



# ALT-A PRODUCT LTV MATRIX

## LTV MATRIX – Purchase, Rate & Term, and Cash Out

Purchase and Rate/Term Refinance							Cash Out Refinance						
Credit Grade	A+			A			Credit Grade	A+			A		
Mtg History	0 X 30 last 24			0 X 30 last 12, 0 X 60 last 24			Mtg History	0 X 30 last 24			0 X 30 last 12, 0 X 60 last 24		
Doc Type	Full	Alt Doc	Reduced	Full	Alt Doc	Reduced	Doc Type	Full	Alt Doc	Reduced	Full	Alt Doc	Reduced
Credit Score	LTV	LTV	LTV	LTV	LTV	LTV	Credit Score	LTV	LTV	LTV	LTV	LTV	LTV
760+	95 <sup>1</sup> /90	90	85	95 <sup>1</sup> /90 <sup>2</sup>	90	80	760+	95 <sup>1</sup> /90 <sup>2</sup> /85	85	80	95 <sup>1</sup> /90 <sup>2</sup> /85	85	75
740 - 759	95 <sup>1</sup> /90	80	80	95 <sup>1</sup> /90 <sup>2</sup>	80	80	740 - 759	90 <sup>2</sup> /85	75	75	90 <sup>2</sup> /85	75	75
720 - 739	95 <sup>1</sup> /90	80	80	95 <sup>1</sup> /90 <sup>2</sup>	80	80	720 - 739	90 <sup>2</sup> /85	75	75	90 <sup>2</sup> /85	75	75
700 - 719	85	75	75	85	75	75	700 - 719	80	70	70	80	70	70
680 - 699	85	75	75	85	75	75	680 - 699	80	70	70	80	70	70
660 - 679	75	70	70	75	70	70	660 - 679	70	65	65	70	65	65
640 - 659	75	70	70	75	70	70	640 - 659	70	65	65	70	65	65
620 - 639	75	70	70	75	70	70	620 - 639	70	65	65	70	65	65
600 - 619	75	70	70	75	70	70	600 - 619	70	65	65	70	65	65
Doc Type	Full	Alt Doc	Reduced	Full	Alt Doc	Reduced	Doc Type	Full	Alt Doc	Reduced	Full	Alt Doc	Reduced
2 <sup>nd</sup> and NOO	85	80	75 <sup>3</sup>	75	75	65 <sup>3</sup>	2 <sup>nd</sup> and NOO	80	75	70 <sup>3</sup>	70	70	60 <sup>3</sup>
2-4 units	85	80	75	85	80	75	2-4 units	80	75	70	80	75	70
Max CLTV	Same as LTV												
Max Loan Balance	Credit Score ≥ 720 \$2.5M --- Credit Score < 720 \$2.0M												
Min Loan Balance	\$100k												



# ALT-A PRODUCT LTV MATRIX

## <sup>1</sup>95% Purchase/R/T Refi/ Cash Out CLTV Guidelines

- Minimum Credit Score of 720 required for Purchase and Rate/Term Refinance transactions
- Minimum Credit Score of 760 required for Cash-out Refinance transactions
- Maximum 35% DTI
- Full Documentation only (Appendix Q)
- Primary Residence only. Single-family, PUDs, and warrantable Condos only
- Maximum combined loan balance = \$1,500,000
- Cash Out Refinance transactions require 12 months ownership seasoning
- First Time Homebuyer permitted with restrictions. See First time Homebuyer Guidelines.
- **Above overlays only apply when LTV is 90.01-95%**

## <sup>1</sup>90% Cash Out Refi CLTV Guidelines

- Minimum Credit Score of 720 required
- Maximum 35% DTI
- Full Documentation only (Appendix Q)
- Primary Residence only. Single-family, PUDs, and warrantable Condos only
- Maximum combined loan balance = \$1,500,000
- First Time Home Buyer permitted with restrictions. See First time Homebuyer Guidelines.
- **Above overlays only apply when CLTV is 85.01-90%**

