



iApprove Lending is a Direct Lender that prides itself for its speciality in the closing of Jumbo loans in addition to Conventional and FHA loans. Jumbo loans are generally non-delegated products which require the outsourcing and approval of a 3rd Party Jumbo Investor; however, iApprove Lending is very proud to have been acknowledged by many happy clients that enjoy the fast turn-around time that is not always expected from this unique product.

iApprove Lending would like to offer a little insight into the process of closing a Jumbo loan with our company which can help all parties meet a desired turn-around time.

iApprove Lending's experienced Underwriters are there to help put together and package the file in the expected fashion needed to earn the Jumbo Investor's approval. During busy time, a Jumbo Investor may have extended turn-around time that will apply to each time the file must be touched or reviewed. As a result of this, iApprove Lending's policy is that our Underwriters will give top priority to personally reviewing the file in order to ask for every single item that is known to be a needed document to close the loan. It is then that the package will be sent to the Investor for review. It will be to everyone's contentment that when the loan is finally sent to the Investor, very minimal items will be pending once a loan approval is given.

JUMBO ELITE MATRIX - PLEASE REFER TO JUMBO ELITE RATE SHEET

PRIMARY RESIDENCE - PURCHASE AND RATE/TERM REFINANCE

UNITS	LOAN AMOUNT	MAXIMUM LTV	MINIMUM FICO SCORE	MAXIMUM DTI
1 UNIT, PUD	\$417,001 - \$1,500,000	80.00%	720	43%
	\$1,500,001 - \$1,750,000	75.00%	720	43%
	\$1,750,001 - \$2,250,000	70.00%	720	43%
	\$2,250,001 - \$2,750,000	65.00%	720	43%
	\$2,750,001 - \$3,000,000	60.00%	720	43%
2 UNITS	\$533,851 - \$1,000,000	65.00%	720	43%
	\$1,000,001 - \$1,500,000	60.00%	720	43%

**PRIMARY RESIDENCE CASH-OUT
(1 UNIT, PUD)**

LOAN AMOUNT	MAXIMUM LTV	MINIMUM FICO SCORE	MAXIMUM DTI	MAXIMUM CASH-OUT
\$417,001 - \$1,500,000	65.00%	720	43%	\$350,000
\$1,500,001 - \$1,750,000	60.00%	720	43%	\$500,000
\$1,750,001 - \$2,000,000	55.00%	720	43%	\$500,000
\$2,000,001 - \$2,500,000	45.00%	720	43%	\$500,000
\$2,500,001 - \$3,000,000	35.00%	720	43%	\$500,000

SECOND HOME - PURCHASE AND RATE/TERM REFINANCE

UNITS	LOAN AMOUNT	MAXIMUM LTV	MINIMUM FICO SCORE	MAXIMUM DTI
1 UNIT, PUD	\$417,001 - \$1,500,000	75.00%	720	43%
	\$1,500,001 - \$1,750,000	70.00%	720	43%
	\$1,750,001 - \$2,250,000	65.00%	720	43%
	\$2,250,001 - \$2,500,000	50.00%	720	43%
	\$2,500,001 - \$3,000,000	40.00%	720	43%

Footnotes:

1. LTV maximum is reduced by 5% on properties in declining markets as indicated by the appraiser
2. LTV maximum is reduced by 10% when borrower(s) own 3 - 4 total financed properties
3. 75% LTV maximum on all ARM products and 15 year fixed
4. Cash-Out amount to borrower is determined by adding all of the following: cash received at closing, the payoff balance of any non-purchase second liens, and the payoff balance of non-mortgage debts (judgments and personal liens must be paid prior to closing)
5. Properties owned less than 12 months must use the lesser of the original purchase price or new appraised value for LTV calculation
6. First Time Home Buyers are allowed with loan amount maximum at \$1,200,000 (with additional reserve requirements)

