

**DSCR 1.0+**

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

**INVESTOR PREMIER DSCR 1.0+**

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
<b>PURCHASE RATE AND TERM</b>	75%	\$1,500,000	700
<b>Cash Out</b>	70%	\$1,500,000	700
<p>- Condos Max 70%</p> <ul style="list-style-type: none"> <li>• Minimum loan amount \$100,000</li> <li>• Loan amounts ≤ \$150,000 – require min 1.25 DSCR</li> <li>• Non-Perm Resident Aliens and Foreign Nationals not permitted</li> <li>• Minimum 3 Year Prepay Penalty Required. Non-PPP state restrictions apply</li> <li>• 40-Yr Fixed and 40-Yr ARM fully amortizing products not permitted</li> <li>• All additional overlays of Investor Connect otherwise apply</li> <li>• Short-term rental qualifying: Not allowed</li> <li>• Market Rent Survey based on long-term tenancy may be used with Min DSCR of 1.00 (or 1.25 ≤ \$150,000)</li> <li>• <b>Geographic Restriction:</b> Georgia loans must be closed in an entity to be eligible for Investor Premier</li> </ul>			

**DSCR .75-.99**

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
<b>PURCHASE RATE AND TERM</b>	70%	\$1,500,000	680
	65%	\$2,000,000	700
<p>- Min \$175k loan amount; 40 yr. and 40 yr. IO not permitted</p>			

<b>ELIGIBILITY</b>	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					
<b>PRODUCTS</b>	<b>Product</b>	<b>Term</b>	<b>IO Term</b>	<b>Initial Cap</b>	<b>Periodic Cap</b>	<b>Life Cap</b>
	5/6 ARM	360 mo	NA	2	1	6
	5/6 ARM	480 mo	NA	2	1	6
	5/6 ARM IO	360 mo	120 mo	2	1	6
	5/6 ARM IO	480 mo	120 mo	2	1	6
	7/6 ARM	360 mo	NA	5	1	6
	7/6 ARM	480 mo	NA	5	1	6
	7/6 ARM IO	360 mo	120 mo	5	1	6
	7/6 ARM IO	480 mo	120 mo	5	1	6
	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	
<b>MIN LOAN AMOUNT</b>	\$100,000					
<b>INTEREST ONLY</b>	<u>Interest Only Period</u> 40 Year Interest Only = 10-year IO then 30-year amortization (not permitted on DSCR <1.0) 30 Year Interest Only = 10-year IO then 20-year amortization					
<b>QUALIFICATION</b>	Fully amortizing fixed and ARM loans 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.					
<b>DSCR CALCULATION</b>	See 'Rent Qualification' section in UW Manual					
<b>DSCR MAX LTV/CLTV</b>	<b>DSCR .75 to .99</b>		<b>DSCR 1.0+</b>		<b>Investor Premier DSCR 1+</b>	
	Max 70% LTV/CLTV Min 680 FICO		Max 80% LTV/CLTV		Max 75%	
<b>BORROWERS</b>	US Citizen Non-Permanent Resident Aliens First Time Investors (see below for details) Limited Partnerships, General Partnerships, Corporations, Limited Liability Company Inter-vivos Revocable Trust Ineligible: Foreign Nationals					
<b>FIRST TIME INVESTOR</b>	Min 1.0 DSCR Min 680 FICO Motivation letter required if property is purchased out of state from the borrower's/guarantor's residence					
<b>FIRST TIME HOME BUYER</b>	Min 1.0 DSCR Min 720 FICO Max 70% LTV Max 750k UPB Interest only and/or 40-year amortization ineligible No exceptions allowed on the file Motivation letter required for purchasing investment and not owning a primary					
<b>CREDIT EVENTS</b>	DSCR - 3 years seasoning Investor Premier – 4 years seasoning *Housing Event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent Bankruptcy seasoning including Ch 7, 11 and Ch. 13 based on discharge or dismissal date					
<b>HOUSING HISTORY</b>	<ul style="list-style-type: none"> <li>1x30x12 (no rolling)</li> <li>Only one borrower needs to meet housing history</li> <li>All borrowers must be current on mortgage or rent at loan application</li> </ul>					

