



Revised: September 7, 2022

The Science of Doing Non-QM Right!™

PRIME PLUS GOLD

NON-ITIN

LOAN AMOUNT	FICO	PURCHASE	RATE / TERM	CASH OUT
≤ \$1,500,000	700	85%	85%	75%
	660	80%	80%	75%
	620	75%	75%	70%
	No Score	75%	75%	

ITIN

LOAN AMOUNT	FICO	PURCHASE	RATE / TERM	CASH OUT
≤ \$1,500,000	680	80%	80%	75%

PROGRAM HIGHLIGHTS

Debt Ratio:	50% Maximum
Reserves:	3 Months
Residual Income:	\$1,500 + \$150 per dependent
Cash Out:	\$500,000 Maximum
Min Loan Amount:	\$150,000
Max Loan Amount:	\$1,500,000

LTV & OTHER OVERLAYS

	Non-ITIN	ITIN
P&L Only	80%	75%
Limited Tradelines	75%	
Second Home	75%	
2 – 4 Unit	80%	
Rural Properties	80%	
Condo - Non-Warrantable	80%	
State of CA	Non-ITIN	ITIN
	85%	75%

PROGRAM PARAMETERS

	Non-ITIN	ITIN
Amortization Types:	15, 20 and 30 Year Fixed	30 Year Fixed
Interest Only:	Not Eligible	
Texas Cash-Out 50(a)(6):	Eligible to maximum 80% LTV	

CREDIT REQUIREMENTS (cont.)

Mortgage / Rent:	0 x 30 x 6 months
Installment, Revolving, Non-Traditional:	0 x 30 x 6 months
Tradelines:	<ul style="list-style-type: none"> • Tradeline requirement based on primary wage earner <ul style="list-style-type: none"> ✓ 3 tradelines reporting for 12+ months; OR ✓ 2 tradelines reporting for 18+ months • Limited tradelines max 75% LTV • An acceptable 12- or 18-month housing history, not reporting on credit, may also be used as a tradeline. • Max 0 x 30 x 6 months reporting on acceptable tradelines. • Past due accounts must be brought current.
Bankruptcy & Housing Events:	<ul style="list-style-type: none"> • 24 months (exceptions considered on a case-by-case basis ≥ 12 months)
Qualifying Credit Score:	<ul style="list-style-type: none"> • Primary wage earner is used to determine the overall loan qualifying credit score. <ul style="list-style-type: none"> ✓ If three scores are provided, use middle score ✓ If two scores are provided, use lowest score ✓ If one score is provided, qualify as No Score ✓ If no scores are provided, qualify as No Score • Each additional borrower is subject to the following. <ul style="list-style-type: none"> ✓ If three scores are provided, at least one must be 620+ ✓ If two scores are provided, at least one must be 620+ ✓ If one score is provided, it must be 620+ ✓ If no scores are provided, eligibility is not negatively impacted • When qualifying income is equal for all borrowers the highest representative score is used to determine the overall loan qualifying score.
Housing History:	<p>Borrowers who do not have a complete 12-month housing history are subject to the following:</p> <ul style="list-style-type: none"> • Maximum 75% LTV • LTV's >75% LTV are subject to the following restrictions: <ul style="list-style-type: none"> ✓ Primary residence and second homes only ✓ Additional 3 months reserves required ✓ 10% minimum borrower contribution ✓ Payment Shock is not considered ✓ VOR/VOM must be obtained for all months available reflecting paid as agreed ✓ Properties owned free and clear are considered 0x30 for grading purposes.
Multiple Financed Properties:	<ul style="list-style-type: none"> • There is no limit on the number of other properties borrowers may currently have financed. • Second Home transactions require 2 months of additional reserves for each financed property. • ACC Mortgage exposure may not exceed \$5M aggregate with a maximum of five loans for each individual borrower.

CREDIT REQUIREMENTS (cont.)

