

# Home Equity Line of Credit (HELOC)

---

Last Updated: October 21, 2026



© 2026 Silver Hill Capital. NMLS #2469. This information is for lending institutions only, and not intended for use by individual consumers or borrowers. These programs are offered to qualified residential lending institutions and are not applicable to the general public or individual consumers. Equal Housing Lender.

# Agenda

---

- Correspondent Lending Structure
- Define the HELOC Product
- Identify Characteristics and Eligibility Features
- Explore Program Details
- Navigate through available Resources
- Q&A



# Correspondent Lending Structure



© 2026 Silver Hill Capital. NMLS #2469. This information is for lending institutions only, and not intended for use by individual consumers or borrowers. These programs are offered to qualified residential lending institutions and are not applicable to the general public or individual consumers. Equal Housing Lender.



# Correspondent Lending

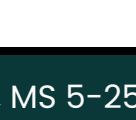


## AGENCY PRODUCTS

-  FNMA/FHLMC
-  FHA
-  HFA/Affordable Lending
-  USDA
-  VA



## NON-AGENCY PRODUCTS

-  Agency Investor Plus
-  Bank Statement
-  DSCR
-  Jumbo AUS & Jumbo ARMs
-  Conforming (2<sup>nd</sup> Home/NOO)
-  Medical Professionals (MedPro)
-  HELOC



© All Agency products are offered through Lakeview Loan Servicing, LLC. NMLS #391521, 4425 Ponce de Leon Blvd, MS 5-251, Coral Gables, FL 33146. All Non-Agency/Jumbo products are offered through Silver Hill Capital, LLC. (FKA Community Loan Servicing, LLC.) NMLS #2469, 507 Prudential Road, Horsham, PA 19044, Both are Equal Housing Lenders. All Programs referenced herein are offered to qualified residential lending institutions only and are not applicable to the general public and/or individual consumers. [www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org)



# Correspondent Lending

|  <b>Key Contacts</b> |                                                   |  <b>Silver Hill Capital</b> |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Client Services                                                                                      | <a href="mailto:clientservices@lakeview.com">clientservices@lakeview.com</a>                                                        | <a href="mailto:clientservices@silverhillcap.com">clientservices@silverhillcap.com</a>                         |
| Scenario Help Desk                                                                                   | <a href="mailto:underwritingquestions@lakeview.com">underwritingquestions@lakeview.com</a>                                          | <a href="mailto:nonagency@silverhillcap.com">nonagency@silverhillcap.com</a>                                   |
| Loan Servicing                                                                                       | LoanCare, LLC<br><a href="mailto:originationsserviceroversightteam@lakeview.com">originationsserviceroversightteam@lakeview.com</a> | Rushmore Servicing*<br><a href="mailto:bvcmservicing@silverhillcap.com">bvcmservicing@silverhillcap.com</a>    |
| Client Manager Contacts                                                                              | Regional Assignments<br><a href="#">See the Quick Reference Guide</a>                                                               | <a href="mailto:nonagencyclientmgt@silverhillcap.com">nonagencyclientmgt@silverhillcap.com</a>                 |

\*HELOC loans will be serviced at LoanCare, LLC, please see the Quick Reference Guide for more details



© All Agency products are offered through Lakeview Loan Servicing, LLC. NMLS #391521, 4425 Ponce de Leon Blvd, MS 5-251, Coral Gables, FL 33146. All Non-Agency/Jumbo products are offered through Silver Hill Capital, LLC. (FKA Community Loan Servicing, LLC.) NMLS #2469, 507 Prudential Road, Horsham, PA 19044, Both are Equal Housing Lenders. All Programs referenced herein are offered to qualified residential lending institutions only and are not applicable to the general public and/or individual consumers. [www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org)



# Product Support

We make subject matter experts available from beginning to end to support a flawless execution.

- Your credit teams will have access to a dedicated group to assist your credit teams with scenarios, single loan variances, and guideline expertise.

**[nonagency@silverhillcap.com](mailto:nonagency@silverhillcap.com)**

Utilized for all pre-close questions and scenarios

**[nonagencyclientmgt@silverhillcap.com](mailto:nonagencyclientmgt@silverhillcap.com)**

Utilized to answer your post-closing, pre-purchase questions regarding loan status, suspense conditions, escalations and rebuttals.



# Define the HELOC Product



© 2026 Silver Hill Capital. NMLS #2469. This information is for lending institutions only, and not intended for use by individual consumers or borrowers. These programs are offered to qualified residential lending institutions and are not applicable to the general public or individual consumers. Equal Housing Lender.



