

Maximum LTV/CLTVs		Standard Doc - Primary Residence		
Credit Score	Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance
720	1,000,000	90	85	80
	1,000,001 - 1,500,000	90	85	80
	1,500,001 - 2,000,000	85	80	80
	2,000,001 - 2,500,000	80	75	75
	2,500,001 - 3,000,000	75	70	70
	3,000,001 - 3,500,000	70	70	NA
	3,500,001 -4,000,000	70	65	NA
700	1,000,000	90	85	80
	1,000,001 - 1,500,000	90	85	80
	1,500,001 - 2,000,000	85	75	70
	2,000,001 - 2,500,000	75	70	65
	2,500,001 - 3,000,000	75	70	65
	3,000,001 - 3,500,000	70	65	NA
680	1,000,000	90	85	80
	1,000,001 - 1,500,000	85	80	75
	1,500,001 - 2,000,000	80	75	70
	2,000,001 - 2,500,000	75	70	65
	2,500,001 - 3,000,000	70	65	65
660	1,000,000	80	80	75
	1,000,001 - 1,500,000	80	75	75
	1,500,001 - 2,000,000	75	70	65
	2,000,001 - 2,500,000	70	65	65
Housing History		Occupancy Restrictions 2nd Home	Occupancy Restrictions Investment	1 Year Standard Doc
1x30x12		Max LTV/CLTV: 85 - Purchase 80 - Rate/Term 75 - Cash-Out	Max LTV/CLTV: 85 - Purchase 80- Rate/Term 75 - Cash-out	Price Adjustment Applies
				Non-Permanent Resident
Housing Event Seasoning				Standard Doc limited to 24 months Max CLTV 80%
BK/FC/SS/DIL >=48 Months		Max Loan Amount: \$2,500,000		
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 85% for purchases and 80% for all refinances and the maximum loan amount is limited to \$2MM				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with I/O feature)			
Interest Only	• Min Credit Score: 660                      • Max LTV: 90%			
Loan Amounts	• Min: 150,000                                  • Max: 4,000,000			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Occupancy	Primary, Second Home, Investment			
Property Type	Single Family, Attached, Detached: No restrictions		Florida Condominiums: • A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast • greater than 5 stories; • Projects with an unacceptable or no inspection are not eligible.	
	Rural – Not eligible			
	2-4 Units, Condominium: Max LTV/CLTV 85%			
	Condo Hotel Max LTV/CLTV: • Purchase - 85% • Refinance - 85% Max Loan Amount \$2,500,000			
Acreage	• Property up to 20-acres, not meeting the rural definition, eligible. • 10 or more acres limited to a max LTV/CLTV 80%			
Cash-In-Hand	• Max Cash-In-Hand: Unlimited			
Appraisals	• FNMA Form 1004, 1025, 1073 with interior/exterior inspection. • Appraisal review product required unless 2nd appraisal obtained. • 2nd Appraisal required for loans > \$2,000,000.			
Income Requirements				
Income	• Wage/Salary: Paystubs, W-2, 2 Years or 1 Year of Tax Returns, IRS Form 4506-C, Verbal VOE			
	• Self-Employed: 2 Years or 1 Year of Personal and Business Tax Returns, YTD P&L, 2-monthly bank statements, IRS Form 4506-C			
Underwriting Requirements				
Credit Score	Middle of 3 scores or lower of 2 Use credit score of the borrower with the highest qualifying income			

<b>Assets</b>	Min of 30-days asset verification required; any large deposit must be sourced
<b>Reserves</b>	<ul style="list-style-type: none"> <li>· LTV ≤ 85%: 6-months of PITIA</li> <li>· LTV &gt; 85%: 12-months of PITIA</li> <li>· Loan Amount &gt; \$1.5M: 9-months of PITIA</li> <li>· Loan Amount &gt; \$2.5M: 12-months of PITIA</li> <li>· Cash out may be used to satisfy requirement</li> </ul>
<b>Gift Funds</b>	· Min contribution: 5% primary, 10% investment
<b>Prepayment Penalty Investment Property Only</b>	<ul style="list-style-type: none"> <li>· Prepayment periods up to 5-Years eligible, see rate sheet</li> <li>· Penalties not allowed in AK, KS, MI, MN, NM, OH and RI</li> <li>· Penalties not allowed on loans vested to individuals in IL and NJ</li> <li>· Penalties not allowed on loan amounts less than \$301,022 in PA</li> <li>· Only declining prepayment penalty structures allowed in MS</li> </ul>
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>· Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity.</li> <li>· If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived</li> </ul>
<b>Document Age</b>	90-Days
<b>DTI Requirements</b>	<ul style="list-style-type: none"> <li>· Standard Max 50%</li> <li>· Primary Residence - Up to 55% allowed: <ul style="list-style-type: none"> <li>o Min residual income of \$3,500</li> <li>o Max LTV/CLTV ≤ 80%</li> <li>o Standard Doc 2-years</li> <li>o Minimum 12-months reserves</li> <li>o First Time Home Buyer not eligible</li> </ul> </li> </ul>
<p align="center"><b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b></p> <p align="center"><b>Lock hours: 9 am - 6 pm EST Monday - Friday</b></p> <p align="center"><b>Lock window: 10 am - 5 pm EST Monday - Friday</b></p>	

