



PLATINUM JUMBO EXPRESS (PJE)

FIXED

PLATINUM JUMBO EXPRESS (PJE) - PURCHASE / RATE & TERM REFINANCE						
Occupancy	Units	Max Loan Amount	Max LTV/CLTV**	Minimum Credit Score	Max. DTI	Minimum Reserves
Primary	1- 4 Unit	\$2MM	89.99%*	680	45%	AUS
		\$2MM	80%	660	50%	AUS
		\$2.5MM	80%	720	50%	12 Mos
		\$3MM	80%	740	50%	18 Mos
Second Home	1 unit	\$2MM	89.99%*	680	45%	AUS
		\$2MM	80%	660	50%	AUS
		\$2.5MM	80%	720	50%	12 Mos
		\$3MM	80%	740	50%	18 Mos
NOO	1 Unit	\$2MM	80%	680	50%	AUS
		\$2MM	70%	660	50%	AUS
		\$2.5MM	75%	720	50%	12 Mos
	2-4 Units	\$2MM	75%	680	50%	AUS
		\$2MM	70%	660	50%	AUS
		\$2.5MM	75%	720	50%	12 Mos

*30-year fixed rate only for LTV/CLTV greater than 80%.

**Florida condo project MAX LTV/CLTV=80% & FNMA approved projects within the last 18 months only.



PLATINUM JUMBO EXPRESS (PJE) - CASH-OUT REFINANCE							
Occupancy	Units	Max Loan Amount	Max LTV/CLTV*	Credit Score	Max. DTI	Min. Reserves	Max Cash-out
Primary	1 Unit	\$2MM	80%	680	50%	AUS	AUS
		\$3MM	80%	740	50%	18 Mos	AUS
	2-4 Units	\$2MM	75%	680	50%	AUS	AUS
		\$3MM	75%	740	50%	18 Mos	AUS
2nd Home	1 Unit	\$2MM	75%	700	50%	AUS	AUS
		\$3MM	75%	740	50%	18 Mos	AUS
NOO	1 Unit	\$1MM	75%	680	50%	AUS	AUS
		\$2MM	75%	720	50%	AUS	AUS
		\$2MM	70%	680	50%	AUS	AUS
	2-4 Units	\$2MM	70%	680	50%	AUS	AUS

*Florida condo project must be FNMA approved projects within the last 18 months only.



PROGRAM DETAILS	
QM Status	<ul style="list-style-type: none"> Standard QM requirements apply
Program Codes	<ul style="list-style-type: none"> PJE30, PJE15
Eligible States	All MCFI approved States except Maryland. (Maryland loans are suspended.)
Overview	<ul style="list-style-type: none"> SFRs, Warrantable Condo and PUDs 30 year & 15 year fully amortizing Fixed Rate & Term. Minimum Loan Amount - \$1 over the current 1-unit High-Balance Conforming loan limit. No Prepayment Penalty allowed No Temporary Buy-down allowed No Higher Priced Covered Transaction allowed No Mortgage Insurance (PMI) allowed Non-traditional credit not acceptable. No Interest Only allowed No Property Inspection Waiver (PIW) allowed
Current Market Relock Policy	<p>Previous loan must be cancelled >60 days with the investor to allow for current market pricing. Broker must request previous loan cancellation with lock desk otherwise loan will remain active with an expired lock subject to worse-case pricing. +0.25 relock fee</p>
Lock Extension Policy	<ul style="list-style-type: none"> Lock Extensions must be requested on or before the current lock expiration date at standard extension fees. <ul style="list-style-type: none"> 0.125 for 5 business days. (30 days max extension) Additional extensions beyond the thirty (30) days limit will apply worse-case pricing. <p><u>Worse-case pricing applies when:</u></p> <ol style="list-style-type: none"> The rate lock has expired or been canceled/denied for sixty (60) days or less. The loan product has changed. <p><u>Note:</u> Worse-case pricing does not reset the rate lock period & that standard extension fees will be assessed for the length of the extension needed to close.</p>
AUS Options	<p>DU Approve Eligible, LPA Accept or DU Approve Ineligible, LPA Accept Ineligible due only to the loan amount required on the current AUS version. Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed in these guidelines.</p>



