

Product Snapshot

Cardinal Jumbo AUS Expanded

Cardinal Financial offers the Jumbo AUS Expanded product for borrowers who need higher loan amounts, over and above the standard conforming agency. The Jumbo AUS Expanded product offers borrowers purchase, rate and term or cash-out mortgages that are fully documented for income and assets. Please see the [Cardinal Jumbo AUS guidelines](#) for the full product requirements. The below is a summary of requirements and features. Guidelines are subject to change without notice.

Purchase & Rate/Term Refinance - Fixed and ARM ²				
Occupancy	Property Type	Maximum Loan Amount	Maximum LTV/CLTV ^{1,2}	Minimum Credit Score
Primary	1-Unit	\$2,000,000	89.99%/89.99%	680
		\$2,000,000	80%/80%	660
		\$2,500,000	80%/80%	720
		\$3,000,000	80%/80%	740
	2-4 Units	\$2,000,000	80%/80%	700
Second Home	1-Unit	\$2,000,000	89.99%/89.99%	680
		\$2,000,000	80%/80%	660
		\$2,500,000	80%/80%	720
		\$3,000,000	80%/80%	740
Investment	1-Unit	\$2,000,000	80%/80%	680
		\$2,000,000	70%/70%	660
		\$2,500,000	75%/75%	720
	2-4 Units	\$2,000,000	75%/75%	680
		\$2,000,000	65%/65%	660
		\$2,500,000	70%/70%	720

¹ Reduce maximum LTV/CLTV by 10% for any property located in an area of declining values as reported by the appraiser

² 30-year fixed rate only for LTV/CLTV greater than 80%

Purchase - First-Time Homebuyer - Fixed and ARM

Occupancy	Property Type	Maximum Loan Amount	Maximum LTV/CLTV ¹	Minimum Credit Score
Primary	1-Unit	\$2,000,000	80%/80%	660
	2-4 Unit	\$2,000,000	80%/80%	700

¹ Reduce maximum LTV/CLTV by 10% for any property located in an area of declining values as reported by the appraiser

Cash-Out Refinance - Fixed and ARM

Occupancy	Property Type	Maximum Loan Amount	Maximum LTV/CLTV ¹	Minimum Credit Score	Maximum Cash-Out
Primary	1-Unit	\$2,000,000	80%/80%	680	\$500,000
		\$3,000,000	80%/80%	740	
	2-4 Unit	\$2,000,000	75%/75%	700	
Second Home	1-Unit	\$2,000,000	75%/75%	700	
		\$3,000,000	75%/75%	740	
Investment	1-Unit	\$1,000,000	75%/75%	680	\$350,000
		\$2,000,000	75%/75%	720	
		\$2,000,000	70%/70%	680	
	2-4 Unit	\$1,000,000	70%/70%	680	
		\$2,000,000	70%/70%	720	
		\$2,000,000	65%/65%	680	

¹ Reduce maximum LTV/CLTV by 10% for any property located in an area of declining values as reported by the appraiser

Program Parameters		
Eligible Transactions	Purchase, Rate and Term and Cash-Out	
Loan Terms	<ul style="list-style-type: none"> • 15 Year Fixed Rate • 30 Year Fixed Rate • 5/6, 7/6 and 10/6 ARM 	
Octane Loan Programs	Octane Product Codes	
	J30AUSXCF	Jumbo 30 Year Fixed Rate AUS Expanded - Cardinal Financial
	J15AUSXCF	Jumbo 15 Year Fixed Rate AUS Expanded - Cardinal Financial
	J5/6AUSXCF	Jumbo 5/6 SOFR ARM AUS Expanded - Cardinal Financial
	J7/6AUSXCF	Jumbo 7/6 SOFR ARM AUS Expanded - Cardinal Financial
	J10/6AUSXCF	Jumbo 10/6 SOFR ARM AUS Expanded - Cardinal Financial

