

Eligibility Matrix		Max CLTV	
Loan Amount	FICO	Rate/Term	Cash-Out
≤ \$500,000	720	80%	80%
	700	75%	75%
	680	65%	65%
Mortgage History		0x30x12	
BK / FC / SS / DIL Seasoning		48 Months	

Program Parameters	
Limits	
Minimum Loan Amount	\$75,000
Maximum Loan Amount	\$500,000
Min DSCR	1.00x
Products	
15 Y Fixed	20Y Fixed
25Y Fixed	30Y Fixed

Other	
Occupancy	Business Purpose Investment Properties only
Property Types - Eligible	SFR, PUD, Townhome, 2-4 Units 2-4 Units: 5% CLTV Reduction
Property Types - Ineligible	Condos, Non-Warrantable Condos, Rural, Condotels, Commercial/Agricultural, Leasehold Properties, Land Trusts, Age-Restricted Communities, Hobby Farms Modular, Land Contract & Log Homes
Reserves	No reserves required
Short Term Rentals	Not Allowed
Interest Only	Not Allowed
DSCR	DSCR = Gross Rents / PITIA (fully amortizing). Min DSCR 1.00x
Ownership Seasoning	Minimum 6 months ownership required
Lease / Gross Income	Lesser of Estimated Market Rent from Form 1007 or monthly rent from existing lease - higher lease rent allowed with (3) months receipt Lease in place required for all subject properties; 2+ Unit properties: Max 1 vacant unit allowed
Citizenship	US Citizens; Permanent Resident Aliens; Non-Permanent Resident Aliens (w/ US Credit)
Personal Guaranty	Required on all loans to Entity / LLC borrowers
Appraisal Requirements	For loan amounts ≤ \$400,000, <u>one</u> of: ▪ AVM (see requirements below) + Property Condition Report (or) Full interior appraisal (Fannie Mae Form 1004 or 1025) For loan amounts > \$400,000: ▪ Full interior appraisal (Fannie Mae Form 1004 or 1025); Other Requirements: ▪ Appraisal Waivers are not acceptable
AVM Requirements	Acceptable Vendors: ClearCapital Confidence Rating: ClearCapital (≥ 90% / ≤ 0.10); See Guidelines for additional details If the AVM does not provide the required FSD score or confidence rating, the AVM is considered ineligible and an iQuant from Class, an Exterior-Only or Full Interior Appraisal is required.
Eligible Borrowers	Natural Persons; Corporations; LLC Entities LLC Borrowing Entities: Domestic LLC required; US Citizen / Perm Resident / Non-Perm guarantors allowed - see guidelines for details
Credit	Standard: 3 trades reporting for 12+ months or 2 trades reporting for 24+ months all with activity in the last 12 months or one mortgage or installment tradeline for 36+ months with 12 months activity in the last 12 months. Acceptable tradelines must show 0x60 in most recent 12 months from application date. Qualifying FICO: The higher middle score when 3 agency scores are provided or the lower score when only 2 agency scores are provided, of all borrowers / guarantors.
Title Policy	Loan Amounts ≤ \$400,000 - Owner and Encumbrance Property Report. Loan Amounts >\$400,000 - Full Title Policy
Listed Properties	Properties listed for sale in prior 6 months from application are ineligible
Escrows	Flood Insurance is required to be escrowed if the first mortgage does not contain and subject is in a flood zone
Compliance	Compliance with all applicable federal and state regulations
Declining Markets	If property is located in a declining market as indicated by the appraisal, Max CLTV is reduced by 5%
Hazard Coverage	100% replacement cost or updated coverage to cover both the 1st and 2nd lien required
Prepayment Penalty	Standard = % of amount prepaid (partial or full prepayment): 5-year penalty with 5%, 4%, 3%, 2%, 1% stepdown fee structure; OR 4-year penalty with 5%, 4%, 3%, 2% stepdown fee structure; OR 3-year penalty with 5%, 4%, 3% stepdown fee structure; OR 2-year penalty with 3% stepdown fee structure (year 1 and year 2 = 3%); OR 1-year penalty with 3% fee; Please see Operational Prepayment Penalty Matrices for State restrictions.
State Limitations	TN - max 180 term
Ineligible States	HI - lava zones 1 & 2