



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 SUPREME MATRIX - PLEASE REFER TO JUMBO SUPREME RATE SHEET				
LOAN AMOUNT	MAXIMUM LTV		MINIMUM FICO SCORE	MAXIMUM DTI (FRONT/BACK)
	SFR, PUD	CONDO		
Up to \$750,000	80.00%	80.00%*	720	36% / 40%
\$750,001 - \$1,000,000	80.00%	80.00%*	720	36% / 40%
\$1,000,001 - \$1,500,000	80.00%	75.00%	720	36% / 40%
\$1,500,001 - \$2,000,000	80.00%	70.00%	720	36% / 40%

\* LTV restricted to 75% if the loan is a 5/1 ARM

GENERAL GUIDELINE	
ELIGIBLE LOAN TERMS	<ul style="list-style-type: none"> <li>▪ 15 - 30 Year Fixed</li> <li>▪ 5/1 ARM, 7/1 ARM, 10/1 ARM</li> <li>▪ Purchases and Rate/Term Refinances</li> <li>▪ 1-Unit Properties</li> </ul>
OCCUPANCY & CITIZENSHIP	<ul style="list-style-type: none"> <li>▪ Primary Residence</li> <li>▪ U.S. Citizens, Permanent Resident Aliens, and Non-Permanent Resident Aliens are eligible</li> </ul>
CREDIT INFORMATION	<ul style="list-style-type: none"> <li>▪ A non-delinquent housing payment history (which can include a combination of rental payments and mortgage payments) covering the last 24 months is required</li> <li>▪ Individual unpaid charge-off accounts with a balance larger than \$500 must be paid in full</li> </ul>
MAXIMUM # OF FINANCED PROPERTIES	<ul style="list-style-type: none"> <li>▪ 4</li> <li>▪ When the aggregate balance of all financed properties exceeds \$3,000,000 the borrower must have 36 months PITI reserves after closing, otherwise the transaction is limited to an LTV of 50%</li> </ul>

RESERVE REQUIREMENTS AFTER CLOSING	<ul style="list-style-type: none"> <li>▪ Loan Amount up to \$1,000,000</li> <li>- 9 months PITI</li> <li>▪ Loan Amount up to \$1,000,001 - \$2,000,000</li> <li>- 12 months PITI</li> </ul>
ASSETS ELIGIBLE TO BE USED AS RESERVES	<ul style="list-style-type: none"> <li>▪ Cash equivalents in bank accounts</li> <li>▪ 100% of the face value of publicly traded Stocks and Mutual Funds</li> <li>▪ 70% of the vested balance of retirement accounts <b>only if</b> the borrower is of retirement age and is eligible for penalty-free withdrawals</li> <li>▪ Cash Surrender value of Life Insurance less outstanding loans</li> </ul>
INCOME/ASSET DOCUMENTATIONS	<ul style="list-style-type: none"> <li>▪ 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</li> <li>▪ <u>Self-Employed borrowers</u> are required to provide a Year to Date Profit and Loss Statement if more than 3 months have elapsed since the last fiscal year end</li> <li>▪ <u>Wage Earners</u> must provide a detailed Letter of Explanation for employment gaps that are 1 month or longer</li> <li>▪ <u>Rental Income</u> : <ul style="list-style-type: none"> <li>- 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</li> <li>- 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</li> </ul> </li> <li>▪ <u>Passive Income</u> requires at least 5 years continuation</li> <li>▪ <u>Commercial Rental Income</u> requires a minimum 2 year history reported on Schedule E</li> </ul>
DOWN PAYMENT	<ul style="list-style-type: none"> <li>▪ Gift Funds are acceptable for the entire down payment without a borrower contribution if the gift comes from an eligible relative</li> <li>▪ Business Funds for down payment is only possible if the borrower is 100% owner of the business. This is considered on a case by case basis only</li> </ul>
PAYING OFF SUBJECT PROPERTY'S HELOC ON A REFINANCE & HELOC PAYMENT FOR DTI ON NON-SUBJECT PROPERTIES	<ul style="list-style-type: none"> <li>▪ 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 draws in the last 12 months</li> <li>▪ HELOCs on non-subject properties will use the following data to calculate a qualifying principal and interest payment to be included in the DTI regardless of what the current reported monthly payment is: <ul style="list-style-type: none"> <li>- Full Credit Line limit of HELOC (assuming fully drawn up) multiplied by the current Prime Rate + 1.5% Margin + 2.4% Investor Adjuster and divided by a 20 year amortization term</li> </ul> </li> </ul>

<p>APPRAISAL &amp; VALUATION REQUIREMENTS</p>	<ul style="list-style-type: none"> <li>▪ Appraisal report must be ordered through Rels Valuation which is this specific Investor's approved AMC</li> <li>▪ Loan Amounts up to \$1,000,000 requires only 1 Appraisal</li> <li>▪ Loan Amounts from \$1,000,001 - \$1,500,000 require 1 Appraisal if LTV is 70% or less, and 1 Appraisal plus a Desk Review if LTV is greater than 70%</li> <li>▪ Loan Amounts from \$1,500,001 - \$2,000,000 require 1 Appraisal plus a Desk Review</li> </ul>
<p>INELIGIBLE TRANSACTIONS</p>	<ul style="list-style-type: none"> <li>▪ Loans in which the subject property has <b>any</b> type of unpermitted conversion or addition</li> <li>▪ Loans with the use of a Non-Occupant Co-Borrower</li> <li>▪ Loans with Subordinate Financing</li> <li>▪ Cash-Out Refinances</li> <li>▪ Multi-Unit Property transactions</li> <li>▪ Borrowers with any significant derogatory event within the last 7 years</li> <li>▪ First Time Home Buyers</li> </ul>