

PROGRAM CODES

30 Year Fixed		7/6 ARM		
3 Year PPP	AIA30P3	3 Year PPP	AIA7/6P3	AIA7/6P3 IO ⁵
2 Year PPP	AIA30P2	2 Year PPP	AIA7/6P2	AIA7/6P2 IO ⁵
1 Year PPP	AIA30P1	1 Year PPP	AIA7/6P1	AIA7/6P1 IO ⁵
No PPP	AIA30	No PPP	AIA7/6	AIA7/6 IO ⁵

The **Investor Advantage Program** is designed for the experienced real estate investor who is purchasing or refinancing investment properties which he or she plans to hold for business purposes.

Temporary Buydowns now available! – Product codes for Buydown Option will end in –B1 or –B2 (B1=12 months / B2= 24 months terms). Refer to **Temporary Buydown** section of the guidelines for requirements.

AmWest Investor Advantage Program Matrix

Investment Properties – Purchase and Rate/Term Refinance ²

Property Type	Max Loan Amount	Max LTV/CLTV/HCLTV ^{3,4}	Minimum FICO
1-4 Units	\$1,500,000	80%	700
		75%	660
		70%	640
		60%	620
	\$2,500,000	75%	660
Foreign Nationals 1-4 Units ⁶	\$1,500,000	75%	N/A
	\$2,500,000	70%	

Investment Properties – Cash Out Refinance ^{1,2}

Property Type	Max Loan Amount	Max LTV/CLTV/HCLTV ^{3,4}	Minimum FICO
1-4 Units	\$1,000,000	75%	700
		70%	680
		65%	660
		60%	640
	\$2,000,000	70%	680
Foreign Nationals 1-4 Units	\$2,000,000	60%	640
		55%	N/A

Footnotes

1	Proceeds from cash out refinances must be used for business purposes only. Purpose of cash out letter must be submitted with the initial loan package.
2	New or newly converted condo projects in Florida are limited to 60% LTV/CLTV/HCLTV.
3	HELOC Combined Loan to Value (HCLTV) uses the full line amount for HCLTV calculation, NOT amount drawn.
4	Min Debt Coverage Ratio (DCR): ≥ 0.85 For LTVs 75.01%-80%: Min DCR is ≥ 1.00
5	Interest Only Option: - Purchase and R&T Refi: Max 70% LTV/CLTV Min Fico - 700 - Cash-Out Refi: Max 65% LTV/CLTV Min Fico – 720 - Foreign Nationals not allowed - For DCR calculation – use the interest only payment based on the Note Rate. - Buydown option not allowed.
6	Foreign Nationals (2-4 Units) : 70% Max LTV

Minimum loan amount: \$75,000

Program Overview & Highlights



[Click Here](#) to access training deck.

- Program utilizes alternative documentation for Purchase, R/T Refinance, and Cash Out.
- Max 80% LTV to \$1,500,000 with minimum 700 FICO on Purchase or R/T Refinance.
- Income and Employment NOT listed on 1003; 4506-C and Tax Returns NOT required.
- Eligible Borrowers include U. S. Citizens, Permanent (with proof of lawful permanent residency) & Non-permanent Resident Aliens, and Foreign Nationals
- Foreign Nationals eligible for Purchase, Rate/Term Refinance, and Cash Out.
- First Time Home Buyer/Investor is allowed (refer to guidelines)

