

Standard DSCR 1.0+

Transaction Type	LTV/CLTV	Maximum Loan Amount	FICO
Purchase Rate and Term	85%	\$1,500,000	740
	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
	65%	\$2,000,000	620
		\$2,500,000	660
\$3,000,000		700	
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

Premier DSCR 1.0+

Transaction Type	LTV/CLTV	Maximum Loan Amount	FICO
Purchase Rate and Term	75%	\$1,500,000	700
Cash-Out	70%	\$1,500,000	700

- Condos Max 70%
- Minimum loan amount \$100,000
- Loan amounts ≤ \$150,000 – require min 1.25 DSCR
- Non-Perm Resident Aliens and Foreign Nationals not permitted
- Minimum 3-Year Prepay Penalty Required. Non-PPP state restrictions apply
- 40-Yr Fixed and 40-Yr ARM fully amortizing products not permitted
- FTHB ineligible
- All additional overlays of Investor Connect otherwise apply
- Short-term rental qualifying: Not allowed
- **Geographic Restriction: Georgia loans must be closed in an entity to be eligible for Premier DSCR**

Standard DSCR 0.75-0.99

Transaction Type	LTV/CLTV	Maximum Loan Amount	FICO
Purchase Rate and Term	75%	\$2,000,000	720
	70%	\$1,500,000	680
	65%	\$2,000,000	700

- Minimum \$175K loan amount; 40 yr and 40 yr IO not permitted
- >70%: 30 yr fixed only

	Max LTV/CLTV	Standard DSCR	Premier DSCR
Premier DSCR - Condos	70%	N/A	X
Standard DSCR – Condos	80%	X	Matrix Caps Apply
First Time Investor	80%	X	Matrix Caps Apply
30- and 40-Year Interest Only	80%	X	Matrix Caps Apply
DSCR <1.0: 30-Year Interest Only	70%	X	Not Eligible
40-Year Amortization	80%	X	Not Eligible
No PPP	80%	X	Not Eligible
First Time Homebuyer (FTHB)	75%	X	Not Eligible
Properties Listed for Sale within the Last 12 Months	70% (Cash Out)	X	X
Appraisal marked ‘Suburban’ but zoned ‘Rural Residential’	80% (Purchase)	X	Not Eligible
	75% (Rate and Term)	X	Not Eligible
	65% (Cash Out)	X	Not Eligible
Declining Markets	5% reduction to max eligibility	X	X
Short-Term Rental	75%	X	Not Eligible
Recently Inherited Properties	60%	X	X
Gift of Equity	70%	X	X

Eligibility	Financing of the investment property must be solely for commercial/business purposes. Borrower is required to sign a Certification of Business Purpose/Non-Owner Occupancy					
Products	Product	Term	I/O Term	Initial Cap	Periodic Cap	Lifetime Cap
	5/6 ARM	360 months	N/A	2	1	6
	5/6 ARM	480 months	N/A	2	1	6
	5/6 ARM I/O	360 months	120 months	2	1	6
	5/6 ARM I/O	480 months	120 months	2	1	6
	7/6 ARM	360 months	N/A	5	1	6
	7/6 ARM	480 months	N/A	5	1	6
	7/6 ARM I/O	360 months	120 months	5	1	6
	7/6 ARM I/O	480 months	120 months	5	1	6
	30-Year Fixed	360 months	N/A	N/A	N/A	N/A
	30-Year Fixed I/O	360 months	120 months	N/A	N/A	N/A
	40-Year Fixed	480 months	N/A	N/A	N/A	N/A
40-Year Fixed I/O	480 months	120 months	N/A	N/A	N/A	
Minimum Loan Amount	<ul style="list-style-type: none"> \$100,000 					
Maximum Loan Amount	<ul style="list-style-type: none"> \$3,000,000 >\$2,500,000: 30-Year Fixed Only 					
Interest Only	<ul style="list-style-type: none"> Maximum 80% LTV/CLTV 40-Year Interest Only = 10-Year I/O then 30-Year amortization (not permitted on DSCR <1.0) 30-Year Interest Only = 10-Year I/O then 20-Year amortization 					
Qualification	<ul style="list-style-type: none"> Fully amortizing fixed and ARM loans are qualified at the initial P&I (30-Year or 40-Year, as applicable), property taxes, insurance(s), & HOA Interest Only loans are qualified on the interest only payments, property taxes, insurance(s), & HOA 					
DSCR Calculation	<ul style="list-style-type: none"> See ‘Rent Qualification’ section in UW manual 					
DSCR Max LTV/CLTV	Standard DSCR 0.75-0.99	Standard DSCR 1.0+		Premier DSCR 1.0+		
	Max 75% LV/CLTV	Max 85% LTV/CLTV		Max 75%		
	LTV > 80%: 30-Year Fixed Only; 3-Year PPP required (not allowed on no PPP states); SFR only					
Borrower Eligibility	Eligible: <ul style="list-style-type: none"> US Citizens Permanent Resident Aliens Non-Permanent Resident Aliens First Time Investors (see below for details) Limited Partnerships, General Partnerships, Corporations, Limited Liability Companies 					

