

Andy Feld

Phone: 720-259-8205

Fax: 866-433-1636

Toll-free: 877-253-6570

E-mail: andy.feld@charterco.com

UNDERWRITING GUIDELINES

<i>Max LTV (Full Doc)</i>	1 unit : O/O 60% N/O/O: 55% 2-4 units: O/O 55% N/O/O: 50%
<i>Maximum LTV (Stated is 50%)</i>	NO fix-up, rural, manufactured, commercial, land, rehabs, or construction allowed Condo's subject to LTV reduction @ U/W's discretion
<i>FLORIDA RESTRICTIONS</i>	Max 50% LTV and Full Doc ONLY in the state of Florida
<i>Purpose</i>	Purchase or Refinance
<i>Maximum CLTV</i>	100%; 0% down payment is allowed ONLY on O/O & Full Doc Loans only Gift of equity or down payment, seller 2 nd and down payment assistance are OK
<i>Occupancy</i>	O/O, Second home, N/O/O Co-borrower or Co-signer allowed on all types (NO rate increase or fees required)
<i>Bankruptcy</i>	No seasoning required – Chapter 7 must be discharged Chapter 13 must be dismissed or paid off @ closing
<i>Foreclosure</i>	-No seasoning required for purchase of new house -Current NOD or Lis Pendens, OK for refi
<i>Income</i>	50% or less LTV, O/O loans are stated income/stated assets (income must be reasonable for occupation) Verbal VOE by Charter prior to closing Self-employed borrowers must provide 2 forms of proof verifying business (i.e. license & CPA letter) Full Doc – W2's, paystubs, 2 year employment history Bank Statements aren't allowed AT ALL
<i>Minimum Credit Score</i>	-No minimum mid score; No score is ok -Tri-Merge from broker required
<i>Maximum DTI</i>	Less than or equal to 50% DTI (exceptions may be made)
<i>Judgments, liens, etc.</i>	All liens affecting title must be paid at or before closing
<i>Loan type</i>	First Mortgages Only, NO Second Mortgages
<i>Trade Lines</i>	No requirements
<i>Min/maximum Loan Amount</i>	-MIN: \$50,000 -MAX: \$500,000; >\$500,000 – case by case
<i>Cash Out</i>	No formal restriction, must be reasonable at underwriter's discretion May reduce LTV for large cash out N/O/O: NO cash in hand to Borrower for LTV > 55%
<i>Minimum Property Value</i>	-\$150,000; exceptions case by case for very low LTV -\$250,000 – California
<i>Licensing</i>	-Proof mortgage broker is properly licensed in state property resides -Currently doing business in AZ, CA, CO, FL, ID, NV, OR, TX, UT & WA

PRICING MATRIX

RATES: 2 yr Hard PPP	11.50%, escrow required 10.99%, 1% disc, escrow required Additional rate buy downs available, please inquire
<i>Lender Fees</i>	<i>Programs</i>
Administrative Fee \$ 535.00 Underwriting Fee \$ 550.00 Doc Pre \$ 200.00 Flood Certificate \$ 20.00 Appraisal review (if applicable) \$ 175.00	2/28 with 30 yr. amortization: 2/28 I/O Caps 6/1/6 Index – 6 mo. Libor Margin - 6.0% Adjustments – semi-annually
Minimum 1% Discount Fee To Charter Bank on All Loans	
<i>Fee adjustments</i>	Discount Points Loan amount > \$400,000 + .50 to fee 2 - 4 units + .50 to fee (max LTV 55%) N/O/O + 1.00 to fee Interest Only + .25 to fee <500 credit score + .50 to fee Stated income + .50 to fee NOD, F/C, forbearance, 90 days + 1.00 to fee Cash out on under 500 or NOD + .50 to fee
<i>Pre-payment penalty</i>	2 years Par No PPP +1.00 to fee Type: hard (6 month's interest)
<i>Broker fees</i>	Up to 3% plus reasonable processing fees No section 32 or high cost allowed Yield spread not available
<i>Appraisal Policy</i>	-Acceptable Property Appraisal on appropriate form with 3 interior/exterior photos -Appraisals can't be signed by a trainee -BPO – Interior inspection & value review by Charter Bank; Broker to provide contact info
<i>YSP</i>	Yield spread premium not available
BORROWER BENEFIT All loans must have a material benefit to the borrower and a letter of explanation is required.	