

**This document is applicable to loans locked on or after 4.21.2025**

For loans locked prior to 4.21.25, refer to the

[Third Party Origination Product Snapshot | Cardinal Non-QM Flex Prime Non-Agency Loans Locked Prior to 4.21.25](#)

Cardinal Financial offers the Non-QM Flex product through Octane which provides features beyond the criteria established for Qualified Mortgages. Features include alternative income documentation, Interest Only and DTI ratios that exceed normal agency guidelines. Below is a summary of requirements and features. Please see the [Cardinal Non-QM Flex Lending Guide](#) for the full product requirements. Guidelines are subject to change without notice.

Refer to the [Jumbo Comparison Matrix Resource Document](#) > TPO Non-QM Comparison tab as an additional resource

## Non-QM Flex Prime - Standard and Alt Documentation

Standard Documentation				
Primary Residence		Maximum LTV / CLTV <sup>1</sup>		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refi	Cash-Out Refi
720 +	\$1,000,000	90	85	80
	\$1,500,000	90	85	80
	\$2,000,000	85	80	80
	\$2,500,000	80	75	75
	\$3,000,000	75	70	70
700	\$1,000,000	90	85	80
	\$1,500,000	90	85	80
	\$2,000,000	85	75	70
	\$2,500,000	75	70	65
	\$3,000,000	75	70	65
680	\$1,000,000	90	85	75
	\$1,500,000	85	80	75
	\$2,000,000	80	75	70
	\$2,500,000	75	70	65

	\$3,000,000	70	65	65
660	\$1,000,000	80	80	75
	\$1,500,000	80	75	75
	\$2,000,000	75	70	65
	\$2,500,000	70	65	65
640	\$1,000,000	80	75	70
	\$1,500,000	70	65	65
	\$2,000,000	65	NA	NA
<del>620</del>	<del>\$1,000,000</del>	<del>70</del>	<del>70</del>	<del>NA</del>

<sup>1</sup>LTV/CLTV Limitations

- 2-4 Unit Properties & Condominium Refinance: Maximum LTV/CLTV = 85%
- Condominium Purchase: Maximum LTV/CLTV = 90%
- Condotel: Maximum LTV/CLTV = 85%, Maximum Loan Amount = \$2,500,000
- Rural: Max LTV/CLTV = 80% Purchase, 75% Rate/Term and Cashout Refinance

Standard Documentation				
Second Home & Investment		Maximum LTV / CLTV <sup>1</sup>		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refi	Cash-Out Refi
720	\$1,000,000	85	80	75
	\$1,500,000	85	80	75
	\$2,000,000	85	80	75
	\$2,500,000	80	75	75
	\$3,000,000	75	70	70
700	\$1,000,000	85	80	75
	\$1,500,000	85	80	75
	\$2,000,000	85	75	70

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	\$2,500,000	70	65	65
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	\$1,500,000	70	65	65
	\$2,000,000	65	NA	NA
<del>620</del>	<del>\$1,000,000</del>	<del>70</del>	<del>70</del>	<del>NA</del>

LTV/CLTV Limitations

- Rural: Max LTV/CLTV = 80% Purchase, 75% Rate/Term and Cashout Refinance

Bank Statement, 1099				
Primary Residence		Maximum LTV / CLTV <sup>1</sup>		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refi	Cash-Out Refi
720 +	\$1,000,000	90	85	80
	\$1,500,000	90	85	80
	\$2,000,000	85	80	80
	\$2,500,000	80	75	75
	\$3,000,000	75	70	70

700	\$1,000,000	90	85	80
	\$1,500,000	90	85	80
	\$2,000,000	85	75	70
	\$2,500,000	75	70	65
	\$3,000,000	75	70	65
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	\$1,500,000	85	80	75
	\$2,000,000	80	75	70
	\$2,500,000	75	70	65
	\$3,000,000	70	65	65
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	\$2,000,000	75	70	65
	\$2,500,000	70	65	65
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	\$2,000,000	65	NA	NA
<del>620</del>	<del>\$1,000,000</del>	<del>70</del>	<del>70</del>	<del>NA</del>

