

theLender Wholesale

25531 Commercentre Dr. Ste 250 Lake Forest, CA, 92630 833-381-8733 | www.thelender.com

 HUD Lender ID# 1976400007

NONI58

LOCK DESK

CONTACT:

E-mail: lockdesk@thelender.com

Direct: 833-381-8733

Lock Desk Closes at 3:00 PM PST

APPRAISAL ORDER PROCEDURES

AMC selection can be made at: https://www.thelender.com/appraisals/

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Business Purpose Fee's

Underwriting Fee: \$1,995 Doc Prep Fee: \$599 Funding Fee: \$575

*EXTENSION FEES

5 day -0.250 7 day -0.325 10 day -0.550 15 day -0.650 *2 total lock dextensons allowed

Eligible States

AK*, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS*, KY, LA, MA, MD, ME, MI*, MN*, MO, MS, MT, NC, ND, NE, NH, NJ, NM*, NV, NY, OH*, OK, OR, PA, RI*, SC, SD, TN, TX, UT, VA, WA, WI, WV, WY

*See Matrix for restrictions and additional details regarding Prepayment Penalty

LOSS PAYEE

Hometown Equity Mortgage, LLC dba theLender its successors and/or assigns 25531 Commercentre Dr #250, Lake Forest, CA 92630

For use by mortgage professionals only. Mortgage Financing Provided by Hometown Equity Mortgage, LLC dba theLender NMLS #133519 . Rates, terms and programs subject to change without notice.

DSCR Multi Property (5-8 Residential Units)

Note Rate	7/6 ARM	10/6 ARM	30 Yr Fx
6.250	94.500	93.950	93.950
6.375	95.250	94.700	94.700
6.500	96.000	95.450	95.450
6.625	96.750	96.200	96.200
6.750	97.375	96.950	96.950
6.875	98.000	97.700	97.700
7.000	98.375	98.075	98.075
7.125	98.750	98.450	98.450
7.250	99.125	98.825	98.825
7.375	99.500	99.200	99.200
7.500	99.875	99.575	99.575
7.625	100.250	99.950	99.950
7.750	100.625	100.325	100.325
7.875	101.000	100.700	100.700
8.000	101.375	101.075	101.075
8.125	101.750	101.450	101.450
8.250	102.125	101.825	101.825
8.375	102.500	102.200	102.200
8.500	102.875	102.575	102.575
8.625	103.250	102.950	102.950
8.750	103.625	103.325	103.325
8.875	103.875	103.575	103.575
9.000	104.125	103.825	103.825
9.125	104.375	104.075	104.075
9.250	104.625	104.325	104.325
9.375	104.875	104.575	104.575
9.500	105.125	104.825	104.825
9.625	105.375	105.075	105.075
9.750	105.625	105.325	105.325

MAX PRICE AND LOCK TERM

15 Lock Period	0.0000
30 Lock Period	-0.3750

Prepay Term	Min Price	Max Price
60 Months	98	103.000
48 Months	98	102.500
36 Months	98	102.000
24 Months	98	101.500
12 Months	98	99.000
No Penalty	98	98.000

- 1) Prepayment penalties not allowed in AK, KS, MI, MN, MS, NM, OH, and RI
- 2) Prepayment penalties not allowed on loans vested to individuals in IL and NJ
- 3) Prepayment penalties not allowed on loan amounts less than \$278,204 in PA

Program Codes					
TBD58-FX30	Beacon DSCR 30 Yr Fixed				
TBD58-FX30IO	Beacon DSCR 30 Yr Fixed IO				
TBD58-30AL07	Beacon DSCR 7/6 ARM				
TBD58-30AL07IO	Beacon DSCR 7/6 ARM IO				
TBD58-30AL010	Beacon DSCR 10/6 ARM				
TBD58-30AL010IO	Beacon DSCR 10/6 ARM IO				

ARM Requirements					
ARM Index SOFR 30AVG					
ARM Margin	6.50%				
7yr & 10yr ARM Caps	5/1/5				
Reset Frequency	6 mo				

FICO/LTV LLPAs (Price Adjustments)