Maximum LTV/CLTVs		Bank Statements, 1099 & Asset Utilization - Primary Residence		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
720	1,000,000	90	85	80
	1,000,001 - 1,500,000	90	85	80
	1,500,001 - 2,000,000	85	80	80
	2,000,001 - 2,500,000	80	75	75
	2,500,001 - 3,000,000	75	70	70
	3,000,001 - 3,500,000	70	70	NA
	3,500,001 -4,000,000	70	65	NA
700	1,000,000	90	85	80
	1,000,001 - 1,500,000	90	85	80
	1,500,001 - 2,000,000	85	75	70
	2,000,001 - 2,500,000	75	70	65
	2,500,001 - 3,000,000	75	70	65
	3,000,001 - 3,500,000	70	65	NA
680	1,000,000	90	85	80
	1,000,001 - 1,500,000	85	80	75
	1,500,001 - 2,000,000	80	75	70
	2,000,001 - 2,500,000	75	70	65
	2,500,001 - 3,000,000	70	65	65
660	1,000,000	80	80	75
	1,000,001 - 1,500,000	80	75	75
	1,500,001 - 2,000,000	75	70	65
	2,000,001 - 2,500,000	70	65	65
Housing History		Occupancy Restrictions 2nd Home	Occupancy Restrictions Investment	12m BS, 1 Year 1099 & Asset Utilization
1x30x12		Max LTV/CLTV:  85 - Purchase 80 - Rate/Term 75 - Cash-out	Max LTV/CLTV:  85 - Purchase 80 - Rate/Term 75 - Cash-out	Price adjustment applies see rate sheet
Housing Event Seasoning				Alt Doc limited to 24 months Max CLTV 80%
BK/FC/SS/DIL/Mod: >=48 Months				
Written VOE and P&L Only				
Max LTV 80% Purchase, Max LTV 75% refinance		2nd home and Invesment Max Loan Amount: \$2,500,000		
*85% LTV Purchase available with min credit score 720, max loan amount \$1,000,000				
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 85% for purchases and 80% for all refinances and the maximum loan amount is limited to \$2MM.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed terms: 15yr, 30yr, 40yr; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term available when combined with I/O feature)			
Interest Only	· Min Credit Score: 660			

Business Bank Statements	· 24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods - Fixed Expense Ratio (50%) - Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10% - 3rd party prepared Profit & Loss Statement (CPA or EA)		
Profit & Loss Statement Only	· 24 or 12-month CPA/EA prepared Profit & Loss Statement Only · CPA/EA/CTEC must attest they have prepared the borrower's most recent tax return		
Written VOE	· FNMA Form 1005 · Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements		
IRS Form 1099	· 2-Years or 1-Year 1099	· Fixed Expense Ratio of 10%	· YTD Documentation to support continued receipt of income from same source
Asset Utilization	Eligible assets divided by 84 to determine a monthly income stream: Max DTI: 43% Min Credit Score: 660		
Underwriting Requirements			
Credit Score	Middle of 3 scores or lower of 2 Use credit score of the borrower with the highest qualifying income		
Reserves	· LTV ≤ 85%: 6-months of PITIA · LTV > 85%: 12-months of PITIA · Loan Amount > \$1.5M: 9-months of PITIA · Loan Amount > \$2.5M: 12-months of PITIA · Cash out may be used to satisfy requirement		
Gift Funds	Min contribution: 5% primary, 10% investment		
Prepayment Penalty Investment Property Only	· Prepayment periods up to 5-Years eligible, see rate sheet · Penalties not allowed in AK, KS, MI, MN, NM, OH and RI · Penalties not allowed on loans vested to individuals in IL and NJ · Penalties not allowed on loan amounts less than \$301,022 in PA · Only declining prepayment penalty structures allowed in MS		
Tradelines	· Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity. · If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived		
Document Age	90-Days		
DTI Requirements	· Standard Max 50%. See FTHB guidelines for DTI restrictions		
Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a> Lock hours: 9 am - 6 pm EST Monday - Frida9 Lock window: 10 am - 5 pm EST Monday - Friday			

Maximum LTV/CLTVs		Standard Doc - Primary Residence		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700	1,000,000	85	80	80
	1,000,001 - 1,500,000	85	80	80
	1,500,001 - 2,000,000	80	75	75
	2,000,001 - 3,000,000	70	65	65
680	1,000,000	85	80	80
	1,000,001 - 1,500,000	80	75	75
	1,500,001 - 2,000,000	80	70	70
	2,000,001 - 3,000,000	70	65	65
660	1,000,000	80	80	75
	1,000,001 - 1,500,000	80	75	75
	1,500,001 - 2,000,000	70	65	65
620	1000000	80	75	70
	1,000,001 - 1,500,000	70	65	65
	1,500,001 - 2,000,000	65	NA	NA
600	1,000,000	70	70	65
Housing History Restrictions				1 Year Standard doc
Housing History:	1x30x12	0x60x12	0x90x12	Adjustments Apply
Max LTV/CLTV: Purchase	85	80	70	Non-Permanent Resident  Standard Doc limited to 24 months Max CLTV 80%
Max LTV: Refinance	80	75	NA	
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000	
Housing Event Seasoning Restrictions				Occupancy Restrictions 2nd Home and Investment
BK/FC/SS/DIL/Mod:	>=36 Mo	>= 24 Mo	>= 12 Mo	Max LTV/CLTV Purchase: 80% Max LTV Refinance: 75% Max Loan Amount: \$2,500,000
Max LTV/CLTV: Purchase	85	80	70	
Max LTV: Refinance	80	75	NA	
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000	
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 80% for purchases and 75% for all refinances and the maximum loan amount is limited to \$2MM.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with I/O feature)			
Interest Only	• Min Credit Score: 660                      • Max LTV: 85%			
Loan Amounts	• Min: 150,000                                  • Max: 3,000,000			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Occupancy	Primary, Second Home, Investment			
Property Type	Single Family, Attached, Detached: No restrictions		Florida Condominiums: • A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast • greater than 5 stories; • Projects with an unacceptable or no inspection are not eligible.	
	Rural – Not eligible			
	2-4 Units, Condominium: Max LTV/CLTV Purch: 80%, Refi: 75%			
	Condo Hotel Max LTV/CLTV: • Purchase - 80% • Refinance - 75% Max Loan Amount \$2500,000			
Acreage	Property up to 20-acres, not meeting the rural definition, eligible, 10 or more acres limited to a max LTV/CLTV 80%			
Cash-In-Hand	• Max Cash-In-Hand: Unlimited			
Appraisals	• FNMA Form 1004, 1025, 1073 with interior/exterior inspection. • Appraisal review product required unless 2nd appraisal obtained. • 2nd Appraisal required for loans > \$2,000,000.			
Income Requirements				
Income	• Wage/Salary: Paystubs, W-2, 2-Years or 1-Year Tax Returns, IRS Form 4506-C, Verbal VOE • Self-Employed: 2 or 1-Year Personal and Business Tax Returns, YTD P&L, 2-monthly bank statements, IRS Form 4506-C			
Underwriting Requirements				
Credit Score	Middle of 3 scores or lower of 2 Use credit score of the borrower with the highest qualifying income			
Reserves	• 6 months of PITIA if LTV >= 80% • 3 months of PITIA if LTV < 80% • Cash out may be used to satisfy requirement			
Assets	Min of 30-days asset verification required; any large deposit must be sourced			
Gift Funds	Min contribution: 5% primary, 10% investment			