<sup>1</sup>LTV/CLTV Limitations

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- Condotel: Maximum LTV/CLTV = 85%, maximum Loan Amount = \$2,500,000
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Bank Statement, 1099				
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	\$2,500,000	70	65	65
640	\$1,000,000	80	75	70
	\$1,500,000	70	65	65
	\$2,000,000	65	NA	NA

620	\$1,000,000	70	70	NA
LTV/CLTV Limitations				
<ul style="list-style-type: none"> <li>Rural: Max LTV/CLTV = 80% Purchase, 75% Rate/Term and Cashout Refinance</li> </ul>				

Profit & Loss Statement Only, Written VOE, Asset Utilization				
Primary Residence		Maximum LTV / CLTV		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refi	Cash-Out Refi
720	\$1,000,000	80	75	70
	\$1,500,000	80	75	70
	\$2,000,000	80	75	70
	\$2,500,000	75	70	70
	\$3,000,000	70	NA	NA
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	\$1,500,000	80	75	70
	\$2,000,000	80	75	70
	\$2,500,000	75	70	65
	\$3,000,000	70	NA	NA
680	\$1,000,000	80	75	70
	\$1,500,000	80	75	70
	\$2,000,000	75	70	65
	\$2,500,000	70	65	60
640*	\$1,000,000	80	75	70
	\$1,500,000	80	75	70
	\$2,000,000	75	70	65
	\$2,500,000	70	65	60

\*Available for Asset Utilization ONLY

### Profit & Loss Statement Only, Written VOE, Asset Utilization

Second Home & Investment		Maximum LTV / CLTV		
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refi	Cash-Out Refi
720	\$1,000,000	80	75	70
	\$1,500,000	80	75	70
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	\$2,000,000	75	70	65
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\*Available for Asset Utilization ONLY

### Non-QM Flex Prime Standard and Alt Documentation Program Parameters

#### Eligible Transactions

- 30-Yr Fixed
- 30-Yr Fixed Interest Only
- 15-Yr Fixed
- 5 / 6 ARM
- 5 / 6 ARM Interest Only
- 7 / 6 ARM

