

Platinum

FULL DOC, EXPRESS DOC, ASSET UTILIZATION, BANK STATEMENT AND 12/24 MONTH P&L AND WVOE

PRIMARY RESIDENCE (1-3 Units)

| TRANSACTION TYPE | MAX LTV/CLTV | MAX LOAN AMOUNT | MIN FICO |
|------------------------|--|-----------------|----------|
| PURCHASE RATE AND TERM | 90% ^{1-2 5 6} (Purchase Only) | \$1,000,000 | 720 |
| | 85% ^{3 5 6} (Purchase Only) | \$2,000,000 | 680 |
| | 80% ⁵ | \$2,000,000 | 660 |
| | | \$2,500,000 | 680 |
| | | \$3,000,000 | 700 |
| 70% | \$3,500,000 | 720 | |
| CASH OUT | 80% ⁵ | \$1,500,000 | 700 |
| | | \$2,000,000 | 720 |
| | 75% ⁵ | \$1,500,000 | 660 |
| | | \$2,000,000 | 700 |
| | | \$2,500,000 | 720 |
| | 70% | \$2,000,000 | 660 |
| | | \$2,500,000 | 700 |
| \$3,000,000 | 720 | | |

SECOND HOME (1 Unit)

| TRANSACTION TYPE | MAX LTV/CLTV | MAX LOAN AMOUNT | MIN FICO |
|------------------------|------------------------------------|-----------------|----------|
| PURCHASE RATE AND TERM | 85% ^{3 6} (Purchase Only) | \$1,000,000 | 680 |
| | | \$1,500,000 | 720 |
| | 80% | \$1,000,000 | 660 |
| | | \$2,000,000 | 680 |
| | | \$2,500,000 | 700 |
| | 75% | \$1,500,000 | 660 |
| \$2,500,000 | | 680 | |
| CASH OUT | 75% | \$1,500,000 | 680 |
| | | \$2,000,000 | 720 |
| | 70% | \$1,500,000 | 660 |
| | | \$2,000,000 | 680 |
| | | \$2,500,000 | 720 |
| 65% | \$2,000,000 | 660 | |

INVESTMENT (1-4 Units)

| TRANSACTION TYPE | MAX LTV/CLTV | MAX LOAN AMOUNT | MIN FICO |
|------------------------|---------------------|--------------------------|----------|
| PURCHASE RATE AND TERM | 80% (Purchase Only) | \$1,500,000 | 660 |
| | | 2000000 ⁴ | 680 |
| | | 2500000 ⁴ | 700 |
| | 75% | 2000000 ⁴ | 660 |
| CASH OUT | 75% | \$1,500,000 | 680 |
| | 70% | \$2,000,000 ⁴ | 660 |
| | | \$2,500,000 ⁴ | 720 |

¹Condos – Max 85% LTV/CLTV
²Min loan amount \$200k. Interest Only not permitted- No FTHB
³Interest Only 40 Yr IO not permitted.
⁴Loans \$2MM+ are allowed for 2-4-unit properties only
- Exception: SFR and 2-4-unit properties allowed in California only

⁵12/24 Month P&L - Max LTV 80% LTV/CLTV Purchase, 75% LTV/CLTV R/T, 70% LTV/CLTV Cash Out and Min FICO 680

Asset Utilization
- Primary and 2nd home – Max 80% LTV/CLTV
- Investment Property – Max 65% LTV/CLTV
- Cash out – Max 60% LTV/CLTV

Gold

FULL DOC, EXPRESS DOC, ASSET UTILIZATION, 1099, BANK STATEMENT AND 12/24 MONTH P&L AND WVOE

PRIMARY RESIDENCE (1-3 Units)

| TRANSACTION TYPE | MAX LTV/CLTV | MAX LOAN AMOUNT | MIN FICO |
|------------------------|------------------|-----------------|----------|
| PURCHASE RATE AND TERM | 80% ⁵ | \$1,500,000 | 640 |
| | | \$2,000,000 | 680 |
| | | \$2,500,000 | 720 |
| | 75% | \$2,000,000 | 620 |
| | | \$2,500,000 | 680 |
| | | \$3,000,000 | 700 |
| CASH OUT | 80% ⁵ | \$1,000,000 | 680 |
| | 75% ⁵ | \$1,500,000 | 660 |
| | | \$2,000,000 | 680 |
| | 70% | \$1,500,000 | 640 |
| | | \$2,000,000 | 660 |
| | | \$2,500,000 | 700 |
| | 65% | \$1,500,000 | 620 |
| | | \$2,500,000 | 680 |