TRANSACTION TYPES	
Occupancy	<p>Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.</p> <ul style="list-style-type: none">• For cash-out refinance transactions of an investment property a borrower signed Business Purpose & Occupancy Affidavit indicating the loan purpose is for the improvement or maintenance of a rental property is required. See Appendix A for form of Affidavit. Loans delivered without the affidavit will be subject to TILA compliance.• Cash out loan proceeds used for any personal use are not eligible as a Business Purpose loan and will be subject to TILA compliance.
Transaction Types	<p>Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.</p> <ul style="list-style-type: none">• Shared appreciation loans not allowed.• The assignment of a purchase contract is not eligible unless the transferor is a family member and there is no change to the purchase price.• Texas 50(a)(6) loans are not eligible.• Single-Closing Construction-to-Permanent financing is not eligible.• To be eligible for purchase, the period between the closing date and the lock date cannot exceed 90 days.
Purchases/Primary Home	<ul style="list-style-type: none">• 12 months primary home loan finance seasoning is required. Any borrower who had a primary home loan financing within 12 months period can't apply another primary home loan financing.

BORROWER ELIGIBILITY	
Eligible Borrowers	<p>Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.</p> <ul style="list-style-type: none"> • A comprehensive fraud report (FraudGuard or similar) must be included in each file. The report should provide loan-level information on valuation, fraud detection and include a comparison of all participant names against industry watch and exclusionary lists such as OFAC. All red flags on the report must be addressed and cleared. • A first-time homebuyer is defined as a borrower who has not had ownership interest in a property within the last three (3) years from the application date. MCFI does not allow the use of verification of asset reports to identify recurring rent payments to potentially enhance the AUS credit assessment. <ul style="list-style-type: none"> ○ Owner-occupied only ○ Maximum 80% LTV/CLTV ○ Maximum loan amount \$2,000,000
Ownership	<p>Ownership must be fee simple only and must be in the name of the individual Borrower(s) or Trust. Borrower(s) may hold title as follows:</p> <ul style="list-style-type: none"> ○ Individual ○ Joint Tenants
Ineligible Borrowers	<ul style="list-style-type: none"> • Borrowers with only an ITIN (individual taxpayer identification number). • Irrevocable trusts • Corporations, limited partnerships, general partnerships, and limited liability companies • Foreign Nationals • Borrowers with Diplomatic Immunity • Borrowers who are party in a lawsuit • Illinois Land Trusts • Community Land Trusts

EMPLOYMENT AND INCOME	
Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.	
Income Documentation Requirements	<ul style="list-style-type: none"> • Commission/Bonus income must be documented with a written VOE breaking down the bonus or commission income for the past 2 years or a year-to-date paystub and W-2's supporting the income. Commission/Bonus income with less than a 2-year history may not be used for qualification. • Tax transcripts are required to be obtained from the IRS only for income for years being used for qualification. Wage transcripts are acceptable for W-2 borrowers and 1099 transcripts are acceptable for 1099 borrowers. Tax transcripts are not required for newly received income such as retirement, social security and trust income that would not appear on the prior year tax returns. The borrower pulled transcripts are not acceptable. The IRS transcripts and the supporting income documentation provided must be consistent. • Income produced or in relation to federally prohibited activities is not eligible.