	<ul style="list-style-type: none"> • Inter-Vivos Revocable Trusts <p>Ineligible:</p> <ul style="list-style-type: none"> • Foreign Nationals
First Time Investor	<ul style="list-style-type: none"> • Max 80% LTV • Min 1.0 DSCR • Min 680 FICO • Motivation letter required if property is purchased out of state from the borrower's/guarantor's residence
First Time Homebuyer (FTHB)	<ul style="list-style-type: none"> • Min 1.0 DSCR • Min 700 FICO • Max 75% LTV • Max 750K UPB • Interest Only and/or 40-Year amortization ineligible • No exceptions allowed on the file • Motivation letter required for purchasing investment property and not owning a primary residence • Rent-free ineligible
Credit Events	<ul style="list-style-type: none"> • Standard – 3 years seasoning • Premier – 4 years seasoning • Credit Event = Foreclosure, Short Sale, Deed-In-Lieu, Default Modification, Notice of Default, Single Bankruptcy or 120+ Delinquent • Single Bankruptcy seasoning including Ch 7, 11, and 13 based on discharge or dismissal date • Multiple Bankruptcies, regardless of seasoning, are ineligible
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 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 • Open and active mortgage(s) reporting on initial credit for minimum 12 months satisfies housing history requirements • No open and active mortgages reporting on initial credit will require pre-approval, except in the following circumstances: <ul style="list-style-type: none"> ○ The borrower owns a property free and clear and provides evidence that property taxes are paid current ○ The initial credit report shows a minimum of 12 months of previous mortgage history, active within the last 12 months ○ A private VOM and 12 months of bank statements, cancelled checks, or bank debits are provided ○ Borrower lives rent free from spouse or has title-only ownership and provides an institutional VOM or 12 months of bank statements, cancelled checks, or bank debits ○ 12 months proof of payment via cancelled checks, bank debits (highlighted on statements) or institutional VOR/VOM can be used to satisfy housing history. Carbon copies or handwritten rent receipts are not acceptable as bank records ○ Credit supplements completed by an institution is acceptable; Private lien holders/landlords are ineligible • All refinances require pay history on subject property • 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 recent 12-month history prior to the sale of departing residence
Qualifying FICO	<ul style="list-style-type: none"> • Highest mid FICO score • For refinances, the use of the highest mid score is only eligible if that borrower meets continuity • Use highest mid FICO of guarantor if more than 1 guarantor

	<ul style="list-style-type: none"> No borrower can have less than a 620 mid FICO 																			
Tradelines	<ul style="list-style-type: none"> If the qualifying borrower has three credit scores, the minimum tradeline requirement is waived for all borrowers 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 Tradeline may be opened or closed Eligible tradelines cannot have any derogatory history in the previous 24 months Current housing not reporting on credit can be considered an open tradeline 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 ≤ 1.5MM and ≤ 70% LTV – no reserves ≤ 1.5MM and > 70% LTV – 6 months > 1.5MM – 9 months</p> <p>DSCR < 1.0 ≤ 1.5MM – 6 months > 1.5MM – 9 months</p> <p>Cash-Out – 6 months required</p> <ul style="list-style-type: none"> Interest Only loans – reserves calculated using the ITIA payment No additional reserves needed for additional financed properties Cash-out may be used for reserves <p>First Time Homebuyers – a minimum of 3 months required unless the LTV or Loan amount requires additional reserves.</p>																			
Assets	<p>Asset Statements:</p> <ul style="list-style-type: none"> 1 month or 1 quarterly investment statement of FNMA approved third party direct pull service Statements not required for cash-out transactions which satisfy reserves 100% value of bank accounts, stocks, bonds, mutual funds, retirement accounts at the vesting percentage 																			
Gift Funds	<ul style="list-style-type: none"> Eligible for purchase transactions Borrower(s) must have 5% pf their own funds documented but not required to use when LTV >75% ≤ 75% LTV – No minimum contribution required 																			
Refinance Transactions	<table border="1"> <thead> <tr> <th>Standard</th> <th colspan="2">Premier</th> </tr> <tr> <th></th> <th>LTV/CLTV</th> <th>Maximum Cash-Out</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Unlimited Cash-Out</td> <td>>65%</td> <td>\$750K</td> </tr> <tr> <td>≤65%</td> <td>\$1.5MM</td> </tr> </tbody> </table>	Standard	Premier			LTV/CLTV	Maximum Cash-Out	Unlimited Cash-Out	>65%	\$750K	≤65%	\$1.5MM								
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<ul style="list-style-type: none"> Purchase appraisal or original listing photos required along with schedule of improvements Seasoning is measured from note date 																				
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Properties Listed for Sale	LTV based on lower of appraised value or lowest listing price in the last 12 months																			