SECOND HOME (1 Unit)

| TRANSACTION TYPE | MAX LTV/CLTV | MAX LOAN AMOUNT | MIN FICO |
|------------------------|--------------|-----------------|----------|
| PURCHASE RATE AND TERM | 80% | \$1,000,000 | 640 |
| | | \$1,500,000 | 660 |
| | | \$2,000,000 | 680 |
| | 75% | \$1,500,000 | 640 |
| | | \$2,000,000 | 660 |
| | | \$2,500,000 | 700 |
| | 70% | \$2,000,000 | 640 |
| \$2,500,000 | | 680 | |
| CASH OUT | 75% | \$1,500,000 | 660 |
| | | \$2,000,000 | 700 |
| | 70% | \$1,000,000 | 640 |
| | | \$2,000,000 | 680 |
| | | \$2,000,000 | 660 |

INVESTMENT (1-4 Units)

| TRANSACTION TYPE | MAX LTV/CLTV | MAX LOAN AMOUNT | MIN FICO |
|------------------------|---------------------|--------------------------|----------|
| PURCHASE RATE AND TERM | 80% (Purchase Only) | \$1,000,000 | 640 |
| | | \$1,500,000 | 660 |
| | | \$2,000,000 ⁴ | 680 |
| | 75% | \$1,500,000 | 640 |
| | | \$2,000,000 ⁴ | 660 |
| | | \$2,500,000 ⁴ | 680 |

| | | | |
|-----------------|-----|--------------------------|-----|
| CASH OUT | 75% | \$1,500,000 | 660 |
| | | \$2,000,000 ⁴ | 700 |
| | 70% | \$1,000,000 | 640 |
| | | \$2,000,000 ⁴ | 660 |
| | 65% | \$1,500,000 | 640 |
| | | \$2,500,000 ⁴ | 680 |

⁴Loans \$2MM+ are allowed for 2-4-unit properties only
- Exception: SFR and 2-4-unit properties allowed in California only

Asset Utilization
- Primary and 2nd home – Max LTV/CLTV 80%
- Investment Property – Max LTV/CLTV 65%
- Cash out – Max LTV/CLTV 60%

⁵12/24 Month P&L – Max 80% LTV/CLTV Purchase; 75% LTV/CLTV Rate and Term; 70% LTV/CLTV Cash Out

| FLEX Underwrite | | | | | |
|--|-------------------------------|---------------------|---------------------|----------------------------|-----------------|
| FNMA DU®/DO® or FHLMC LPA® (“AUS”) DOCUMENTATION | | | | | |
| OCCUPANCY | TRANSACTION TYPE | CREDIT GRADE | MAX LTV/CLTV | MAX LOAN AMOUNT | MIN FICO |
| PRIMARY 1-3 Units | PURCHASE RATE AND TERM | Platinum | 80% | \$2,500,000 ^{4 5} | 660 |
| | | Gold | | | 640 |
| | CASH OUT | Platinum | 75% | \$2,500,000 ^{4 5} | 660 |
| | | Gold | | | 640 |
| SECOND HOME 1 Unit | PURCHASE RATE AND TERM | Platinum | 75% | \$2,500,000 ⁴ | 680 |
| | | Gold | | | 640 |
| INVESTMENT 1-4 Units | PURCHASE RATE AND TERM | Platinum | 70% | \$2,500,000 ⁴ | 660 |
| | | Gold | | | 640 |

| PRODUCTS | All Products | | | | | |
|-----------------------------|--|--|---|--------------------|---------------------|-----------------|
| | Product | Term | IO Term | Initial Cap | Periodic Cap | Life Cap |
| | 30 Yr Fixed | 360 mo | NA | NA | NA | NA |
| | 30 Yr Fixed IO | 360 mo | 120 mo | NA | NA | NA |
| | 40 Yr Fixed | 480 mo | NA | NA | NA | NA |
| | 40 Yr Fixed IO | 480 mo | 120 mo | NA | NA | NA |
| MIN LOAN AMOUNT | All Programs | \$125,000 | | | | |
| INTEREST ONLY | Platinum | Purchase: Max 85% LTV/CLTV Rate & Term and Cash-Out: Max 80% LTV/CLTV Min 700 FICO | | | | |
| | Gold | Purchase/Rate & Term/Cash-Out: Max 80% LTV /CLTV Min 680 FICO | | | | |
| | FLEX Underwrite | Purchase/Rate & Term: Max 80% LTV/CLTV, Cash-Out 75% LTV/CLTV | | | | |
| INTEREST ONLY PERIOD | 40 Year Interest Only = 10 year I/O then 30-year amortization; Max 80%LTV/CLTV 30 Year Interest Only = 10 year I/O then 20-year amortization; Max 85%LTV/CLTV | | | | | |
| DTI | Platinum and Gold | > 85% LTV/CLTV | 45% DTI | | | |
| | | ≤ 85% LTV/CLTV | 50% DTI | | | |
| | FLEX Underwrite | Per FNMA DU®/DO® or FHLMC LPA® (“AUS”) Findings (max of 50% DTI) | | | | |
| BORROWER | Non-Occupant Co-Borrower | Platinum | Primary Purchase & R&T, 1 Unit Only Eligible with blended ratios | | | |
| | | Gold | Per FNMA/FHLMC/AUS | | | |
| | | FLEX Underwrite | Per AUS | | | |
| | Non-Permanent Resident Aliens | Platinum, Gold, | Max 80% LTV, Primary Residence Purchase & R&T, 1-2 Units Only | | | |
| | | FLEX Underwrite | Per FNMA/FHLMC/AUS Refer to Non-Permanent section of guidelines | | | |

