

Investment Property DSCR ≥ 1.00				
Minimum Credit Score	Max Loan Amount	Purchase	Rate and Term	Cash Out
700+	\$1,500,000	80%	75%	75%
	\$2,000,000	75%	70%	70%
660+	\$1,000,000	75%	75%	70%
	\$1,500,000	75%	70%	70%
	\$2,000,000	70%	65%	65%

Investment Property DSCR 0.75 - 0.99*				
Minimum Credit Score	Max Loan Amount	Purchase	Rate and Term	Cash Out
700+	\$1,500,000	75%	70%	70%
	\$2,000,000	70%	65%	65%
680+	\$1,500,000	70%	65%	N/A

PRODUCTS		Allowed Property Types	Max LTV/CLTV	LIMITS	
FIXED	ADJUSTABLE		Per Grids	Criteria	Limit
30-Yr Fixed	5/6 SOFR ARM	SFR, PUD, Townhome	75%	Min DSCR	0.75*
30-Yr Fixed, 10yr I/O	7/6 SOFR ARM	Condo (Purchase)*	70%	Min Credit Score	660
40-Yr Fixed, 10yr I/O	Am: 30-Yr, 10 yr I/O	2-4 Unit (Purchase)	75%	Min Loan Amount	150,000*
		2-4 Unit (Refinance)	70%	Max Loan Amount	\$2,000,000*

INCOME DOCUMENTATION

DSCR	<p>Debt Service Coverage Ratio (DSCR) Minimum: 0.75x</p> <ul style="list-style-type: none"> The DSCR is calculated by taking the gross rents divided by the PITIA (for fully amortizing loans) of the subject property. Interest-only loans may use the ITIA payment for DSCR calculation, and must meet the following: <ul style="list-style-type: none"> Minimum FICO of 680 and LTV Max of 75% for Purchase and Rate/Term Refinance and 70% for Cash Out Refinance See full guidelines for requirements on Payment & Gross Rent calculations <p>*DSCR between .75x - .99x requires minimum loan amount of \$175,000</p>
Rent/Income	<p>Long-Term Rental Income - Purchase</p> <ul style="list-style-type: none"> Monthly Gross Rents are determined by taking the <u>lesser</u> of the lease agreement (if property is occupied) or 100% of the long-term market rent from the 1007/1025 rent schedule. <p>Long-Term Rental Income - Refinance</p> <ul style="list-style-type: none"> Monthly Gross Rents are determined by taking either the market rent from 1007 / 1025 or actual lease agreement. - If using the lower of the actual monthly lease amount or estimated market rent, nothing further is required - If using a higher actual monthly lease amount, evidence of 3 months of receipt is required and the lease amount must be within 120% of the estimated market rent from the 1007/1025. If the actual rent exceeds the market rent by more than 120%, the rents are capped at 120% <p>Property Guard report required for all short-term rentals (Purch + Ref). The Report must confirm borrower has all permits necessary to operate a STR and city, county, and state municipalities allow for STRs.</p> <p>Short Term Rental Income - Purchase (1 Unit SFR Only)</p> <ul style="list-style-type: none"> Monthly Gross Rents are determined by taking the lesser of 80% of estimated annual revenue (divided by 12) from AirDNA Revenue/Rentalizer Calculator. See Seller's Guide for additional requirements related to AirDNA report. - 700 Minimum FICO and 1.0x DSCR required - Max 75% LTV with 1+ year history of managing STRs. 70% Max LTV without 1+ year history of managing STRs. - Escrows required for Short-Term Rentals <p>Short Term Rental Income - Refinance (1 Unit SFR Only)</p> <ul style="list-style-type: none"> Monthly Gross Rents are determined by taking 80% of the total annual sort term rental deposits (divided by 12). 12 month rental/payment history required from the short-term property manager (AirBnb, VRBO, Flip Key, Home Away, etc). Private property managers are not allowed. See Seller's Guide for additional documentation requirements. - 700 Minimum FICO and 1.0x DSCR required - Max 70% LTV & minimum 1-year experience operating a short-term rental in the past 12-months. - Escrows required for Short-Term Rentals

Level of Experience	Restrictions / Overlays
Investor Experience Level	<p>Experienced Investor:</p> <ul style="list-style-type: none"> History of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in the last 3-years. No Overlays <p>Inexperienced Investor:</p> <ul style="list-style-type: none"> Borrowers not meeting the Experienced Investor subject to additional restrictions: <ul style="list-style-type: none"> Minimum FICO 680 Minimum DSCR of 1.0x Maximum LTV/CLTV Purchase 75%, Refinance 70% No mortgage lates during past 36 months Cash-out not eligible Must own primary residence for at least 1 year First Time Home Buyers not permitted
	<p>Wholesale Channel State Eligibility:</p> <ul style="list-style-type: none"> Nationwide - excluding Puerto Rico, Guam, and the US Virgin Islands. <p>Other State Restrictions</p> <ul style="list-style-type: none"> CT, FL, IL, NJ, and NY Properties - Max 75% LTV Purchase/Max 70% Refinance <p>Interest Only Restrictions</p> <ul style="list-style-type: none"> Minimum Credit Score: 680 Purchase & Rate/Term Ref - Max LTV of 75% Cash Out Ref - Max LTV of 70% <p>Declining Markets</p> <p>Declining Markets, as identified by the appraiser, require a 10% LTV reduction from max LTV borrower qualifies for from matrix</p>