<b>Document Age</b>	90-Days
<b>DTI Requirements</b>	<ul style="list-style-type: none"> <li>Standard Max 50%</li> </ul> See FTHB guidelines for DTI restrictions
<b>Prepayment Penalty Investment Property Only</b>	<ul style="list-style-type: none"> <li>Prepayment periods up to 5-Years eligible, see rate sheet</li> <li>Penalties not allowed in AK, KS, MI, MN, NM, OH and RI</li> <li>Penalties not allowed on loans vested to individuals in IL and NJ</li> <li>Penalties not allowed on loan amounts less than \$301,022 in PA</li> <li>Only declining prepayment penalty structures allowed in MS</li> </ul>
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity.</li> <li>If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived</li> </ul>
<p align="center"><b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b></p> <p align="center"><b>Lock hours: 9 am - 6 pm EST Monday - Friday</b></p> <p align="center"><b>Lock window: 10 am - 5 pm EST Monday - Friday</b></p>	

Maximum LTV/CLTVs		Bank Statements, 1099 & Asset Utilization - Primary Residence		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700	1,000,000	85	80	80
	1,000,001 - 1,500,000	85	80	80
	1,500,001 - 2,000,000	80	75	75
	2,000,001 - 3,000,000	70	65	65
680	1,000,000	85	80	80
	1,000,001 - 1,500,000	80	75	75
	1,500,001 - 2,000,000	80	70	70
	2,000,001 - 3,000,000	70	65	65
660	1,000,000	80	80	75
	1,000,001 - 1,500,000	80	75	75
	1,500,001 - 2,000,000	70	65	65
620	1,000,000	80	75	70
	1,000,001 - 1,500,000	70	NA	NA
	1,500,001 - 2,000,000	65	NA	NA
600	1000000	70	70	65
Housing History Restrictions				Occupancy Restrictions 2nd Home & Investment
Housing History:	1x30x12	0x60x12	0x90x12	Max LTV/CLTV Purchase: 80% Max LTV Refinance: 75% Max Loan Amount: \$2,500,000
Max LTV/CLTV: Purchase	85	80	70	Non-Permanent Resident
Max LTV: Refinance	80	75	NA	Alt Doc limited to 24 months Max CLTV 80%
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000	
Housing Event Seasoning Restrictions				Written VOE and P&L Only
BK/FC/SS/DIL/Mod:	>=36 Mo	>= 24 Mo	>= 12 Mo	Min Credit Score: 660
Max LTV/CLTV: Purchase	85	80	70	Max LTV/CLTV Purchase: 80%
Max LTV: Refinance	80	75	NA	Max LTV Refinance: 75%
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000	Max Loan Amount: \$1,500,000
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 80% for purchases and 75% for all refinances and the maximum loan amount is limited to \$2MM.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with I/O feature)			
Interest Only	• Min Credit Score: 660                      • Max LTV: 85%			
Loan Amounts	• Min: 150,000                                  • Max: 3,000,000			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Occupancy	Primary, Second Home, Investment			
Property Type	Single Family, Attached, Detached: No restrictions		Florida Condominiums: • A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast • greater than 5 stories; • Projects with an unacceptable or no inspection are not eligible.	
	Rural – Not eligible			
	2-4 Units, Condominium: Max LTV/CLTV Purchase 80% Refi 75%			
	Condo Hotel Max LTV/CLTV: • Purchase - 80% • Refinance - 75% Max Loan Amount \$2,500,000			
Acreage	Property up to 20-acres, not meeting the rural definition, eligible, 10 or more acres limited to a max LTV/CLTV 80%			
Cash-In-Hand	• Max Cash-In-Hand: Unlimited			
Appraisals	• FNMA Form 1004, 1025, 1073 with interior/exterior inspection. • Appraisal review product required unless 2nd appraisal obtained. • 2nd Appraisal required for loans > \$2,000,000.			
Income Requirements				
Personal Bank Statements:	• 24 or 12-months of Personal and 2-months of business bank statements. • Qualifying income is determined by the total eligible deposits from the 24 or 12-months of personal statements divided by the number of statements. • The business bank statements must reflect business activity and transfers to the personal account			
Business Bank Statements	• 24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods o Fixed Expense Ratio (50%) o Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10% o 3rd party prepared Profit & Loss Statement (CPA or EA)			
Profit & Loss Statement Only	• 24 or 12-month CPA/EA prepared Profit & Loss Statement Only • CPA/EA/CTEC must attest they have prepared the borrower's most recent tax return			

