

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	75
	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:	Max LTV/CLTV:	Price Adjustment Applies
		85 - Purchase	85 - Purchase	<b>Non-Permanent Resident</b>
Housing Event Seasoning		80 - Rate/Term	80- Rate/Term	Standard Doc limited to 24 months Max CLTV 80%
BK/FC/SS/DIL >=48 Months		75 - Cash-Out	75 - Cash-out	
Max Loan Amount: \$2,500,000				
State Eligibility				
State overlays for CT, IL, NJ, NY:				
Maximum LTV/CLTV limited to 85% for purchase and 80% for rate/terms and cash-out transactions 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			
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	<ul style="list-style-type: none"> <li>Property up to 20-acres, not meeting the rural definition, eligible.</li> <li>10 or more acres limited to a max LTV/CLTV 80%</li> </ul>			
Cash-In-Hand	• Max Cash-In-Hand: Unlimited			
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	• 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			
Assets	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>	<ul style="list-style-type: none"> <li>• Min contribution: 5% primary, 10% investment</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</li> <li>• Penalties not allowed on loans vested to individuals in IL and NJ</li> <li>• Penalties not allowed on loan amounts less than \$312,159 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>
<b>Escrows</b>	Escrows for hazard insurance and taxes are required See Section in guidelines for escrows and impounds for additional requirements.
<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>	

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		
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	75		
	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: Max Loan Amount \$2,500,000	Max LTV/CLTV: Max Loan Amount \$2,500,000	Price adjustment applies see rate sheet		
Housing Event Seasoning				85 - Purchase	85 - Purchase	<b>Non-Permanent Resident</b>
BK/FC/SS/DIL/Mod: >=48 Months				80 - Rate/Term	80 - Rate/Term	Alt Doc limited to 24 months Max CLTV 80%
Written VOE and P&L Only		75 - Cash-out	75 - Cash-out			
Max LTV/CLTV: 80% Purchase, 75% Rate/term, 70% Cash-Out Min Credit Score 680 Max Loan Amount: \$2,500,000						
State Eligibility						
State overlays for CT, IL, NJ, NY: Maximum LTV/CLTV limited to 85% for purchase and 80% 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						
<b>Product Type</b>	Fixed terms: 15yr, 30yr, 40yr					
<b>Interest Only</b>	• Min Credit Score: 660		• Max LTV: 90%			
<b>Loan Amounts</b>	• Min: 150,000		• Max: 4,000,000			
<b>Loan Purpose</b>	Purchase, Rate/Term, and Cash Out					
<b>Occupancy</b>	Primary, Second Home, Investment					
<b>Property Type</b>	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					
<b>Acreage</b>	• Property up to 20-acres, not meeting the rural definition, eligible. • 10 or more acres limited to a max LTV/CLTV 80%					
<b>Cash-In-Hand</b>	• Max Cash-In-Hand: Unlimited					
<b>Appraisals</b>	• 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						
<b>Personal Bank Statements:</b>	• 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					