BORROWER HISTORY

Housing History	<p>Required for Primary Residence and Subject Property (if refinance)</p> <ul style="list-style-type: none"> 1x30x12 - Eligible with one 30 day late in most recent 12 months 1x60x12 - Ineligible with 60+ day late in most recent 12 months <p>See Seller's guide for additional housing history requirements</p>	Credit Event Seasoning	<p>Bankruptcy/Foreclosure/Short-Sale/Deed-In-Lieu/Mod:</p> <ul style="list-style-type: none"> >=36 Month waiting period required
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GENERAL

Eligible Borrowers	<p>Vesting permitted as follows:</p> <ul style="list-style-type: none"> Individuals: US Citizen, Permanent Resident Alien, or Non-Permanent Resident Alien* Entities: LLCs, Partnerships, and Corporations - Minimum 51% Personal Guaranty required if closing in name of entity <p>Borrower/Guarantor must be at least 21 years of age</p> <p>*See Guidelines for Non-PIA Max LTVs and property restrictions</p>	Cash-Out Max	<ul style="list-style-type: none"> LTV ≥ 65% <ul style="list-style-type: none"> Max \$500,000 cash back LTV = 65% <ul style="list-style-type: none"> Max \$1,000,000 cash back <p>Seasoning Requirements apply, see Seller's Guide for additional details</p>
Property Limitations	<ul style="list-style-type: none"> 2-Acre Max - Rural Property not allowed See guidelines for additional ineligible property features 	Unleased Units / Properties	<p>Purchase: No LTV Restrictions</p> <p>Refinances: Lesser of 70% Max LTV or LTV from FICO matrix</p>
Property Insurance Requirements	<p>Minimum all-peril hazard insurance coverage required should be equal to the lesser of:</p> <ul style="list-style-type: none"> Replacement Cost Estimator from property insurer 100% replacement cost coverage amount (if specified on policy) The unpaid principal balance of the mortgage <p>6 Months of Rent Loss Insurance is required</p> <p>Max Deductible = 5%</p>	Condos	<p>If the property is part of a condo association, the lender must obtain a condo questionnaire and master insurance certificate from the condo association to ensure that it meets the eligibility criteria outlined in guidelines. See guidelines for condo review requirements.</p>
Appraisal(s)	<ul style="list-style-type: none"> FNMA Form 1004, 1025, 1073 with interior/exterior inspection dated within 120 days of closing. Appraisal review product required on all loans. 2nd Appraisal required for loans > \$2,000,000. <p>See guidelines for required appraisal attachments and eligible appraisal review products</p>	Escrow Account	<p>Escrows are generally required for taxes and insurance; escrow waivers may be permitted. Escrow for Flood Insurance and for Short-Term Rentals is always required. See guidelines for escrow waiver requirements.</p>

UNDERWRITING

Credit	<ul style="list-style-type: none"> For each borrower who has three (3) credit scores, the minimum tradeline requirement is waived (all borrowers must be evaluated individually). Borrower Representative Score = Middle of 3 Scores, or Lower of 2. If multiple borrowers/guarantors can utilize the highest of the representative scores. 3 tradelines rated for 12+ months OR 2 tradelines rated for 24+ months (accounts must have activity in past 12 mos). Each borrower must be evaluated independently. Mortgage debt must be current at application and through closing Delinquent non-mortgage accounts must be brought current See Credit section of guidelines for additional credit requirements 	Reserves	<ul style="list-style-type: none"> DSCR 1.0x+ w/ LTV <= 70%: 3 months of PITIA DSCR 1.0x+ w/ LTV > 70%: 6 months of PITIA DSCR .75x - .99x: 6 months of PITIA Cash Out Refinance: 6 months of PITIA Loan Amount > \$1.5M: 9 months of PITIA Loan Amount > \$2.5M: 12 months of PITIA Escrow Waiver: 12 months of PITIA Cash out may be used to satisfy requirements
Prepayment Penalty	<ul style="list-style-type: none"> Investment Occupancy Only Penalties not allowed in AK, KS, KY, MI, MN, NM, OH, RI and VT Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Declining prepayment penalty only eligible structure in LA and MS Prepayment periods up to 5-Years eligible, see rate sheet and guidelines for additional details 	Prepayment Penalty Structures	<ul style="list-style-type: none"> 5% fixed for 3 to 5-years Declining structures up to 5-years: <ul style="list-style-type: none"> 0 5-Yr (5%/4%/3%/2%/1%) 0 4-Yr (5%/4%/3%/2%) 0 3-Yr (5%/4%/3%) 6 months advanced interest on pay off amounts that exceed 20% of original balance No Prepayment Penalty
Assets	<p>One Monthly/Quarterly Statement Required. Large Deposits require sourcing. See Asset section of policy for additional asset/large deposit requirements.</p>	Document Age	<p>Max Document Age: 90-days*</p> <p>*Appraisal can be dated within 120 days of closing</p>
Gift Funds	<p>Allowed from Family/Spouse after min 10% borrower contribution</p> <p>- Allowed for Purchase transactions only</p>	Exposure	<p>Max concentration to a single borrower is 10 loans or \$5,000,000</p>