



# REM N WS INVESTOR SOLUTION HIGH BALANCE PRODUCT DESCRIPTION

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## REMN WS INVESTOR SOLUTION HIGH BALANCE PRODUCT DESCRIPTION

REMN WS INVESTOR SOLUTION HIGH BALANCE SECOND HOME/INVESTMENT PRODUCT MATRIX						
Primary Residence						
Transaction Type	Units	Loan Amount	Amortization / Product	Maximum LTV/CLTV/HCLTV <sup>3</sup>	Credit Score	DTI <sup>2</sup> NO exceptions
Not Eligible						
Second Home						
Purchase/ Limited Cash-Out Refinance	1 Unit	See Chart Below	30-year Fixed Rate	80%	680	45%
Cash-Out Refinance <sup>1,4</sup>	1 Unit			75% up to \$1.5M 70% over \$1.5M		
Non-Owner Occupied						
Purchase	1 Unit	See Chart Below	30-year Fixed Rate	80%	680	45%
	2-4 Unit			75%		
Limited Cash-Out Refinance	1-4 Unit			75%		
Cash-Out Refinance <sup>1,4</sup>	1 Unit			75% up to \$1.5M 70% over \$1.5M		
	2-4 Unit	70%				
Footnotes	<sup>1</sup> No Texas 50(a)(6) allowed <sup>2</sup> No Exceptions to max DTI <sup>3</sup> Secondary Financing is allowed but limited to CLTV/HCLTV of 80% <sup>4</sup> Maximum Cash-Out: Unlimited up to 65% LTV   \$1M over 65% LTV					

Minimum/Maximum Loan Amounts 2024		
	Contiguous States & District of Columbia	Alaska and Hawaii
Number of Units	High Balance	High Balance
1	\$1,149,825	\$1,149,825
2	\$1,472,250	\$1,472,250
3	\$1,779,525	\$1,779,525
4	\$2,211,600	\$2,211,600

Minimum Loan Amount - \$1 above Conforming Limits (e.g. \$766,550 for 1-unit, \$981,500 for 2-unit, etc.)

## REM N WS INVESTOR SOLUTION HIGH BALANCE PRODUCT DESCRIPTION

REM N WS INVESTOR SOLUTION HIGH BALANCE SECOND HOME/INVESTMENT PRODUCT OVERVIEW	
<b>Program Overview</b>	» The purpose of the REM N WS Investor Solution product is to offer a Conventional-type product that is eligible to Fannie Mae and/or Freddie Mac underwriting guidelines for Second Home and Investment property transactions. The loans under this program will be delivered post-closing as part of a securitization with an outside investor.
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>» DU Approve/Eligible or LPA Accept Findings</li> <li>» When the guidelines are silent, follow FNMA/FHLMC guides depending on which AUS is used (DU or LPA)</li> <li>» No manual underwriting allowed</li> </ul>
<b>Loan Purpose</b>	<ul style="list-style-type: none"> <li>» Purchase</li> <li>» Limited Cash-Out Refinance</li> <li>» Cash-Out Refinance – no Texas 50(a)(6)</li> </ul>
<b>Temporary Buydown</b>	» <b>Not Eligible</b>
<b>Property Type</b>	<ul style="list-style-type: none"> <li>» SFR</li> <li>» Warrantable Condos</li> <li>» 2-4 Units</li> <li>» PUDs</li> </ul> <p>NOTE: Co-ops and Manufactured Homes are <b>NOT</b> eligible.</p>
<b>Eligible Geographic Locations</b>	» Eligible in county/MSA's where High Balance loan amounts are permitted, per FHFA county limits.
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>» Second Home and Non-Owner Occupied/Investment properties only</li> <li>» Primary Residence is NOT eligible</li> </ul>
<b>Multiple Properties Financed</b>	» Standard Fannie Mae/Freddie Mac guidelines apply
<b>Borrowers</b>	<ul style="list-style-type: none"> <li>» US Citizens</li> <li>» Permanent Resident Alien, meeting agency guidelines</li> <li>» Non-Permanent Resident Alien, meeting agency guidelines</li> <li>» First Time Homebuyer</li> <li>» Loans must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings</li> </ul>
<b>Credit</b>	<ul style="list-style-type: none"> <li>» Refer to the <a href="#">Product Matrix</a> section for minimum Credit Score</li> <li>» Applicants with no score are not eligible</li> <li>» Use lowest middle score for pricing and guideline purposes</li> <li>» <u>Trade Lines</u> – must meet minimum requirements as per AUS findings</li> <li>» <u>Significant Credit Events</u> – must follow AUS/Agency guidelines. Extenuating circumstances not allowed; must meet standard waiting periods.</li> <li>» Loans must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings</li> </ul>
<b>Credit Inquiries</b>	<ul style="list-style-type: none"> <li>» The borrower(s) must address <b>all</b> inquiries listed on their credit report within the past 90 days; <ul style="list-style-type: none"> <li>○ All inquiries listed on the credit report must be addressed by the borrower, specifically stating the creditor(s) and verifying no extension of credit.</li> <li>○ <b>Acceptable response:</b> The inquiries by Chase, Wells &amp; Bank of America have not resulted in any extension of credit.</li> <li>○ <b>Unacceptable response:</b> We have not obtained any additional credit as a result of the inquiries listed on our credit report. (Does not name the creditors - Chase, Wells &amp; Bank of America).</li> </ul> </li> </ul>
<b>Housing Payment History</b>	<ul style="list-style-type: none"> <li>» 0x30x12</li> <li>» <b>No Housing History or History Less Than 12 Months</b></li> <li>» Minimum 6 Months Reserves</li> <li>» 10% Minimum Borrower Contribution</li> <li>» VOR/VOM for all months available reflecting paid as agreed</li> </ul> <p><b>Note:</b> Borrowers who have owned their Primary Residence free and clear for at least 12 months are acceptable</p>
<b>Income and Asset Documentation</b>	<ul style="list-style-type: none"> <li>» Loan must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings</li> <li>» Follow standard agency guidelines; in instances where COVID overlays apply, follow the more restrictive of standard agency criteria or Fannie/Freddie temporary COVID requirements.</li> </ul>
<b>DTI Ratio</b>	<ul style="list-style-type: none"> <li>» Regardless of DU Approve/LPA Accept findings, the maximum DTI ratio is 45%.</li> <li>» Loans must follow and meet all other requirements of the DU Approve/Eligible or LPA Accept findings.</li> </ul>