Contact Information



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NMLS ID #167441

Wholesale Division
amwestwholesale.com

Become an Approved Broker
<https://www.amwestwholesale.com/Account/NewBrokers>

View All AmWest Loan Programs
<https://www.amwestwholesale.com/Products>

AMWEST ADVANTAGE SERIES: ADVANTAGE  ADVANTAGE INVESTOR PLUS  INVESTOR ADVANTAGE 

<p>Underwriting Method:</p>	<p>ALL LOANS:</p> <ul style="list-style-type: none"> Loans must be manually underwritten and fully documented. For additional topics not specifically or fully addressed herein, Fannie Mae underwriting guidelines should be followed The underwriter must be comfortable that the borrower is able to repay the loan and that belief must be supported by information from independent third parties. All factors in the loan file must be viewed in totality to reach this conclusion. Underwriter may request a copy of any inspection where repairs or remediation (monetary or other) are specified in a purchase contract, regardless of whether repairs have been completed.
<p>Loan Terms:</p>	<p>Fixed Rate Mortgage: 30 -Year fixed rate. Fully amortizing payments for 360 months. ARM: 7/6 ARM: Index: 30 day avg. SOFR published by NY Fed Margin: 4.00% Caps: 5 / 1 / 5 Floor: Start Rate <ul style="list-style-type: none"> Interest Only Option available – Interest only period is 7 years (84 months). Refer to footnotes for restrictions. </p>
<p>Pre-Payment Penalty:</p>	<p>Hard PPP: 0 - 3 Years (4-3-2 % depending on years of prepayment penalty) / State specific restrictions may apply. Refer to the PPP section of the guideline</p> <ul style="list-style-type: none"> 2-1 and 1-0 Temporary Buydowns are eligible.
<p>Eligible Properties:</p>	<ul style="list-style-type: none"> 1-4 Unit, Non-Owner Occupied (Investment Property Only - Business Purpose Only) SFR PUD attached or detached Condominiums: low-high rise condos, attached, or detached. <ul style="list-style-type: none"> ✓ Condominiums: Both FNMA Condo Project Manager (CPM) and FNMA Full Review are allowed. ✓ New or newly converted condo projects in Florida with attached units are not required to be approved by Fannie Mae through the PERS process (B4-1.1-02). AmWest will conduct its own review and approval of Florida condo projects. New or newly converted condo projects in Florida are limited to 60% LTV/CLVT/HCLTV. ✓ AmWest financing is limited to a maximum overall concentration of 20% in any Florida condominium project. This limitation is per project and not per borrower. ✓ Non-warrantable condos (see Condo section of the guidelines)
<p>Ineligible Property Type:</p>	<ul style="list-style-type: none"> Acreage greater than 20 acres (appraisal must include total acreage) Agricultural property Condo hotel Co-ops Hobby Farms Log Homes (may be eligible on a case-by-case basis) Manufactured housings Mixed Use Properties Modular homes Properties subject to oil and/or gas leases (may be eligible on a case-by-case basis) Unique properties Working farms, ranches or orchards
<p>Eligible Borrowers:</p>	<ul style="list-style-type: none"> U.S. Citizens Permanent Resident Aliens <ul style="list-style-type: none"> ✓ Eligible with proof of lawful permanent residency ✓ Underwritten the same as U.S. citizen Non-permanent resident aliens – must provide the following: <ul style="list-style-type: none"> ✓ Valid EAD card with minimum 90 days remaining on expiration date at time of funding. EAD card with less than 90 days remaining requires evidence of application for extension. (This applies to loan applications dated on or after 1/1/2019.) Inter vivos revocable Trusts meeting Fannie Mae guidelines Foreign Nationals Vesting: Title vesting may be in a Limited Liability Company (LLC) as long as the borrower(s) have 100% ownership interest and it is documented by the organization documentation. When closing a purchase transaction in a LLC vesting, the LLC must be the purchaser on the sale contract.
<p>First Time Homebuyers / First Time Investor:</p>	<ul style="list-style-type: none"> First Time Home Buyer and First Time Investor is allowed
<p>Foreign Nationals:</p>	<ul style="list-style-type: none"> Copy of passport, valid Visa, and I-94 required. Foreign Nationals allowed to legally travel to and from the United States without Visa are eligible. (e.g., Countries participating in the Visa Waiver Program, Canadian citizens) VWP are found under U.S. Department of State's website: https://travel.state.gov/content/travel/en/us-visas/tourism-visit/visa-waiver-program.html Note: I-94 is only required when the Borrower is already in the United States. (This applies to loan applications dated on or after 1/1/2019.) Borrower must have US address when applying for loan. Multiple financed properties with AmWest by the same borrower restricted to the lesser of 3 loans or \$2,500,000 financed amount (includes subject property). Foreign Assets (down payment, closing costs, reserves) must be transferred to US institutional bank account prior to ordering loan docs. Income: Refer to Income section of guidelines. Foreign National loans must establish escrow account for all property taxes and insurances. Foreign Nationals of the countries listed on the Sanctions Programs and Country Information by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) are not eligible. Refer to: https://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx
<p>Age of Credit Documentation:</p>	<ul style="list-style-type: none"> Credit reports and Preliminary Title Reports must be no more than 120 days old on the Note date. Employment and income documents cannot be older than 90 days from the Note date. Asset documents used for reserves/funds to close must be dated within 60 days of the note date. The effective date of the appraisal report must be dated within 120 days of the funding date. If the effective date of the appraisal report is more than 120 days from the funding date, the appraiser must acknowledge that the value of the subject property has not declined since the effective date of the original appraisal. The update must be completed on FNMA Form 1004D/FHLMC Form 442 and must be dated within 120 days prior to the funding date.

