



# Prime Jumbo 1 AUS

## Program Eligibility Guide

Version

2.1

Effective

04.14.2025

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Prime Jumbo 1 AUS AUS Eligibility Matrix					
Fixed Rate (20,25,30 year) & Hybrid ARM Products					
Primary Residence   Purchase, Rate and Term Refinance					
Transaction Type	Units	FICO	Maximum LTV/CLTV/HCLTV	Maximum Loan Amount	
Purchase or Rate and Term Refinance	1	680	90% <sup>2</sup>	\$2,000,000	
		660	80%	\$2,000,000	
		720	70%	\$2,500,000	
		740	70%	\$3,000,000	
		740	60%	\$3,500,000	
	2	700	65%	\$1,500,000	
		720	60%	\$2,000,000	
Primary Residence   Cash-Out Refinance <sup>1</sup>					
Transaction Type	Units	FICO	Maximum LTV/CLTV/HCLTV	Maximum Loan Amount	Maximum Cash-Out
Cash-Out Refinance	1	700	75%	\$1,000,000	Unlimited
		720	80%	\$1,500,000	
		720	65%	\$2,000,000	
	2	720	60%	\$1, 500,000	Unlimited

Second Home   Purchase, Rate and Term Refinance					
Transaction Type	Units	FICO	Maximum LTV/CLTV/HCLTV	Maximum Loan Amount	
Purchase or Rate and Term Refinance	1	680	90% <sup>2</sup>	\$2,000,000	
		660	80%	\$2,000,000	
		720	70%	\$2,500,000	
Second Home   Cash-Out Refinance					
Transaction Type	Units	FICO	Maximum LTV/CLTV/HCLTV	Maximum Loan Amount	Maximum Cash-Out
Cash-Out Refinance	1	720	60%	\$1,500,000	Unlimited
			50%	\$2,000,000	

Investment <sup>3</sup>   Purchase   Rate and Term Refinance   Cash-Out Refinance				
Transaction Type	Units	Minimum FICO	Maximum LTV/CLTV/HLCTV	Maximum Loan Amount
Purchase	1-4	740	70%	\$2,000,000
Rate and Term Refinance	1-4	740	70%	\$2,000,000
Cash-Out Refinance	1-4	740	60%	\$2,000,000

<sup>1</sup>Texas 50 (a) (6) & Texas 50 (f) (2) refinances (Texas Equity Loans) only allowed on 20, 25 and 30-year fixed rate only. Additional restrictions apply, please see Windsor Mortgage Program Eligibility Supplement Section 2(D).

<sup>2</sup>The following requirements apply for transactions with LTVs greater than 80%:

- MI not required
- Secondary financing not allowed
- Maximum DTI 38%
- Gift funds not allowed
- Escrow/impound accounts required for LTVs greater than 80% unless prohibited by applicable laws
- ARM terms not available for LTV/CLTVs over 80%
- No Non-Occupant Co Borrowers
- For First Time Home Buyers see FTHB overlays for 80.01% LTV/CLTV or higher

<sup>3</sup>The following requirements apply for Investment Property: Purchase, Rate and Term Refinance and Cash-Out Refinance Transactions:

- Florida attached condominiums limited to 50% LTV/CLTV/HCLTV
- Co-ops not allowed
- Gift funds not allowed
- Transaction must be arm's length
- Appraiser to provide rent comparable schedule
- First-Time Homebuyers not allowed
- 20, 25, 30-year fixed rate only

**Prime Jumbo 1 AUS Loan Notes:**

- Minimum loan amount is \$1 over the current conforming loan limits.
- ARMs loans in New York state must be \$1 over current conforming/high balance limit set by FHFA.
- No Exceptions allowed on the Prime Jumbo 1 AUS program

Prime Jumbo 1 AUS Underwriting Guidelines	
Eligible Products	<p><b>Fixed Rate:</b> 20,25,30-year term</p> <p><b>ARM:</b> 5/6, 7/6 and 10/6 ARM, Fully Amortizing 30-year term</p> <p><b>Subject to Windsor Mortgage overlays, default to AUS Findings and FNMA/FHLMC Selling Guide for any guideline not addressed in this guide.</b></p>
ARM Features	<p><b>ARM Features:</b></p> <ul style="list-style-type: none"> <li>• Max 80% LTV/CLTV/HCLTV</li> <li>• Minimum loan amount is \$350,000</li> <li>• No Investment properties allowed</li> <li>• Caps: 2/1/5 -5/6 ARM</li> <li>• Caps: 5/1/5 allowed on 7/6, 10/6 ARM</li> <li>• Index: SOFR (30 Day Average)</li> <li>• Margin: 2.75</li> <li>• Floor: 2.75</li> <li>• No Conversion Option</li> <li>• Assumable</li> <li>• <b>Qualifying Rate:</b> <ul style="list-style-type: none"> <li>➤ <b>5/6 ARM</b> qualifies with the greater of the fully indexed rate or the Note rate +2%. <i>In New York state, loans must be \$1 over the current conforming/high balance limit set by FHFA.</i> <ul style="list-style-type: none"> <li>○ Windsor Mortgage Will allow for Rebuttal Presumption (HPCT) on 5/6 ARM. Note: Rebuttable Presumption = APR less than 2.25% above the applicable APOR.</li> </ul> </li> <li>➤ <b>7/6, 10/6 ARM</b> – qualify with greater of the fully indexed rate or the Note rate.</li> </ul> </li> </ul>
Ineligible Products	<ul style="list-style-type: none"> <li>• High-Cost Loans (Federal (TILA 1026.32), State, Local)</li> <li>• Higher-Priced Mortgage Loans (HPML) (TILA 1026.35)</li> <li>• Non-Standard to Standard Refinance Transactions (ATR Exempt)</li> <li>• Higher-Priced Covered Transactions (HPCT QM-Rebuttable Presumption) (TILA 1026.43(b)(4))</li> <li>• Balloons</li> <li>• Graduated Payments</li> <li>• Interest Only Products</li> <li>• Temporary Buydowns</li> <li>• Loans with Prepayment Penalties</li> <li>• Points and Fees exceeding 3% see eligibility supplement section 6.E</li> <li>• Loans with bridge financing by a third party, ie: Knock, Homelight or Opendoor</li> </ul>
Underwriting	<p><b>Follow the FNMA/FHLMC Seller Guide and AUS Findings subject to Windsor Mortgage overlays.</b></p> <ul style="list-style-type: none"> <li>• The loan must meet the Price Based QM definition; Safe Harbor = APR less than 1.50% above the applicable APOR</li> <li>• In all cases, the loan file must document the eight (8) ATR rules.</li> </ul>

