

**MAXIMUM LTV / CLTV**

<b>PURCHASE / RATE &amp; TERM REFINANCE</b>						
<b>OCCUPANCY</b>	<b>MINIMUM LOAN AMOUNT<sup>1</sup></b>	<b>MAXIMUM LOAN AMOUNT</b>	<b>MAXIMUM LTV/CLTV</b>	<b>MINIMUM FICO</b>	<b>RESERVES</b>	<b>MAX DTI<sup>2</sup></b>
<b>PRIMARY 1 Unit</b>	\$647,200	\$1,000,000	80.00%	700	12	43% (35% S/E)
	\$1,000,000	\$1,500,000	80.00%	720	12	
	\$1,500,000	\$2,000,000	70.00%	740	18	
	\$2,000,000	\$2,500,000	70.00%	740	18	
<b>PRIMARY 2 Units</b>	\$828,700	\$1,000,000	70.00%	720	12	
	\$1,000,000	\$1,500,000	70.00%	720	12	
<b>PRIMARY 3 Units</b>	\$1,001,650	\$1,500,000	70.00%	720	12	
<b>PRIMARY 4 Units</b>	\$1,244,850	\$1,500,000	70.00%	720	12	
<b>PRIMARY FTHB 1 Unit</b>	\$647,200	\$1,000,000	80.00%	700	12	
	\$1,000,000	\$1,500,000	80.00%	720	12	
<b>PRIMARY FTHB 2 Units</b>	\$828,700	\$1,000,000	70.00%	720	12	
	\$1,000,000	\$1,500,000	70.00%	720	12	
<b>PRIMARY FTHB 3 Units</b>	\$1,001,650	\$1,500,000	70.00%	720	12	
<b>PRIMARY FTHB 4 Units</b>	\$1,244,850	\$1,500,000	70.00%	720	12	
<b>SECOND HOME 1 Unit</b>	\$647,200	\$1,000,000	80.00%	720	18	
	\$1,000,000	\$1,500,000	75.00%	720	18	
	\$1,500,000	\$2,000,000	70.00%	740	18	
	\$2,000,000	\$2,500,000	65.00%	740	18	

1. Minimum loan amount in a high balance county would be \$1 above the agency high balance loan limit for the county/number of units.
2. Maximum DTI for self-employed borrower is 35%.



**CASH-OUT REFINANCE**

OCCUPANCY	MINIMUM LOAN AMOUNT <sup>1</sup>	MAXIMUM LOAN AMOUNT	MAXIMUM LTV/CLTV	MINIMUM FICO	MAXIMUM CASH-OUT	RESERVES	MAX DTI <sup>2</sup>
PRIMARY 1 Unit	\$647,200	\$1,000,000	55.00%	700	\$500,000	12	43 (35% S/E)
	\$647,200	\$1,000,000	70.00%	700	\$300,000	12	
	\$1,000,000	\$1,500,000	55.00%	720	\$500,000	18	
	\$1,000,000	\$1,500,000	65.00%	720	\$300,000	18	
	\$1,500,000	\$2,000,000	55.00%	740	\$500,000	18	
	\$1,500,000	\$2,000,000	60.00%	740	\$300,000	18	
	\$2,000,000	\$2,500,000	55.00%	740	\$500,000	18	
	\$2,000,000	\$2,500,000	60.00%	740	\$300,000	18	
PRIMARY 2 Units	\$828,700	\$1,000,000	55.00%	720	\$500,000	18	
	\$828,700	\$1,000,000	65.00%	720	\$300,000	18	
	\$1,000,000	\$1,500,000	55.00%	720	\$500,000	18	
	\$1,000,000	\$1,500,000	65.00%	720	\$300,000	18	
PRIMARY 3 Units	\$1,001,650	\$1,500,000	55.00%	720	\$500,000	18	
	\$1,001,650	\$1,500,000	65.00%	720	\$300,000	18	
PRIMARY 4 Units	\$1,244,850	\$1,500,000	55.00%	720	\$500,000	18	
	\$1,244,850	\$1,500,000	65.00%	720	\$300,000	18	
SECOND HOME 1 Unit	\$647,200	\$1,000,000	55.00%	720	\$350,000	18	
	\$647,200	\$1,000,000	70.00%	720	\$300,000	18	
	\$1,000,000	\$1,500,000	55.00%	740	\$350,000	18	
	\$1,000,000	\$1,500,000	65.00%	740	\$300,000	18	

1. Minimum loan amount in a high balance county would be \$1 above the agency high balance loan limit for the county/number of units.
2. Maximum DTI for self-employed borrower is 35%.



