

### Select Prime Full Doc

Maxim	um LTV/CLTVs		St	andard Do	: - Primary	Residence
Credit Score	Loan Amount	Purchase	/ Rate & Term		Consolidat	
	<=1,500,000		90		80	80
	1,500,001 - 2,000,000		90		80	80
	2,000,001 - 2,500,000		80		75	75
	2,500,001 – 3,000,000		80		75	70
	3,000,001 - 3,500,000		75		70	70
	<=1,500,000		90		80	80
	1,500,001 - 2,000,000		90		80	80
740	2,000,001 – 2,500,000		80		75	75
	2,500,001 – 3,000,000		80		75	70
	3,000,001 – 3,500,000		75		70	70
	<=1,500,000		85		80	80
	1,500,001 – 2,000,000		80		80	80
720	2,000,001 – 2,500,000		80		75	75
	2,500,001 – 3,000,000		80		75	70
	3,000,001 – 3,500,000		75		70	70
	<=1,500,000		85		80	80
	1,500,001 – 2,000,000		80		75	75
700	2,000,001 – 2,500,000		80		75	70
	2,500,001 – 3,000,000		75		70	70
	3,000,001 - 3,500,000		75		70	70
	<=1,500,000		80		75	75
	1,500,001 - 2,000,000		80		75	75
680	2,000,001 - 2,500,000		75		70	70
	2,500,001 - 3,000,000		70		65	65
	<=1,000,000		80		75	75
			75		70	73
	1,000,001 – 1,500,000 1,500,001 – 2,500,000		73		65	65
	< = 1,000,000		75		70	70
	1,000,001 - 1,500,000		75		70	65
	1,500,001 – 2,000,000		70		65	60
Occupa	ncy Restrictions - 2 <sup>nd</sup> Hom	ie	Occupa	ancy Restric	tions – Inv	estment (Business Purpose)
760+	Purchase or Rat	e & Term	760-	<u>.</u>		Purchase or Rate & Term
7001	Lesser of LTV in above	e matrix or 85%	700		Lesse	r of LTV in above matrix or 85%
700-759	Purchase or Rate		700-7	59		Purchase or Rate & Term
	Lesser of LTV in above				Lesse	r of LTV in above matrix or 80%
700+	Cash Ou		700-	÷		Cash Out
	Lesser of LTV in above				Lesse	r of LTV in above matrix or 80%
	Purchase or Rat Reduce OO LTV by 5% t				Poduce	<i>Purchase or Rate &amp; Term</i> e OO LTV by 5% to a Max of 80%
640-699	Cash Ou		640-6	99	Reduct	Cash Out
	Reduce OO LT					Reduce OO LTV by 5%
		•		-		
		listory and Housing				
Past due ba	lloon: considered a deli					30 days of maturity.
	Ch.13: use fill	ing date if discharge	ed; use dismissal	date if dish	nissed	
Housing History	1x30x12	2 x 30 x 12		0x60x12		0x90x12 O/O Only
BK/FC/SS/DIL/Mod:	>=48 Mo	>= 36 Mo		>= 24 Mo		>= 12 Mo
Max LTV/CLTV:	90	80		70		65
						NA
Max LTV Cash-out	80	75		70		10
Max Loan Amt:	\$3,500,000	\$3,000,000		2,000,000	)	\$2,000,000
		, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		, . , . ,		

State Restrictions

Not permitted for OO and SH in IL counties: Cook, Kane, Peoria and Will – Does not apply to Correspondents. Non-Permanent Resident Aliens from China are ineligible in the State of Florida. With the exception of condotels, Short Term Rentals are ineligible in New York City. NY: No 5/6 ARMs on OO loans below the FNMA loan limits. NY: Subprime permitted on Fixed rate only. See guidelines for full details. NY High Cost not allowed.

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	FUNDING		11 22 2023 v2
	LTVs mus	t be reduced by 5% for loans in MS Non-licensed States: HI General Requirements	
Product Type	<ul> <li>40 Yr Fixed; 40-yr Fixed I/O = Max 80</li> <li>30-Yr Fixed, 15-Yr Fixed,</li> <li>5/6 ARM, 5/6 ARM 30-yr I/O, 5/6 AR</li> <li>ARMs not available in MS</li> </ul>	% LTV	
Interest Only	• Min Credit Score: 680 • Ma	x LTV: 80%	<ul> <li>10 year I/O period</li> <li>Must qualify off fully amortizing payment</li> </ul>
Loan Amounts	• Min: \$125,000 • Ma • Loan Amounts \$125,000 - \$149,999 r	x: \$3,500,000 equire a 5% reduction in LTV	index quarry on rany amorazing payment
Occupancy	<ul> <li>Primary, Second Home, Investment P</li> </ul>	roperty (Business Purpose)	
Loan Purpose	Purchase, Rate/Term, Debt Consolid	ation and Cash Out	
Cash Out	<ul> <li>Minimum of 6 (six) months seasoni</li> <li>Max cash-out (defined as cash in hand)</li> <li>If LTV &lt;= 60% = Unlimited</li> <li>If LTV &gt; 60% = Max \$750K or unlimi</li> <li>If Express (DU) approved, may wa</li> </ul>	ted with 18 months reserves exclus	
Debt Consolidation	<ul> <li>Primary Residence only</li> <li>Max \$5000 cash in hand</li> <li>Minimum 3 months reserves after closing (no additional reserves required for other loan features)</li> </ul>	<ul> <li>Non-occupant co-borrowers no permitted</li> <li>Consumer debt max 0x60x6</li> <li>Total debt savings 10% or greater</li> <li>Recoup closing costs in 60 months</li> </ul>	
2-1 Temporary Buydown Purchase Option	<ul> <li>Minimum Score 680</li> <li>Max LTV 80%</li> <li>Max DTI 50%</li> <li>Qualify off Full Payment (Note Rate)</li> <li>O/O, 2nd Home and Investment Properties.</li> </ul>	<ul> <li>Eligible w/Select Prime Full &amp; Alt Doc, ITIN to 80% LTV and DSCR 1-4 Units only.</li> <li>Not eligible for Mixed Use, or FN.</li> <li>Available on 30-Yr Fixed Term only.</li> </ul>	<ul> <li>Seller or Builder Funded Only for Wholesale Broker Clients.</li> <li>Lender Paid or 3rd Party Buydowns (Excluding Real Estate Agents, Brokerages, Borrower, or relatives) are permitted for Correspondent Clients only.</li> <li>See Guides for Max Interested Party Contribution Limits.</li> </ul>
Appraisals	appraisal.	000,000. red on all loans with an SSR over 2.	5 with the exception of those with a full second
Property Type	<ul> <li>Single Family, Attached, Detached, Co</li> <li>Condotels</li> </ul>	ondominiums, 2-4 Unit	
Condo and 2-4 Unit LTV Limits	<ul> <li>Warrantable Condos 85% LTV, 2-4 Ur</li> <li>Cash out on a condo – Max 75%.</li> </ul>	its Max 80%, Non-Warrantable Cor	ndominium: Max LTV/CLTV 85%.
Condotel	• 700+ Max 75%LTV • 680-699 Max 70% LTV NOO Cash Out	<ul> <li>Max Loan Amount \$1,500,000</li> <li>Max Cash Out \$250,000</li> <li>Minimum 6 months reserves</li> <li>Minimum 400 square feet</li> <li>Must have full kitchen &amp; 1 separa bedroom.</li> </ul>	• Must be in a resort area or affiliated with a national hotel chain.

	Inc	ome Requiremer	nts		
Income	<ul> <li>Wage/Salary: Paystubs, W-2, 2 Years or 1 Year of Tax Returns, IRS Form 4506</li> <li>Self-Employed: 2 Years or 1 Year of Personal and Business Tax Returns, YTD P&amp;L, IRS Form 4506, 2 months of most receive bank statements</li> <li>Verbal VOE required within 10-days of Note Date for wage earners; 30 days for self-employed borrowers</li> </ul>				
	Unde	rwriting Requirer	nents		
Credit Score	<ul> <li>Middle of 3 scores or lower of 2 for Primary Income- Earner.</li> <li>Additional borrowers must have a minimum score of 540.</li> </ul>	DTI Requirements	<ul> <li>Max 50%</li> <li>40 Yr Fixed Must Qualify as a 30-Yr at &lt;=55% DTI.</li> </ul>		
Tradelines	<ul> <li>Primary wage earner has 3 scores; or</li> <li>2 open and reporting 24-months; or</li> <li>3 open and reporting 12-months; or</li> <li>24-months mortgage rating reporting on credit</li> <li>NOTE: ITINs must follow trade requirements in ITIN section of guide</li> </ul>	Residual OO and 2 <sup>nd</sup> Homes only	<ul> <li>Defined as Gross Monthly Income – Total Monthly Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OO and 2<sup>nd</sup> homes only:</li> <li>1 person = \$1,500</li> <li>2 persons = \$2,500</li> </ul>		

• Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.

Rural properties (as defined in the Guides) permitted up to 80% LTV; Max 20 acres

Declining Markets

**Rural Property** 

	FUNDING		11 22 2023 v2
			• Add \$150 per additional household member
Assets	<ul> <li>30-day asset verification required Deposits &gt; 50% of gross income must be documented on purchases</li> </ul>		LTVs > 85%: • 740 Score 12 months PITIA • 760 Score & Loan Amt <= \$1.5M: 6 months PITIA • 760 Score & Loan Amt > \$1.5M: 12 months PITIA
Gift Funds	<ul> <li>Gift funds permitted provided borrower meets minimum contribution:</li> <li>5% primary</li> <li>10% second home/investment</li> <li>Gift funds not permitted to be used towards reserves</li> </ul>	Reserves	<ul> <li>760 Score &amp; Loan Amt &gt; \$1.5M: 12 months PITIA LTVs &lt;= 85%:</li> <li>&lt;= \$500K and &lt;= 80% LTV = 3 months PITIA</li> <li>&gt; 80% LTV to 85% or &gt; \$500K to &lt;= \$1.5M: 6 months PITIA</li> <li>Loan Amount &gt; \$1.5M: 9 months PITIA</li> <li>Loan Amount &gt; 2.5M: 12 months</li> <li>Debt Consolidation: 3 months</li> <li>Cash out may be used to satisfy requirement</li> </ul>
FTHB	<ul> <li>Permitted to a maximum loan size of \$1.5m on O/O, 2<sup>nd</sup> Home, and NOO.</li> </ul>	Document Age	•90-days
Prepayment Penalty	<ul> <li>Required on Investment Properties when</li> <li>See PPP Requirements Matrix</li> <li>No PPP – Correspondent Only</li> </ul>		
		Prime Express Full	
Underwriting Method	<ul> <li>DU Approve Eligible and Approve/Ineligible</li> <li>Ineligibility only due to loan size or feature, such as IO.</li> <li>Loan may not be ineligible due to risk factors</li> </ul>	Income	<ul> <li>Follow program documentation requirements</li> <li>Follow program DTI restrictions</li> <li>Transcripts required for number of years of income used to qualify on Full Doc loans.</li> </ul>
Credit	<ul> <li>Follow AUS with the exception of housing history must be 0x30x12 and no extenuating circumstances for BK/Housing event</li> </ul>	Residual OO and 2 <sup>nd</sup>	<ul> <li>Defined as Gross Monthly Income – Total Monthly Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OO and 2<sup>r</sup> homes only:</li> </ul>
Loans with a Non- Occupant Co- Borrower	<ul> <li>Ratios for the Occupying Borrower and</li> </ul>	Homes only	<ul> <li>1 person = \$1,500</li> <li>2 persons = \$2,500</li> </ul>
	Non-Occupant Co-Borrower may be blended provided FNMA requirements are met.		<ul> <li>Add \$150 per additional household member</li> </ul>
FTHB	blended provided FNMA requirements		<ul> <li>Add \$150 per additional household member</li> <li>Loan with LTVs &gt; 85%:</li> <li>Max \$1.5M &amp; 760+ Score: 6 months PITIA</li> <li>All Others:</li> </ul>
FTHB Eligibility	blended provided FNMA requirements are met. • Permitted to a maximum loan size of	Reserves	Loan with LTVs > 85%: • Max \$1.5M & 760+ Score: 6 months PITIA