<b>Business Bank Statements</b>	<ul style="list-style-type: none"> <li>• 24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods <ul style="list-style-type: none"> <li>- Fixed Expense Ratio (50%)</li> <li>- Expense ratio provided by a 3rd party (CPA, EA or Tax preparer) min ratio of 10%</li> <li>- 3rd party prepared Profit &amp; Loss Statement (CPA, EA or tax preparer)</li> </ul> </li> </ul>		
<b>Profit &amp; Loss Statement Only</b>	<ul style="list-style-type: none"> <li>• 24 or 12-month CPA/EA/CTEC/Tax Attorney prepared Profit &amp; Loss Statement Only</li> <li>• CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent tax return</li> </ul>		
<b>Written VOE</b>	<ul style="list-style-type: none"> <li>• FNMA Form 1005</li> <li>• Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements</li> </ul>		
<b>IRS Form 1099</b>	<ul style="list-style-type: none"> <li>• 2-Years or 1-Year 1099</li> </ul>	<ul style="list-style-type: none"> <li>• Fixed Expense Ratio of 10%</li> </ul>	<ul style="list-style-type: none"> <li>• YTD Documentation to support continued receipt of income from same source</li> </ul>
<b>Asset Utilization</b>	Eligible assets divided by 84 to determine a monthly income stream: Max DTI: 43% Min Credit Score: 660		
<b>Underwriting Requirements</b>			
<b>Assets</b>	Min of 30-days asset verification required; any large deposit		
<b>Credit Score</b>	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 \$312,159 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>• Max 50%.</li> </ul> See FTHB guidelines for DTI restrictions		
<b>Escrows</b>	Escrows for hazard insurance and taxes are required See Section in guidelines for escrows and impounds for additional requirements.		
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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	75
	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
640	1000000	80	75	70
	1,000,001 - 1,500,000	70	65	65
	1,500,001 - 2,000,000	65	NA	NA
620	1,000,000	70	70	NA
Housing History Restrictions				1 Year Standard doc
Housing History:	1x30x12	0x60x12	0x90x12	Adjustments Apply
Max LTV/CLTV: Purchase	85	80	70	<b>Non-Permanent Resident</b>
Max LTV: Refinance	80	75	NA	Standard Doc limited to 24 months
Max Loan Amt:	\$3,000,000	\$1,500,000	\$1,000,000	Max CLTV 80%
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	
State Eligibility				
State Overlays for CT, IL, NJ, NY				
Maximum LTV/CLTV limited to 80% for purchase and 75% 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				
<b>Product Type</b>	Fixed Terms: 15, 30, 40-years			
<b>Interest Only</b>	• Min Credit Score: 660		• Max LTV: 85%	
<b>Loan Amounts</b>	• Min: 150,000		• Max: 3,000,000	
<b>Loan Purpose</b>	Purchase, Rate/Term, and Cash Out			
<b>Occupancy</b>	Primary, Second Home, Investment			
<b>Property Type</b>	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			
<b>Acreage</b>	Property up to 20-acres, not meeting the rural definition, eligible, 10 or more acres limited to a max LTV/CLTV 80%			
<b>Cash-In-Hand</b>	• Max Cash-In-Hand: Unlimited			
<b>Appraisals</b>	• 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				
<b>Income</b>	• 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				
<b>Credit Score</b>	Middle of 3 scores or lower of 2 Use credit score of the borrower with the highest qualifying income			
<b>Reserves</b>	• 6 months of PITIA if LTV >= 80% • 3 months of PITIA if LTV < 80% • Cash out may be used to satisfy requirement			
<b>Assets</b>	Min of 30-days asset verification required; any large deposit must be sourced			
<b>Gift Funds</b>	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 \$312,159 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>Escrows</b>	Escrows for hazard insurance and taxes are required See Section in guidelines for escrows and impounds for additional requirements.
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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	75
	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
640	1,000,000	80	75	70
	1,000,001 - 1,500,000	70	NA	NA
	1,500,001 - 2,000,000	65	NA	NA
620	1000000	70	70	NA
Housing History Restrictions				Occupancy Restrictions 2nd Home & Investment
<b>Housing History:</b>	<b>1x30x12</b>	<b>0x60x12</b>	<b>0x90x12</b>	Max LTV/CLTV Purchase: 80% Max LTV Refinance: 75% Max Loan Amount: \$2,500,000
Max LTV/CLTV: Purchase	85	80	70	<b>Non-Permanent Resident</b>
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
<b>BK/FC/SS/DIL/Mod:</b>	<b>&gt;=36 Mo</b>	<b>&gt;= 24 Mo</b>	<b>&gt;= 12 Mo</b>	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
State Eligibility				
State Overlays for CT, IL, NJ, NY				
Maximum LTV/CLTV limited to 80% for purchase and 75% 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				
<b>Product Type</b>	Fixed Terms: 15, 30, 40-years			
<b>Interest Only</b>	• Min Credit Score: 660		• Max LTV: 85%	
<b>Loan Amounts</b>	• Min: 150,000		• Max: 3,000,000	
<b>Loan Purpose</b>	Purchase, Rate/Term, and Cash Out			
<b>Occupancy</b>	Primary, Second Home, Investment			
<b>Property Type</b>	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			
<b>Acreage</b>	Property up to 20-acres, not meeting the rural definition, eligible, 10 or more acres limited to a max LTV/CLTV 80%			
<b>Cash-In-Hand</b>	• Max Cash-In-Hand: Unlimited			
<b>Appraisals</b>	• 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				
<b>Personal Bank Statements:</b>	• 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			
<b>Business Bank Statements</b>	• 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)			
<b>Profit &amp; Loss Statement Only</b>	• 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			