Prime Jumbo 1 AUS Underwriting Guidelines	
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>Loans must be fully underwritten to one of the applicable Fannie Mae (chapters B3-3 through B3-6 of the Fannie Mae Single Family Selling Guide, published June 3, 2020) or Freddie Mac (sections 5102 through 5500 of the Freddie Mac Single-Family Seller/Service Guide, published June 10, 2020) guidelines (Only one guideline can be applied per loan)</li> <li><b><u>Windsor Mortgage aligns with Fannie Mae as the default throughout this guideline. However, both Fannie Mae DU and Freddie Mac LP are acceptable AUS programs to use.</u></b></li> <li>AUS findings with an <b>Approve/Ineligible -or- Eligible</b> due to loan amount - must be present in all closed loan files.</li> </ul>
<b>Windsor Mortgage Overlays</b>	<ul style="list-style-type: none"> <li>Minimum Credit Score is 660</li> <li>Maximum LTV/CLTV based on transaction type, occupancy, and credit score</li> <li>Maximum DTI (Refer to Debt to Income Ratio Section)</li> <li>Reserve Requirements – refer to Reserve Table</li> <li>Follow Windsor Mortgage's "Credit Event" Seasoning requirements</li> </ul>
<b>Eligible Borrowers</b>	<ul style="list-style-type: none"> <li>First-time homebuyer (FTHB) is defined as a borrower who has not owned a home in the last three (3) years. For loans with more than one (1) borrower, where at least one (1) borrower has owned a home in the last three (3) years, first-time homebuyer requirements do not apply. <ul style="list-style-type: none"> <li>➤ For FTHB transactions with 80.01% LTV/CLTV or higher, the following overlays are required: <ul style="list-style-type: none"> <li>○ Maximum loan amount is \$1,500,000</li> <li>○ 740 minimum FICO</li> <li>○ No gift funds allowed</li> <li>○ Primary residence only</li> <li>○ Reserve requirements met for FTHB as specified in the Asset section</li> </ul> </li> </ul> </li> <li>US Citizens</li> <li>Permanent Resident Aliens with evidence of lawful residency</li> <li>Must be employed in the US for the past twenty-four (24) months.</li> <li>Non-Permanent Resident Aliens with evidence of lawful residency are eligible with the following restrictions: <ul style="list-style-type: none"> <li>➤ Primary residence only.</li> <li>➤ The borrower must have a current twenty-four (24) month employment history in the US.</li> <li>➤ Unexpired Visas only. Borrowers should have a 24-month credit history based on AUS response.</li> <li>➤ Maximum LTV/CLTV is 80%</li> </ul> </li> <li>Illinois Land Trust (see Windsor Mortgage Program Eligibility Supplement for requirements).</li> <li>Inter Vivos Revocable Trust (see Windsor Mortgage Program Eligibility Supplement for requirements).</li> <li>All borrowers must have a valid Social Security Number.</li> <li>Non-Occupant Co-Borrowers: May or may not have an ownership interest in the subject property as indicated on the title report. <ul style="list-style-type: none"> <li>➤ Maximum LTV/CLTV of 80%</li> </ul> </li> </ul>

Prime Jumbo 1 AUS Underwriting Guidelines	
<b>Ineligible Borrowers</b>	<ul style="list-style-type: none"> <li>• Foreign Nationals</li> <li>• DACA Borrowers</li> <li>• ITIN Borrowers</li> <li>• Borrowers with diplomatic status</li> <li>• Life Estates</li> <li>• Non-Revocable Trusts</li> <li>• Guardianships</li> <li>• LLCs, Corporations or Partnerships</li> <li>• Land Trusts, except for the Illinois Land Trust</li> <li>• Borrowers with <b>any</b> ownership/employment in a business that is federally illegal, regardless of if the income is not being considered for qualifying.</li> </ul>
<b>Eligible Occupancy Types</b>	<ul style="list-style-type: none"> <li>• Follow FNMA/FHLMC Seller Guide and AUS Findings subject to Windsor Mortgage overlays.</li> </ul>
<b>Documentation</b>	<ul style="list-style-type: none"> <li>• Documentation waivers based on AUS recommendations permitted subject to Windsor Mortgage overlays. No Property Inspection or Drive-By Appraisal Waivers are allowed.</li> <li>• Income calculation worksheet or 1008 with income calculation. Current Fannie Mae Form 1084, Freddie Mac Form 91, or equivalent is required for self-employment income analysis. Full income and asset verification is required.</li> <li>• All credit documents, including title commitment, must be no older than 120 days from the Note date.</li> <li>• All loans must meet the Price-Based QM Safe Harbor definition. Safe Harbor =APR less than 1.50% above the applicable APOR.</li> <li>• QM Designation must be provided in the loan file: <ul style="list-style-type: none"> <li>➤ QM designation is QM Safe Harbor- APOR (or similar name, i.e. Price Based)</li> </ul> </li> <li>• Loan file must document the eight (8) Ability to Repay (ATR) rules identified in Part 1026-Truth-in-Lending (Regulation Z).</li> <li>• If the subject transaction is paying off a HELOC that is not included in the CLTV/ HCLTV calculation, the loan file must contain evidence that the HELOC has been closed.</li> <li>• If the 1003, title commitment, or credit documents indicate the borrower is a party to a lawsuit, additional documentation must be obtained to determine no negative impact on the borrower's ability to repay assets or collateral.</li> </ul>
<b>Debt-to-Income Ratio (DTI)</b>	<ul style="list-style-type: none"> <li>• Primary Residence and Second Home: 49.99% for LTVs ≤ 80%, 38% for LTVs &gt; 80%</li> <li>• Primary Residence and Second Home: DTI &gt; 45% ≤ 49.99% requires residual income calc</li> <li>• 45% ARMs</li> <li>• 47% Investment Property</li> </ul>
<b>LTV/CLTV/HCLTV Calculation for Refinances</b>	<ul style="list-style-type: none"> <li>• Follow FNMA/FHLMC Seller Guide and AUS Findings subject to Windsor Mortgage overlays.</li> </ul>



Prime Jumbo 1 AUS Underwriting Guidelines	
Refinance Transactions	<b>Rate and Term Refinance &amp; Cash-Out Refinance Requirements:</b> <ul style="list-style-type: none"> <li>Follow FNMA/FHLMC Seller Guide and AUS Findings subject to Windsor Mortgage overlays.</li> </ul>
	<b>Delayed Purchase Refinancing</b> <ul style="list-style-type: none"> <li>Follow FNMA/FHLMC Seller Guide and AUS Findings. <ul style="list-style-type: none"> <li>LTV/CLTV/HCLTV for Rate and Term refinances must be met. The loan is treated as a Rate and Term refinance except for primary residence transactions in Texas.</li> </ul> </li> </ul>
	<b>Continuity of Obligation:</b> When at least one (1) borrower on the existing mortgage is also a borrower on the new refinance transaction, continuity of obligation requirements have been met. <b>If continuity of obligation is not met, the following permissible exceptions are allowed for the new refinance to be eligible:</b> The borrower has been on title for at least twelve (12) months but is not obligated on the existing mortgage that is being refinanced, and the borrower meets the following requirements: <ul style="list-style-type: none"> <li>Has been making the mortgage payments (including any secondary financing) for the most recent twelve (12) months, or</li> <li>Is related to the borrower on the mortgage being refinanced.</li> </ul> <ul style="list-style-type: none"> <li>The borrower on the new refinance transaction was added to the title twenty- four (24) months or more prior to the disbursement date of the new refinance transaction.</li> <li>The borrower on the refinance inherited or was legally awarded the property by a court in the case of divorce, separation or dissolution of a domestic partnership.</li> <li>The borrower on the new refinance transaction has been added to the title through a transfer from a trust, LLC, or partnership. The following requirements apply: <ul style="list-style-type: none"> <li>The borrower must have been a beneficiary/creator (trust) or 25% or more owner of the LLC or partnership prior to the transfer.</li> <li>The transferring entity and/or borrower has had consecutive ownership (on title) for at least the most recent six (6) months prior to the disbursement of the new loan.</li> </ul> </li> </ul> <p><b>NOTE:</b> Transfer of ownership from a corporation to an individual does not meet the continuity of obligation requirement.</p>