# HELOC Product



## Revolving home equity product

- Available as a standalone first or second lien mortgage
- Product code is **HEL400**



## Seasoning

- At the time of application, the first lien loan must be at least 150 days old from the Note date



## Structured as a cash-out refinance for:

- Primary Residence 1-4 unit, Second Home 1 Unit, and Investment Properties 1-4



## Standalone Transactions Only

- Purchase Transactions are not permitted
- Simultaneous/Piggyback Transactions are not permitted
- Proceeds may be used for permissible consumer or investment property purposes consistent with applicable law and product requirements



# Product Characteristics



- **Minimum Line Amount – \$25,000**



- **Maximum Line Amount:**
  - \$500,000 – Primary Residence, Second Home and Investment Property



- **Maximum DTI**
  - 55% – Primary Residence
  - 50% – Second Home and Investment Property



- **Minimum FICO is 640**



- **Maximum LTV\***
  - 90% – Primary Residence and Second Home
  - 75% – Investment Property

\*Properties located within a **Declining Market** require a 10% reduction to the LTV



# Loan Terms and Draw Requirements

HELOC Available ARM Terms – Product Code HEL400

| Loan Term | Interest Only | Repayment Period | Draw Period |
|-----------|---------------|------------------|-------------|
| 15        | 5             | 10               | 5           |
| 20        | 5             | 15               | 5           |
| 25        | 5             | 20               | 5           |
| 30        | 5             | 25               | 5           |

## Draw Requirements



- Credit limit < \$50K the initial draw must equal 100% of the total credit limit
- Credit limit > \$50K the initial draw must equal 75% of the total credit limit
- Subsequent draws must meet the minimum required by state law

# ARM Characteristics



## ARM Index:

- Prime



## ARM Adjustment:

- Monthly with adjustments to begin following the 1<sup>st</sup> Billing Cycle ending date, and monthly thereafter



## Lookback: Choice of Calendar or Numeric method

- Calendar Last Day: Index as of last day of calendar month prior to current Billing Cycle beginning date
- Calendar First Day: Index as of 1<sup>st</sup> day of calendar month for current Billing Cycle beginning date



## • Cap and Floor

- Max rate 18%, unless limited by state or regulatory requirements
- Lifetime floor, no less than 4%



## Qualifying Rate:

- Index + Margin + 2% using credit limit amortized over the maturity term

# Eligibility and Program Details



© 2026 Silver Hill Capital. NMLS #2469. This information is for lending institutions only, and not intended for use by individual consumers or borrowers. These programs are offered to qualified residential lending institutions and are not applicable to the general public or individual consumers. Equal Housing Lender.



# Borrower Eligibility



- **All borrowers must have a valid Social Security Number**



- **Non-US Citizen**

- Must be legally present in the US with a current and verified status
- Documented by valid Employment Authorization Document (EAD) or other documents showing immigration status



- **Non-occupancy Co-borrower permitted**

- Income from non-occupant co-borrower may not be used for qualification



- **At least one borrower must meet one of the following requirements:**

- Be a borrower on an existing mortgage on the subject property or
- Have held title to the subject property for the most recent six months

# Ineligible Borrowers

## Ineligible

- Foreign Nationals
- Borrowers with Diplomatic Immunity status
- Life Estates
- Irrevocable Trusts
- Blind Trusts
- Beneficiary Deeds
- Guardianships
- LLCs, Corporations or Partnerships
- Land Trusts, including Illinois Land Trusts
- Borrowers with any ownership in a business that is Federally illegal, regardless of if the income is not being considered for credit qualifying



# Employment/Income Verification



- **Employment Requirement**

- Minimum of two years of employment history listed on application



- **Employment Verification**

- 12 months of employment verification required
- Verification can be from VOE, W2s, 1099s, or LES
- A written letter of explanation is required for gaps over 60 days



- **Income Documentation**

- Year to date paystub must include 30 days of income
- Dated no earlier than 30 days prior to application date



- **Tip/Bonus/Over-Time/Commission**

- Year to date paystub showing at least 30 days income and
- Most recent two years W2s covering most recent two-year period

# Employment/Income Verification, continued



- **Alternative Income Documentation**

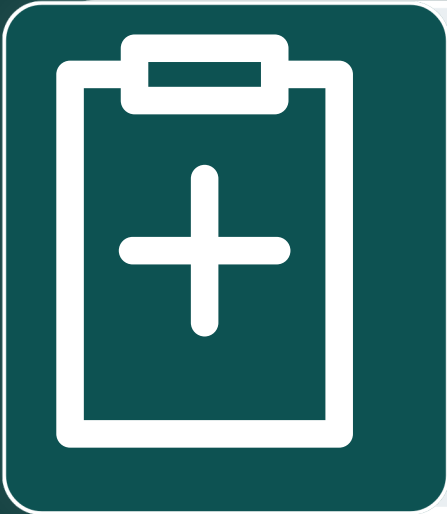
- Employment or income verification obtained through the Work Number or other Fannie Mae approved third party suppliers and distributors that generate employment and income verification “automated” reports may be used to document income in lieu of traditional documentation