<b>Written VOE</b>	<ul style="list-style-type: none"> <li>• FNMA Form 1005</li> <li>• Minimum Credit Score: 660</li> <li>• Two (2) most recent months of personal bank statements reflecting deposit(s) from employer on each of the statements</li> </ul>		
<b>IRS Form 1099</b>	<ul style="list-style-type: none"> <li>• 2-Years or 1-Year 1099</li> </ul>	<ul style="list-style-type: none"> <li>• Fixed Expense Ratio of 10%</li> </ul>	<ul style="list-style-type: none"> <li>• YTD Documentation to support continued receipt of income from same source</li> </ul>
<b>Underwriting Requirements</b>			
<b>Credit Score</b>	Middle of 3 scores or lower of 2 Use credit score of primary earner		
<b>Reserves</b>	<ul style="list-style-type: none"> <li>• 6 months of PITIA if LTV &gt;= 80%</li> <li>• 3 months of PITIA if LTV &lt; 80%</li> <li>• Cash out may be used to satisfy requirement</li> </ul>		
<b>Assets</b>	Min of 30-days asset verification required; any large deposit must be sourced		
<b>Gift Funds</b>	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 \$312,159 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>Escrows</b>	Escrows for hazard insurance and taxes are required See Section in guidelines for escrows and impounds for additional requirements.		
<b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b> <b>Lock hours: 9 am - 6 pm EST Monday - Friday</b> <b>Lock window: 10 am - 5 pm EST Monday - Friday</b>			

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 - 3,500,000	70	65	NA
660	1,000,000	75	75	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	70	65	65
	2,500,001 - 3,000,000	65	NA	NA
640	1,000,000	75	70	NA
	1,000,001 - 1,500,000	65	65	NA
	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
680	1,000,000	70	65	NA
	1,000,001 - 1,500,000	70	65	NA
	1,500,001 - 2,000,000	65	60	NA
	2,000,001 - 3,000,000	60	NA	NA
660	1,000,000	65	NA	NA

**Investor Experience**

**Experienced Investor:** 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.

**First Time Investor:** 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 long-term rental refinances: A vacant or unleased property is allowed subject to max LTV of 75% for Purchase and 70% for Refinance. Not applicable for short-term rentals, see short-term rental income section for specific criteria

Housing History	Non-Permanent Resident	Credit Event Seasoning
<ul style="list-style-type: none"> <li>• 1x30x12 – No reduction</li> <li>• 0x60x12 – Max 70% LTV Purchase &amp; Max 65% LTV Rate/Term &amp; Cash-out</li> </ul>	Max CLTV 75%	BK/FC/SS/DIL/Mod: <ul style="list-style-type: none"> <li>• &gt;=36 Mo – No reduction</li> <li>• &gt;=24 Mo – Max 75% LTV Purchase</li> <li>• &gt;=24 Mo – Max 70% LTV Rate/Term &amp; Cash-out</li> </ul>

**State Eligibility**

State Overlays for CT, IL, NJ, NY  
 Maximum LTV/CLTV 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**

<b>Product Type</b>	Fixed Terms: 15, 30, 40-year	
<b>Interest Only</b>	• Min Credit Score: 680	• Max LTV: 75% Purchase, 75% Rate/Term, 70% Cash-Out
<b>Loan Amounts</b>	• Min: 100,000	• Max: 3,500,000
<b>Loan Amt &lt; 150K</b>	Max LTV/CLTV: Purchase 70%, any Refinance 65% (Min DSCR 1.25)	
<b>Loan Purpose</b>	Purchase, Rate/Term, and Cash Out	
<b>Occupancy</b>	Investment Only	
<b>Property Type</b>	Single Family, Attached, Detached: No restrictions	
	Rural – Not eligible	
	2-4 Units, Condominium: Purchase: 75%, Refinance: 70%	
	Florida Condominiums: <ul style="list-style-type: none"> <li>• A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast</li> </ul>	