<p>Credit:</p>	<ul style="list-style-type: none"> • All borrowers must have a minimum credit score of 620 (Purchase & R/T) and 640 (Cash-Out). <ul style="list-style-type: none"> ✓ The representative score for each borrower is: <ul style="list-style-type: none"> ❖ The middle score when three scores are obtained, or ❖ The lower score when two scores are obtained ❖ If only one score is obtained, that is the representative score for the borrower ✓ The representative score for the loan is the lowest representative score of the borrowers. ✓ Any invalid credit score due to frozen account should be unfrozen and repulled. • Each of the following credit components impacts the borrower's ability to repay the loan: <ul style="list-style-type: none"> ✓ Borrowers must have a minimum of 3 tradelines on the credit report. Tradelines may be open or closed, with at least one seasoned trade line having a minimum 12 month. Authorized user trade lines are not eligible for any portion of the credit requirement. When spouse is co-borrower only one borrower is required to have the credit depth listed above. ✓ The above mentioned tradeline requirements may be waived when borrower(s) has 3 FICO scores reporting on the credit report. • Mortgage Lates – 1x30 within 12 months <ul style="list-style-type: none"> ✓ This applies to any mortgage reported on the credit report, the borrower's primary residence and the subject property if it is a refinance transaction. ✓ For any non-subject property, non-primary mortgages not reporting to the credit bureau, additional housing history is not required. • If Private Lender, 12 months cancelled checks or 12 months bank statements must be provided to document mortgage. If mortgage is reported on Credit Supplement, then 12 months cancelled checks or 12 months bank statements are not required. • Judgment/Tax Lien/Collections/Charge-Offs–Must be paid. <ul style="list-style-type: none"> ✓ Medical collections are excluded regardless of amount • Consumer Credit Counseling – Borrowers who have experienced credit or financial management problems in the past may have elected to participate in consumer counseling sessions to learn how to correct or avoid such problems in the future. Whether borrowers have or have not completed participation in the sessions before closing on the mortgage transaction is not relevant since it is the borrower's credit history that is of primary importance. (FNMA B3-5.2-01) • Disputed Accounts – Disputed accounts are reviewed to determine current balance and derogatory information (a 30-day or more delinquency) within <u>2 years prior to the credit report date</u>: <ul style="list-style-type: none"> ✓ Zero balance and no derogatory in last 2 years – no action required ✓ Zero balance and derogatory information - credit supplement showing dispute removed ✓ A positive balance and no derogatory information – credit supplement showing dispute removed. With an LOE and sufficient assets to cover the outstanding balance, no credit supplement is required. ✓ A positive balance and derogatory information – remove and pull new credit report
<p>Housing History:</p>	<ul style="list-style-type: none"> • Borrower may be a First Time Home Buyer. • Borrower does not need to have a current mortgage; however, any mortgage history must meet credit requirements. See Credit section of this guide. • For borrowers who currently own all property free and clear there is no mortgage history requirement. • Foreign National borrowers who do not own property in U.S. do not require mortgage history.
<p>Bankruptcy, Short Sale, Deed in Lieu:</p>	<p>Bankruptcy, Short Sale, Deed-in-Lieu: Two (2) years from discharged date to the Note date of the new loan. No multiple events allowed for the past 7 years (84 months) prior to the initial application date. Any credit events that occurred greater than 7 years will not be included in the multiple events.</p>
<p>Foreclosure:</p>	<p>Foreclosure: Four (4) years from completion date to the Note date of the new loan. No multiple events allowed for the past 7 years (84 months) prior to the initial application date. Any credit events that occurred greater than 7 years will not be included in the multiple events.</p>
<p>Property Resale less than 90 days:</p>	<p>A second appraisal is required when:</p> <ul style="list-style-type: none"> • Any increase in price over 50% regardless of documented upgrades • The price increase is 25% or more unless the appraiser comments and documents the upgrades <p>Property Resale days are measure from the date seller acquired title to the property (Recording Date) to the new sales contract date.</p>
<p>Rate/Term Refinance:</p>	<p>A rate/term refinance may include the payoff of a non-purchase money second seasoned for at least 12 months. The borrower may only receive cash back in an amount that is the less than 2% of the new loan amount.</p> <p>Note: Texas loans for refinance as a rate and term do not allow:</p> <ul style="list-style-type: none"> • Any principal reductions/ curtailments. • Impounds may not be added to new loan calculation if they are not netted from the payoff. • POC fees may not be refunded when financed into the loan amount, and loan must be recalculated due to any payoff reductions, (Ex. - Borrower made a payment, now payoff reduced) and, • Loans that fall into Texas Cash out 50(a)(6) eligibility.
<p>Cash Out Refinance:</p>	<p>Six months title seasoning is NOT REQUIRED, as long as the borrower is on title at or before closing of the new mortgage loan.</p> <ul style="list-style-type: none"> • Borrower(s) are eligible for cash-out financing on properties owned by a LLC, Corporation, or Partnership if borrower(s) is the majority (≥ 51%) owner. Ownership must be transferred out of the LLC/Corporation/Partnership and into the name of the individual borrower(s) prior to or at closing. <ul style="list-style-type: none"> ✓ The ownership percentage of LLC, Corporation, or Partnership must be documented by organizational documentation or a CPA letter. ✓ Title vesting may remain in a Limited Liability Company (LLC) if the borrower(s) have 100% ownership interest and it is documented by the organization documents. ✓ Vesting in a Corporation or a Partnership is not allowed. • The current appraisal value may be used for LTV calculation; however, when the appraised value exceeds purchase price by more than 20% and the subject property is currently owned for less than 6 months (at time of application date), the appraiser must provide detailed and substantial commentary to support the increase in value. (continued onto next page)