1100/1101	- rajastiiiciits,						
		<=50.00	50.01-55.00	55.01-60.00	60.01-65.00	65.01-70.00	70.01-75.00
	760+	1.000	0.750	0.750	0.375	0.125	-0.250
	740-759	0.875	0.625	0.500	0.250	-0.125	-0.625
DSCR >= 1.00	720-739	0.625	0.375	0.250	0.000	-0.375	-1.000
	700-719	0.000	-0.250	-0.375	-0.625	-1.000	-1.625
	680-699	-0.375	-0.625	-0.625	-1.000	-1.375	NA
	660-679	-0.625	-0.875	-1.125	-1.500	-1.875	NA

OTHER LLPAs (Price Adjustments)

		<=50	50.01-55	55.01-60	60.01-65	65.01-70	70.01-75
Housing Event Seasoning	24 - 35 Mo	-0.500	-0.500	-0.500	-0.500	-0.500	-0.500
	250,000-500,000	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250
	500,001-1,000,000	0.000	0.000	0.000	0.000	0.000	0.000
	1,000,001-1,500,000	0.000	0.000	0.000	0.000	0.000	0.000
Loan Balance	1,500,001-2,000,000	0.000	0.000	0.000	0.000	0.000	NA
	2,000,001-2,500,000	-0.125	-0.125	-0.250	NA	NA	NA
	2,500,001-3,000,000	-0.375	-0.375	-0.375	NA	NA	NA
	3,000,001-3,500,000	-0.500	-0.500	-0.500	NA	NA	NA
D	CO Refi & FICO>=700	-0.375	-0.375	-0.375	-0.500	-0.500	NA
Purpose	CO Refi & FICO<700	-0.500	-0.500	-0.500	-0.500	NA	NA
Amortization	IO - 30 Yr Term	-0.250	-0.250	-0.250	-0.250	-0.375	-0.500
	60 Months	0.750	0.750	0.750	0.750	1.000	1.250
5% Fixed	48 Months	0.625	0.625	0.625	0.625	0.750	1.000
Prepayment	36 Months	0.250	0.250	0.250	0.250	0.250	0.250
Penalty Term ¹⁻³	24 Months	-0.500	-0.500	-0.500	-0.500	-0.500	-0.500
	12 Months	-1.625	-1.625	-1.625	-1.625	-1.625	-1.625
	No Penalty	-2.250	-2.250	-2.250	-2.250	-2.250	-2.250
Other	Escrow Waiver	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250
Other	ACH Waiver	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250



5-8 Investor Cash Flow Matrix

Effective Date 5/31/2022

NONI58					
FICO	Loan Amount	Reserves			
	\$1,500,000	6 Months			
700	\$2,000,000	9 Months			
	\$3,500,000	12 Months			
	\$1,500,000	6 Months			
660	\$2,000,000	9 Months			
	\$3,000,000	12 Months			

DSCR ≥ 1.00					
Purchase & R/T	Cash Out				
75%	70%				
70%	65%				
60%	55%				
70%	65%				
65%	60%				
55%	50%				

Appraisals - 5-8 Units					
A Full interior inspecion with	photos is required for all units				
FHLMC 71A, FNMA 1050 or similar short form use	ed to appraise 5+ unit properties or Narrative report				
can be utiliezed	but not required				
Property	Condition				
* No Fair or	poor ratings				
* No enviromental issues (Stora	ge or use of hazardous material)				
	y appraiser, i.e. broken windows, stairs)				
* No excessive deferred maintenance that could become a health or safety issue					
* No structural deferred maintenance (i.e Foundation, roof, electrial, plumbing etc)					
Required Attachments					
* Rent Roll	* Sketch or floor plan of typcial units				
* Income and Expense statement	* Map				
* Photos of subject including exterior/interior					
and street scene * Appraiser qualifications					
* Aerial Photo					
Note: *Commercial BPG	Note: *Commercial BPO Required for all Loans				