## <sup>2</sup>Reduced Doc 2<sup>nd</sup> Homes and Investor (NOO)

- Minimum Credit Score of 680 required
- Single-family, 2-4 Units, PUDs, and warrantable Condos only

## Interest Only Guidelines

- Minimum Credit Score of 680 required
- Prime Credit Programs - All Occupancy Types allowed
- Reduced Documentation not allowed

## First Time Homebuyer Guidelines

- Primary Residence only. Single-family, PUDs, and warrantable Condos only



# ALT-A PRODUCT LTV MATRIX

<ul style="list-style-type: none"> <li>• 9 months PITIA reserves required for A+ Grade, 6 months PITIA reserves required for Grade A</li> </ul>
<ul style="list-style-type: none"> <li>• Non-occupant co-borrowers not permitted</li> </ul>
<b>Non-Warrantable Condos</b>
<ul style="list-style-type: none"> <li>• Max program LTV/CLTV and loan amounts apply.</li> </ul>
<ul style="list-style-type: none"> <li>• Please refer to the Orion Lending Program Matrices and Guidelines for eligibility</li> </ul>
<b>Maximum Loans to One Borrower</b>
<ul style="list-style-type: none"> <li>• The aggregate dollar amount of all loans sold or serviced by investor may not exceed \$4M.</li> </ul>
<ul style="list-style-type: none"> <li>• Maximum Properties One Borrower May Own: Orion Lending offers two options for Borrowers that own multiple properties. They include:             <ol style="list-style-type: none"> <li>1. If the Loan is secured by the Borrower's principal residence, there are no limitations to the number of properties owned or financed</li> <li>2. If the Loan is secured by the Borrower's second home or an investment property:                 <ol style="list-style-type: none"> <li>a. May have up to <b>ten (10)</b> financed properties (incl. principal residence)</li> </ol> </li> </ol> </li> </ul>
<b>Appraisal Requirements</b>
<ul style="list-style-type: none"> <li>• 1 Full Appraisal<sup>1</sup> if Combined Loan Amount ≤ \$1.5M</li> <li>• 2 Full Appraisals<sup>1</sup> if Combined Loan Amount &gt; \$1.5M<sup>2</sup></li> <li>• Condominiums require HOA Certification</li> <li>• Clear Capital Collateral Desk Analysis (CDA)<sup>3</sup> required:             <ul style="list-style-type: none"> <li>◦ If the CDA returns a value that is ≤ 5% of the Appraised Value<sup>4</sup>, the Appraised Value<sup>4</sup> can be used to establish the LTV/CLTV</li> <li>◦ If the CDA returns a value that is &gt; 5% but ≤ 10% of the Appraised Value<sup>4</sup>, the CDA value can be used to establish the LTV/CLTV, however the LTV/CLTV is the lower of the program maximum or 70%, whichever is less.</li> <li>◦ IF the CDA returns a value &gt; 10%, the property is not eligible for financing.</li> </ul> </li> <li>• If the Full Appraisal or the CDA reflects declining market conditions, the property is not eligible for financing.</li> <li>• Transferred appraisals are not eligible</li> </ul>
<ol style="list-style-type: none"> <li>1. "Full Appraisal" refers to a Uniform Residential Appraisal Report (URAR). This includes a FNMA 1004 and FHLMC 70.</li> <li>2. The CDA will be completed on the lower of the two appraisals.</li> <li>3. The Collateral Desktop Analysis (CDA) must include the MLS data.</li> <li>4. The "Appraised Value" is the value determined from the original appraisal(s) provided to Orion Lending.</li> </ol>

