

Prime Ascent

Effective Date: 8/12/2019



Maximum LTVs		Standard Doc		Alt Doc		Other Doc Restrictions
FICO	Loan Amount	Purchase & R/T	Cash Out	Purchase & R/T	Cash Out	Standard Doc - 1 yr
720+	<=1,500,000	95*/90	85	90	85	<ul style="list-style-type: none"> • Max LTV/CLTV: 85% • Max DTI: 50%
	1,500,001-2,500,000	85	80	85	75	
	2,500,001-3,000,000	80	70	70	65	<ul style="list-style-type: none"> • Alt Doc - 12 mo • Max LTV/CLTV: 85% • Max DTI: 50%
	3,000,001-5,000,000	70	60	70	60	
700 - 719	<=1,500,000	90	85	90	85	<ul style="list-style-type: none"> • Max LTV/CLTV: 85% • Max DTI: 50%
	1,500,001-2,500,000	85	75	80	75	
	2,500,001-3,000,000	75	70	70	60	<ul style="list-style-type: none"> • Alt Doc - Asset Utilization • Max LTV/CLTV: 75% • Min Credit Score: 680 • Max Loan: \$1,500,000 • Min Reserves: 6 Months • Max DTI: 50%
	3,000,001-5,000,000	65	60	65	60	
680 - 699	<=1,500,000	90	85	90	85	<ul style="list-style-type: none"> • Max LTV/CLTV: 80% • Max LTV/CLTV (Cash-Out): 70% • Max DTI: 50%
	1,500,001-2,500,000	85	75	80	75	
	2,500,001-3,000,000	75	65	70	60	<ul style="list-style-type: none"> • Alt Doc - WVOE • Max LTV/CLTV: 80% • Max LTV/CLTV (Cash-Out): 70% • Max DTI: 50%
	3,000,001-5,000,000	65	55	65	55	
660 - 679	<=1,500,000	90	80	85	80	<ul style="list-style-type: none"> • Max LTV/CLTV: 80% • Max LTV/CLTV (Cash-Out): 70% • Max DTI: 50%
	1,500,001-2,500,000	80	75	80	75	
	2,500,001-3,000,000	70	65	70	60	

*95% LTV restricted to Purchase, Primary Residence, SFD, > conforming & high-balance conforming balance, max DTI of 43%.

Second Homes	
• Max LTV/CLTV: 85%	• Max LTV/CLTV (Cash-Out): 80%
• Residual Income: \$2,500	
+ \$250 for the first dependent	
+ \$125 for each additional dependent	
Investment Properties	
Max LTV/CLTV	
Program max:	80%
Cash-out:	75%
Loan Amount > \$2mm:	75%
Other Restrictions	
• Rural Properties not allowed	
Other LTV/CLTV Limits	
Condo & 2-4 Unit:	85%
Non-Warrantable Condo:	80%
Rural Property:	80%

Reserve Requirements	
Loan Amounts <= \$2mm:	6 mo
Loan Amounts > \$2mm:	12 mo
Residual Income	
• \$2,500 /mo	
+ \$250 for the first dependent	
+ \$125 for each add dependent.	

State Restrictions	
Not Eligible	
• Puerto Rico, Guam & the US VI	
New York State Restrictions	
(Applies to conforming bala only)	
• Max LTV/CLTV: 85	

Max Acreage	
• 10 Acres	

Program Restrictions		Debt Consolidation Refinance	
Housing	0x30x12	• Applies to Primary Residences only	
Credit Event (BK/FC/SS/DIL)	48 mo.	• Transactions where mortgage & non-mortgage debts are paid off and monthly debt pmtnts are lowered by >= 10% and Closing Costs are recouped within 60 mo. Cash-in-hand may not exceed \$5,000 or 2% of the loan amt.	
Min FICO	660	• R/T Refi LTVs available for Debt Consolidation loans. LTV/CLTV capped at 85%	
Max LTV: Purchase & R/T	95*/90	• Cash-in-hand may be used to meet reserve requirements for loans meeting the Debt Consolidation definition	
Max LTV: Cash-Out	85	• Reserve requirements reduced to 1-month for all income document types when all of the above met	
Max CLTV	95*/90	Rate & Term Refinance	
Max Loan Amount	5,000,000	• Reserve requirements are waived when monthly payments are reduced by at least the 10%	
Fixed Terms	30 Year Fixed & 15 Year Fixed	Compliance	
5/1 LIBOR ARM (2/2/5 Caps)	1 YR LIBOR - 3.5 % Margin/Floor	• Impounds are required	
7/1 LIBOR ARM (5/2/5 Caps)	1 YR LIBOR - 3.5 % Margin/Floor	• Loans considered high-cost by Federal or State law not allowed	
Available Doc Types	Standard Doc - 2 yr Standard Doc - 1 yr Alt Doc - WVOE (Primary Res) Alt Doc - 24 mo Bank Statement Alt Doc - 12 mo Bank Statement Alt Doc - 24 mo CPA Prepared P&L Alt Doc - 12 mo CPA Prepared P&L Alt Doc - Asset Utilization	• Points and Fees may not exceed 5% (Business Purpose loans exclude prepay penalty)	
		Financed Properties	
		• 20 financed properties including subject	
		• Add 2 mo reserves for each added financed property. Total reserve requirement capped at 12 mo	
		• Verus exposure to a single borrower \$5MM or 6 properties	

