



ACTIVATOR

Consumer - Full & Alt Doc

Primary Residence & Second Home

Loan Amount	FICO	Reserves (Rate & Term Refinance ≤ 65% LTV No Min. Required)	Purchase & Rate and Term	Cash Out Refinance
<1,000,000	720+	3 Months	85%*	80%
	700 - 719		80%	80%
	680 - 699		80%	75%
	660-679		70%	70%
≥1,000,000 - \$1,500,000	720+	6 Months	85%*	80%
	700 - 719		80%	80%
	680 - 699		80%	75%
	660-679		70%	70%
>1,500,000 -2,000,000	720+	9 Months	80%	80%
	700 - 719		80%	80%
	680 - 699		80%	75%
	660-679		70%	70%
>2,000,00 - 2,500,000	720+	9 Months	80%	80%
	700 - 719		80%	80%
	680 - 699		80%	75%
	660-679		70%	70%
>2,500,00 - 3,000,000	720+	9 Months	75%	75%
	700 - 719		75%	75%
	680 - 699		75%	75%
	660-679		75%	75%

Credit	Max DTI	*WVOE	Property Overlays
<ul style="list-style-type: none"> Housing History: 0x30x12 (no restrictions) Housing History: 1x30x12 Max LTV *80% Housing History WVOE: 0x30x24 Credit Event BK/FC/SS/DL: ≥ 36 Months: Max LTV 80%; 24 Months w/ LTV cap 75% for purchase/RateTerm/ 70% cashout. *48 months is required for 85 LTV 	<ul style="list-style-type: none"> Max DTI: 50% DTI >45%: Max LTV 80% FTHB Max DTI 45% 	<ul style="list-style-type: none"> Primary Only Min FICO: 680 FICO ≥ 720: <ul style="list-style-type: none"> MAX LTV: P R&T -80% MAX LTV: C/O OR FTHB - 70% FICO < 720: <ul style="list-style-type: none"> MAX LTV: P R&T -75% MAX LTV: C/O OR FTHB - 70% Gift Funds NOT allowed 	<ul style="list-style-type: none"> Condominium Max 85% LTV Non-Warrantable: Max 80% LTV 2-4 Unit: Max LTV 80% Condotels: Ineligible
Second Home	Asset Depl & P&L Only		
<ul style="list-style-type: none"> Max LTV 80% 	<ul style="list-style-type: none"> P&L Only: If FICO< 720: MAX LTV 75% Asset Depl: Max LTV 75% 		

Residual Income: \$1,500

Residual Income = Gross Monthly Income - Total Monthly Obligations

An additional \$250 for the first dependent and \$125 per additional dependent must also be included. Initial 1003 should reflect the number of dependents for all borrowers on transaction.

