

| DSCR (Investment Only) | | | Max LTV/CLTV | | |
|------------------------|-----------------|-----------------|--------------|---------------------|--------------------|
| DSCR | Min FICO | Max Loan Amount | Purchase | Rate/Term Refinance | Cash-out Refinance |
| >=1.00 | 680 | \$1,000,000 | 75 | 65 | 65 |
| | | \$1,500,000 | 70 | 60 | 60 |
| | No Credit Score | \$1,000,000 | 75 | 65 | 65 |
| | | \$1,500,000 | 70 | 60 | 60 |
| 0.75 - 0.99 | 680 | \$1,000,000 | 65 | 60 | 60 |
| | | \$1,500,000 | 65 | NA | NA |
| | No Credit Score | \$1,000,000 | 65 | 60 | 60 |
| | | \$1,500,000 | 65 | NA | NA |

| PRODUCTS | Allowed Property Types | Max LTV/CLTV | LIMITS |
|-----------------------|------------------------|--------------|------------------|
| FIXED | SFR, PUD, Townhome | Per Grids | Criteria |
| ADJUSTABLE | Condo (Purchase)* | 70% | Limit |
| 30-Yr Fixed | Condo (Refinance)* | 65% | Min DSCR |
| 30-Yr Fixed, 10yr I/O | 2-4 Unit (Purchase) | 70% | Min Credit Score |
| 40-Yr Fixed, 10yr I/O | 2-4 Unit (Refinance) | 65% | Min Loan Amount |
| | | | Max Loan Amount |

| 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. See full guidelines for requirements on Payment & Gross Rent calculations *DSCR between .75x - .99x requires minimum loan amount of \$175,000 |
| 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. - If using a higher actual monthly lease amount, evidence of 3 months of receipt is required and the lease amount must be within 115% of the estimated market rent from the 1007/1025. If the actual rent <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 115% of the estimated market rent from the 1007/1025. If the actual rent exceeds the market rent by more than 115%, the rents are capped at 115% <p>Short Term Rental Income - Purchase</p> <ul style="list-style-type: none"> LTV is lesser of 70% for a purchase, or the LTV based upon the DSCR/FICO/Loan balance Monthly Gross Rents are determined by taking the lesser of 80% of estimated annual revenue (divided by 12) from AirDNA Revenue/Rentalizer Calculator or 80% of the monthly market rent from the 1007 rent schedule. See Seller's Guide for additional requirements related to AirDNA report. <p>Short Term Rental Income - Refinance</p> <ul style="list-style-type: none"> LTV is lesser of 65% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance Monthly Gross Rents are determined by taking 80% of the total annual short term rental deposits (divided by 12). 12 month rental/payment history required from the short-term property manager (AirBnb/VRBO, etc). Properties without a 12 month Short Term Rental history can utilize the monthly rental income from the 1007 market rent schedule (prepared as long term rental). See Seller's Guide for additional documentation requirements. |

| Level of Experience | Restrictions / Overlays |
|--|---|
| <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. o No Overlays <p>Inexperienced Investor:</p> <ul style="list-style-type: none"> Borrowers not meeting the Experienced Investor subject to additional restrictions: o Minimum FICO 680 o Minimum DSCR of 1.0x o Maximum LTV/CLTV Purchase 75%, Refinance 65% o No mortgage lates during past 36 months o Cash-out not eligible o Must own primary residence for at least 1 year o 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>State Eligibility</p> <p>Interest Only</p> <p>Declining Markets</p> <p>Eligibility Restrictions</p> <p>Declining Markets, as identified by the appraiser, do not require an LTV reduction for the Foreign National program.</p> <ul style="list-style-type: none"> Citizens and individuals from OFAC sanctioned countries are not eligible Florida Purchases: Loans secured by property located in the state of Florida made to foreign principals, persons, and entities are to include one of the following Affidavits published by the Florida Land Title Association: <ul style="list-style-type: none"> o Conveyances to Foreign Entities – By Individual Buyer o Conveyances to Foreign Entities – By Entity Buyer |

| BORROWER HISTORY | |
|------------------------|---|
| Housing History | <p>Required for Primary Residence and Subject Property (if refinance)</p> <ul style="list-style-type: none"> 0x30x12 - Required. <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 |

| GENERAL | |
|---------------------------------|---|
| Eligible Borrowers | <p>-Vesting permitted as follows:</p> <ul style="list-style-type: none"> Individual(s): Foreign Nationals only Entities: LLCs, Partnerships, and Corporations - Minimum 51% Personal Guaranty required if closing in name of entity -Borrower/Guarantor must be at least 21 years of age -ITIN borrowers who do not own a primary residence in the U.S. are ineligible <p>*See Guidelines for complete borrower eligibility requirements</p> |
| Property Limitations | <ul style="list-style-type: none"> 2-Acres Max - Rural Property not allowed See guidelines for additional ineligible property features |
| 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 <ul style="list-style-type: none"> 6 Months of Rent Loss Insurance is required Max Deductible = 5% |
| 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> |
| Cash-Out Max | <ul style="list-style-type: none"> LTV > 50% <ul style="list-style-type: none"> o Max \$300,000 cash back LTV <= 50% <ul style="list-style-type: none"> o Max \$500,000 cash back <p>Seasoning Requirements apply, see Seller's Guide for additional details</p> |
| Unleased Units / Properties | <p>Purchase: No LTV Restrictions</p> <p>Refinances: No LTV Restrictions</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> |
| Florida Condominiums | <p>A structural inspection is required for projects:</p> <ul style="list-style-type: none"> - greater than 3 stories, and - over 30 years old (or 25 years if within 3 miles of coast) |
| Escrow Account | <p>Escrow accounts for property taxes and hazard insurance may be waived subject to the following requirements:</p> <ul style="list-style-type: none"> LTV less than or equal to 70% Minimum credit score of 720 Minimum 12-months of reserves Escrow waiver is subject to an LLPA adjustment, see ratesheet Escrows for Foreign National without a U.S. credit score is required. Escrow for Flood Insurance and for Short-Term Rentals is required. |

| UNDERWRITING | |
|---------------------|--|
| Credit / Tradelines | <ul style="list-style-type: none"> If score available, use representative credit score of the borrower/guarantor with the highest representative score Tradelines not required, if borrower has U.S. credit score see Credit section of guidelines for additional credit requirements. |
| Prepayment Penalty | <ul style="list-style-type: none"> 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 |
| Reserves | <ul style="list-style-type: none"> 5% fixed for 1 to 5-years Declining structures up to 5-years, that do not exceed 5% and do not drop below 3% in the first 3 years <ul style="list-style-type: none"> o 5-Yr (5%/4%/3%/2%/1%) o 4-Yr (5%/4%/3%/2%) o 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>Not Allowed</p> |
| Exposure | <p>Max concentration to a single borrower is 10 loans or \$5,000,000</p> |