## CREDIT GRADE MATRIX

CREDIT GRADE	A+	A
Doc Types Offered	<ul style="list-style-type: none"> <li>Full Documentation</li> <li>Alt – Asset Qualifier</li> <li>Alt – 24 Month Bank Statements (S/E only)</li> <li>Reduced Doc – 12 Month Bank Statements (S/E only)</li> <li>Reduced Doc – 12 Month Verification (S/E only)</li> </ul>	
QM / Non QM Eligibility	QM and Non QM programs available	
Mortgage/ Housing History	0X30 in the past 24 months	0X30 in the past 12 months, 0X60 in the past 24 months
Minimum Credit Score	600	600
Bankruptcy History <sup>1</sup> <small>Multiple Bankruptcies are Ineligible</small>	<ul style="list-style-type: none"> <li>Chapter 7: 4 years from discharge date</li> <li>Chapter 13: 4 years from discharge date</li> </ul>	<ul style="list-style-type: none"> <li>Chapter 7: 3 years from discharge date</li> <li>Chapter 13: 2 years from discharge date</li> </ul>
Prior Loss Mitigation <sup>2</sup>	4 years prior to application date	2 years prior to application date
Foreclosure History <sup>3</sup> <small>Multiple Foreclosures are Ineligible</small>	7 years	3 years
Maximum DTI	<ul style="list-style-type: none"> <li>Up to 50% Min 720 credit score, LTV &lt;= 80</li> <li>43% Max for LTV &gt; 80, Alt Doc, Reduced Doc, and IO</li> </ul>	<ul style="list-style-type: none"> <li>Up to 50% Min 680 credit score</li> <li>43% Max for Alt Doc, Reduced Doc, and I/O</li> </ul>
Adverse Credit	All delinquent credit that will impact title – including delinquent taxes, judgments, charge-off accounts, tax liens and mechanic's liens – must be paid off prior to or at closing	
Residual Income	<ul style="list-style-type: none"> <li>DTI &gt; 43% require household residual income &gt; \$3500</li> <li>DTI &lt; 43% require residual income of: \$800 for the primary borrower / \$200 for each additional family member</li> </ul>	<ul style="list-style-type: none"> <li>DTI &gt; 43% require household residual income &gt; \$2500</li> <li>DTI &lt; 43% require residual income of: \$800 for the primary borrower / \$200 for each additional family member</li> </ul>
Reserves <small>(All Reserves requirements are calculated by determining the Subject Property PITIA and adding other property PITIAs as applicable)</small>	<ul style="list-style-type: none"> <li>6 months PITIA reserves for all LTVs &lt;= 80%</li> <li>9 months PITIA reserves required for LTV &gt; 80%, loan amounts &gt; \$1,000,000, second home, 2-4 unit, investment, and First -time Homebuyer</li> <li>6 months PITIA reserves required for each additional financed property (Up to a maximum of 36 months)</li> </ul>	<ul style="list-style-type: none"> <li>3 months PITIA reserves for all LTVs &lt;= 80%</li> <li>6 months PITIA reserves required for LTV &gt; 80%, loan amounts &gt; \$1,000,000, second home, 2-4 unit, investment, and First -time Homebuyer</li> <li>2 months PITIA reserves required for each additional financed property (Up to a maximum of 24 months)</li> </ul>
Maximum Cash-out	<ul style="list-style-type: none"> <li>No limit</li> <li>Minimum 6 months ownership seasoning required for cash-out transactions Asset Qualifier - See Seller Guide</li> </ul>	
Establishing LTV/CLTV (Purchase, R/T Refinance, Cash-out Refinance < 90% LTV/CLTV)	<ul style="list-style-type: none"> <li>12 months ownership seasoning to use appraised value to determine LTV/CLTV</li> </ul> If the ownership seasoning is less than 12 months, the lower of the purchase price or the appraised value will be used to determine LTV/CLTV. The purchase price must be documented.	

<sup>1</sup> Consumer Credit Counseling Service ("CCCS") is considered the same as Chapter 13 bankruptcy.

<sup>2</sup> Loss Mitigation includes non-foreclosure actions such as Deed-in-lieu, NOD, Pre-Foreclosure Sale, Short Sale, Short Refinance and Modification. Multiple Loss Mitigation events are allowed.

<sup>3</sup> Foreclosure limitations apply to formal foreclosure filings.

