



Investor Product (Correspondent)

Red indicates changes from previous matrix

Finance Type	Purchase & Rate / Term Refinance		Cash-Out Refinance		
Term	Fixed Rate & ARM		Fixed Rate & ARM		
	Minimum FICO	Maximum LTV/CLTV	Minimum FICO	Maximum LTV/CLTV	Maximum Cash-Out
	720	65%	720	55%	\$350,000
	700	60%			
	680	55%	700	50%	\$250,000
Eligible Products	<ul style="list-style-type: none"> • PPF154 - 15 Year Fixed • PPF304 - 30 Year Fixed • PPA504 - 5/1 Hybrid (2/2/5 Caps 12ML 4.25% Margin) • PPA704 - 7/1 Hybrid (2/2/5 Caps 12 ML 4.25% Margin) • PPF155 - 15 Year Fixed w/Prepayment Penalty • PPF 305 - 30 Year Fixed w/Prepayment Penalty • PPA 505 - 5/1 Hybrid (2/2/5 Caps 12ML 4.25% Margin) w/Prepayment Penalty • PPA 705 - 7/1 Hybrid (2/2/5 Caps 12 ML 4.25% Margin) w/Prepayment Penalty 				
Program Eligibility	<ul style="list-style-type: none"> • Borrowers must have a minimum of 3 year history of owning, retaining and managing residential real estate investment properties • Borrower must own a minimum of 3 investment properties currently under management 				
Underwriting Authority	<ul style="list-style-type: none"> • Non-Delegated Underwriting only • Delegated Underwriting not permitted 				
Loan Amount	<ul style="list-style-type: none"> • Minimum Loan amount \$100,000 • Maximum Loan Amount \$1,000,000 				
Loan Purpose	<ul style="list-style-type: none"> • Purchase • Rate/Term Refinance • Cash-Out • Transactions in the state of Texas subject to 50(a)(6) are not permitted 				
Documentation	<ul style="list-style-type: none"> • All credit documents must be dated within 120 days of the note date • Preliminary Title Policies must be no more than 180 days old on the date the note is signed • A fully completed Loan Application with all sections completed (employment, monthly income, assets, schedule of REO, etc.) is required 				
Occupancy	<ul style="list-style-type: none"> • Investment Property Only 				
Credit Score	<ul style="list-style-type: none"> • The credit score used to qualify will be based on the middle of three scores. If only two scores are available then the lower of the two should be used as the qualifying credit score. • In the event that the transaction has more than one borrower, the lower of all qualifying credit scores will be used. 				
Tradelines	<ul style="list-style-type: none"> • Minimum of two trade lines are required for all borrowers that are contributing income to qualify. At least one trade line must be open and active for the past 24 months. 				
Housing History	<ul style="list-style-type: none"> • Max 0x30x24 inclusive of all mortgages on all REO for all borrowers on the transaction • VOM/VOR as a standalone documentation is not acceptable. If the housing history is not documented on the credit report then cancelled checks are required for the most recent 24 months. 				
Significant Derogatory Credit	<ul style="list-style-type: none"> • Period of time that must elapse prior to loan eligibility is as follows: <ul style="list-style-type: none"> • Foreclosure - 7 years • Short Sale, Deed-in Lieu, or Pre-foreclosure sales - 7 years • Bankruptcy: <ul style="list-style-type: none"> • Chapter 7 or 11 - 4 years from discharge or dismissal • Chapter 13 - 2 years from discharge or 4 years from dismissal • *Reduction in Bayview standard waiting periods are NOT reduced for any extenuating circumstances. 				
Debt to Income	<ul style="list-style-type: none"> • DTI is not calculated • Refer to the Income Section of this matrix for cash flow requirements 				
Income	<ul style="list-style-type: none"> • Qualifying income is based upon cash flows from property • A 4506T is NOT required • Rental income used to calculate cash flow from the subject property will be based off of the Comparable Rent Schedule (1007 Form) • 80% of the rental income per the Comparable Rent Schedule, less PITIA of the subject property must result in a positive cash flow. 				

