BETHPAGE FEDERAL CREDIT UNION WHOLESALE MATRIX

Wholesale Account Executive: Omie Mohammed Phone:516-526-5425 E-mail: umohammed@bethpagefcu.com						
Portfolio Products: Hybrid Fully Amortized Arms (3/3, 5/5, 5/1, 7/1) & 10 Year Fixed						
		Purchase & Rate/Term Refi				Cash-Out
Primary Residence		Credit score- LTV/CLTV				
Property type	Loan Amount	720+	700-719	680-699	660-679	720+
SFR/Condo/Co-op/2-4 fam.	\$10,000 to \$484,350	80%/90%	80%/90%	80%/90%	75%/85%	80%/80%
SFR/Condo/Co-op/2-4 fam.	>\$484,350 to \$726,525	80%/90%	80%/90%	80%/90%	70%/80%	75%/75%
SFR/Condo/Co-op/2-4 fam.	>\$726,525 to \$1,500,000	80%/90%	80%/90%	75%/85%	65%/75%	70%/70%
SFR/Condo/Co-op/2-4 fam.	>\$1,500,000 to \$3,000,000	75%/85%	75%/85%	70%/80%	60%/70%	65%/65%
SFR/Condo/Co-op/2-4 fam.	>\$3,000,000 to \$4,000,000	70%/80%				55%/55%
SFR/Condo/Co-op/2-4 fam.	>\$4,000,000 to \$5,000,000	65%/75%				50%/50%
Second Home		720+	700-719	680-699	660-679	720+
SFR/Condo/Co-op	\$10,000 to \$484,350	80%/80%	80%/80%	80%/80%	75%/75%	75%/NA
SFR/Condo/Co-op	>\$484,350 to \$726,525	80%/80%	80%/80%	75%/75%	70%/70%	
SFR/Condo/Co-op	>\$726,525 to \$1,500,000	75%/75%	75%/75%	70%/70%	65%/65%	
SFR/Condo/Co-op	>\$1,500,000 to \$3,000,000	70%/70%	70%/70%	65%/65%	60%/60%	
SFR/Condo/Co-op	>\$3,000,000 to \$4,000,000	60%/60%				
SFR/Condo/Co-op	>\$4,000,000 to \$5,000,000	55%/55%				

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*Loan amounts >\$3mm require a minimum credit score of 720

*Transactions involving Piggy-back financing are subject to approval from Bethpage's HELOC dept.

	Hybrid Interest Only ARMs:	(3/1, 5/1 & 7/	(1)		
		Purc	Purchase & Rate/Term Refi		
Primary Residence			Credit score- LTV/CLTV	Credit score- LTV/CLTV	Credit score- LTV/CLTV
Property type	Loan Amount	700+	680-699	660-679	720+
SFR/Condo/Co-op/2-4 fam.	\$10,000 to \$3,000,000	75%/75%	70%/70%	60%/60%	70%/70%
Second Home		700+	680-699	660-679	720+
SFR/Condo/Co-op	\$10,000 to \$3,000,000	70%/70%	65%/65%	55%/55%	

Interest Only ARM Overlays

*Available for the 3/1, 5/1 & 7/1 ARM products.

*The I/O period matches the initial fixed rate period. For example, a 7/1 ARM would have a 7 year I/O period.

*After the I/O period, the principal and interest payments are amortized over the remaining term.

*Principal payments are permitted during the I/O period.

*Reserve fund requirement: 12 months PITIA for loan amounts =< \$1.5mm; 18 months PITIA for loan amounts >\$1.5mm - \$3mm.

*These are not QM loans, but must meet ATR rules.

*Piggy back HELOC's not permitted.

CFPB/QM ATR Rules (qualified mortgage ability to repay)

The ATR rule requires that the originator make a reasonable, good-faith determination before or when the loan is consumated and that the consumer has a reasonable ability to repay the loan. The origination lender must consider the eight underwriting factors established by the CFPB and the loan file must be documented accordingly.

