

Conventional Overlays

This summary of overlays is being provided as a resource tool to aid in identifying areas in which Impac Mortgage Corp. has additional credit requirements which supplement agency guidelines. This matrix is not intended to replace the more detailed Impac product descriptions. Refer to the applicable Impac guidelines for complete product criteria.

LTV Eligibility Grid		
Transaction Type	Number of Units	Maximum LTV
Primary Residence		
Purchase and Rate/Term Refinance	1 Unit	FNMA: 97% ¹ FHLMC: 95% Impac: 90%
	2 Units	FNMA / FHLMC: 85% Impac: 85%
	3-4 Units	FNMA: 75% FHLMC: 80% Impac: 75%
Cash-Out Refinance	1 Unit	FNMA / FHLMC: 80% Impac: 80%
	2-4 Units	FNMA / FHLMC: 75% Impac: N/A
Second Homes		
Purchase and Rate/Term Refinances	1 Unit	FNMA / FHLMC: 90% Impac: 80%
Cash-Out Refinance	1 Unit	FNMA / FHLMC: 75% Impac: 60%
Investment Property		
Purchase	1 Unit	FNMA / FHLMC: 85% Impac: 75%
	2-4 Units	FNMA / FHLMC: 75% Impac: 75%
Rate/Term Refinance	1-4 Units	FNMA: 75% FHLMC: 85% Impac: 75%
Cash-Out Refinance	1 Unit	FNMA / FHLMC: 75% Impac: N/A
	2-4 Units	FNMA / FHLMC: 70% Impac: N/A

¹For LTV > 95%, High-Balance loans and ARMs are not permitted

Appraisal	Guideline Overlays
Property Condition	<ul style="list-style-type: none"> Properties with a Condition Rating of C5 or C6 are not eligible
Required Fieldwork	<ul style="list-style-type: none"> Appraisal must be ordered through an AMC.
Temporary Flexibilities	<ul style="list-style-type: none"> If the subject property is a primary residence, a desktop appraisal may be obtained in lieu of an interior/exterior appraisal. Impac otherwise does not allow for temporary Agency flexibilities as published by FNMA/FHLMC.

Assets	Guideline Overlays
Age of Documentation	<ul style="list-style-type: none"> Most recent asset statement must be dated within 60 days of the Note Date for all assets used for funds to close. NOTE: This is a COVID-19 related overlay consistent with FNMA/FHLMC temporary guideline requirements.
Assets	<ul style="list-style-type: none"> Stocks, stock options and mutual funds (including IRA/SEP/ Keogh/ 401K) must show proof of liquidation if used for closing costs or down payment. If used for reserves, only 70% of the vested account balance (net any outstanding loans) can be used (proof of liquidation not required). NOTE: This is a COVID-19 related overlay consistent with FNMA/FHLMC temporary guideline requirements. Cryptocurrency (e.g. Bitcoin and Ethereum) may NOT be used for funds to close or reserves

Borrower	Guideline Overlays
Ineligible	<ul style="list-style-type: none"> Foreign Nationals Deferred Action for Childhood Arrivals (DACA) Borrower must have SSN, ITIN is not allowed Use of a Power of Attorney when closing in an inter-vivos revocable trust

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	<ul style="list-style-type: none"> Non-permanent resident aliens without the following visa types: E-1/E1-D, E-2/E-2D, E-3/E-3D, H-1B, H-1B1, H-1B2, H-1B3, H-1C, H-4, I, K-1, K-3, L-1A, L-1B, L-2, O-1A/B, O-2, P-1A, TN, V-1, V-2, V-3 <ul style="list-style-type: none"> Types E, H-4, I, K, L-2, TN, and V also require an EAD
Maximum Borrowers	<ul style="list-style-type: none"> There can be no more than 4 (four) borrowers and co-borrowers per loan