	<ul style="list-style-type: none"> <li>7 / 6 ARM Interest Only</li> <li>10 / 6 ARM</li> <li>10 / 6 ARM Interest Only</li> </ul>																														
Octane Programs	<table> <tr> <th colspan="2">Octane Product Codes Standard Doc</th></tr> <tr> <td>NQFP30SD</td><td>Non-QM Flex Prime 30 Year Fixed - Standard Doc - Cardinal Financial</td></tr> <tr> <td>NQFP30SDIO</td><td>Non-QM Flex Prime 30 Year Fixed - Standard Doc - Interest Only - Cardinal Financial</td></tr> <tr> <td>NQFP15SD</td><td>Non-QM Flex Prime 15 Year Fixed - Standard Doc - Cardinal Financial</td></tr> <tr> <td>NQFP5/6SD</td><td>Non-QM Flex Prime 5/6 ARM - Standard Doc - Cardinal Financial</td></tr> <tr> <td>NQFP5/6SDIO</td><td>Non-QM Flex Prime 5/6 ARM - Standard Doc - Interest Only - Cardinal Financial</td></tr> <tr> <td>NQFP7/6SD</td><td>Non-QM Flex Prime 7/6 ARM - Standard Doc - Cardinal Financial</td></tr> <tr> <td>NQFP7/6SDIO</td><td>Non-QM Flex Prime 7/6 ARM - Standard Doc - Interest Only - Cardinal Financial</td></tr> <tr> <td>NQFP10/6SD</td><td>Non-QM Flex Prime 10/6 ARM - Standard Doc - Cardinal Financial</td></tr> <tr> <td>NQFP10/6SDIO</td><td>Non-QM Flex Prime 10/6 ARM - Standard Doc - Interest Only - Cardinal Financial</td></tr> </table> <table> <tr> <th colspan="2">Octane Product Codes Alt Doc</th></tr> <tr> <td>NQFP30AD</td><td>Non-QM Flex Prime 30 Year Fixed - Alt Doc - Cardinal Financial</td></tr> <tr> <td>NQFP30ADIO</td><td>Non-QM Flex Prime 30 Year Fixed - Alt Doc - Interest Only - Cardinal Financial</td></tr> <tr> <td>NQFP30ADL</td><td>Non-QM Flex Prime 30 Year Fixed - Alt Doc Lite - Cardinal Financial</td></tr> <tr> <td>NQFP30ADLIO</td><td>Non-QM Flex Prime 30 Year Fixed - Alt Doc Lite -</td></tr> </table>	Octane Product Codes Standard Doc		NQFP30SD	Non-QM Flex Prime 30 Year Fixed - Standard Doc - Cardinal Financial	NQFP30SDIO	Non-QM Flex Prime 30 Year Fixed - Standard Doc - Interest Only - Cardinal Financial	NQFP15SD	Non-QM Flex Prime 15 Year Fixed - Standard Doc - Cardinal Financial	NQFP5/6SD	Non-QM Flex Prime 5/6 ARM - Standard Doc - Cardinal Financial	NQFP5/6SDIO	Non-QM Flex Prime 5/6 ARM - Standard Doc - Interest Only - Cardinal Financial	NQFP7/6SD	Non-QM Flex Prime 7/6 ARM - Standard Doc - Cardinal Financial	NQFP7/6SDIO	Non-QM Flex Prime 7/6 ARM - Standard Doc - Interest Only - Cardinal Financial	NQFP10/6SD	Non-QM Flex Prime 10/6 ARM - Standard Doc - Cardinal Financial	NQFP10/6SDIO	Non-QM Flex Prime 10/6 ARM - Standard Doc - Interest Only - Cardinal Financial	Octane Product Codes Alt Doc		NQFP30AD	Non-QM Flex Prime 30 Year Fixed - Alt Doc - Cardinal Financial	NQFP30ADIO	Non-QM Flex Prime 30 Year Fixed - Alt Doc - Interest Only - Cardinal Financial	NQFP30ADL	Non-QM Flex Prime 30 Year Fixed - Alt Doc Lite - Cardinal Financial	NQFP30ADLIO	Non-QM Flex Prime 30 Year Fixed - Alt Doc Lite -
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		Interest Only - Cardinal Financial
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	NQFP30AUADIO	Non-QM Flex Prime 30 Year Fixed - Asset Utilization - Interest Only - Cardinal Financial
	NQFP15AD	Non-QM Flex Prime 15 Year Fixed - Alt Doc - Cardinal Financial
	NQFP15ADL	Non-QM Flex Prime 15 Year Fixed - Alt Doc Lite - Cardinal Financial
	NQFP15AU	Non-QM Flex Prime 15 Year Fixed - Asset Utilization - Cardinal Financial
	NQFP5/6AD	Non-QM Flex Prime 5/6 ARM - Alt Doc - Cardinal Financial
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	NQFP5/6AU	Non-QM Flex Prime 5/6 ARM - Asset Utilization - Cardinal Financial
	NQFP5/6AUADIO	Non-QM Flex Prime 5/6 ARM - Asset Utilization - Interest Only - Cardinal Financial
	NQFP7/6AD	Non-QM Flex Prime 7/6 ARM - Alt Doc - Cardinal Financial
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<b>Loan Purpose</b>	<ul style="list-style-type: none"> <li>• Purchase</li> <li>• Rate/Term Refinance</li> <li>• Cash Out Refinance <ul style="list-style-type: none"> <li>◦ No maximum cash out restrictions</li> </ul> </li> </ul>	
<b>Acreage</b>	<ul style="list-style-type: none"> <li>• Maximum acreage up to 20 acres</li> </ul>	
<b>Appraisals</b>	<ul style="list-style-type: none"> <li>• Two appraisals required when any of the following conditions exist: <ul style="list-style-type: none"> <li>◦ Loan amounts &gt; \$2,000,000,</li> <li>◦ The transaction is a flip as defined in the Property Flipping section of the lending guide,</li> <li>◦ As required under the Appraisal Review guidelines below.</li> </ul> </li> <li>• When a second appraisal is provided, the “appraised value” will be the lower of the two appraisals.</li> </ul>	
<b>Appraisal - Declining Market</b>	<p>If the appraisal report identifies the property in a declining market:</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV is limited to 85% for purchase and 80% for rate/term and cash-out refinance transactions</li> <li>• Maximum loan amount is limited to \$2,000,000</li> </ul>	
<b>Appraisal Review</b>	<p>An appraisal review product is required on every loan unless a second appraisal is obtained. Four (4) options are available:</p>	