DTI	
Up to 43% Max DTI	
• All Doc Types - No rate adjustment	
Up to 50% Max DTI	
• Standard Doc - 1 yr & 2 yr	
• Alt Doc - 24 or 12 mo Bank Statement, WVOE, 24 or 12 mo CPA Prepared P&L, Asset Utilization	
Up to 55% Max DTI	
• Standard Doc - 2 yr	
• Total of 12 Mo Reserves required	
• Max LTV/CLTV: 80	
• Primary Residence Only	
• First Time Home Buyer not permitted	
• Purchase, R/T Refi, & Debt Consol Only	
• Residual Income: \$3,000	
+ \$250 for 1st dependent	
+ \$125 for each additional dependent	

Residency	
• US Citizen	
• Perm & Non-Perm resident alien	
• Foreign National not eligible, see FN tab	

Interest Only	
• IO Period: 120 Months	
• Qualifying Term: Amort	
Term (360 or 240 mo)	
• Loan Term: 480 or 360 mo	
• Max LTV/CLTV: 85%	

Interested Party Contributions	
• LTV >= 80: 4%	
• LTV < 80: 6%	

Loan Amount	Loan Amount > \$3,000,000	Cash-Out Limit		
• Min Loan amount: \$150,000	• Only Available in the following states: CA, IL, FL, NY, NJ, MD, VA, DC, WA	% Property Value	Primary & 2nd Home	Investor
• Loan Amounts > \$1MM & Cash-Out & LTV > 70% require 2 appraisals	- NY: Purchase money only	Program Max:	75%	70%
• Loan Amounts > \$1.5MM require 2 appraisals	• Cash-Out limited to the lower of 50% of property value or \$3mm	Loan Amt > \$1mm:	70%	65%
• Loan Amounts > \$3MM, see additional overlays	• Property Types: SFR, Warrantable and Non-Warrantable Condos	Loan Amt > \$3mm:	50%	50%
	- Condos available in NY and FL only.	Condo & 2-4 Unit:	70%	65%
	- FL Condos limited to 55% LTV	<p>The maximum cash out is based upon the percentage of the property value. For example, the max cash out for a primary residence valued at \$700,000 would be \$525,000 (\$700,000*.75= \$525,000). Example 1) value \$700,000, existing lien \$400,000, full doc cash out @85% LTV. \$700,000*.85= \$595,000 less \$400,000 = \$195,000 cash out. Eligible as \$195,000 cash out is < \$525,000 max cash out. Example 2) same as above but property owned free & clear. \$700,000*.85= \$595,000 cash out. Ineligible as the \$595,000 exceeds max cash out of \$525,000.</p>		
	• See Guides for specific appraisal requirements (OVERLAYS APPLY)			

Prepayment Penalty	
• Allowed on investment properties only	
• Terms up to 5 Yrs with the following structures are acceptable...	
- 6 mo of interest on the amount of the prepayment that exceeds 20% of the origi prin bal	
- 3%, 4%, or 5% for the term of the penalty	
- Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years	
• Prepayment penalties not allowed in AK, KS, MD, MI, MN, NM, OH, and RI.	
• Prepayment penalties not allowed on loans vested to individuals in IL and NJ.	
• Prepayment penalties not allowed on loan amounts less than \$250,324 in PA.	
• Only declining prepayment penalty structures allowed in MS.	