<p>Lender Max Exposure</p>	<ul style="list-style-type: none"> • Max financed properties: <ul style="list-style-type: none"> ○ Standard: 20 residential ○ Premier: 15 residential • Lender exposure to a single borrower/guarantor cannot exceed \$5MM UPB or 10 loans 	
<p>Property</p>	<ul style="list-style-type: none"> • Rural Properties not eligible – See UW manual for rural definition <ul style="list-style-type: none"> ○ Appraisals marked ‘Suburban but zoned Residential’ are allowed with max LTV: 80% Purchase, 75% Rate and Term, 65% Cash-Out • Declining Markets require a 5% LTV reduction from max borrower qualifies for; Floor: 75% Purchase, 70% Refinance • Standard: Max 10 Acres • 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/PUD • 2-4 Units • Unsold builder inventory not eligible • State Condominium Requirements (Warrantable and Non-Warrantable): <ul style="list-style-type: none"> ○ California Balcony Bill – SB326: An inspection is required for projects with wood deck, balcony, stairway, walkway, or railing elevated more than 6 feet above the ground. Projects with an unacceptable or no inspection are ineligible. ○ Florida – Projects over 30 years old or 25 years if within 3 miles from the coast, a structural inspection within every 10 years is required for projects 3 stories or higher. <ul style="list-style-type: none"> ▪ Inspection must confirm no conditions severe enough to affect the safety, soundness, structural integrity or habitability of the improvements ▪ Projects with unacceptable or no inspections are ineligible 	
<p>Non-Warrantable Condos</p>	<p>Non-Warrantable Condos – Limited to Two</p>	
	<p>Allowable features:</p>	
	<p>Presale</p>	<p>At least 30% of the units must be sold or under bona fide contract</p>
	<p>Single Entity Ownership</p>	<p>A single entity can own up to 30% of units</p>
	<p>Commercial Space</p>	<p>Up to 50%</p>
	<p>Recreational Leases</p>	<p>Eligible</p>
	<p>Delinquent HOA</p>	<p>Up to 25%</p>
	<p>Master Coverage Deductible</p>	<p>Up to 10% Allowed</p>
	<p>Reserves</p>	<p>Minimum 10% replacement and/or maintenance but never less than 5%</p>
	<p>Mandatory Memberships</p>	<p>Cannot exceed 10% of purchase price</p>
	<p>Ineligible Features/Requirements for Non-Warrantable Condos:</p>	
	<p>Material Litigation – Structural/Functional litigation against developer</p>	<p>Ineligible</p>
	<p>Insurance Coverage</p>	<p>Coverage amount less than the replacement cost is ineligible (Actual Cash Value is not permitted except for the roof)</p>
<p>Newly Converted – Non-full gut rehabs</p>	<p>Ineligible</p>	
<p>Flood Insurance</p>	<p>Projects in a flood zone with no master flood coverage are ineligible. Borrower individual policies are not acceptable</p>	
<p>Project Completion</p>	<p>Project must be 100% complete and HOA turned over</p>	
<p>Appraisal Requirements</p>	<ul style="list-style-type: none"> • 1 full appraisal required for all transactions • 2 full appraisal required for loan amount > \$2M and > 65% LTV/CLTV • All appraisals require a third part valuation by an OGI/LoanLock Prime/Capitalend approved vendor. • CU/LCA score of 2.5 or below, no further review required • Transfer appraisals are acceptable, unless ordered by borrower or affiliate of the property seller <p>***Refer to OGI/LoanLock Prime/Capitalend exclusionary list of appraisers and interested parties found in the Resource Center. Reach out to your sales rep for any questions***</p>	

Insurance	Commercial, Landlord or rental dwelling policy required					
Prepayment Penalty (PPP)	<ul style="list-style-type: none"> • Non-PPP states or loans without a PPP are not eligible for Premier • Three Prepayment Penalty structure options are available: <ol style="list-style-type: none"> 1. Standard Prepayment Penalty: Penalty term of 6 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) 2. Flat structure: 3-,4- or 5-year prepayment term at a 5% flat rate 3. 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%				