



Summit Mortgage  
Bankers, Inc.

新美貸款銀行

August 23, 2018

A direct lender in mortgage banking business since 1992

NMLS 36653

Dear all:

Today I would like to tell you that **we accept restricted stock unit (RSU) income with ONLY one – even the first vesting history.**

### Restricted Stock Unit (RSU)

A restricted stock unit (RSU) is a form of equity compensation used by many high tech companies and wall street firms. RSUs grant an employee interest in company stock but have no tangible value until they are vested. To encourage and reward employees stay with a company long term, employer will set up conditions for distribution of these granted stocks. The conditions can be performance milestones or length of time with the employer. Each RSU award will come with a vesting schedule detailing the number of shares to be released and date of release. Usually an RSU award will take 3-4 years to be fully vested. If employee leaves the company prior to full vesting, all unvested (still restricted) stock units will be forfeited.

To accept RSU as qualified income, all main street banks such as Chase, Wells Fargo, Citi and Bank of America require minimum 2 years history of receiving vested RSU from same employer plus evidence of next 3 year's continuation of future vesting.

**At SMB, we accept RSU as qualified income with ONLY ONE vesting history**

Documents required:

- YTD paystub(s) documenting current year's total RSU distribution
- Copy of RSU award plan
- Copy of vesting schedule detailing the past and future release

### Example of closed loans

Last month we closed a loan for a borrower who works for Facebook Inc. 10 months. He received RSU award on 03/20/2018 with total 144 shares of Facebook stock and 2 years completion of vesting. His first vesting was 18 shares on 06/20/2018 and 6 shares each month thereafter. We added \$1,259.64 (\$209.94 x 6 shares) additional to total qualifying income and made the loan with 47% DTI on a \$866,000 loan amount.

Please give us a call if you have a borrower who needs RSU income to qualify the loan.

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