<p>Cash Out Refinance (continued):</p>	<ul style="list-style-type: none"> • A refinance of a prior cash-out loan within 6 months is allowed to be classified as a rate/term refinance. • Delayed financing is allowed as the same term. 								
<p>Income:</p>	<p>Income used to qualify borrower is based upon cash flow from the subject property. A 4506-C is NOT required.</p> <p>DOCUMENTATION REQUIREMENTS- Long Term Rentals: <u>Purchase Transaction:</u></p> <ul style="list-style-type: none"> • Use the rents provided on the comparable rent schedule established on FNMA Form 1007 or 1025 from the appraiser. <p><u>Refinance Transaction:</u></p> <ul style="list-style-type: none"> • Rental agreement and rent survey (FNMA Form 1007 or 1025) provided by the appraiser will be utilized. • An expired lease agreement that has verbiage that states the lease agreement becomes a month-to-month lease once the initial lease/rental term expires is allowed. • Monthly Gross Rents are determined by the lower of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 125% of the estimated market rent from the 1007/1025. <p>DOCUMENTATION REQUIREMENTS- - Short Term Rentals (e.g. AirBnB, Vrbo, FLIPKEY): <u>Purchase Transaction:</u></p> <ul style="list-style-type: none"> • Use the rents provided on the comparable rent schedule established on FNMA Form 1007 or 1025 from the appraiser. <p><u>Refinance Transaction:</u></p> <ul style="list-style-type: none"> • Any of the following methods may be used to determine the gross monthly rental income: <ul style="list-style-type: none"> ✓ A most recent 12-months rental history statements from the 3rd party rental/management agency. The statement must identify the subject property /unit, rents collect for the previous 12 months, and all vendor management fees. The rental income will exclude all vendor or management fees. ✓ The most recent 12 months bank statements from the borrower evidencing short-term rental deposits. Borrower must provide a rental record for the subject property to support monthly deposits. • Monthly gross rents based upon a 12-month average to account for seasonality required. • Monthly Gross Rents are determined by the lower of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 125% of the estimated market rent from the 1007/1025. • If the subject property is a condo, provide evidence that the property is eligible for short-term rentals (condo association letter, etc.) 								
<p>Assets:</p>	<p>Borrower must have sufficient liquid assets available for down payment, closing costs and reserves. Funds may be documented as follows:</p> <p>Most recent asset document required.</p> <ul style="list-style-type: none"> • Source of large deposit is not required to be documented. • The minimum funds to close and the reserve requirement will be based on the current balance. • Acceptable Asset Statements (Account has to be opened more than 60 days): <ul style="list-style-type: none"> ○ Bank Certification documenting current balance and opening date ○ 2 months bank statement ○ VOD ○ Bank prepared and stamped 60 days transaction history print-out. • The asset documents must be dated within 60 days of the Note date. <p><u>Stocks, Bonds, and Mutual Funds (FNMA B3-4.3-01)</u> Vested stocks, bonds, and mutual funds (including retirement accounts) may be used for down payment, closing costs, and reserves without any reduction in value:</p> <ul style="list-style-type: none"> ✓ One hundred percent (100%) of the value of the asset is allowed when determining available reserves ✓ If the lender documents that the value of the asset is at least 20% more than the funds needed for the borrower's down payment and closing costs, no documentation of liquidation is required. Otherwise, documentation of the borrower's actual receipt of funds realized from the sale or liquidation must be obtained. ✓ NOTE: As a reminder, non-vested assets are not eligible for down payment, closing costs, or reserves. <p><u>Like-Kind Exchanges</u></p> <ul style="list-style-type: none"> • Assets for the down payment from a "like-kind exchange," also known as a 1031 exchange, are eligible if properly documented and in compliance with Internal Revenue Code Section 1031 (FNMA B3-4.3-10). • Full Asset Documentation is required for both funds to close and reserves in accordance with Fannie Mae guidelines. <p><u>Eligible Funds (Down Payment, Reserves*)</u></p> <ul style="list-style-type: none"> ✓ Gift funds allowed. ✓ Restricted Stock Units (RSUs) are not eligible for reserves. 								
<p>Reserves:</p>	<table border="1" data-bbox="328 1584 1185 1709"> <thead> <tr> <th>Loan Amount</th> <th>Required Reserves (Subject only)</th> </tr> </thead> <tbody> <tr> <td>≤ \$1,500,000</td> <td>3 Months PITIA</td> </tr> <tr> <td>> \$1,500,000 < \$2,000,000</td> <td>6 Months PITIA</td> </tr> <tr> <td>≥ \$2,000,000</td> <td>12 Months PITIA</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • For Refinances Only: Required reserves (above) may be waived when all borrowers have 0x30x12 on mortgage in credit report and payment on new loan is decreasing. • Cash out from the subject transaction may be used toward the reserve requirement. • Cash value of a vested life insurance policy may be used for reserves. When used for reserves the cash value must be documented but does not need to be liquidated or received by the borrower. • For Interest Only loans – Reserves (PITIA) are calculated based on fully amortized payment over 30 years. 	Loan Amount	Required Reserves (Subject only)	≤ \$1,500,000	3 Months PITIA	> \$1,500,000 < \$2,000,000	6 Months PITIA	≥ \$2,000,000	12 Months PITIA
Loan Amount	Required Reserves (Subject only)								
≤ \$1,500,000	3 Months PITIA								
> \$1,500,000 < \$2,000,000	6 Months PITIA								
≥ \$2,000,000	12 Months PITIA								