Credit Ascent

Effective Date:

8/12/2019



Maximum LTVs		Standard Doc		Alt Doc		Other Doc Restrictions	
FICO	Loan Amount	Purch / RT Refi	Cash-Out	Purch / RT Refi	Cash-Out	Standard Doc - 1 yr	
720+	<=1,000,000	90	85	90	80	• Max LTV/CLTV: 85%	
	1,000,001-1,500,000	90	80	85	75	• Min Credit Score: 620	
	1,500,001-2,000,000	85	75	85	75	• Max DTI: 50%	
	2,000,001-3,000,000	80	70	70	65	• A, B, & B- Grades Only	
	3,000,001-5,000,000	70	60	70	60	Alt Doc - 12 mo	
680 - 719	<=1,000,000	90	80	85	80	• Max LTV/CLTV: 85%	
	1,000,001-1,500,000	90	80	85	75	• Min Credit Score: 620	
	1,500,001-2,000,000	85	75	85	75	• Max DTI: 50%	
	2,000,001-3,000,000	75	65	70	60	• A, B, & B- Grades Only	
	3,000,001-5,000,000	65	60	65	60	Alt Doc - Asset Utilization	
660 - 679	<=1,000,000	85	80	85	80	• Max LTV/CLTV: 75%	
	1,000,001-1,500,000	85	80	85	75	• Min Credit Score: 680	
	1,500,001-2,000,000	85	75	85	75	• Max Loan: \$1,500,000	
640 - 659	<=1,000,000	85	80	85	80	• Min Reserves: 6 Months	
	1,000,001-1,500,000	85	75	85	75	• Max DTI: 50%, when applicable	
	1,500,001-2,000,000	80	75	80	75	• A Grade Only	
620 - 639	<=1,000,000	85	80	85	80	Alt Doc - WVOE	
	1,000,001-1,500,000	80	75	80	75	• Max LTV/CLTV: 80%	
	1,500,001-2,000,000	80	75	80	70	• Max LTV/CLTV (Cash-Out): 70%	
600 - 619	<=1,000,000	80	75	80	75	• Min Credit Score: 620	
	1,000,001-1,500,000	80	75	80	70	• Max DTI: 50%	
	1,500,001-2,000,000	80	70	80	70	• A & B Grades Only	
580 - 599	<=1,000,000	80	75	80	75		
	1,000,001-1,500,000	80	70	80	70		
500 - 579	<=1,000,000	75	70				

Second Homes	
• Max LTV/CLTV: 80%	
• Min FICO: 540	
• A, B, & B- Grades Only	
• Residual Income: \$2,500 +\$250 for the first dependent +\$125 for each additional dependent	
Investment Properties	
Max LTV/CLTV	
Program max:	80%
FICO<640:	75%
Cash-out:	75%
Cash-out & FICO < 640:	70%
Loan Amount>\$2mm:	75%
Other Restrictions	
• Min FICO: 540	
• A, B, & B- Grades Only	
• Rural Properties not allowed	

Reserve Requirements	
Standard Doc (All):	2 mo
Alt Doc (All):	4 mo
Investor:	6 mo
Loan Amounts > \$1mm:	6 mo
Loan Amounts > \$2mm:	12 mo
Residual Income	
• \$1,250 /mo + \$250 for the first dependent +\$125 for each add dependent.	

State Restrictions	
Not Eligible	
• Puerto Rico, Guam & the US VI	
New York State Restrictions (Applies to conforming bals only)	
• Min Credit Score: 660	
• Max LTV/CLTV: 85	

Other LTV/CLTV Limits	
Condo:	80%
2-4 Unit:	80%
Rural Property:	80%
Loan Amount<150k:	80%

Residency	
• US Citizen	
• Perm & Non-Perm resident alien	
• Foreign National, see FN tab	