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>	
<b>Income Requirements</b>		
Income	<ul style="list-style-type: none"> <li>• <b>Long-Term Rental Documentation and DSCR Calculation</b> <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>- Max LTV: Purchase 75%, Refinance 70%</li> </ul> </li> </ul> </li> <li>o Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025 as follows:               <ul style="list-style-type: none"> <li>▪ If using the lower of the actual lease amount or estimated market rent, nothing further is required.</li> <li>▪ If using a higher 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 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%.                   <ul style="list-style-type: none"> <li>▪ If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120%.</li> </ul> </li> </ul> </li> <li>o A vacant or unleased property is allowed subject to the following: Max LTV Purchase 75%, Refinance 70%</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> <p>Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> </li> <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. (Excludes Condo Hotel projects)</li> <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 When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.</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%                   <ul style="list-style-type: none"> <li>▪ Maximum occupancy limited to 2 individuals per bedroom</li> </ul> </li> <li>• Must have five (3) comparable properties, all within the same ZIP code                   <ul style="list-style-type: none"> <li>▪ Must be similar in size, room count, amenities, availability, and occupancy</li> </ul> </li> </ul> </li> <li>▪ Overview Report (Evaluate a Market)               <ul style="list-style-type: none"> <li>• Market score or Sub-Market score by zip code</li> </ul> </li> </ul> </li> <li>• Market score or Sub-Market score must be 60 or greater.</li> <li>• When both a market and sub-market score are present, use the lower of the two.           <ol style="list-style-type: none"> <li>a. Both the market and sub-market score must be at the zip code level.</li> </ol> </li> </ul> </li> </ul> </li> </ul>	

Underwriting Requirements			
<b>Credit Score</b>	Middle of 3 scores or lower of 2	<b>Document Age</b>	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 \$312,159 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>	
<b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b> <b>Lock hours: 9 am - 6 pm EST Monday - Friday</b> <b>Lock window: 10 am - 5 pm EST Monday - Friday</b>			

