

## Standalone Digital HELOC Quick Reference Guide

Homebridge Help Desk: support@hbwholesale.zendesk.com

Product Description			
<ul style="list-style-type: none"> <li>Term: 5-year interest only draw; 25-year repayment</li> <li>Maximum Loan Amount: \$500,000</li> <li>Minimum Loan Amount: \$25,000</li> </ul>	<ul style="list-style-type: none"> <li>Maximum DTI: 680+ 50%</li> <li>640-679: 45%</li> </ul>	<ul style="list-style-type: none"> <li>Eligible Properties: SFR, 2-4 units, PUDs, Condos</li> </ul>	
	Owner-Occupied	2 <sup>nd</sup> Home	Investment
Minimum FICO	Maximum CLTV	Maximum CLTV	Maximum CLTV
760+	80%	75%	70%
740-759	80%	75%	70%
720-739	80%	70%	70%
700-719	80%	70%	70%
680-699	75%	65%	N/A
660-679	70%	60%	N/A
640-659	65%	60%	N/A
Eligibility Criteria			
<b>General Application Requirements</b>	<ul style="list-style-type: none"> <li>Co-Borrowers are permitted; must occupy the subject property and must be vested on title                             <ul style="list-style-type: none"> <li>Non-Occupant Co-Borrowers are allowed (not eligible in TX)                                     <ul style="list-style-type: none"> <li>Borrower 1 must be vested on title</li> <li>The occupying borrower must receive income</li> </ul> </li> </ul> </li> <li>Changes are allowed after the loan application is completed in certain instances by contacting Borrower Support; refer to the <b>Standalone Digital HELOC FAQ</b></li> </ul>		
<b>Credit</b>	<ul style="list-style-type: none"> <li>Primary wage earner borrower must have a minimum 640 credit score</li> <li>Credit is valid for 90 days from the time of closing</li> </ul>		
<b>Draw Terms and Structure</b>	<ul style="list-style-type: none"> <li>Minimum 75% initial draw disbursed at closing</li> <li>5-year interest-only draw period; 25-year repayment period (fully amortizing)</li> <li><b>NOTE:</b> Tennessee Exception: 5-year interest-only; 10-year repayment period (fully amortizing)</li> </ul>		
<b>Eligible States</b>	<ul style="list-style-type: none"> <li>Eligible in all states</li> <li>Brokers must be licensed in the state where the subject property is located</li> <li>Refer to the <a href="#">State Specific Information</a> section for state specific details</li> </ul>		
<b>Employment</b>	<ul style="list-style-type: none"> <li>Employment verified via The Work Number, TRUV or Plaid (Third-Party Vendors)</li> </ul>		
<b>Fees/Closing Costs</b>	<ul style="list-style-type: none"> <li>Most fees and closing costs are netted against loan proceeds at closing</li> <li>Fees/closing costs netted against the loan proceeds include: one-time origination fee and nominal costs for credit report, loan document prep, notary, recording fees, etc.</li> </ul>		
<b>Income</b>	<ul style="list-style-type: none"> <li><b>Maximum DTI:</b> Fico 680+: 50% 640-679: 45%</li> <li>Wage earner or self-employed income eligible</li> <li>Borrowers may validate income using one of the following options:                             <ul style="list-style-type: none"> <li><b>Wage Earner Borrowers:</b> <ul style="list-style-type: none"> <li>The Work Number, <b>OR</b></li> <li>Link income information from employer payroll system (TRUV), <b>OR</b></li> <li>Upload two most recent paystubs <b>and</b> most recent W-2</li> </ul> </li> <li><b>Self-employed Borrowers:</b> <ul style="list-style-type: none"> <li>Link bank account information (Plaid), <b>OR</b></li> <li>Upload prior two year's tax returns</li> </ul> </li> </ul> </li> </ul>		