Written VOE	• FNMA Form 1005 • Minimum Credit Score: 660 • Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements		
IRS Form 1099	• 2-Years or 1-Year 1099	• Fixed Expense Ratio of 10%	• YTD Documentation to support continued receipt of income from same source
Underwriting Requirements			
Credit Score	Middle of 3 scores or lower of 2 Use credit score of primary earner		
Reserves	• 6 months of PITIA if LTV >= 80% • 3 months of PITIA if LTV < 80% • Cash out may be used to satisfy requirement		
Assets	Min of 30-days asset verification required; any large deposit must be sourced		
Gift Funds	Min contribution: 5% primary, 10% investment		
Document Age	90-Days		
DTI Requirements	• Standard Max 50% See FTHB guidelines for DTI restrictions		
Prepayment Penalty Investment Property Only	• Prepayment periods up to 5-Years eligible, see rate sheet • Penalties not allowed in AK, KS, MI, MN, NM, OH and RI • Penalties not allowed on loans vested to individuals in IL and NJ • Penalties not allowed on loan amounts less than \$301,022 in PA • Only declining prepayment penalty structures allowed in MS		
Tradelines	•Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity. •If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived		
Email: lockdesk@lendzfinancial.com Lock hours: 9 am - 6 pm EST Monday - Frida9 Lock window: 10 am - 5 pm EST Monday - Friday			



Maximum LTV/CLTVs		>= 1.00		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700	1,000,000	80	75	75
	1,000,001 - 1,500,000	80	75	75
	1,500,001 - 2,000,000	75	70	70
	2,000,001 - 3,000,000	70	65	65
	3,000,001 - 3500000	70	65	NA
660	1,000,000	75	75	75
	1,000,001 - 1,500,000	75	70	70
	1,500,001 - 2,000,000	70	65	65
	2,000,001 - 2,500,000	70	65	65
	2,500,001 - 3,000,000	65	NA	NA
620	1,000,000	75	70	70
	1,000,001 - 1,500,000	65	65	65
	1,500,001 - 2,000,000	65	NA	NA
	2,000,001 - 3,000,000	60	NA	NA
Maximum LTV/CLTVs		< 1.00		
700	1,000,000	75	70	70
	1,000,001 - 1,500,000	75	70	70
	1,500,001 - 2,000,000	70	65	65
	2,000,001 - 2,500,000	65	NA	NA
	2,500,001 - 3,000,000	60	NA	NA
660	1,000,000	70	65	65
	1,000,001 - 1,500,000	70	65	65
	1,500,001 - 2,000,000	65	60	60
	2,000,001 - 3,000,000	60	NA	NA
Investor Experience				
<u>Experienced Investor:</u> Borrower must have a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years.				
<u>First Time Investor:</u> A borrower not meeting the experienced investor criteria. - First Time investors eligible subject to the following restrictions: • Min credit score: 680 • If reported, no mortgage late payments during the past 36 Mo • >= 36 Mo from any credit event • Owned a primary residence for at least 1-year • Cash-out not eligible - First Time Home Buyer not eligible				
Unleased Properties	All refinances: Eligibility (LTV) must use the DSCR < 1.00 matrix for all properties with any unleased (vacant) units. Pricing is based upon the DSCR from the gross rents on the 1007. Not applicable for short-term rentals, see short-term rental income section for specific criteria.			
Housing History		Non-Permanent Resident	Credit Event Seasoning	
• 1x30x12 – No reduction • 0x60x12 – Max 70% LTV Purchase & Max 65% LTV Rate/Term & Cash-out		Max CLTV 75%	BK/FC/SS/DIL/Mod: • >=36 Mo – No reduction • >=24 Mo – Max 75% LTV Purchase • >=24 Mo – Max 70% LTV Rate/Term & Cash-out	
Declining Market and State/CBSA Restrictions				
If either or both of the following apply: 1) the appraisal report identifies the property as a declining market; 2) the subject property is in a state or CBSA in the table at the end of this document, the maximum LTV/CLTV is limited to 75% for purchase and 70% for rate/term and cash-out transactions and the maximum loan amount is limited to \$2MM.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
All Refinances	A 5% LTV reduction is required for all properties with any unleased (vacant) units. Not applicable for short-term rentals			
Product Type	Fixed Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with I/O feature)			
Interest Only	• Min Credit Score: 660                      • Max LTV: 80%			
Loan Amounts	• Min: 100,000                                  • Max: 3,500,000			
Loan Amt < 150K	Max LTV/CLTV: Purchase 70%, any Refinance 65% (Min DSCR 1.25)			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Occupancy	Investment Only			
Property Type	Single Family, Attached, Detached: No restrictions		Florida Condominiums: • A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast	
	Rural – Not eligible			
	2-4 Units, Condominium: Purchase: 75%, Refinance: 70%			