## INCOME DOCUMENTATION OVERVIEW

Employment / Income		Eligible Borrowers		QM / Non-QM Eligibility	Grade Eligibility
Full Documentation	<ul style="list-style-type: none"> <li>The Borrower's application (1003) must include all sources and amounts of income</li> <li>Borrowers must have completed two years of employment with the same employer or in a similar line of work</li> <li>If self-employed, the Borrower must have the same business entity for two years</li> <li>If self-employed, the Borrower must have the same business entity for two years</li> </ul>	Salary / Wage Earner	Self-Employed	QM and Non QM programs available	All Grade Levels
		<p>One of the following:</p> <ul style="list-style-type: none"> <li>IRS Form W-2's for the past two years and most recent paystub with YTD earnings</li> <li>VOE showing earnings for the past two years and YTD earnings</li> <li>Two years personal tax returns with all schedules</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>Verbal verification of employment within 10 days of closing</li> <li>Signed, fully executed, and processed 4506T</li> </ul>	<p>Required:</p> <ul style="list-style-type: none"> <li>Two years personal tax returns with all schedules</li> <li>Two years business tax returns with all schedules</li> <li>Twenty-five percent (25%) or more ownership interest in an S Corp, also requires two years S Corporation tax returns.</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>Evidence of self-employment in the same business for the past two years</li> <li>Verbal verification of employment within 10 days of closing</li> <li>Signed, fully executed, and processed 4506T</li> </ul>		
Alt - Asset Qualifier	Please refer to the Orion Lending Underwriting Guidelines for eligibility and program specifics	Borrowers are qualified on documented and verified liquid assets. This program offers the opportunity to utilize a qualifying calculation based on the verification of assets and accumulated wealth as an alternative method to income verification to document the Borrower's ability to repay.		Non QM programs only	All Grade Levels
Alt Doc - 24 Month Bank Statements	<ul style="list-style-type: none"> <li>The Borrower's application (1003) must include all sources and amounts of income. The bank statements provided must support the income shown</li> <li>Borrowers must have completed two years of employment with the same employer or in a similar line of work</li> <li>If self-employed, the Borrower must have the same business entity for two years</li> <li>Self-employed Borrowers must be able to document ownership for that period of time</li> <li>Income sources separate from self-employment must be verified. Examples of verification include social security letter, employment verification, or divorce decree</li> </ul>	Self-Employed		Non QM programs only	All Grade Levels
		<ul style="list-style-type: none"> <li>Borrowers must be self-employed or earn over 25% of their income from a supplemental source such as self-employment, commissions, real estate rents, or gratuities.</li> <li>The Borrower's business may be a sole proprietorship or a partnership (general or limited), or a corporation. They may also be paid 1099 or file a Schedule C.</li> <li>If one of the Borrowers meets this eligibility requirement and the other does not, the Borrower that is not eligible must fully document their income.</li> </ul>	<p>One of the following:</p> <ul style="list-style-type: none"> <li>The most recent consecutive twenty-four (24) months personal bank statements</li> <li>The most recent consecutive twenty-four (24) months business bank statements</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>Evidence of self-employment in the same business for the past two years</li> <li>Verbal verification of employment within 10 days of closing</li> <li>Business narrative provided by the Borrower, as needed</li> </ul>		