		ITIN – FULL DOC MAT	RIX	
Ν	laximum LTV/CLTVs		Primary Residence	
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units
	125,000 – 1,500,000	80	80	
740	1,500,001 - 2,000,000	80	80	
	2,000,001 - 2,500,000	75	70	
720	125,000 - 1,500,000	80	80	
	1,500,001 - 2,000,000	80	75	1-Unit
	2,000,001 – 2,500,000	60	60	SFR, Condo, PUD
700	125,000 - 1,500,000	80	80	
	1,500,001 - 2,000,000	70	70	
660	125,000 - 1,500,000	80	75	
640	125,000 - 1,500,000	75	70	
720	125,000 - 1,500,000	80	75	
	1,500,001 - 2,000,000	75	60	2-4-Units
700	125,000 - 1,500,000	80	70	Family Housing
	1,500,001 - 2,000,000	70	60	
680	125,000 - 1,500,000	75	70	
Notes	Non-Warrantable Projects: Max 70	% LTV		
Maximum LT	/CLTVs		Second Home	
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units
720	125,000 - 1,500,000	75	70	
	1,500,001 - 2,000,000	75	60	1-Unit

$\sim$	FUNDING			11 22 2023 v2
700	125,000 - 1,500,000	75	70	SFR, Condo, PUD
	1,500,001 – 2,000,000	70	60	
660-699	125,000 - 1,500,000	70	65	
Notes	Second Homes: 2-4 Unit Prope	-		
	Non-Warrantable Projects: Ma	ax 70% LTV		
Maximum LT	V/CLTVs	Investn	nent Property (Busin	ess Purpose)
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units
700	125,000 - 1,500,000	75	70	
	1,500,001 – 2,000,000	75	70	
	2,000,0001 - 2,500,000	70	65	1-4-Units, Condo, PUD
680	125,000 - 1,500,000	70	65	
	1,500,001 – 2,000,000	70	65	
	2,000,0001 - 2,500,000	65	60	
660	125,000 - 1,500,000	70	65	
	-//			
	1,500,001 - 2,000,000	60	N/A	
	1,500,001 – 2,000,000 • Non-Warrantable Condos: Ma		,	
<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Am</li> </ul>	• Non-Warrantable Condos: Ma punt: \$125,000 ount: \$2,500,000	IX 70% LTV ITIN – Full Doc Requireme • Ratios and Qualifying: • See Residual Income in	ents	
<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Am</li> <li>Eligible Produ</li> </ul>	• Non-Warrantable Condos: Ma punt: \$125,000 ount: \$2,500,000 cts/Terms:	• Ratios and Qualifying: • See Residual Income in • Assets:	ents the guidelines.	
<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Am</li> <li>Eligible Produ</li> <li>5/6 St</li> </ul>	• Non-Warrantable Condos: Ma punt: \$125,000 ount: \$2,500,000 cts/Terms: DFR ARM 30-Yr Term	• Ratios and Qualifying: • See Residual Income in • Assets: • Must be sourced and v	ents the guidelines.	
<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Amo</li> <li>Eligible Produ</li> <li>\$ 5/6 S(</li> <li>\$ 5/6 I/</li> <li>\$ 30-Yr</li> </ul>	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: OFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O	<ul> <li>A 70% LTV</li> <li>ITIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> </ul> </li> <li>Assets:             <ul> <li>Must be sourced and v</li> <li>Gift Funds:</li> </ul> </li> </ul>	ents the guidelines. verified for 30-days.	wn funds for OO.
Max DTI: 50% Min Loan Amo Max Loan Amo Eligible Produ 5/6 S( 5/6 S( 30-Yr 15-Ye	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: DFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing	<ul> <li>A 70% LTV</li> <li>ITIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> <li>Assets:                 <ul></ul></li></ul></li></ul>	ents the guidelines.	
Max DTI: 50% Min Loan Amo Max Loan Amo Eligible Produ 5/6 S( 5/6 I/ 30-Yr 15-Ye I/O: ARMs and	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: OFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only	<ul> <li>A TO% LTV</li> <li>ITIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> <li>Assets:                 <ul> <li>Must be sourced and v</li> </ul> </li> <li>Gift Funds:                      <ul></ul></li></ul></li></ul>	ents the guidelines. rerified for 30-days. mum contribution from o nimum contribution from o	
Max DTI: 50% Min Loan Amo Max Loan Amo Eligible Produ 5/6 S( 5/6 I/ 30-Yr 15-Ye I/O: ARMs and	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: DFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only al History: 0x30x12 + VOR or VOM	<ul> <li>A TO% LTV</li> <li>ITIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> <li>Assets:                 <ul> <li>Must be sourced and v</li> </ul> </li> <li>Gift Funds:                      <ul></ul></li></ul></li></ul>	ents the guidelines. rerified for 30-days. mum contribution from o nimum contribution from nt and closing cost may c	own funds for 2 <sup>nd</sup> Home.
Max DTI: 50% Min Loan Amo Max Loan Amo Eligible Produ 5/6 S( 5/6 I/ 30-Yr 1/O: ARMs and Housing/Renta	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: DFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only al History: 0x30x12 + VOR or VOM easoning: 4 -years for BK, SS, DIL	<ul> <li>A TO% LTV</li> <li>ITIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> <li>Assets:                 <ul> <li>Must be sourced and v</li> </ul> </li> <li>Gift Funds:                      <ul></ul></li></ul></li></ul>	ents the guidelines. rerified for 30-days. mum contribution from o nimum contribution from o nimum contribution from nt and closing cost may c ed on NOO.	own funds for 2 <sup>nd</sup> Home.
<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Amo</li> <li>Eligible Produ</li> <li>5/6 S(</li> <li>5/6 I/</li> <li>30-Yr</li> <li>15-Ye</li> <li>I/O: ARMs and</li> <li>Housing/Renta</li> <li>Credit Event So</li> <li>and 7-years for I</li> </ul>	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: DFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only al History: 0x30x12 + VOR or VOM easoning: 4 -years for BK, SS, DIL FCL	<ul> <li>A TO% LTV</li> <li>ITIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> <li>Assets:                 <ul> <li>Must be sourced and v</li> </ul> </li> <li>Gift Funds:                      <ul></ul></li></ul></li></ul>	ents the guidelines. rerified for 30-days. mum contribution from o nimum contribution from o nimum contribution from nt and closing cost may c ed on NOO.	own funds for 2 <sup>nd</sup> Home.
<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Amo</li> <li>Eligible Produ</li> <li>5/6 S(</li> <li>5/6 I/</li> <li>30-Yr</li> <li>15-Ye</li> <li>I/O: ARMs and</li> <li>Housing/Renta</li> <li>Credit Event So</li> <li>and 7-years for I</li> <li>Income Doc Ty</li> </ul>	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: DFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only al History: 0x30x12 + VOR or VOM easoning: 4 -years for BK, SS, DIL FCL	<ul> <li>A TO% LTV</li> <li>ITIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> <li>Assets:                 <ul> <li>Must be sourced and v</li> </ul> </li> <li>Gift Funds:                      <ul></ul></li></ul></li></ul>	ents the guidelines. rerified for 30-days. mum contribution from o nimum contribution from o nimum contribution from nt and closing cost may c ed on NOO. eet reserves.	own funds for 2 <sup>nd</sup> Home.
<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Amo</li> <li>Eligible Produ</li> <li>5/6 Sl</li> <li>5/6 l/</li> <li>30-Yr</li> <li>15-Ye</li> <li>I/O: ARMs and</li> <li>Housing/Renta</li> <li>Credit Event Seand 7-years for l</li> <li>Income Doc Ty</li> <li>WVOE</li> </ul>	• Non-Warrantable Condos: Ma ount: \$125,000 ount: \$2,500,000 cts/Terms: DFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only al History: 0x30x12 + VOR or VOM easoning: 4 -years for BK, SS, DIL FCL ype:	<ul> <li>A TIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> </ul> </li> <li>Assets:             <ul> <li>Must be sourced and v</li> <li>Gift Funds:                 <ul> <li>Allowed with 5% mini</li> <li>Allowed with 10% miri</li> <li>100% of down payme and SH to 75% LTV.</li> <li>Gift funds not permitt</li> <li>May not be used to me</li> <li>Reserves:                     <ul> <li><li>\$500,000 = 3 month</li> <li></li> <li>\$500,001 - \$1,500,000 =</li> </li></ul> </li> <li><ul> <li><ul></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul></li></ul>	ents the guidelines. verified for 30-days. mum contribution from o nimum contribution from o nt and closing cost may o ed on NOO. eet reserves. s PITIA = 6 months PITIA	own funds for 2 <sup>nd</sup> Home.
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<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Amo</li> <li>Eligible Produ</li> <li>5/6 Sl</li> <li>5/6 l/</li> <li>30-Yr</li> <li>1/O: ARMs and</li> <li>Housing/Renta</li> <li>Credit Event Se</li> <li>and 7-years for I</li> <li>Income Doc Ty</li> <li>IC: arms and</li> <li>WVOE</li> <li>12- or</li> <li>If FNN</li> <li>vendo</li> <li>transc</li> <li>S/E Bo</li> <li>Return</li> </ul>	• Non-Warrantable Condos: Ma bunt: \$125,000 ount: \$2,500,000 cts/Terms: OFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only al History: 0x30x12 + VOR or VOM easoning: 4 -years for BK, SS, DIL FCL ype: 5, VVOE w/in 10 days from closing, 24- months 1040s & transcripts. IA DU Validation electronic r VOE w/Income is provided, then ript is not required. prower: 12- or 24- months Tax ns, YTD P&L, plus transcripts	<ul> <li>TIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> </ul> </li> <li>Assets:             <ul> <li>Must be sourced and v</li> <li>Gift Funds:                 <ul> <li>Allowed with 5% mini</li> <li>Allowed with 10% miri</li> <li>100% of down payme and SH to 75% LTV.</li> <li>Gift funds not permitt</li> <li>May not be used to me</li> </ul> </li> </ul> </li> <li>Reserves:                  <ul> <li>\$\$500,000 = 3 month</li> <li>\$\$00/SH: Cash-out proce</li> <li>NOO: Cash Out may be</li> <li>Eligible Properties:                     <ul> <li>1-4 Family</li> <li>Condo Warrantable</li> </ul> </li> </ul></li></ul>	ents the guidelines. verified for 30-days. mum contribution from o nimum contribution from o nt and closing cost may o ed on NOO. eet reserves. s PITIA = 6 months PITIA ths PITIA ieds may not be used to r used for reserves.	own funds for 2 <sup>nd</sup> Home. come from a gifted funds for O(
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<ul> <li>Max DTI: 50%</li> <li>Min Loan Amo</li> <li>Max Loan Amo</li> <li>Eligible Produ         <ul> <li>5/6 St</li> <li>5/6 I/</li> <li>30-Yr</li> <li>15-Ye</li> </ul> </li> <li>I/O: ARMs and</li> <li>Housing/Renta</li> <li>Credit Event St</li> <li>and 7-years for I</li> <li>Income Doc Ty</li> <li>WVOE</li> <li>12- or</li> <li>If FNN</li> <li>vendo</li> <li>transc</li> <li>S/E Bo</li> <li>Returr</li> <li>Not el</li> </ul> <li>Max Cash-Out</li>	• Non-Warrantable Condos: Ma bunt: \$125,000 ount: \$2,500,000 cts/Terms: OFR ARM 30-Yr Term O SOFR ARM 30-Yr FRM Full Am & I/O ar Fixed Fully Amortizing I 30-Yr FRM/30-yr term only al History: 0x30x12 + VOR or VOM easoning: 4 -years for BK, SS, DIL FCL ype: 5, VVOE w/in 10 days from closing, 24- months 1040s & transcripts. IA DU Validation electronic r VOE w/Income is provided, then ript is not required. prower: 12- or 24- months Tax ns, YTD P&L, plus transcripts igible for Express	<ul> <li>TIN – Full Doc Requireme</li> <li>Ratios and Qualifying:         <ul> <li>See Residual Income in</li> </ul> </li> <li>Assets:             <ul> <li>Must be sourced and v</li> <li>Gift Funds:                 <ul> <li>Allowed with 5% mini</li> <li>Allowed with 10% miri</li> <li>100% of down payme and SH to 75% LTV.</li> <li>Gift funds not permitt</li> <li>May not be used to me</li> </ul> </li> </ul> </li> <li>Reserves:                  <ul> <li>\$\$500,000 = 3 month</li> <li>\$\$00/SH: Cash-out proce</li> <li>NOO: Cash Out may be</li> <li>Eligible Properties:                     <ul> <li>1-4 Family</li> <li>Condo Warrantable</li> </ul> </li> </ul></li></ul>	ents the guidelines. verified for 30-days. mum contribution from o nimum contribution from o nt and closing cost may o ed on NOO. eet reserves. s PITIA = 6 months PITIA ths PITIA ieds may not be used to r used for reserves.	own funds for 2 <sup>nd</sup> Home. come from a gifted funds for O(