<p>Business Funds:</p>	<ul style="list-style-type: none"> Business funds: Funds in the borrower's business account(s) ≤ 100% of account balance may be counted toward down payment, closing costs, and reserves. The percentage of account balance used towards the down payment, closing costs, and reserves must be no more than the borrower's ownership of the business. Business funds that are in a personal account prior to application may be used for down payment, closing costs, and reserves without restriction. 						
<p>Gift Funds:</p>	<ul style="list-style-type: none"> Gift funds allowed. Gift funds may fund all or part of the down payment, closing costs, or financial reserves. Gift donor must be blood or legal relative, a fiancé, fiancée, or domestic partner. Gift letter must contain the amount of the gift, donor's name, address, phone number and relationship. The donor must state that repayment is not expected. Reserves coming from gift funds must be deposited into borrower's account prior to closing. 						
<p>Monthly Debt Obligations:</p>	<p>Loan qualification is based on Debt Coverage Ratio (DCR) for the subject property. Debt to Income (DTI) ratio is not calculated. Use Note Rate to calculate PITIA for use in Debt Coverage Ratio (DCR).</p> <p>Debt Coverage Ratio</p> <ul style="list-style-type: none"> The debt coverage ratio is calculated by taking 100% of the gross rents divided by the PITIA of the subject property Use the Note Rate to calculate PITIA For Interest Only loans, use interest only payment based on Note Rate. Rents are derived from the lesser of the rental/lease agreement or the rent survey (Form 1007) Min Debt Coverage Ratio (DCR): ≥ 0.85. For LTVs 75.01%-80%: Min DCR is ≥ 1.00. Min DCR for New York is ≥ 1.00. <p>Debt Coverage Ratio Examples: Purchase, Rate/Term, or Cash-Out Gross Rent = \$3,000 DCR for purchase = 0.85 \$3,000 divided by 0.85 = \$3,529.41 PITIA may not exceed \$3,529.41 per month</p> <p>***Loans under the AIA Investor Program are classified as business loans. Appendix Q & ATR requirements do not apply.</p>						
<p>Interested Party Contribution (IPC):</p>	<ul style="list-style-type: none"> Interested party contributions (IPCs – 6% MAX) are costs that are normally the responsibility of the property purchaser that are paid directly or indirectly by someone else who has a financial interest in or can influence the terms and the sale or transfer of, the subject property. Interested parties include, but are not limited to, the property seller, the builder/developer, the real estate agent or broker, or an affiliate who may benefit from the sale of the property and/or the sale of the property at the highest price possible. A lender or employer is not considered an interested party to a sales transaction unless it is the property seller or is affiliated with the property seller or another interested party to the transaction. 						
<p>Maximum Number of Financed/Owned Properties:</p>	<ul style="list-style-type: none"> Multiples financed properties with AmWest Funding Corp by the same borrower is restricted to (4) properties OR a maximum aggregate loan amount of \$5,000,000 which ever is less. Aggregate loan amount greater than \$5 million and/or number of AmWest loans to one borrower greater than four (4) loans requires prior approval by AmWest Management. Borrower may have AmWest financing on a maximum of 10% of the properties in a PUD or condominium project. <ul style="list-style-type: none"> For projects ≤ 10 total units, financing on a maximum of 1 unit is allowed. AmWest financing is limited to a maximum overall concentration of 20% in any Florida condominium project. This limitation is per project and not per borrower. <p>Note: Loans with properties exceeding the maximum number of financed properties may be considered subject to Sr. Management Review.</p>						
<p>Appraisal Requirements:</p>	<ul style="list-style-type: none"> The underwriter may require additional collateral review. Properties with a condition rating of C5 or C6 are not acceptable. Transfer Appraisals are allowed – If the CU score is >2.5 or not available, a CDA* will be required. <table border="1" data-bbox="339 1406 1230 1503"> <thead> <tr> <th>Loan Amount</th> <th>Appraisal Requirement</th> </tr> </thead> <tbody> <tr> <td>≤ \$1,500,000</td> <td>One (1) Full Appraisal and CDA / Field Review *</td> </tr> <tr> <td>> \$1,500,000</td> <td>Two (2) Full Appraisals**</td> </tr> </tbody> </table> <ul style="list-style-type: none"> *A Red Bell Valuation Risk Review (VRR) or a Clear Capital Collateral Desktop Analysis (CDA) must be within 10% variance. If variance exceeds 10% (lower than appraised value), then a field review ordered from one of the following providers will be required: <ul style="list-style-type: none"> Appraisal Connections Class Valuations Apex/Opton Nationwide Appraisal Network *A field review from any of the above providers, or a Second Appraisal, is acceptable in lieu of an VRR or CDA. *If a field review is obtained there is a 5% tolerance as follows: <ul style="list-style-type: none"> If the field review value is ≤ 5% below the appraised value, use the appraised value for LTV calculations If the field review value is more than 5% below the appraised value, a second appraisal is required. <ul style="list-style-type: none"> Use the lower value of the two appraisals for LTV calculations **When two (2) appraisals are provided, a VRR or CDA is not required. The lower value of the two appraisals will be utilized. Condos and PUDs must meet FNMA requirements. See the Property Types section for additional information 	Loan Amount	Appraisal Requirement	≤ \$1,500,000	One (1) Full Appraisal and CDA / Field Review *	> \$1,500,000	Two (2) Full Appraisals**
Loan Amount	Appraisal Requirement						
≤ \$1,500,000	One (1) Full Appraisal and CDA / Field Review *						
> \$1,500,000	Two (2) Full Appraisals**						

