



# PRIME SECONDS Matrix

Matrix		
Loan Amount	DTI	FICO
75,000 to 350,000	50	720
		700
		680
		660

Owner Occupied	
Full doc	Bankstatement
CLTV	
90	85
90	80
85	75
80	70

2nd Home	
Full doc	Bankstatement
CLTV	
80	75
80	70
75	65
70	60

Non Owner	
Full doc	Bankstatement
CLTV	
85	75
80	70
75	65
70	60

Products		Occupancy	Code	Min Loan	Qual	amort term	Balloon Term
Fixed rate	Fully Am	Owner Occupied and 2nd homes	PT10F	75k	Note Rate	10yr	
			PT15F	75k		15yr	
			PT20F	75k		20yr	
			PT30F	75k		30yr	
	Balloon		PT30B	200k		30yr	15yr
			PT40B	200k		40yr	15yr

Code	Occupancy	Min Loan	Qual	amort term	Balloon Term
IT10F	Non Owner	75k	Note Rate	10yr	
IT15F		75k		15yr	
IT20F		75k		20yr	
IT30F		75k		30yr	
IT30B		200k		30yr	15yr
IT40B		200k		40yr	15yr



# PRIME SECONDS Documentation

Documentation Options		
Full doc 2 yr	Standard FNMA Documentation	<ul style="list-style-type: none"> <li>Non QM and Agency Eligible</li> <li>Non QM: Alternative Loan Review Form (Exhibit F) or DU Approve Ineligible</li> <li>Agency: DU Approve /Eligible may be used</li> <li>Income determined per DU Findings - OR- W2 borrowers, W2 for most recent year and 30 day most recent paystub. Self Employed, 2 years tax returns and YTD P &amp; L</li> </ul>
Full Doc 1 year	W-2 (12 Month) Tax Returns (12 months)	<ul style="list-style-type: none"> <li>Non QM and Agency Eligible</li> <li>Non QM: Alternative Loan Review Form (Exhibit F) or DU Approve Ineligible</li> <li>Agency: DU Approve /Eligible may be used</li> <li>Wage Earner - 1 year most recent W-2 plus 30 days paystubs</li> <li>Self Employed - 1 year most recent tax returns plus either 1) YTD P &amp; L after April 30th 2) 3 months Bank Statement verifying cash flow (no P&amp;L)</li> </ul>
Bank Statement	(24 or 12 months)	<ul style="list-style-type: none"> <li>Personal &amp; Business Combined or Business (12 Mo or 24 Mo)</li> <li>At least one of the borrowers must be self employed for at least 2 years (25% or greater ownership)</li> <li>Asset Depletion allowed with Bank Statement documentation</li> <li>Standard expense factors apply: 50% expense factor</li> <li>If business operates &lt; standard expense factor, P&amp;L or expense letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) required</li> <li>Minimum Expense factor with 3rd party prepared P&amp;L or letter is 20%</li> <li>Personal &amp; Business Separated (12 Mo or 24 mo)</li> <li>At least one of the borrowers must be self employed for at least 2 years (25% or greater ownership)</li> <li>Asset Depletion allowed with Bank Statement documentation</li> <li>Personal used to qualify, 3 months business to show business cash flows in order to utilize 100% of business related deposits in personal account (no expense factor)</li> </ul>
Assets		<ul style="list-style-type: none"> <li>None Required</li> </ul>
Appraisal requirements		<ul style="list-style-type: none"> <li>Previous appraisal within 12 months + Residential Appraisal Review. Review value must be equal or greater than appraisal</li> <li>New 2055 appraisal and Residential Appraisal Review supporting value within 10% variance</li> </ul>
Recently Listed Properties		<ul style="list-style-type: none"> <li>Properties listed for sale in the last 12 months are not eligible</li> </ul>
Borrower Eligibility		<ul style="list-style-type: none"> <li>US Citizen</li> <li>Non-Permanent Resident Alien (with US Credit)</li> <li>Permanent Resident Alien</li> </ul>
Borrower Ineligibility		<ul style="list-style-type: none"> <li>Non Occupant Co-borrowers</li> <li>Vesting is not permitted to be in the name of an LLC, Corporation or Partnership</li> </ul>
Compliance		<ul style="list-style-type: none"> <li>No Section32 or state High Cost</li> <li>Loans must comply with all applicable federal and state regulations</li> <li>Fully Documented Ability to Repay including Borrower Attestation</li> <li>Higher-Priced Mortgage Loans (HPML) and higher Priced Covered Transactions (HPCT) are permitted subject to Compliance with all applicable regulatory requirements</li> </ul>
Credit		<ul style="list-style-type: none"> <li>3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months</li> </ul>
Credit Scores		<ul style="list-style-type: none"> <li>Lowest of 2 scores, middle of 3 scores. Qualifying score is lowest of all borrowers</li> <li>Non Traditional Credit ineligible</li> </ul>
Credit Event Seasoning		<ul style="list-style-type: none"> <li>48 Months- Foreclosure, short sale, deed in lieu, bankruptcy. No Multiple events in last 7 years</li> </ul>
Derogatory Credit		<ul style="list-style-type: none"> <li>No open Charge-offs or collections in 48 months. No Delinquent tradelines at closing</li> </ul>
Housing Lates		<ul style="list-style-type: none"> <li>0x30x12 On all mortgages for all borrowers. Minimum 12 months housing history required</li> </ul>
States		<ul style="list-style-type: none"> <li>Ineligible: Texas, New York, Vermont, Utah</li> </ul>
Ineligible Senior Loans		<ul style="list-style-type: none"> <li>Loans in active forbearance or deferment</li> <li>Negative Amortization</li> <li>Reverse Mortgages</li> <li>Interest Only Mortgages</li> <li>Balloon loans that the balloon payment comes due during the amortization period of the 2nd lien</li> </ul>
Maximum Combined Liens		<ul style="list-style-type: none"> <li>1.5 million</li> </ul>
Property Type		<ul style="list-style-type: none"> <li>SFR, PUD, Condo- Warrantable, Modular</li> </ul>
Qualifying Payment		<ul style="list-style-type: none"> <li>Qualifying ratios based on Full Note Rate</li> </ul>
Title Report		<ul style="list-style-type: none"> <li>Alta Short Form - Lenders Policy</li> </ul>
Seasoning		<ul style="list-style-type: none"> <li>&gt; 6 months seasoning no restrictions. Less than 6 months seasoning ineligible</li> </ul>
HMFC's Loan Eligibility Guidelines		<ul style="list-style-type: none"> <li>Refer to Unites loan eligibility Guidelines for Details on Topics not covered here.</li> </ul>
Declining Values		<ul style="list-style-type: none"> <li>Properties in which the appraiser is reporting a declining trend in values for the subject's market area are limited to a maximum 75% CLTV on primary and 2nd homes, 70% CLTV on non-owner.</li> </ul>

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