

## Second Lien Mortgage Loan – Product Description

<b>PRODUCT DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Second Lien, fully-amortizing Fixed Rate or Balloon Loan</li> <li>• Must close simultaneously with a Gateway approved 15 or 30-year Fixed Rate Fannie Mae or Freddie Mac First Lien only.</li> <li>• Purchase only. Stand-alone seconds are ineligible for purchase</li> <li>• Payoff of a Construction Lien with a combined Gateway approved 15 or 30-year Fixed Rate Fannie Mae or Freddie Mac First Lien and Gateway Second Lien is allowed.</li> </ul>
<b>PRODUCT CODES</b>	<ul style="list-style-type: none"> <li>• CF10-GMG2ND 10-Year Fixed Rate Second Lien</li> <li>• CF15-GMG2ND 15-Year Fixed Rate Second Lien</li> <li>• CF20-GMG2ND 20-Year Fixed Rate Second Lien</li> <li>• CF15/10-GMG2ND 15-Year Fixed Rate Second Lien with 10-year Balloon</li> <li>• CF30/15-GMG2ND 30-Year Fixed Rate Second Lien with 15-year Balloon</li> </ul>
<b>ELIGIBLE STATES</b>	<ul style="list-style-type: none"> <li>• See <a href="#">Gateway Approved States</a></li> </ul>
<b>APPRAISAL</b>	<ul style="list-style-type: none"> <li>• Condominiums require HOA Certification form</li> </ul>
<b>MINIMUM LOAN AMOUNT</b>	<ul style="list-style-type: none"> <li>• <b>\$20,000</b></li> </ul>
<b>MAXIMUM LOAN AMOUNTS / OCCUPANCY</b>	<ul style="list-style-type: none"> <li>• Primary Home - \$300,000</li> <li>• Second Home - \$100,000</li> <li>• Non-occupying co-borrower not permitted</li> </ul>
<b>MAXIMUM DTI</b>	<ul style="list-style-type: none"> <li>• 43% DTI AUS approval required for 15 and 30-year Fixed Rate, LP Accept/Accept or DU Approve/Eligible for both First Lien and Second Lien Gateway loans.</li> </ul>
<b>LOAN TERMS</b>	<ul style="list-style-type: none"> <li>• Fixed Rate – 10-Year, 15-Year, 20-Year</li> <li>• Balloon – 15-Year Fixed Rate Second Lien with 10-year Balloon 30-Year Fixed Rate Second Lien with 15-year Balloon</li> </ul>
<b>CREDIT SCORE / MAXIMUM LOAN AMOUNTS</b>	<ul style="list-style-type: none"> <li>• 740+ Maximum Loan Amount - \$300,000</li> <li>• 720 - 739 Maximum Loan Amount - \$200,000</li> <li>• 680 - 719 Maximum Loan Amount - \$50,000</li> <li>• AUS approval and full documentation required, regardless of AUS findings</li> <li>• Each borrower must have a minimum of one credit score</li> <li>• All delinquent credit that will impact title, including delinquent taxes, judgments, charge-off accounts, tax liens and mechanics liens must be paid off prior to or at closing</li> </ul>
<b>LOAN PURPOSE</b>	<ul style="list-style-type: none"> <li>• Purchase only, Owner Occupied and Second Homes</li> <li>• Must close simultaneously with a Gateway approved 15 or 30-year Fixed Rate Fannie Mae or Freddie Mac First Lien only. Stand-alone seconds are ineligible for purchase.</li> </ul>

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MAXIMUM CLTV		Primary Residence 1-Unit Purchase Only	Primary Residence 2-Unit Purchase Only	Primary Residence 3-4 Unit Purchase Only	Second Home 1-Unit Purchase Only
	Credit Score	CLTV	CLTV	CLTV	CLTV
	760+	95	85	75	85
	740	95	85	75	85
	720	95	85	75	85
	700	89.99	N/A	N/A	N/A
	680	89.99	N/A	N/A	N/A
<b>GIFT FUNDS</b>	<ul style="list-style-type: none"> <li>• Not Permitted</li> </ul>				
<b>INELGIBLE TRANSACTIONS</b>	<ul style="list-style-type: none"> <li>• Non-Arm's length transactions as defined on our <a href="#">Overlay Matrix</a></li> <li>• Temporary buy-down</li> <li>• Agency High-Balance</li> <li>• Texas 50 a (6) cash out</li> <li>• Escrow holdback</li> <li>• Non-occupying co-borrower not permitted</li> <li>• Stand-alone seconds</li> </ul>				
<b>TITLE</b>	<ul style="list-style-type: none"> <li>• Separate Title Policy required on Second Lien</li> </ul>				
<b>PRICING &amp; LOCKING</b>	<ul style="list-style-type: none"> <li>• Par pricing only – 100.00</li> <li>• Credit Score and Loan Type adjustments are to the Rate</li> <li>• Manual Locks only. Email <a href="#">Second Lien Manual Lock Form</a> to our <a href="#">Commitment Desk</a>.</li> </ul>				
<b>UNDERWRITING COMBINATIONS FOR FIRST AND SECOND LIENS</b>	<ul style="list-style-type: none"> <li>• Delegated Gateway First Lien with Delegated Gateway Second Lien</li> <li>• Delegated Gateway First Lien with Non-Delegated Gateway Second Lien</li> <li>• Non-Delegated Gateway First Lien with Non-Delegated Gateway Second Lien</li> </ul>				