

50% DTI

PROGRAM ID: SP J2

Program Description: 50% Debt to Income Ratio

Products and Terms:

5/1 ARM: Fully Amortizing

5/1 ARM: With 7 or 10 year Interest Only period

7/1 ARM: Fully Amortizing

7/1 ARM: With 10 year Interest Only period

Eligible borrowers: Borrowers must have been continuously employed for 2 years, self-employed borrowers must have been operating the same business for 2 years

Maximum debt to income ratio: 50%

Minimum credit score: 680, based on no less than three trade lines established for one or more years, no history of foreclosure or bankruptcy over past four years, and no late mortgage or rental payments over past two years

Loan amounts and loan to value limits:

Purchase and rate & term refinance	Cash-out refinance	Max Cash-out (Seasoning rules apply)
80% to \$850,000*	75% to \$400,000	\$150,000 at 75%
75% to \$1,650,000	70% to \$850,000	\$250,000 at 70%
65% to \$2,000,000	60% to \$2,000,000	\$400,000 at 65%
		\$850,000 at 55%

Acceptable occupancy: Primary and second homes (no investor occupancy properties) See guidelines for second home LTV's

Acceptable property types: Single family, Two family, Fannie eligible condominiums and NYC cooperatives

Acceptable borrowers: US Citizens and permanent resident aliens only

Required reserves: 4 months

Acceptable states: 50 states (US Territories not allowed)

ARM re-prices at 1 year LIBOR + 3.99% subject to 5% Initial, 2% periodic and 5% lifetime caps

Escrow for taxes and insurance

*75% max LTV in NY.

For use by secondary market professionals, use by consumers is strictly prohibited.
Copyright © 2016 Sprout Mortgage Corporation. All rights reserved.