Grade	Grade Restrictions			
	A	B	B-	C
Housing	1x30x12	0x60x12	0x90x12	1x120x12
BK (Chap 13 Discharge)	12 mo	Settled	Settled	Settled
BK (Other)	24 mo	24 mo	12 mo	Settled
Foreclosure	24 mo	24 mo	12 mo	Settled
Short Sale/DIL	24 mo	24 mo	Settled	Settled
Min FICO	500	500	500	500
Max LTV: Purchase & R/T	90	85	85	70
Max LTV: Cash-Out	85	80	75	65
Max CLTV	90	90	85	70
Max Loan Amount	5,000,000	1,500,000	1,000,000	1,000,000
Fixed Terms	30 Year Fixed & 15 Year Fixed	30 Year Fixed & 15 Year Fixed	30 Year Fixed & 15 Year Fixed	30 Year Fixed & 15 Year Fixed
5/1 LIBOR ARM (2/2/5 Caps)	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor
7/1 LIBOR ARM (5/2/5 Caps)	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 4.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor	1 YR LIBOR - 5.0 % Margin/Floor
Available Doc Types	Standard Doc - 2 yr Standard Doc - 1 yr Alt Doc - WVOE (Primary Res) Alt Doc - Asset Utilization Alt Doc - 24 mo Bank Statement Alt Doc - 12 mo Bank Statement Alt Doc - 24 mo CPA Prepared P&L Alt Doc - 12 mo CPA Prepared P&L	Standard Doc - 2 yr Standard Doc - 1 yr Alt Doc - WVOE Alt Doc - 24 mo Bank Statement Alt Doc - 12 mo Bank Statement Alt Doc - 24 mo CPA Prepared P&L Alt Doc - 12 mo CPA Prepared P&L	Standard Doc - 2 yr Standard Doc - 1 yr Alt Doc - 24 mo Bank Statement Alt Doc - 24 mo CPA Prepared P&L	Standard Doc - 2 yr

DTI	
Up to 43% Max DTI	
• Available for all Doc Types, no rate adjustment	
Up to 50% Max DTI	
• Standard Doc - 1 yr & 2 yr	
• Alt Doc - 24 or 12 mo Bank Statement, WVOE, 24 or 12 mo CPA Prepared P&L, Asset Utilization	
Up to 55% Max DTI	
• Standard Doc - 2 yr	
• Total of 12 Mo Reserves required	
• Max LTV/CLTV: 80	
• Primary Residence Only	
• First Time Home Buyer not permitted	
• Purchase, R/T Refi, and Debt Consol Only	
• Residual Income: \$3,000 + \$250 for 1st dependent + \$125	

Interest Only	
• IO Period: 120 Months	
• Qualifying Term: Amort Term (360 or 240 mo)	
• Loan Term: 480 or 360 mo	
• A & B Grades Only	
• Max LTV/CLTV: 85%	
• Min FICO: 580	

Interested Party Contributions	
• LTV>=80: 4%	
• LTV<80: 6%	

Max Acreage	
• 10 Acres	

Financed Properties	
• 20 financed properties including subject	
• Add 2 mo reserves for each added financed property. Total reserve requirement capped at 12 mo	
• Verus exposure to a single borrower \$5MM or 6 properties	

Loan Amount	Debt Consolidation Refinance
• Min Loan amount: \$100,000	• Applies to Primary Residences only
• Loan Amounts>\$1MM & Cash-Out & LTV > 70% require 2 appraisals	• Transactions where mortgage & non-mortgage debts are paid off and monthly debt pmnts are lowered by >= 10% and Closing Costs are recouped within 60 mo. Cash-in-hand may not exceed \$5,000 or 2% of the loan amt.
• Loan Amounts>\$1.5MM require 2 appraisals	• R/T Refi LTVs available for Debt Consolidation loans. LTV/CLTV capped at 85%
• Loan Amounts>\$3MM, see additional overlays	• Cash-in-hand may be used to meet reserve requirements for loans meeting the Debt Consolidation definition
Loan Amount > \$3,000,000	• Reserve requirements reduced to 1-month for all income document types when all of the above meet
• Only Available in the following states: CA, IL, FL, NY, NJ, MD, VA, DC, WA - NY: Purchase money only	Rate & Term Refinance
• Cash-Out limited to the lower of 50% of property value or \$3,000,000	• Reserve requirements are waived when monthly payments are reduced by at least the 10%
• Property Types: SFR, Warrantable and Non-Warrantable Condos	Compliance
- Condos available in NY and FL only. FL Condos limited to 55% LTV	• Impounds are required
• See Guidelines for specific appraisal requirements (OVERLAYS APPLY)	• Loans considered high-cost by Federal or State law not allowed
	• Points and Fees may not exceed 5% (Business Purpose loans exclude prepay penalty)

Cash-Out Limit		
% Property Value	Primary & 2nd Home	Investor
Program Max:	75%	70%
Loan Amt > \$1mm:	70%	65%
Loan Amt > \$3mm:	50%	50%
Condo & 2-4 Unit:	70%	65%
Prepayment Penalty		
• Allowed on Investment properties only		
• Terms up to 5 Years are acceptable. The following structures are acceptable...		
- 6 months of interest on the amount of the prepayment that exceeds 20% of the original prin bal		
- 3%, 4%, or 5% for the term of the penalty		
- Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years		
• Prepayment penalties not allowed in AK, KS, MD, MI, MN, NM, OH, and RI.		
• Prepayment penalties not allowed on loans vested to individuals in IL and NJ.		
• Prepayment penalties not allowed on loan amounts less than \$250,324 in PA.		
• Only declining prepayment penalty structures allowed in MS.		