CREDIT	
Credit Documentation Requirements	Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.
Credit Score	<ul style="list-style-type: none"> The representative credit score for qualification purposes for an individual borrower is the middle score of the three (3) scores reported. If two (2) scores are reported the representative credit score is the lower of the two scores. Credit scores from all three repositories must be requested (Equifax, Experian and TransUnion). Averaging of credit scores to determine eligibility is not allowed. For multiple borrowers the credit score is the lowest of all representative credit scores. If only one credit score or no credit score is reported borrower is not eligible. A minimum of two credit scores is required. Credit rescoring is not permitted unless the rescore is correcting erroneous line items or disputed accounts.
Mortgage / Rental History	<ul style="list-style-type: none"> A minimum of twenty-four (24) months verified mortgage history is required with 0x30X12 and 0X60X24 payment history. A minimum of twelve (12) months verified rental history is required with 0X30X12 payment history. For rental verification, a standard VOR completed by a professional management company or 12 months bank statements/canceled checks and a lease agreement to document the term and payment are required. Borrowers with no mortgage/rental history due to a residence scenario requiring no mortgage or rental payments are eligible with a satisfactory letter of explanation. If the housing history reflects a forbearance arrangement, the payment history must reflect 0x30X12 and 0X60X24 in the most recent 24 months since exiting forbearance. The payment history must be provided by the lender/servicer.
Liens, Judgements and Collections	<ul style="list-style-type: none"> A satisfactory explanation for any delinquent credit from the borrower is required. Borrower must pay off all delinquent credit that has the potential to impact lien position. Collection accounts or charged-off accounts do not need to be paid off if the balance of an individual account is less than \$1,000 or if there are multiple accounts the total balance of all accounts cannot exceed \$2,500.
Bankruptcy, Foreclosure, Notice of Default, Deed-In-Lieu of Foreclosure, Short Sales and Modifications	<ul style="list-style-type: none"> At least seven (7) years must have elapsed since bankruptcy discharge or dismissal, foreclosure, notice of default (NOD), short sale or deed in-lieu or modifications measured from the date of completion to the application date. Modifications that were not the result of a distress situation are not subject to the waiting period. Borrowers with multiple bankruptcy filings/Foreclosures/Deed-in-lieu of foreclosures/Pre-foreclosure NODs/Short sales/Real property settled debts/Modifications are ineligible.

DEBTS AND LIABILITIES

Follow the AUS and applicable current Agency selling guide requirements.

ASSETS AND SOURCE OF FUNDS

Assets and Source of Funds	<p>Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.</p> <ul style="list-style-type: none"> • The business assets used must be accompanied by a CPA letter confirming that the withdrawal of the funds from the business will not harm the financial strength of the business. • Gifts of equity are not allowed. • Equity lines of credit, gift funds, business assets and cash out from the subject property on refinance transactions are not acceptable sources to meet the reserve requirement.
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PROPERTY

Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.	
Eligible Property Types	<ul style="list-style-type: none"> • Maximum lot size 20 acres. Properties with greater than 10 acres must have three comparable sales with similar acreage.
Ineligible Property Types	<ul style="list-style-type: none"> • Manufactured Homes • Factory built housing • Geodesic/Dome homes • Properties held as leasehold • Co-op • Condo hotel units • Log homes • Unique properties • Mixed use properties • Non-warrantable condo • Commercially zoned properties • Rural zoned properties • Agriculturally zoned properties (agricultural/residential eligible) • Properties with an oil and gas lease • Properties with more than 20 acres • Working/Hobby farms • Properties located in Puerto Rico, Guam, US Virgin Islands and Hawaii lava zones 1 and 2. • SFR w/unusual ADU including extra-large size of ADU w/multi-rooms, multiple ADUs, 2-4 units w/ADU, etc. • Properties with income producing attributes • Timeshare units
Restrictions on a Florida Condo Project	<ul style="list-style-type: none"> • Florida condo project MAX LTV/CLTV=80% • FNMA approved projects within the last 18 months only.
Appraisal Requirements	<ul style="list-style-type: none"> • All appraisals must be completed on the most current Agency appraisal forms as stipulated in the Seller's Guide and conform to Agency appraisal practices and eligibility requirements. • All loans require a full interior/exterior appraisal. Properties with a C5 property condition rating are not allowed. Escrow holdbacks are not allowed. All appraisal deficiencies must be resolved with a 1004D including photos to evidence completion. • Two (2) full appraisals are required for loan amounts >\$2,000,000. LTV/CLTV will be based on the lower of the two values. All inconsistencies between the two appraisals must be addressed and reconciled.