Maximum LTV/CLTVs		>= 1.00		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700	1,500,000	75	70	65
	1,500,001 - 2,000,000	70	65	65
Housing History	Housing Event Seasoning	Investor Experience		
0x30x12	BK/FC/SS/DIL/Mod: >=36 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			
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 are not eligible			
Property Type	<ul style="list-style-type: none"> <li>• Residential 5 – 8 Units</li> <li>• 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> </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	<ul style="list-style-type: none"> <li>• A full interior inspection with photos is required for all units.</li> <li>• 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> </li> <li>• 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> </li> <li>• 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> </li> <li>• Review Product – A commercial BPO required for all loans.               <ul style="list-style-type: none"> <li>◦ In PA, NC a commercial evaluation product is used instead of a commercial BPO.</li> </ul> </li> </ul>			
Property Condition	<ul style="list-style-type: none"> <li>• No fair or poor ratings</li> <li>• No environmental issues (Storage or use of hazardous material i.e., Dry Cleaners, Laundromat)</li> <li>• No health or safety issues (As noted by appraiser, i.e., broken windows, stairs)</li> <li>• No excessive deferred maintenance that could become a health or safety issue for tenants</li> <li>• No structural deferred maintenance, (i.e., Foundation, roof, electrical, plumbing)</li> </ul>			
Mixed Use	Commercial use limited to retail or office space. Residential/Commercial zoning acceptable.			
Income Requirements				
Income	<ul style="list-style-type: none"> <li>• Leased - Use lower of Estimated market rent or lease agreement.</li> <li>• Short term rental income not eligible</li> <li>• Vacant Unit(s) – Use 75% of market rents. Max: 1 vacancy on 2-3 Unit properties: 2 vacancies on 4+ Units.</li> <li>• Reduce qualifying rents by any management fee reflected on appraisal report.</li> <li>• 2-8 Mixed Use – Income from commercial space must not exceed 49% of the total property income</li> </ul>			
DSCR	<ul style="list-style-type: none"> <li>• Minimum DSCR &gt;= 1.00</li> <li>• DSCR = Eligible monthly rents/PITIA (Loans with an interest only feature may use the ITIA payment).</li> <li>• Loan amounts &gt;= \$2,000,000 require DSCR &gt;= 1.00 and Debt Yield of 9% or greater (Net operating income/Loan amount = 9% or greater)</li> <li>• Reduce qualifying rents by any management fee reflected on the appraisal report</li> </ul>			
Underwriting Requirements				
Credit Score	Middle of 3 scores or lower of 2	Document Age	90-Days	
Reserves	<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</li> <li>• Penalties not allowed on loans vested to individuals in IL and NJ</li> <li>• Penalties not allowed on loan amounts less than \$312,159 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>
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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
<b>Housing History</b>	<b>Credit Events</b>	<b>Investor Experience</b>		
0x60x12	>=36 Months	<b>Experienced Investor:</b> 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 <b>First Time Investor:</b> Not eligible		
<b>Cross Collateral</b>				
<b>Loan Amounts</b>	• Min: \$400,000		• Max: \$3,000,000	
<b>Property Count</b>	• Min: 3		• Max: 25	
<b>Property Allocated Balance</b>	• Min: \$50,000		• Max: \$1,000,000	
<b>Cash-Out</b>				
<b>LTV &lt;= 65%</b>	Unlimited			
<b>State/CBSA Restrictions</b>				
Maximum eligible LTVs do not require a market adjustment for the cross-collateral program.				
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands				
<b>General Requirements</b>				
<b>Product Type</b>	Fixed Terms: 15, 30, 40-years			
<b>Property Type</b>	Eligible: 1-4 unit residential properties, condominiums, condo hotels. Ineligible: 5-8 unit residential and 2-8 mixed use properties.			
<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 \$312,159 in PA</li> <li>• Only declining prepayment penalty structures allowed in MS</li> </ul>			
	<ul style="list-style-type: none"> <li>• Acceptable structures include the following:               <ul style="list-style-type: none"> <li>o Fixed percentage of no less than 3%</li> <li>o Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years.</li> </ul> </li> </ul> For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%)			
<b>Eligibility Restrictions</b>	Foreign Nationals Not eligible Citizens and individuals from OFAC sanctioned countries including Russia and Belarus are not eligible			
<b>Email: <a href="mailto:lockdesk@lendzfinancial.com">lockdesk@lendzfinancial.com</a></b> <b>Lock hours: 9 am - 6 pm EST Monday - Friday</b> <b>Lock window: 10 am - 5 pm EST Monday - Friday</b>				

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: LTV Reduction not required	
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: 30, 40-years;			
Interest Only	Eligible			
Loan Amounts	• Min: 150,000                      • Max: 1,500,000			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Occupancy	• Investment for all eligible foreign citizens			
Eligibility Restrictions	<ul style="list-style-type: none"> <li>• Citizens and individuals from OFAC sanctioned countries are not eligible</li> <li>• Florida Purchases: Florida loans 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"> <li>o Conveyances to Foreign Entities – By Individual Buyer</li> <li>o Conveyances to Foreign Entities – By Entity Buyer</li> </ul> </li> </ul>			
Property Type	Single Family, Attached, Detached: No restrictions		Florida Condominiums: <ul style="list-style-type: none"> <li>• A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast</li> <li>• greater than 5 stories;</li> <li>• Projects with an unacceptable or no inspection are not eligible.</li> </ul>	
	Rural – Not eligible			
	2-4 Units, Condominium: Max LTV/CLTV <ul style="list-style-type: none"> <li>• Purchase - 70%</li> <li>• Refinance - 65%</li> </ul>			
	Condo Hotel Max LTV/CLTV: <ul style="list-style-type: none"> <li>• Purchase - 70%</li> <li>• Refinance - 65%</li> </ul>			
Acreage	• DSCR maximum 2-acres.			
Cash--In-Hand	<ul style="list-style-type: none"> <li>• \$300,000 if LTV &gt; 50%</li> <li>• \$500,000 for LTV &lt;= 50%</li> </ul> Total equity withdrawn cannot exceed above limits			
Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. 2nd appraisal or appraisal review product required.			
Escrow Waiver	<ul style="list-style-type: none"> <li>• Purchase Only</li> <li>• LTV must be less than or equal to 65%</li> <li>• Minimum 12 Months reserves</li> </ul> Subject to LLPAs - see rate sheet			
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 as follows
  - If using the lower of the actual lease amount or estimated market rent, nothing further is required.
  - If using a higher 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 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120%.
  - If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is 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

• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.

• Any of the following methods may be used to determine gross monthly rental income:

- o A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents.
  - If long-term rent is utilized, 20% expense factor is not to be applied
- o 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 qualifying rental income must be net of all vendor or management fees.
- o The most recent 12-month bank statements from the borrower/guarantor evidencing short-term rental deposits. Borrower/guarantor must provide rental records for the subject property to support monthly deposits.
- o AIRDNA Rentalizer and Overview reports, accessed using the Explore Short-Term Rental Data, must meet the following requirements:

▪ **Rentalizer (Property Earning Potential)**

- Only allowed for purchase transaction
- Gross rents equal the revenue projection from the Rentalizer Report less the 20% extraordinary expense factor
  - Forecast period must cover 12 months from the Note date
  - The occupancy rate must be > 60%
    - Maximum occupancy limited to 2 individuals per bedroom
  - Must have five (5) comparable properties, all within the same ZIP code
    - Must be similar in size, room count, amenities, availability, and occupancy
  - Overview Report (Evaluate a Market)
    - Market Score or Sub-Market Score by zip code
    - Market Score or Sub-Market Score must be 60 or greater

**Underwriting Requirements**

<b>Credit Score</b>	<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
<b>Reserves</b>	<ul style="list-style-type: none"> <li>• 6-Months PITIA</li> <li>• Cash out may be used to satisfy requirement</li> </ul>		
<b>Gift Funds</b>	Not allowed		
<b>Assets</b>	Min of 30-days asset verification required		
<b>Tradelines</b>	US credit: Min 2 reporting 24-months or 3 reporting 12-months, for borrowers		

**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 \$312,159 in PA
- Only declining prepayment penalty structures allowed in MS

**Email: [lockdesk@lendzfinancial.com](mailto:lockdesk@lendzfinancial.com)**

**Lock hours: 9 am - 6 pm EST Monday - Friday**

**Lock window: 10 am - 5 pm EST Monday - Friday**

**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**

<b>Product and Term</b>	<ul style="list-style-type: none"> <li>Fixed Rate - Fully amortizing term of 30 years.</li> </ul>
<b>Loan Amounts</b>	<ul style="list-style-type: none"> <li>Min: \$75,000</li> <li>Max: \$500,000</li> </ul>
<b>Combined Loan Balance Caps</b>	<ul style="list-style-type: none"> <li>The CLTV of the combined 1st and 2nd lien loan balances are restricted as follows:                             <ul style="list-style-type: none"> <li>Total lien balance &gt; \$2,000,000 – 80% CLTV</li> <li>Total lien balance &gt; \$3,000,000 – 75% CLTV</li> </ul> </li> <li>Maximum combined loan balance for all liens not to exceed \$4,000,000</li> </ul>
<b>Loan Purpose</b>	<ul style="list-style-type: none"> <li>Stand-Alone Cash Out (minimum ownership of 6 months required)</li> <li>Simultaneous/Piggyback</li> </ul>
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>Primary, Second Home, Investment</li> </ul>
<b>Cash-Out</b>	<ul style="list-style-type: none"> <li>Max cash-out: \$500,000</li> </ul>
<b>Eligible Borrower</b>	<ul style="list-style-type: none"> <li>U.S. Citizen</li> <li>Permanent Resident Alien</li> </ul>
<b>State Restrictions</b>	<ul style="list-style-type: none"> <li><b>Not Eligible:</b> <ul style="list-style-type: none"> <li>Texas</li> <li>Puerto Rico, Guam, &amp; the US Virgin Islands not eligible</li> </ul> </li> <li><b>Restricted:</b> <ul style="list-style-type: none"> <li>CT, IL, NJ, NY (Max CLTV 80%, Min FICO 720)</li> </ul> </li> </ul>
<b>Ineligible Loan Features</b>	<ul style="list-style-type: none"> <li>Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.</li> <li>Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.</li> <li>Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.</li> <li>All existing subordinate liens must be satisfied except for solar panels, see Solar Panels section of guides</li> <li>All Solar Panel loans and leases with PACE/HERO financing must be paid off</li> </ul>

