Sunny | Alternative Documentation

Primary & Second Homes | Bank Statement, P&L, 1099, WVOE & Asset Utilization

Occupancy	Primary & 2nd Home				
Loan Amount	**FICO**	**Purchase**	**Rate & Term / Debt Consolidation**	**Cash-Out**	**Reserves**
≤ $1,000,000	720+	85%	85%	80%	3 Months
	700	80%	80%	80%	
	680	80%	80%	75%	
	660	75%	75%	75%	
	640	70%	70%	70%	
	620	N/A			
	600				
$1,000,001 - $1,500,000	700+	80%	80%	80%	6 Months
	680	80%	80%	75%	
	640	70%	70%	70%	
$1,500,001 - $2,000,000	700+	80%	80%	80%	9 Months
	680	80%	80%	75%	
	640	70%	70%	70%	
$2,000,001 - $2,500,000	700+	80%	80%	80%	
	680	80%	80%	75%	
	640	N/A	N/A	N/A	
$2,500,001 - $3,000,000	700+	75%	75%	75%	
	680	75%	75%	75%	
	640	N/A	N/A	N/A	

Geographic Restrictions	
Federal and State Specific Restrictions:	Federal and State or Local High Cost not permitted. Federal High Cost applies to Owner Occupied only.
Ineligible States:	Refer to State Licensing
Ineligible Locations:	Hawaii lava zones 1 & 2| Puerto Rico, Guam| The US Virgin Islands| Baltimore MD| Philadelphia, PA (NOO only)

Product Highlights	
Loan Purpose	Purchase, Rate/Term, Rate/Term Debt Consolidation*, Cash out *Available for Primary and Second Home only
Exceptions	Considered on a case by case basis
Product Types	Primary & 2nd Home: 30-Yr Fixed, 7/6 ARM, 10/6 ARM | I/O Not Eligible
Interest Only	Loan amount > $2.5m = Max LTV 70% | Loan amount: $2.0m-$2.5m = Max LTV 75%.
Texas 50(a)(6)	Applies to Primary Residences ONLY | Max LTV 80% | 12 Month seasoning required from most recent TX 50(a)(6) transaction | Refer to guidelines for full details. **Lender Paid Compensation Required**
Loan Amounts	Min: $150,000 - Max: $3,000,000
Occupancy	Primary (O/O), Second Home (Max 85% LTV)
Property Types and Restrictions	SFR, SFR + 1 ADU, Modular, PUD, Townhome, 2-4 Units, Condos, Non-Warrantable Condos, Rural properties
Property Overlays	Condominium: Warrantable: Eligible per Matrix | Non-Warrantable and Condotel: 5% LTV reduction. Condo in FL, with LTV over 70%, requires a Full Condo Review.
	2-4 Unit: Max LTV/CLTV 80%
Cash Out	Max Cash In Hand: > 65% LTV $1,000,000| ≤ 65% LTV Unlimited. Cash-Out Proceeds may be used for 100% reserve requirements.
Short Term Rental	Max LTV: Purchase 75% | Refinance: 70%
Acreage	Properties up to 20-acres
Appraisals	Loan Amounts ≥ $2,000,000 require 2 appraisals. Desk Review Product to be ordered on all loans with an CU Score over 2.5 (only eligible on SF Homes), except for those with a full second appraisal. Desk Review must be in tolerance as outlined in guidelines * Transferred appraisal acceptable. Appraisal version UAD 3.6 not eligible.
Declining Markets:	Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.
Income Documentation	• **12 mos Personal Bank Statements:** Should be self-employed minimum 2 years. May qualify with less than 2 years but more than 1 year if borrower can document at least 2 years of previous employment in the same line of work or related occupation or 1 year of employment and formal education/training in the same line of work.
	• **12 mos Business Bank Statements:** Business should be established and in existence minimum 2 years. May qualify with less than 2 years but more than 1 year of self-employment, then the business should be established for the same length of time and borrower must document they have been in the same line of work or related occupation or 1 year of employment and formal education/training in the same line of work.
	• **P&L Only:** Must cover most recent 12 mos. Completed, reviewed and signed by CPA, IRS EA, CTEC, or other registered tax preparer
	• **P&L + Two Months Bank Statements:** Must meet the requirements for P&L and two months business bank statements are to be provided to support the income reflected on the P&L. Bank statements cannot be more than 20% less than the monthly gross revenue reflected on the P&L.
	• **WVOE MIN 680 FICO:** FNMA Form 1005 or Sky TPO approved WVOE form. Only Wage/Salary income used. 2 year history with same employer required. Less than 2 years considered on case by case (exception needed). FICO > 720 LTV's limited to Purchase | R&T: 80% C/O OR FTHB: 70%. FICO's < 720: Purchase | R&T: 75% C/O OR FTHB: 70%
	• **1099 IRS Form Only:** Fixed Expense Ratio 10%; YTD Documentation to support continued receipt of income from source. Borrower(s) must be self-employed for at least 2 years, and the business must be in existence for at least 2 years.
	• **Asset Utilization:** 100% of checking, savings, money market accounts and stock/bonds. 100% of retirement assets eligible retirement age/70% under eligible age. 100% Trust Account (Refer to guidelines for requirements) * Can be combined with Full Doc Income Types. Qualifies as Alt Doc.
DTI	Max 50% | 55% with $3,000 Residual Income| Max 45% when LTV is > 80%
Tradelines	• Primary wage earner has 2 scores; or
	• 1 open and reporting 24-months; or
	• 2 open and reporting 12-months
Housing History: Primary & 2nd Home	A Borrower must have a complete 12-month housing history. | Refer to guidelines for living rent free.
	FTHB + Incomplete Housing History (Refer to FTHB Guidelines) or Rent-Free: Eligible for Primary Only| Max LTV 80%
	1X30X12 permitted with a maximum LTV of 80%
Credit Event Seasoning	12 Months w/ LTV cap 70% for Purchase & Rate and Term| Not eligible on Cashout. 24 Months w/ LTV cap 75% for Purchase | 70% Rate and Term & Cashout. ≥ 36 Months: No Reduction
BK/FCL/SS/DIL/1x120	• 48 months is required for 85% LTV
	(Refer to guidelines for Mod/Forbearance)
Assets	Min of 30-days asset verification required
Reserves	Cash out may be used to satisfy requirement
Seller Concessions	9% Max
Gift Funds	Gift funds allowed as 100% for down payment/cash to close. Ineligible for reserves.
Subordinate Financing	Secondary or subordinate financing is allowed with a max CLTV equaling maximum LTV per matrix. No seller carry-back; HELOC CLTV based on credit line limit, negative amortization not allowed, and subordinate financing from the borrower's employer may not include a provision requiring repayment upon termination.
Citizenship	US Citizen, Permanent Resident Alien, Non-Permanent Resident Alien (With US Credit and acceptable VISA).