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### <u>Select Prime</u> – Alt Doc

	um LTV/CLTVs				nd 1099 - Primar	y Residence
Credit Score	Loan Amount	Purchase,	Rate and Term	Debt (	Consolidation	Cash-Out Refinance
	<=1,500,000		90		80	80
	1,500,001 – 2,000,000	9	0   85		80	80
760	2,000,001 – 2,500,000		80		75	75
	2,500,001 – 3,000,000		80		75	70
	3,000,001 – 3,500,000		75		70	70
	<= \$1,000,000		90		80	80
	<=1,500,000	-	0   85		80	80
740	1,500,001 – 2,000,000	g	0   85		80	80
	2,000,001 – 2,500,000		80		75	75
	2,500,001 – 3,000,000		80		75	70
	3,000,001 – 3,500,000		75		70	70
	<=1,500,000		85		80	80
	1,500,001 – 2,000,000		80		80	80
720	2,000,001 – 2,500,000		80		75	75
	2,500,001 – 3,000,000		80		75	70
	3,000,001 - 3,500,000		75		70	70
	<=1,500,000		85		80	80
	1,500,001 - 2,000,000		80		75	75
700	2,000,001 - 2,500,000		80		75	73
700						
	2,500,001 - 3,000,000		75		70	70
	3,000,001 – 3,500,000		75		70	70
	<=1,500,000		80		75	75
680	1,500,001 – 2,000,000		80		75	75
060	2,000,001 – 2,500,000		75		70	70
	2,500,001 – 3,000,000		70		65	65
	<=1,000,000		80		75	75
660	1,000,001 - 1,500,000		75		70	70
	1,500,001 - 2,500,000		70		65	65
			-			
<b>640</b>	<= 1,000,000		75		70	70
640	1,000,001 - 1,500,000		75		70	65
	1,500,001 – 2,000,000		70		65	60
Occupan	cy Restrictions - 2 <sup>nd</sup> Home		Occupa	ncy Restri	ctions – Investm	ent (Business Purpose)
760+	Purchase or Rate &	Term	760+		Purch	nase or Rate & Term
/001	Lesser of LTV in above ma	trix or 85%	7001		Lesser of L	IV in above matrix or 85%
700-759	Purchase or Rate &	Term	700-75	q	Purch	nase or Rate & Term
100-735	Lesser of LTV in above ma	trix or 80%	/00-//3	<i>y</i>	Lesser of L	IV in above matrix or 80%
700+	Cash Out		700+			Cash Out
7001	Lesser of LTV in above ma	trix or 80%	7004		Lesser of L	IV in above matrix or 80%
	Purchase or Rate &	Term			Purch	nase or Rate & Term
640-699	Reduce OO LTV by 5% to a	Max of 80%	640-69	•	Reduce NOO	LTV by 5% to a Max of 80%
040-099	Cash Out		640-69	9		Cash Out
	Reduce OO LTV by	5%			Redu	uce NOO LTV by 5%
	Housing History	and Housing	Event Seasoni	ng Restric	tions	
Past due ba	alloon: considered a delinque					vs of maturity.
	Ch.13: use filing dat					, , , , , , , , , ,
		,	-,			
Housing History	1x30x12	2 x 30	) x 12	0	x60x12	0x90x12 O/O Only
		>= 36	бМо	>=	= 24 Mo	>= 12 Mo
3K/FC/SS/DIL/Mod:	>=48 Mo					
3K/FC/SS/DIL/Mod:	>=48 IVIO					
3K/FC/SS/DIL/Mod:	>=48 Mo					
	>=48 Mo 90	8	0		70	65
BK/FC/SS/DIL/Mod: Max LTV/CLTV:		8	0		70	65
Max LTV/CLTV:	90				-	
		8			70 70	65 NA
Max LTV/CLTV:	90				-	
Max LTV/CLTV:	90		5		-	

#### **State Restrictions**

Not permitted for OO and SH in IL counties: Cook, Kane, Peoria and Will – Does not apply to Correspondents.

Non-Permanent Resident Aliens from China are ineligible in the State of Florida.

With the exception of condotels, Short Term Rentals are ineligible in New York City.

NY: No 5/6 ARMs on OO loans below the FNMA loan limits.

NY: Subprime permitted on Fixed rate only. See guidelines for full details. NY High Cost not allowed.

LTVs must be reduced by 5% for loans in MS

Non-licensed States: HI

General Requirements

Product Type

40 Yr Fixed, 40-yr Fixed I/O = Max 80% LTV

	FUNDING		11 22 2023 v2		
	<ul> <li>30-Yr Fixed, 15-Yr Fixed</li> <li>5/6 ARM, 5/6 ARM 30-yr I/O, 5/6 ARM 40-yr I/O</li> <li>ARMs not available in MS</li> </ul>	)			
Interest Only	• Min Credit Score: 680 • Max LTV: 80%	• 10 year I/O perio	d fully amortizing payment		
	<ul> <li>Min: \$125,000 exceptions</li> <li>Maximum Loan Si</li> <li>Loan Amounts \$125,000 - \$149,999 require a 59</li> </ul>	ze \$3.5M			
Occupancy	LTV • Primary, Second Home, Investment Property (B	usiness Purpose)			
Loan Purpose	<ul> <li>Purchase, Rate/Term, and Cash Out</li> </ul>				
Cash Out	<ul> <li>Minimum of 6 (six) months seasoning from mos</li> <li>Condos – Max 75% LTV</li> <li>Max cash-out (defined as cash in hand):</li> <li>LTV &lt;= 60% = Unlimited</li> <li>LTV &gt; 60% = Max \$750K or unlimited with 18 modes</li> </ul>	onths reserves exclusive of cash bac	:k; or		
	<ul> <li>If Express (DU) approved, may waive the 18 n</li> <li>Primary Residence only</li> </ul>	nonths reserves for loans < \$2M.			
Debt Consolidation	<ul> <li>Max \$5,000 cash in hand</li> <li>Minimum 3 months reserves after closing (no additional reserves required for other loan features)</li> <li>Non-mtg debt being paid max \$250K</li> </ul>	<ul> <li>Non-occupant co-borrowers not permitted</li> <li>Consumer debt max 0x60x6</li> <li>Total debt savings 10% or greate</li> <li>Recoup closing costs in 60 month</li> </ul>			
2-1 Temporary Buydown Purchase Only Option	<ul> <li>Eligible w/Select Prime Full &amp; Alt Doc (Bank Statement Only); ITIN to 80% LTV and Investor DSCR 1-4 Units.</li> <li>Minimum Score 680</li> <li>Max LTV 80%</li> <li>Max DTI 50%.</li> </ul>	<ul> <li>Qualify off Full Payment (Note Rate)</li> <li>O/O, 2<sup>nd</sup> Home and Investment Properties.</li> <li>Available on 30-year Fixed Term only</li> <li>Not eligible for Mixed Use, or FN</li> <li>Seller or Builder Funded Only</li> </ul>	<ul> <li>Lender Paid or 3rd Party Buydowns (Excluding Real Estate Agents, Brokerages, Borrower, or relatives) are permitted for Correspondent Clients only.</li> <li>See Guides for Max Interested Party Contribution Limits.</li> </ul>		
Appraisals	<ul> <li>FNMA Form 1004, 1025, 1073 with interior/external</li> <li>2<sup>nd</sup> Appraisal required for loans &gt; \$2,000,000.</li> <li>Appraisal Review Product to be ordered on all l appraisal.</li> </ul>	oans with an SSR over 2.5 with the o	exception of those with a full second		
Property Type	Single Family, Attached, Detached, Condominiu				
	<ul> <li>Warrantable Condos 85% LTV, 2-4 Units Max 80</li> <li>Cash out on a condo – Max 75%.</li> </ul>	%, Non-Warrantable Condominium:	Wax LIV/CLIV 85%.		
Condotel	NOO Purchase or Rate/Term • 700+ Max 75%LTV • 680-699 Max 70% LTV <u>NOO Cash Out</u> • 700+ Max 65% LTV	<ul> <li>Max Loan Amount \$1,500,000</li> <li>Max Cash Out \$250,000</li> <li>Minimum 6 months reserves</li> </ul>	<ul> <li>Minimum 400 square feet</li> <li>Must have full kitchen &amp; 1 separate bedroom</li> <li>Must be in a resort area or affiliated with a national hotel chain</li> </ul>		
Doclining Markots	<ul> <li>680-699 Max 60% LTV</li> <li>Declining markets, as identified by the appraise</li> </ul>	r require a 5% LTV reduction off Mat	triv May ITV		
	<ul> <li>Declining markets, as identified by the appraise</li> <li>Rural properties (as defined in the Guides) pern</li> </ul>				
		e Requirements			
Personal Bank Statements	<ul> <li>24 or 12-months of Personal and 2-months of be Qualifying income is determined by the total end the number of statements.</li> <li>The business bank statements must reflect bus</li> <li>Evidence within 30-days of the Note date that (see below for options with a minimum of one</li> </ul>	ligible deposits from the 24 or 12-m iness activity and transfers to the p the business is active and operating	ersonal account.		
Business Bank Statements	<ul> <li>24 or 12-months of business bank statements. Qualifying income is determined by ONE of the following analysis methods:         <ul> <li>Fixed Expense Ratio (50%); OR</li> <li>Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10%; OR</li> <li>3rd party prepared Profit &amp; Loss Statement (CPA or EA)</li> </ul> </li> <li>Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history (see below for options with a minimum of one year self-employment)</li> </ul>				
P&L and 2 Months Bank Statements	<ul> <li>24 or 12-month P&amp;L, prepared by CPA or EA or</li> <li>Minimum of 2-months business bank statemer</li> <li>Evidence within 30-days of the Note date that (see below for options with a minimum of one</li> <li>Minimum 760 score required for &gt; 85% LTV to 1</li> </ul>	its the business is active and operating year self-employment)	with a minimum 2-year operating history		
P&L Only	<ul> <li>Min 700 Score</li> <li>Max Loan Amount \$1,500,000</li> <li>Max LTV 80% Owner Occupied; 75% NOO and 2</li> <li>24- or 12-month P&amp;L prepared by CPA or EA. returns.</li> <li>Evidence within 30-days of the Note date that a</li> <li>Not permitted with Express or for licensed procession.</li> </ul>	CPA must also attest to having prep the business is active and operating	with a minimum 2-year operating history.		
IRS Form 1099	<ul> <li>2-Years or 1-Year 1099</li> <li>Fixed Expense Rat</li> <li>&gt; 85% LTV up to \$1.5M</li> </ul>	io of 10% • YTD Documentat from same source	ion to support continued receipt of income e		