Investor Solutions - DSCR

Effective Date: 8/12/2019



Maximum LTVs		≥ 1.25		1.00 - 1.24		< 1.00	
FICO	Loan Amount	Purch / RT Refi	Cash Out	Purch / RT Refi	Cash Out	Purch / RT Refi	Cash Out
700+	≤1,000,000	80	70	80	70	75	70
	1,000,001-1,500,000	75	70	75	70	70	65
	1,500,001-2,000,000	70	65	70	65	70	65
	2,000,001-3,000,000	65	55	65	55	65	55
	3,000,001-5,000,000	60	50	60	50	60	50
640 - 699	≤1,000,000	75	65	75	65	75	65
	1,000,001-1,500,000	65	65	65	65	65	65
	1,500,001-2,000,000	65	60	65	60	65	60
	2,000,001-3,000,000	60	50	60	50	60	50
620 - 639	≤1,000,000	70	65	70	65	70	65

Program Restrictions		Income
Housing	0x30x12	Debt Service Coverage Ratio (DSCR) • Gross Income/PITIA (PI using the note rate rather than fully indexed. Use ITIA for IO loans) • Transaction qualified on cash flow of the subject property • Gross Income: Lower of Estimated Market Rent from Form 1007 and monthly rent from an existing lease (If lease amount higher, may be utilized with two months proof of receipt)
BK (Chap 13 Discharge)	12 mo	
BK (Other)	36 mo	
Foreclosure	36 mo	
Short Sale/DIL	24 mo	
Min FICO	620	
Max LTV: Purchase	80	
Max LTV: R/T	75	
Max LTV: Cash-Out	70	
Max CLTV	80	
Max Loan Amount	5,000,000	Investor Experience • A borrower who has owned 2 or more properties within the most recent 12 months (Primary residence can be included), with 1 having documented rental income of 12 months or more.
Fixed Terms	30 Year Fixed & 15 Year Fixed	First Time Investor • A borrower that does not meet the Experienced Investor criteria. First Time Investors must have owned a residence (primary or rental) for a minimum of the most recent 12 months.
3/1 & 5/1 LIBOR ARM (2/2/5 Caps)	1 YR LIBOR - 6 % Margin/Floor	
7/1 & 10/1 LIBOR ARM (5/2/5 Caps)	1 YR LIBOR - 6 % Margin/Floor	

Loan Amount	Prepayment Penalty
<ul style="list-style-type: none"> Min Loan amount: \$75,000 Loan Amounts < \$150k: 70% Max LTV/CLTV Min Loan Amount \$150k when DSCR < 1.15 Loan Amounts > \$1MM & Cash-Out & LTV > 65% require 2 appraisals Loan Amounts > \$1.5MM require 2 appraisals Loan Amounts > \$3MM see additional overlays 	<ul style="list-style-type: none"> Allowed on Investment properties only Terms up to 5 Years are acceptable. The following structures are acceptable... <ul style="list-style-type: none"> - 6 months of interest on the amount of the prepayment that exceeds 20% of the original prin bal - 3%, 4%, or 5% for the term of the penalty - Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years Prepayment penalties not allowed in AK, KS, MD, MI, MN, NM, OH, and RI. Prepayment penalties not allowed on loans vested to individuals in IL and NJ. Prepayment penalties not allowed on loan amounts less than \$250,324 in PA. Only declining prepayment penalty structures allowed in MS.
Loan Amount > \$3,000,000 <ul style="list-style-type: none"> Only Available in the following states: CA, IL, FL, NY, NJ, MD, VA, DC, WA - NY: Purchase money only Cash-Out limited to the lower of 50% of property value or \$3,000,000 Property Types: SFR, Warrantable and Non-Warrantable Condos - Condos available in NY and FL only. FL Condos limited to 55% LTV See Guidelines for specific appraisal requirements (OVERLAYS APPLY) 	Financed Properties <ul style="list-style-type: none"> No limit on financed properties Add 2 mo reserves for each added financed property. Total reserve requirement capped at 12 mo Verus exposure to a single borrower \$5MM or 6 properties Compliance <ul style="list-style-type: none"> Impounds are required Loans considered high-cost by Federal or State law not allowed Points and Fees may not exceed 5% (Prepay Penalty can be excluded)