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<b>Residual Income</b>	» \$1,500
<b>Assets</b>	<ul style="list-style-type: none"> <li>» Loans must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings with the following overlays: <ul style="list-style-type: none"> <li>○ Marketable Securities: Use 75% of account value</li> <li>○ Retirement/Keogh/401K: Use 60% of account value</li> </ul> </li> <li>» Business Funds: 50% ownership required</li> </ul>
<b>Reserves</b>	<ul style="list-style-type: none"> <li>» Loans ≤ \$1M: Greater of DU/LP or 3 Months PITIA</li> <li>» Loans ≤ \$1.5M: Greater of DU/LP or 6 Months PITIA</li> <li>» Loans &gt; \$1.5M: Greater of DU/LP or 9 Months PITIA</li> <li>» Rate-Term Refinances ≤65% LTV: Per DU/LP</li> </ul>
<b>Appraisal</b>	<ul style="list-style-type: none"> <li>» Loans ≤\$2M: 1 Full Appraisal + CU/LCA Score less than or equal to 2.5 <ul style="list-style-type: none"> <li>○ If the CU/LCA score is greater than 2.5, a CDA valuation within 10% variance is required. If the variance between the appraisal and CDA is greater than 10%, then a field review or second appraisal is required.</li> </ul> </li> <li>» Loans &gt;\$2M: 2 Full Appraisals</li> <li>» No appraisal waivers allowed</li> <li>» Loan must follow and meet all other requirements of the DU Approve/Eligible or LPA Accept findings.</li> </ul>
<b>Appraisal Management Companies (AMC)</b>	<p>All appraisal orders must be placed through REM N Wholesale’s approved appraisal management companies:</p> <ul style="list-style-type: none"> <li>» Ascend Appraisal Solutions Group: CO</li> <li>» Class Valuation: AK, AR, AZ, CA, DC, HI, IA, ID, KS, KY, LA, MN, MO, MS, MT, NE, NM, NV, OK, OR, SD, TX, UT, WA, WV, WY</li> <li>» Halo Appraisal Management: NJ, NY, PA</li> <li>» MaxVantage: CT, DE, IL, IN, MA, MD, MI, NH, OH, VA, VT, WI</li> <li>» Nationwide Appraisal Network: AL, FL, GA, NC, SC, TN</li> <li>» Property Val: ME, RI</li> </ul> <p>Please refer to the Order an Appraisal page on the Broker Portal or <a href="http://www.remnwholesale.com">www.remnwholesale.com</a> for further instruction.</p>
<b>Declining Markets</b>	» 5% LTV Reduction for LTVs >65%
<b>Liabilities</b>	<ul style="list-style-type: none"> <li>» Garnishments must be paid off</li> <li>» Collections and Charge-Offs: \$2000 total allowed on Second Homes</li> </ul>
<b>Gift Funds</b>	» 10% minimum borrower contribution required on Second Homes
<b>Title Vesting</b>	<ul style="list-style-type: none"> <li>» Individual names as joint tenants, community property or tenants in common</li> <li>» Inter-Vivos Revocable trusts meeting Fannie Mae requirements</li> <li>» Blind Trusts – not allowed</li> <li>» Limited Liability Corporations (LLC’s) – not allowed</li> <li>» Partnerships/Corporations – not allowed</li> </ul>
<b>Qualified Mortgage (QM)/Safe Harbor</b>	<ul style="list-style-type: none"> <li>» All loans originated under this program must meet the definition of a Qualified Mortgage (QM), as defined by the CFPB. Non-QM loans are not eligible under this program <ul style="list-style-type: none"> <li>– Borrower’s annual percentage rate (APR) cannot exceed Prime + 1.50%.</li> </ul> </li> <li>» All loans originated under this program meet the Safe Harbor designation, meaning it is presumed to comply conclusively with the Ability-to-Repay (ATR) requirements.</li> </ul>