Asset Utilization Less than 2 years Self Employment options Credit Score Tradelines Assets	eligible assets by 36 months to determine qualify Purchase/Rate and Term: follow LTV limits in ma OO up to 90% LTV permitted when matrii Cash Out: follow LTV limits in the matrix for OO a Maximum loan amount \$3,000,000 ITIN allowed. See Alt Doc ITIN section for limitat OPTION 1: S/E 18+ months with 3+yrs prior expe OPTION 2: Licensed Professional (medical, legal, experience in the same line of work or evidence or both Option 1 and Option 2, the following requ Minimum Score: 700 Max LTV: 80% OO / 75% 2 <sup>nd</sup> Home / 70% NOO Not available for P&L only documentation type Not available for Select Prime Express Underwrit Middle of 3 scores or lower of 2 for Primary Income Earner. Additional borrowers must have a min score of 540. Primary wage earner has 3 scores; or Min 2 open & reporting 24-months; or 3 open and reporting 12-months; or	ying income. atrix for OO up to 85 x allows provided th and Occupancy Rest tions. rience in the same I accounting, etc.) wi of formal education uirements apply:	line of business. ith 12+ months business existence provided 3+yrs prior	
Less than 2 years   Fo   Self Employment   options	OPTION 2: Licensed Professional (medical, legal, experience in the same line of work or evidence or both Option 1 and Option 2, the following requ Minimum Score: 700 Max LTV: 80% OO / 75% 2 <sup>nd</sup> Home / 70% NOO Not available for P&L only documentation type Not available for Select Prime Express Underwrit Middle of 3 scores or lower of 2 for Primary Income Earner. Additional borrowers must have a min score of 540. Primary wage earner has 3 scores; or Min 2 open & reporting 24-months; or 3 open and reporting 12-months; or 24-months mortgage rating reporting on credit 30-days asset verification required	accounting, etc.) wi of formal education uirements apply: ting Requirements DTI Requirements DTI Requirements Residual OO and 2 <sup>nd</sup> Homes	<ul> <li>Max 50%</li> <li>40 Yr Fixed Must Qualify as a 30-Yr at &lt;=55% DTI.</li> <li>Defined as Gross Monthly Income – Total Monthly Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OO and 2nd homes only:</li> </ul>	
redit Score	Middle of 3 scores or lower of 2 for Primary Income Earner. Additional borrowers must have a min score of 540. Primary wage earner has 3 scores; or Min 2 open & reporting 24-months; or 3 open and reporting 12-months; or 24-months mortgage rating reporting on credit 30-days asset verification required	DTI Requirements Residual OO and 2 <sup>nd</sup> Homes	<ul> <li>40 Yr Fixed Must Qualify as a 30-Yr at &lt;=55% DTI.</li> <li>Defined as Gross Monthly Income – Total Monthly Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OO and 2nd homes only:</li> </ul>	
redit Score	Income Earner. Additional borrowers must have a min score of 540. Primary wage earner has 3 scores; or Min 2 open & reporting 24-months; or 3 open and reporting 12-months; or 24-months mortgage rating reporting on credit 30-days asset verification required	Residual OO and 2 <sup>nd</sup> Homes	<ul> <li>40 Yr Fixed Must Qualify as a 30-Yr at &lt;=55% DTI.</li> <li>Defined as Gross Monthly Income – Total Monthly Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OO and 2nd homes only:</li> </ul>	
Fradelines	Min 2 open & reporting 24-months; or 3 open and reporting 12-months; or 24-months mortgage rating reporting on credit 30-days asset verification required	OO and 2 <sup>nd</sup> Homes	<ul> <li>Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OO and 2nd homes only:</li> </ul>	
Assets			<ul> <li>1 person = \$1,500</li> <li>2 persons = \$2,500</li> <li>Add \$150 per additional household member.</li> </ul>	
	deposits on a bank statement loan must be documented on purchases.		LTVs > 85%: • 760 Score & Loan Amt <= \$1.5M: 6 months PITIA • 760 Score & Loan Amt > \$1.5M: 12 months PITIA • 12- or 24-Months Bank Statements Only:	
Gift Funds	ift funds permitted provided borrower meets ninimum contribution: 5% primary 10% second home/investment Gift funds not permitted to be used towards reserves.	Reserves	<ul> <li>740 Score 12 months PITIA</li> <li>LTVs &lt;= 85%:</li> <li>&lt;= \$500K and &lt;= 80% LTV = 3 months PITIA</li> <li>&gt; 80% LTV to 85% or &gt; \$500K to &lt;= \$1.5M: 6 months PITIA</li> <li>Loan Amount &gt; \$1.5M: 9 months PITIA</li> <li>Loan Amount &gt; 2.5M: 12 months</li> <li>Debt Consolidation: 3 months</li> <li>Cash out may be used to satisfy requirement.</li> </ul>	
	Permitted to a maximum loan size of \$1.5m on O/O,2 <sup>nd</sup> Home and NOO.	Document Age	90-days	
Prepayment Penalty	Required on Investment Properties when permit See PPP Requirements Matrix No PPP – Correspondent Only	ted.		
	· · ·	ne Express Alt Doc		
Aethod	DU Approve Eligible and Approve/Ineligible Ineligibility only due to loan size or feature, such as IO	Income	<ul> <li>Follow program documentation requirements.</li> <li>Follow program DTI restrictions.</li> <li>P&amp;L Only not permitted.</li> <li>One-Year Self Employed professionals not permitted.</li> </ul>	
Credit	Follow AUS with the exception of housing history must be 0x30x12 and no extenuating circumstances for BK/Housing event.		<ul> <li>Defined as Gross Monthly Income – Total Monthly Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OC</li> </ul>	
Occupant Co-	Ratios for the Occupying Borrower and Non-	Residual OO and 2 <sup>nd</sup> Homes only	and 2nd homes only: • 1 person = \$1,500 • 2 persons = \$2,500 • Add \$150 per additional household member.	
THB	Permitted to a maximum loan size of \$1.5m on O/O, 2 <sup>nd</sup> Home, and NOO.			
	740-759 Score > 85% not eligible; follow standard program requirements.	Reserves	Loans with LTVs > 85%: • Max \$1.5M & 760+ Score: 6 months PITIA LTV <= 85%:	
Jocument Age	90-days		<ul> <li>Loans &lt; = \$2,000,000 follow DU Findings</li> <li>Loans &gt; \$2,000,000 must meet product reserve requirements.</li> </ul>	
	Appraisal Waiver not allowed. Reduced Condo Reviews not allowed	<ul> <li>2 appraisals require</li> </ul>	red for loan amounts > \$2,000,000.	
		LT DOC Matrix		
	imum LTV/CLTVs		Primary Residence	
Credit Score	Loan Amount Purch 125,000 - 1,500,000	ase & R/T 80	Cash-Out Number of Units 80	

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740	1,500,001 - 2,000,000	80	80	
	2,000,001 - 2,500,000	75	70	
720	125,000 - 1,500,000	80	80	
	1,500,001 - 2,000,000	80	75	1-Unit
	2,000,001 - 2,500,000	60	60	SFR, Condo, PUD
700	125,000 - 1,500,000	80	80	
	1,500,001 - 2,000,000	70	70	
660	125,000 - 1,500,000	80	75	
640	125,000 - 1,500,000	75	70	
720	125,000 - 1,500,000	80	75	
	1,500,001 - 2,000,000	75	60	2-4-Units
700	125,000 - 1,500,000	80	70	Family Housing
	1,500,001 - 2,000,000	70	60	
680	125,000 - 1,500,000	75	70	
Notes	Non-Warrantable Projects: Max 70	% LTV		
Maximum LTV	/CLTVs		Second Home	
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units
720	125,000 – 1,500,000	75	70	
	1,500,001 - 2,000,000	75	60	
700	125,000 - 1,500,000	75	70	1-Unit
	1,500,001 – 2,000,000	70	60	SFR, Condo, PUD
660-699	125,000 - 1,500,000	70	65	
Notes	<ul> <li>Second Homes: 2-4 Unit Properties</li> <li>Non-Warrantable Projects: Max 70</li> </ul>	-		

Maximum LT\	//CLTVs	Investment Property (Business Purpose)			
Credit Score	Loan Amount	Purchase & R/T	Cash-Out	Number of Units	
700	125,000 - 1,500,000	75	70		
	1,500,001 - 2,000,000	75	70		
	2,000,0001 - 2,500,000	70	65		
680	125,000 - 1,500,000	70	65		
	1,500,0001 – 2,000,000	70	65	1-4-Units, Condo, PUD	
	2,000,0001 - 2,500,000	65	60		
660	125,000 - 1,500,000	70	65		
	1,500,0001 - 2,000,000	60	N/A		
Notes	Non-Warrantable Condos: Max 70% LTV				
	ITIN	- Alt Doc Requireme	ents		
ITIN Requirements	<ul> <li>Eligible Products/Terms:</li> <li>5/6 SOFR ARM 30-Yr Term</li> <li>5/6 I/O SOFR ARM 30-Yr</li> <li>30-Yr FRM Full Am &amp; I/O</li> <li>15-Year Fixed Fully Amortizing</li> <li>I/O: ARMs and 30-Yr FRM/30-yr term only</li> <li>Housing/Rental History: 0x30x12 and VOF</li> <li>Credit Event Seasoning: 4 -years for BK, SS and 7-years for FCL</li> <li>Income Doc Type:</li> <li>12- or 24- months personal or bus bank statements</li> <li>CPA/Tax Prep/EA 12-Month P&amp;L-months bank statements</li> <li>12- or 24- months 1099s</li> <li>Not eligible for Express</li> <li>Asset Utilization (60 months)</li> <li>Assets:</li> <li>Must be sourced and verified for days.</li> <li>Max Cash-Out:</li> <li>LTV &lt;= 60% = Unlimited</li> </ul>	0 2 2 2 2 2 2 2 2 3 2 4 2 3 4 2 3 5 5 4 2 3 5 5 4 2 3 5 5 5 5 5 5 5 5 5 5 5 5 5	O. Ilowed with 10% minimum <sup>nd</sup> Home. 00% of down payment an ifted funds for OO and SH ift funds not permitted on 1ay not be used to meet res \$500,000 = 3 months PITI, 0,001 - \$1,500,000 = 6 months 1,500,000 = 12 months PITI O/SH: Cash-out proceeds eserves. OO: Cash Out may be use	NOO. serves. A onths PITIA TIA may not be used to meet ed for reserves.	



### <u>Select Prime Super Jumbo – Full Doc</u>

Maximur	m LTV/CLTVs		Full Documentation – F	Primary Residence	
Credit Score	Loan Amount	Purchase	Rate & Term	Cash-Out	Max DTI
740	\$3,500,001 - \$4,000,000	70	70	60	
720		65	65	55	
740	\$4,000,001 - \$4,500,000	65	65	55	38%
720		60	60	50	
740	\$4,500,001 - \$5,000,000	65	65	55	
720		60	60	50	
		State Restri	ctions		
Not perm	nitted for OO in the following c	ounties in IL: Cook, Ka	ne, Peoria, Will - Does not	apply to Corresponden	ts.
	Non-Permanent Reside	ent Aliens from China	are ineligible in the State o	f Florida.	
	LTVs	must be reduced by 5	5% for loans in MS		
		Non-licensed S			
		Program Desc	cription		
	• The Super Jumbo Program	n is a specialty produc	t for high-net-worth borrov	vers (Solid and stable ir	come and credit,
Program Description	considerable assets to cove				
	• The collateral must be a p	rime real estate prop	erty within a prime real est	ate market for the prop	perty type.
	Manual Underwriting				
Underwriting	• Express (DU) is not permi	tted.			
		General Requi	rements		
	• 30-Year Fixed Fully Amort	-			
Products	• 40-Year Fixed IO	0			
Interest Only	• Purchase, R/T and Cash-O		mits in Matrix		
Loan Amounts	• Minimum Loan Amount: \$3	3,500,001			
Income Documentation	• 1-Yr Full Documentation • 2-Yrs Full Documentation				
	Non-Occupant Co-Borrow	ers are not permitted			
Borrower Eligibility	• First Time Home Buyers a	re not permitted.			
	• ITIN borrowers are not pe	ermitted.			
Occupancy	Primary Residence				
Property	• SFD/PUD 1-Unit		1ax 2 acres		
Types	<ul> <li>Condo (Warrantable/Nor</li> </ul>	n-Warrantable) • N	o farms/rural properties		
Appraisal Requirements	• Two (2) Full Appraisals (in • FNMA Form 1004, 1073 w	• •	nspection		
	• Purchase and R/T: the les	•	•		
Declining Markets	Cash-Out: the lesser of mage				
	Max cash-out (defined as ca	ash in hand):			
Cash-Out	• Max \$1,500,000				
	<ul> <li>Cash-Out proceeds may n</li> </ul>	ot be used to meet re	serves		
		Income Requir	ements		
	• W-2, 2 Years or 1 Year, IR	S Form 4506			
	Self-Employed: 2 Years or	1 Year of Personal an	d Business Tax Returns,		
	YTD P&L, IRS Form 4506, 2				
Full Doc	• S/E Borrower must have a				
Income	• The business must be in e			ears.	
	<ul> <li>Verbal VOE required with</li> </ul>		te for wage earners;		
	30 days for self-employed	borrowers			