<b>Secondary Financing</b>	<ul style="list-style-type: none"> <li>• Institutional Financing only. Seller subordinate financing is not allowed.</li> <li>• Subordinate liens must be recorded and clearly subordinate to the first mortgage lien.</li> <li>• If there is or will be an outstanding balance at the time of closing, the monthly payment for the subordinate financing must be included in the calculation of the borrower's debt-to-income ratio.</li> <li>• Full disclosure must be made of the existence of subordinate financing and the subordinate financing repayment terms. The following are acceptable subordinate financing types: <ul style="list-style-type: none"> <li>➤ Mortgage terms with interest at market rate.</li> <li>➤ A mortgage with regular payments that cover at least the interest due, resulting in no negative amortization.</li> </ul> </li> <li>• Employer subordinate financing is allowed with the following requirements: <ul style="list-style-type: none"> <li>➤ Employers must have an Employee Financing Assistance Program in place.</li> <li>➤ The employer may require full repayment of the debt if the borrower's employment ceases before the maturity date.</li> </ul> </li> </ul>
<b>Prime Jumbo 1 AUS Underwriting Guidelines</b>	
<b>Secondary Financing</b>	<ul style="list-style-type: none"> <li>➤ Financing may be structured in any of the following ways: <ul style="list-style-type: none"> <li>○ Fully amortizing level monthly payments</li> <li>○ Deferred payments for some period before changing to fully amortizing payments</li> <li>○ Deferred payments over the entire term.</li> <li>○ Forgiveness of debt over time</li> <li>○ Balloon payment of no less than five (5) years, or the borrower must have sufficient liquidity to pay off the subordinate lien.</li> </ul> </li> <li>• LTV/CLTV/HCLTV guidelines must be met for loans with subordinate financing.</li> <li>• <b>Secondary financing is not allowed on LTVs &gt; 80% on Prime Jumbo 1 AUS.</b></li> </ul>
<b>Texas 50 (a) (6) &amp; Texas 50 (f) (2) Refinances</b>	<ul style="list-style-type: none"> <li>• Texas 50 (a) (6) &amp; Texas 50 (f) (2) refinances (Texas Equity Loans) are only allowed on 20, 25, and 30-year fixed rates. Additional restrictions apply; please see Windsor Mortgage Program Eligibility Supplement.</li> </ul>
<b>Construction-To-Permanent Financing</b>	<ul style="list-style-type: none"> <li>• Follow the FNMA/FHLMC Seller Guide and AUS Findings. One -Time Close Transactions are not allowed.</li> </ul>

Credit	<p><b>Tradeline Requirements:</b> Follow FNMA/FHLMC Seller Guide and AUS Findings</p> <ul style="list-style-type: none"> <li>• Authorized user accounts are not allowed as an acceptable tradeline.</li> <li>• Non-traditional credit is not allowed as an acceptable tradeline.</li> </ul> <p><b>Disputed Tradelines:</b></p> <ul style="list-style-type: none"> <li>• Follow the FNMA/FHLMC Seller Guide and AUS Findings</li> </ul> <p><b>Rental History Requirements:</b></p> <ul style="list-style-type: none"> <li>• If the borrower(s) is a First-Time Homebuyer and has a rental history in the last twelve (12) months, a VOR reflecting 0X30 in the last twelve (12) months must be obtained. This applies to all borrowers on the loan.</li> <li>• First-Time Homebuyer is defined as a borrower who has not owned a home in the last three (3) years. For loans with more than one (1) borrower, where at least one (1) borrower has owned a home in the last three (3) years, first-time homebuyer requirements do not apply.</li> <li>• If the landlord is a party to the transaction or relative of the borrower, canceled checks or bank statements to verify satisfactory rent history are required; otherwise, if not related or a party to the transaction, a satisfactory VOR can be provided.</li> </ul> <p><b>Derogatory Credit:</b></p> <ul style="list-style-type: none"> <li>• 0x30 for a mortgage in the past 24 months. Follow the FNMA/FHLMC Seller Guide and AUS Findings.</li> </ul> <p><b>Follow the FNMA/FHLMC Selling Guide and AUS findings for additional credit guidelines.</b></p> <ul style="list-style-type: none"> <li>• <b>Bankruptcy:</b> Chapter 7, 11, or 13: Seven-year waiting period from the discharge or dismissal date.</li> <li>• <b>Foreclosure:</b> Seven-year waiting period measured from the completion date of the foreclosure reported on the credit report or other foreclosure documents.</li> <li>• <b>Deed-in-Lieu, Short Sale, Pre-foreclosure, and Charge-Off of a Mortgage Account: A seven-year waiting period is required from the completion date,</b> as reported on the credit report or other documents.</li> </ul>
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Prime Jumbo 1 AUS Underwriting Guidelines	
<b>Credit</b>	<p><b>Tradeline Requirements:</b> Follow FNMA/FHLMC Seller Guide and AUS Findings</p> <ul style="list-style-type: none"> <li>• Authorized user accounts are not allowed as an acceptable tradeline.</li> <li>• Non-traditional credit is not allowed as an acceptable tradeline.</li> </ul> <p><b>Disputed Tradelines:</b></p> <ul style="list-style-type: none"> <li>• Follow the FNMA/FHLMC Seller Guide and AUS Findings</li> </ul> <p><b>Rental History Requirements:</b></p> <ul style="list-style-type: none"> <li>• If the borrower(s) is a First-Time Homebuyer and has a rental history in the last twelve (12) months, a VOR reflecting 0X30 in the last twelve (12) months must be obtained. This applies to all borrowers on the loan.</li> <li>• First-Time Homebuyer is defined as a borrower who has not owned a home in the last three (3) years. For loans with more than one (1) borrower, where at least one (1) borrower has owned a home in the last three (3) years, first-time homebuyer requirements do not apply.</li> <li>• If the landlord is a party to the transaction or relative of the borrower, canceled checks or bank statements to verify satisfactory rent history are required; otherwise, if not related or a party to the transaction, a satisfactory VOR can be provided.</li> </ul> <p><b>Derogatory Credit:</b></p> <ul style="list-style-type: none"> <li>• 0x30 for a mortgage in the past 24 months. Follow the FNMA/FHLMC Seller Guide and AUS Findings.</li> </ul> <p><b>Follow the FNMA/FHLMC Selling Guide and AUS findings for additional credit guidelines.</b></p> <ul style="list-style-type: none"> <li>• <b>Bankruptcy:</b> Chapter 7, 11, or 13: Seven-year waiting period from the discharge or dismissal date.</li> <li>• <b>Foreclosure:</b> Seven-year waiting period measured from the completion date of the foreclosure reported on the credit report or other foreclosure documents.</li> </ul> <p><b>Deed-in-Lieu, Short Sale, Pre-foreclosure, and Charge-Off of a Mortgage Account: As reported on the credit report or other documents, a seven-year waiting period is required from the completion date.</b></p>
<b>Liabilities</b>	<p><b>Liability Requirements:</b> Follow FNMA/FHLMC Seller Guide and AUS Findings</p> <p><b>Contingent Liabilities:</b> Follow the FNMA/FHLMC Seller Guide and AUS Findings.</p> <p><b>Departure Residence Pending Sale:</b> Follow FNMA/FHLMC Seller Guide and AUS Findings</p> <p><b>Departure Residence Subject to Guaranteed Buy-out with Corporation Relocation:</b> Follow FNMA/FHLMC Seller Guide and AUS Findings</p>

