First Mortgage — Accredited Home Lenders - Non-Conforming Guideline Matrix

05/01/08

Min. Credit Score: 525

Core Program	Doc Type	Mortgage Grade	Min. Score	Max. Loan	Max. LTV[1]	Max. CLTV[2]	Max. Cash Out[3]
Owner Occupied and Second Home Purchase and Refinance	Full Doc Alt 2	0x30x12 BK 24 mo. FC 36 mo.	660	$ 500,000	90%	100%	$ 100,000
				$ 750,000	80%	100%	$ 100,000
			640	$ 500,000	90%	100%	$ 100,000
				$ 750,000	80%	100%	$ 100,000
			620	$ 500,000	85%	100%	$ 100,000
				$ 750,000	80%	100%	$ 100,000
			600	$ 750,000	80%	90%	$ 100,000
			580	$ 750,000	80%	90%	$ 100,000
			560	$ 650,000	80%	90%	$ 100,000
				$ 750,000	75%	90%	$ 100,000
			540	$ 650,000	75%	90%	$ 100,000
			525	$ 650,000	75%	90%	$ 100,000
		1x30x12 BK 24 mo. FC 36 mo.	660	$ 500,000	80%	100%	$ 100,000
				$ 750,000	75%	100%	$ 100,000
			620	$ 750,000	75%	100%	$ 100,000
			600	$ 750,000	75%	90%	$ 100,000
			580	$ 500,000	80%	90%	$ 100,000
				$ 750,000	75%	90%	$ 100,000
			560	$ 500,000	80%	90%	$ 100,000
				$ 750,000	75%	90%	$ 100,000
			540	$ 650,000	75%	90%	$ 100,000
			525	$ 650,000	70%	90%	$ 100,000
		2x30x12 BK 24 mo. FC 36 mo.	620	$ 500,000	80%	100%	$ 100,000
			640	$ 500,000	80%	100%	$ 100,000
			620	$ 500,000	80%	100%	$ 100,000
			600	$ 650,000	75%	90%	$ 100,000
			580	$ 650,000	70%	90%	$ 100,000
			560	$ 500,000	75%	90%	$ 100,000
				$ 650,000	70%	90%	$ 100,000
			540	$ 650,000	70%	90%	$ 100,000
			525	$ 500,000	70%	90%	$ 100,000
				$ 650,000	65%	90%	$ 100,000
	Full Doc	3x30x12 BK 18 mo. FC 24 mo.	620	$ 500,000	80%	80%	$ 100,000
			580	$ 500,000	75%	75%	$ 100,000
			560	$ 500,000	75%	75%	$ 100,000
			540	$ 500,000	70%	70%	$ 100,000
			525	$ 500,000	70%	70%	$ 100,000
		3x30x12 or 1x60x12 BK 18 mo. FC 24 mo.	620	$ 500,000	70%	70%	$ 100,000
				$ 600,000	65%	65%	$ 100,000
			580	$ 500,000	70%	70%	$ 100,000
				$ 600,000	65%	65%	$ 100,000
			560	$ 600,000	65%	65%	$ 100,000
			540	$ 600,000	65%	65%	$ 100,000
			525	$ 600,000	65%	65%	$ 100,000
		2x60x12 BK 12/FC 18 mo.	620	$ 400,000	60%	60%	$ 100,000
			525	$ 400,000	60%	60%	$ 100,000
		1x90x12 BK 12/FC 18 mo	620	$ 400,000	60%	60%	$ 100,000
			525	$ 400,000	60%	60%	$ 100,000
Owner Occupied Purchase and Refinance	Stated	0x30x12 0x60x36 BK 36 mo. FC 60 mo.	700	$ 700,000	75%	90%	$ 75,000
				$ 750,000	65%	90%	$ 75,000
			680	$ 700,000	75%	90%	$ 75,000
				$ 750,000	60%	90%	$ 75,000
			640	$ 600,000	75%	90%	$ 75,000
				$ 700,000	70%	90%	$ 75,000
				$ 750,000	55%	90%	$ 75,000
			600	$ 500,000	75%	90%	$ 75,000
		1x30x12 0x60x36 BK 36/FC 60 mo.	640	$ 700,000	70%	90%	$ 75,000
				$ 750,000	55%	90%	$ 75,000
			600	$ 500,000	70%	90%	$ 75,000
Owner Occupied Mortgage Only Program	Full Doc	0x30x24 BK 12/FC 24 mo.	525	$ 400,000	75%	N/A	$ 50,000
			550	$ 400,000	80%	N/A	$ 50,000
	• Borrowers must be current home owners • Owner occupied, primary residence only			• 3-4 Units not allowed • Consumer credit ignored			

