



SmartVest Fixed and ARM Program Summary

Product Highlights

SmartVest is designed for borrowers who are experienced real estate investors looking to purchase or refinance and investment property that is owned for business purposes. The borrower is qualified based upon the cash flow of the subject property.

Diligence must be done to ensure that the borrower will not be occupying the subject property.

SmartVest Program Matrix

PURCHASE AND RATE TERM REFINANCE¹

Occupancy	Units	FICO/Credit Score	LTV/CLTV/HCLTV	Loan Amount
Investment	1 Unit/PUD/Condo	680	80%	\$1,000,000
		720	75%	\$1,500,000
			70%	\$2,000,000
	1-4 Unit/PUD/Condo	660	75%	\$1,000,000
		640	70%	\$1,000,000

CASH OUT REFINANCE²

Investment	1-4 Unit/PUD/Condo	720	75%	\$1,000,000
		700	70%	\$1,000,000
		720	65%	\$1,500,000
		680	60%	\$1,000,000

Program Matrix Notes

- If the appraiser notes the market is soft or declining a 5% reduction to the maximum LTV and a second appraisal is required.
- 1. Maximum cash out on a rate and term refinance not to exceed the lesser of \$2000 or 2% of the loan amount.
- 2. **Cash Out Requirements:**
 - LTV/CLTV ≤60% for one loan or multiple loans where all loans have LTV/CLTV ≤60% maximum cash out is \$1,000,000
 - LTV/CLTV >60% for one or more loans maximum cash out \$500,000
 - For full cash out requirements, refer to [Transaction Types](#).

Product Detail	Product Guidelines
Amortization Type	<ul style="list-style-type: none"> • ARM • ARM Interest Only • Fixed Rate • Fixed Rate Interest Only
Appraisal	<ul style="list-style-type: none"> • Appraisals must be ordered through a Caliber approved AMC • Appraisal Requirements: <ul style="list-style-type: none"> ○ ≤1,000,000: One appraisal ○ >1,000,000: Two appraisals ○ A Single-Family Comparable Rent Schedule (Form 1007/1000) is required. <p>Refer to the Appraisal Requirements in the Underwriting Addendum.</p>
ARM Caps	5/6M, 7/6M and 10/6M: 2/2/6
ARM Index	30-day SOFR

New updates are highlighted in blue.
Retail/Wholesale 01/14/2022



ARM Margin	5.00
ARM Qualification	<ul style="list-style-type: none"> • ARMs: Greater of the Fully Indexed Rate or the Note Rate • Interest Only ARM: Use the greater of the Fully Indexed Rate or the Note rate based on the scheduled remaining loan term at the time of recast after the interest only period has expired (Fully amortized payment based on remaining loan term (23, 25, 20 years).
AUS	All loans must be manually underwritten.
Borrower Eligibility	<ul style="list-style-type: none"> • A first-time investor is permitted if all of the below are met: <ul style="list-style-type: none"> ○ Minimum 700 FICO ○ Maximum 75% LTV ○ Borrower has owned a primary residence for at least 12 months and has a 12-month housing payment history (current or prior history) ○ Must have a 36-month credit history including the 12-month housing payment history ○ Minimum DSCR 1.25 ○ Maximum one investment property financed with SmartVest product if the borrower has less than 3 years of landlord experience • Refer to the Borrower Eligibility in the Underwriting Addendum.
Escrow Waivers	LTV < 80% or applicable state law
FICO	640 (Minimum FICO requirement may be higher depending on loan parameters. Refer to the LTV matrix .)
Fixed Rate Qualification	<ul style="list-style-type: none"> • Fixed Rate: Note rate • Fixed Rate Interest Only: Note rate based on the schedule remaining loan term at the time of recast after the interest only period has expired (fully amortized payment based on the fixed rate 20-year term)
Geographical Restrictions	Pennsylvania 1-2 units with loan amounts less than \$278,204 are not eligible for ARMs.
Maximum Loan Amount	\$2,000,000
Minimum Loan Amount	\$100,000
Mortgage Insurance	Not required.
Number of Financed Properties	<ul style="list-style-type: none"> • Unlimited Financed Properties • Maximum financing with Caliber <ul style="list-style-type: none"> ○ Borrower limited of eight loans financed with Caliber/Newrez/Shellpoint to \$3,000,000 aggregate ○ Maximum 10% of properties in a PUD or condo project may have financing with Caliber <ul style="list-style-type: none"> ▪ Projects ≤10 total units; borrower may finance one unit with Caliber ○ Caliber financing limited to a maximum concentration of 20% in any Florida condominium project (per project not per borrower) • All real estate owned must be disclosed on the 1003 with the full PITIA • Properties owned free and clear are not included • The PITIA must be disclosed for all REO owned • New multiple loans must be underwritten simultaneously
Occupancy	Investment
Principal Curtailment	A principal curtailment is permitted up to the lesser of 2% of the loan amount of \$2,500.
Pre-Payment Penalty	<ul style="list-style-type: none"> • Prepayment Penalty Options <ul style="list-style-type: none"> ○ No prepayment penalty ○ Two- or one-year prepayment penalty options <ul style="list-style-type: none"> ▪ Six months interest on excess of 20% of the original principal balance