<b>Assets</b>	<p><b>Asset Requirements: Follow FNMA/FHLMC Seller Guide and AUS Findings</b></p> <p>Beyond the minimum reserve requirements based on Windsor Mortgage’s overlays and to fully document the borrowers’ ability to meet their obligations, borrowers should disclose all liquid assets.</p> <ul style="list-style-type: none"><li>• Eligible assets must be held in a US account.</li><li>• Large deposits inconsistent with monthly income or deposits must be verified if used for down payment, reserves, or closing costs.</li><li>• We will verify that any large deposits did not result in any new undisclosed debt.</li><li>• Asset verification by a Fannie Mae-approved asset validation provider is allowed.</li><li>• <b>Asset documentation is based on AUS requirements.</b></li></ul>
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Prime Jumbo 1 AUS Underwriting Guidelines			
Assets	Reserve Requirements (# of Months of PITIA)**		
	Occupancy	Loan Amount	# of Months
	Primary Residence	≤ \$1,000,000	6
		≤ \$1,000,000 with LTV > 80%	12
		\$1,000,000-\$2,000,000 with LTV > 80%	15
		\$1,000,001 - \$2,000,000	12
		\$2,000,001 - \$3,500,000	18
	Second Homes	≤ \$1,000,000	6
		≤ \$1,000,000 with LTV > 80%	15
		\$1,000,000-\$2,000,000 with LTV > 80%	18
		> \$1,000,000	12
	Investment Properties	≤ \$2,000,000	18
	First-Time Home Buyer	≤ \$1,000,000 with LTV > 80%	15
		\$1,000,001 - \$1,500,000 with LTV > 80%	18
	Non-Retirement Asset Reserves Required for LTV/CLTVs 85.01%-90%	Primary Residence and Second Homes	3 months
	<b>Additional 1-4 Unit Financed REO</b> <ul style="list-style-type: none"> <li>An additional three (3) -OR—six (6) months reserves PITIA for each property is required based on the PITIA of the additional REO.</li> <li>If eligible to be excluded from the count of multiple financed properties, reserves are not required.</li> </ul> <i>See the Multiple Financed Properties section for full reserves and requirements.</i>		
	<b>**Borrowed funds (secured or unsecured) are not allowed for reserves.</b>		
Financing Concessions	<ul style="list-style-type: none"> <li>Follow the FNMA/FHLMC Seller Guide and AUS Findings</li> </ul>		
Seller Concessions	<ul style="list-style-type: none"> <li>Follow the FNMA/FHLMC Seller Guide and AUS Findings</li> </ul>		
Personal Property	<ul style="list-style-type: none"> <li>Follow the FNMA/FHLMC Seller Guide and AUS Findings</li> </ul>		

## Prime Jumbo 1 AUS Underwriting Guidelines

Income /  
Employment

Stable monthly income must meet the following requirements to be considered for qualifying:

- Stable - two (2) year history of receiving the income
- Verifiable
- High probability of continuing for at least three (3) years

*When the borrower has less than a two (2) year history of receiving income, the lender must provide a written analysis to justify the determination that the income used to qualify the borrower is stable.*

**Declining Income:** When the borrower's income is declining, the most recent twelve (12) months should be used.

In certain cases, an average of income for a longer period may be used when the decline is related to a one-time capital expenditure and proper documentation is provided.

In all cases, the decline in income must be analyzed to determine whether the rate of decline would negatively impact the continuation of income and the borrower's ability to repay. The employer or the borrower should explain the decline, and the underwriter should provide a written justification for including the declining income in qualifying.

**Residual Income Requirement - DTI > 45% ≤ 49.99% and all loans 85.01%-90% LTV**

- Residual Income Calculation is required for DTI exceeding 45% and not to exceed 49.99%, as well as LTVs exceeding 85%.  
All loans must meet the residual income requirements below. Residual income equals Gross Qualifying Income Less Monthly Debt (as included in the debt-to-income ratio)

# in Household	1	2	3	4	5
Required Residual	\$1550	\$2600	\$3150	\$3550	\$3700

*Add \$150 for additional family members*

**Gaps in Employment:** Refer to AUS findings.

**General Documentation Requirements:**

- 4506-C / Form 8821 must be signed and completed for all borrowers. IRS will require the latest form to be completed in full.
- Taxpayer consent form signed by all borrowers.
- Income calculation worksheet or 1008 with income calculation. The Fannie Mae 1084, or Freddie Mac Form 91 or equivalent, is required for self-employment analysis. The most recent Form 1084 or Form 91 should be used based on the application date. Instructions per Form 1084 or Form 91 must be followed.
  - Copy of liquidity analysis must be included in the loan file if the income analysis includes income from boxes 1, 2, or 3 on the K-1 that is greater than distributions indicated on the K-1.
  - If a liquidity analysis is required and the borrower is using business funds for down payment or closing costs, the liquidity analysis must consider the reduction of those assets.

Prime Jumbo 1 AUS Underwriting Guidelines	
Income / Employment	<ul style="list-style-type: none"> <li>• Paystubs must meet the following requirements: <ul style="list-style-type: none"> <li>➤ Clearly identify the employee/borrower and the employer.</li> <li>➤ Reflect on the current pay period and year-to-date earnings.</li> <li>➤ Computer generated.</li> <li>➤ Paystubs issued electronically via email or the Internet must show the URL address, date and time printed, and identifying information.</li> <li>➤ Year-to-date pay with the most recent pay period at the time of application and no earlier than 120 days prior to the Note date.</li> </ul> </li> <li>• W-2 forms</li> <li>• Verification of Employment Requirements: The requirements below apply when income is positive and included in qualifying income: <ul style="list-style-type: none"> <li>➤ Verbal Verification of Employment (VVOE) must be performed no more than ten (10) business days prior to the Note date.</li> <li>➤ The Verbal VOE should include the following information for the borrower: <ul style="list-style-type: none"> <li>○ Date of contact</li> <li>○ Name and title of the person contacting the employee</li> <li>○ Name of employer</li> <li>○ Start date of employment</li> <li>○ Employment status and job title</li> <li>○ Name, phone #, and title of the contact person at the employer</li> <li>○ Independent source used to obtain employer phone number</li> </ul> </li> <li>➤ Fannie Mae Verification of Employment alternatives allowed for non-self-employed borrowers.</li> <li>➤ Verification of the existence of the borrower's self-employment must be verified through a third-party source and no more than 120 calendar days prior to the Note date. <ul style="list-style-type: none"> <li>○ Third-party verification can be from a CPA, regulatory agency, or applicable licensing bureau. A borrower's website is not acceptable third-party source.</li> <li>○ Listing and address of the borrower's business</li> <li>○ Name and title of person completing the verification and date of verification.</li> </ul> </li> <li>➤ Written Verification of Employment may be required for a borrower's income sourced from commissions, overtime, and or other income when the income detail is not clearly documented on W-2 forms or pay stubs.</li> </ul> </li> </ul> <p><b>Tax Returns must meet the following requirements when used for qualifying:</b></p> <ul style="list-style-type: none"> <li>• Personal income tax returns (if applicable) must be complete with all schedules (W-2 forms, K-1s, etc.) and must be signed and dated. In lieu of a signature, personal tax transcripts for the corresponding year may be provided.</li> <li>• Business income tax returns (if applicable) must be complete with all schedules and must be signed and dated. In lieu of a signature, business transcripts for the corresponding year may be provided on or before the closing date.</li> <li>• For unfiled tax returns for the prior year's tax return, please see the <b>Windsor Mortgage Program Eligibility Supplement</b>.</li> </ul>



Prime Jumbo 1 AUS Underwriting Guidelines	
Income / Employment	<b>Unacceptable Sources of Income:</b> <ul style="list-style-type: none"> <li>Any unverified source</li> <li>Deferred compensation</li> <li>Temporary or one-time occurrence income</li> <li>Rental income from primary residence – One (1) unit property or one (1) unit property with an accessory unit</li> <li>Rental income from a second home</li> <li>Retained earnings</li> <li>Education benefits</li> <li>Trailing spouse income</li> <li>Any income that is not legal in accordance with all applicable federal, state, and local laws, rules, and regulations. Federal law restricts the following activities, and therefore the income from these sources is <b>not allowed</b> for qualifying: <ul style="list-style-type: none"> <li>Foreign shell banks.</li> <li>Medical marijuana dispensaries.</li> <li>Any business or activity related to recreational marijuana use, growing, selling, or supplying of marijuana, even if legally permitted under state or local law.</li> <li>Businesses engaged in any internet gambling.</li> </ul> </li> </ul>
	<b>Specific Income Documentation Requirements</b>
	<b>Non-Self Employment Documentation Requirements:</b>
	<b>Follow the FNMA/FHLMC Seller Guide and DU/LP Findings for the following income types:</b>
	<ul style="list-style-type: none"> <li>Alimony/Child Support/Separate Maintenance</li> <li>Asset Depletion</li> <li>Capital Gains</li> <li>Commission Income</li> <li>Disability Income – Long Term (Private policy or employer-sponsored policy)</li> <li>Dividends and Interest Income</li> <li>Foreign Income</li> <li>K-1 Income/Loss on Schedule E</li> <li>Non-taxable income (Child support, military rations/quarters, disability, foster care, etc.)</li> <li>Note Income</li> <li>Overtime and Bonus Income</li> <li>Part-Time Income</li> <li>Projected Income</li> <li>Rental Income</li> <li>Rental Income - Departing Primary Residence</li> <li>Retirement Income (Pension, Annuity, 401(k), IRA Distributions)</li> <li>Salaried/Hourly Income</li> <li>Social Security Income</li> <li>Temporary Leave Income</li> </ul>