| | | | |
|---|--|---|--|
| | Limited Partnerships, General Partnerships, Corporations, Limited Liability Company – Eligible (Layered entities not permitted) First Time Homebuyers – Eligible (see guidelines) Foreign Nationals – Ineligible All borrowers must have a valid SSN | | |
| CREDIT EVENTS | | Short Sale, Foreclosure, Bankruptcy, 120 | 12 Month Housing History |
| | Platinum | 4 Years BK – Ch 7, 11, 13 - based on discharge or dismissal date Note: Cash out cannot be used to settle, BK must have been settled prior to application | 0 x 30 x 12 |
| | Gold | 2 Years 1 year (additional LLPA applies) | 0 x 60 x 12 |
| | FLEX Underwrite | Follow applicable Platinum or Gold credit grades For loan casefiles with credit events outside of FNMA or FHLMC allowances, "Extenuating Circumstance (EC)" override in AUS may be used. The loan must still fall within Platinum or Gold requirements for seasoning. See Underwriting Guidelines for details. | Platinum: 1 x 30 x 12 (per AUS, no rolling) Gold: 0 x 60 x 12 |
| QUALIFYING FICO | Full Doc, Express Doc, Asset Utilization and FLEX | Bank Statement | |
| | Primary wage earner | Primary wage earner Borrowers with 50/50 split ownership need to use the higher of the two mid FICO scores | |
| | No borrower can have a middle FICO score less than 660 (Platinum), 620 (Gold) For refinances, the use of highest score is only eligible if that borrower meets continuity First Time Investors - Min 700 FICO | | |
| RESERVES | Platinum | ≤\$2,000,000 | 6 months |
| | | >\$2,000,000 | 9 months |
| | Gold | ≤ \$1,000,000 | 3 months |
| | | ≤\$2,000,000 | 6 months |
| | | >\$2,000,000 | 9 months |
| | | R/T Refi, Max 60% LTV/CLTV, Min 0x30x12 | No reserves needed |
| | FLEX Underwrite | Per AUS | |
| Departing Residence Pending Sale – An additional 6 months PITIA reserves for the departure residence is required if payment is being excluded and property is under contract. For FLEX Underwrite, follow AUS requirements. | | | |
| GIFT FUNDS | Primary Purchase Only Borrower must have 5% of their own funds documented but not required to use; Borrowers with no housing history must have 10% of their own funds documented but not required to use. Gift of equity eligible to a max 75% LTV (Primary Only) FLEX Underwrite – Follow FNMA/FHLMC Selling Guide for all gift, gift of equity and minimum borrower contribution requirements | | |
| | If min borrower contribution % is not used towards the down payment, those funds can be used towards reserves. | | |
| MAX CASH OUT | | >70 LTV/CLTV | ≤70 LTV/CLTV |
| | Platinum | | |
| | FLEX Platinum | \$1,000,000 | Unlimited |
| | Gold | | |
| FLEX Gold | \$1,000,000 | Unlimited | |
| CASH OUT TRANSACTION | - Cash-Out permitted to meet reserves for all programs - Borrower must have owned the property for a minimum of 6 months prior to the application date. | | |
| ASSETS | - Asset Statements - Asset Utilization: 4 Months Statements - All Other Programs: 1 Month Statement - Statements not required for Cash-Out transactions which satisfy reserves - Most recent required months asset statements, quarterly statement or FNMA approved third party direct pull services | | |
| | 100% value of Bank Accounts, Stocks, Bonds, Mutual Funds, Retirement Accounts at vesting percentage | | |
| | Full Doc | | Express Doc |