Available Programs

5/25; 5/35

Fixed 30/30; Fixed 40/30; Fixed 20/20; Fixed 15/15

Stated products allowed in the following states only: AZ, CA, CT, HI, NJ, NY, OR, UT, VA, WA

5 Year Interest Only Criteria

Doc Type	Minimum Score	LTV
Full/Alt 2	640	Up to program max. LTV
Full/Alt 2	600	Reduce program max. LTV by 5%

- I/O feature may not be combined with 40-year terms, 5-year ARMs or Stated products
- Min. loan amount: $120,000
- Co-borrower min. score 550
- Interest only allowed to 80% LTV for FTHB
- Owner occupied and second homes (1-2 units only)

[1] 3-4 units take 5% LTV reduction

[2] Max Accredited 1st is 85% if subordinate financing is >90% CLTV; max 3x30x12 mortgage

[3] Max Cash Out LTV: Full Doc 85%, Alt2 80%, Stated 75%

[4] Additional criteria may apply

All guidelines are subject to underwriter review and may change without notice.

Minimum Documentation Requirements

Documentation	Full	Alt 2	Stated
Verified income	yes	yes	no
Bank statements (S/E)	no	24 mo.	no
2 Year's taxes	S/E	no	no
Wage earner	yes	no	no
2 Mo. PITI required	no	no	yes
Fixed income allowed	yes[4]	no	no

- Stated borrowers must verify 3 years self-employment
- Stated income must be reasonable and typical to the profession and time on job
- Alt 2 borrowers in real estate-related industry limited to 70% LTV, Stated not allowed
- Alt 2 requires a minimum 600 credit score and a credit grade of A- or better
- Alt 2 >80% LTV requires a 680 score, no cash out allowed
- 85% max. LTV for personal bank statements
- 75% max. LTV for business bank statements

First-Time Home Buyers

Min. Score	Full Doc LTV	Alt 2 LTV	DTI
620	90%	80%	45%
600	85%	80%	45%
560	80%	80%	45%

- FTHB applies to borrowers not owning for 3 years or owned < 12 mo.
- 12 Mo. cancelled checks or management VOR 0x30x12 required; PPVOR not allowed
- Max. pay increase: 200%; up to 300% may be considered by underwriter
- Down payment must be sourced and seasoned 60 days - Gift of equity not allowed

Standard Debt Ratios

- Standard debt ratio is 50% on all products
- Maximum debt ratio is 45% if the LTV is >80%
- 55% Debt ratio allowed up to 80% LTV with a 620 min. score and the following:
  - Full or Alt 2 documentation on a fixed rate program
  - Owner occupied 1-2 units only

Cash Reserves

Cash reserves are defined as two months PITI reserves verfied as borrower's own funds for 60 days. Cash reserves are used to offset layered risk and may be required by corporate underwriting on a case-by-case basis, and are required on Stated income

Minimum Credit Profile

- 3 Year credit file history required for Full Doc and Alt 2 products
- 5 Year credit file history required for Stated products
- 5 Trade lines on the credit report
  - 1 Trade line with high credit of $5000
  - 1 Trade line reported within 6 mo. of credit report date
- Trade lines opened prior to a BK filing date, 90+ days delinquent or derogatory accounts, deferred loans, and utility accounts do not coun
- 525 Min. co-borrower credit score; exceptions down to a 500 score may be considered

Derogatory Information

- Any collections, charge-offs, judgments or tax liens on title must be paid
- Child support > $2,000 must be paid current at closing
- CCC is considered consumer debt only, and must be paid at closing[4]
- Performing BK-13 with > 2 years from filing date allowed up to 80% LTV O/O with Full Doc or Alt 2 only
- Rolling 30-day mortgage lates are allowed≤ 85% LTV
- Foreclosure is determined by the date of the completion of the sale
- Forbearance is considered the same as foreclosure

Property

- 6% Seller concessions for owner occupied and second home realtor-driven transactions
- 3% Max. seller concessions allowed for FSBO
- Stated documentation not allowed for condos, townhomes, and 3-4 units
- 12 Mo. seasoning is required; Requirements subject to corporate underwriting approval
- Properties in declining markets are subject to 5% LTV reduction of the program max.
- Positive cash flow required on subject for Full doc loans >75% and all other doc types
- Condo complex must be 60% sold and 60% owner occupied
- Min. size for condos is 650 sq. ft and all other properties is 750 sq. ft
- 4 Additional properties allowed at a 620 credit score and Full documentation[4]
- Mobile/manufactured homes, churches, condotels, farms not allowed
- All appraisals subject to review by a Certified Accredited Staff Appraiser
- $75,000 Minimum loan size in all markets
- Value is assessed on no more than 5 acres with a 20 total acre max.

Second Homes

- Full documentation only (condos and multi-units not allowed)

– 680 score required for max. 85% LTV – 620 score required for max. 80% LTV

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