Ineligible Locations: Hawaii lava zones 1 & 2

General Requirements

Product Type	30-Yr Fixed, 5/6 ARM
Loan Amounts	Min Loan Amount: \$150,000 Max Loan Amount: \$3,000,000
Loan Purpose	Purchase, Rate & Term Refinance and Cash Out Refinance
Occupancy	Primary and Second Home
Property Type	SFR, SFR + 1 ADU, Modular, PUD, Townhome, 2-4 Units, Condos, Non-Warrantable Condos, Rural properties Condotels are ineligible
Cash Out	Max Cash In Hand: > 65% LTV \$1,000,000 ≤ 65% LTV Unlimited. Cash-Out Proceeds may be used for 100% reserve requirements.
Declining Markets	If the appraisal report identifies the property as a declining market the maximum LTV/CLTV is limited to 75% for Purchases and Rate and Term refinances and 70% for all Cash Out refinances and the maximum loan amount is limited to \$2MM.
Citizenship	US Citizen, Permanent Resident Alien, Non-Permanent Resident Alien (With US Credit and acceptable VISA). Citizens of Venezuela are ineligible
Appraisals	Loan Amounts ≥ \$2,000,000 require 2 appraisals. Desk review required for all loan files not requiring 2nd appraisal. Transferred appraisal acceptable. 2nd appraisal or Desk Appraisal must be ordered from Champions Approved AMC. Properties with condition rating of 5 or 6 are not acceptable.
Assets	Sourced and seasoned for 30 days
Gift Funds	100% of gift funds are allowed for cash to close; cannot be used for reserves
Acreage	Property up to 20 acres
Credit	Min 2 tradelines reporting 12-months w/ activity in last 90 days or 1 tradeline reporting for 24 months w/ activity in the last 90 days
Subordinate Financing	Secondary or subordinate financing is allowed with a max CLTV equaling maximum LTV per matrix. No seller carry-back; HELOC CLTV based on credit line limit, negative amortization not allowed, and subordinate financing from the borrower's employer may not include a provision requiring repayment upon termination.
No Housing History Less than 12 Mos Verified	Borrowers who do not have a complete 12-month housing history are subject to ALL of the following restrictions :1) Primary Residence ONLY 2) MAX DTI 45% 3) Fully executed VOR/VOM with all applicable payments documented 4) Borrowers living rent free with a spouse are acceptable with rent-free letter from spouse and evidence of spouse's mortgage or current lease. Borrowers living rent free with anyone other than spouse are not eligible however could be reviewed for exception.
Seller Concession	Up to 6% towards closing

Income Requirements -Full Doc

W2 Income	Most recent 1 year W2 & paystub covering most recent 30 days of earnings. 4506-C must be completed and executed by borrower(s). Income will be calculated in accordance with the most recent published FNMA guides. WVOE completed by Champions within 10 days of closing.
12 Mos Tax Returns	Most recent 1 year tax return and YTD P&L (May be borrower prepared). 4506-C to be completed and executed by borrower(s).
Retirement (Non-Taxable Income)	Social Security, pension annuity or other forms of retirement or non-taxable income. May be grossed up by 125% or by the borrower's income tax bracket, whichever is less.

Income Requirements -Alt- Doc

12 Month Bank Statements (Personal)	Borrowers should be self-employed for at least two years. However, a borrower may qualify with less than two years but more than one year if the borrower can document at least two years of documented previous successful employment in the same line of work in which the person is self-employed or related occupation or one year of employment and formal education or training in the same line of work. Refer to program guidelines for calculation methods.
12 Month Bank Statements (Business)	Business should be established and have been in existence for the past two years. However, if a borrower is qualifying with less than two years but more than one year of self-employment, then the business should be established for the same length of time and borrower must document the have been in the same line of work OR had schooling in the profession in the year preceding the business start date. Refer to program guidelines for calculation methods.
P&L Only	Profit and Loss covering most recent 12 months, valid if the most recent month is dated within 90 days of close. Completed and reviewed by CPA, IRS Enrolled Agent, CTEC (California Tax Education Council) registered tax preparer, etc. See guidelines for additional requirements.
WVOE	MIN FICO: 680 Primary residence only. Max LTV: FICO ≥ 720: - Purchase R&T: 80% C/O OR FTHB: 70% FICO < 720: Purchase R&T: 75% C/O OR FTHB: 70%. Two year history with same employer is required. FNMA 1005 form required to be completed by employer. Only Wage/Salary income may be used. 1 month personal bank statement reflecting direct deposits from employer supporting at least 65% of gross wage/salary. Only wage/salary are eligible for this program. Supplemental income sources such as commissions, bonus etc are not eligible. An internet search of the business is required with documentation to be included supporting the existence of the business.
1099 (IRS Form) Only	One (1) Year 1099: Fixed Expense Ratio 10%; YTD Documentation to support continued receipt of income from source. Borrower(s) must be self-employed for at least 2 years, and the business must be in existence for at least 2 years.
Asset Depletion	100% of checking, savings and money market accounts. 100% stock/bonds, 100% of retirement assets eligible retirement age/70% under eligible age See Calculation options in Champions guidelines. Asset Utilization LTV capped at 75.