



first community mortgage



AMB Jumbo Guidelines



FICO & LTV/CLTV Grids		Purchase & Rate / Term Refinance		Cash Out	
		Owner Occupied			
Min FICO	Loan Size	Max LTV/CLTV	Max DTI	Max LTV/CLTV	Max DTI
720	<= \$1.0mm	80	45	75	40
	<= \$1.5mm	80	45	70	40
	<= \$2.0mm	70	45	50	40
	<= \$2.5mm	70	40	N/A	N/A
700	<= \$1.0mm	80	45	75	40
	<= \$1.5mm	80	45	70	40
	<= \$2.0mm	N/A	N/A	N/A	N/A
	<= \$2.5mm	N/A	N/A	N/A	N/A
680	<= \$1.0mm	65	40	N/A	N/A
	<= \$1.5mm	65	40	N/A	N/A
	<= \$2.0mm	N/A	N/A	N/A	N/A
	<= \$2.5mm	N/A	N/A	N/A	N/A

FICO & LTV/CLTV Grids		Purchase & Rate / Term Refinance		Cash Out	
		Second Home			
Min FICO	Loan Size	Max LTV/CLTV	Max DTI	Max LTV/CLTV	Max DTI
720	<= \$1.0mm	75	40	70	40
	<= \$1.5mm	70	40	N/A	N/A
	<= \$2.0mm	65	40	N/A	N/A
	<= \$2.5mm	N/A	N/A	N/A	N/A
700	<= \$1.0mm	75	40	70	40
	<= \$1.5mm	70	40	N/A	N/A
	<= \$2.0mm	N/A	N/A	N/A	N/A
	<= \$2.5mm	N/A	N/A	N/A	N/A
680	<= \$1.0mm	60	40	N/A	N/A
	<= \$1.5mm	60	40	N/A	N/A
	<= \$2.0mm	N/A	N/A	N/A	N/A
	<= \$2.5mm	N/A	N/A	N/A	N/A



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AMB Jumbo Guideline

	Description	Jumbo
General	Product Type	7/6 ARM, 10/6 ARM, 15 Yr. Fixed, 30 Yr. Fixed
	Loan Amount	\$2.5mm Max; \$1 above Conforming (Min)
	Occupancy	Owner Occupied, 2nd Home
	Max LTV/Min FICO	80%/ 680
	Max DTI ¹	45%
	Payment History	Default to DU/LP
	Housing Event Seasoning	>=4+ Years
	Interest Only	Not Eligible
	Interest Only Restrictions	N/A
Borrower	First Time Homebuyer (FTHB)	Default to DU/LP
	Non-Occupant Co-Borrower	Default to DU/LP
	Permanent Residential Alien (Valid SS Card)	Default to DU/LP
	Non-Permanent Resident Alien (Including DACA)	Not Eligible
Property	2 Units	Max \$1.5mm
	3-4 Units	Max \$1.0mm
	Non-Warrantable Condos	Not Eligible
	Rural Properties	Rural Properties with Income or Agricultural Use are Not Permitted
	Declining Markets	N/A
Reserve	<=\$1,500,000	6 Months
	\$1,500,001 - \$2,000,000	9 Months
	>\$2,000,000	24 Months
Cash-Out	Maximum Cash Out	\$500k
ARM	ARM Margin	2.75%
	ARM Caps (7/6m), (10/6m)	5/1/5
	Reset Period	6 Months
	Index	30 Day Average SOFR
	ARM Floor	Floor = Margin



NMLS 629700



General

AMB Underwriting Guidelines establish the criteria under which a residential mortgage loan will be eligible for purchase.

AMB will evaluate many aspects of the loan to make a purchase determination, but primarily relies on evaluation of the Borrower’s ability and willingness to repay the loan to predict loan performance. Additional characteristics of the loan will also be examined including credit history, asset position and the property being used for collateral.