Assets/Reserves	<p><u>Eligible Funds (Down Payment, Reserves)</u></p> <ul style="list-style-type: none"> • Gift Funds or Gifts of Equity are not permitted • Eligible Assets for Self-Employed Borrowers - e.g., Sole Proprietor, S Corp, Corporation, LLC) may use business funds for reserves up to 50% of account balance so long as borrower is 100% owner of business or borrower has written permission in file from other business co-owner(s) regarding use of these business funds (up to 50% of account balance) for reserves. <p><u>Reserves</u></p> <ul style="list-style-type: none"> • 12 months reserves required • Reserves must be available prior to closing. Cash proceeds from subject loan may not be counted toward reserve requirements • Reserves must be calculated based on the PITIA payment used in qualification <p><u>Funds to Close</u></p> <ul style="list-style-type: none"> • 2 consecutive monthly bank statements are required for funds to close, in accordance with Fannie Mae guidelines. <p><u>Multiple Mortgages to Same Borrower</u></p> <ul style="list-style-type: none"> • Additional 6 months reserves required for all Bayview serviced loans • Calculation based on the proposed PITIA payment
Seller Concession	<ul style="list-style-type: none"> • Max 3% seller concession
Appraisals	<ul style="list-style-type: none"> • Full Interior/Exterior appraisal is required on all transactions • Appraisal Condition Rating of C5/C6 or a Quality Rating of Q6: Not permitted • Reuse of an appraisal from a prior transaction: Not Permitted • Bayview will require successful UCDP Submission Summary Reports (SSRs) from both Fannie Mae and Freddie Mac. Bayview will not purchase loans that include the recently added proprietary messages that indicate 100% of the loans submitted with appraisals from the identified appraiser will be reviewed, or that Fannie Mae will not accept appraisals from the identified appraiser, as applicable.
Eligible Property Types	<ul style="list-style-type: none"> • 1-4 Unit Attached/Detached Properties • PUDs • Condominiums – FNMA Eligible with CPM (Condo Project Manager) • Leaseholds - Provide Freddie Mac Ground Lease Analysis (Form 461) • Illinois Land Trust – See Bayview Selling Guide for specific requirements
Ineligible Property Types	<ul style="list-style-type: none"> • Cooperatives • Condotels • Hotel/Motel Condominiums • Mobile Homes • Manufactured Housing • Commercial Operations • Geodesic Domes • Working farms and ranches • Unimproved Land • Properties with more than 5 Acres • Timeshares • Non-warrantable Condos • New Construction • Properties vested in an LLC or Corporation (title must be taken as an individual)
Limitations on Financed Properties	<ul style="list-style-type: none"> • Borrowers may have an unlimited number of financed properties <ul style="list-style-type: none"> • Landlord history must be documented, see examples below (but not limited to): <ul style="list-style-type: none"> • CPA Letter documenting length of continuance rental income receipt, or • Letter from Insurance Agent documenting length of continuance coverage for investment properties *Borrowers acquiring multiple properties in a short period will be carefully evaluated **Credit Report must support years of managing investment properties • Maximum Bayview exposure of \$2.5 million to any one borrower/entity • Maximum exposure of 2 Bayview financed loans to any one borrower in a Condo or PUD development
Recently Listed Properties	<ul style="list-style-type: none"> • Refinance Transactions - Properties that were listed for sale within 90 days of the disbursement date of the new mortgage loan, the loan is ineligible for sale to Bayview. • Cash-Out Transactions-Properties listed for sale in the past 12 months are not eligible
Cash Out Transactions	<ul style="list-style-type: none"> • Cash-Out is defined as any proceeds used to pay off: <ul style="list-style-type: none"> • Unseasoned junior liens • Payment of non-mortgage debts • Cash in hand • Borrower must have been on title for a minimum of 12 months
Delayed Financing	<ul style="list-style-type: none"> • Refer to Fannie Mae guidelines
Non-Arms Length Transactions	<ul style="list-style-type: none"> • Non-arms length transactions are not permitted