Other LTV/CLTV Limits	
R/T Refi:	75%
R/T Refi & Ln Amount > \$2mm:	60%
Condo:	70%
2-4 Unit:	70%
Loan Amnt < \$150k:	70%
Interest Only:	75%
1st Time Investor:	65%

Cash-Out Limit	
% Property Value	Investor
Program Max:	65%
Loan Amnt > \$1mm:	60%
Loan Amnt > \$3mm:	50%
Condo & 2-4 Unit:	60%

Reserve Requirements	
Loan Amounts > \$1.5mm:	6 mo
LTV > 75%:	6 mo

State Restrictions	
Not Eligible	
• Puerto Rico, Guam & the US VI	

Residency	
• US Citizen	
• Perm & Non-Perm resident alien	
• Foreign National, see FN tab	

Interest Only	
• IO Period: 120 mo	
• Amort Term: 240 mo	
• Loan Term: 360 mo	
• Qualifying Payment: ITIA	
• Products: 5/1, 7/1, 10/1, FRM	
• Max LTV/CLTV: 75%	

Interested Party Contributions	
• All LTV's: 3%	

Max Acreage	
• 2 Acres	

Rural Properties	
• Rural Properties Not Allowed	

Short Term - DSCR

Effective Date: 8/12/2019



For purchase and refinance transactions		LTV: With Rental Requirements*		
Lease Status	Credit Score	Total Loan Amount	Purchase	Refinance
Property currently leased, see footnote for unleased property	660+	<= 1,000,000	80.0	70.0
		1,000,001 - 2,000,000	75.0	65.0
		2,000,001 - 3,000,000	70.0	60.0
		3,000,001 - 4,000,000	65.0	55.0
	620 - 659	<= 1,000,000	75.0	65.0
		1,000,001 - 2,000,000	70.0	60.0
		2,000,001 - 3,000,000	65.0	55.0

*Refinance to Term Rental Loan: Rental Requirements	
Rental Income Determination	Purchase: Estimated Market Rent (Form 1007) Refinance: Lower of Estimated Market Rent from Form 1007 and monthly rent from existing lease.
DSCR Calculation	Rental Income / ITIA
DSCR < 1.25x Adjustment	Reduce LTV by 5% if calculated DSCR is less than 1.25x
Rental Valuation	For leased properties, proof of rent receipt within 90-days of the note
Unleased Property	Reduce LTV by 10% for unleased property (includes any unit in a multi-family).

Investor Experience	
Experienced Investor	<ul style="list-style-type: none"> A borrower who has owned 2 or more properties within the most recent 12 months (Primary residence can be included), with 1 having documented rental income of 12 months or more.
First Time Investor	<ul style="list-style-type: none"> A borrower that does not meet the Experienced Investor criteria. First Time Investors must have owned a residence (primary or rental) for a minimum of the most recent 12 months.

Criteria / Requirements for All Loans			
Other Criteria		Credit Requirements	
Loan Status	Performing loans only	Guarantor Housing History	0x30x12
Amortization	Interest Only Loans	FC/BK - Other	36 months
Minimum Loan Amount	Minimum \$75,000. Loan amounts less than \$125,000 will have a price adjustment (see rate sheet)	DIL/SS	24 months
		BK - CH 13	12 months
Occupancy	Non-owner occupied only		
Term	12 months		
Extensions	Granted at note holder's discretion		
Minimum Equity	\$20,000		
Foreign National	By exception only		
Property Type	SFR, Condo, PUD, 2-4 Units (5+ case-by-case)		
Condition Quality	C3 or Better		
Construction Quality	Q5 or Better		
Borrower Type	Business Entity and Trusts are eligible. Individuals by exception only		
Interest Reserves	Verified minimum 3 months assets covering interest only payments. Loan amounts \$2m or greater requires 6 months. Reserves may be financed below ratio limits		
Personal Guaranty	All members of the entity must provide personal guarantees.		
As Is Appraisal	Full Interior/Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, or 1073/465 required. Loan amounts >\$1,500,000 (Purchase or refinance) require 2 appraisals. An appraisal review product is required on every loan file unless a 2nd appraisal is required. See Investor Solutions Guide for eligible review products.		
Prepay Penalty	Not eligible		