Property type	Condo Hotel Max LTV/CLTV: <ul style="list-style-type: none"><li>• Purchase - 75%</li><li>• Refinance - 65%</li></ul> Max Loan Amount \$1,500,000		<ul style="list-style-type: none"><li>• greater than 5 stories;</li><li>• Projects with an unacceptable or no inspection are not eligible.</li></ul>
Acreage	Property up to 2-acres, not meeting the rural definition, eligible.		
Cash-In-Hand	<ul style="list-style-type: none"><li>• Max cash-in-hand:<ul style="list-style-type: none"><li>- LTV &gt; 65% - \$500,000</li><li>- LTV &lt; 65% - \$1,000,000</li><li>- Total equity withdrawn cannot exceed above limits</li></ul></li></ul>		
Appraisals	<ul style="list-style-type: none"><li>• FNMA Form 1004, 1025, 1073 with interior/exterior inspection.</li><li>• Appraisal review product required unless 2nd appraisal obtained.</li><li>• 2nd Appraisal required for loans &gt; \$2,000,000.</li></ul>		
Income Requirements			
Income	<ul style="list-style-type: none"><li>• Long-Term Rental Documentation and DSCR Calculation<ul style="list-style-type: none"><li>• <b>Purchase Transactions:</b><ul style="list-style-type: none"><li>o Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents.</li><li>o If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent.</li><li>o A vacant or unleased property is allowed without LTV restriction.</li></ul></li><li>• <b>Refinance Transactions:</b><ul style="list-style-type: none"><li>o Required documentation:<ul style="list-style-type: none"><li>▪ FNMA Form 1007 or 1025 reflecting long-term market rents, and lease agreement.</li><li>▪ If the lease has converted to month-to-month, then provide most recent two (2) months proof of receipt to evidence continuance of lease. If unable to provide evidence of receipt, the unit will be treated as vacant and subject to the following:<ul style="list-style-type: none"><li>◦ Eligibility (LTV) must use the DSCR &lt;1.00 matrix. Pricing is based upon the DSCR from the gross rents on the 1007.</li></ul></li></ul></li><li>o Monthly Gross Rents are determined by the higher of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%.</li><li>o A vacant or unleased property is allowed. Eligibility (LTV) must use the DSCR &lt; 1.00 matrix for all properties with any unleased (vacant) units. Pricing is based upon the DSCR from the gross rents on the 1007.</li></ul></li><li>• <b>DSCR Calculation:</b><ul style="list-style-type: none"><li>o Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. See this matrix for required Debt Service Coverage Ratios.</li><li>o Gross rents divided by PITIA = DSCR</li></ul></li></ul></li><li>• <b>Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation</b> Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.<ul style="list-style-type: none"><li>• <b>Short-Term Rental Income – Purchase and Refinance Transactions:</b><ul style="list-style-type: none"><li>o LTV is lesser of 75% for a purchase and 70% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance.</li></ul></li><li>(Excludes Condo Hotel projects)<ul style="list-style-type: none"><li>o DSCR Calculation:<ul style="list-style-type: none"><li>▪ Monthly gross rents based upon a 12-month average to account for seasonality required.</li><li>▪ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used.</li><li>▪ (Gross Rents * .80) divided by PITIA = DSCR.</li></ul></li><li>o Any of the following methods may be used to determine gross monthly rental income:<ul style="list-style-type: none"><li>▪ A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents.</li><li>▪ The most recent 12-month rental history statement from the 3rd party rental/management service. The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The rental income will exclude all vendor or management fees.</li><li>▪ The most recent 12-month bank statements from the borrower evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits.</li><li>▪ AIRDNA Rentalizer and Overview reports, accessed using the Explore Short-Term Rental data, must meet the following requirements:<ul style="list-style-type: none"><li>▪ <b>Rentalizer (Property Earning Potential)</b><ul style="list-style-type: none"><li>• Only allowed for purchase transaction</li><li>• Gross rents equal the revenue projection from the Rentalizer Report less the 20% extraordinary expense factor</li><li>• Forecast period must cover 12 months from the Note date</li><li>• The occupancy rate must be &gt; 60%</li></ul></li><li>i. Maximum occupancy limited to 2 individuals per bedroom</li><li>• Must have five (5) comparable properties, all within the same ZIP code</li><li>i. Must be similar in size, room count, amenities, availability, and occupancy</li><li>▪ Overview Report (Evaluate a Market)<ul style="list-style-type: none"><li>• Market score by zip code</li><li>• Must be 60 or greater</li></ul></li></ul></li></ul></li></ul></li></ul></li></ul>		
	Underwriting Requirements		
Credit Score	Middle of 3 scores or lower of 2	Document Age	90-Days

<b>Reserves</b>	<ul style="list-style-type: none"> <li>· 2 months of PITIA</li> <li>· Loan Amount &gt; \$1.5M: 6-months of PITIA</li> <li>· Loan Amount &gt; \$2.5M: 12-months of PITIA</li> <li>· Cash out may be used to satisfy requirement</li> </ul>	
<b>Gift Funds</b>	Allowed after min 10% borrower contribution	
<b>Assets</b>	Min of 30-days asset verification required	
<b>Tradelines</b>	Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity	
<b>Prepayment Penalty Investment Property Only</b>	<ul style="list-style-type: none"> <li>· Prepayment periods up to 5-Years eligible, see rate sheet</li> <li>· Penalties not allowed in AK, KS, MI, MN, NM, OH and RI</li> <li>· Penalties not allowed on loans vested to individuals in IL and NJ</li> <li>· Penalties not allowed on loan amounts less than \$301,022 in PA</li> <li>· Only declining prepayment penalty structures allowed in MS</li> </ul>	Acceptable Structures include the following: 1. Fixed percentage of no less than 3% 2. Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%) 3. Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period.
<p align="center"><b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b></p> <p align="center"><b>Lock hours: 9 am - 6 pm EST Monday - Friday</b></p> <p align="center"><b>Lock window: 10 am - 5 pm EST Monday - Friday</b></p>		