<p>Charge-Offs and Collections:</p>	<ul style="list-style-type: none"> • The following accounts may remain open: <ul style="list-style-type: none"> ✓ Collections and charge-offs < 24 months old with a maximum cumulative balance of \$2,000 ✓ Collections and charge-offs ≥ 24 months old with a maximum of \$2,500 per occurrence ✓ All medical collections • Collection and charge-off balances exceeding the amounts listed above must either be paid in full or may remain open when one of the following is met: <ul style="list-style-type: none"> ✓ Borrower has sufficient reserves to cover remaining collection and charge-off balances (in addition to the published reserve requirement); or ✓ Payment for remaining collections and charge-offs included in DTI results in final DTI ≤ 50% (payment calculated at 5% of balance of remaining unpaid collections and charge-offs). <ul style="list-style-type: none"> ❖ A combination of the two options above is allowed. A portion of the unpaid collection balance can be included in the DTI while the remainder is covered by excess reserves. ❖ Collections and charge-offs that cannot be factored into DTI or reserves must be paid off.
<p>Judgments and Tax Liens:</p>	<p>All judgments or liens affecting title must be paid.</p> <p>Active court-ordered judgments may remain open when one of the two following options is:</p> <ul style="list-style-type: none"> • The amount is the lesser of \$5,000 per occurrence or 2% of the loan amount: OR • The borrower is currently in a repayment agreement with the creditor (if the borrower is currently in a repayment plan, the following requirements apply): <ul style="list-style-type: none"> ✓ A minimum of 3 months has elapsed on the plan and evidence of timely payments for the most recent 3 months is provided; and ✓ The maximum payment required under the plan is included in the debt-to-income ratio. <p>Outstanding state and federal tax liens or delinquent obligations may remain open on purchase transactions only (additional LTV reductions may be required based on the size of the lien). All of the following requirements must be met:</p> <ul style="list-style-type: none"> • A copy of the repayment agreement is obtained; • A minimum of 3 months has elapsed on the plan and evidence of timely payments for the most recent 3 months is provided; • The maximum payment required under the plan is included in the debt-to-income ratio; and • The title company must provide written confirmation confirming <ul style="list-style-type: none"> ✓ (a) the title company is aware of the outstanding tax lien, and ✓ (b) there is no impact to first lien position.
<p>Housing Events:</p>	<p>A Housing Event is any one of the following events listed below:</p> <ul style="list-style-type: none"> • Foreclosure • Deed-in-Lieu • Short Sale • Modification resulting in (non COVID-19 related): <ul style="list-style-type: none"> ✓ Forgiveness of a portion of principal and/or interest on either the first or second mortgage ✓ Application of a principal curtailment by or on behalf of the investor to simulate principal forgiveness ✓ Conversion of any portion of the original mortgage debt to a “soft” subordinate mortgage ✓ Conversion of any portion of the original mortgage debt from secured to unsecured • 1x120 mortgage history <p>Seasoning of a foreclosure, deed-in-lieu, or short sale is measured from the date of completed sale or final property transfer. The Housing Event must be completed prior to loan closing with no outstanding deficiency balance remaining.</p> <p>For a 120-day mortgage late, seasoning is from the date the mortgage was brought current.</p> <p>Seasoning for a modification is from the date the modification was executed.</p> <p>If the property was surrendered in a Chapter 7 bankruptcy, the bankruptcy discharge date is used for seasoning. Bankruptcy papers may be required to show the property was surrendered. The foreclosure action is not required to be fully complete.</p>

CREDIT REQUIREMENTS (cont.)

Modification COVID-19 Related:

If outstanding payments will be or have been resolved through a loss mitigation solution, the borrower is eligible for a new mortgage loan if they have made at least three timely payments as of the note date of the new transaction as follows:

- For a repayment plan, the borrower must have made either three payments under the repayment plan or completed the repayment plan, whichever occurs first. Note that there is no requirement that the repayment plan be completed.
- For a payment deferral, the borrower must have made three consecutive payments following the effective date of the payment deferral agreement.
- For a modification, the borrower must have completed the three-month trial payment period.
- For any other loss mitigation solution not listed above, the borrower must have successfully completed the program, or made three consecutive full payments in accordance with the program.

Verification that the borrower has made the required three timely payments may include:

- a loan payment history from the servicer or third-party verification service,
- the latest mortgage account statement from the borrower, and
- a verification of mortgage.

