



# 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>	» Not Eligible
<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>TBD Properties</b>	» <b>TBD Properties are not allowed to be converted to a property address by the investor. A new loan must be submitted when the property address is identified.</b>
<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>Undisclosed Debt Monitoring</b>	» An Undisclosed Debt Monitoring Notification dated within 10 days of the Note date must be obtained. If the UDN reveals any new or derogatory debt which was not disclosed on the loan application, a review must be completed to ensure the borrower meets debt-to-income and derogatory debt requirements.
<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>

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	<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>
<b>Residual Income</b>	<ul style="list-style-type: none"> <li>» \$1,500</li> </ul>
<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 REMN 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>	<ul style="list-style-type: none"> <li>» 5% LTV Reduction for LTVs &gt;65%</li> </ul>
<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>	<ul style="list-style-type: none"> <li>» 10% minimum borrower contribution required on Second Homes</li> </ul>
<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>