	<ul style="list-style-type: none"> Appraisals transferred or assigned from another lender are not acceptable. Property Inspection waivers are not allowed.
Third Party Appraisal Review	<ul style="list-style-type: none"> MCFI must order a desk review with or without MLS (Collateral Desktop Analysis (CDA) from Clear Capital or an Appraisal Risk Review (AAR) from Stewart Valuation) for each DU loan with a Collateral Underwriter (CU) or LPA loan with a Loan Collateral Advisor (LCA) score greater than 2.5 or no score. A desk review is not required for loans with two appraisals, regardless of the CU or LPA score. A copy of the desk review should be submitted in the loan file. The review must not be over 120 days old from the date of the Note. All discrepancies between the appraisal and the desk review must be reconciled. If the desk review produces a value in excess of a 10% negative variance to the appraised value, the loan is not eligible for purchase; provided, the seller has the option to order a Field Review to support the appraised value. If the field review also produces a value in excess of a 10% negative variance to the appraised value, then the loan will remain ineligible for purchase. All appraisals are reviewed for eligibility as well as value support.
Declining Markets	Reduce maximum LTV/CLTV by 10% for any property located in an area of declining property values as reported by appraiser.
Properties Located in a Disaster Area	<p>The following is required for properties located in a FEMA declared disaster zone to be eligible:</p> <ul style="list-style-type: none"> If the property is in a zone where a Disaster End Date has been declared by FEMA, MCFI will order a post disaster inspection prior to loan purchase to confirm the property value has not been impacted by the disaster. If the property is in a zone where a Disaster End Date has not been declared by FEMA, in addition to the above inspection requirement, a date and time stamped area map from a state or county agency or similar, showing the subject property in relation to the disaster area is required to evidence that the property is outside of current known fire boundaries

ADDITIONAL LOAN ATTRIBUTES AND POLICIES	
Follow the AUS and applicable current Agency selling guide requirements unless otherwise addressed below.	
Power of Attorney	<p>The use of a Power of Attorney (POA) is allowed in accordance to Fannie Mae Policy. POAs are allowed on Purchase and Rate & Term transactions. The use of a POA is permitted if the following requirements are met:</p> <ul style="list-style-type: none"> The POA must be transaction specific; and The attorney-in-fact must be the borrower's attorney-at-law or the borrower's relative
Subordinate Financing	<ul style="list-style-type: none"> Shared appreciation loans not allowed. The CLTV should be calculated using the unpaid principal balance on all closed-end subordinate financing and the full amount of any HELOCs (whether or not funds have been drawn).
Recasting/Re-amortizing	May be allowed post purchase by the new investor/servicer on a case-by-case basis.
Temporary Buydown	Temporary buydown mortgage loans are not eligible.
Prepayment Penalty	Mortgage loans with prepayment penalties are not eligible.

Escrows / Impounds	<ul style="list-style-type: none"> • It is recommended that escrow account be created for funds collected by the originator to pay taxes, hazard insurance, flood insurance, special assessments, water, sewer, and other items as applicable. • All applicable loans must adhere to HFIAA regarding mandatory flood insurance escrow requirements for properties located in a Special Flood Hazard Area. • Escrow holdbacks are not allowed.
HERO/PACE/Solar Panels	<ul style="list-style-type: none"> • Any item that that will include a UCC associated with the property and/or will create an easement on title is ineligible. • Payoff of a HERO lien is considered cash-out.
Title and Closing Documentation	<p>Title insurance must meet Agency requirements and be written on the 2006 American Land Title ALTA form providing gap coverage or the ALTA short form. Other state forms may be used in states in which standard ALTA forms of coverage are not used or in which the 2006 ALTA forms have not been adopted. If alternative forms are used, the lender must ensure that those amendments provide the same coverage.</p> <p>The title policy should include all applicable endorsements issued by a title insurer qualified to do business in the jurisdiction in which the mortgage insured property is located, including the endorsements for Condominiums, PUDs.</p> <ul style="list-style-type: none"> • The title insurance coverage must include an environmental protection lien endorsement (ALTA 8.1-06 or equivalent state form). • The title insurance policy must ensure the mortgagee and its successors and assigns as to the first priority lien of the loan amount at least equal to the outstanding principal balance of the loan. • A statement by the title insurance company or closing attorney on such binder or commitment that the priority of the lien of the related Mortgage during the period between the date of the funding of the related Mortgage Loan and the date of the related title policy (which title policy shall be dated the date of recording of the related Mortgage) is insured. • Any existing tax or mechanic's liens must be paid in full through escrow.