Prime Jumbo 1 AUS Underwriting Guidelines	
Income / Employment	<b>Restricted Stock and Stock Options</b>
	<ul style="list-style-type: none"> <li>Allowed. <b>Follow FNMA/FHLMC Seller Guide and DU/LP Findings</b></li> </ul>
	<b>Borrowers Employed by Family</b>
	<ul style="list-style-type: none"> <li>YTD paystub</li> <li>Two (2) years W-2s and</li> <li>Two (2) years of personal tax returns with two (2) years of tax transcripts.</li> <li>VVOE</li> <li>Borrower's potential ownership in the business must be addressed.</li> </ul>
	<b>Trust Income</b>
	<ul style="list-style-type: none"> <li>Follow the FNMA/FHLMC Seller Guide and AUS Findings</li> <li>Copy of trust agreement or trustee statement showing: <ul style="list-style-type: none"> <li>➤ Total amount of borrower designated trust funds.</li> <li>➤ Terms of payment.</li> <li>➤ Duration of trust.</li> <li>➤ Evidence that the trust is irrevocable.</li> </ul> </li> </ul>
	<b>Self-Employment</b>
	<p><b>Follow FNMA/FHLMC Seller Guide and AUS Findings</b></p> <ul style="list-style-type: none"> <li>Self-employed borrowers are defined as having 25% or greater ownership or receiving 1099 statements to document income.</li> </ul> <p><b>The requirements below apply to Self-Employed borrowers.</b></p> <ul style="list-style-type: none"> <li>Income calculations should be based on the Fannie Mae Form 1084 or Freddie Mac Form 91 or equivalent income calculation form.</li> <li>Year-to-date financials (profit and loss statement) are not required if the income reporting is positive, not declining, and not counted in qualifying income.</li> </ul> <p><b>A two-year history is generally required.</b></p> <ul style="list-style-type: none"> <li>12-24 months of self-employment history may be considered as long as the borrower's most recent tax returns reflect income at the same or greater level in a field that provides the same products or services as the current business or in an occupation in which he or she had similar responsibilities to those in connection with the current business.</li> <li>1-2 years signed 1040s and K-1's depending on AUS findings.</li> <li>Signature requirement may be waived if tax transcripts are obtained to support the 2 years of 1040s.</li> <li>If one year is required per AUS findings the following requirements apply: <ul style="list-style-type: none"> <li>➤ Signed 1040s and Business Tax Returns for the most recent year.</li> <li>➤ Confirm the tax returns reflect at least 12 months of self-employment income.</li> </ul> </li> <li>Verification of Self-Employment Income: <ul style="list-style-type: none"> <li>➤ Verify the existence of the client's business within 120 calendar days prior to the note date.</li> </ul> </li> </ul>

Prime Jumbo 1 AUS Underwriting Guidelines	
Income / Employment	<ul style="list-style-type: none"> <li>• <b>Year-To-Date Profit &amp; Loss Statement:</b> <ul style="list-style-type: none"> <li>➤ Year-to-date profit &amp; Loss is only required if self-employment income is the primary income source used to qualify.</li> <li>➤ Profit and Loss is not required for Secondary Self Employment.</li> <li>➤ Year-to-date is defined as the period ending as of the most recent tax return through the most recent quarter ending one (1) month prior to the Note date.</li> <li>➤ For tax returns on extension, the entire unfilled year is also required</li> <li>➤ If the Year-to-Date profit &amp; loss statements reflect a downward income trend, the lower income reporting on the YTD Profit &amp; Loss must be used for qualification.</li> <li>➤ It may be either audited or unaudited. CPA-prepared or borrower-prepared is acceptable.</li> <li>➤ YTD P&amp;L is required for the current year to date if the Note date is on or after April 30<sup>th</sup>.</li> </ul> </li> <li>• <b>YTD P&amp;L may be omitted if the following criteria are met:</b> <ul style="list-style-type: none"> <li>➤ Two (2) years of tax returns are provided, and no declining income is present.</li> <li>➤ If the Note date is after April 15th, P&amp;L may only be omitted if the most recent tax year return is filed. If the extension is filed, then YTD P&amp;L for the prior year is required, and depending on the Note date, current YTD P&amp;L may also be required.</li> </ul> </li> <li>• <b>Secondary Self-Employment Income:</b> <ul style="list-style-type: none"> <li>➤ Follow FNMA/FHLMC Seller Guide and AUS Findings</li> </ul> </li> <li>• <b>Income from Self-Employed Co-Borrower:</b> <ul style="list-style-type: none"> <li>➤ Follow FNMA/FHLMC Seller Guide and AUS Findings</li> </ul> </li> </ul>
	<p align="center"><b>Follow FNMA/FHLMC Seller Guide and AUS Findings for the following Self-Employment income types:</b></p>
	<ul style="list-style-type: none"> <li>• Corporation</li> <li>• Partnership/S-Corporation</li> <li>• Sole Proprietorship (Includes Schedule C and Schedule F)</li> </ul>

<b>Multiple Financed Properties</b>	<ul style="list-style-type: none"><li>• The borrower(s) may own a total of ten (10) financed, 1–4-unit residential properties, including the subject property, regardless of the occupancy type of the subject property.<ul style="list-style-type: none"><li>➤ If the borrower owns up to four (4) financed properties:<ul style="list-style-type: none"><li>○ Max financing for the subject transaction is allowed</li><li>○ Additional financed 1–4-unit residential properties require three (3) months reserves for each property</li></ul></li><li>➤ If the borrower owns between five (5) and ten (10) financed properties:<ul style="list-style-type: none"><li>○ The subject transaction is limited to a maximum of 80% LTV/CLTV/HCLTV or program maximum (lower of the two)</li><li>○ Subject property requires the greater of six (6) months reserves or required reserves per guidelines as indicated in the Asset Section of this guide</li><li>○ Additional financed 1-4 unit residential properties require six (6) months reserves for each property</li></ul></li></ul></li></ul>
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Prime Jumbo 1 AUS Underwriting Guidelines	
<b>Multiple Financed Properties</b>	<ul style="list-style-type: none"> <li>The borrower may own an unlimited number of financed 1-4 unit residential properties when the subject transaction is a primary residence with the following requirements met: <ul style="list-style-type: none"> <li>➤ The subject transaction is limited to a maximum of 80% LTV/CLTV/HCLTV or program maximum (lower of the two).</li> <li>➤ Additional financed 1-4 unit residential properties require six (6) months of reserves for each property.</li> </ul> </li> <li>1-4 unit residential financed properties held in the name of an LLC or other corporation can be excluded from the number of financed properties only when the borrower is not personally obligated for the mortgage.</li> <li>Ownership of commercial or multifamily (five (5) or more units) real estate is not included in this limitation.</li> </ul>
<b>Properties Listed for Sale</b>	<ul style="list-style-type: none"> <li>Properties currently listed for sale (at the time of application) are not eligible</li> </ul>
<b>Eligible Properties</b>	<ul style="list-style-type: none"> <li>1-2 Unit Owner Occupied Properties</li> <li>1 Unit Second Homes</li> <li>Condominiums – Attached – Warrantable- Follow AUS/Agency requirements. <ul style="list-style-type: none"> <li>➤ The limited review allowed for attached units in established condominium projects: <ul style="list-style-type: none"> <li>○ Eligible transactions as per AUS/Agency requirements.</li> <li>○ Projects located in Florida are not eligible for limited review.</li> </ul> </li> <li>➤ CPM or PERS allowed</li> <li>➤ Full Review allowed. Warranty to AUS/Agency full review guidelines.</li> <li>➤ Projects with 2-4 units – Follow AUS/Agency requirements.</li> <li>➤ Condominium documents to support condominium eligibility review must be no older than 120 days from the Note date.</li> </ul> </li> <li>Condominiums – Detached (including site condominiums) <ul style="list-style-type: none"> <li>➤ Follow AUS/Agency requirements.</li> </ul> </li> <li>Modular homes</li> <li>Planned Unit Developments (PUDs)</li> <li>Properties with ≤40 acres <ul style="list-style-type: none"> <li>➤ Properties &gt;10 acres ≤40 acres must meet the following: <ul style="list-style-type: none"> <li>○ No commercial use allowed</li> <li>○ No income-producing attributes</li> </ul> </li> </ul> </li> </ul> <p><b>Miscellaneous:</b> Properties with leased solar panels must meet Fannie Mae requirements.</p> <p><b>Acceptable Forms of Ownership:</b></p> <ul style="list-style-type: none"> <li>Fee Simple with title vesting as: <ul style="list-style-type: none"> <li>➤ Individual</li> <li>➤ Joint Tenants</li> <li>➤ Tenants in Common</li> </ul> </li> <li>Deed/Resale Restrictions must meet Fannie Mae requirements.</li> </ul>