Underwriting	Underwriting Requirements					
<ul> <li>Middle of 3 scores or lower of 2 for Primary Income Earner.</li> <li>All borrowers must meet the 720 minimum score.</li> </ul>	DTI Requirements	• Max 38%				
<ul> <li>30-day asset verification required</li> <li>Deposits &gt; 50% of gross income must be documented on purchases</li> </ul>	Housing History	• 0x30x24				
<ul> <li>Primary wage earner has 3 scores; or</li> <li>2 open and reporting 24-months; or</li> <li>3 open and reporting 12-months; or</li> </ul>	Reserves	<ul> <li>&gt; \$3.5M to \$4.0M: 12 months min reserves</li> <li>&gt; \$4.0M to \$5.0M: 18 months min reserves</li> <li>Cash-Out proceeds may not be used to meet reserves.</li> </ul>				
<ul> <li>24-months mortgage rating reporting on credit</li> </ul>	Escrow Waivers	•Not permitted				
• >= 48 months.	Age of	• 90 days				
Permitted after 20% contribution towards down payment, closing costs,	Documentation					
prepaid and reserves are met from Borrower's own funds.	Prepayment Penalty	Not permitted				

### <u>Select Prime Super Jumbo – Alt Doc</u>

Maximu	um LTV/CLTVs		Alt Documentation – I	Primary Residence			
Credit Score	Loan Amount	Purchase	Rate & Term	Cash-Out	Max DTI		
740	\$3,500,001 - \$4,000,000	70	70	60			
720	\$3,300,001 - \$ <del>4</del> ,000,000	65	65	55	_		
740	\$4,000,001 - \$4,500,000	65	65	55	=		
720	\$4,000,001 - \$4,500,000	60	60	50	38%		
740	\$4,500,001 - \$5,000,000	65	65	55	-		
720	\$4,500,001 - \$5,000,000	60	60	50	-		
		State Restric					
Not per		ent Aliens from China must be reduced by 5 Non-licensed St	are ineligible in the State o % for loans in MS ates: HI		ιτ <b>s</b> .		
	a The Super Jumbe Dregrow	Program Desc		ware (Calid and stable is	nonme and avadit		
Program Description	• The Super Jumbo Program considerable assets to cove • The collateral must be a p	r down payment, closi	ng costs and reserves).				
Jnderwriting	<ul> <li>Manual Underwriting</li> <li>Express (DU) is not permit</li> </ul>	tted					
	- 20 V	General Requir	ements				
Products	<ul> <li>30-Year Fixed Fully Amort</li> <li>40-Year Fixed IO</li> </ul>	izing					
oan Amounts	• Minimum Loan Amount: \$	3,500,001					
nterest Only	• Purchase, R/T and Cash-O	ut: allowed per LTV lir	nits in Matrix				
Borrower Eligibility	<ul> <li>Non-Occupant Co-Borrow</li> <li>First Time Home Buyers at</li> <li>ITIN borrowers are not performed.</li> </ul>	re not permitted.					
Dccupancy	Primary Residence only						
Property Types	• SFD/PUD- 1=Unit • Condo (Warrantable/Non	-Warrantable)	<ul> <li>Max 2 acres</li> <li>No farms or rural proper</li> </ul>	rties			
Appraisal Requirements	• Two (2) Full Appraisals (in FNMA Form 1004, 1073 wit	terior/exterior)					
Declining Markets	• Purchase and R/T: the less	ser of matrix LTV or m	•				
Cash-Out	Cash-Out: the lesser of ma Max cash-out (defined as ca • Max \$1,500,000						
	Cash-Out proceeds may n						
	• S/E Borrower must have a	Income Require minimum of 2 full yea					
Self-Employment	• The business must be in ex						
	• 24 months of Personal and						
	<ul> <li>Qualifying income is deter the number of statements</li> </ul>		gible deposits from the 24	months of personal stat	tements divided b		
Personal BankStatements		ents must reflect busir					
Business BankStatements	<ul> <li>24 months of business bar</li> <li>Fixed Expense Ratio (50</li> <li>Expense Ratio provided</li> <li>3rd party prepared Prof</li> </ul>	<ul> <li>24 months of business bank statements. Qualifying income is determined by ONE of the following analysis methods         <ul> <li>Fixed Expense Ratio (50%); OR</li> <li>Expense Ratio provided by a 3rd party (CPA or EA) min ratio of 10%, OR</li> <li>3rd party prepared Profit &amp; Loss Statement (CPA or EA)</li> </ul> </li> <li>Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating</li> </ul>					
Asset Utilization	Eligible assets divided by 84     Purchase, Rate/Term and C	ash-Out: follow LTV li		fore Asset Utilization m	ust be <=50%.		
	• Maximum loan amount \$5,	000,000					

	Underwriting Requirements						
Cre	edit Score	<ul> <li>Middle of 3 scores or lower of 2 for Primary Income Earner.</li> <li>All borrowers must meet the 720 minimum score.</li> </ul>	DTI Requirements	• Max 38%			
Ass	sets	· So-day asset vermeation required	Housing History	• 0x30x24			

NQM	FUNDING		11 22 2023 v2
Tradelines	<ul> <li>Primary wage earner has 3 scores; or</li> <li>Min 2 open &amp; reporting 24-months; or</li> <li>3 open and reporting 12-months; or</li> <li>24-months mortgage rating reporting on credit</li> </ul>	Reserves	<ul> <li>&gt; \$3.5M to \$4.0M: 12 months min reserves</li> <li>&gt; \$4.0M to \$5.0M: 18 months min reserves</li> <li>Cash-Out proceeds may not be used to meet reserves.</li> </ul>
Credit Events	• >= 48 months.	Age of Documentation	• 90 days
Gift Funds	<ul> <li>Permitted after 20% contribution towards down payment, closing costs, prepaid and reserves</li> </ul>	Escrow Waivers	• Not permitted
Gift Funds	are met from Borrower's own funds.	Prepayment Penalty	• Not permitted



		FLEX CLO	SED END SEC	COND L	IEN 2 Year	ALT Doc o	or 2 Year Full I	Doc	
Occupancy	Transaction Type	Property Type	Min Credit Score	с	LTV	Max Loan Amount	Max Exposure w/CLTV > 80%	Max Exposure w/CLTV 70.01-80%	Max Exposure w/CLTV <= 70%
	Purchase &	SFR	740 720		35% 80%			\$3,500,000	\$4,000,000
Primary Residence	Rate/Term Refinance	SFR/Condo <sup>1</sup>	740 700 680	8	35% 30% 80%	\$500,000 \$2,000,00	\$2,000,000	\$3,000,000	\$3,500,000
	Cash Out <sup>2</sup>	SFR SFR/Condo <sup>1</sup>	740 720 700	8	85% 80% 80%			\$3,500,000	\$4,000,000
			680		′5%			\$3,000,000	\$3,500,000
² A minimu		nust have elapse	d since the mos cash-	st recent out if < 6 Gener		insaction or purchase.	max LTV by 5% n the subject pro	perty. Delayed Fi	nancing allowed as
Restrictions	<ul><li>Not perm</li><li>Not perm</li><li>Not perm</li><li>Non-Pern</li></ul>	t be approved to itted in MS, NY, itted in IL countion nanent Resident used states: HI	TN or TX es: Cook, Kane,	, Peoria a				ts.	
Product Type	• Fixed Clos	sed End Second							
Available Term	• 15-Year, 2	20-Year, 25-Year	and 30-Year						
Loan Amounts	• Min: \$12	5,000							
Occupancy	Primary a	ind Second Home	, <sup>1</sup>						
Borrowers	• Non-Occu	Ipant Co-Borrow	ers are not peri	mitted.					
Loan Purpose		, Rate/Term Refin		Out					
Property Type	• PUD • Townhou • Warranta	<ul> <li>Townhouse</li> <li>Warrantable Condos</li> <li><sup>1</sup>Non-Warrantable Condominium with 5% reduction in LTV</li> </ul>							
Appraisals		or/exterior appr	aisal required.						
Declining Mark	ets • Declining	markets, as iden	tified by the ap	praiser,	require a 5%	TV reductio	on off Matrix Max	k LTV.	
Rural Property	<ul> <li>Not perm</li> </ul>	itted							
Full Doc	• 2-year Fu	ıll Doc		Incom	ie Requireme	nts			
Personal Bank Statements:	<ul> <li>Qualifyin of staten</li> <li>The busin</li> </ul>	nents. ness bank statem	rmined by the t ients must refle	total elig ect busin	ible deposits ess activity aı	from the 24	to the personal		ivided by the number operating history
Business Bank Statements:	<ul> <li>Fixed</li> <li>Expendence</li> <li>3rd particular</li> </ul>	<ul> <li>24 months of business bank statements. Qualifying income is determined by ONE of the following analysis methods:         <ul> <li>Fixed Expense Ratio (50%); OR</li> <li>Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10%, OR</li> <li>3rd party prepared Profit &amp; Loss Statement (CPA or EA)</li> </ul> </li> <li>Evidence within 30-days of the Note date that the business is active and operating with a minimum 2-year operating history</li> </ul>							
24 months CPA preparedProfit Loss Statemen	& 🔸 Minimun	hs P&L, prepared n of 2-months bu within 30-days c	siness bank sta			active and o	perating with a	minimum 2-year c	operating history
IRS Form 1099	• 2 Years 1	• 2 Years 1099     • Fixed Expense Ratio of 10%     • YTD Documentation to support continued receipt of income from same source							
Asset Utilizatio	n • Not perm	itted							
					iting Require		ax 50% Primary		
Credit Score	Income E	al borrowers mus			DTI Requiren	• Ma	ax 43% Second H	ome	