Prepayment Penalty					Reserves	
Standard preapay is 5% of the amount prepaid					C/O proceeds can NOT be used	
Prepay Options: *0, 1, 2, 3,	4 & 5 year prepay	options avai	lable		for reserves	
Not allowed in AK, KS, MI, MN	I, MS, NM, OH & RI;	Must buyout F	PPP			
State Specific:				Reserves	based PITIA	A payment
*PA- Loan amounts < \$278,204	cannot have a prepaym	ent penalty				
*IL - Loan with a rate ≥ 8% must	close in the name of ar	n entity		Gift Fund	ds cannot be	used for
*Prepayment penalties not allowe	ed on loans vested to ir	ndividuals in IL	and NJ	Gilt Fullo	reserves	useu ioi
					reserves	
Products	S	Margin	Caps	IO (Y/N)	IO Period	Maturity
				10 (1711)		
7/6 ARM 10/6 ARM		6.5	5/1/5	N	NA	30 Years
7/6 ARM-IO 10/6 ARM- I	0	6.5	5/1/5	Υ	10 Years	30 Years
30 Year Fixed		NA	NA	N	NA	30 Years
30 Year Fixed- IO		NA	NA	Υ	10 Years	30 Years
	Guidlin	e Quick Re				
ARM Index & Floor			0 day SOFF			
Qualifying Payment	Full Amort	Amortization: PITIA based on note rate; IO: Initial ITIA based on				
Qualitying raymon		note rate				
Qualifying Rate		Note Rate				
Compliance		Points & Fees may not exceed 5%				
Citizenship	US Cit	US Citizen, Perm/NonPerm Res. Alien w/ E,G,H,L,O,P or TN				or TN
Seller Concessions		·	Max	2%		

Program Parameters				
Minimum Loan Amount			\$250,000	
Maximum Loan Amount			\$3,500,000	
Maximum Cash Out			\$1,000,000	
	General G	uideli		
1st Time Investor			Not Eligible	
First Time Home Buyers			Not Eligible	
Experienced Investor	Must h		nistory of owning & managing commerical or non-owner ntial real estate for at least 1 yrs in the last 3 yrs	
Property Type			Residential 5-8 Units	
Rural Properties			Not Eligible	
Max Acreage		U	p 2 acres, not meeting rual definition	
Unleased Units			Maximum 2 vacant units	
Max # of Financed Properti	es		Committee review over 4	
LLCs			All members must be individuals	
Assets		Min	of 30 days asset verificatioin required.	
Gift Funds- Allowed			After min 10% borrower contribution	
Cashout		Business Purpose Only		
	Income Req	uiren	· · · · · ·	
Leased- Use Lo			et rent or lease agreement	
	cant Unit(s)- Use 7		-	
			fee reflected on appraisal report	
1 , 5	DSC		' '	
* DSCR = Eligible monthly rents/PITIA (Lo * Loan amounts >= \$2,000,000 require DS 9% or greater) * Reduce qualifying rents by any manager	SCR >= 1.00 and Deb	ot Yield	of 9% or greater (Net operating income/Loan amount =	
	Cred	dit		
Mortgage Histo	ory		0x30x24	
FC, DIL, SS, 120+ D	ays late		24 Months	
Chapter 7/11/13 BK S			24 Months	
Credit Score			Middle of 3 or lower of 2	
	months with activity in last 12 months or 3 graphs 12 months with recent activity.			
Tradelines				
For each borrower who has 3 credit scores, the minimum tra requirement is waived (all borrowers must be evaluated indiv				
Eligible States				
AK, AL, AR, AZ, CA, CO, CT, DE, DC, FL, GA, HI, IA, ID, IL*, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT,				
NC ND NE NH NIM NI NV NV OF OR DA* PI SC SD TN TY LIT VA WA WI MV				

NC, ND, NE, NH, NM, NJ, NV, NY, OH, OK, OR, PA*, RI, SC, SD, TN, TX, UT, VA, WA, WI, WV, WY

What is a DSCR Loan? How do you qualify?

DSCR stands for Debt-Service-Coverage-Ratio. This means your loan is qualifed based on the cash flow/ market rents of the subject property. How do I qualify? Take your gross rents based off the lesser of market rents or lease agreement / by the PITIA (Full Am) or ITIA (Interest Only)

Interest Only Example: If your DSCR
≥1.00 you've got a "NONI".

Gross Rents = \$1500

ITIA = \$1500

= 1.00 DSCR