Prime Jumbo 1 AUS Underwriting Guidelines	
<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>• 2-4 unit second home properties</li> <li>• 3-4 unit owner-occupied properties</li> <li>• Condotels / Condo Hotels</li> <li>• Manufactured Homes/Mobile Homes</li> <li>• Mixed-Use Properties</li> <li>• Model Home Leasebacks</li> <li>• Non-Warrantable Condominiums</li> <li>• Properties with condition rating of C5/C6</li> <li>• Properties with a construction rating of Q6</li> <li>• Properties located in Hawaii in lava zones 1 &amp; 2</li> <li>• Properties located in areas where a valid security interest in the property cannot be obtained</li> <li>• Properties &gt;40 acres</li> <li>• Leasehold properties</li> <li>• Solar panels that will include a formal Deed Restriction tied to borrower access to equipment.</li> <li>• Co-Ops</li> <li>• Properties with a private transfer fee covenant unless the covenant is excluded under 12CFR 1228 as an excepted transfer fee covenant</li> <li>• Tenants-in-Common projects (TICs)</li> <li>• Unique properties</li> <li>• Working farms, ranches, or orchards</li> </ul>
<b>Non-Arm's Length Transactions</b>	<p>A non-arm's length transaction exists whenever there is a personal or business relationship with any parties to the transaction, which may include the seller, builder, real estate agent, appraiser, lender, title company, or other interested party.</p> <p>The following non-arm's length transactions are eligible:</p> <ul style="list-style-type: none"> <li>• Family sales or transfers</li> <li>• Property seller acting as their own real estate agent</li> <li>• Relative of the property seller acting as the seller's real estate agent</li> <li>• Borrower acting as their own real estate agent</li> <li>• Relative of the borrower acting as the borrower's real estate agent</li> <li>• Borrower is the employee of the originating lender, and the lender has an established employee loan program. Evidence of employee program to be included in the loan file.</li> <li>• Originator is related to the borrower</li> <li>• Originator is a current subsidiary of the builder</li> <li>• Borrower purchasing from their landlord (canceled checks or bank statements required to verify satisfactory pay history between borrower and landlord).</li> </ul> <p>Gifts from relatives who are interested parties to the transaction are not allowed unless they are gifts of equity.</p> <p>Real estate agents may apply their commission towards closing costs and/or prepaids if the amounts are within the interested party contribution limitations.</p>

Prime Jumbo 1 AUS Underwriting Guidelines	
<b>Disaster Policy</b>	See <a href="#">Windsor Mortgage</a> Program Eligibility Supplement for requirements.
<b>Escrow Holdbacks</b>	Not allowed unless the holdback has been disbursed and a certification of completion has been issued prior to purchase by Windsor Mortgage.
<b>Appraisal Requirements</b>	<ul style="list-style-type: none"> <li>Transferred appraisals are not allowed.</li> <li>Appraisal Waivers, also known as PIW or Drive-By appraisals, are not allowed.</li> <li>Appraisals must be completed for the subject transaction. Use of a prior appraisal, regardless of the date of the prior appraisal, is not allowed.</li> <li>Appraisal Update (Form 1004D) is allowed for appraisals that are over 120 days aged but less than 180 days aged from Note. <ul style="list-style-type: none"> <li>The appraiser must inspect the exterior of the property and provide a photo.</li> </ul> </li> <li>The appraiser must review current market data to determine whether the property has declined in value since the date of the original appraisal. If the value has declined since the original appraisal, a new full appraisal is required.</li> <li>The appraisal Update (1004D) must be dated within 120 days of the Note date.</li> <li>Investment Properties must contain a rent-comparable schedule.</li> <li><b>Collateral Underwriter (CU) or Loan Collateral Advisor (LCA) score in lieu of a CDA or CCA.</b> <ul style="list-style-type: none"> <li>The use of the Collateral Underwriter (CU) score in lieu of a CDA is allowed with the following requirements: <ul style="list-style-type: none"> <li>UCDP SSR included in loan file with a Fannie CU score of 2.5/or Loan Collateral Advisor (LCA) with a score of 2.5 -or- less</li> </ul> </li> </ul> <p><b>Note:</b> (CU/LCA) score cannot be used if a CDA or CCA has been pulled, and value is not supported within 10% tolerance; further value support is required by either a Value Reconciliation from Clear Capital, Field Review or 2<sup>nd</sup> full appraisal</p> </li> <li>Cannot interchange CU/LCA scores: Fannie Mae loans require a CU score; Freddie Mac loans require an LCA score.</li> <li>A Collateral Desktop Analysis (CDA) ordered from Clear Capital or a Consolidated Collateral Analysis (CCA) from Consolidated Analytics is required to support the appraisal's value if the CU score is not being applied. The Seller is responsible for ordering the CDA or CCA.</li> <li>If the CDA or CCA returns a value that is "Indeterminate" or if the CDA or CCA indicates a lower value than the appraised value that exceeds a 10% tolerance, then one (1) of the following requirements must be met: <ul style="list-style-type: none"> <li>A Clear Capital BPO or Consolidated Analytics BPO (Broker Price Opinion) and a Clear Capital Value Reconciliation or a Consolidated Analytics Value Reconciliation of three reports is required.</li> <li>The Value Reconciliation will be used for the appraised value of the property. The Seller is responsible for ordering the BPO and Value Reconciliation through Clear Capital or Consolidated Analytics.</li> <li>A field review or 2<sup>nd</sup> full appraisal may be provided. The lower of the two values will be used as the appraised value of the property. The Seller is responsible for providing the field review or 2<sup>nd</sup> full appraisal.</li> </ul> </li> </ul>