INCOME DOCS
(See guidelines for more details)

| | |
|--|--|
| <ul style="list-style-type: none"> · Eligible with Platinum and Gold · Wage Earner - most recent YTD paystub with at least 30 days earnings or Electronic VOE (i.e. The Work Number) and 2 years W2 (or tax transcripts) · Self-Employed = 2 years personal & business tax returns w/ YTD P&L | <ul style="list-style-type: none"> · Wage Earner - most recent YTD paystub with at least 30 days earnings or Electronic VOE (i.e. The Work Number) and 1-year W2 (or tax transcripts) · Self-Employed = 1 year personal and business tax returns with YTD P&L if application is dated more than 120 days after the end of the business tax year. |
| Bank Statement | Asset Utilization |
| <ul style="list-style-type: none"> · Eligible with Platinum, Gold and FLEX Underwrite | <ul style="list-style-type: none"> · Qualified assets with draw schedule of 5 years · FLEX Underwrite – Follow AUS guides w/ a 5-year draw |
| 12/24 Month CPA Prepared P&L | FLEX Underwrite |
| <ul style="list-style-type: none"> · Eligible with Platinum, Gold and · FLEX Underwrite · See UW Manual for documentation requirements | <ul style="list-style-type: none"> · Follow AUS findings with min 1-year verification of income · Electronic WVOE (i.e., The Work Number) is acceptable · Bank Statement product is eligible with FLEX features |
| 1099 Borrowers | Written Verification of Employment |
| <p>Eligible with Platinum and Gold</p> <p>1 or 2 years of 1099s</p> <p>See UW Manual for documentation requirements</p> | <p>FNMA Form 1005</p> <p>VOE within ten calendar days prior to funding date</p> <p>See UW Manual for documentation requirements</p> |

BANK STATEMENT INCOME

| | |
|---|---|
| <ul style="list-style-type: none"> · 12- or 24- months most recent Personal or Business bank statements · 2-year history of business ownership – greater than 1-year but less than 2 can be considered as per FNMA. · Business ownership – Minimum of 25% ownership | |
| BUSINESS BANK STATEMENTS | |
| Borrowers who are using more than 3 separate bank accounts must qualify using personal bank statements | |
| Option 1 – FIXED EXPENSE RATIO | Option 2 - THIRD PARTY EXPENSE RATIO |
| <p>All business can qualify using a 50% expense ratio</p> <p>Option 1: 50% Expense Factor will be utilized to calculate income</p> <ul style="list-style-type: none"> · Any loan with LTV>85.01 will be required to use 50% expense factor · Verify borrower is minimum 25% owner of business · Decreasing or negative ending balances must be addressed · Cyclical and seasonal trends may be taken into consideration <p>Option 2: 20% Expense Ratio eligible only if all of the following applies to the business Max LTV 85%</p> <ul style="list-style-type: none"> · Borrower is sole owner and operator of the business (no partners, employees, etc.) · Service business (no cost of goods, no heavy equipment, machinery, etc.) · Does not require office space that would incur rent | <p>(CPA/Tax Attorney/Enrolled Agent/CTEC)</p> <ul style="list-style-type: none"> · Max LTV 80% - Purchase & R/T · Max LTV 75% - Cash Out · 15% Floor · 3rd party must have filed most recent business tax returns · Tax Professional must verify the borrower's ownership percentage · To determine net income, multiply eligible business deposits by the following: 100% minus the Expense Ratio as described above |
| PERSONAL BANK STATEMENTS | |
| <p>Option 1: Personal bank statements with evidence of business bank account</p> <ul style="list-style-type: none"> • 100% of business deposits in a personal bank account can be used. • Provide most recent 2 months business statements to validate deposits are from the borrower owned business bank account (Only giving credit for transfers from the business; or receipt of payroll from business and distributions only) <p>Option 2: Personal bank statements with no business bank account</p> <ul style="list-style-type: none"> • Comingled business and personal with no business account for non-service businesses are considered as business bank statements with the appropriate expense factor (20% Service Business, 50% non-service business) applied. • Deposits from self-employment business only, will be included into bank statement calculation • A trend of repeated expense not reported on the credit report may need additional explanation and may be considered a liability | |

12/24 MONTH CPA/ENROLLED AGENT (EA) PREPARED PROFIT & LOSS

| |
|--|
| <ul style="list-style-type: none"> · Max 80% Purchase; 75% R/T; 70% Cash Out Refinance(PLATINUM and GOLD) · Min FICO 680 (PLATINUM and GOLD) · \$2.0MM Max Loan Amount · Self-Employed borrowers only · Most recent 12 or 24 -month Profit & Loss statement (P&L). P&L end date must be less than 90 days old at closing · All Profit & Loss statements must be completed by an independent CPA/EA · CPA/EA license must be verified · Self-employed borrowers who file their own tax returns are not eligible · Minimum of 2 years self-employment in the current profession · Borrower narrative on nature of business required · See Underwriting Manual for additional requirements |
|--|