Maximum LTV/CLTVs		>= 1.00		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700	1,500,000	75	70	70
	1,500,001 - 2,000,000	70	65	65
660	1,500,000	70	65	65
	1,500,001 - 2,000,000	65	60	60
Housing History	Housing Event Seasoning	Investor Experience		
0x30x12	BK/FC/SS/DIL/Mod: >=24 Mo – Any event	<u>Experienced Investor:</u> Borrower must have a history of owning and managing commercial or nonowner occupied residential real estate for at least 1 year in last 3 years <u>First Time Investor:</u> Not eligible		
Declining Market and State/CBSA Restrictions				
Maximum eligible LTVs do not require a market adjustment for the 5-8 multifamily and 2-8 mixed use property types.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
Unleased Units				
Maximum: 1 vacant unit on 2-3 Unit property. 2 vacancies on 4+ Units.				
General Requirements				
Product Type	Fixed Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with I/O feature)			
Interest Only	Eligible			
Loan Amounts	• Min: 400,000                      • Max: 2,000,000			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Cash--In-Hand	• Max cash-in-hand: \$1,000,000			
Occupancy	Investment Only			
Eligibility Restrictions	• Citizens and individuals from OFAC sanctioned countries including Russia and Belarus are not eligible • Foreign Nationals: Use 660 – 699 credit score Loan/LTV eligibility criteria			
Property Type	• Residential 5 – 8 Units • Mixed use 2 – 8 Units <ul style="list-style-type: none"><li>Commercial usage limited to Retail/Office<ul style="list-style-type: none"><li>2-3 Units: Max 1 commercial Unit</li><li>4-5 Units: Max 2 commercial Units</li><li>6-8 Units: Max 3 commercial Units</li></ul></li><li>Commercial space must not exceed 49% of the total building area</li></ul>			
Acreage	Property up to 2-acres, not meeting the rural definition, eligible.			
Unleased Units	Maximum: 1 vacant unit on 2-3 Unit property. 2 vacancies on 4+ Units.			
Appraisals	• A full interior inspection with photos is required for all units. • 5-8 Residential <ul style="list-style-type: none"><li>FHLMC 71A, FNMA 1050 or similar short form used to appraise 5+ residential properties, or</li><li>Narrative report can be utilized but not required.</li></ul> • 2-8 Mixed Use <ul style="list-style-type: none"><li>General Purpose Commercial Forms (i.e., GP Commercial Summary Form available from CoreLogic a la mode)</li></ul> • The following attachments required for 5-8 Residential and 2-8 Mixed Use appraisal reports: <ul style="list-style-type: none"><li>Rent Roll</li><li>Income and Expense Statement</li><li>Photos of subject including exterior/interior and street scene</li><li>Aerial photo</li><li>Sketch or floor plan of typical units</li><li>Map</li><li>Appraiser qualifications</li></ul> • Review Product – A commercial BPO required for all loans. In PA, NC a commercial evaluation product is used instead of a commercial BPO.			
Property Condition	• No fair or poor ratings • No environmental issues (Storage or use of hazardous material i.e., Dry Cleaners, Laundromat) • No health or safety issues (As noted by appraiser, i.e., broken windows, stairs) • No excessive deferred maintenance that could become a health or safety issue for tenants • No structural deferred maintenance, (i.e., Foundation, roof, electrical, plumbing)			
Mixed Use	Commercial use limited to retail or office space. Residential/Commercial zoning acceptable.			
Income Requirements				
Income	• Leased - Use lower of Estimated market rent or lease agreement. • Short term rental income not eligible • Vacant Unit(s) – Use 75% of market rents. Max: 1 vacancy on 2-3 Unit properties: 2 vacancies on 4+ Units. • Reduce qualifying rents by any management fee reflected on appraisal report. • 2-8 Mixed Use – Income from commercial space must not exceed 49% of the total property income			
DSCR	• Minimum DSCR >= 1.00 • DSCR = Eligible monthly rents/PITIA (Loans with an interest only feature may use the ITIA payment). • Loan amounts >= \$2,000,000 require DSCR >= 1.00 and Debt Yield of 9% or greater (Net operating income/Loan amount = 9% or greater) • Reduce qualifying rents by any management fee reflected on the appraisal report			
Underwriting Requirements				
Credit Score	Middle of 3 scores or lower of 2	Document Age	90-Days	

<b>Reserves</b>	<ul style="list-style-type: none"> <li>· 6 months of PITIA</li> <li>· Loan Amount &gt; \$1.5M: 9-months of PITIA</li> <li>· Loan Amount &gt; \$2.5M: 12-months of PITIA</li> <li>· Cash out may not be used to satisfy requirement</li> </ul>	
<b>Gift Funds</b>	Not Eligible	
<b>Assets</b>	Min of 30-days asset verification required;	
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>·Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity.</li> <li>·For each borrower who has three (3) credit scores, the minimum tradeline requirement is waived (all borrowers must be evaluated individually).</li> </ul>	
<b>Prepayment Penalty Investment Property Only</b>	<ul style="list-style-type: none"> <li>· Prepayment periods up to 5-Years eligible, see rate sheet</li> <li>· Penalties not allowed in AK, KS, MI, MN, NM, OH and RI and NJ</li> <li>· Penalties not allowed on loans vested to individuals in IL in PA</li> <li>· Only declining prepayment penalty structures allowed in MS</li> </ul>	Acceptable Structures include the following: <ol style="list-style-type: none"> <li>1. Fixed percentage of no less than 3%</li> <li>2. Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%)</li> <li>3. Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period.</li> </ol>
<p align="center"><b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b></p> <p align="center"><b>Lock hours: 9 am - 6 pm EST Monday - Friday</b></p> <p align="center"><b>Lock window: 10 am - 5 pm EST Monday - Friday</b></p>		

Maximum LTV/CLTVs		>= 1.00		
Min DSCR	Credit Score	Purchase	R/T Refinance	Cash-Out Refinance
>=1.20	700	70	65	65
	660	65	NA	NA
	Foreign National (FN)	65	NA	NA
Housing History	Housing Event Seasoning	Investor Experience		
· 0x30x24	BK/FC/SS/DIL/Mod: >=24 Mo – Any event	Experienced Investor: Borrower must have a history of owning and managing commercial or nonowner occupied residential real estate for at least 1 year in last 3 years First Time Investor: Not eligible		
Cross Collateral				
Loan Amounts	· Min: \$400,000		· Max: \$3,000,000	
Property Count	· Min: 3		· Max: 25	
Property Allocated Balance	· Min: \$50,000		· Max: \$1,000,000	
Cash-Out				
LTV <= 65%	Unlimited			
State/CBSA Restrictions				
Maximum eligible LTVs do not require a market adjustment for the cross-collateral program.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with I/O feature)			
Property Type	Eligible: 1-4 unit residential properties, condominiums, condo hotels. Ineligible: 5-8 unit residential and 2-8 mixed use properties.			
Prepayment Penalty Investment Property Only	· Prepayment periods up to 5-Years eligible, see rate sheet · Penalties not allowed in AK, KS, MI, MN, NM, OH and RI · Penalties not allowed on loans vested to individuals in IL and NJ · Penalties not allowed on loan amounts less than \$301,022 in PA · Only declining prepayment penalty structures allowed in MS			
	· Acceptable structures include the following: o Fixed percentage of no less than 3% o Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years. For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%)			
Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries including Russia and Belarus are not eligible			
Email: lockdesk@lendzfinancial.com				
Lock hours: 9 am - 6 pm EST Monday - Friday				
Lock window: 10 am - 5 pm EST Monday - Friday				