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Eligibility Criteria (cont.)	
<b>Late Payments, Collections and Derogatory Events</b>	<ul style="list-style-type: none"> <li>• Mortgage/rent history requires 0x30 in past 6 months and maximum 1x30 in last 12 months</li> <li>• Past-due consumer debt can be no more than 90 days past due at closing. Debts &gt; 90 days must be paid off prior to closing</li> <li>• No bankruptcy in last 4 years</li> <li>• No foreclosure proceedings in the last 7 years</li> <li>• No charge-off, short payoff, deed-in-lieu, short sale, pre-foreclosure of any mortgage in last 4 years</li> <li>• Judgments and tax liens must be paid off prior to or at closing</li> <li>• Collections may remain open as follows:               <ul style="list-style-type: none"> <li>○ &lt; 24 months old with a maximum balance of \$2,000</li> <li>○ 24 months old with a maximum balance of \$2,500 per occurrence</li> <li>○ Charge-offs and collections that exceed the above balances must be paid in full prior to closing</li> </ul> </li> <li>• Medical collections may remain open regardless of balance</li> </ul>
<b>Lien Position</b>	HELOC may be in first or second lien position
<b>Prepayment Penalty</b>	No prepayment penalty applies
<b>Property</b>	<ul style="list-style-type: none"> <li>• SFR, 2-4 units, PUDs, Condos</li> <li>• Fee Simple or Inter Vivos Revocable Trust eligible as Title Holder; LLC ineligible as Title Holder</li> <li>• Property value: AVM with 80 Confidence Score and .20 FSD</li> <li>• Minimum Property Value is \$100,000</li> <li>• Properties located in a FEMA disaster declaration area require a Property Condition Report</li> <li>• Properties currently listed for sale or listed in the last 60 days are ineligible</li> </ul>
<b>Rate</b>	<ul style="list-style-type: none"> <li>• Rates are published each Monday in the Portal</li> <li>• The rate is based on Prime plus variable Margin</li> </ul>
<b>State Specific Information</b>	<ul style="list-style-type: none"> <li>• <b>Hawaii, Illinois, Massachusetts, New Mexico, New York, Ohio, Rhode Island, Utah, Washington D.C.</b> <ul style="list-style-type: none"> <li>○ CLTV cap dependent on credit score</li> </ul> </li> <li>• <b>Tennessee</b> <ul style="list-style-type: none"> <li>○ CLTV cap dependent on credit score</li> <li>○ Draw Terms and Structure: 5-year interest-only; 10-year repayment period</li> </ul> </li> <li>• <b>Texas Home Equity (Owner Occupied)</b> <ul style="list-style-type: none"> <li>○ There is a required a minimum 12 day “cooling off” period between signing the initial disclosures to the closing date</li> <li>○ 2.00% max origination fee</li> <li>○ If the borrower pulled out cash via a 50(a)(6) then we cannot do a loan as borrowers/owners can only have one 50(a)(6) at a time</li> <li>○ The property <b>MUST</b> be less than 10 acres</li> <li>○ Must be a Homestead</li> <li>○ Non-occupant co-borrowers are <b>not allowed</b></li> <li>○ The borrower <b>cannot</b> have had a home equity loan in the last 12 months</li> </ul> </li> <li>• <b>All Texas Properties (Owner Occupied / Second Homes / Investment Properties)</b> <ul style="list-style-type: none"> <li>○ Remote Online Notary – Not Available</li> </ul> </li> <li>• <b>2.74% Origination Fee except as follows:</b> <ul style="list-style-type: none"> <li>○ 3.00%: DC</li> <li>○ 2.75%: PA</li> <li>○ 2.50%: NJ</li> <li>○ 2.00%: IA, TN, TX</li> <li>○ 1.99%: MD</li> <li>○ 1.75%: IN, NC, WA</li> <li style="background-color: yellow;">○ 1.00%: NC (First Position)</li> <li>○ Origination fee not allowed: LA, ME, RI, VT</li> </ul> </li> </ul>