| | | |
|---|---|--|
| Written Verification of Employment | <ul style="list-style-type: none"> · Max LTV 80% Purchase; 70% R/T / Cashout; Min 680 FICO · \$1.5MM Max Loan Amount · Platinum only · Primary Residence Only · FTHB - Max 70% LTV · Wage Earners Only · Two years history of employment in the same industry and 1-year continuous employment at current job | |
| FLEX Underwrite (AUS Documentation and Bank Statement) | <p>FLEX program will utilize Fannie Mae Desktop Underwriter (DU®/DO®) or Freddie Mac Loan Product Advisor (LPA®) findings, referred to throughout this document as "AUS," with the added guideline allowance of Platinum and Gold benefits for ease of process. The loan will be underwritten to the FLEX program matrix, the AUS Findings and the overlays noted below. Any items not addressed in this section will default to FNMA/FHMLC Selling Guides. This is a Non-QM program. Please refer to full matrix and guidelines for additional process details.</p> | |
| | Underwriting Process | <ul style="list-style-type: none"> · FNMA DU®/DO® or FHLMC LPA® is required · References to "AUS" throughout this document collectively refer to FNMA DU®/DO® or FHLMC LPA® Findings · For underwriting guidelines not addressed in this document or UW Guidelines, please reference the Fannie Mae or Freddie Mac Seller Guide for details. |
| | AUS Requirements | <ul style="list-style-type: none"> · Approve/Eligible · Approve/Ineligible (due to loan amount, loan structure, Interest Only, property (non-warrantable condo) and credit event · Refer to Credit Event section for details · Note: Refer or Caution findings will not be eligible for delivery, however, may be eligible under Platinum or Gold Program and considered a manual underwrite |
| TRADELINES | Platinum Gold | <ul style="list-style-type: none"> · Each borrower must have 2 tradelines, or joint borrowers must have a total of 3 tradelines combines, rated at least 12 months, with activity in the last 24 months · Tradeline may be opened or closed · Eligible tradelines cannot have any derogatory history in previous 24 months · Current housing not reporting on credit can be considered an open trade if supported by bank records (cancelled checks/debits) · No authorized user accounts will be used to satisfy minimum tradelines · Non-traditional credit is not allowed as an eligible tradeline. |
| | FLEX Underwrite | Follow AUS Findings |
| PROPERTY | <p>Primary 1-3 Units / Second Home 1-Unit /Non-Owner 1-4 Units</p> <p>Rural Properties – eligible for Platinum, Gold and FLEX Underwrite</p> <ul style="list-style-type: none"> · Primary Residence – Max 75% LTV/CLTV · 2nd Home – Max 70% LTV/CLTV · Investment - Ineligible · Must be primarily for residential use <p>Max Financed Properties – Platinum/Gold- no limit; FLEX- as per FNMA DO®, DU®, FHLMC LPA®</p> <p>Lendz exposure to a single borrower/guarantor is limited to \$5M UPB or 10 loans.</p> <p>Live/Work Condos – Follow FNMA</p> <p>Subject Property Short Term Rentals not permitted</p> | <p>Co-Ops Permitted ((exception required)</p> <p>Max Acreage – Max 10 acres</p> <p>Minimum Square Footage – 500 sq ft per unit-No kitchenettes</p> <p>Properties with Business and Residential Use</p> <ul style="list-style-type: none"> · Eligible for Platinum, Gold and FLEX Underwrite · Must be a primary residence · 10% LTV/CLTV reduction – 65% LTV/CLTV floor · Max 4-Units <p>Declining Markets requires 5% LTV reduction from max qualifying LTV.</p> <p>Floor: 75% Purchase 70% Refinance</p> |
| NON-WARRANTABLE CONDOS | Non-Warrantable Condos – Limited to two (2) | |
| | Max LTV | 80%% |
| | Presale | At least 30% of the units must be sold or under bona fide contract |
| | Investor Concentration | Up to 70% of units can be tenant occupied |
| | Commercial Space | Up to 50% |
| | Recreational Leases | Eligible |
| | Single Entity Ownership | A single entity can own up to 30% of units |
| | Delinquent HOA | Up to 25% |
| | Master Coverage Deductible | Up to 10% Allowed |
| | Reserves | <10% replacement, maintenance, and/or deductible |
| | Mandatory Membership | Cannot exceed 10% of purchase price |
| | Material Litigation - Structural/Functional litigation against developer | Ineligible |
| | Insurance Coverage | Coverage amount less than the full replacement amount is ineligible (actual cash) |
| | Newly Converted - Non-full gut rehabs | Ineligible |
| | Flood Insurance | Projects in a flood zone with no master flood coverage are ineligible. Borrower individual policies are not acceptable |