<p>Hawaiian Lava Zones:</p>	<p>AmWest will only close properties that are located within lava zones 3 through 9 on the island of Hawaii.</p> <ul style="list-style-type: none"> Properties in lava zones 1 and 2 are not eligible due to the increased risk of property destruction from lava flows within these areas. Hawaiian lava flow maps and other information are available online at the U.S. Geological Survey Hawaiian Volcano Observatory website: https://www.usgs.gov/observatories/hvo 																														
<p>Condo Projects:</p>	<p>Condominiums and condo reviews must meet Fannie Mae Selling Guide requirement, B4-2 Project Standards and the requirements:</p> <ul style="list-style-type: none"> Condos with Pending Litigation(s) are ineligible. <p>Florida Condos:</p> <ul style="list-style-type: none"> New or newly converted condo projects in Florida with attached units are not required to be approved by Fannie Mae through the PERS process (B4-1.1-02). AmWest will conduct its own review and approval of Florida condo projects. New or newly converted condo projects in Florida are limited to 60% LTV/CLTV/HCLTV. AmWest financing is limited to a maximum overall concentration of 20% in any Florida condominium project. This limitation is per project and not per borrower. <p>Non-warrantable Condos: The following non-warrantable characteristics must be met:</p> <table border="1" data-bbox="331 562 1365 909"> <thead> <tr> <th>Characteristics</th> <th>Requirements</th> </tr> </thead> <tbody> <tr> <td>Single Entity Ownership</td> <td> <ul style="list-style-type: none"> Up to 30% single entity ownership allowed. Maximum 2 units owned by a single owner if the subject has 5-10 units. </td> </tr> <tr> <td>Occupancy</td> <td>Investor concentration up to 80% (in an established project).</td> </tr> <tr> <td>Commercial Space</td> <td>Commercial space up to 50% allowed.</td> </tr> <tr> <td>Pending Litigation</td> <td>Pending litigation – Sr. management review is required (must meet Fannie Guideline)</td> </tr> <tr> <td>HOA Budget/Reserve</td> <td>>= 5% allocation of replacement reserves required.</td> </tr> <tr> <td>HOA Dues – Delinquency %</td> <td>Up to 20% of HOA dues > 60 days delinquent allowed.</td> </tr> <tr> <td>Condo Conversion</td> <td> <ul style="list-style-type: none"> Condo conversion full gut – allowed via full project review. Condo conversion non- or partial- gut – must be PERs approved. </td> </tr> <tr> <td>New Condominium</td> <td>Minimum of 50% of units must be conveyed or under contract.</td> </tr> <tr> <td>Condotels</td> <td>Not Allowed.</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Lender full review required: Form 1073 or 1004, certification of project eligibility, HOA Questionnaire, project budget, project legal documents, insurance coverage that conforms to FNMA. Sale must be arms length: No blood/marriage relation, renters buying from landlord, etc. Not allowed on Foreign Nationals Max exposure of 20-25% of units in project, if less than or equal to 4 units in project, only 1 unit. Minimum Loan Amount = \$100,000. <table border="1" data-bbox="331 1083 1358 1145"> <thead> <tr> <th>Occupancy</th> <th>Max Loan</th> <th>Max LTV/CLTV</th> <th>Max LTV for C/O</th> <th>Min. FICO</th> </tr> </thead> <tbody> <tr> <td>Investment</td> <td>\$1,000,000</td> <td>55%</td> <td>50%</td> <td>700</td> </tr> </tbody> </table>	Characteristics	Requirements	Single Entity Ownership	<ul style="list-style-type: none"> Up to 30% single entity ownership allowed. Maximum 2 units owned by a single owner if the subject has 5-10 units. 	