Foreign National - 2nd Home and Investment



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FICO	Maximum LTVs		Full Documentation		DSCR	
	Loan Amount	Purch / RT Refi	Cash Out	Purch / RT Refi	Cash Out	
680+	<=1,000,000	75	70	75	65	
	1,000,001-1,500,000	75	65	65	65	
	1,500,001-2,000,000	70	60	65	60	
	2,000,001-3,000,000	65	55	60	50	
	3,000,001-5,000,000	60	50	55	50	
620-679	<=1,000,000	70	65	70	65	
	1,000,001-1,500,000	65	60	65	60	
Foreign Credit	<=1,000,000	70	65	70	65	
	1,000,001-1,500,000	65	60	65	60	
	1,500,001-2,000,000	65	60	60	55	
	2,000,001-3,000,000	65	55	55	50	
	3,000,001-5,000,000	60	50	50	50	

Program Restrictions	
Housing	0x30x12
Credit Event (BK/FC/SS/DIL)	36 mo
Min FICO	620 Or Foreign Credit
Max LTV: Purchase & R/T	75
Max LTV: Cash-Out	70
Max CLTV	75
Max Loan Amount	5,000,000
Fixed Terms	30 Year Fixed & 15 Year Fixed
3/1(DSCR only) & 5/1 LIBOR ARM (2/2/5 Caps)	1 YR LIBOR - 6 % Margin/Floor
7/1 & 10/1(DSCR only) LIBOR ARM (5/2/5 Caps)	1 YR LIBOR - 6 % Margin/Floor
Available Doc Types	Standard Doc - 2 yr DSCR

Credit	
Qualifying U.S. Credit	
<ul style="list-style-type: none"> For Foreign National Borrowers with a valid Social Security number a credit report should be obtained. Requirements found in the CREDIT section of this underwriting guide apply. Borrowers not meeting these requirements may proceed under the Qualifying Foreign Credit requirements detailed in the underwriting guide. 	
Qualifying Foreign Credit	
<ul style="list-style-type: none"> Foreign National Borrowers without Qualifying U.S. Credit (Including borrowers without a valid Social Security Number and borrowers with or without an ITIN) must provide evidence of three (3) active and open tradelines with a 2 year history. No derogatory credit history is permitted. ANY combination of the following is acceptable to arrive at the tradeline requirement... 	
<u>Tradelines</u>	
<ul style="list-style-type: none"> - At least 3 tradeline active and open 24 months <ul style="list-style-type: none"> o Tradelines evidenced via a U.S. credit report; AND/OR o Tradelines evidenced via international credit report; AND/OR o Tradelines evidenced via a credit reference letter from a verified financial institution in the borrower's country of origin 	

Other LTV/CLTV Limits	
Condo and 2-4 units:	70%
Loan Amt < 150k:	70%
First Time Investor:	65%
Cash-Out Limit	
% Property Value	2nd Home Investor
Program Max:	50% 50%
Reserves	
• 12 months all Doc Types and occupancy	
Debt-To-Income Ratio	
• Up to 50% max DTI (Applies to Full Doc only)	
Residual Income	
• \$2,500/month (Applies to 2nd Home transactions only)	