| | | | | | | |
|--|--|---|---|---|------------------|-----------------|
| APPRAISAL REQUIREMENTS | Platinum | Loan amount ≥ \$2,000,000 and >65% LTV/CLTV - 2 full appraisals | | | | |
| | Gold | 1 Full appraisal required for all transactions | | | | |
| | | Follow applicable credit grade (Platinum or Gold) appraisal requirements. PIW Ineligible | | | | |
| | FLEX Underwrite | All appraisals require a third-party desk review <ul style="list-style-type: none"> For CU scores ≤ 2.5 – no additional review is required | | | | |
| | Hybrid appraisals | Approved Vendors | Lendz Financial approved vendors | | | |
| | | Hybrid Appraisal Type | Purchase, Rate/ Term Cash Out | Interior Hybrid Appraisal signed by a state licensed/ certified appraiser | | |
| | | Max Loan Amount | \$1,500,000 | | | |
| | | Min FICO | 680 | | | |
| | | Property Types | Eligible | Ineligible | | |
| | | | <ul style="list-style-type: none"> SFR 1-4 Unit Condo PUD Max 4 Units | <ul style="list-style-type: none"> Rural Leaseholds or Properties on leased land Irregular or non-residential zoning Atypical or extremely custom homes Properties on acreage - 5+ Acres Properties in need of major repairs Condotels New construction PUDs / Condos Properties subject to inspection HPML | | |
| | | Hybrid Appraisal Max LTV/CLTV | | Purchase | Rate/Term | Cash Out |
| | Owner Occupied | | 75% | 70% | 60% | |
| | 2nd Home | | 70% | 70% | 60% | |
| | | Investment | 70% | 65% | 60% | |
| | Fannie Mae Collateral Underwriter Reports (CU) | Platinum and Gold CU Score of 2.5 and below, no 3rd party review required | | | | |
| | FLEX Underwrite For CU Score ≤ 2.5 - no 3rd party review is required | | | | | |
| <p>HPML flips require 2nd full appraisal</p> <p>All Appraisals require a third-party valuation review (Desk Review/CU) by Lendz approved vendor</p> <p>Approved Desk Review Vendors:</p> <ul style="list-style-type: none"> - Consolidated Analytics - Clear Capital - ServiceLink - Stewart Lender Services - Summit Valuations <p>- Desk Review Products must report a value +/- 10% of the original appraisal value - At 90% LTV , desk review variance cannot exceed +/- 5%</p> <p>Transferred appraisals acceptable When 2 full appraisals are required - seperate product review not required</p> | | | | | | |
| ESCROWS | Required for HPML loans per CFPB and LTVs > 85% | | | | | |
| SUBORDINATE FINANCING | Allowed behind Fixed and Institutional Financing Only, Primary Residence Only FLEX Underwrite – Follow AUS | | | | | |
| PREPAYMENT PENALTY (INVESTMENT PROPERTIES) | Applies only to Investment Properties – Platinum, Gold, FLEX Underwrite Standard Prepayment Penalty Term – 1, 2, 3, 4, or 5-year (see rate sheet) | | | | | |

DSCR 1.0+

| TRANSACTION TYPE | LTV/CLTV | MAX LOAN AMOUNT | FICO |
|------------------------|------------------|-----------------|------|
| PURCHASE RATE AND TERM | 80% ¹ | \$1,000,000 | 640 |
| | | \$1,500,000 | 660 |
| | | \$2,000,000 | 740 |
| | 75% | \$1,000,000 | 620 |
| | | \$1,500,000 | 640 |
| | | \$2,000,000 | 700 |
| | 70% | \$1,500,000 | 620 |
| | | \$2,000,000 | 640 |
| | | \$2,500,000 | 700 |
| | 65% | \$2,000,000 | 620 |
| \$2,500,000 | | 660 | |
| CASH OUT | 75% | \$1,500,000 | 700 |
| | 70% | \$1,500,000 | 660 |
| | 65% | \$1,000,000 | 620 |
| | | \$2,000,000 | 660 |
| | 60% | \$2,500,000 | 700 |

• Minimum loan amount \$100,000

¹3-4 Unit Max 75%

Short Term Rental **Refinance**: Min DSCR 1.0%. Max LTV 70%. Min Score 700. and 1-year experience operating a short-term rental.

Short Term Rental **Purchases**: Min DSCR 1.0% (or 1.25% using AirDNA 'Revenue Calculator' tool). Max LTV 75%, Min Score 700, and 1-year experience operating a short-term rental. Max LTV 70% without 1-year experience operating a short-term rental.

DSCR .75-.991

| TRANSACTION TYPE | LTV/CLTV | MAX LOAN AMOUNT | FICO |
|------------------------|----------|-----------------|------|
| PURCHASE RATE AND TERM | 70% | \$1,500,000 | 680 |
| | 65% | \$2,000,000 | 700 |

¹Min \$175k loan amount; 40yr and 40 yr. IO not permitted.