AMB has a zero-tolerance policy as it relates to fraud. All clients should follow their own established fraud and identity procedures on every loan to prevent and detect fraud (including, but not limited to, Social Security number verification, verbal verifications of employment, processing of 4506-C, etc.). Loans containing fraudulent documentation or information will immediately be rejected for purchase and forwarded for further review. If there is any determination of client involvement, the client will be made inactive, and the appropriate agencies notified. It is the originator’s responsibility to ensure that all loans it originates comply with all federal, state, and local laws applicable to the origination and sale of mortgage loans.

SUMMARY AND FEATURES

Highlights

- Loans must be run through an Automated Underwriting System (“AUS”)
 - Loans must be run through Fannie Mae’s Desktop Underwriter (“DU”) or Freddie Mac’s Loan Prospector (“LP”)
 - Manually underwritten loans will not be accepted
- Exceptions will not be permitted
- Jumbo Program is for Borrowers with a clean derogatory housing event history (>=48 months clean minimum)
- Max Loan Size of \$2.5mm
- Max LTV of 80%
- Minimum FICO of 680
- DTI up to 45%
- 6 Months Minimum Reserves (Loan Amounts <= \$1.5mm)

PRODUCT TYPES & ELIGIBILITY

Product	Qualifying Rate ⁽¹⁾	Term	Amort. Term	Index	Caps
7/6 ARM	Higher of Fully Indexed or Note Rate	360	360	30 Day Average SOFR	5/1/5
10/6 ARM	Higher of Fully Indexed or Note Rate	360	360	30 Day Average SOFR	5/1/5
15 Yr. Fix	Note Rate	180	180		
30 Yr. Fix	Note Rate	360	360		

Adjustable-Rate Criteria

- Please refer to the respective Program Matrix for adjustable-rate criteria (caps, floors, margins, etc.)
- Adjustable-Rate Mortgage Qualifying Calculation
 - 5/6 ARMs will need to qualify at the greater of the Note + 2.00% or the fully indexed rate
 - 7/6 ARMs and 10/6 ARMs can qualify at the initial Note Rate
- ARM floor is equal to the loan’s initial margin
- 30 Day Average SOFR Index as published by the New York Federal Reserve
- Reset Period on ARMs will occur every six months after the initial reset



Derogatory Housing History

- Please default to the Fannie Mae (DU) or Freddie Mac (LP) standard where the Underwriting Guidelines are silent
- Housing history based upon DU/LP
- Foreclosure:
 - Foreclosure: Seven (7) years seasoning. Extenuating circumstances do not apply
- Short Sale, Deed in Lieu, Pre-Foreclosure:
 - Seven (7) years seasoning
 - Extenuating Circumstances
 - Loans <\$1,000,000 – Four (4) years since discharge or dismissal date
 - Loans >\$1,000,000 – Seven (7) years since discharge or dismissal date
- Bankruptcy (Chapter 7, 11 or 13)
 - Seven (7) years seasoning
 - Extenuating Circumstances
 - Loans <\$1,000,000 – Four (4) years since discharge or dismissal date
 - Loans >\$1,000,000 – Seven (7) years since discharge or dismissal date
 - Extenuating Circumstances will not apply if the Borrower has filed multiple Bankruptcies
 - Seven (7) years seasoning since discharge or dismissal date

Geography

- All fifty (50) US states including the District of Columbia (DC) are eligible for purchase
- The following US commonwealth and territories are not eligible for purchase
 - Puerto Rico, Guam, American Samoa, Northern Mariana Islands and the U.S. Virgin Islands
- Texas 50 (a)(6) and Texas Conversion loans are ineligible

Minimum Loan Amount

- \$1 above conforming loan limit

Maximum Loan Amount

- \$2,500,000

Debt to Income (“DTI”)

- Max DTI permitted: 45%
- Please refer to the respective Program Matrix for specific DTI limits

Cash-Out Limits

- Please refer to the respective Program Matrix for Cash-Out limits
- Max \$500,000
- Borrower(s) must have owned the property for at least six (6) months