	<ul style="list-style-type: none"> <li>Property tax liens and delinquent HOA dues at application will require a pre-approval</li> <li>Housing history required for Primary and subject property refi. Other REO, not reported on credit, no mortgage rating required</li> <li>Institutional VOM for refinances of construction loans require payment ledger</li> <li>Document housing history via 12 months proof of payment via credit report, cancelled checks, bank debits or institutional VOR/VOM</li> <li>Rent free or incomplete housing history:             <ul style="list-style-type: none"> <li>Properties owned free and clear satisfies housing history with evidence property taxes are current</li> <li>No open and active mortgages reporting on credit will require pre-approval</li> <li>Open and active mortgage(s) reporting on initial credit for minimum 12 months is permitted to satisfy housing history.</li> <li>Minimum 12 months previous mortgage history reporting on initial credit within the last 12 months is permitted to satisfy housing history.</li> <li>Rent free from spouse or title only ownership requires Institutional VOM or bank records to satisfy primary housing history</li> <li>No private VOMs permitted unless supported with 12 months of bank statements, cancelled checks, or bank debits</li> <li>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</li> </ul> </li> </ul>
<b>QUALIFYING FICO</b>	<p>Highest Mid FICO score</p> <p>For refinances, the use of highest score is only eligible if that borrower meets continuity</p> <p>*Use highest mid FICO of guarantor if more than 1 guarantor. No borrower can have less than a 620 mid FICO</p>
<b>TRADELINES</b>	<ul style="list-style-type: none"> <li>If the qualifying borrower has three credit scores, the minimum tradeline requirement is waived for all borrowers</li> <li>Each borrower must have 2 tradelines or joint borrowers must have a total of 3 tradelines combined, rated at least 12 months, with activity in the last 24 months.</li> <li>Tradeline may be opened or closed</li> <li>Eligible tradelines cannot have any derogatory history in previous 24 months</li> <li>Current housing not reporting on credit can be considered an open trade if supported by bank records</li> <li>No authorized user accounts may be used to satisfy minimum tradelines.</li> <li>Non-traditional credit is not allowed as an eligible tradeline</li> </ul>
<b>RESERVES</b>	<p><b>DSCR ≥1.0</b></p> <p>≤ 1.5MM and ≤70% LTV – No reserves</p> <p>≤ 1.5MM and &gt;70% LTV – 6 months</p> <p>&gt; 1.5MM – 9 months</p> <p><b>DSCR &lt;1.0</b></p> <p>≤1.5MM – 6 months</p> <p>&gt;1.5MM – 9 months</p> <p><b>Cash out – 6 months required</b></p> <ul style="list-style-type: none"> <li>No additional reserves needed for additional financed properties</li> <li>Cash out may be used as reserves</li> </ul>
<b>ASSETS</b>	<p>Asset Statements</p> <ul style="list-style-type: none"> <li>1 month or 1 quarterly investment statement or FNMA approved third party direct pull services             <ul style="list-style-type: none"> <li>Statements not required for Cash-out transactions which satisfy reserves, one quarterly investment statement, or FNMA approved third party direct pull services</li> </ul> </li> <li>100% value of Bank Accounts, Stocks, Bonds, Mutual Funds. Retirement Accounts at vesting percentage</li> </ul>
<b>GIFT FUNDS</b>	<ul style="list-style-type: none"> <li>Eligible for purchase transactions</li> <li>Borrower(s) must have 5% of their own funds documented but not required to use when LTV &gt;75%</li> <li>≤ 75% LTV – No minimum contribution required</li> </ul>

REFINANCE TRANSACTIONS																								
			>65%	\$750k																				
			≤65%	\$1.5MM																				
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MAX EXPOSURE	<ul style="list-style-type: none"> <li>Max Financed Properties: <ul style="list-style-type: none"> <li>DSCR: 20 residential</li> <li>Investor Premier: 15 residential</li> </ul> </li> <li>Max exposure to a single borrower/guarantor cannot exceed \$5MM UPB or 10 loans</li> </ul>																							
	<p>Rural Properties not eligible – See UW Manual for rural definition Declining Markets requires a 5% LTV reduction from max borrower qualifies for; Floor: 75% Purchase; 70% Refinance DSCR - Max 10 Acres Investor Premier – Max 5 Acres Minimum square footage required 500 sq ft. per unit – Kitchenettes ineligible Short Term Rentals - Refer to 'Short Term/Variable Rental' section of the Manual for details SFR/PUDs – Max 6 Bedrooms Unsold builder inventory not eligible</p>																							
NON- WARRANTABLE CONDOS	<b>Non-Warrantable Condos - Limited to Two</b>																							
	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																						
Project Completion	Project must be 100% complete and HOA turned over																							

<p><b>APPRAISAL REQUIREMENTS</b></p>	<p>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:</p> <table border="1" data-bbox="560 241 1315 409"> <tr> <td>Purchase</td> <td>Max 70% LTV/CLTV</td> </tr> <tr> <td>Rate &amp; Term</td> <td>Max 65% LTV/CLTV</td> </tr> <tr> <td>Cash Out</td> <td>Max 60% LTV/CLTV</td> </tr> </table> <p>All appraisals require a third-party valuation by an approved vendor. SGCP Approved Desk Review Vendors:</p> <ul style="list-style-type: none"> <li>• Consolidated Analytics</li> <li>• Clear Capital</li> <li>• Servicelink</li> <li>• Stewart Lender Services</li> <li>• Summit Valuations</li> </ul> <p>CU/LCA score of 2.5 or below, no further review required</p>	Purchase	Max 70% LTV/CLTV	Rate & Term	Max 65% LTV/CLTV	Cash Out	Max 60% LTV/CLTV																														
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<p><b>INSURANCE</b></p>	<p>Commercial, Landlord or rental dwelling policy required.</p>																																				
<p><b>PREPAYMENT PENALTY</b></p>	<p>Non-PPP states or loans without a PPP are not eligible for Investor Premier Three Prepayment Penalty structure options are available:</p> <ol style="list-style-type: none"> <li>1. 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)</li> <li>2. Flat structure - 3-, 4 - or 5-year prepayment term at a 5% flat rate.</li> <li>3. Tiered structure as indicated below:</li> </ol> <table border="1" data-bbox="332 850 1469 1113"> <thead> <tr> <th></th> <th>5 Year PPP</th> <th>4 Year PPP</th> <th>3 Year PPP</th> <th>2 Year PPP</th> <th>1 Year PPP</th> </tr> </thead> <tbody> <tr> <td>Payoff Year 1</td> <td>5%</td> <td>5%</td> <td>5%</td> <td>3%</td> <td>3%</td> </tr> <tr> <td>Payoff Year 2</td> <td>4%</td> <td>4%</td> <td>4%</td> <td>3%</td> <td></td> </tr> <tr> <td>Payoff Year 3</td> <td>3%</td> <td>3%</td> <td>3%</td> <td></td> <td></td> </tr> <tr> <td>Payoff Year 4</td> <td>2%</td> <td>2%</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Payoff Year 5</td> <td>1%</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		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%				
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