

Conventional Agency Matrix

AUS: Loans that DO receive an acceptable DU Finding or LP Risk Classification must meet the minimum LTV/CLTV and FICO requirements per the applicable Agency.*

Non-AUS: Loans that DO NOT receive an acceptable DU Finding or LP Risk Classification, or were under-written manually, must meet the minimum LTV/CLTV and FICO requirements listed below.*

Purchase & Rate/Term					
Occupancy	Property Type	Purpose	FICO	LTV	CLTV
Primary	1 unit	Purchase or Rate & Term	720	90%	90%
			640	75%	75%
	2 units	Purchase or Rate & Term	660	80%	80%
			640	75%	75%
3-4 units	Purchase or Rate & Term	640	75%	75%	
Second Home	1 unit	Purchase or Rate & Term	680*	80%	90%
			640	75%	75%
Investment	1-2 units	Purchase only	680	80%	80%
			640	75%	75%
	3-4 units	Purchase or Rate & Term	680	75%	75%

Cash out Refinance					
Occupancy	Property Type	Purpose	FICO	LTV	CLTV
Primary	1 unit	Cash out	660*	80%	85%
			640	75%	75%
	2-4 units	Cash out	680	75%	75%
Second Home	1 unit	Cash out	680	75%	75%
Investment	1-2 units	Cash out	700	75%	75%
			680	70%	70%
	3-4 units	Cash out	640	75%	75%

Note: Additional LTV/FICO requirements may apply to loans >80% LTV due to mortgage insurance restrictions. Check MI guidelines for details.

Product Description	<ul style="list-style-type: none"> ➤ Conventional conforming Fixed Rate ➤ 15, 20, 25 & 30 Yrs fixed terms ➤ Fully amortizing 										
Maximum Loan Amounts	<table border="1" data-bbox="548 545 1913 732"> <thead> <tr> <th data-bbox="548 545 1213 581">Property Type</th> <th data-bbox="1213 545 1913 581">CA Loan Limits</th> </tr> </thead> <tbody> <tr> <td data-bbox="548 581 1213 621">1 Unit</td> <td data-bbox="1213 581 1913 621">\$417,000</td> </tr> <tr> <td data-bbox="548 621 1213 662">2 Units</td> <td data-bbox="1213 621 1913 662">\$533,850</td> </tr> <tr> <td data-bbox="548 662 1213 703">3 Units</td> <td data-bbox="1213 662 1913 703">\$645,300</td> </tr> <tr> <td data-bbox="548 703 1213 732">4 Units</td> <td data-bbox="1213 703 1913 732">\$801,950</td> </tr> </tbody> </table>	Property Type	CA Loan Limits	1 Unit	\$417,000	2 Units	\$533,850	3 Units	\$645,300	4 Units	\$801,950
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Eligible Property Types	<ul style="list-style-type: none"> ➤ Unless otherwise specifically restricted or not permitted by the applicable loan parameters, the following types are acceptable to PacificBanc Mortgage Agency Guidelines: <ul style="list-style-type: none"> ○ 1-4 Unit properties ○ Condominiums (condo) to PacificBanc guidelines, regardless of AUS findings (low rise and high rise) ○ Leasehold Estate properties must be common to the area ○ PUDs to applicable agency guidelines 										
Transaction Types	<ul style="list-style-type: none"> ➤ Purchase Transactions ➤ Rate/Term or limited cash-out refinance <ul style="list-style-type: none"> ○ Mortgage Amount: The mortgage amount is limited to: <ul style="list-style-type: none"> ▪ The sum of the unpaid balance of the existing first mortgage, closing costs, points, pre-paid items, and if applicable, the amount required to satisfy certain subordinate loans used for the original purchase of the property. ▪ Any “cash” back to the borrower may not exceed the lesser of \$2,000 or 2% of the loan amount. ▪ Subordinated Second Liens: There are no seasoning requirements for current secondary 										