<p>ARM Parameters</p>	<p>Index</p> <ul style="list-style-type: none"> 30 Day Average SOFR Index as published by the New York Federal Reserve <p>Margin</p> <ul style="list-style-type: none"> Available Margin 2.75% <p>Interest Rate Caps</p> <ul style="list-style-type: none"> 5yr/6m ARM <ul style="list-style-type: none"> 2% / 1% / 5% (First, Periodic, Lifetime) 7yr/6m and 10yr/6m ARM <ul style="list-style-type: none"> 5% / 1% / 5% <p>Interest Rate Floor</p> <ul style="list-style-type: none"> The floor is 2.75% <p>Qualification</p> <ul style="list-style-type: none"> 5yr/6m ARM qualified at higher of the maximum potential Note rate after first adjustment or the fully indexed rate For loans locked on or after 8/21/23: <ul style="list-style-type: none"> 7/6 and 10/6 ARMs qualified at the Note rate For loans locked prior to 8/21/23: <ul style="list-style-type: none"> 7/6 and 10/6 ARMs qualified at the higher of the Note rate or the fully indexed rate (sum of index and margin)
<p>AUS Requirements</p>	<ul style="list-style-type: none"> Must run loan through DU or LPA Feedback options <ul style="list-style-type: none"> DU Approve/Eligible LPA Accept/Eligible DU Approve/Ineligible or LPA Accept/Ineligible for loan amount or maximum LTV on cash-out refinances only Property Inspection Waivers are not allowed
<p>Program Requirements</p>	
<p>Appraisal</p>	<ul style="list-style-type: none"> One (1) full appraisal required for loan amounts up to \$2,000,00 Two (2) full appraisals are required for loan amounts > \$2,000,000 <ul style="list-style-type: none"> LTV/CLTV will be based on the lower of the two values. All inconsistencies between the two appraisals must be addressed and reconciled. <p>Third Party Appraisal Review</p> <ul style="list-style-type: none"> A Collateral Desktop Analysis (CDA) from Clear Capital is required for each loan with a collateral underwriter score greater than 2.5. <ul style="list-style-type: none"> A CDA is required in all cases when a CU Score is not available A CDA is not required for loans with two appraisals, regardless of the collateral underwriter score. A copy of the appraisal desk review report should be submitted in the loan file. The review must not be over 120 days old from the date of the Note. If the desk review produces a value in excess of a 10% negative variance to the appraised value, the loan is not eligible for purchase; provided, there is the option to order a Field Review to support the appraised value. If the field review also produces a value in excess of a 10% negative variance to the appraised value, then the loan will remain ineligible.
<p>Assets</p>	<ul style="list-style-type: none"> Follow Agency guidance Marketable securities can be used at 100% of value
<p>Assets - Reserves</p>	<p>Follow the greater of AUS reserve requirements or the below reserve requirements. If AUS does not provide a minimum, the following reserve requirements apply:</p>

	<table border="1"> <thead> <tr> <th>LTV/CLTV or Transaction Type</th> <th>Loan Amount</th> <th>Months of PITIA Reserves</th> </tr> </thead> <tbody> <tr> <td rowspan="4">LTV/CLTV <=80%</td> <td><= \$1,000,000</td> <td>Follow AUS requirements</td> </tr> <tr> <td>\$1,000,001 to <= \$2,000,000</td> <td>3</td> </tr> <tr> <td>\$2,000,001 to \$2,500,000</td> <td>12</td> </tr> <tr> <td>>\$2,500,000</td> <td>18</td> </tr> <tr> <td>LTV/CLTV>80%</td> <td>All</td> <td>6</td> </tr> <tr> <td>Cash-out</td> <td>>\$2,000,000</td> <td>18</td> </tr> </tbody> </table>			LTV/CLTV or Transaction Type	Loan Amount	Months of PITIA Reserves	LTV/CLTV <=80%	<= \$1,000,000	Follow AUS requirements	\$1,000,001 to <= \$2,000,000	3	\$2,000,001 to \$2,500,000	12	>\$2,500,000	18	LTV/CLTV>80%	All	6	Cash-out	>\$2,000,000	18
	LTV/CLTV or Transaction Type	Loan Amount	Months of PITIA Reserves																		
LTV/CLTV <=80%	<= \$1,000,000	Follow AUS requirements																			
	\$1,000,001 to <= \$2,000,000	3																			
	\$2,000,001 to \$2,500,000	12																			
	>\$2,500,000	18																			
LTV/CLTV>80%	All	6																			
Cash-out	>\$2,000,000	18																			
Credit Requirements	<ul style="list-style-type: none"> • Non-traditional credit is not permitted • All borrowers must have a minimum of two (2) valid credit scores • Minimum credit requirements per AUS 																				
Collections, Charge-Offs, and Judgment	<ul style="list-style-type: none"> • Satisfactory explanation for any delinquent credit from the borrower is required. • Borrower must pay off all delinquent credit that has the potential to impact the lien position. • Collection accounts or charged-off accounts do not need to be paid off if the balance of an individual account is less than \$1000.00 or if there are multiple accounts the total balance of all accounts cannot exceed \$2,500.00. 																				
Forbearance	<ul style="list-style-type: none"> • If the borrower is currently in forbearance, the loan is ineligible • A 24-month acceptable pay history after exiting forbearance is required 																				
Foreclosure, Bankruptcy, Short Sale and Deed in Lieu	<ul style="list-style-type: none"> • A minimum of seven (7) years from the event completion date to the date of the loan application must have elapsed • The borrower must have satisfactory re-established credit and meet all other program requirements • A letter of explanation is required outlining the reason for the event and supporting that any contributing factors which lead to the event have been resolved 																				
Housing History	<ul style="list-style-type: none"> • Mortgage housing history must show 0x30x24 • If the borrower did not have a mortgage at the time of application, rental history must show 0x30 within the past 24 months 																				
Eligible Borrowers	<ul style="list-style-type: none"> • U.S. Citizens • Permanent resident aliens • Non-permanent resident aliens • Maximum of four (4) borrowers per loan • Non-occupant co-borrowers allowed per AUS requirements 																				
Ineligible Borrowers	<ul style="list-style-type: none"> • Borrowers with only an ITIN (individual taxpayer identification number) • Irrevocable trusts • Corporations, limited partnerships, general partnerships, and limited liability companies • Borrowers who are party to a lawsuit • Foreign Nationals • Borrowers with Diplomatic Immunity • Borrowers residing in the country under a C-33 (DACA) status 																				