	<ul style="list-style-type: none"> <li>• A Collateral Underwriter (CU) or Loan Collateral Advisor (LCA) with an eligible score of 2.5 or less. The file must include a copy of the Submission Summary Report (SSR). Only one score is required, but if both scores (CU &amp; LCA) are provided, both are required to be 2.5 or less; or</li> <li>• AVM from Clear Capital dated within 90 days of the Note date, or</li> <li>• Collateral Desktop Analysis (CDA) from Clear Capital, or</li> <li>• A second appraisal.</li> </ul> <p>If the CU/LCA score exceeds 2.5, the file must include either an AVM from Clear Capital, a CDA from Clear Capital, or a second appraisal.</p> <p>The AVM must show an acceptable FSD score range of 0.00 to 0.13 and the AVM value must be within 10% of the appraised value.</p> <ul style="list-style-type: none"> <li>• If the AVM reflects a value more than 10% below the appraised value or cannot provide a value, the file must include an acceptable CDA from Clear Capital or a second appraisal.</li> </ul> <p>If the CDA Desk Review reflects a value more than 10% below the appraised value or cannot provide a validation, the next option would be a second appraisal.</p> <p>A second appraisal must support the original appraised value, else the lower of the two appraisals must be used in the LTV/CLTV calculation.</p> <p>Any appraisal review product or second appraisal may not be from the same appraiser or appraisal company as the original report.</p>
<b>Asset Documentation</b>	<p>Minimum of 30 days asset verification required</p> <ul style="list-style-type: none"> <li>• Any large deposit must be sourced</li> </ul>
<b>Credit Score</b>	<p>Use the representative credit score of the borrower with the highest qualifying income.</p>
<b>Document Age</b>	<ul style="list-style-type: none"> <li>• 120-day validity date for the following:             <ul style="list-style-type: none"> <li>○ Income verification</li> <li>○ Mortgage/rental verification</li> <li>○ Asset documents/bank statements</li> <li>○ Credit report</li> <li>○ Title Commitment                 <ul style="list-style-type: none"> <li>■ A 24-month title history is required showing transfer dates, price, and buyer and seller names</li> </ul> </li> </ul> </li> <li>• Appraisals must be dated within 365 days of the Note date, but recertification of value (1004D) would be required if an appraisal will be more than 120 days old on the date of the Note.</li> </ul>
<b>DTI Requirements</b>	<ul style="list-style-type: none"> <li>• Standard maximum 50%</li> <li>• Primary Residence - up to 55% allowed based on the following:</li> </ul>