	<p>liens that are being subordinated to the new loan. (Subordinated liens that were not purchase money are considered cash-out.</p> <ul style="list-style-type: none"> ➤ Cash-out Refinance <ul style="list-style-type: none"> ○ Mortgage Amount: <ul style="list-style-type: none"> ▪ The mortgage amount must be used to pay the current unpaid principal balance of the existing first mortgage; it may be used to pay closing costs, points, pre-paid items, subordinate mortgage liens and additional cash to the borrower. ▪ Subordinate Liens: No seasoning requirement.
Assumptions	<ul style="list-style-type: none"> ➤ Not permitted
Prepayment Penalties	<ul style="list-style-type: none"> ➤ None
Temporary Buy downs	<ul style="list-style-type: none"> ➤ Temporary buy-downs are not allowed.
Secondary Financing	<ul style="list-style-type: none"> ➤ Permitted – See LTV limitations Table for CLTV restrictions <ul style="list-style-type: none"> ○ For Home Equity Lines of Credit (HELOCs), the borrower’s housing-expense to income ratio is based on the minimum required payment for the entire credit line amount regardless of the outstanding balance of the HELOC.

<p>Mortgage Insurance</p> <p>MI Coverage Levels</p>	<ul style="list-style-type: none"> ➤ Required for all loans exceeding 80% LTV ➤ Primary & Secondary home only ➤ Maximum DTI = 45% ➤ Minimum Credit Score = 720 ➤ Coverage Levels: <table border="1" data-bbox="510 618 1906 841"> <thead> <tr> <th>Occupancy</th> <th>Purpose</th> <th>LTV</th> <th>Units</th> <th>Max Loan Amount</th> <th>Minim Credit Score</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Primary</td> <td>Purchase</td> <td>95%</td> <td>1</td> <td>\$417,000</td> <td>720</td> </tr> <tr> <td>Purchase & R/T</td> <td>< = 95%</td> <td>1</td> <td>\$417,000</td> <td>720</td> </tr> <tr> <td>Cash-out</td> <td>< = 85%</td> <td>1</td> <td>\$417,000</td> <td>720</td> </tr> <tr> <td>Second Home</td> <td>Purchase & R/T</td> <td>< = 90%</td> <td>1</td> <td>\$417,000</td> <td>720</td> </tr> </tbody> </table>	Occupancy	Purpose	LTV	Units	Max Loan Amount	Minim Credit Score	Primary	Purchase	95%	1	\$417,000	720	Purchase & R/T	< = 95%	1	\$417,000	720	Cash-out	< = 85%	1	\$417,000	720	Second Home	Purchase & R/T	< = 90%	1	\$417,000	720
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<p>AUS Decisions</p>	<ul style="list-style-type: none"> ➤ DU approve/Eligible only 																												
<p>Eligible Borrowers</p>	<ul style="list-style-type: none"> ➤ U.S. Citizens ➤ Permanent Resident Aliens ➤ Non-Permanent Resident Aliens 																												
<p>Multiple Mortgages to same borrower</p>	<ul style="list-style-type: none"> ➤ Borrowers are limited to a maximum of 10 financed properties, if subject is primary residence. A maximum of 4 units if subject is a non-owner 																												
	<ul style="list-style-type: none"> ➤ Maximum 90% LTV/CLTV ➤ Not permitted for Second Homes and Investment Properties 																												