1. The borrower's current or reasonably expected income or assets;

2. The borrower's current employment status;

3. The borrower's monthly payment on the covered transaction;

4. The borrower's monthly payment on any simultaneous loan;

5. The borrower's monthly payment for mortgage-related obligations;

6. The borrower's current debt obligations, alimony, and child support;

7. The borrower's monthly debt-to-income ratio or residual income; and

8. The borrower's credit history.

	Bethpage Federal Credit Union			
	Wholesale Product Guidelines			
Product Type	ARMs (I/O & Standard) and 10 Year fixed (conforming and jumbo)			
Loan Terms	3/1, 3/3, 5/1, 5/5, 7/1 ARMs or 10 year fixed.			
Purpose	Purchase, Rate/Term and Cash - Out Refinances			
Occupancy	Primary Residences and 2nd Homes			
Eligible Applicants	U.S Citizens, Permanent Resident Aliens and Non-Permanent Resident Aliens with social			
Lingible Applicants	security #'s and a valid work Visa.			
	Non-Occupant Co-Borrowers (NOCB) are permitted, subject to the following:			
	The NOCB must be closely related (Parent, Child, Sibling). On a case by case basis, Bethpage			
	will allow extended family relatives (Uncle, Aunt, Grandparent, or Cousin).			
	Not permitted on cash-out refinances.			
	Max. LTV/CLTV = 80%/80%			
	New subordinate financing not permitted			
	Non-occupying co-borrower may not be an interested party to the transaction (for example,			
	the builder, seller or broker)			
	FTHB's are subject to a maximum loan amount of \$1mm.			
Cash Out Restrictions	\$300K for LTV's > 75%			
	\$500,000 for LTV > 60% <=75%			
	Unlimited cash out if LTV <=60%			
Income	Full Documentation ONLY			
Requirements				
	Salaried: Most recent paystubs + most recent 2 years W2's			
	Self Employed: Most recent 2 years complete 1040's and business returns with all applicable			
	schedules. (additional requirement may apply subject to underwriter review)			
	YTD P + L & balance sheet, prepared by business owner/applicant, or CPA. Must be signed and			
	dated.			
	Most recent 2 years W2's			
	Most recent 2 years K1's (regardless of % of ownership), along w/ 2yrs business tax returns,			
	all schedules.			
	Most recent 30 days paystubs if applicable.			
Employment	2 Years consecutive employment required. Any /all gaps in employment must be satisfactorily			
Requirements	explained.			
Debt-To-Income Ratio	43% Maximum allowed			
ARM Qualifications	Fully Amortized ARMs 3/1, 3/3, 5/5, & 5/1 will be qualified using the start rate + 2% with a 30			
musi quumications	year term.			
	Fully Amortized 7/1 will be qualified using the start rate with a 30 year term.			
	Interest Only 3/1, 5/1 & 7/1 ARMs will be qualified for DTI purposes using the fully indexed			
	rate, with the remaining term after the I/O period.			
Asset Requirements	Assets are defined as cash and/or marketable securities			
_	Checking and Savings Account: Most recent consecutive 2 months bank statements			
	Retirement/Brokerage Account: Copy of most recent quarterly statement			
	When gift funds are being used, the applicant must have 5% of their own funds for the			
	transaction.			
Business Assets	The impact of the withdrawal must be considered in the analysis of the borrower's self-			
	employment income.			

	Review a year to date profit & loss statement, along with a balance sheet.				
	Ensure that the percentage of business assets being used is equal to, or less than the				
	applicant's business ownership percentage.				
	After the withdrawal of assets, the business should have a minimum of six months cash				
	reserves of its net operating expenses.				
	The business's average annual cash flow should be greater than the amount of funds being withdrawn.				
	When gift funds or business funds are being used, the applicant must have 5% of their own funds for the transaction.				
Reserve Requirements	Loan AmountRequired reserves-#of months PITIA				
•	<= \$650,000 2 months				
	\$650,001 - \$999,999 6 months				
	>= \$1,000,000 12 months				
	Interest Only ARMs require 12 months PITIA reserves for loan amounts =< \$1.5mm, and 18 months PITIA reserves for loan amounts >\$1.5mm to \$3mm.				
	For reserve calculation:				
<u> </u>	Stock/Bonds/Mutual Funds = 70% of value				
	Retirement accounts = 60% of value (if Member is of retirement age, use 70% of value).				
	Stock options and non-vested restricted stock are not eligible for use as reserves				
	The actual P & I payment can be used for reserve calculations.				
Credit Requirements	Minimum credit score = 660 (refer to product matrices)				
	A minimum of 3 currently rated, active trade lines, of which all must have at least a 12 month history.				
	No notice of bankruptcies in the past 4 years, and no notice of foreclosures in the past 7 years.				
	Mortgage Verification: Credit report of Verification of Mortgage (VOM) or most recent 12 months of cancelled checks.				
	Rental Verification: Most recent 12 months of cancelled checks or Verification of of Rent (VOR). VOR must be from a property manager/managing agent.				
Payment History	Mortgage Debt: Current mortgage payment history with no more than one 30 day delinquency in the past 12 months.				
	Revolving Debt: No more than one 30 day delinquency in the past 12 months.				
	Installment Debt: No more than one 30 day delinquency in the past 12 months				
Property Types	SFR 1-4 units, condominiums and co-op's (max 80% LTV for co-op loans)				
	Cooperative projects with resale restrictions are not permitted.				
Appraisal Requirements	Standard FNMA forms along with all applicable schedules. 2 appraisal reports required if loan amount > \$1,000,000 & LTV > 60%.				
Subordinate Financing	Piggy-back transactions:				
	Simultaneous (piggyback) closings are only permitted when the new subordinate lien is from Bethpage. These are subject to HELOC Dept. approval.				
	Gift funds are not permitted.				
	Use of business assets are not permitted.				
	Exceptions to reserve funds requirement is not permitted.				
Lender Paid	1% of the loan amount, up to a maximum of \$25,000, payable to the Mortgage Broker.				