Eligible Properties	<ul style="list-style-type: none"> ● Attached/Detached SFRs ● Attached/Detached PUDs ● Fannie Mae and/or Freddie Mac Warrantable Condos. Minimum 400 sq ft. ● 1-4 Units ● Maximum lot size 20 acres. Properties with greater than 10 acres must have three comparables with similar acreage
Ineligible Properties	<ul style="list-style-type: none"> ● Co-ops ● Manufactured Housing ● Hawaii Lava Zones 1 & 2 ● Illinois Land Trusts ● Condotels ● Log Homes ● Non-Warrantable Condo ● Mixed Use ● Working Farm ● Unique Properties ● Properties with more than 20 acres ● Leasehold
Employment and Income Documentation	<ul style="list-style-type: none"> ● Follow AUS and requirements per the Fannie Mae Single Family Selling Guide or the Freddie Mac Single Family Seller Servicer Guide currently in effect. ● If a discrepancy exists between DU and the aforementioned Fannie Mae guide or LPA and the aforementioned Freddie Mac guide, the guide requirements must be followed. ● The loan file should include an Income Analysis form detailing income calculations. ● Note: For self-employed borrowers, if the most recent year's tax returns have not been filed by the IRS deadline, an executed copy of the borrower's extension request for both personal <i>and business tax returns</i> must be provided.
Maximum DTI	<ul style="list-style-type: none"> ● All transactions: 45%
Maximum Number of Financed Properties	<ul style="list-style-type: none"> ● Follow AUS for maximum number of financed properties
Minimum Loan Amount	<p style="color: red;">\$1 over the current Agency loan limits based on the subject property county and number of units</p>
Mortgage Insurance	<p>Not permitted</p>
Occupancy	<ul style="list-style-type: none"> ● Primary Residence ● Second Home ● Investment Property
Property Flipping	<ul style="list-style-type: none"> ● Seller must have taken title to the subject property a minimum of 90 days prior to the date of the sales contract.
Refinance: Rate and Term	<ul style="list-style-type: none"> ● Minimum of 6 months must have elapsed if the previous refinance transaction was a cash-out, or combined a first and a non-purchase money subordinate lien into a new first lien. ● Second lien being paid off may have been a purchase money second lien. ● Non-purchase second lien seasoned a minimum of 12 months from the date of application. The second lien must not show evidence of draws exceeding \$2,000 within the past 12 months from the date of application. ● Properties listed for sale are ineligible for refinance unless the listing was withdrawn (or expired) prior to the Note date. ● Maximum cash back to the borrower is limited to the lesser of \$2,000 or 1% of the new loan.

Refinance: Cash-Out	<ul style="list-style-type: none"> ● Borrower must have held title to the subject property for a minimum of six (6) months prior to the closing date. ● If an existing first mortgage is being paid off through the transaction, it must be at least 12 months old at the time of refinance, as measured by the Note date of the existing loan to the Note date of the new loan. <ul style="list-style-type: none"> ○ The requirements do not apply to any existing subordinate liens paid off through the transaction, or when buying out a co-owner pursuant to a legal agreement. ● Properties listed for sale are ineligible for refinance unless the listing was withdrawn (or expired) prior to the Note date. ● Cash-Out is not permitted in the state of Texas.
Subordinate Financing	Permitted per AUS guidelines
Texas Section 50(a)(6) Refinance	Not permitted



WWW.CARDINALFINANCIAL.COM

The information contained above is not legal advice. Rather, the above content is intended for informational purposes only, and not meant to be relied upon for legal or any other purpose. While Cardinal strives to provide accurate information, Cardinal makes no guarantee or promise regarding the accuracy of the above content. In the event that any person has questions or seeks information regarding the above subject matter, Cardinal strongly encourages such person to seek legal advice from an attorney, and rely on such legal advice independent of the above content.

Cardinal Financial Company, Limited Partnership is an Equal Housing Opportunity Lender. This is not a commitment to lend. This is not an advertisement pursuant to 12 C.F.R. 1026.2(a)(2). The above information is not intended as an advertisement or for public dissemination. Rather the information is general in nature, intended for mortgage professionals, and subject to change at any time. Any unauthorized use, dissemination or distribution of this document is strictly prohibited. See Cardinal's program guidelines for loan specific details and eligibility requirements. ©2019 Cardinal Financial Company, Limited Partnership. All rights reserved. Company NMLS #66247.