New updates are highlighted in blue.
Retail/Wholesale 01/14/2022

	<ul style="list-style-type: none"> • Pre-payment penalties are not permitted in AK, AR, DC, ID, IL, KS, KY, LA, MA, ME, MI, MN, MO, MS NJ, NM, OH, VT WI, or WV • Pre-payment penalties are not permitted on ARMs in HI, IN, or WA. • Two -year pre-payment penalties are not permitted in Rhode Island. • Pre-payment penalties are not permitted in South Carolina on loan amounts ≤ \$630,000. • Pre-payment penalties are not permitted on 1- or 2-unit properties with a loan amount less than \$278,204 in Pennsylvania • Prepayment Penalty Rider is required
Program Codes	<p>NRSVF30: NRZ Smart Vest 30 Year Fixed NRSVF30IO: NRZ Smart Vest Interest Only 30 Year Fixed NRSV5A: NRZ Smart Vest 5/6 SOFR ARM NRSV5IOA: NRZ Smart Vest Interest Only 5/6 SOFR ARM NRSV7A: NRZ Smart Vest 7/6 SOFR ARM NRSV7IOA: NRZ Smart Vest Interest Only 7/6 SOFR ARM NRSV10A: NRZ Smart Vest 10/6 SOFR ARM NRSV10IOA: NRZ Smart Vest Interest Only 10/6 SOFR ARM NRSVF30P1: NRZ Smart Vest 30 Year Fixed W/1 Year PPP NRVF30IOP1: NRZ Smart Vest Interest Only 30 Year Fixed W/1 Year PPP NRSV5AP1: NRZ Smart Vest 5/6 SOFR ARM W/1 Year PPP NRSV5IOAP1: NRZ Smart Vest Interest Only 5/6 SOFR ARM W/1 Year PPP NRSV7AP1: NRZ Smart Vest 7/6 SOFR ARM W/1 Year PPP NRSV7IOAP1: NRZ Smart Vest Interest Only 7/6 SOFR ARM W/1 Year PPP NRSV10AP1: NRZ Smart Vest 10/6 SOFR ARM W/1 Year PPP NRV10IOAP1: NRZ Smart Vest Interest Only. 10/6 SOFR ARM W/1 Year PPP NRSVF30P2: NRZ Smart Vest 30 Year Fixed W/2Year PPP NRVF30IOP2: NRZ Smart Vest Interest Only 30 Year Fixed W/2Year PPP NRSV5AP2: NRZ Smart Vest 5/6 SOFR ARM W/2Year PPP NRSV5IOAP2: NRZ Smart Vest Interest Only 5/6 SOFR ARM W/2Year PPP NRSV7AP2: NRZ Smart Vest 7/6 SOFR ARM W/2Year PPP NRSV7IOAP2: NRZ Smart Vest Interest Only 7/6 SOFR ARM W/2Year PPP NRSV10AP2: NRZ Smart Vest 10/6 SOFR ARM W/2Year PPP NRV10IOAP2: NRZ Smart Vest Interest Only 10/6 SOFR ARM W/2Year PPP</p>
Property Types	<p>Eligible Property</p> <ul style="list-style-type: none"> • 1-4 units • Warrantable and Non-Warrantable Condominiums • PUDs <ul style="list-style-type: none"> ○ For projects ≤10, will finance only one unit • Leasehold estates <p>Ineligible Property Types</p> <ul style="list-style-type: none"> • Leasehold estate condo project • Condo hotels • Co-ops • Factory built homes • Manufactured housing • Mixed-use • Modular homes • More than 20 acres • Properties with a C5 and C6 condition rating • Square Footage <ul style="list-style-type: none"> ○ Less than 600 square feet ○ Condos less than 500 square feet