	<ul style="list-style-type: none"><li>○ Minimum residual income of \$3,500</li><li>○ Max LTV/CLTV &lt;= 80%</li><li>○ Standard documentation 2 years</li><li>○ Minimum 6 months reserves</li><li>○ First time homebuyer not eligible</li><li>○ Minimum 660 Credit Score</li><li>● Condominium with LTV &gt; 85.01% - 90%: 45% DTI maximum</li><li>● First time homebuyers maximum: See below</li></ul>															
Escrow Accounts	Escrows for hazard insurance, property taxes and flood (if applicable) are required <ul style="list-style-type: none"><li>● See <a href="#">Escrows - Impound Accounts</a> for full details along with waiver requirements</li></ul>															
First-Time Home Buyers	Eligible with the following restrictions: <ul style="list-style-type: none"><li>● Primary residence only</li><li>● DTI may not exceed 45%</li><li>● Minimum six (6) months of reserves</li><li>● 12-month rental history is required reflection 0x30</li><li>● First-time homebuyers without a documented 12-month rental history are eligible subject to:<ul style="list-style-type: none"><li>○ DTI may not exceed 43%</li><li>○ LTV may not exceed 80%</li></ul></li></ul>															
Gift Funds	<ul style="list-style-type: none"><li>● Eligible after minimum down payment has been made by the borrower from their own funds:<ul style="list-style-type: none"><li>○ Primary Residence and Second Home: 5% down payment is required before gift funds can be applied</li><li>○ Investment: 10% down payment is required before gift funds can be applied.</li></ul></li></ul>															
Derogatory Event Seasoning <ul style="list-style-type: none"><li>● Bankruptcy</li><li>● Foreclosure</li><li>● Short Sale</li><li>● Deed-in-Lieu</li><li>● Pre Foreclosure</li><li>● Mortgage Charge-off</li></ul>	<table><tr><th colspan="3">Credit Event Seasoning</th></tr><tr><th>BK/FC/SS/DIL/PreFC/MC</th><th>&gt;=36 months</th><th>&gt;=24 months</th></tr><tr><td>Max LTV/CLTV: Purchase</td><td>Refer to LTV Matrix</td><td>80%</td></tr><tr><td>Max LTV/CLTV: Refinance</td><td>Refer to LTV Matrix</td><td>75%</td></tr><tr><td>Maximum Loan Amount</td><td>Refer to LTV Matrix</td><td>\$1,500,000</td></tr></table>	Credit Event Seasoning			BK/FC/SS/DIL/PreFC/MC	>=36 months	>=24 months	Max LTV/CLTV: Purchase	Refer to LTV Matrix	80%	Max LTV/CLTV: Refinance	Refer to LTV Matrix	75%	Maximum Loan Amount	Refer to LTV Matrix	\$1,500,000
Credit Event Seasoning																
BK/FC/SS/DIL/PreFC/MC	>=36 months	>=24 months														
Max LTV/CLTV: Purchase	Refer to LTV Matrix	80%														
Max LTV/CLTV: Refinance	Refer to LTV Matrix	75%														
Maximum Loan Amount	Refer to LTV Matrix	\$1,500,000														
Housing Payment History	1x30x12															