**CHAMPION PROGRAM HIGHLIGHTS**

- Up to 80% LTV
- Cash-out up to \$500,000
- 7 years seasoning foreclosure, short sale, or DIL
- 7 years seasoning on BK
- Fully Amortizing Fixed Rate 30-year term
- Credit scores down to 700
- Maximum DTI:
  - Purchase, Rate & Term Refinance, and Cash-Out Refinance: 43%
  - Self-employed DTI: 35%
- Gift funds allowed
- Loans up to \$2,500,000
- No pre-payment penalties
- Properties up to 20 acres allowed
- Owner occupied and 2nd homes allowed

**LHFS PROGRAM CODES**

LHFS Program Name	Program Codes
Jumbo Champion Fixed 30	J30F-104



**CHAMPION PROGRAM REQUIREMENTS**

<b>UNDERWRITING</b>	Loans must be underwritten manually to the Champion guidelines.	
<b>APPRAISAL RESTRICTIONS</b>	2 full appraisals required for loan amounts > 1.5 MM. LHFS will order appraisal (Review appraisal required – LHFS will order).	
<b>MINIMUM LOAN AMOUNT</b>	Must be \$1 over the current one-unit conforming loan limit.	
<b>MINIMUM CREDIT REQUIREMENTS</b>	<p>0x30 – 24-month mortgage history.          Nontraditional credit not acceptable.          All borrowers must have a minimum of 2 credit scores. Each borrower must have a minimum of 3 open trade lines active for the past 24 months. For borrowers with mortgage or rental history borrower must have 0X30 lates in the past 24 months.</p> <p><b><u>Liens, Judgements, and Collections:</u></b></p> <ul style="list-style-type: none"> <li>• Borrower must pay off all delinquent credit that has the potential to impact lien position.</li> <li>• Collection accounts or charged-off accounts do not need to be paid off if the balance of an individual account is less than \$1000.00 or if there are multiple accounts the total balance of all accounts cannot exceed \$2,500.00.</li> </ul> <p><b><u>Bankruptcy, Foreclosure, Notice of Default (NOD), Deed-In-Lieu of Foreclosure and Short Sales:</u></b></p> <ul style="list-style-type: none"> <li>• At least seven (7) years must have elapsed since bankruptcy discharge or dismissal, foreclosure, notice of default (NOD), short sale or deed-in-lieu measured from the date of completion to the date of application.</li> </ul>	
<b>DTI</b>	<p>Maximum 43%.          Maximum DTI for self-employed borrower is 35%.</p>	
<b>ELIGIBLE BORROWERS</b>	<p><b><u>Eligible Borrowers:</u></b></p> <ul style="list-style-type: none"> <li>• U.S. Citizens</li> <li>• All borrowers must have a valid social security number</li> <li>• Permanent resident aliens             <ul style="list-style-type: none"> <li>○ Copy of valid resident alien card must be included in loan file</li> </ul> </li> </ul>	<p><b><u>Ineligible Borrowers:</u></b></p> <ul style="list-style-type: none"> <li>• Borrowers with only an ITIN (individual taxpayer identification number)</li> <li>• Irrevocable trusts</li> <li>• Community Land Trusts</li> <li>• Illinois Land Trusts</li> <li>• Corporations, limited partnerships, general partnerships, and limited liability companies</li> <li>• Non-occupant co-borrowers contributing income</li> <li>• Foreign Nationals</li> <li>• Borrowers with Diplomatic Immunity</li> <li>• Non-permanent resident aliens</li> </ul>
<b>FIRST TIME HOME BUYER</b>	Owner occupied only; 12 months PITI Reserves; Max \$1,500,000 loan amount. Maximum 80% LTV/CLTV.	
<b>OCCUPANCY</b>	Owner Occupied and Second Home	
<b>GIFT FUNDS</b>	<ul style="list-style-type: none"> <li>• Gift funds are an acceptable source of funds as follows for Primary residences and second homes with LTV/CLTV &lt;= 80% as follows:             <ul style="list-style-type: none"> <li>○ Borrower must contribute at least 5% from their own funds.</li> <li>○ Gift donor must be a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or a fiancé or domestic partner.</li> <li>○ Gift letter from donor that includes name, address, telephone number and relationship to borrower</li> <li>○ Evidence of funds transfer and receipt prior to closing.</li> <li>○ Gift funds are not allowed for investment property transactions.</li> <li>○ Gift funds may not be used to pay off debt to qualify.</li> </ul> </li> <li>• Gifts of equity are not allowed to be used as a source of funds.</li> </ul>	