Prime Jumbo 1 AUS Underwriting Guidelines		
Appraisal Requirements	<ul style="list-style-type: none"> <li>If two (2) full appraisals are provided, a CDA is not required.</li> <li>For properties purchased by the seller of the property within ninety (90) days of the fully executed purchase contract, the following requirements apply: <ul style="list-style-type: none"> <li>A second full appraisal is required.</li> <li>The property seller on the purchase contract is the owner of the record.</li> <li>Increases in value should be documented with commentary from the appraiser and recent paired sales.</li> </ul> </li> </ul> <p><i>The above requirements do not apply if the property seller is a bank that received the property as a result of foreclosure or deed-in-lieu.</i></p> <p><b>Appraisal requirements based on the loan amount:</b></p>	
	First Lien Amount	Appraisal Requirements
	Purchase Transactions	
	≤\$2,000,000	1 Full Appraisal
	>\$2,000,000	2 Full Appraisals
	Refinance Transactions	
	≤\$1,500,000	1 Full Appraisal
	>\$1,500,000	2 Full Appraisals
	<ul style="list-style-type: none"> <li>When two (2) appraisals are required, the following applies: <ul style="list-style-type: none"> <li>Two (2) independent companies must complete appraisals.</li> <li>The LTV will be determined by the lower of the two (2) appraised values if the lower appraisal supports the value conclusion.</li> <li>Both appraisal reports must be reviewed and address any inconsistencies between the two (2) reports and all discrepancies must be reconciled.</li> <li>If the two (2) appraisals are done “subject to” and 1004Ds are required, it is allowable to provide one (1) 1004D. If only one (1) 1004D is provided, it should be for the appraisal that the value of the transaction is being based upon.</li> </ul> </li> </ul>	



Version History

Version Number	Date	Description of Change
1.0	11.04.2021	<ul style="list-style-type: none"> <li>Initial version of Jumbo 1 AUS program</li> </ul>
1.1	01.03.2022	<ul style="list-style-type: none"> <li>Added verbiage tied to Freddie Mac, removed language tied to income requirements to refer only to Follow FNMA/FHLMC Seller Guide and DU/LP Findings throughout the guide. (Jumbo 1 AUS, <i>Underwriting Guidelines</i>)</li> <li>Updated minimum loan amounts from \$548,251 to \$647,201. (Jumbo 1 AUS, Eligibility Matrix, <i>Footnotes</i>)</li> <li>Amended Priced Based APOR verbiage (Jumbo 1 AUS/ Underwriting Guidelines /<i>Documentation</i>)</li> </ul>
1.2	04.11.2022	<ul style="list-style-type: none"> <li>Clarified verbiage addressing DU/LP to AUS findings (Jumbo 1 AUS, Underwriting Guides / <i>all sections</i>)</li> <li>Added to multiple credit events that 10 years seasoning are not considered a true credit event (Jumbo 1 AUS/Underwriting/Credit/<i>Derogatory Credit</i>)</li> <li>Added Drive- By appraisals to not acceptable as property waiver (Jumbo 1 AUS/Underwriting/appraisal requirements)</li> <li>Added Points and Fees exceeding 3% commentary (Jumbo 1 AUS / Underwriting Guidelines / <i>Ineligible Products</i>)</li> <li>Added One Time Close to list of ineligible transactions (Select AUS/Underwriting/<i>Construction to Perm</i>)</li> </ul>
1.3	01.03.2023	<ul style="list-style-type: none"> <li>Updated the new conforming loan limits from \$647,201 to \$726,201 (Jumbo 1 AUS, Eligibility Matrix, <i>Footnotes</i>)</li> <li>Added Declining Markets properties as an Eligible property for Windsor Mortgage to purchase with 5% LTV/CLTV/HCLTV reduction to apply (Jumbo 1 AUS/Underwriting Guidelines /<i>Eligible Properties</i>)</li> <li>Added Consolidated Analytics as additional vendor to use for additional value support (Jumbo 1 AUS/ Underwriting Guidelines /<i>Appraisal Requirements</i>)</li> </ul>
1.4	08.21.2023	<ul style="list-style-type: none"> <li>Updated minimum loan amount verbiage to align with all guidelines (Jumbo 1 AUS/Eligibility Matrix/Jumbo 1 AUS Notes)</li> <li>Added clarity to Credit Seasoning to include Credit Event Seasoning (Jumbo 1 AUS/Underwriting Guidelines/ Windsor Mortgage Overlays)</li> <li>Updated Credit Documents age from 90 days to 120 days (Select AUS/Underwriting Guides/<i>Documentation</i>)</li> <li>Updated Credit Inquiry letters to be within 90 days from 120 days (Jumbo 1 AUS/Underwriting Guidelines/Credit)</li> <li>Updated age of paystubs to align with credit document date of 90 to 120 days (Jumbo 1 AUS/Underwriting Guidelines/Income and Employment)</li> </ul>

Version Number	Date	Description of Change
		<ul style="list-style-type: none"> <li>Removed Bullet Point 4 about 2-year tax return requirements (AUS/Underwriting Guidelines/Income and Employment/Self Employment Section)</li> <li>Added additional verbiage not to use DU and LP interchangeably as tied to CU and LCA scores (Jumbo 1 AUS/Underwriting Guidelines/ Appraisal Requirements)</li> </ul>
1.5	10.16.2023	<ul style="list-style-type: none"> <li>Added line item to allow for a minimum 680 credit score, 70% LTV/CLTV/HCLTV to \$1,000,000 for Primary Purchase/Rate and Term (Jumbo 1 AUS/ Eligibility Grid/Primary Purchase and Rate and Term)</li> <li>Reduced minimum credit score for Primary Residence Purchase/Rate and Term 2-Unit from 720 to 700 for loan amounts <math>\leq</math> \$1,000,000 (Jumbo 1 AUS/ Eligibility Grid/Primary Purchase and Rate and Term)</li> <li>Removed Line-item Primary Residence Cash Out, 720 credit score, 70% LTV/CLTV/HCLTV at \$1,000,000(Jumbo 1 AUS/Eligibility Grid/Primary Residence/Cash Out)</li> <li>Reduced minimum credit score from 740 to 720 for Second Home Transactions (Jumbo 1 AUS/Eligibility/Second Homes)</li> <li>Increased maximum DTI from 45% to 49.99% (Jumbo 1 AUS/Underwriting Guidelines/Debt to Income Ratio)</li> <li>Asset documentation verbiage to state based on AUS requirements (Jumbo 1 AUS/Underwriting Guide/Assets)</li> <li>Updated language as tied to Gaps of Employment to state Refer to AUS findings from a minimum of two-year employment history is required (Select AUS/Underwriting Guide/Income and Employment)</li> <li>Added Temporary Leave Income as acceptable to be documented based on AUS findings (Jumbo 1 AUS/Underwriting Guide/Income and Employment/Non-Self Employment Income)</li> <li>Cleaned up Condominium verbiage to remove Fannie-only references and refer to AUS /Selling Guide requirements for Condo Warrantability (Select AUS/Underwriting Guide/Eligible Properties)</li> <li>Removed Windsor Mortgage overlay for max land-to-value ratio of 35% for acreage 10-40 acres (Jumbo 1 AUS/Underwriting Guide/Eligible Property)</li> </ul>
1.6	01.02.2024	<ul style="list-style-type: none"> <li>Adopted the new conforming loan amounts as set forth by FHFA</li> </ul>
1.7	04.15.2024	<ul style="list-style-type: none"> <li>Removed Declining Markets Policy note (Jumbo 1 AUS/Eligibility/Notes)</li> <li>Updated VOR requirements as tied to First Time Homebuyers (Jumbo 1 AUS/Underwriting/Credit)</li> <li>Added RSU Income as eligible based on Fannie or Freddie's requirements. (Jumbo 1 AUS/Underwriting/Income and Employment/Restricted Stock Income)</li> <li>Added Fannie Mae Alternative VVOE methods as acceptable for non-self-employed borrowers (Jumbo 1 AUS/Underwriting/Income and Employment)</li> </ul>