<b>Income Requirements Standard</b>	<ul style="list-style-type: none"> <li>Wage/Salary: Paystubs, W-2 for 2 years, 2 years of Tax Returns (where applicable) , IRS Form 4506-C</li> <li>Self Employed: 2 years of personal and Business Tax Returns, YTD P&amp;L, IRS Form 4506-C</li> <li>Verbal VOE required within 10 days of Note Date</li> </ul>
<b>Income Requirements - Personal Bank Statements / Alt Doc</b>	<ul style="list-style-type: none"> <li>24 or 12 months of Personal bank statements and 2 months of business bank statements required</li> <li>Qualifying income is determined by the total eligible deposits from the 24 or 12 months of personal bank statements divided by the number of statements</li> <li>The business bank statements must reflect business activity and transfers to the personal account.</li> <li>Pricing adjustments apply to 12-month documentation option</li> </ul>
<b>Income Requirements - Business Bank Statements / Alt Doc</b>	<ul style="list-style-type: none"> <li>24 or 12 months of business bank statements required</li> <li>Qualifying income is determined by one of the following analysis methods: <ul style="list-style-type: none"> <li>Fixed Expense Ratio (50%), or</li> <li>Expense ratio provided by a 3rd party (CPA or EA); minimum ratio of 10%, or</li> <li>3rd party prepared Profit &amp; Loss Statement (CPA or EA)</li> </ul> </li> <li>Pricing adjustments apply to 12-month documentation option</li> </ul>
<b>Income Requirements - IRS Form 1099 / Alt Doc</b>	<ul style="list-style-type: none"> <li>2 years or 1 year of 1099 statements required</li> <li>Fixed Expense Ratio of 10%</li> <li>YTD Documentation to support continued receipt from same source</li> <li>Pricing adjustments apply to 1 year documentation option</li> </ul>
<b>Income Requirements - Profit &amp; Loss / Alt Doc</b>	<ul style="list-style-type: none"> <li>24 or 12-month CPA / EA / CTEC / Tax Attorney prepared Profit &amp; Loss Statement required</li> <li>CPA / EA / CTEC/ Tax Attorney must attest they have completed or filed the borrower's most recent business tax return</li> <li>Min 36 months credit event seasoning</li> </ul>
<b>Income Requirements - Written Verification of Employment / Alt Doc</b>	<ul style="list-style-type: none"> <li>FNMA Form 1005 required</li> <li>Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements</li> <li>Min 36 months credit event seasoning</li> </ul>
<b>Income Requirements - Asset Utilization / Alt Doc</b>	<ul style="list-style-type: none"> <li>Eligible assets are divided by 60 to determine a monthly income stream</li> <li>Min 36 months credit event seasoning</li> <li>Min Credit Score: 640</li> </ul>
<b>Interest Only</b>	Eligible <ul style="list-style-type: none"> <li>Minimum credit score = 660</li> </ul>

	<ul style="list-style-type: none"> <li>30-year total loan term with qualification based upon 20-year amortizing payment <ul style="list-style-type: none"> <li>Fixed rate: Qualified at the Note rate</li> <li>ARM: Qualified at the higher of the fully indexed rate or the Note rate</li> </ul> </li> </ul>
<b>Loan Amounts</b>	<ul style="list-style-type: none"> <li>Minimum: \$150,000</li> <li>Maximum: \$3,000,000</li> </ul>
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>Primary</li> <li>Second Home</li> <li>Investment</li> </ul>
<b>Prepayment Penalty - Investment Property Only</b>	<p>Where permitted by applicable laws and regulations on an investment property, a prepayment charge may be assessed in the period between one (1) and five (5) years following the execution date of the Note. The following structure is allowed:</p> <ul style="list-style-type: none"> <li>Six (6) months of interest <ul style="list-style-type: none"> <li>The prepayment charge will be equal to six (6) months of interest on the amount of the prepayment that exceeds 20% of the original principal balance. The charge applies to loans that pay off due to sale or refinance, or curtailments that exceed 20% of the original principal balance in a given 12-month time period.</li> </ul> </li> </ul> <p>The following state restrictions apply:</p> <ul style="list-style-type: none"> <li>Penalties not allowed in AK, KS, MI, MN, MS, NM, and RI <ul style="list-style-type: none"> <li>Only declining prepayment penalty structures are allowed in MS, and Cardinal does not offer this structure.</li> </ul> </li> <li>Penalties not allowed on loans vested to individuals in IL and NJ</li> <li>Prepayment penalties are not allowed in District of Columbia (DC), MD, or LA if the business purpose is marked "no" inside the system of record</li> <li>Penalties not allowed on loan amounts less than \$319,777 in PA</li> </ul>
<b>Property Type</b>	<p><b>Eligible</b></p> <ul style="list-style-type: none"> <li>Attached/Detached SFR: No restrictions</li> <li>2-4 Units: Max LTV/CLTV 85%</li> <li>Condominium Max LTV/CLTV <ul style="list-style-type: none"> <li>Primary Purchase 90% <ul style="list-style-type: none"> <li>Maximum DTI 45% and 12 months reserves</li> </ul> </li> <li>All other transactions 85%</li> <li>Note: Full guidelines relating to condominium eligibility are found <a href="#">Condominiums</a></li> </ul> </li> <li>Condo Hotel <ul style="list-style-type: none"> <li>Max LTV/CLTV 85%</li> <li>Max Loan Amount \$2,500,000</li> </ul> </li> </ul>