<p>Non-Arms Length Transactions</p>	<ul style="list-style-type: none"> ➤ All assets needed to close loan must be documented, regardless of LTV <ul style="list-style-type: none"> ○ The accounts may not be co-mingled in joint accounts between the interested parties. ○ The assets used to close the loan must be accessible to the borrower only (and not any of the other interested parties). ○ The borrower’s assets to close the loan must be documented. ➤ Full appraisal (1004D) required, regardless of AUS findings. The appraisal must acknowledge the non-arms length transaction and any impact on value. ➤ A fully executed, legally binding purchase and sales agreement is required and the relationship between the parties must be disclosed.
<p>Non-Occupant Co-Borrower</p>	<ul style="list-style-type: none"> ➤ DU/LP findings must identify that a non-occupant co-borrower was used to qualify for the loan. (Non-occupying co-borrowers income may not be used for qualifying purposes) ➤ Maximum of 90% LTV ➤ Single unit only ➤ Primary residence only ➤ Non-occupant co-borrower may not be an interested party to the sales transaction, such as the property seller, property builder, and real estate broker. <p>Notes:</p> <ul style="list-style-type: none"> • LTV ≥ 80% the owner occupant must qualify at a max of 39/45%, regardless of AUS findings or LTV. LTV ≤ 80% as allowed by AUS. (Dependent on MI Coverage) • Down payment: if the LTV is greater than 80%, the owner-occupant(s) must make the first 5% down payment from their own verified funds.
<p>Interested Party Contributions</p>	<ul style="list-style-type: none"> ➤ Maximum contributions: <ul style="list-style-type: none"> ○ Primary Residence/Second Home <ul style="list-style-type: none"> ▪ 6% for CLTV = 75.01% → 90% ▪ 9% for LTV ≤ 75% ○ Investment Property = 2%

<p>Gifts</p>	<ul style="list-style-type: none"> ➤ Acceptable for Primary Residence and Second Homes <ul style="list-style-type: none"> ○ Gifts must be from relatives, domestic partners, or fiancé/fiancée ○ No portion of the down payment may be donated by interested parties to the transaction including sellers, realtors, brokers, or sales associates ○ Generally, the borrower must invest at least 5% of his/her own funds toward the down payment unless LTV is less than or equal to 80%
<p>Appraisal Requirements</p>	<ul style="list-style-type: none"> ➤ Home Valuation Code of Conduct (HVCC) Compliance. ➤ Licensed/Approved appraisers only. ➤ PacificBanc Mortgage must order all appraisals.
<p>Credit</p>	<ul style="list-style-type: none"> ➤ DU Approve/Eligible – Per DU Feedback ➤ LTVs > 80% - minimum credit score = 720 regardless of DU feedback

Bankruptcy/
Foreclosure

Type	Requirements
Re-established credit – Foreclosure & Bankruptcy - All but Chapter 13	<ul style="list-style-type: none"> ➤ Require a minimum of 4 year period of re-established credit from the bankruptcy discharge or dismissal date.
Extenuating circumstances All Bankruptcy	<ul style="list-style-type: none"> ➤ 2 years from discharge or dismissal date. For all bankruptcy actions.
Re-established credit – chapter 13	<ul style="list-style-type: none"> ➤ 2 years from discharge <ul style="list-style-type: none"> ○ Discharge is the successful completion of the chapter 13 repayment plan. (Debts were repaid.) OR ○ 4 years from dismissal ○ Dismissal is the “forgiving” of an unsuccessful Chapter 13 plan. (Debts were not repaid and the failed Chapter 13 is dismissed)
Foreclosure or Deed-in-Lieu	<ul style="list-style-type: none"> ➤ Require a minimum of 5 years since the date of the foreclosure completion.
Multiple Bankruptcy Filings	<ul style="list-style-type: none"> ➤ Minimum 5 years re-established credit for borrowers with more than 1 bankruptcy filing in the past 7 years.

Age of Documents	<ul style="list-style-type: none"> ➤ Credit documentation – must not be older than 90 days ➤ Income documentation – must not be older than 30 days from application date ➤ Asset documentation – must not be older than 30 days ➤ Appraisals – must not be older than 90 days ➤ All Short-Sale approval letters must be included in initial submission
Income/Asset documentation	<ul style="list-style-type: none"> ➤ Income: <ul style="list-style-type: none"> ○ Most recent paystubs covering a period of 1 month ○ W-2's for prior 2 years ○ Self employed borrowers must provide 2 years of signed tax returns ○ Verbal VOE completed by PacificBanc prior to funding ○ Signed 4506T to be executed by Underwriting ➤ Assets: <ul style="list-style-type: none"> ○ Original bank statements for the most recent 2 months
Minimum Loan Amount	<ul style="list-style-type: none"> ➤ \$75,000

Guidelines are subject to change without notice. Please contact your AE for any questions.