Email: lockdesk@lendzfinancial.com
Lock hours: 9 am - 6 pm EST Monday - Friday
Lock window: 10 am - 5 pm EST Monday - Friday

| | | | | | | |
|-------------|--|------|---------|-------------|--------------|----------|
| ELIGIBILITY | Financing of the investment property must be solely for commercial / business purposes and is required to sign a Certification of Business Purpose/Non-Owner Occupancy | | | | | |
| | Product | Term | IO Term | Initial Cap | Periodic Cap | Life Cap |

| | | | | | | |
|----------------------------|--|--------|--------|------------------|----|----|
| PRODUCTS | 30 Yr Fixed | 360 mo | NA | NA | NA | NA |
| | 30 Yr Fixed IO | 360 mo | 120 mo | NA | NA | NA |
| | 40 Yr Fixed | 480 mo | NA | NA | NA | NA |
| | 40 Yr Fixed IO | 480 mo | 120 mo | NA | NA | NA |
| MIN LOAN AMOUNT | Minimum \$100,000 | | | | | |
| INTEREST ONLY | Interest Only Period – 40 Year Interest Only = 10-year IO then 30-year amortization (not permitted on DSCR <0.99) 30 Year Interest Only = 10-year IO then 20-year amortization | | | | | |
| QUALIFICATION | Fully amortizing fixed are qualified at the initial P&I (30-yr or 40-yr, as applicable), property taxes, Insurance, HOA. Interest only loans are qualified on the interest only payment, property taxes, insurance, HOA. | | | | | |
| DSCR CALCULATION | See Rent Qualification in Manual | | | | | |
| DSCR MAX LTV/CLTV | DSCR .75 – 0.99 | | | DSCR 1.0+ | | |
| | Max 70% LTV/CLTV Min 680 FICO | | | Max 80% LTV/CLTV | | |
| BORROWERS | US Citizen Non-Permanent Resident Aliens - 1-2-unit properties only (Max 75% LTV) First Time Investors (see below for details) Limited Partnerships, General Partnerships, Corporations, Limited Liability Company Inter-vivos Revocable Trust Ineligible: First Time Homebuyer, Foreign Nationals | | | | | |
| FIRST TIME INVESTOR | Eligible with DSCR \geq 1.0 Only DSCR <1.0 not permitted for first time investors Motivation letter required if property is purchased out of state from the borrower's/guarantor's residence Min 680 FICO | | | | | |
| CREDIT EVENTS | DSCR - 3 years seasoning LOE required for credit event < 4 years seasoned *Housing Event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent Bankruptcy seasoning including Ch 7, Ch 11 and Ch 13 based on discharged or dismissal date. | | | | | |
| HOUSING HISTORY | <ul style="list-style-type: none"> · 1x30x12 (no rolling) · Only one borrower needs to meet housing history · All borrowers must be current on mortgage or rent at loan application · Property tax liens and delinquent HOA dues at application will require a pre-approval · Housing history required for Primary and subject property refi. Other REO, not reported on credit, no mortgage rating required · Institutional VOM for refinances of construction loans require payment ledger · Document housing history via 12 months proof of payment via credit report, cancelled checks, bank debits or institutional VOR/VOM. · Rent free or incomplete housing history <ul style="list-style-type: none"> o No open and active mortgages reporting on credit or free and clear properties will require pre-approval o Open and active mortgage(s) reporting on initial credit for minimum 12 months is permitted to satisfy housing history. o A minimum 12 months previous mortgage history reporting on initial credit within the last 12 months is permitted to satisfy housing history. o No private VOMs or credit supplements permitted. o Rent free from spouse or title only ownership requires Institutional VOM or bank records to satisfy primary housing history · A borrower who sold a home and is temporarily staying rent free until the purchase of a new home is not considered an incomplete housing history. Must document most rent 12-month history prior to the sale of departing residence | | | | | |
| QUALIFYING FICO | Highest Mid FICO score For refinances, the use of highest score is only eligible if that borrower meets continuity | | | | | |

