

Announcement 2022 – 22

New Products

Acra Lending is pleased to announce the following new Products effective immediately:

Written VOE Program (WVOE)

Income is determined by review of a WVOE only. Acra will take the average, or the most recent year if income is declining. Fannie Mae Form 1005 or a similar form may be utilized, and should at a minimum contain the following information:

- Date of Employment
- Present Position
- Current base pay and frequency paid
- Overtime, commission, or bonus income, if applicable
- Probability of continued employment, if available
- Date verified, name, title, and signature of the person verifying the information

Eligible Borrowers:

- Wage earners (W-2) working at the same employer for a minimum 2 years
- US Citizens
- Permanent resident aliens
- Non-permanent resident aliens legally working in the US under current Visa / EDA

Occupancy:

- Primary Residence

Property Types:

- SFR / Condo / Townhomes

Program Specific Qualifiers:

- Minimum 600 FICO and/or minimum credit tier "B"
- Maximum 80% LTV
- Minimum loan amount = \$150,000 / Maximum loan amount = \$1,000,000
- Minimum 24 months recent housing history required
- No 4506-T required
- Customary VVOE within 72-hours of loan funding

Program Restrictions:

- No first-time homebuyers
- No secondary financing allowed
- No rural properties
- Applicants cannot be employed by a family member or related party

1099 Program

Applicant must provide IRS form 1099 for prior 2 years, plus bank statements for most recent 60 days. Gross income is determined by (1) 2-year average, or (2) the most recent year if income is declining. Review of the bank statements will establish the presence of measurable expenses associated with the qualifying business. If expenses are present, a 50% haircut would apply. A business expense haircut under 50% may be considered when validated by (i) a CPA Letter that directly states the expense ratio AND (ii) Acra to evaluate if the expense ratio is consistent with the Applicant's industry.

Eligible Borrowers:

- Self-employed borrowers with a minimum of 2 years in the same business, as documented by a CPA/Tax Preparer letter or business license(s).
- US Citizens
- Permanent resident aliens
- Non-permanent resident aliens legally working in the US under current Visa / EDA

Occupancy:

- Primary Residence

Property Types:

- SFR / Condo / Townhomes

Program Specific Qualifiers:

- Minimum 600 FICO and/or minimum credit tier "B"
- Maximum 80% LTV/CLTV
- No 4506-T required

Program Restrictions:

- No first-time homebuyers
- No rural properties

Profit & Loss Program (P&L)

Applicant must provide a signed “third-party” prepared Profit & Loss Statement from a CPA or Tax Preparer covering the past 2 fiscal years, plus a current year-to-date for their self-employed business(es) on the preparer’s letterhead. CPA or Tax Preparer must provide a statement that they have prepared or reviewed the corresponding tax returns for the covered period. The CPA or Tax Preparer cannot be an employee of the Applicant nor their business. Additionally, applicant must provide bank statements for the most recent 60 days to document supporting deposits consistent with the revenue indicated on the P&L. Income will be calculated by dividing next profit by the number of months in the covered period. If deposits represent more than 10% variance from gross income, additional documentation and/or reducing the income may be required.

Eligible Borrowers:

- Self-employed borrowers with a minimum of 2 years in the same business, as documented by a CPA/Tax Preparer letter or business license(s).
- US Citizens
- Permanent resident aliens
- Non-permanent resident aliens legally working in the US under current Visa / EDA

Occupancy:

- Primary Residence

Property Types:

- SFR / Condo / Townhomes

Program Specific Qualifiers:

- Minimum 600 FICO and/or minimum credit tier “B”
- Maximum 80% LTV/CLTV
- No 4506-T required

Program Restrictions:

- No first-time homebuyers
- No rural properties

Complete program guidelines are contained in the Seller Guide on the Correspondent Portal.

Please distribute this information to the appropriate individuals within your organization. If you have any questions, please contact your Business Development Officer (BDO).

We thank you for your business.