



PROGRAM Blue 47

Option #1: 12 Months Personal Bank Statements

Available to any borrower with 25% or greater ownership interest in a business

- 12 Months Personal Bank Statements (DBA accounts by exception only please obtain upfront through Specialty Lending Department)
- Bank Statement Worksheet
- CPA letter verifying self-employment
- Borrower/CPA/Tax preparer Profit and Loss covering bank statement period
- Reserves-cash out cannot be used for reserves
- (no 4506t needed)

Option #2: Business Profit & Loss Statement

Available to any borrower with 100% ownership in a business

- 3 Months Personal Bank Statement supporting “lifestyle of income on P&L”
- Most recent 12 month P&L prepared by 3rd party CPA or tax preparer
- CPA letter verifying self-employment and % of ownership for at least 2 yrs
- Reserves-cash out cannot be used for reserves
- (no 4506 needed)

Option #3: CPA/Tax preparation Firm letter

Available to any borrower with a 25% or greater ownership interest in a business

- 3 Months Personal Bank Statement supporting CPA letter
- Certified CPA Letter stating the borrowers income for last 12 months
- CPA letter verifying self-employment and % of ownership for at least 2yrs
- Reserves-cash out cannot be used for reserves
- (no 4506t needed)

Option #4: Available to Self-Employed, salaried, and/or commission borrowers.

- Most recent one (1) year tax return or most recent W2 with current paystub showing YTD income.
- Most recent two (2) months personal bank statements to validate required reserves.
- Processed 4505t
- A CPA/tax preparer’s attestation that the borrower has been in the same business for a minimum of two years.

Stated Income Verified Assets SIVA - Green 77

- Reserves (Liquid Assets) supporting loan amount-cash out cannot be used for reserves.
- Self-Employed Business number must be verified via 411 or internet.
- Self-Employed business license or CPA letter verifying borrower's ownership of business for last two (2) years in same line of business.
- Rental Agreements must be provided if rental income used to qualify.
- Passive income (SSI, child support, trust, annuity, retirement) must be fully verified.
- Min. 3 months Business and Personal Bank Statements to support the reasonableness of the stated income (deposits must reasonably support if not more months may be requested)
- Net worth now required at \$750,000

Alt Investor Program- Silver 70 No Exceptions Allowed

- Borrowers must have a minimum 3 year history of owning, retaining and managing residential real estate. Borrowers that have a history of property flipping are not eligible.
- The borrower is qualified based upon the cash flows of the property. No Borrower income is stated or verified so leave income amount off 1003. (No 4506.)
- The borrower is qualified using the debt service coverage ratio.
- 12 months ownership seasoning required. If less than 12 months then 50% max LTV.
- All properties must assume a 20% vacancy/expense factor.
- Purpose of Cash-Out Letter must be submitted with initial package and cash out refinances must be for business purposes only.
- Borrower must acknowledge the loan is a "business purpose loan" by signing the *Borrowers Intent to Proceed with Loan and Business Purpose Loan Certification*
- If Purchase, Appraisal Form 1007 will be utilized to determine rental income.
- If Refinance, rental agreement and rent survey form 1007 provided by appraiser will be used with GBL verifying rents via internet research.
- 12 months reserves must be calculated based on the PITIA payment used in qualification or the PITIA of the borrower's primary residence whichever is greater. (2 months consecutive statements required) -cash out cannot be used for reserves

Alt Doc Income Program-Program White 71-No Exceptions Allowed

- Reserves-cash out cannot be used for reserves
- Please No 4506T or tax returns
- Bank Statement Worksheet
- Business license and statement from corporate accountant/CPA confirming the same. Acceptable business license must be verified by third party (e.g., government entity, Sec of state, borrower's business attorney). Borrowers whose self-employment cannot be independently verified are not eligible.

- *If personal and business bank activity are combined in one bank account:
Borrower is to provide the most recent twelve (12) months consecutive bank statements from the same account. A Profit and Loss (P&L) that is prepared by a CPA or Licensed Tax Preparer must be provided. (Business bank statements accepted if personal and business done out of same account ie: mortgage, rent, utilities all paid out of 1 account)
- *If the borrower maintains separate bank accounts for personal and business:
personal bank statements will only be used for qualifying. The borrower is to provide the most recent twelve (12) months consecutive personal bank statements and three (3) months business bank statements (to support the borrower does maintain separate accounts).

*For all Self-employed borrowers: at least 2 items are required, no sooner than 30 days prior to signing and all information to be verified with a third party:

1. Verify business online, via reverse listing or 411 listing
2. Verify business online, via Secretary of State or Business Portal (Regulatory Agency)
3. Business License (Contractor/Professional Association)
4. Signed Letter from CPA indicating they have filed borrowers' taxes per returns dated in the file (must mention the borrower's business name)
5. Corporate Minutes

*Please note that Cash-Out proceeds can never be used as reserves on any Portfolio product.