| | | |
|-------------------------------|---|---|
| | *Use highest mid FICO of any guarantor if more than 1 guarantor. No borrower can have less than a 620 mid FICO | |
| TRADELINES | <ul style="list-style-type: none"> · Each borrower must have 2 tradelines, rated at least 12 months, with activity in the last 24 months. · Tradeline may be opened or closed · Eligible tradelines cannot have any derogatory history in previous 24 months · Current housing not reporting on credit can be considered an open trade if supported by bank records · No authorized user accounts may be used to satisfy minimum tradelines. · Non-traditional credit is not allowed as an eligible tradeline | |
| RESERVES | <p>DSCR 1.0+ - Purchase/Rate Term <=\$1,500,000 – No reserves <= 70%, 6 months > 70% \$2,500,000 – 9 months Cash-out – 6 months</p> <p>DSCR .75-.99 \$1,500,000 – 3 months \$2,000,000 – 9 months</p> | |
| ASSETS | Asset Statements <ul style="list-style-type: none"> · 1 month or 1 quarterly investment statement or FNMA approved third party direct pull services. <ul style="list-style-type: none"> o Statements not required for Cash-out transactions which satisfy reserves, one quarterly investment statement, or FNMA approved third party direct pull services 100% value of Bank Accounts, Stocks, Bonds, Mutual Funds. Retirement Accounts at vesting percentage | |
| INSURANCE | Commercial, Landlord or rental dwelling policy required. | |
| GIFT FUNDS | <ul style="list-style-type: none"> · Eligible for purchase transactions · Borrower(s) must have 10% of their own funds documented but not required to use | |
| PROPERTY | Rural Properties not eligible - See guidelines for Rural definition Exposure <ul style="list-style-type: none"> - Max Financed Properties: 15 Residential - Series 3 Exposure to a Single borrower/guarantor cannot exceed \$5MM UPB or 10 loans Declining Markets requires a 5% LTV reduction from max borrower qualifies for; Floor: 75% Purchase; 70% Refi Max 5 Acres Minimum Square Footage required 500 sq ft. per unit - kitchenettes ineligible SFR/PUDs - Max 6 bedrooms Unsold Builder inventory not eligible | |
| NON-WARRANTABLE CONDOS | Non-Warrantable Condos - Limited to Two | |
| | Max LTV | Max 75% LTV/CLTV |
| | Presale | At least 30% of the units must be sold or under bona fide contract |
| | Investor Concentration | Up to 70% of units can be tenant occupied |
| | Single Entity Ownership | A single entity can own up to 30% of units |
| | Commercial Space | Up to 50% |
| | Recreational Leases | Eligible |
| | Delinquent HOA | Up to 25% |
| | Master Coverage Deductible | Up to 10% allowed |
| | Reserves | <10% replacement, maintenance, and/or deductible |
| | Mandatory Memberships | Cannot exceed 10% of purchase price |
| | Material Litigation – Structural/Functional litigation against developer | Ineligible |
| | Insurance Coverage | Coverage amount less than the replacement cost is ineligible (Actual Cash Value is not permitted) |

| | |
|---------------------------------------|--|
| Newly Converted – Non-full gut rehabs | Ineligible |
| Flood Insurance | Projects in a flood zone with no master flood coverage are ineligible. Borrower individual policies are not acceptable |

APPRAISAL REQUIREMENTS

1 Full appraisal required for all transactions.
 Hybrid appraisals on SFRs and Condos allowed with min 680 FICO, Max Loan Amount \$1,500,000 based on the below chart:

| Transaction Type | Max LTV/CLTV |
|------------------|------------------|
| Purchase | Max 70% LTV/CLTV |
| Rate & Term | Max 65% LTV/CLTV |
| Cash Out | Max 60% LTV/CLTV |

All appraisals require a third-party valuation by a Lenz approved vendor:
 Contact Lenz for a list of approved desk review vendors.
 Approved Desk Review Vendors:

- Consolidated Analytics
- Clear Capital
- ServiceLink
- Stewart Lender Services
- Summit Valuations

CU score of 2.5 or below, no further review required.

CASH-OUT

| LTV/CLTV | Maximum Cash Out |
|----------|------------------|
| > 65.01% | \$750k |
| <65% | \$1.5MM |

| Ownership Seasoning | 0-6 Months | 6.1-12 Months |
|---------------------|---|---------------|
| Rate/Term | Lesser of (PP + Improvements*) -or- Appraisal | Appraisal |
| Cash Out | Not permitted | Appraisal |

*Purchase appraisal or original listing photos required along with schedule of improvements
 Rate/Term & Cash-Out Refinance: Seasoning is measured from application date

PREPAYMENT PENALTY

Standard Prepayment Penalty Term – 1, 2, 3, 4 or 5-year (see rate sheet for details)
 Three Prepayment Penalty structure options are available:

- Standard Prepayment Penalty: Penalty term of six months' advance interest on the amount prepaid that exceeds 20% of the original balance of the note – 1, 2, 3, 4 or 5-year term (see rate sheet for details)
- Flat structure - 3-, 4 - or 5-year prepayment term at a 5% flat rate.
- Tiered structure as indicated below:

| | 5 Year PPP | 4 Year PPP | 3 Year PPP | 2 Year PPP | 1 Year PPP |
|---------------|------------|------------|------------|------------|------------|
| Payoff Year 1 | 5% | 5% | 5% | 3% | 3% |
| Payoff Year 2 | 4% | 4% | 4% | 3% | |
| Payoff Year 3 | 3% | 3% | 3% | | |
| Payoff Year 4 | 2% | 2% | | | |
| Payoff Year 5 | 1% | | | | |

PROPERTIES LISTED FOR SALE

| Transaction Type | PPP Term/ LTV | 0-6 months | 6.1-12 months |
|----------------------|---------------------------|---------------|-------------------|
| Rate/Term no Penalty | N/A | Not Permitted | By exception only |
| Rate/Term Penalty | Min 2 yr penalty | Permitted | Permitted |
| Cash Out no Penalty | Max LTV 70% | Not Permitted | By exception only |
| Cash Out w/ Penalty | Min 2 yrs and max LTV 70% | Permitted | Permitted |

LTV calculated on lower of appraisal or last listing price