Credit	Guideline Overlays
Credit Scores	<ul style="list-style-type: none"> Non-traditional credit is not allowed. Each borrower must generate at least one traditional credit score
Forbearance / COVID-19 Attestation	<ul style="list-style-type: none"> The borrower(s) may not be in forbearance, or have requested forbearance on any mortgage loan. All borrowers must sign and date Impac's COVID-19 Attestation with regard to forbearance and the borrower's ability to repay the loan.
Fraud Report	<ul style="list-style-type: none"> Fraud report is required
Minimum FICO	<ul style="list-style-type: none"> 660 (FNMA/FHLMC minimum is 620)
Mortgage History	<ul style="list-style-type: none"> Cash-out refinance transaction require mortgage history of 0x30x12 Updated mortgage ratings on all mortgages through the current month are required

Eligibility	Guideline Overlays
CLTV / Subordinate Financing	<ul style="list-style-type: none"> Subordinate financing is not permitted

Income	Guideline Overlays
Age of Documentation	<ul style="list-style-type: none"> Income docs must be dated within 60 days of the Note Date. NOTE: This is a COVID-19 related overlay consistent with FNMA/FHLMC temporary guideline requirements.
Ineligible Income Types	<ul style="list-style-type: none"> Employment offers and contracts Future/projected income Income commencing after note date
Rental Income	<ul style="list-style-type: none"> In addition to Agency requirements, when using rental income to qualify, the borrower must provide rent receipt from the most recent month to validate the rental income used for qualifying (e.g. cancelled check or bank statement). If a departure residence situation, an executed lease + a security deposit is required. Otherwise, the borrower must qualify with the full PITIA.
VVOE	<ul style="list-style-type: none"> Salaried: Must be dated within 3 business days prior to the Note Date. An updated VVOE is also required within 3 business days prior to funding. When a VVOE cannot be obtained as required, the following documentation may be obtained in lieu of standard requirements: <ul style="list-style-type: none"> A Written Verification of Employment in accordance with standard guidelines; or An email directly from the employer's work email address that identifies the name and title of the verifier and the borrower's name and current employment status Self-employed: Must be dated within 5 business days prior to the Note Date. An updated VVOE is also required within 5 business days prior to funding. Examples include: <ul style="list-style-type: none"> Evidence of current work (e.g. executed contracts or signed invoices that indicate the business is operating on the day the Seller verifies self-employment) Evidence of current business receipts within 10 Business Days of the Note Date (e.g. payment for services performed) Lender certification the business is open and operating (e.g. the lender confirmed through a phone call or other means) Business website demonstrating activity supporting current business operations (e.g. timely appointments for estimates or service can be scheduled) <p>Impac does NOT allow a VVOE (or alternative documentation detailed herein) to be obtained post-closing</p>

Program Restrictions	Guideline Overlays
Ineligible	<ul style="list-style-type: none"> HARP Products Choice Renovation Permanent buydowns Affordable Housing/HFA Preferred Energy Efficient Mortgages PACE One Time Close (OTC) Down Payment Assistance Programs Enhanced Relief Refinance HomeOne High LTV Refinance FNMA Homepath FNMA HomeStyle Renovation FNMA My Community Mortgage FNMA Student Loan Cash-Out FHLMC Renovation Loans FHLMC HomeSteps
Loan Amount	<ul style="list-style-type: none"> Minimum loan amount \$100,000

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Geographic Restrictions	<ul style="list-style-type: none"> • <u>Ineligible States</u>: DE, MA, ME, MO and WY • <u>Hawaii</u>: Lava zones 1 and 2 not eligible
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Property	Guideline Overlays
Ineligible	<ul style="list-style-type: none"> • Co-ops • Exotic or non-traditional types of structures such as dome homes, berm homes or log homes • Fee simple land within the bounds of Indian reservation land or under jurisdiction of tribal council or laws • Land trusts (including Illinois land trusts) • Life Estate • Manufactured homes (whether or not built to MHCSS standards), Manufactured condos (FHA MHCP program), On-frame modular homes • Native American Indian Trust Lands • Properties with PACE obligations or PACE-like clean energy program assessments • Proposed, under construction (construction take-out financing is allowed on eligible property types if there is a new Loan with a new Note and new qualification, and the property is complete) • Resale restrictions unless for age, property is 1-unit, owner-occupied and otherwise meets FHLMC guidelines • Unexpired redemption rights