Mortgage History	• UX3UX24	I/O First Mortgage Qualifying Requirements	<ul> <li>Interest Only (I/O) First Mortgage must be qualified at the fully amortizing P&amp;I payment</li> </ul>
	<ul> <li>If the Primary wage earner has 3 credit scores,</li> </ul>		<ul> <li>30-days asset verification required</li> <li>Deposits &gt; 50% of gross income or average deposits on a bank statement loan must be documented on purchases</li> </ul>
	there are no further tradeline requirements. Otherwise, trades must meet one of the following: • 3 reporting for 12+ months + activity within most	Gift Funds	Gift funds permitted provided borrower meets minimum contribution: • 5% primary • 10% second home • Gift funds not permitted to be used towards reserves
Tradelines	<ul> <li>24-months mortgage history reporting on credit report with a score</li> </ul>	Residual OO and 2 <sup>nd</sup> Homes	<ul> <li>Defined as Gross Monthly Income – Total Monthly Obligations.</li> <li>Requirement based on # in household.</li> <li>Applies to HPML loans or when the DTI &gt; 43% on OO and 2nd homes only:</li> <li>1 person = \$1,500</li> <li>2 persons = \$2,500</li> <li>Add \$150 per additional household member</li> </ul>
Housing Event and BK Seasoning	• 4 years	Reserves	<ul><li>6 months reserves required.</li><li>Cash out may be used to satisfy requirement</li></ul>
Document Age	• 90-days	Prepayment Penalty	Not permitted



			tment Property (Business Pur			
Ma Credit Score	aximum LT	V/CLTVs Loan Amount	Purchase	>=1.00 R/T Ref		Cash-Out Refinance
		<=1,000,000	80	8		75
		1,000,001 - 1,500,000	75	7		70
740+		1,500,001 - 2,000,000	75	7.		60
		2,000,001 - 2,500,000	70	7		60
		2,500,001 - 3,000,000	70	7		60
		<=1,000,000	80	7	5	75
		1,000,001 - 1,500,000	75	7	5	70
720		1,500,001 - 2,000,000	75	7!	5	60
		2,000,001 - 2,500,000	70	7	D	60
		2,500,001 - 3,000,000	70	7	0	60
		<=1,500,000	75	7!	5	70
700		1,500,001 - 2,000,000	70	7	0	60
700		2,000,001 - 2,500,000	70	7	0	60
		2,500,001 - 3,000,000	70	7	0	60
		<=1,500,000	75	7!	5	70
680		1,500,001 - 2,000,000	70	7		60
		2,000,001 - 2,500,000	70	7	0	60
		<=1,000,000	70	7	D	65
660		1,000,001 - 1,500,000	65	6	5	60
		1,500,001 – 2,000,000	60	6		55
		<=1,000,000	65	6		60
640 - 659		1,000,001 - 1,500,000	60	6		55
		1,500,001 – 2,000,000	55	5	-	50
Ma	aximum L1			DSCR* Note M		
		<=1,000,000	75	7:		70
740		1,000,001 - 1,500,000	75	7:	-	70
		1,500,001 - 2,000,000	75	7		60
720		<=1,000,000	75	7		70
720		1,000,001 - 1,500,000	70 65	70 61		65 NA
		1,500,001 - 2,000,000				
700		<=1,000,000 1,000,001 - 1,500,000	75 70	75 70		70 65
700		1,500,001 - 2,000,000	65	6		NA
680		<=1,000,000	65	6		60
	aximum L	, ,	05	No R		00
		<=1,000,000	65	6		60
740		1,000,001 - 1,500,000	65	6	-	60
		<=1,000,000	65	6	5	60
720		1,000,001 - 1,500,000	65	6	5	60
		<=1,000,000	65	6	5	60
700		1,000,001 - 1,500,000	65	6	5	60
Housing Histo	ry	Hou	sing Event Seasoning		Prope	rty Type Restrictions
• 0x30x12 – No redu	uction	BK/FC/SS/DIL/Mod:			<u>2-4 Units</u> :	
• 1x30x12:		• >=36 Mo – No reducti			• Max LTV/C	LTV: 80%
<ul> <li>Max 60% LTV</li> </ul>		• >=24 Mo – Max 75% I	TV Purchase & Max 70% LTV	Rate/Term &		
Past due balloon v		Cash-out	<b>A</b> 11 <b>I I I I I I</b>		Condos:	000/DQ T. May 900/
considered a delin		-	e filing date; min 1yr discharge	ed.		ase/R&T: Max 80%
(1x30) not a housi event, only if with	-	• Dismissed Ch 13, use No Ratio:	missed Ch 13, use dismissal date. • < 720 Purchase/R&T: Ma			143C/110C1 . IVICIA / 3/0
			• 720+ Cash Out: Max 75%			
days of maturity	in 180		m a housing event			
days of maturity. 1x30 not permitte		• Requires 3+ years fro	-			Out: Max 75%
		Requires 3+ years fro     Multiple BKs not perr	nitted.	months.		Out: Max 75%
1x30 not permitte		Requires 3+ years fro     Multiple BKs not perr	nitted. discharged or dismissed 24+ r	months.		Out: Max 75%
1x30 not permitte		Requires 3+ years fro     Multiple BKs not perr     Chapter 13s must be	nitted. discharged or dismissed 24+ r State Restrictions			Out: Max 75%
1x30 not permitte	d on No	Requires 3+ years fro     Multiple BKs not perr     Chapter 13s must be     LTVs mu	nitted. discharged or dismissed 24+ r State Restrictions ust be reduced by 5% for loans	s in MS.	• < 720 Cash	Out: Max 75%
1x30 not permitte	d on No	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu With the exception of cond	nitted. discharged or dismissed 24+ r State Restrictions	s in MS. ineligible in Ne	• < 720 Cash w York City.	Out: Max 75% Out: Max 70%
1x30 not permitte	d on No	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu With the exception of cond	nitted. discharged or dismissed 24+ r State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are	s in MS. ineligible in Ne	• < 720 Cash w York City.	Out: Max 75% Out: Max 70%
1x30 not permitte	d on No	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu With the exception of cond	nitted. discharged or dismissed 24+ r State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are	s in MS. ineligible in Ne	• < 720 Cash w York City.	Out: Max 75% Out: Max 70%
1x30 not permitte	d on No Non-Pe	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu With the exception of cond	nitted. discharged or dismissed 24+ r State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI	s in MS. ineligible in Ne	• < 720 Cash w York City.	Out: Max 75% Out: Max 70%
• 1x30 not permitte Ratio	d on No Non-Pe • 40-Yea • 30-Yr Fi	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu     With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fixed	nitted. discharged or dismissed 24+ m State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements ked IO.	s in MS. ineligible in Ne	• < 720 Cash w York City.	Out: Max 75% Out: Max 70%
1x30 not permitte Ratio	d on No Non-Pe • 40-Yea • 30-Yr Fi • Interes	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu     With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No	nitted. discharged or dismissed 24+ r State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements xeed IO. Ratio.	s in MS. ineligible in Ne ineligible in th	• < 720 Cash w York City.	Out: Max 75% Out: Max 70%
• 1x30 not permitte Ratio	d on No Non-Pe • 40-Yea • 30-Yr Fi • Interes	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu     With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No	nitted. discharged or dismissed 24+ or State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements exed IO. Ratio. are not permitted in MS or with	s in MS. ineligible in Ne ineligible in th ineligible in th	• < 720 Cash w York City. he State of Flo	Out: Max 75% Out: Max 70% Drida.
• 1x30 not permitte Ratio	d on No Non-Pe • 40-Year • 30-Yr Fi • Interes • When A	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be     LTVs mu     With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No	nitted. discharged or dismissed 24+ model State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements ked IO. Ratio. are not permitted in MS or with >= 1%	s in MS. ineligible in Ne ineligible in th ineligible in th ineligible in th ineligible in the ineligible ineligible ine	• < 720 Cash w York City. he State of Flo	Out: Max 75% Out: Max 70% orida.
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> </ul>	d on No Non-Pe • 40-Year • 30-Yr Fi • Interes • When A • Min Cre	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No ARMs are reinstated, ARMs	nitted. discharged or dismissed 24+ model State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements ked IO. Ratio. are not permitted in MS or with >= 1% < 1%	s in MS. ineligible in Ne ineligible in th ith DSCRs < 1 orrower to qua ualifying rate (i	• < 720 Cash w York City. he State of Flo	Out: Max 75% Out: Max 70% Drida.
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> </ul>	d on No Non-Pe • 40-Yea • 30-Yr Fi • Interes • When A • Min Cre • Min Cre	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR 3	nitted. discharged or dismissed 24+ model State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements Ked IO. Ratio. are not permitted in MS or with >= 1% 9 < 1% 9	s in MS. ineligible in Ne ineligible in th ineligible in th ineligible in th ineligible in the ineligible ineligible ine	• < 720 Cash w York City. he State of Flo	Out: Max 75% Out: Max 70% orida.
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> </ul>	d on No Non-Pe • 40-Year • 30-Yr Fi • Interes • When A • Min Cra • Min Cra • Interes	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR a edit Score: 700 when DSCR a	nitted. discharged or dismissed 24+ m State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements keed IO. Ratio. are not permitted in MS or with >= 1% • B < 1% q atio Loans	s in MS. ineligible in Ne ineligible in th ith DSCRs < 1 orrower to qua ualifying rate (r ate).	• < 720 Cash w York City. ne State of Flo lify using the Greater of the	Out: Max 75% Out: Max 70% Drida. IO payment based on the fully indexed rate or note
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> </ul>	d on No Non-Pe • 40-Year • 30-Yr Fi • Interes • When A • Min Cre • Min Cre • Interes • Interes	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR se edit Score: 700 when DSCR se t Only not allowed on No Ra 5,000 Loan Amoun	nitted. discharged or dismissed 24+ m State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements ked IO. Ratio. are not permitted in MS or wi >= 1% < 1% ratio Loans ts \$75K to < \$100K:	s in MS. ineligible in Ne ineligible in th ith DSCRs < 1 orrower to qua ualifying rate (r ate).	• < 720 Cash w York City. he State of Flo sify using the Greater of the s >=\$100,000	Out: Max 75% Out: Max 70% Drida.
<ul> <li>1x30 not permitte</li> </ul>	d on No Non-Pe • 40-Year • 30-Yr Fi • Interes • When A • Min Cra • Min Cra • Interes	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR a edit Score: 700 when DSCR a colit Score Sc	nitted. discharged or dismissed 24+ model State Restrictions Ist be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements Ked IO. Ratio. are not permitted in MS or witted >= 1%	s in MS. ineligible in Ne ineligible in th ith DSCRs < 1 orrower to qua ualifying rate ( ate). Loan Amount • Max LTV 75	• < 720 Cash w York City. ne State of Flo state of Flo dify using the Greater of the s >=\$100,000 % Purchase/R	Out: Max 75% Out: Max 70% Drida. IO payment based on the fully indexed rate or note
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> <li>nterest Only</li> </ul>	d on No Non-Pe • 40-Year • 30-Yr Fi • Interes • When A • Min Cre • Min Cre • Interes • Interes	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fix t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR se edit Score: 700 when DSCR se t Only not allowed on No Ra 5,000 Loan Amoun	nitted. discharged or dismissed 24+ model State Restrictions Ist be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements Ked IO. Ratio. are not permitted in MS or witted >= 1%	s in MS. ineligible in Ne ineligible in th ineligible in th orrower to qua ualifying rate (r ate). Loan Amount • Max LTV 75 • Max LTV 70	• < 720 Cash w York City. The State of Floo State of Floo Greater of the ss >=\$100,000 % Purchase/R % Cash Out.	Out: Max 75% Out: Max 70% Drida.
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> <li>nterest Only</li> <li>.oan Amounts</li> </ul>	d on No Non-Pe • 40-Yea • 30-Yr Fi • Interes • When A • Min Cre • Min Cre • Interes • Min: 75 • Max \$3	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fiz t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR = edit Score: 700 when DSCR = edit Score: 700 when DSCR = t Only not allowed on No Ra 5,000 Loan Amoun ,000,000 • Max LTV 6 • 1% DSCR R	nitted. discharged or dismissed 24+ r State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements ked IO. Ratio. are not permitted in MS or with >= 1%	s in MS. ineligible in Ne ineligible in th ith DSCRs < 1 orrower to qua ualifying rate ( ate). Loan Amount • Max LTV 75	• < 720 Cash w York City. The State of Floo State of Floo Greater of the ss >=\$100,000 % Purchase/R % Cash Out.	Out: Max 75% Out: Max 70% Drida.
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> <li>nterest Only</li> <li>coan Amounts</li> <li>Occupancy</li> </ul>	d on No Non-Pe • 40-Yeau • 30-Yr Fi • Interes • When A • Min Cre • Min Cre • Interes • Min: 75 • Max \$3 • Investn	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fiz t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR = edit Score: 700 when DSCR = t Only not allowed on No Ra 5,000 Loan Amoun ,000,000 • Max LTV 6 • 1% DSCR R	nitted. discharged or dismissed 24+ model State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements Ked IO. Ratio. are not permitted in MS or with >= 1%	s in MS. ineligible in Ne ineligible in th ineligible in th orrower to qua ualifying rate (r ate). Loan Amount • Max LTV 75 • Max LTV 70	• < 720 Cash w York City. The State of Floo State of Floo Greater of the ss >=\$100,000 % Purchase/R % Cash Out.	Out: Max 75% Out: Max 70% Drida.
<ul> <li>1x30 not permitte Ratio</li> <li>Product Type</li> <li>nterest Only</li> <li>.oan Amounts</li> </ul>	d on No Non-Pe • 40-Yeau • 30-Yr Fi • Interes: • When A • Min Cre • Min Cre • Interes: • Min: 75 • Max \$3 • Investn • Purchas	Requires 3+ years fro     Multiple BKs not perr Chapter 13s must be LTVs mu With the exception of cond ermanent Resident Aliens r Fixed IO = Max 75% LTV ixed, 15-Yr Fixed or 30-Yr Fiz t only not permitted on No ARMs are reinstated, ARMs edit Score: 640 when DSCR = edit Score: 700 when DSCR = t Only not allowed on No Ra 5,000 Loan Amoun ,000,000 • Max LTV 6 • 1% DSCR R	nitted. discharged or dismissed 24+ model State Restrictions ust be reduced by 5% for loans otels, Short Term Rentals are originating from China are Non-licensed States: HI General Requirements ked IO. Ratio. are not permitted in MS or with >= 1% • B < 1% • B < 1% • atio Loans ts \$75K to < \$100K: 5% tequired urpose) t	s in MS. ineligible in Ne ineligible in th ineligible in th orrower to qua ualifying rate (r ate). Loan Amount • Max LTV 75 • Max LTV 70	• < 720 Cash w York City. he State of Flo signature of the signature of th	Out: Max 75% Out: Max 70% Drida.