**Income Requirements**

<b>Standard Doc</b>	<ul style="list-style-type: none"> <li>Wage/Salary: Paystubs, 1or 2-years W-2s, IRS Form 4506-C, Verbal VOE</li> <li>Self-Employed: 1 or 2-Years of Personal and Business (If applicable) Tax Returns, YTD P&amp;L, 2 recent business bank statements, IRS Form 4506-C</li> </ul>
<b>Personal Bank Statements</b>	<ul style="list-style-type: none"> <li>24 or 12-months of Personal and 2-months of business bank statements</li> <li>Qualifying income is determined by the total eligible deposits from the 24 or 12- months of personal statements divided by the number of statements</li> <li>The business bank statements must reflect business activity and transfers to the personal account</li> </ul>
<b>Business Bank Statements</b>	<ul style="list-style-type: none"> <li>24 or 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods:                             <ul style="list-style-type: none"> <li>Fixed Expense Ratio (50%)</li> <li>Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) with min ratio of 10%</li> <li>3rd party prepared Profit &amp; Loss Statement (CPA, EA, or tax preparer)</li> </ul> </li> </ul>
<b>IRS Form 1099</b>	<ul style="list-style-type: none"> <li>2-Years or 1-Year 1099</li> <li>Fixed Expense Ratio of 10%</li> <li>YTD documentation to support continued receipt of income</li> </ul>
<b>Desktop Underwriter (DU) or Loan Prospector (LP)</b>	<ul style="list-style-type: none"> <li>For simultaneous transactions only</li> <li>Findings permitted to be used for income, asset, and liability documentation</li> <li>Appraisal must follow the requirements of this program (appraisal waiver option from findings not eligible)</li> <li>Max DTI based upon CLTV restrictions for this program. See DTI section.</li> </ul>