Condominiums	<ul style="list-style-type: none"> • Unique properties (e.g., log homes, berth homes, dome homes, and tiny homes) • For projects ≤ 10, Caliber will finance only one unit. • Warrantable Condos <ul style="list-style-type: none"> ○ Fannie Mae Condo Project Manager (CPM) and Limited Review permitted ○ Detached condo units and 2-4-unit projects do not require project review or an HOA cert <ul style="list-style-type: none"> ▪ Property insurance per applicable agency guidelines is required. ▪ 2-4 unit requires bylaws and declaration if property coverage is by the individual unit owner in lieu of a master HOA policy. ○ An HOA cert is required even if project is Fannie Mae approved. ○ New projects are not eligible for Limited Review. • Non-Warrantable Condos <ul style="list-style-type: none"> ○ Investment property concentration limits (percentage of non-owner-occupied properties within a project) do not apply. ○ Minimum 50% of units in project (or subject legal phase, considered with prior legal phases) must be sold or under contract. ○ Single Entity Ownership <ul style="list-style-type: none"> ▪ A single entity (the same individual, investor group, partnership, or corporation) may own up to and including 25% of the total number of units in the project. ○ For all other condominium requirements follow Fa 								
Reserves	<table border="1" data-bbox="464 911 1526 1087"> <thead> <tr> <th data-bbox="464 911 987 947">Loan Amount</th> <th data-bbox="987 911 1526 947"># Months of Reserves</th> </tr> </thead> <tbody> <tr> <td data-bbox="464 947 987 982">≤ \$1,000,000</td> <td data-bbox="987 947 1526 982">6 months</td> </tr> <tr> <td data-bbox="464 982 987 1018">> \$1,000,000</td> <td data-bbox="987 982 1526 1018">9 months</td> </tr> <tr> <td data-bbox="464 1018 987 1087">Additional financed property including pending sales</td> <td data-bbox="987 1018 1526 1087">Additional 2 months per financed property</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Maximum required reserves are the lesser of the total required or 15 months. • The maximum 15 months reserves are based off the subject property PITIA. • Proceeds from the transaction cannot be used for reserves. • Rate and Term Refinance transactions do not require reserves if the following are met: <ul style="list-style-type: none"> ○ Loan amount is ≤ \$650,000 ○ Mortgage history is 0x30x24 or since inception if owned between 12-24 months. ○ Subject property housing payment is decreasing. ○ Borrower does not have a prior bankruptcy, foreclosure, short-sale, deed-in-lieu, pre-foreclosure, or mortgage charge-off. 	Loan Amount	# Months of Reserves	≤ \$1,000,000	6 months	> \$1,000,000	9 months	Additional financed property including pending sales	Additional 2 months per financed property
Loan Amount	# Months of Reserves								
≤ \$1,000,000	6 months								
> \$1,000,000	9 months								
Additional financed property including pending sales	Additional 2 months per financed property								
Seller Contributions	2%								
Subordinate Financing	<ul style="list-style-type: none"> • Existing subordinate financing allowed. • New subordinate financing not allowed. 								
Temporary Buydowns	Not Permitted								
Term	<ul style="list-style-type: none"> • Fixed Rate: 30-year terms • 30-year Fixed Rate Interest Only <ul style="list-style-type: none"> ○ 10-year interest only period ○ 20-year amortization period • 5/6M SOFR ARM: 30 years • 7/6M SOFR ARM: 30 years • 10/6M SOFR ARM: 30 years • 10/6M Interest Only ARM 								

	<ul style="list-style-type: none"> ○ 10-year interest only period ○ 20-year amortization period
Transaction Types	<p>Eligible Transaction Types</p> <ul style="list-style-type: none"> ● Purchase ● Rate Term Refinance ● Cash-out Refinance <ul style="list-style-type: none"> ○ Proceeds received from a cash-out must be used for a business purpose ○ Business debt consolidation ○ Business HELOCs with draws within the past 12 months ○ Diligence must be used to ensure that the proceeds are not used for a purpose other than a business purpose, such as verification that the account the borrower wires fund to matches the business account and not their personal bank account, debt is not being paid off on the Closing Disclosure, etc. ○ Cash out may not be used for reserves ○ Cumulative for all properties being financed, not each individual loan ○ For cash-out refinance transactions, the application date must be dated at least six months after the previous Note date of the Smart Series cash-out refinance loan with Caliber or Newrez. <p>Ineligible Transaction Types</p> <ul style="list-style-type: none"> ● High-cost loans ● HPML ● Texas 50 (a)(6) ● Texas 50 (f)(2)