Borrower Eligibility	• <u>Employees, Principals, or Owners of Bayview Third Party Originators are not eligible</u>				
Escrow	• Escrows are required on all loans				
Assignment of Mortgage	<ul style="list-style-type: none"> • All loans must be registered with MERS at the time of delivery to Bayview, and MERS transfer of beneficial rights of servicing rights must be initiated by the Seller, to Bayview, within 24 hours of purchase. * If Bayview will be handling the registration with MERS, please refer to Bayview Selling Guide 				
Buydowns	• Buydowns are not permitted				
Disaster Policy	<ul style="list-style-type: none"> • Please refer to the list of affected counties published by FEMA using the following link: http://www.fema.gov/disasters • Prior to purchase, Bayview Loan Servicing will require a property inspection for any loan secured by a property in the affected area. If the subject property is located in one of the impacted counties and the appraisal was completed prior to the incident period end date, Bayview Loan Servicing will require a post disaster inspection confirming the property was not adversely affected by the disaster. If FEMA does not identify an area as a disaster, Bayview reserves the right to declare an area not identified by FEMA as a disaster. In these cases Bayview will communicate any declarations. • The Disaster Policy should be followed during an ongoing disaster and up to 90 days from the FEMA declaration • Sellers may utilize any of the following re-inspection options to satisfy the post disaster inspection requirement, with a photograph of the subject property: <ul style="list-style-type: none"> • Property Inspection Report (Fannie Mae Form 2075/Freddie Mac Form 2070) • Appraisal Update and/or Completion Report (Fannie Mae Form 1004D/Freddie Mac Form 442) • Uniform Residential Appraisal Report (Fannie Mae Form 1004/Freddie Mac Form 70) • Exterior Only Appraisal Report (Freddie Mac Form 2055) • Individual Condominium or PUD Unit Appraisal Report (Fannie Mae Form 1073/Freddie Mac Form 465) • Disaster Inspection Certification from a Licensed Certified Inspector • If the appraiser notes defects in the exterior inspection, a Uniform Residential Appraisal Report with an interior and exterior inspection and photographs is required. If damage is revealed by the inspection, it must be repaired prior to purchase. 				
High Cost Loans	• Bayview will not purchase High Cost Loans				
Seasoning	• Loans must not be aged more than 45 days from the loan closing date until the time the loan is delivered to Bayview for purchase. This includes the date the credit and closing file is received and the loan is eligible for purchase. All loans must be purchased by Bayview within 60 days of the note date.				
Secondary Financing	• Secondary financing is not permitted				
Prepayment Penalty (Unless otherwise restricted by State Law)	<ul style="list-style-type: none"> • Term: 3 years • Amount: 3% yr 1/2% yr 2/1% yr 3 of the then outstanding principal balance • Type: Applicable when a borrower makes a full prepayment or partial prepayment in any 12 month period that exceeds 20% of the original principal balance. • Hard/Soft: The penalty would be hard in that it would be due if the loan was refinanced or the property was sold during the applicable prepayment penalty term. * Refer to the Prepayment Penalty State Restrictions List located in the Reference Library. 				
Eligible States	<ul style="list-style-type: none"> • Alaska (w/no PPP) • Alabama • Arizona • California (PPP permitted w/Fixed Rate) • Colorado • Delaware • Florida • Georgia 	<ul style="list-style-type: none"> • Iowa (w/no PPP) • Idaho (w/no PPP) • Illinois (w/no PPP) • Indiana (w/no PPP) • Kansas (w/no PPP) • Kentucky (w/no PPP) • Louisiana • Maryland (w/no PPP) 	<ul style="list-style-type: none"> • Michigan (w/no PPP) • Minnesota (w/no PPP) • Missouri (w/no PPP) • Mississippi • Montana • New Mexico (w/no PPP) • North Carolina(w/no PPP) • North Dakota 	<ul style="list-style-type: none"> • Nebraska • New Jersey (w/no PPP) • Oklahoma • Oregon • Pennsylvania(w/no PPP) • South Carolina(w/no PPP) • South Dakota • Tennessee 	<ul style="list-style-type: none"> • Texas (w/no PPP) • Utah • Washington(w/no PPP) • West Virginia • Virginia (w/no PPP) • Vermont (Fixed Rate only) • Wisconsin • Wyoming (Fixed Rate only)

Seller shall deliver loans that were originated in accordance with the Bayview Selling Guide, unless otherwise stated in this product matrix.