BORROWER ELIGIBILITY

Eligible Borrowers

- U.S. Citizens
- Permanent Resident Aliens are permitted with a valid Social Security number
- Non-Occupant Co-Borrowers
- Inter Vivos Revocable Trust
- Non ARMs Length
- First Time Home Buyers (“FTHBs”)

Ineligible Borrowers

- Foreign Nationals
- Non-Permanent Reside Alien (Including DACA)
- Individuals with diplomatic immunity
- Entities such as corporations, general or limited partnerships, real estate syndication, life estate or land trust
- Non-profit organizations
- Applications involved in Federally Prohibited Activities
- Custodian, agent, conservator or guardian, non-applicant spouse or a vested owner signing on behalf of the applicant without a valid Power of Attorney (“POA”)
- Applicants living or working in a foreign country are ineligible for financing

CREDIT ELIGIBILITY

Credit Report Detail

- Must have at least two (2) credit scores
- When two (2) credit scores are obtained, choose the lower score
- When three (3) credit scores are obtained, choose the middle score

INCOME DOCUMENTATION

General Eligibility

- Loans must be run through an Automated Underwriting System (“AUS”)
 - Only DU or LP are acceptable
 - For loans \$1 above the conforming or high balance conforming loan limit, where applicable, must have AUS certified result of Approved/Ineligible for Loan Amount
 - For loans \$1 above conforming loan limit but below the high balance conforming limit, must have AUS certified result of Approved/Eligible
- Manually underwritten loans will not be accepted

Income/Employment Requirements

- Follow applicable AUS standard, DU or LP



LIABILITIES

Liabilities

- Follow applicable AUS standard, DU or LP

RESERVES

Reserves

- Reserves requirements based on Loan Amounts
 - Loan Amounts <=\$1.5mm: Six (6) months PITIA
 - Loan Amounts >\$1.5mm & <=\$2.0mm: Nine (9) months PITIA
 - Loan Amounts >\$2mm: Twenty four (24) months PITIA

PROPERTY ELIGIBILITY

Eligible Properties

- One Unit Single Family Residences (Attached, Detached)
- 2-4 Unit Properties
- PUDs – Attached and Detached
- Warrantable Condo
- Co-Ops (NYC Only)
- Maximum 50 acres (with restrictions)

Ineligible properties

- Non-Warrantable Condos
- Leasehold
- Commercial Property
- Projects pending or currently in litigation
- Timeshares
- Factory Built
- Rural property with agricultural or income production
- Unimproved Land
- Unit Complexes with five (5) or more units
- Tourist Houses
- Private Clubs
- Sanitariums
- Fraternity/Sorority Houses
- Properties sold at auction
- Hotel/Motel conversions
- Geodesic Domes
- Condotels
- Properties with Federally Prohibited Activities
- Boarding Houses
- Hotels/Motels



Acreage & Zoning Requirements

- Maximum Acreage
 - Fifty (50) acres max unless restricted by state law
 - Acreage greater than twenty (20) acres and less than or equal to fifty (50) acres: Reduce maximum LTV/CLTV by 10%
 - Zoning must be used for residential use
- Agricultural Zoning
 - AMB does not lend on agricultural zoned properties unless:
 - The land is not suited for agriculture/farming
 - The zoning specifically permits residential development
 - The zoning allows for one home on one acre or less with sewer services or the minimum lot size needed for on- lot sewage disposal

PROPERTY

Appraisal

- All appraisals must comply with and conform to USPAP and the Appraisal Independence Requirements, and any requirement for HPMLs, if applicable
- Full Appraisals only
 - Exterior Only Appraisals are ineligible
 - Appraisal waivers are ineligible
- Two appraisals are required to be delivered for either of the following scenarios:
 - Loan amounts (First Lien Only) > \$2,000,000
 - HPML flip transactions as defined by the CFPB. Interior photos are required
- The appraiser must not have a direct or indirect interest, financial or otherwise, in the property or in the transaction
- An appraisal prepared by an individual who was selected or engaged by a Borrower, property seller, real estate agent or other interested party is not acceptable
- Legal non-conforming zoned properties must indicate that the subject property can be rebuilt if it is severely damaged or destroyed
- Appraisals with condition or quality ratings of C5 or C6 will not be eligible for purchase