Maximum LTV/CLTVs		DSCR - Investment Only		
DSCR >=1.00		Purchase	R/T Refi	Cash-Out Refi
680	1,000,000	75	65	65
	1,000,001 - 1,500,000	70	60	60
Foreign Credit	1,000,000	75	65	65
	1,500,000	70	60	60
DSCR <=1.00		Purchase	R/T Refi	Cash-Out Refi
680	1,000,000	65	60	60
	1,000,001 - 1,500,000	65	NA	NA
Foreign Credit	1,000,000	65	60	60
	1,000,001 - 1,500,000	65	NA	NA
Housing History	Credit Event Seasoning	First Time Homebuyer	Unleased Properties	
0x30x12, if documented	BK/FC/SS/DIL/Mod: > 36 Mo	Allowed	Refinance: 5% LTV reduction if vacant	
Declining Market and State/CBSA Restrictions				
Maximum eligible LTVs do not require a market adjustment for the Foreign National program.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
General Requirements				
Product Type	Fixed Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with I/O feature)			
Interest Only	Eligible			
Loan Amounts	• Min: 150,000 • Max: 1,500,000			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Occupancy	• Investment Only • 2nd Home Only for Canadian citizens (see guide for criteria)			
Property Type	Single Family, Attached, Detached: No restrictions		Florida Condominiums: • A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast • greater than 5 stories; • Projects with an unacceptable or no inspection are not eligible.	
	Rural – Not eligible			
	2-4 Units, Condominium: Max LTV/CLTV • Purchase - 70% • Refinance - 65%			
	Condo Hotel Max LTV/CLTV: • Purchase - 70% • Refinance - 65%			
Acreage	• DSCR maximum 2-acres.			
Cash--In-Hand	• \$300,000 if LTV > 50% • \$500,000 for LTV <= 50% Total equity withdrawn cannot exceed above limits			
Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. 2nd appraisal or appraisal review product required.			
Income Requirements				
DSCR	Long-Term Rental Documentation and DSCR Calculation • Purchase Transactions: o Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents. o If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. o A vacant or unleased property is allowed without LTV restriction. • Refinance Transactions: o Required documentation: ▪ FNMA Form 1007 or 1025 reflecting long-term market rents, and lease agreement. ▪ If the lease has converted to month-to-month, then provide most recent two (2) months proof of receipt to evidence continuance of lease. If unable to provide evidence of receipt, the unit will be treated as vacant. o Monthly Gross Rents are determined by the higher of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%. o A vacant or unleased property is allowed, LTV reduction not required. • DSCR Calculation: o Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. See this matrix for required Debt Service Coverage Ratios. o Gross rents divided by PITIA = DSCR Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis. • Short-Term Rental Income – Purchase and Refinance Transactions: o LTV is lesser of 70% for a purchase and 65% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance (Excludes Condo Hotel projects). o DSCR Calculation: ▪ Monthly gross rents based upon a 12-month average to account for seasonality required. ▪ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used. ▪ (Gross Rents * .80) divided by PITIA = DSCR			

Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"><li>• Middle of 3 scores or lower of 2</li><li>• Use highest decision score amongst all borrowers</li></ul>	Document Age	90-Days
Reserves	<ul style="list-style-type: none"><li>• 6-Months PITIA</li><li>• Cash out may be used to satisfy requirement</li></ul>		
Gift Funds	Not allowed		
Assets	Min of 30-days asset verification required		
Tradelines	<ul style="list-style-type: none"><li>• US credit: Min 2 reporting 24-months or 3 reporting 12-months, for borrowers</li></ul>		
Prepayment Penalty Investment Property Only	<ul style="list-style-type: none"><li>• Prepayment periods up to 5-Years eligible, see rate sheet</li><li>• Penalties not allowed in AK, KS, MI, MN, NM, OH and RI</li><li>• Penalties not allowed on loans vested to individuals in IL and NJ</li><li>• Penalties not allowed on loan amounts less than \$301,022 in PA</li><li>• Only declining prepayment penalty structures allowed in MS</li></ul>		
<p><b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b></p> <p><b>Lock hours: 9 am - 6 pm EST Monday - Friday</b></p> <p><b>Lock window: 10 am - 5 pm EST Monday - Friday</b></p>			



Loan Amount/Credit Score/CLTV Matrix				
Standard Doc				
Loan Amount	Credit Score	Primary	Second Home	Investment
350,000	740	90	80	75
	700	85	80	65
	680	75	75	NA
350,001 - 500,000	740	85	75	75
	700	85	75	65
	680	75	70	NA
Alt Doc				
Loan Amount	Credit Score	Primary	Second Home	Investment
350,000	740	85	75	70
	700	80	70	60
	680	75	65	NA
350,001 - 500,000	740	80	70	65
	700	75	65	60
	680	70	60	NA
General Requirements				
Product and Term	· Fixed Rate - Fully amortizing terms of 10, 15, 20, 25 & 30 years.			
Loan Amounts	· Min: \$75,000                      · Max: \$500,000			
Combined Loan Balance Caps	The CLTV of the combined 1st and 2nd lien loan balances are restricted as follows: o Total lien balance > \$2,000,000 – 80% CLTV o Total lien balance > \$3,000,000 – 75% CLTV			
Loan Purpose	Stand-Alone Cash Out (minimum ownership of 6 months required) · Simultaneous/Piggyback			
Occupancy	· Primary, Second Home, Investment			
Cash-Out	· Max cash-out: \$500,000			
Eligible Borrower	· U.S. Citizen · Permanent Resident Alien			
State Restrictions	· <b>Not Eligible:</b> o Texas o Puerto Rico, Guam, & the US Virgin Islands not eligible · <b>Restricted:</b> o CT, IL, NJ, NY (Max CLTV 80%, Min FICO 720)			
Income Requirements				
Standard Doc	· Wage/Salary: Paystubs, 1or 2-years W-2s, IRS Form 4506-C, Verbal VOE · Self-Employed: 1 or 2-Years of Personal and Business (If applicable) Tax Returns, YTD P&L, 2 recent business bank statements, IRS Form 4506-C			
Personal Bank Statements	· 24 or 12-months of Personal and 2-months of business bank statements · Qualifying income is determined by the total eligible deposits from the 24 or 12- months of personal statements divided by the number of statements · The business bank statements must reflect business activity and transfers to the personal account			
Business Bank Statements	· 24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods: o Fixed Expense Ratio (50%) o Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) with min ratio of 10% o 3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer)			
IRS Form 1099	· 2-Years or 1-Year 1099 · Fixed Expense Ratio of 10% · YTD documentation to support continued receipt of income			
Desktop Underwriter (DU) or Loan Prospector (LP)	· For simultaneous transactions only · Findings permitted to be used for income, asset, and liability documentation · Appraisal must follow the requirements of this program (appraisal waiver option from findings not eligible) · Max DTI based upon CLTV restrictions for this program. See DTI section.			
Underwriting Requirements				
Underwriting	· Loans must be manually underwritten based on applicable doc type.			
Credit	Credit report, fraud report, gap/UDM report required for all transactions.			
Qualifying Credit Score	· Use credit score of the borrower with the highest qualifying income · Middle of 3 scores or lower of 2			
Housing History	· 0x30x12 – verification of mortgage history required on all loans · Verify the 1st lien P&I payment with either: o Copy of 1st lien Note, or o Copy of most recent monthly mortgage payment statement			