GENERAL GUIDELINE

<p>ELIGIBLE LOAN TERMS</p>	<ul style="list-style-type: none"> ▪ 15 - 30 Year Fixed ▪ 5/1 ARM, 7/1 ARM, 10/1 ARM
<p>OCCUPANCY & CITIZENSHIP</p>	<ul style="list-style-type: none"> ▪ Primary Residence & 2nd Home ▪ U.S. Citizens & Permanent Resident Aliens
<p>CREDIT INFORMATION</p>	<ul style="list-style-type: none"> ▪ A non-delinquent housing payment history (which can include a combination of rental payments and mortgage payments) covering the last 24 months is required unless borrower is a FTHB and meets the required guidelines ▪ Borrower must have at least one installment account evident in the past 36 months ▪ Borrower must have at least 3 open trade lines with 24 or more months of rating. Two of these tradelines must have been active in the past 6 months
<p>MAXIMUM # OF FINANCED PROPERTIES</p>	<ul style="list-style-type: none"> ▪ 4
<p>RESERVE REQUIREMENTS AFTER CLOSING BY LOAN AMOUNT</p>	<p><u>Primary Residence</u></p> <ul style="list-style-type: none"> ▪ \$417,001 - \$1,000,000 - 12 months PITI (18 for First Time Home Buyers) ▪ \$1,000,001 - \$1,500,000 - 18 months PITI (24 for First Time Home Buyers) ▪ \$1,500,001 - \$2,000,000 - 24 months PITI ▪ \$2,000,001 - \$2,500,000 - 36 months PITI ▪ \$2,500,001 - \$3,000,000 - 48 months PITI
<p>RESERVE REQUIREMENTS AFTER CLOSING BY LOAN AMOUNT</p>	<p><u>2nd Home</u></p> <ul style="list-style-type: none"> ▪ \$417,001 - \$1,000,000 - 24 months PITI ▪ \$1,000,001 - \$1,500,000 - 36 months PITI ▪ \$1,500,001 - \$2,000,000 - 48 months PITI ▪ \$2,000,001 - \$2,500,000 - 60 months PITI ▪ \$2,500,001 - \$3,000,000 - 72 months PITI <p><u>Loans with more than 2 financed properties</u></p> <ul style="list-style-type: none"> ▪ 24 months PITI reserves unless more is required in the above scenarios

<p>ASSETS ELIGIBLE TO BE USED AS RESERVES</p>	<ul style="list-style-type: none"> ▪ Cash equivalents in bank accounts ▪ 70% of the face value of publicly traded Stocks and Mutual Funds ▪ 60% of the vested balance of retirement accounts (terms of withdrawal are required for a 401K) ▪ Cash Surrender value of Life Insurance less outstanding loans
<p>INCOME/ASSET DOCUMENTATIONS</p>	<ul style="list-style-type: none"> ▪ Complete full documentation of income and assets are required including Tax Returns covering the most recent 2 years and 30 day bank statements covering the most current 2 months ▪ <u>Self-Employed borrowers</u> are required to provide a Year to Date audited Profit and Loss Statement if more than 3 months have elapsed since the last fiscal year end ▪ <u>Wage Earners</u> must provide a detailed Letter of Explanation for employment gaps that are 1 month or longer ▪ <u>Rental Income</u> : <ul style="list-style-type: none"> - If rental property has been owned longer than 12 months, rental income and expenses must be reported on Schedule E and the income calculation will be derived from this Schedule - If rental property cannot be on Schedule E due to acquisition of the property in the current year, a copy of the lease agreement plus three (3) consecutive months of rental receipt is required in order to use 75% of the lease agreement amount to offset the monthly PITI ▪ <u>Commercial Rental Income</u> requires a minimum 2 year history reported on Schedule E
<p>DOWN PAYMENT</p>	<ul style="list-style-type: none"> ▪ Gift Funds are acceptable for part of the down payment as long as the borrower contributes at least 5% from his/her own personal assets ▪ Business Funds for down payment is allowed if the borrower is 100% owner of the business. A CPA letter must be obtained verifying that withdrawing funds from the business account will not negatively affect the business
<p>PAYING OFF SUBJECT PROPERTY'S HELOC ON A REFINANCE</p>	<ul style="list-style-type: none"> ▪ Loan remains eligible to be a Rate/Term Refinance when paying off a subordinate HELOC if the HELOC has been opened at least 12 months with no late payments, and there have been no draw in the last 12 months

<p>APPRAISAL & VALUATION REQUIREMENTS</p>	<ul style="list-style-type: none"> ▪ Appraisal report may be ordered through any of iApprove Lending's approved AMC ▪ Loan Amounts up to \$1,000,000 requires only 1 Appraisal ▪ Loan Amounts greater than \$1,000,000 requires 2 Appraisals
<p>INELIGIBLE TRANSACTIONS</p>	<ul style="list-style-type: none"> ▪ Primary Residence Purchase loans where the payment shock exceeds 250% ▪ Departure Residence Purchase (in which borrower is purchasing a new home to live in) where the borrower does not have at least 30% ownership in the departing home ▪ Loans with the use of a Non-Occupant Co-Borrower ▪ Loans where the subject property is a condominium ▪ Loans where the subject property have any business use of home ▪ Loans that are "Non-Arms" length ▪ Loans with Subordinate Financing ▪ Borrowers with any significant derogatory event within the last 7 years