Appendix A - Business Purpose & Occupancy Affidavit (the “Affidavit”)

LOAN NO: _____ (the “Loan”)

BORROWER(S) NAME: _____

BORROWER(S) ADDRESS: _____

PROPERTY ADDRESS: _____ (the “Property”)

I, the undersigned borrower(s), hereby declare that the following is true and correct:

1. **I have applied for this Loan and am seeking financing for the Property, subject to the terms and conditions of certain documentation related to the Loan (the “Loan Documents”), for business purposes only. The loan proceeds are intended to be used and shall be used for commercial purposes only, not for personal, family or household purposes.**
2. **If I have not executed a lease with a tenant (or tenants) at or before closing of the Loan, I intend to, and will use commercially reasonable methods and effort to obtain a tenant (or tenants) for the Property following closing of the Loan.**
3. **Neither I nor any family member intend or expect to occupy the Property at any time. I will not, under any circumstances, occupy the Property at any time while the Loan remains outstanding.** In addition, I will not claim the Property as my primary or secondary residence for any purposes for the duration of my Loan. I now reside, and for the duration of my Loan will continue to reside, elsewhere.
4. **I understand that Lender originating the Loan in reliance upon this Affidavit.** If this Affidavit is not true and correct, and in consideration of Lender making the Loan, I agree to indemnify Lender and its agents, affiliates, subsidiaries, parent companies, successors and assigns and hold them harmless from and against any and all loss, damage, liability or expense, including costs and reasonable attorneys’ fees, which they may incur as a result of or in connection with my misrepresentation. I further understand that any misrepresentation in this Affidavit will constitute an event of default under the terms of this Loan and the related Loan Documents and may result in the immediate acceleration of my debt and the institution of foreclosure proceedings, eviction, and any other remedies allowable by law.
5. **I understand that the agreements and covenants contained herein shall survive the closing of the Loan.**
6. **I understand that, based on the contents of this Affidavit, the Loan is a business-purpose loan secured by non-owner-occupied real property.** I understand that this means that the Loan may not be subject to the requirements of certain federal and state consumer protection, mortgage lending, or other laws, including but not limited to the provisions of the Truth in Lending Act (15 U.S.C. § 1601 et seq.), Real Estate Settlement Procedures Act (12 U.S.C. § 2601 et seq.), Gramm-Leach Bliley Act (15 U.S.C. §§ 6802-6809), Secure and Fair Enforcement Mortgage Licensing Act (12 U.S.C. § 5101 et seq.), and Homeowners Protection Act (12 U.S.C. § 4901 et seq.), and that my ability to avail myself of protections offered under federal and state laws for consumer-purpose residential mortgage loans may be limited.
7. **I understand that any false statements, misrepresentations, or material omissions I make in this Affidavit may result in civil and criminal penalties.**

Initial(s):	The Property is not and will not be occupied by me or any family member, or if Borrower is an entity, any member or owner of the Borrower entity.

Borrower(s) / Borrowing Entity Members:

[_____]

By: Name: _____
Title: _____
Date: _____

[_____]

By: Name: _____
Title: _____
Date: _____

ACKNOWLEDGMENT

State of _____)
County of _____)

On _____ before me, _____ (insert name and title of the officer) personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)