Version Number	Date	Description of Change
		<ul style="list-style-type: none"> <li>Updated Profit and Loss requirements to allow omit with certain criteria met. Added clarifying information about Profit and Loss statements. (Jumbo 1 AUS/Underwriting/Income and Employment/Profit and Loss Statements)</li> <li>Removed Declining Markets Policy (Jumbo 1 AUS/Underwriting/Appraisal Requirements)</li> </ul>
1.8	10.07.2024	<ul style="list-style-type: none"> <li>Updated Primary Residence Eligibility, Purchase/Rate, and Term 75% LTV to 80% LTV to \$2,000,000 (Jumbo 1 AUS/Eligibility/Primary Residence)</li> <li>Updated Second Home Eligibility, Purchase/Rate, and Term; increased minimum loan amount from \$1,500,000 to \$2,000,000. (Jumbo 1 AUS/Eligibility/Second Home)</li> <li>Removed Second Home Eligibility Purchase/Rate and Term, 70%, \$2,000,000(Jumbo 1 AUS/Eligibility/Second Home)</li> <li>Increased Second Home Eligibility, Purchase/Rate, and Term 65% LTVCLTV to 70% LTV/CLTV (Jumbo 1 AUS/Eligibility/Second Home)</li> <li>Added Investment Properties as eligible, Purchase, Rate and Term, and Cash Out, 1-4 units, minimum 740 credit score, max loan amount \$1,500,000 (Jumbo 1 AUS/Eligibility)</li> <li>Added Investment Notes section to Eligibility page (Jumbo 1 AUS/Eligibility)</li> <li>Added ARMs as eligible products to eligibility 5/7/10 year ARM 30-year term (Jumbo 1 AUS/Eligibility/Underwriting Guide/Eligible Products)</li> <li>Added ARM Features section to AUS Eligibility guide (Jumbo 1 AUS/Underwriting guide/ARM Features)</li> <li>Added Assumable ARMS and bridge financing from third party as ineligible (Jumbo 1 AUS/Underwriting guide/Ineligible Products)</li> <li>Amended Non-Perm Aliens to remove the one Visa renewal clause, replaced with unexpired Visas only and credit history requirements (Select AUS/Underwriting Guidelines/Eligible Borrowers)</li> <li>Added DACA and ITIN borrowers as ineligible for clarity (Select AUS/Underwriting Guidelines/Ineligible Borrowers)</li> <li>Amended Debt to income to add ARMs to 45% and added Investment DTI to 47%-(Jumbo 1 AUS/underwriting Guidelines/Debt to Income)</li> <li>Updated credit history requirements as tied to mortgage lates, increased from 0x30x12 to 0x30x24 months (Jumbo 1 AUS/Underwriting Guidelines/Credit/Derogatory Credit)</li> <li>Added reserve requirements of 12 months for all investment properties (Jumbo 1 AUS /Underwriting Guidelines/Assets/Reserve Requirements)</li> <li>Removed Investment Properties from Ineligible Properties (Select AUS/Underwriting Guidelines/Ineligible Properties)</li> <li>Added Investment properties to include a rent comparable schedule (Jumbo 1 AUS/Underwriting Guidelines/Appraisal Requirements)</li> </ul>

Version Number	Date	Description of Change
		<ul style="list-style-type: none"> <li>Amended Reserves to account for the mx \$3,500,000, reserves of 18 months now required \$2-\$3,500,000 (Jumbo 1 AUS /Underwriting Guidelines/Assets/Reserves)</li> <li>Added Primary Purchase and Rate/Term \$2,500,000, 70%, 720 score-(Jumbo 1 AUS/Eligibility Guide)</li> <li>Added Primary Purchase and Rate/Term to \$3,000,000, 70%, 760 (Jumbo 1 AUS/Eligibility Guide)</li> <li>Added Primary Purchase and Rate/Term to \$3,500,000, 60%, 760 (Jumbo 1 AUS/Eligibility Guide)</li> <li>Added two full appraisals required for loan amounts exceeding \$2,000,000 on purchases (Jumbo 1 AUS/Underwriting Guidelines/ Appraisal Requirements)</li> </ul>
1.9	01.06.2025	<ul style="list-style-type: none"> <li>Removed not assumable for ARM within overlay box. Assumable ARMs now eligible.</li> <li>Updated program name from Jumbo 1 AUS to Prime Jumbo 1 AUS</li> <li>Adopted new 2025 FHFA loan amounts</li> </ul>
2.0	3.17.2025	<ul style="list-style-type: none"> <li>Updated Primary and Second Home Eligibility to allow for 660 from 680 min score, purchase rate and term. (Prime Jumbo 1 AUS / Eligibility Matrix)</li> <li>Updated Primary Residence and Second Home Eligibility to allow for 90%LTV/CLTV to 2 million. (Prime Jumbo 1 AUS / Eligibility Matrix)</li> <li>Updated Primary Cash out LTVs and loan amounts. (Prime Jumbo 1 AUS / Eligibility Matrix)</li> <li>Added Note Section in Eligibility to support the over 80.00% LTV/CLTV overlays Prime Jumbo 1 AUS / Eligibility Matrix/ Footnotes)</li> <li>Added Investment Properties from \$1,500,000 to \$2,000,000 mx loan amount (Prime Jumbo 1 AUS / Eligibility Matrix)</li> <li>Added FTHB in the Eligible Borrower section to allow for the higher LTV/CLTV overlays (Prime Jumbo 1 AUS / UW Guidelines / Eligible Borrowers)</li> <li>Added overlay to non-perm resident aliens to cap at 80% LTV/CLTV (Prime Jumbo 1 AUS / Underwriting Guidelines / Eligible Borrowers)</li> <li>Added Non-Occupant Co-Borrower max 80% LTV/CLTV (Prime Jumbo 1 AUS / Underwriting Guidelines / Eligible Borrowers)</li> <li>Updated Debt to Income section to include the DTIs for LTV/CLTV over 80% on primary and second home. Increased Second Home max DTI to 49.99%/38% over 80% (Prime Jumbo 1 AUS / Underwriting Guidelines / Debt to Income)</li> <li>Added Secondary Financing not allowed for LTVs greater than 80% on Prime Jumbo 1 AUS (Prime Jumbo 1 AUS / Underwriting Guidelines / Secondary Financing)</li> </ul>

Version Number	Date	Description of Change
2.0	3.17.2025	<ul style="list-style-type: none"> <li>Updated reserves requirements to include higher LTVs to 90%, added minimum liquidity requirements for higher LTVs 85.01-90% LTV/CLTV (Prime Jumbo 1 AUS / Underwriting Guidelines / Assets)</li> <li>Added FTHB reserve section to align with overlays due to higher LTV/CLTV requirements (Prime Jumbo 1 AUS / Underwriting Guidelines / Assets)</li> <li>Added residual income requirements to align with the higher LTV/CLTVs/DTIs (Prime Jumbo 1 AUS / Underwriting Guidelines / Income/Employment)</li> <li>Removed Windsor Mortgage overlay to Secondary Self Employment and Self Employed co-borrower to now align with Agency requirements (Prime Jumbo 1 AUS / Underwriting Guidelines / Income/Employment)</li> </ul>
2.1	04.14.2025	<ul style="list-style-type: none"> <li>Updated 2-unit maximum loan amount for 700 FICO Primary Residence   Purchase, Rate and Term Refinance from \$1,000,000 to \$1,500,000. (AUS / Eligibility Matrix)</li> <li>Updated 2-unit maximum loan amount for 720 FICO Primary Residence.   Purchase, Rate and Term Refinance from \$1,500,000 to \$2,000,000. (AUS / Eligibility Matrix)</li> <li>For cash outs in eligibility matrix, updated verbiage from follow AUS findings to unlimited. (AUS / Eligibility Matrix)</li> </ul>

Date	Approved By	Uploaded
04.14.2025		