Reduced Doc – 12 month Bank Statements	<ul style="list-style-type: none"> <li>The Borrower's application (1003) must include all sources and amounts of income. The bank statements provided must support the income shown</li> <li>Borrowers must have completed two years of employment with the same employer or in a similar line of work</li> <li>If self-employed, the Borrower must have the same business entity for two years</li> <li>Self-employed Borrowers must be able to document ownership for that period of time</li> <li>Income sources separate from self-employment must be verified. Examples of verification include social security letter, employment verification, or divorce decree</li> </ul>	Self-Employed		Non QM programs only	All Grade Levels Not eligible for Interest Only
		<ul style="list-style-type: none"> <li>Borrowers must be self-employed or earn over 25% of their income from a supplemental source such as self-employment, commissions, real estate rents, or gratuities.</li> <li>The Borrower's business may be a sole proprietorship or a partnership (general or limited), or a corporation. They may also be paid 1099 or file a Schedule C.</li> <li>If one of the Borrowers meets this eligibility requirement and the other does not, the Borrower that is not eligible must fully document their income.</li> </ul>	<ul style="list-style-type: none"> <li>One of the following:               <ul style="list-style-type: none"> <li>The most recent consecutive twelve (12) months personal bank statements.</li> <li>The most recent consecutive twelve (12) months business bank statements</li> </ul> </li> <li>In addition:               <ul style="list-style-type: none"> <li>Verbal verification of employment within 10 days of closing. Signed, fully executed, and processed 4506T.</li> <li>Verbal verification of employment within 10 days of closing</li> <li>Business narrative provided by the Borrower, as needed</li> </ul> </li> </ul>		
Reduced Doc – 12 month Verification (Self-Employed Only)	<ul style="list-style-type: none"> <li>The Borrower's application (1003) must include all sources and amounts of income</li> <li>Borrowers must have completed two years of employment with the same employer or in a similar line of work</li> <li>If self-employed, the Borrower must have the same business entity for two years</li> <li>Self-employed Borrowers must be able to document ownership for that period of time</li> </ul>	Salary / Wage Earner	Self-Employed	Non QM programs only	All Grade Levels Not eligible for Interest Only
		Not Applicable	Required: <ul style="list-style-type: none"> <li>One year personal tax returns with all schedules</li> <li>One year business tax returns with all schedules</li> <li>Twenty-five percent (25%) or more ownership interest in an S Corp, also requires one year S Corporation tax returns.</li> </ul> In addition: <ul style="list-style-type: none"> <li>Evidence of self-employment in the same business for the past two years</li> <li>Verbal verification of employment within 10 days of closing</li> <li>Signed, fully executed, and processed 4506T</li> </ul>		

## LOAN TERM OPTIONS

		FIXED RATE PRODUCTS			ARM PRODUCTS	
Product		30 yr. FRM	30 yr. I/O	40 yr. I/O	15 yr. FRM	5/1 ARM (Prime Only)
Product Code		NQMF30	NGMF30I/O	NQMF40I/O	NQMF15	NQMA5/1
Description		Fully amortizing mortgage loan with an interest rate that is fixed over the entire 30 year term	Fully amortizing mortgage loan that pays interest only during the first 10 years and amortizes down over the remaining 20 years	Fully amortizing mortgage loan that pays interest only during the first 10 years and amortizes down over the remaining 30 years	Fully amortizing mortgage loan with an interest rate that is fixed over the entire 15 year term	Fully amortizing hybrid mortgage loan with an interest rate that is fixed for 5 years and then changes to an ARM with the rate changing every year for the rest of the term of the loan.
Initial Fixed Rate Term (Mos.)		Not applicable	120	120	Not applicable	60
Repayment Type	Principal and Interest	Available in all Programs				
	Interest Only	Not Available	10 yr. I/O Term Only	10 yr. I/O Term Only	Not Available	Not Available
Term		360	360	480	180	360
Amortization Term		360	240	360	180	360
Index		Not applicable				12 Month Libor
Initial Adjustment Cap		Not applicable				See Daily Rate Sheet
Periodic Rate Change Term (Mos.)		Not applicable				12 months
Potential Periodic Adjustments		Not applicable				See Daily Rate Sheet
Lifetime Cap		Not applicable				See Daily Rate Sheet
Lifetime Floor		Not applicable				Start Rate
Margin		Not applicable				See Daily Rate Sheet
Look Back Period		Not applicable				45 days
Conversion Option		Not applicable				Not Allowed
Borrower Qualification		Borrowers qualify at the note rate based on fully amortizing Principal & Interest payment	Borrowers qualify at the note rate based on fully amortizing Principal & Interest payment during the principal repayment period. Borrowers will not be qualified on the interest only payment amount.	Borrowers qualify at the note rate based on fully amortizing Principal & Interest payment during the principal repayment period. Borrowers will not be qualified on the interest only payment amount.	Borrowers qualify at the note rate based on fully amortizing Principal & Interest payment	Borrowers qualify at the higher of the fully indexed rate or the initial note rate plus the periodic adjustment (2%)
Temporary Buydown		Temporary Buydowns Not Permissible in any product or program				
Assumability		Mortgage loans are not assumable in any product or program				