**CHAMPION PROGRAM REQUIREMENTS**

<b>ELIGIBLE PROPERTY TYPES</b>	Single family, PUD, Condo (Agency eligible), and 2-4 Units. Maximum lot size 20 acres. Properties with greater than 10 acres must have three comparables with similar acreage.
<b>INELIGIBLE PROPERTY TYPES</b>	<ul style="list-style-type: none"> <li>• Co-ops</li> <li>• Manufactured Homes</li> <li>• Factory built housing</li> <li>• Properties with income producing attributes</li> <li>• Condo hotel Units</li> <li>• Log homes</li> <li>• Unwarrantable condominiums</li> <li>• Condominiums with HOA in litigation</li> <li>• Timeshare Units</li> <li>• Geothermal homes</li> <li>• Rural Properties</li> </ul> <ul style="list-style-type: none"> <li>• Unique properties</li> <li>• Mixed use properties</li> <li>• Commercial properties.</li> <li>• Agriculturally zoned properties (agricultural/residential eligible)</li> <li>• Working farms</li> <li>• Properties with an oil and gas lease</li> <li>• Properties with more than 20 acres</li> <li>• Properties held as leasehold</li> <li>• Properties located in Puerto Rico, Guam, and US Virgin Islands.</li> </ul>
<b>DECLINING PROPERTY VALUES</b>	Reduce maximum LTV/CLTV by 10%, max 80% LTV/CLTV for any property located in an area of declining property values as reported by appraiser.
<b>CONDOMINIUM RESTRICTIONS</b>	Fannie Mae or Freddie Mac warrantable condominiums. Minimum 400 sq ft.
<b>MULTIPLE FINANCED PROPERTIES</b>	<ul style="list-style-type: none"> <li>• Borrowers may not own more than four (4) residential 1-4 Unit financed properties regardless of the occupancy of the subject property.</li> <li>• Borrowers must have six (6) months PITI reserves for each additional financed property owned.</li> <li>• Financed properties held in the name of an LLC or other corporation, commercial properties, and unimproved land can be excluded from the calculation of number of properties financed.</li> </ul>
<b>STATE RESTRICTIONS</b>	Guam, Puerto Rico and US Virgin Islands not allowed. Hawaii (lava zones 3 thru 9 only). Texas cash out not allowed.
<b>RATE &amp; TERM REFINANCE</b>	Cash out must be the lower of 2,000 or 1% of the new loan amount.
<b>CASH-OUT REFINANCE</b>	Maximum cash out per matrix.
<b>NEW SUBORDINATE FINANCING</b>	Permitted on purchase and rate & term refinance transactions only up to maximum LTV, CLTV, HLTV as per matrix.
<b>FIXED RATE LOAN TERMS</b>	30 year fully amortizing.
<b>SELLER CONTRIBUTIONS</b>	Maximum 6% of sales price for owner occupied and second homes.
<b>MORTGAGE INSURANCE</b>	No PMI allowed.
<b>INTEREST ONLY</b>	Not eligible
<b>BALLOON</b>	Not eligible
<b>HIGHER PRICED COVERED TRANSACTIONS</b>	Not allowed
<b>PREPAYMENT PENALTY</b>	Not allowed
<b>ESCROW HOLDBACK</b>	Not allowed
<b>RECAST</b>	Not allowed
<b>HELPFUL LINKS</b>	<ul style="list-style-type: none"> <li>• <a href="http://LHFSWholesale.com">LHFSWholesale.com</a></li> <li>• <a href="#">Champion Guidelines</a></li> <li>• <a href="#">Champion Submission Checklist</a></li> </ul>