Occupancy	Investor concentration up to 80% (in an established project).	Commercial Space	Commercial space up to 50% allowed.	Pending Litigation	Pending litigation – Sr. management review is required (must meet Fannie Guideline)	HOA Budget/Reserve	>= 5% allocation of replacement reserves required.	HOA Dues – Delinquency %	Up to 20% of HOA dues > 60 days delinquent allowed.	Condo Conversion	<ul style="list-style-type: none"> Condo conversion full gut – allowed via full project review. Condo conversion non- or partial- gut – must be PERs approved. 	New Condominium	Minimum of 50% of units must be conveyed or under contract.	Condotels	Not Allowed.	Occupancy	Max Loan	Max LTV/CLTV	Max LTV for C/O	Min. FICO	Investment	\$1,000,000	55%	50%	700
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<p>Non-Permitted Unit Additions and Garage Conversions:</p>	<ul style="list-style-type: none"> Appraiser to comment that the addition or conversion was completed in a workmanlike manner. Appraiser to comment if there are any health and safety issues. Appraiser to comment that the addition conforms to the homes structure. Appraiser to comment if there is a second kitchen (If there is an illegal 2nd kitchen, loan must meet all of the accessory unit guidelines below). 																														
<p>Accessory Unit (Unpermitted Illegal Units)</p>	<ul style="list-style-type: none"> The illegal unit (addition) conforms to the subject neighborhood and to the market. Property must be appraised based on its current use and must report that the improvements represent illegal use. Borrower cannot use rental income to qualify from the illegal 2nd unit. Appraiser to comment that the improvements are typical for the market area by supporting this with "3" comparable properties that have the same illegal use. Hazard insurance policy must include the total square footage of the property (including the illegal unit) & note that any future claims will not jeopardize the property. 																														
<p>Properties with Solar Panels:</p>	<ul style="list-style-type: none"> The title cannot reflect any liens related to the ownership or maintenance of the solar panels that will result in a lien superior to AmWest's first lien position. If the property owner leases the solar panels from a third party, the following requirements apply: <ul style="list-style-type: none"> enter into a new lease/agreement with the third party, under terms no less favorable than the prior owner If the property owner is the owner of the solar panels, standard eligibility requirements apply (for example: Appraisal, insurance, and title). 																														
<p>Escrow Hold Backs:</p>	<p>Escrow Hold Backs are NOT allowed.</p>																														
<p>Impounds/Escrows:</p>	<ul style="list-style-type: none"> Impounds/Escrows may be waived per state law Any loans requiring flood insurance must include flood insurance in the borrower(s)' escrow account even if no other escrows are collected or escrows have been waived. 																														
<p>Property Listed for Sale* (Rate/Term & Cash Out)</p>	<p>Investment Property: Properties previously listed for sale must be seasoned at least six (6) months from the listing cancellation date to the loan application. A listing cancellation of less than six (6) months is permitted with a prepayment penalty. *Effective for new loans submitted on and after 8/25/2023.</p>																														