	FUNDING			11 22 2023 v2
Purchase Only Option	• Min DSCR >= .75	Age	der Paid or 3 <sup>rd</sup> Party Paid Buyd nts, Brokerages, Borrower, or	
Cash-Out	<ul> <li>LTV &gt; 60% - \$500,000 or when DSCR is &gt;=.75 unlimited cash out permitted with 18 months reserves exclusive of cash back</li> <li>LTV &lt;=60% - Unlimited</li> </ul>		Correspondent Clients only. <ul> <li>NOTE: that cash out limits do not apply to Delayed Financing Transactions</li> <li>Cash out refinances on properties acquired in the past 12 months require DSCR of .75</li> <li>Condos in FL max LTV 75%</li> </ul>	
Property Type	<ul> <li>Single Family, Attached, 2-4 Units, Warra</li> <li>C4 condition rating or better.</li> <li>Condotels</li> <li>Bural Properties are not oligible</li> </ul>			
Condotel	<ul> <li>700 Score / Max LTV 70%</li> <li>680 Score / Max LTV 65%</li> </ul>	Cash Out: • 700 Score / Max L1 • 680 Score / Max L1 • Max C/O: \$250,00	V 60% Min Reserv	00 ves:
Appraisals	<ul> <li>FNMA Form 1004, 1025, 1073 with inter</li> <li>2<sup>nd</sup> Appraisal required for loan amounts</li> <li>No Ratio loans with loan amounts &gt; \$1,5</li> <li>Appraisal Review Product to be ordered appraisal.</li> </ul>	> \$2m on loans with 00,000 require 2 ap	a DSCR > .75. oraisals.	n of those with a full second
Declining Markets	• Declining markets, as identified by the a	ppraiser, require a 5	% LTV reduction off Matrix Max	LTV.
Rural Property	Not allowed (Property up to 2-acres, not	t meeting the rural d come Requirements	efinition, eligible)	
Income	<ul> <li>Use lower of Estimated market rent from 1007 or lease agreement.</li> <li>Two months proof of receipt of existing lease amount required only when using higher amount of rental income from lease to qualify.</li> <li>All refinance transactions require the property to be leased. Vacant property not eligible with the exceptions of properties leased through short term rental agencies or on certain Delayed Financing loans (see guides for details). Property must not be occupied by any member of the borrower's LLC or any family member.</li> <li>Short term rental income permitted with use of a 12-month look back period to determine average monthly rents. Annual or monthly statements from AirBNB or similar service required.</li> <li>AirDNA may be used for DSCR (1-4 Units) Purchase, and Refinances of recently renovated properties. ALL the follow apply:</li> <li>Subject Property must be located in a vacation, entertainment, tourism destination market.</li> <li>Minimum DSCR &gt;= 1.15</li> <li>Max LTV: Use the lesser of 75% or the applicable matrix LTV on a purchase and refinance; or max 70% LTV or Foreign Nationals.</li> <li>Form 1007 Single Family Comparable Rent Schedule/Form 1025 Small Residential Income Property Appraisa Report prepared by the appraiser reflecting long-term or short-term market rents.</li> <li>AirDNA's "Property Earning Potential" (Rentalizer Report) must meet the following requirements):</li> <li>Rentalizer</li> <li>Forecast period must cover 12 months from Note date.</li> <li>Occupancy rate must be &gt;= 50%.</li> <li>Income calculation (AirDNA annual gross revenue ± 12)</li> <li>Must have five (5) comparison properties.</li> <li>For 2-4 Units, a report must be pulled on each individual unit in AirDNA, and th sum of all combined units' rental income will be used to determine the DSCR ra</li> <li>Must be similar in size, room count, amenities, availability, and occupancy.</li> </ul>			
	Unde	erwriting Requireme	• Loan amounts < \$125K: 1.	00
Credit Score	• Lowest Middle score of all borrowers	DSCR	• Cash out refinances on pro 12 months: .75	operties acquired in the past s qualifying using the No Ratio
Tradelines when DSCR is .75 or greater	<ul> <li>All borrowers have 3 scores: or</li> <li>Min: 2 open and reporting 24-months; or</li> <li>3 open and reporting 12-months; or</li> <li>24-months mortgage rating reporting or credit</li> </ul>	Reserves (>= 1.0 or < 1.0 and > .75)	<ul> <li>Loan Amount &gt;= \$125K to PITIA</li> <li>Loan Amount &gt; \$500K = \$</li> <li>Loan Amount &gt; \$2.0M = 1</li> <li>Cash out may be used to s</li> </ul>	2.0M: 6 months of PITIA 2 months of PITIA
Tradelines – No Ratio	<ul> <li>Each borrower must have a minimum of two trades within 24 months that show a 12-month history OR a combined credit profile between both borrowers with a minimum of three tradelines.</li> <li>Tradeline activity is not required.</li> </ul>	Reserves – No Ratio	<ul> <li>Loan Amount &gt;=\$125K to</li> <li>Loan Amount &gt; \$500,000</li> <li>Cash out may be used to s</li> </ul>	– \$2.0M = 6 months of PITIA
	• Eligible trades cannot have delinquency in the past 24 months.	Gift Funds	• Allowed after min 10% bo	prrower contribution. eserve requirements

NQM	FUNDING		11 22 2023 v2
	<ul> <li>Current housing not reporting on credit may count as a trade if cancelled checks/debits are provided.</li> </ul>	Assets	• 30-day asset verification required
Investor Experience	• Not required	Document Age	• 90-days
Prepayment Penalty	<ul> <li>Required on Investment Properties when</li> <li>See PPP Requirements Matrix</li> </ul>	permitted.	

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# FUNDING

## Investor – DSCR (5-10 Units or Mixed Use 2-8 Units)

Investment Property (Business Purpose)						
	Maximum LTV/CL	TVs		>=1.00 DSCR		
Credit Se	core	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance	
	<=	=1,500,000	75	75	70	
	· · · ·	500,001 – 2,000,000	75	70	65	
720+	<u>_</u> ,	000,001- 2,500,000	70	70	65	
		500,001 – 000,000	70	70	65	
	<=	=1,500,000	75	75	65	
	· · · · ·	500,001 – 2,000,000	70	70	65	
700+	2,	000,001- 2,500,000	65	65	60	
		500,001 – 000,000	65	65	60	
		=1,500,000	70	65	65	
		500,001 - 2,000,000	65	60	60	
680 - 6		000,001- 2,500,000	65	60	60	
		500,001 – 000,000	65	60	60	
	<:	=1,500,000	65	65	60	
660-67	79	500,001 - 2,000,000	60	60	55	
Housing			Restrictions		xperience	
• 0x3		Reduce LTVs b	y 5% for loans in MS.	No First Time Investors		
Housing Eve	ent Seasoning		sident Aliens and Foreign	• Experienced Investor: Bo		
BK/FC/SS/DII	J	- Nationals from China are ineligible in the State		history of owning and managing commercial or		
	,	of Florida. residential real estate for at least 1 ye Non-licensed States: HI 3 years			r at least 1 year in the last	
		Non-licensed States: HI         3 years           General Requirements         3 years				
Product Type	• 40-Yr Fixed, 30	-Yr Fixed, 15-Yr Fixed, 4				
Interest Only	Min Credit Sco			y using the IO payment base	ed on the qualifying rate	
Interest Only	• Max LTV: 75%		(Greater of the ful	f the fully indexed rate or note rate).		
	• Min: \$250,000					
Loan Amounts	<ul> <li>Loan sizes und reduction to LT</li> </ul>	er \$400,000 require a 5	% • Max: \$3,000,000			
Occupancy		operties (Business Purp	ose)			
Loan Purpose		/Term, and Cash Out				
Cash-Out	• Max cash-out:	\$1,000,000				
	• Min DSCR >= 1	.00	LTV requirements:			
Foreign National		if using US Credit	• <= \$2.0M = Purch & R/T: 7			
	<ul> <li>Foreign Credit</li> <li>Reserves: 12 n</li> </ul>		<ul> <li>&gt; \$2.0M - \$2.5M = Purch &amp;</li> <li>&gt; \$2.5M - \$3.0M = Purch &amp;</li> </ul>	•		
	Reserves: 12 n     Residential 5-1		+			
		Mixed Use 2-8 units. For properties with less than 5 units, at least 1 unit must be commercial.				
Property Type		lax 1 commercial unit	,			
Troperty Type		lax 2 commercial units				
		lax 3 commercial units	1 10% of the total building an	22		
		square feet per unit	1 49% of the total building ar	Ca		
		or year-round residenti	al use.			
Property Requirements		kitchen and bath.				
Requirements		nest and best use of the				
		y health or safety issue	S			
	No fair or poor	-	no of horowhour material			
Property		· –	use of hazardous material, ex the appraiser (ex. Broker wi			
Condition			hat could become a health or			
			ex. Foundation, roof, electric	•		

Unleased Units	<ul> <li>Maximum 1 vacant unit on a 2-3 Unit property; 2 vacancies on 4+ units. Note that properties are permitted to be delivered vacant on purchase transactions.</li> </ul>
officased offics	<ul> <li>Unleased units must be in lease ready condition; units cannot be undergoing rehab, etc.</li> </ul>
	Residential 5-10 units
	<ul> <li>FHLMC 71A, FNMA 1050 or similar short form appraisal report</li> </ul>
	<ul> <li>Narrative report may be used but is not required.</li> </ul>
	• Mixed Use 2-8 Units
	$_{\odot}~$ General Purpose Commercial Forms (ex. GP Commercial Summary Form)
	• The following are required for both 5-10 Residential and Mixed Use 2-8 Unit appraisal reports.
Appraisals	$\circ$ Full Interior inspection required of each unit.
	$\circ$ Rent roll.
	$\circ$ Income and Expense Statement
	$\circ$ Photos of subject including exterior/interior and street scene
	$\circ$ Aerial photo
	$\circ$ Sketch or floor plan of typical units
	о Мар