Credit Events	Foreclosure, Short Sale, Deed in Lieu, Bankruptcy: 48-month seasoning	
Tradelines	· Min: 2 reporting 24-months with/activity in the last 12-months or 3 reporting 12-months w/recent activity · If the primary borrower has three (3) credit score, the minimum tradeline requirement is waived	
Maximum DTI Ratio	· 80% CLTV: Maximum DTI ratio 50% · 90% CLTV: Maximum DTI ratio 45%	
Reserves	None required	
Assets	Asset verification required if funds needed to consummate the transaction	
Appraisal and Property		
Eligible Property	· Single Family (Attached, Detached) · 2-4 Unit residential properties (Max CLTV 75%) · Condominiums (Max CLTV 80%)	
Appraisals	· HPML loans that are not Qualified Mortgages require a full appraisal with an interior inspection, regardless of the loan balance. · Any simultaneous transaction requires a full appraisal. · Transferred appraisals not eligible. Loan Amount <=\$250,000 · AVM from approved vendor with acceptable FSD and a new Property Condition Report with acceptable findings, or · Exterior Drive-By appraisal (Hybrid or 2055), or · New Appraisal (FNMA Form 1004/1025/1073), or · Prior 1st lien appraisal dated within 12 months of subject loan Note Date allowed subject to the following: o The lender on the prior appraisal must be the same as the subject loan, and o A new Property Condition Report with acceptable findings, and o Recertification of value by the original appraiser. Loan Amount >\$250,000 · New Appraisal (FNMA Form 1004/1025/1073), or · Prior 1st lien appraisal dated within 12 months of subject loan Note Date allowed subject to the following: o The lender on the prior appraisal must be the same as the subject loan, and o A new Property Condition Report with acceptable findings, and o Recertification of value by the original appraiser, and o An AVM from approved vendor with acceptable FSD. o The lower of the Prior Appraisal value or the current AVM will be used to determine CLTV. Secondary Valuation Product · Required in every file · Acceptable review products include one of the following: o AVM (If primary valuation based on an AVM, review must be a different vendor) · If two AVMs are ordered, the AVM with the higher FSD will be treated as the primary valuation product. The second AVM will be treated as the secondary valuation product and must support the primary AVM within 10%. If both AVMs have the same FSD, the lower of the two must be utilized for determining the CLTV. o BPO o Desk Review o Desktop appraisal	
AVM and FSD Score	The following AVM vendors are acceptable:	
	AVM Vendor	Acceptable FSD Score at 90%
	Clear Capital	<= 0.13
	Collateral Analytics	<= 0.10
	House Canary	<= 0.10
	Red Bell Real Estate	<= 0.10
Property Condition Report	When required, a Property Condition Report (i.e., Clear Capital Property Condition Inspection) should be obtained to include an exterior photo of the subject property along with a rating of the property's physical condition and characteristics.	
Declining Market and State/CBSA restrictions	Any property located in a State/CBSA area is subject to a max LTV/CLTV of 80% for purchase and refinance transactions.	
Recently Listed Properties	· Properties listed for sale in the past 6-months are not eligible	
Title Insurance	· For loan balances less than or equal to \$250,000: o Owner and Encumbrance Report · For any loan balance: o Alta Full Title Policy, or o Residential Limited Coverage Junior Policy	
Flood Certificate	· Flood determination required for every loan file · Properties within a flood zone require evidence of insurance coverage in accordance with the HFIAA	
Escrows	·Escrows for taxes and hazard insurance not required	
Hazard Insurance	Loss payee clause must reflect seller as additional insured	
Ineligible Senior Liens	· Senior liens with high-risk features which can include, but are not limited to: o Loans in active forbearance or deferment o Negative amortization o Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien o Reverse Mortgages o Private Mortgages	

**Ineligible Loan Features**

- Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.
- Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.
- Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.
- Purchase transaction
- All existing subordinate liens must be satisfied. No resubordinated permitted.
- All Solar Panel loans and leases must be paid off

Statewide		CBSA-Specific	
Louisiana	LA	San Francisco-Oakland-Hayward, CA	41860
Connecticut	CT	San Jose-Sunnyvale-Santa Clara, CA	41940
Idaho	ID	Santa Cruz-Watsonville, CA	42100
Illinois	IL	Boulder, CO	14500
New Jersey	NJ	Breckenridge, CO	14720
New York	NY	Phoenix-Mesa-Scottsdale, AZ	38060
		Sacramento-Roseville, CA	40900
		Sevierville, TN	42940
		Austin-Round Rock, TX	12420

[Use this link to access a zip code list of the above states/CBSA's.](#)