If these requirements are met on an existing mortgage loan being refinanced, the new loan amount can include the full amount required to satisfy the existing mortgage.

BORROWERS

First Time Homebuyers:

- The following requirements apply to First-Time Home Buyer transactions:
 - ✓ Primary residence and second homes only
- A First-Time Home Buyer is defined as a borrower who had no ownership interest in a residential property in the United States during the preceding 3-year period.
- If a borrower has not owned a property in the last 3 years but can document ownership in the preceding 5-year period, the above criteria are waived.

Non-Occupant Co-Borrower:

- Primary occupancy only
- Purchase and Rate/Term only (non-occupant must be on the current mortgage for a rate/term refinance)
- Non-occupant co-borrower must be an immediate relative
- Max 80% LTV
- Max 60% DTI (occupying borrower only)
- Max 43% DTI (total for all borrowers combined)
- Max loan amount \$1,000,000

Eligible Borrowers:

- US Citizens
- ITIN
- Permanent Resident Aliens
- Non-Permanent Resident Aliens (with US credit)
- Borrowers with Diplomatic Immunity and Citizens of Venezuela are ineligible

BORROWERS (cont.)

<p>ITIN:</p>	<ul style="list-style-type: none"> • ITIN Letter from IRS required • Valid government photo ID required
<p>Permanent and Non-Permanent Resident Alien</p>	<ul style="list-style-type: none"> • One of the following is required: <ul style="list-style-type: none"> • Unexpired Green Card; or • Unexpired VISA/EAD • All VISA types are permissible outside of diplomatic status (A-1 or A-2) • Expired Green Cards and VISAs/EADs are permissible with documentation that the borrower has requested an extension (exceptions considered on a case-by-case basis) • Valid government photo ID required
<p style="text-align: center;">INCOME</p>	
<p>Income Non-ITIN:</p>	<ul style="list-style-type: none"> • Full Doc (12 Months) <ul style="list-style-type: none"> ✓ W-2 ✓ Tax Returns • Bank Statements (12 Months) <ul style="list-style-type: none"> ✓ Personal or Business Bank Statements ✓ Must be Self-employed for 1 year ✓ Requires a minimum of 2 consecutive years in the same line of work • P & L Only (12 Months) <ul style="list-style-type: none"> ✓ Must be Self-employed for 1 year ✓ Requires a minimum of 2 consecutive years in the same line of work • 1099 (12 Months) <ul style="list-style-type: none"> ✓ Must be Self-employed for 1 year ✓ Requires a minimum of 2 consecutive years in the same line of work <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>A 1099 may be obtained to replace 1 calendar year of personal or business bank statements:</p> <ul style="list-style-type: none"> • 1099 must be validated with a wage and income transcript from the IRS • Evidence of year-to-date earnings must be verified via bank statements covering the YTD period • All other Bank Statement Documentation requirements apply </div>
<p>Income ITIN:</p>	<ul style="list-style-type: none"> • Full Doc (12 Months) <ul style="list-style-type: none"> ✓ W-2 ✓ Tax Returns • Bank Statements (12 Months) <ul style="list-style-type: none"> ✓ Personal or Business Bank Statements ✓ Must be Self-employed for 1 year ✓ Requires a minimum of 2 consecutive years in the same line of work • P & L Only (12 Months) <ul style="list-style-type: none"> ✓ Must be Self-employed for 1 year ✓ Requires a minimum of 2 consecutive years in the same line of work <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>A 1099 may be obtained to replace 1 calendar year of personal or business bank statements:</p> <ul style="list-style-type: none"> • 1099 must be validated with a wage and income transcript from the IRS • Evidence of year-to-date earnings must be verified via bank statements covering the YTD period • All other Bank Statement Documentation requirements apply </div>
<p>Bank Statement – Calculating Qualifying Income:</p>	<ul style="list-style-type: none"> • <u>Personal and Business Bank Statements</u>: Total useable deposits ÷ 12 months <ul style="list-style-type: none"> ✓ To calculate qualifying income, select one of the three options from the following matrix: [Click Here] • Business Bank Statements: Must have documented ≥ 25% ownership in business. • Personal Bank Statements: No minimum percentage ownership in business required. <ul style="list-style-type: none"> • All individuals on the bank account being utilized must be a borrower on the loan.
<p>Cannabis Derived Income:</p>	<ul style="list-style-type: none"> • Eligible for borrowers located in states where cannabis has been legalized and the business is licensed accordingly
<p>Debt Ratio:</p>	<ul style="list-style-type: none"> • Max 50%