- **For Self-Employment**

- Any borrower who has a 25% or greater ownership interest in a business is considered to be self-employed and must be evaluated as such
- Form 4506-C or 8821 is required
- Most recent filed one year personal and business tax returns required or,
- Two most recent years’ transcripts of the borrower’s individual and business federal income tax returns

# Employment/Income Verification, continued



- **Additional Sources of income accepted**
  - Retirement/SSI Income
  - Military Income
  - Rental Income
  - Alimony, Child Support, or Separate Maintenance



- **NOTE:** All income to be evaluated in the income calculation according to FNMA guidelines (if two years' income is located in the loan file, all must be evaluated to determine income used to qualify)

# Credit Requirements

| Attribute                                                                                                       | Requirements                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  Housing History               | <ul style="list-style-type: none"><li>• 0X30X12 or 1x30x24 for all disclosed mortgages</li><li>• For any mortgage with less than a 24-month history, all mortgage payments must have been made within the month due</li></ul> |
|  Credit Events                 | <ul style="list-style-type: none"><li>• 4 – 7 years waiting period depending on the event</li></ul>                                                                                                                           |
|  Multiple Credit Events       | <ul style="list-style-type: none"><li>• Multiple events within the past 5 years are not permitted and both events must be greater than 5 years</li></ul>                                                                      |
|  Required # of Credit Scores | <ul style="list-style-type: none"><li>• A tri-merge credit report for all borrowers is required</li><li>• A current credit report with all bureaus unfrozen is required</li></ul>                                             |
|  Tradelines                  | <ul style="list-style-type: none"><li>• 3 tradelines open for 12 months or 2 tradelines open for 24 months</li><li>• At least one tradeline open and active for 12 months and rated current</li></ul>                         |



# Property Requirements

- Eligible Property Types: Single Family, Condo, and PUD
  - Condos – Must be Fannie Mae warrantable and meet Fannie Mae guidelines and project standards



- **A reliable property valuation is required for all transactions**
  - Support the market value used for underwriting
  - Be dated within 120 days of the Note Date
  - Comply with applicable Appraiser Independence Requirements (AIR)
  - And meet all applicable federal and state regulatory requirements



- First lien HELOC originations require a full **ALTA title insurance policy**
- Both first and second lien HELOCs with loan amounts over **\$250,000 and CLTV > 70%** require a full title insurance policy

# Property Valuation



- **Automated Valuation Model (AVM)**

- An AVM or desktop appraisal with an exterior inspection may be utilized when all of the following requirements are met:
  - Maximum HCLTV  $\leq$  80%
  - HELOC amount  $\leq$  \$400,000
  - DTI  $\leq$  50%
  - No recent listing activity within prior 6 months



- **Approved AVM Vendors:**

- Black Knight
- Clear Capital
- Collateral Analytics
- CoreLogic
- House Canary

# Geographic Restrictions

## Ineligible\*

- Connecticut
- DC
- Hawaii
- Iowa
- Massachusetts
- Minnesota
- Nevada
- New York
- North Carolina
- Texas
- Utah

\*Subject to updated licensing in these areas



# Full Interior Appraisal



- **A Full interior Appraisal is required when:**

- Maximum HCLTV > 80%
- DTI > 50%
- AVM or Desktop results cannot be derived



- **Appraisal must be:**

- Completed by a state licensed or certified appraiser
- Compliant with USPAP



All appraisals must be submitted to either Fannie Mae CU or Freddie Mac LCA. Loans with a CU or LCA score > 2.5 must obtain a CDA. If the difference between the appraisal and the CDA is >10% then a second full appraisal is required.

# Review of Available Resources



© 2026 Silver Hill Capital. NMLS #2469. This information is for lending institutions only, and not intended for use by individual consumers or borrowers. These programs are offered to qualified residential lending institutions and are not applicable to the general public or individual consumers. Equal Housing Lender.



# LakeviewCorrespondent.com



© 2026 Silver Hill Capital. NMLS #2469. This information is for lending institutions only, and not intended for use by individual consumers or borrowers. These programs are offered to qualified residential lending institutions and are not applicable to the general public or individual consumers. Equal Housing Lender.



# Questions?



© 2026 Silver Hill Capital. NMLS #2469. This information is for lending institutions only, and not intended for use by individual consumers or borrowers. These programs are offered to qualified residential lending institutions and are not applicable to the general public or individual consumers. Equal Housing Lender.