	<ul style="list-style-type: none"><li>○ Occupancy allowed: Primary, Second Home and Investment</li><li>○ Note: Full guidelines relating to condotel acceptability are found <a href="#">Condominium Hotels</a></li><li>● Rural properties</li></ul> <p><b>Not Eligible</b></p> <ul style="list-style-type: none"><li>● Condominium properties that do not meet <a href="#">Condominiums</a> or <a href="#">Condominium Hotels</a> guidelines</li></ul>												
Reserve Requirements	<table><thead><tr><th colspan="2">Required PITIA Reserves</th></tr></thead><tbody><tr><td>LTV&lt;=80%</td><td>3 months</td></tr><tr><td>LTV &gt;80 to 85%</td><td>6 months</td></tr><tr><td>LTV &gt; 85%</td><td>12 months</td></tr><tr><td>Loan Amount &gt; \$1,500,000</td><td>9 months</td></tr><tr><td>Loan Amount &gt; \$2,500,000</td><td>12 months</td></tr></tbody></table> <ul style="list-style-type: none"><li>● Cash out may be used to satisfy this requirement<ul style="list-style-type: none"><li>○ Follow guidance located in <a href="#">Reserves</a></li></ul></li></ul>	Required PITIA Reserves		LTV<=80%	3 months	LTV >80 to 85%	6 months	LTV > 85%	12 months	Loan Amount > \$1,500,000	9 months	Loan Amount > \$2,500,000	12 months
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Residual Income	<p>Residual income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations.</p> <p>Residual Income = Gross Monthly Income minus total monthly debt</p> <p>The Minimum Residual Income requirements are calculated using the table below. An additional \$250 is added for the first dependent and \$125 for each additional dependent. A dependent is any person other than the borrower or spouse in the household.</p> <table><thead><tr><th>Occupancy</th><th>Maximum LTV</th><th>Minimum Residual Income</th></tr></thead><tbody><tr><td>Primary</td><td>90%</td><td>\$2,500</td></tr><tr><td>Primary - DTI &gt; 50%</td><td>80%</td><td>\$3,500</td></tr><tr><td>Second Home</td><td>80%</td><td>\$2,500</td></tr></tbody></table>	Occupancy	Maximum LTV	Minimum Residual Income	Primary	90%	\$2,500	Primary - DTI > 50%	80%	\$3,500	Second Home	80%	\$2,500
Occupancy	Maximum LTV	Minimum Residual Income											
Primary	90%	\$2,500											
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<b>State Restrictions</b>	<p>State Overlays for CT, FL, IL, NJ, and NY</p> <ul style="list-style-type: none"> <li>Maximum LTV/CLTV limited to 85% for purchase and 80% for rate/term and cash-out refinance transactions</li> <li>Maximum loan amount is limited to \$2,000,000</li> </ul> <p>Ineligible locations: Puerto Rico, Guam and the US Virgin Islands</p>
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived</li> <li>When the primary borrower has less than three credit scores, each borrower must meet the following minimum tradeline requirements. <ul style="list-style-type: none"> <li>At least three (3) tradelines reporting for a minimum of 12 months, with activity in the last 12 months, or</li> <li>At least two (2) tradelines reporting for a minimum of 24 months, with activity in the last 12 months.</li> </ul> </li> <li>Borrowers who do not meet one of the above tradeline requirements, but have a minimum of two credit scores, can alternatively satisfy the tradeline requirements found here: <a href="#">Tradelines</a></li> </ul>