**Underwriting Requirements**

<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>For criteria that is not referenced in this matrix, follow the Series 1 - Guidelines</li> </ul>
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<b>First Lien</b>	<ul style="list-style-type: none"> <li>• First lien documentation requirements: <ul style="list-style-type: none"> <li>o Copy of 1st lien Note; and <ul style="list-style-type: none"> <li>• Default interest rate on Note cannot exceed Note rate</li> <li>• If Interest Only and/or ARM, terms of the Note to be reviewed (See DTI Requirements)</li> </ul> </li> <li>o Copy of most recent monthly mortgage payment statement <ul style="list-style-type: none"> <li>• Utilized to determine if payment includes escrows (See DTI Requirements)</li> </ul> </li> </ul> </li> <li>• Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> <li>o Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12-months of the Note date</li> <li>o Loans in active forbearance or deferment</li> <li>o Negative amortization including loans with Paid-In-Kind (PIK) features</li> <li>o Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien</li> <li>o Reverse Mortgages</li> <li>o First liens for the subject property not reporting on credit report <ul style="list-style-type: none"> <li>• e.g., Private party mortgages including any loan not reporting on credit report</li> </ul> </li> <li>o Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages</li> <li>o Home Equity Line of Credit</li> <li>o Note with default interest rate greater than the Note rate</li> </ul> </li> </ul>
<b>Credit</b>	Credit report, fraud report, gap/UDM report required for all transactions.
<b>Qualifying Credit Score</b>	<ul style="list-style-type: none"> <li>• Use credit score of the borrower with the highest qualifying income</li> <li>• Middle of 3 scores or lower of 2</li> </ul>
<b>Housing History</b>	<ul style="list-style-type: none"> <li>• 0x30x12 – verification of mortgage history required on all loans</li> <li>• Verify the 1st lien P&amp;I payment with either: <ul style="list-style-type: none"> <li>o Copy of 1st lien Note, and</li> <li>o Copy of most recent monthly mortgage payment statement</li> </ul> </li> </ul>
<b>Credit Events</b>	Foreclosure, Short Sale, Deed in Lieu, Bankruptcy: 48-month seasoning
<b>Tradelines</b>	<ul style="list-style-type: none"> <li>• Min: 2 reporting 24-months with/activity in the last 12-months or 3 reporting 12-months w/recent activity</li> <li>• If the primary borrower has three (3) credit score, the minimum tradeline requirement is waived</li> </ul>
<b>Reserves</b>	None required
<b>Assets</b>	Asset verification required if funds needed to consummate the transaction
<b>Maximum DTI Ratio</b>	<ul style="list-style-type: none"> <li>• 80% CLTV: Maximum DTI ratio 50%</li> <li>• 90% CLTV: Maximum DTI ratio 45%</li> </ul>
<b>Age of Documents</b>	<ul style="list-style-type: none"> <li>• Credit Documents: May not be over 90-days old at the time of closing.</li> <li>• Appraisals, Title Report (or O&amp;E): May not be over 120-days old at time of closing. <ul style="list-style-type: none"> <li>o AVM may not be over 30- days old at time of closing.</li> </ul> </li> </ul>
<b>Appraisal and Property</b>	
<b>Eligible Property</b>	<ul style="list-style-type: none"> <li>• Single Family (Attached, Detached)</li> <li>• 2-4 Unit residential properties (Max CLTV 75%)</li> <li>• Condominiums (Max CLTV 80%)</li> </ul>

**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 The Seller may submit the appraisal report to Collateral Underwriter® (CU®) or Loan Collateral Advisor® (LCA). An eligible score is 2.5 or less. The file must include a copy of the Submission Summary Report (SSR). (Only one score required, if both scores (CU & LCA) provided, both required to be 2.5 or less). If the score exceeds 2.5, the file must include either an enhanced desk review, field review, or second appraisal; or
  - o An enhanced desk review product from one of the following choices:
    - ARR from Stewart Valuation Intelligence FKA Pro Teck.
    - CDA from Clear Capital.
    - ARA from Computershare.
    - CCA from Consolidated Collateral Analysis.
    - VRR from Homegenius Real Estate
    - Valreview Appraisal Review Value from Valligent (Veros Software Company)
  - o AVM within 30-days of Note date (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 Broker Price Opinion (BPO)

**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 (Homegenius)	<= 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**

**Loan Amount <=\$250,000, provide one of the following:**

- o Owner and Encumbrance Report (O&E) to include:
  - Current Grantee / Owner
  - How property was conveyed to current owner
  - Liens (e.g., mortgage, UCC, other financing)
  - Involuntary liens and judgements
  - Property Tax Information with break-down of all taxes including special assessments
  - Legal Description
- o ALTA Full Title Policy
- o ALTA Short Form Residential Limited Coverage Junior Loan Policy

**Loan Amount >\$250,000, provide one of the following**

- o ALTA Full Title Policy
- o ALTA Short Form Residential Limited Coverage Junior Loan 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

<b>Escrows</b>	·Escrows for taxes and hazard insurance not required
<b>Hazard Insurance</b>	<ul style="list-style-type: none"><li>• Hazard Insurance coverage must provide for claims to be settled on a replacement cost basis</li><li>• Loss payee clause must reflect seller as additional insured</li></ul>
<b>Ineligible Senior Liens</b>	<ul style="list-style-type: none"><li>· Senior liens with high-risk features which can include, but are not limited to:<ul style="list-style-type: none"><li>o Loans in active forbearance or deferment</li><li>o Negative amortization</li><li>o Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien</li><li>o Reverse Mortgages</li><li>o Private Mortgages</li></ul></li></ul>

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

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