ASSETS

Assets:	<ul style="list-style-type: none"> Seasoned for 60 days. Source unexplained deposits that exceed 50% of the borrowers gross monthly qualifying income.
Reserves:	<ul style="list-style-type: none"> Cash out proceeds can be used for reserve requirements.
Seller Concessions:	<ul style="list-style-type: none"> Up to 6% towards closing.
Gift Funds:	<ul style="list-style-type: none"> Gift funds must be from a relative and can be used for down payment, closing costs and reserves. <p>Non-ITIN</p> <ul style="list-style-type: none"> Gift funds are allowed after the borrower has documented the minimum required borrower contribution. <ul style="list-style-type: none"> ✓ Minimum of 5% (of the sales price) of borrower’s own funds on purchase transactions. ✓ Minimum borrower contribution of 10% must be documented on the following transactions: <ul style="list-style-type: none"> ❖ Primary residence with unverifiable housing history ❖ Second home <p>ITIN:</p> <ul style="list-style-type: none"> Gift funds are allowed after the borrower has documented the minimum required borrower contribution. <ul style="list-style-type: none"> ✓ Minimum of 50% of down payment must be borrower’s own funds
Gift of Equity:	<ul style="list-style-type: none"> Primary residence transactions only. No minimum borrower contribution is required. Gift of equity is from an immediate family member. Six months of reserves required of borrower’s own funds. Non-arm’s length transactions are allowed. Subject to the maximum LTVs available for cash-out transactions.

SUBJECT PROPERTY

Eligible Property Types:	<ul style="list-style-type: none"> Single Family Detached PUD (Attached or Detached) Condominium (Warrantable & Non-Warrantable) Townhomes 2 – 4 Unit Log Home Modular
Ineligible Property Types:	<ul style="list-style-type: none"> Manufactured (Mobile) Mixed Use Assisted Living/Continuing Care Facilities Boarding Houses Condotels Co-Ops

SUBJECT PROPERTY (cont.)

Acres:	<ul style="list-style-type: none"> • Max 15 Acres
Appraisal Review:	<ul style="list-style-type: none"> • The following transactions require a FNMA Collateral Underwriter review with a score of 2.5 or less or a Collateral Desktop Analysis (CDA): <ul style="list-style-type: none"> ✓ LTV > 80% ✓ Non-arm's length transactions ✓ Loan amounts from \$1,000,000 - \$1,500,000 ✓ Appraisal transfers with no AMC utilized
Flip Transactions:	<ul style="list-style-type: none"> • Defined as: Properties with a prior sale in the last 365 days and the current sales price increased >10%. • Period is measured from the date the seller became legal owner of the property to the date all parties executed the sales contract. • The following requirements apply: <ul style="list-style-type: none"> ✓ Must be ARM's length ✓ No pattern of previous flipping ✓ Marketed openly and fairly ✓ No assignments of the contract to another buyer ✓ If sales price exceeds appraised value by more than 5% a signed letter of acknowledgement from borrower is required ✓ Must comply with the HPML appraisal rules in Regulation Z • The following transactions require a 2nd full appraisal: <ul style="list-style-type: none"> ✓ Prior sale less than 90 days and > 10% increase in sales price ✓ Prior sale 91-180 days and > 20% increase in sales price • All other transactions not requiring a 2nd full appraisal must contain a FNMA Collateral Underwriter review with a score of 2.5 or less or a Collateral Desktop Analysis (CDA).
Appraisal Transfers:	<ul style="list-style-type: none"> • Appraisal transfers are eligible, as indicated on ACC's Appraisal Transfer Policy
Properties Listed For Sale:	<ul style="list-style-type: none"> • To be eligible for either a rate/term or a cash-out refinance, the subject property must be taken off the market on or before application date. • For cash-out transactions, if subject property was listed for sale in 6 months prior to application date, a 10% LTV reduction from the maximum available for the specific transaction is required. • The lesser of the most recent list price or the current appraised value should be used to determine loan-to-value for both rate/term and cash-out transactions
Refinance Seasoning:	<ul style="list-style-type: none"> • Rate/Term Refinance – No seasoning requirement. • Cash Out Refinance – 6 Months required from Purchase date to Note date (to ACC). • No waiting period for properties obtained through inheritance, divorce or separation.
Determining Loan to Value:	<ul style="list-style-type: none"> • Rate/Term Refinance <ul style="list-style-type: none"> ✓ Current appraised value may be used to determine loan to value. • Cash Out Refinance <ul style="list-style-type: none"> ✓ If the subject property was acquired > 12 months from application date, the appraised value must be used to determine loan-to-value. ✓ If the property was acquired ≤ 12 months from application date, the lesser of the current appraisal value or previous purchase price plus documented improvements (if any) must be used. The purchase settlement statement and any invoices for materials/labor will be required.
Lease with Option to Purchase:	<ul style="list-style-type: none"> • Transaction treated as a Purchase. • Principal dwelling only. • Must have a valid, executed lease with purchase option. • The lessor of the appraised value or the purchase price established within the agreement will be utilized for qualification. • Copies of cancelled checks for 12 months as proof of rental payments.