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	$\circ$ Plot Plan or survey					
	<ul> <li>Appraisal Qualifications</li> </ul>					
	<ul> <li>2<sup>nd</sup> Appraisal required for loan amounts &gt; \$2m.</li> </ul>					
	$\circ~$ (2 <sup>nd</sup> appraisal not required when Form	71A Multifamily or O	Commercial Narrative report is pro	vided)		
	BPO to be ordered on all transactions with	the exception of those	se including two full appraisals			
Declining Markets	<ul> <li>Declining markets, as identified by the application</li> </ul>	praiser, require a 5%	LTV reduction off Matrix Max LTV.			
Rural Property	<ul> <li>Up to 2 acres, not meeting the rural defin</li> </ul>	ition, permitted				
	Inco	ome Requirements				
	<ul> <li>Use lower of Estimated market rent or learning</li> </ul>	ase agreement.				
	<ul> <li>For leases that have converted to month-</li> </ul>	to-month, provide 2	months bank statements to suppo	rt rental income.		
	<ul> <li>Vacant unit(s) – use 75% of market rents.</li> </ul>	Max 1 vacancy on 2-	-3-unit properties or 2 vacancies of	n 4+ units.		
Income	<ul> <li>Reduce qualifying rents by any management</li> </ul>	ent fee reflected on t	he appraisal report.			
income	• 2-8 Mixed Use: Income from commercial	space must not excee	ed 49% of the total property incom	e.		
	• Minimum DSCR >=1.00					
	<ul> <li>Loan Amounts =&gt; \$2,000,000 also require greater)</li> </ul>	Debt Yield of 9% or g	greater (Net Operating Income/Loa	an Amount = 9% or		
	Underv	writing Requirements	S			
			• Loan Amt <= \$1.5M: 6 Month	s PITIA		
	• Middle of 3 scores or lower of 2 of all	Reserves	• Loan Amt > \$1.5M - \$2.0M: 9	months PITIA		
Credit Score	Borrowers		• Loan Amt > \$2.0M - \$2.5M: 1	2 Months PITIA		
	Donowers		• Loan Amt > \$2.5M - \$3.0M: 1	2 Months PITIA		
			<ul> <li>Cash out may be used to mee</li> </ul>	t reserve requirements		
	<ul> <li>All borrowers have 3 scores: or</li> </ul>					
	<ul> <li>Min: 2 open and reporting 24-months;</li> </ul>		Allowed after min 10% borroy	wer contribution.		
Tradelines	or	Gift Funds	Cannot be used to meet reser			
	<ul> <li>3 open and reporting 12-months.</li> </ul>					
Assets	30-day asset verification required	Document Age	• 90-days			
Prepayment	• Required on Investment Properties when	permitted.				
Prepayment Penalty	<ul> <li>See PPP Requirements Matrix</li> </ul>					
renalty						

## Foreign National – 2<sup>nd</sup> Home and Investment Only

<u>M</u>			c unu	2 <sup>nd</sup> Home 2 Ve			Utilizatio	n linvestmen	t Full doc reduce 5% LTV)	
Credit Score	aximum LTV/CLTVs Loan Amoun							n (investmen	Cash-Out Refi	
	<=1.5	,500,000		75			70		65	
700+		1,500,001 - 2,500,000		70			70		65	
	2,500	2,500,001 - 3,000,000		65		65			60	
	· · · · · ·	<=1,000,000		70		70			65	
Foreign Credit		1,000,001 - 1,500,000		70		70			65	
		1,500,001- 2,500,000 2,500,001 - 3,000,000		65 60		<u>65</u> 60			<u> </u>	
Housing Histor		Housing Event Seasoning		First Time Investor		or			ased Properties	
	C/SS/DIL/Mo									
0x30x12 BK/PC/33/DE/P					Allowed			Not Allow	wed on Refinances	
Prop	erty Type Rest	rictions					e Restric			
Condo & 2-	4 Units: Max L	TV/CLTV: 70%	6	Fore	ign Nationals			-	State of Florida.	
Maximum LTV/CLTV				Non-licensed States: HI DSCR (Investment Only)						
DSCR		lit Score	Loai	n Amount	Purcha	ise	-	/T Refi	Cash-Out Refi	
		700+		<=2,000,000		70		70	65	
	7			2,000,001 - 2,500,000		65		65	60	
>=1.00				2,500,001 - 3,000,000		60		60	55	
2-1.00		Foreign Credit		<=2,000,000		70		70	65	
	Forei			2,000,001 - 2,500,000		65		65	60	
				2,500,001 - 3,000,000		55		55	50	
	7	700+		<=2,000,000 2,000,001 - 2,500,000		65 60		65 60	60 55	
>.75 < 1.00			<=2,000,00		60 65		60		60	
	Forei	gn Credit		2,000,001 - 2,500,000		60		60	55	
Housing H	istory		ing Event S	easoning	First	Time Inve	stor	U	nleased Properties	
0x30x2	12	BK/FC/S	S/DIL/Mo	d: >= 36 Mo		Allowed		Not A	Allowed on Refinances	
				State Res uced by 5% for						
				Non-license General Rec	d States: HI				Correspondents.	
Product Type	<ul> <li>30-Yr Fixed, 15-Yr Fixed, 30-Yr Interest Only</li> <li>When ARMs are reinstated, ARMs are not available in MS</li> </ul>									
Interest Only	30-Yr Interest Only Available									
Loan Amounts	•Min: 150,000 (no exceptions) •Max: 3,000,000									
Occupancy	•Full Doc – 2 <sup>nd</sup> Home and Investment Property •DSCR – Investment Property (Business Durness)									
Loan Purpose	(Business Purpose) (Business Purpose) Purchase, Rate/Term, and Cash Out									
	• \$750,000 if LTV > 50%									
Cash-Out	• Unlimited for LTV <= 50%									
Property Type	Single Family, Attached, 2-4 Units, Warrantable and Non-Warrantable Condo, Condotel (See NQM Funding, LLC Guide for Restrictions). C4 condition rating or better. Condo & 2-4 Units: Max LTV/CLTV - Purchase & R/T 70% Cash-out 65%									
Appraisals	FNMA Form	1004, 1025, 1	073 with iı	nterior/exterior	' inspection, 2'	<sup>nd</sup> Apprais			nounts > \$2m	
Declining				ne appraiser, re						
Markets	Dunglas	Noo loo da M								
Rural Property	кural proper	ues (as define	ea in the G	uides) Not Pern		00.00				
	Full Doc NOC		Rate/Tern	Max Loan Amount \$1,500,00     Max Cash Out \$250,000					in a resort area or d with a national hotel	
	Max 70% L     DSCP Burcha			Minimum 6 months reserves				chain		
Condotel	<ul> <li>Max 65% L</li> </ul>	SCR Purchase or Rate/Term			Minimum 400 square feet					
		Full Doc NOO or DSCR Cash Out			Must have full kitchen & 1 separate					
	• Max 60% L	TV		bedroom	bedroom.					
ACH Form	Automatic P	avment Autho	prization ()	ACH) Form is ree	auired for set-	up along	with a cov	y of a cancel	lled check.	
		,		Income Rec				,		
income — Standard Doc	<ul> <li>W-</li> <li>Tw</li> <li>A la</li> <li>ear</li> <li>cor</li> <li>be</li> <li>Self-Employee</li> <li>Must be set</li> </ul>	overing a min 2 equivalent; o (2) years tax etter from em nings for the npany web ac translated by ed eff-employed	OR x returns fi ployer on past 2-yea ddress, Em an indepe for a minir	O-days (which i rom borrower c company letter rs. Letter from ployer to be inc ndent certified num of 2 years	include YTD in country of orig r head providir employer mu dependently ve translator. evidenced by a	in; OR ng current st be on c erified (Le a letter fr	monthly ompany l xisNexis, om the bo	salary, YTD e etterhead, in D&B, Google prrower's CP/	earnings and total cluding address and e, other). All docs must A or local equivalent (the	
<ul> <li>"Accountant") on Accountant letterhead. The letter must include income figures for each of the last 2 yes income. A business license (where required) and organization documents should be provided; and</li> <li>A copy of the Accountant's current license is required. The Business &amp; Accountant must be independent!</li> <li>All documents must be translated by an independent certified translator.</li> </ul>								and		

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Asset Utilization	<ul> <li>Eligible assets must be sourced and seasoned for a minimum of four (4) months.</li> <li>Qualified assets and reserves may be deposited in a financial institution outside the U.S. subject to State/LTV restrictions.</li> <li>Eligible assets must be divided by 60 to determine a monthly income stream.</li> </ul>								
Income – DSCR	<ul> <li>Use lower of Estimated market rent from 1007/1025 or lease agreement.</li> <li>Two months proof of receipt of existing lease amount required when using higher amount from lease to qualify.</li> <li>All refinance transactions require the property to be leased. Vacant property not eligible unless history of Air BNB</li> <li>Minimum &gt;= .75 DSCR required</li> <li>Short term rental income permitted with use of a 12-month look back period to determine average monthly rents. Annual or monthly statements from AirBNB or similar service required.</li> <li>AirDNA may be used for DSCR (1-4 Units) Purchase, and Refinance transactions of recently renovated properties. ALL the following apply:         <ul> <li>Subject Property must be located in a vacation, entertainment, tourism destination market.</li> <li>Minimum DSCR &gt;= 1.15.</li> <li>Max LTV will be capped at lesser of 70% or the applicable Matrix LTV.</li> <li>Form 1007 Single Family Comparable Rent Schedule/Form 1025 Small Residential Income Property Appraisal Report prepared by the appraiser reflecting long-term or short-term market rents.</li> <li>AirDNA Reporting must be used as follows:                 <ul></ul></li></ul></li></ul>								
	Short term rentals are ineligible in New York City     Underwriting								
	Provide borrower's valid and unexpired passport a		on the borrower is legally prese	nt:					
Documentation Requirements	<ul> <li>Copy of borrower's unexpired visa OR an I-797 with valid extension dates and I-94</li> <li>Borrowers from countries participating in the visa waiver program are not required to provide a visa.</li> <li>Citizens of Canada traveling to the US do not require nonimmigrant visa.</li> </ul>								
Credit Score	Middle of 3 scores or lower of 2, if available	DTI Requiremen ts	Standard Max 50% (does not	apply to DSCR)					
Tradelines	Min: 2 open and reporting 24-months or 3 open and reporting 12-months, see Guide for requirements	Reserves	<ul> <li>12-months of PITIA</li> <li>6-months with 5% LTV redu</li> <li>Cash out may be used to sa</li> </ul>						
Assets	<ul> <li>30-days asset verification required for US Based Accounts; 60-days for Foreign Assets</li> <li>Deposits &gt; 50% of gross income must be documented on purchases</li> </ul>	FN – Residual	<ul> <li>Defined as Gross Monthly II Obligations.</li> <li>Requirement based on # in</li> <li>FN: applies to HPML loans of</li> </ul>	household.					
Gift Funds	See NQMF Guidelines for Restrictions	Income	or when the D11 > 43%						
Document Age	• 90-days	2 <sup>nd</sup> Homes	on 2nd homes only: • 1 person = \$1,500						
Escrow Impounds	• Escrow of taxes and insurance are required with ACH payments for all Foreign National Loans.	only	<ul> <li>2 persons = \$2,500</li> <li>Add \$150 per additional horizontal</li> </ul>	usehold member					
Prepayment Penalty	<ul> <li>Required on NOO when permitted.</li> <li>See PPP Requirements Matrix</li> </ul>								

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# **Prepayment Penalty Requirements**

#### PPP Requirements Matrix

- Required on Investment Properties as follows:
- AK, MN, NH, NM: Penalties not permitted.
- CO: Loan Product Choice Disclosure form included with the Disclosure & Closing package Max permitted: 5% for 60 months
- DE: For loan applications registered and locked on or after 10/1/2023, prepayment penalties on NOO properties are allowed in the State of Delaware.
- IL –Cook County: < 8%, >250K Loan Amount Max permitted 5% for 60 months; all other counties <8% Max permitted; 5% for 60 months.
- MD: 2 months advance interest for 36 months; or >36-60 months, 6 months interest on 80%.
- MI: Max permitted: 1% for 36 months.
- MS: Declining Prepay only, Max permitted: 5%/60, 4%/48, 3%/36, 2%/24, or 1%/12.
- OH: >100K Loan Amount Max permitted: 5% for 60 Months
- OR: Additional Notice to Borrower verbiage included in the Prepay Addendum in the Closing Package Max permitted: 5% for 60 months
- PA: 1-2-units w/loan amount < \$301,022 permitted when closing in an LLC, and 3-4 units permitted regardless of loan size.
- RI: Max permitted: 2% for 12 Months
- WI: Loan Product Choice Disclosure Included with the Disclosure and Closing package Max Allowable PPP 5% for 60 months
- All Other States: Max PPP Permitted 5% for 60 months see rate sheet