Income	Investor Experience
Standard Documentation	Experienced Investor
<ul style="list-style-type: none"> See the Foreign National Income section of the guide for income requirements 2nd Homes and Investment Properties eligible 	<ul style="list-style-type: none"> A borrower who has owned 2 or more properties within the most recent 12 months (Primary residence can be included), with 1 having documented rental income of 12 months or more.
Debt Service Coverage Ratio (DSCR)	First Time Investor
<ul style="list-style-type: none"> Gross Income/PITIA (PI using the note rate rather than fully indexed. Use ITIA for IO loans) Transaction qualified on cash flow of the subject property Gross Income: Lower of Estimated Market Rent from Form 1007 and monthly rent from an existing lease (If lease amount higher, may be utilized with two months proof of receipt) 	<ul style="list-style-type: none"> A borrower that does not meet the Experienced Investor criteria. First Time Investors must have owned a residence (primary or rental) for a minimum of the most recent 12 months.
Documenting Assets Held in Foreign Accounts	Compliance
<ul style="list-style-type: none"> Assets must be verified in U.S. Dollar equivalency at the current exchange rate via either www.xe.com or the Wall Street Journal A copy of the two (2) most recent statements of that account. If the funds are not seasoned a minimum of sixty (60) days, a letter of explanation is required along with the information to comprise a sixty (60) day chain of funds. 	<ul style="list-style-type: none"> Impounds are required Loans considered high-cost by Federal or State law not allowed Points and Fees may not exceed 5% (Business Purpose loans exclude prepay penalty)
Residency Documentation Highlights	Financed Properties
<ul style="list-style-type: none"> Visa types allowed: B-1, B-2, H-2, H-3, I, J-1, J-2, O-2, P-1, P-2, TN NAFTA, Laser Visa The following are required as evidence the borrower is in the U.S legally <ul style="list-style-type: none"> o Copy of the borrowers valid and unexpired passport (including photograph) o Copy of the borrower's valid and unexpired visa (including photograph) OR an I-797 form with valid extension dates and I-94. o Borrowers from countries participating in the State Department's Visa Waiver Program (VWP) are not required to provide a valid visa. 	<ul style="list-style-type: none"> No limit on financed properties Verus exposure to a single borrower not to exceed \$5MM or 6 properties
	State Restrictions
	Not Eligible
	Prepayment Penalty
	<ul style="list-style-type: none"> Puerto Rico, Guam and the US Virgin Islands Allowed on investment properties only Terms up to 5 Years are acceptable. The following structures are acceptable... <ul style="list-style-type: none"> - 6 mo of interest on the amount of the prepayment that exceeds 20% of the orig prin bal - 3%, 4%, or 5% for the term of the penalty - Declining structures that do not exceed 5% and do not drop below 3% in the first 3 yrs Prepayment penalties not allowed in AK, KS, MD, MI, MN, NM, OH, and RI. Prepayment penalties not allowed on loans vested to individuals in IL and NJ. Prepayment penalties not allowed on loan amounts less than \$250,324 in PA. Only declining prepayment penalty structures allowed in MS.

Interest Only
• Eligible with or without U.S. credit
Interested Party Contributions
• All LTV's: 3%

Max Acreage
• 2 Acres
Rural Properties
• Rural Properties Not Allowed

Loan Amount
<ul style="list-style-type: none"> Program Min: \$75,000 Loan Amounts < \$150k: 70% Max LTV/CLTV Min Loan Amount \$150k when DSCR < 1.15 Non-Warrantable Condo Max: \$1.5MM Loan Amounts > \$1.5MM require 2 appraisals C/O > \$1MM & LTV > 65% require 2 appraisals
Loan Amount > \$3,000,000
<ul style="list-style-type: none"> Only Available in the following states: CA, IL, FL, NY, NJ, MD, VA, DC, WA - NY: Purchase money only Cash-Out limited to the lower of 50% of property value or \$3,000,000 Property Types: SFR, Warrantable and Non-Warrantable Condos - Condos available in NY and FL only. FL Condos limited to 55% LTV See Guidelines for specific appraisal requirements (OVERLAYS APPLY)



Large Loan Balance Appraisal Overlays

The following appraisal restrictions apply to original loan balances that exceed \$3,000,000.

Neighborhood Analysis

- **Degree of Development and Growth Rate:** Properties designated as "rural" not allowed
- **Trend of Property Values:** "Declining" Markets not allowed
- **Supply of Properties in the Subject Neighborhood:** Markets in "Over-supply" not allowed
- **Price Range and Predominant Price:** The appraised value may not exceed the highest value of the Predominant Price Range by more than 10%
- **Marketing Time for Properties:** "Over 6 months" Not Allowed
- **Over-Improvement:** The subject property may not be designated as an "over-improvement"

Comparable Sales

- Minimum of 4 closed comparable sales
- All comparable sales must have occurred within the 12 months preceding the appraisal date
- At least 1 closed comparable must have occurred within 120 days of the appraisal date
- All comparable sales must be located within 4 miles of subject
- At least 1 closed comparable sales must be located within 1 mile of subject
- At least 2 closed comparable sales must be located within the same neighborhood as the subject

Property Condition

- Eligible Property Condition Ratings: C1, C2, C3
- Eligible Quality of Construction Ratings: Q1, Q2, Q3, Q4

Maximum Acceptable Acreage

- 5 acres

Zoning

- Properties zoned as agricultural are not eligible

Total Net Adjustments

- Total net adjustments should be minimal if the comparable is truly similar. Net Adjustments may not exceed 15% of the sales price of the comparable sale