SUBJECT PROPERTY (cont.)

Land Contracts / Contracts for Deed:	<ul style="list-style-type: none"> • Acceptable for Primary Residence only. • 12 Months of cancelled checks required for housing payment history. • Payoff of land contracts is acceptable: <ul style="list-style-type: none"> ✓ Contracts signed ≤ 12 months from ACC application date = Purchase <ul style="list-style-type: none"> ❖ The lesser of the appraised value or the purchase price established within the agreement will be utilized for qualification. ✓ Contracts signed > 12 months from ACC application date = Rate/Term Refinance <ul style="list-style-type: none"> ❖ The current appraised value will be utilized for qualification.
---	---

MISCELLANEOUS

Document Expiration:	<ul style="list-style-type: none"> • Assets & Income 60 days • Appraisal 120 days • ACC Credit Report 120 days • Title Commitment and CPL 120 days
Cash Out:	<ul style="list-style-type: none"> • Up to \$500,000 • Cash Out proceeds can be used for reserve requirements. • Minimum of 6 months elapsed time since the most recent mortgage transaction on the subject property (Note Date to Note Date is utilized to calculate the 6 month period). <ul style="list-style-type: none"> ✓ Must use lesser of Purchase Price plus documented improvements or Appraised Value if ≤ 12 months from note date. • Texas Cash-Out not allowed on 2-4 unit properties.
Occupancy:	<ul style="list-style-type: none"> • Primary Residence • Second Homes
Secondary Financing:	<ul style="list-style-type: none"> • New secondary financing is not allowed. • Secondary financing already in place is accepted within the max LTV for the program and must be subordinated to the new loan.
POA:	<ul style="list-style-type: none"> • Eligible
Vesting:	<ul style="list-style-type: none"> • Natural persons • Inter vivos revocable trusts (case-by-case basis)
Escrows:	<ul style="list-style-type: none"> • Escrows for taxes and insurance can be waived in the following situations: <ul style="list-style-type: none"> ✓ Loan cannot be HPML ✓ Max 80% LTV ✓ Primary Residence and Second Home only ✓ Flood insurance may not be waived
Compliance:	<ul style="list-style-type: none"> • Fully documented ability-to-repay. • Compliance with all applicable federal and state regulations. • No section 32 or state high cost. • Total borrower paid points and fees must be less than 5%.
Prepayment Penalty:	<ul style="list-style-type: none"> • Not Eligible
Eligible States:	AR, AZ, CA, CO, CT, DE, DC, FL, GA, ID, IL, IN, KS, MD, MI, MN, MS, NC, NJ, NV, OK, OR, PA, SC, TN, TX, UT, VA & WA