



IQ

1st Lien Heloc Eligibility Matrix

Effective Date: June 1st, 2021

FICO/LTV/CLTV ELIGIBILITY MATRIX				
FICO	Purchase	Rate/Term	Cashout	Reserve Months
760+	75	75	70	6
740 - 759	75	75	70	6
720 - 739	75	75	70	6
700 - 719	75	75	65	9
680 - 699	70	70	60	9
660 - 679	70	70	60	12

PRODUCT TYPES				
Program Name	Draw Period	I/O Period	Amortization	Maturity
(IQ30) 5/6 Arm IQ Heloc	5 Years	-	30 Year	30 Year

PRODUCT NOTES & REQUIREMENTS	
Subject	Condition
Occupancy	• Primary Residence • Second Home
Property Types	• SFR • 1-4 Units • Townhome • PUD • Condo (FNMA Warrantable)
Ineligible Property Types	• Agricultural • Co-op • Condotel • Rural • Manufactured Home • Non-Warrantable Condo • Mixed-Use
Eligible Borrowers	• US Citizen • Permanent Resident Alien • Non-Permanent Resident Alien
Eligible States	• California Only
Acreage Requirements	• Maximum 5 acres
Appraisal Requirements	• 1 Appraisal + CDA <= \$1,500,000 • 2 Appraisals > 1,500,000
Collateral Condition Requirements	• Appraisal must reflect C4 or better (C5 or C6 ineligible)
Gift Funds	• Not allowed for Reserves • 100% gift limited to 70% LTV
Housing History	• Must document 12 month housing history (Credit report, VOM, VOR) • Free and Clear properties may satisfy housing history requirement
Reserves	• Cash out may NOT be used to meet reserves requirements
Forbearance	• Payments must be documented by canceled checks or bank statements • Paid as agreed (Current)
Wage Earner Borrowers	• Stated income on 1003 with employment information • Validate 1003 income is within a 20% tolerance of the income referenced in Salary.com • WVOE to confirm 2yr work history - No Income required
Self-Employed Borrowers	• 5% LTV reduction • Borrower prepared business narrative counter signed by tax preparer prior to close • Business license with 2yr history or letter from Tax preparer validating 2yr history

PRODUCT OVERLAYS	
Description	Restriction/Requirements
Minimum Loan Amount	\$100,000
Maximum Loan Amount	\$2,000,000
Cash Out Limit	\$500,000
Cash Out Amount Limit - LTV <= 50%	Unlimited
Loan Amount > 1.0m	70% LTV/CLTV
Condo	70% LTV/CLTV
2-4 Unit	70% LTV/CLTV
Second Home	70% LTV/CLTV
Declining Markets	70% LTV/CLTV
First Time Homebuyers (FTHB)	70% LTV/CLTV 700+ FICO
Interest Only	N/A
Subordinate Financing	N/A
Credit Event (BK, FC, SS, Loan Mod)	2+ Years
Forbearance (Must be Current)	3+ Months
Mortgage History	0x30x12
Impounds	Required on HPML loans
Arm Index	30-day avg. SOFR
DTI	50%

CREDIT REQUIREMENTS			
Seasoning/History	Purchase	Rate/Term	Cash Out
Forbearance 3+ Months	70%	70%	65%
Forbearance 6+ Months	75%	75%	70%

ARM MARGIN & CAPS			
ARM Term	Cap	Margin	Floor Rate
5/6 ARM	2/2/5	5%	Start Rate