Third Party Appraisal Review

- Please refer to AMB appraisal requirements for secondary review requirements
- Loans should be submitted with a completed third-party review (Collateral Desktop Analysis (CDA) or a Field Review, where applicable
- Either a Clear Capital - Collateral Desktop Analysis “CDA” or a Protek Valuation - Appraisal Risk Review “ARR” are acceptable for loans requiring a CDA
- Properties with 2-4 units will default to a Field Review

FEMA Disaster Areas

- Sellers are responsible for identifying areas impacted by disasters and ensuring that that subject property has not been adversely impacted
- A list of federally declared disaster areas may be found on the FEMA website at <http://www.fema.gov/disasters>.
- In addition, when there is knowledge of an adverse event occurring near or around the subject property, including



but not limited to earthquakes, floods, tornadoes, or wildfires, additional due diligence is required to determine when the disaster area guidelines must be followed

- Guidelines for disaster areas should be followed ninety (90) days from the incident period ending date or the date the adverse event occurred, whichever is greater

Appraisal Completed Prior to Disaster

- Interior and exterior inspection of the subject property is required
- Appraisal update or final inspection from the appraiser must be obtained
- Damage that impacts the safety or habitability of the property or damage in excess of \$2000 will not be purchased

Appraisal After Disaster Incident

- Appraiser must comment on the adverse event and any effect on marketability or value
- Damage that impacts the safety or habitability of the property or damage in excess of \$2000 will not be purchased

Disaster Incident Occurs After Closing, Prior to Funding

- A Post Disaster Inspection (PDI) Report from Clear Capital or Damage Assessment Report (DAR) from Pro Teck will need to be provided
- Any indication of damage reflected on the report will require a re-inspection by the appraiser
- Damage that impacts the safety or habitability of the property or damage in excess of \$2000 will not be purchased

Verbal Verification of Employment

- Seller must obtain a new Verbal Verification of Employment (VVOE) if the disaster event occurs after the original VVOE was completed
- Borrower should still be employed at the same employer listed on the initial 1003 and continuing to receive the same amount of income

MISCELLANEOUS

Seller Program

- The Jumbo Program is intended to reference and supplement Fannie Mae or Freddie Mac Seller Guides. Originators should refer to the Fannie Mae or Freddie Mac Seller Guide for specific information concerning qualification requirements that are not specifically referenced herein. To the extent there is a difference in standards between the Overlays and the Fannie Mae or Freddie Mac Guides; Originators may rely on the Overlays

Exceptions

- Exceptions will not be considered



Ability to Repay

- All Covered Loans must be designated as ATR compliant and must adhere to the standards set forth in the CFPB's Reg Z, Section 1026.43(c)

High Cost

- Federal, State, and Local High-Cost Loans are not permitted. Cured High-Cost loans are also not eligible

Fraud

- AMB has a zero-tolerance policy as it related to fraud. A fraud prevention pull is required from Data Verify, Core Logic, SAS or a similar engine

Escrows

- Mandatory escrows for taxes and insurance will be required for all HPMLs (5 years)

Manually Underwritten Loans

- All loans must be run through DU or LP. Manual underwrites will not be accepted

Cryptocurrency

- Ineligible to be used for income or reserves

Power of Attorney

- Limited Power of Attorney (POA) is acceptable for executing closing documents, is specific to the transaction, contains an expiration date, initial 1003 is signed by the Borrower executing the POA
- Not permitted on Cash-Out transactions

E-Signatures

- E-signatures are permitted with the exception of the following documents: Note, Mortgage, Deed of Trust, Closing Disclosure, Power of Attorney, Riders / Addendums, and any state regulated disclosures. These documents require a wet signature

COVID-19 ADDENDUM

Covid Guidance

- Please follow the Fannie Mae (DU) or Freddie Mac (LP) underwriting guidelines