Power of Attorney:

A power of attorney is allowed per FNMA guidelines (See FNMA B8-5-06). Except as otherwise required by applicable law, or unless they are the borrower's relative (or a person who is a fiancé, fiancée, or domestic partner of the borrower), none of the following persons connected to the transaction shall sign the security instrument or note as the attorney-in-fact or agent under a power of attorney:

- The lender;
- Any affiliate of the lender;
- Any employee of the lender or any other affiliate of the lender;
- The loan originator;
- The employer of the loan originator;
- Any employee of the employer of the loan originator;
- The title insurance company providing the title insurance policy or any affiliate of such title insurance company (including, but not limited to, the title agency closing the loan), or any employee of either such title insurance company or any such affiliate; or
- Any real estate agent that has a financial interest in the transaction or any person affiliated with such real estate agent.

Power of Attorney (POA) is **ineligible** for **Cash-Out Loans**.

For Sale by Owner (FSBO) Transaction:

For Sale by Owner transactions are allowed with the following restrictions:

- Must be supported by a letter of explanation from the borrower documenting how the property was located and if there are any affiliation/relationship with the seller.
- Must document the transaction is not a foreclosure bailout
- No flipping – seller must have owned the property for no less than 180 days after the recorded deed date.

Approved States:

Refer to eligible states at: <https://www.amwestwholesale.com/Company/Licensed-States>

- **For State of New York: The following is the AmWest's Lender Closing Attorney:**

Allison Hunter, Manager – Banking Department
 Senior Paralegal – Abrams Garfinkel Margolis Bergson, LLP
 1430 Broadway 17th Floor
 New York, NY 10018
 P: (646)473-7569 F: (646)218-9905
ahunter@agmblaw.com
www.agmblaw.com

Prepayment Penalty (PPP):

The states that have “restricted” PPP are eligible according to the state requirements.

**** Refer to the complete [Prepayment Penalty Matrix](#).**

Prepayment Penalties Not Allowed	
Alaska	Minnesota
District of Columbia	New Mexico
Kansas	Rhode Island
Michigan	Vermont

States with “Restricted” Prepayment Penalties			
States	PPP Allowed When:	PPP Structures	No PPP Allowed When:
Illinois	Always allowed	Max Rates: 3-2-1	Always allowed
Indiana	Fixed Loans	Normal Rates	ARM Loans
Kentucky	Always allowed	Max Rates: 3-2-1	Never
Missouri	Always allowed	Max Rates: 2-2-2-2	Never
New Jersey	ARM Loans	Normal Rates	Fixed Loans
Ohio	>= \$107,633	1-2 Units (Limited PPP): 1-1-1-1 3-4 Units (Normal PPP): 4-4-4-4 or 4-3-2-1	< \$107,633
Texas	Purchase, or Non-Homestead Refinances	Normal Rates	Homestead Refinances

Temporary Buydown:

A temporary buydown is an option that creates a funded buydown account that is used to temporarily reduce the borrower's monthly payment during the initial year(s) of the loan. The Note Rate remains constant during the buydown period; only the borrower's portion of the monthly payment is reduced.

Eligibility:

- ✓ Eligible for Seller/Builder, Lender/Creditor, and Third Party funded temporary buydowns.
- ✓ Third Party includes Real Estate Agents and Brokerages; Funds from Borrowers and Borrower related parties are ineligible.
- ✓ Purchase and Rate & Term Refinance Transactions
- ✓ 1- 4 Unit, SFR, Condos, PUDs (Manufactured Homes are ineligible)
- ✓ 12- or 24- month terms
- ✓ 30- year Fixed Rate and 7/6 SOFR ARMs (not offered on I/O option)
- ✓ Prepayment Penalty eligible for both 12- or 24- months terms

(Continued onto next page):

**Temporary Buydown
(Continued):**

- **Buydown Types:**
 - **2-1 Buydown:**
 - ✓ Payment calculated at 2% below the Note Rate for the first year
 - ✓ Payment calculated at 1% below the Note Rate for the second year
 - ✓ Payment calculated at the Note Rate for the years three through maturity
 - **1-0 Buydown:**
 - ✓ Payment calculated at 1% below the Note Rate for the first year
 - ✓ Payment calculated at the Note Rate for the years two through maturity
- Must qualify the borrower based on the Note rate without consideration of the bought-down rate.
- If reserves are required, the reserves must be calculated using the Note rate.
- **Buydown Agreement:**
 - ✓ **Written Agreement:** The buydown plan must be a written agreement between the party providing the buydown funds and the borrower. (The buydown agreement will be provided with the closing documents and must be signed at closing)
 - ✓ **Calculation:** The buydown agreement must clearly show:
 - The calculations of the total cost of the temporary subsidy buydown.
 - Any interested party contribution, and
 - The annual percentage increase in the Borrower's monthly principal and interest payment.
 - ✓ **Relief of Obligation:** The buydown agreement must provide that the Borrower will not be relieved of the obligation to make the full monthly Mortgage payments required by the terms of the Mortgage Note if, for any reason, the buydown funds are not available or the buydown funds are not paid.
 - ✓ **Terms Disclosed to Mortgage Insurer and Appraiser:** All of the terms of the buydown agreement must be disclosed to the mortgage insurer and the property appraiser, if applicable.
 - ✓ **Return of Funds:** Buydown agreements that allow for the return of the buydown funds to the Lender/Seller are not eligible.

