%	75%	70%	80%	75%	70%
	660	75%	75%	65%	75%	75%	65%	70%	70%	60%
\$1,500,001 - \$2,000,000	700+	80%	75%	70%	80%	75%	70%	80%	75%	70%
	680	75%	75%	65%	75%	75%	65%	75%	75%	65%
	660	70%	70%	60%	70%	70%	60%	65%	65%	60%
\$2,000,001 - \$3,000,000*	700+	70%	70%	65%	70%	70%	60%	65%	65%	60%
	680	70%	65%	65%	N/A	N/A	N/A	N/A	N/A	N/A
<b>*Product 110 Maximum Loan Amount \$2,500,000 on Second Homes and Investments</b>										
<b>Requirements</b>										
Program Requirements		Property Overlays			Max LTV/CLTV			Products		
Minimum Loan Amount	\$150,000	Rural- Primary/Second Home Only, Purchases and Rate & Term Only. (Rural not permitted on Product 110).			75%			30 Year Fixed; 30 Year Fixed I/O; 40 Year Fixed I/O		
Maximum Loan Amount	\$3,000,000	Warrantable Condo			80%					
		Non-Warrantable Condo**			75%					
Maximum Cash Out with LTV ≤ 60%	No Limit	2 - 4 Units			80%			IO Period	10 Years	
		Geographic Overlays- Product 110 Only			Max LTV/CLTV			Amort Term	20/30 Years	
Maximum Cash Out with LTV > 60%	\$750,000	States:CT, FL, IL, NJ & NY			Purchase 80%; Rate & Term and Cash Out 75%; Maximum Loan Amount \$2MM			Final Maturity	30/40 Years	
DTI > 43%	Residual Income of \$1,500 Req.	Seasoning Requirements						Not available		
DTI > 50%, Max 55%	Expanded DTI is not available on the P&L Product. Maximum is 50%.	Properties owned less than 12 months but greater than 6 months: Property value is limited to the lesser of the current appraised value or purchase price plus documented improvements.						Qualifying Rate		
								Fixed = Note Rate		
Credit Requirements		Refinance of a previous Cash-Out seasoned <1 year will be considered Cash Out.						Qualifying Payment		
Mortgage History	1x30x12 Not Available on Product 130.	Product 110 Only- Not eligible for refinance if there has been a prior cash out transaction, 1st or 2nd mortgage in the past 6 months. Also, if the subject property has been listed for sale within the past 12 months it is ineligible regardless of loan purpose.						All: Use Qualifying Rate for calculating PITIA		
Foreclosure Seasoning	48 Months	Reserve Requirements						Interest-Only: Use the fully amortized payment with the Qualifying Rate over the fully amortized term of the loan. Maximum LTV/CLTV 80%. First Time Homebuyer Not Eligible.		
Short Sale/DIL Seasoning		≤ \$1,000,000			6 Months					
Chapter 7/11/13 BK Seasoning from Discharged/ Dismissed Date		\$1,000,001 to \$1,500,000			9 Months					
		\$1,500,001 to \$3,000,000			12 Months					
		Cash Out			Can be used for reserves					

Property Type	SFR, PUD, Townhome, Warrantable Condo, Non-Warrantable Condo, 2-4 Unit.
Declining Markets	5% reduction from maximum qualifying LTV.
First Time Home Buyer	Eligible with the following: 1) 0x30x12 Rental History 2) No Interest Only 3) If living rent free, max 75% LTV/CLTV, min 680 FICO, primary residence only, minimum 5% own funds. First Time Homebuyer ineligible on Product 120.
Citizenship	US Citizen, Permanent Resident Alien & Non-Permanent Resident Alien (with US credit).
Income Documentation	12 month Profit & Loss (P&L) representing total business sales and expenses for the time period covered prepared and signed by a verified licensed CPA, Enrolled Agent or CTEC and the Borrower. Borrower must be self-employed a minimum of 2 years and be a minimum 25% owner of the business ( <b>50% owner required for Product 130 only</b> ). Licensed Preparer to provide P&L and letter confirming review and completion of most recent two years tax returns, borrower's name, business name & ownership percentage. Expenses on the P&L must be reasonable for the industry of the business. Minimum expense factor is 20% for service related business and 40% for product based business. Borrower prepared P&L or borrowers who prepare their own taxes are not permitted.
Non Occupant Co-Borrower	Primary Residence Only: Reduce LTV/CLTV from maximum qualifying by 5%. Occupant borrower must have a maximum DTI ratio of 60% (this excludes the income/debts of non-occupant borrowers). Blend income to determine back-end ratio, non-occupant co-borrower may contribute remaining funds to close and reserves.
Credit	Use the representative score (lower of two or middle of three) of the primary wage earner. Trade line requirements: 3 trade lines reporting for a minimum of 12-mos OR 2 trade lines reporting for a minimum of 24-mos. One trade line must have been active within the last 12 months.
Gift Funds	Must contribute 5% of their own funds towards the down payment.
Seller Concession	Primary & Second Home - 9% with max 75% LTV/CLTV; 6% with max 80% LTV/CLTV; Investment - 3%. To be used towards closing costs.
Escrows	Required for taxes & insurance on HPML Loans. Escrows can be waived when HPML does not apply per product requirements. Refer to NDM rate sheets for specifics.
Prepayment Penalty	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 >\$319,777), SC, TN, TX, UT, VA (Loan Amount >\$75,000), WA, WI, WV, & WY. 1 to 5 year prepayment terms available.
Approved States	<a href="http://myndm.com/approved-states/">http://myndm.com/approved-states/</a>
Texas Home Equity 50 (a)(6) Cash Out	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 <b>OR</b> 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 <b>AND</b> at least 12 days before loan closing.
**Non-Warrantable Condo	Full Condo Review Required. Only one non-warrantable feature is permitted. Allowable reasons are the following: Commercial Space-must be typical for the market, have no negative impact and be < 50% of the project space; Delinquent HOA Dues-no more than 20% of the total units in the project may be 60+ days past due; Investor Concentration-up to 60%; Single Owner/Entity-up to 25%; 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.