



| Prime CES (PSV) | | | | | | | |
|---|----------|-----------------|-------------------------|------------------|----------------|----------|------------------------|
| Closed End Second - Full Doc / BS / 1099 / VOE / CPA P&L / DSCR | | | | | | | |
| Occupancy | Min FICO | Max Loan Amount | Max CLTV/HCLTV | | | | |
| | | | Full Doc | Bank Stmtnt 1099 | WVOE | CPA P&L | DSCR (Investment Only) |
| Primary | 720 | 350,000 | 90 | 90 | 85 | 80 | N/A |
| | | 500,000 | 90 | 85 | 80 | 75 | |
| | | 750,000 | Temporarily Unavailable | | | | |
| | | 850,000 | Temporarily Unavailable | | | | |
| | 700 | 350,000 | 90 | 85 | 80 | 75 | |
| | | 500,000 | 85 | 80 | 75 | 70 | |
| | | 750,000 | Temporarily Unavailable | | | | |
| | | 850,000 | Temporarily Unavailable | | | | |
| | 680 | 350,000 | 85 | 80 | 75 | 70 | |
| | | 500,000 | 80 | 75 | 70 | 65 | |
| | | 750,000 | Temporarily Unavailable | | | | |
| | 660 | 350,000 | 80 | 75 | 70 | 65 | |
| | | 500,000 | 75 | 65 | 65 | 60 | |
| | | 750,000 | Temporarily Unavailable | | | | |
| 2nd Home / Investment | 720 | 350,000 | 80 | 80 | 75 | 70 | 80 |
| | | 500,000 | 80 | 75 | 70 | 65 | 75 |
| | | 750,000 | Temporarily Unavailable | | | | |
| | 700 | 350,000 | 80 | 75 | 70 | 65 | 75 |
| | | 500,000 | 80 | 70 | 65 | 60 | 70 |
| | | 750,000 | Temporarily Unavailable | | | | |
| | 680 | 350,000 | 75 | 70 | 65 | 60 | 70 |
| | | 500,000 | 70 | 65 | 60 | 55 | 65 |
| | | 750,000 | Temporarily Unavailable | | | | |
| | 660 | 350,000 | 70 | 60 | 60 | 55 | N/A |
| | | 500,000 | 65 | 60 | 55 | 50 | |
| | | 750,000 | Temporarily Unavailable | | | | |
| Restrictions | | | | | | | |
| Feature | | | | | Max CLTV/HCLTV | | |
| | | | | | Primary | 2nd Home | Investment |
| Property Type | | | Condos | 75 | 75 | 70 | |
| | | | 2-4 Units | 75 | 75 | 70 | |
| | | | Rural Properties | 80 | N/A | N/A | |
| Max Combined Lien Balance | | | \$2,000,000 | 90 | 80 | 80 | |
| | | | \$3,000,000 | 85 | 80 | 80 | |
| | | | \$3,500,000 | 80 | 80 | 80 | |
| | | | \$4,000,000 | 75 | 75 | 75 | |
| | | | \$5,000,000 | 60 | 60 | 60 | |



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Income Requirements

| | |
|--|--|
| Full Doc | <ul style="list-style-type: none"> ♦ Wage-Earner: 1- or 2-years W2 and YTD paystub reflecting minimum 30 days earnings. ♦ Self-Employed: 1- or 2-year tax returns, all schedules. YTD P&L(prepared by borrower) supporting income |
| Business bank statmenet | <ul style="list-style-type: none"> ♦ 12- or 24-months of business bank statements. Qualifying income determined by one of the following analysis methods: ♦ Fixed Expense Ratio (50%) ♦ Expense ratio provided by a 3rd party (CPA, EA, or tax preparer) min ratio of 20% ♦ 3rd party prepared Profit & Loss Statement (CPA, EA, or tax preparer) |
| Person bank statement | <ul style="list-style-type: none"> ♦ 12- or 24-months of personal and 2-months of business bank statements. ♦ Qualifying income is determined by the total eligible deposits from the 12- or 24-months of personal statements divided by the number of statements. ♦ The business bank statements must reflect business activity and transfers to the personal account. |
| 3rd Party Profit & Loss Statement Only | <ul style="list-style-type: none"> ♦ Self-employed (2yrs - 25% or greater ownership) P&L prepared by CPA, CTEC or EA ♦ Qualifying income based on the net income reflected on P&L statement (multiplied by borrower's ownership percentage) / 12 months |
| IRS Form 1099 | <ul style="list-style-type: none"> ♦ 1099 plus either current check/check stub or bank statement showing deposits from each 1099 payor (10% expense factor applied). ♦ Qualifying income = 1099 gross - 10% expense factor. Current check stub or bank statement deposits must support amounts consistent with 1099 levels |
| Written Verification of Employment | <ul style="list-style-type: none"> ♦ FNMA Form 1005 plus 2 mos personal bank statements ♦ Equifax (The Work Number) ♦ Finicity (TXVerify) ♦ Any other acceptable online income data vendor ♦ Borrowers employed by a family owned or managed business are ineligible for WVOE documentation program |
| DSCR | <ul style="list-style-type: none"> ♦ Cash-out transactions only ♦ Minimum 1.00 DSCR Ratio ♦ Qualifying DSCR ratio based on Note Rate (PITIA) ♦ Non Perm Resident Aliens not allowed ♦ Short-Term Rental income accepted with 3rd party documentation of 12 months rents ♦ Long-Term Rental Income qualifies using the lower of the lease agreement or the 1007 (if available). Lease agreement required for all LTR transactions ♦ Minimum 1yr prepayment penalty required where allowable by state. Prepayment penalty must be in compliance with the terms and limitations of the applicable state or federal law |



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General Requirements

| | | | |
|---------------------------|---|---------------------|---|
| Product Type | ♦ 30-Yr Fixed | Loan Amounts | ♦ Min. \$100,000 ♦ Max. \$850,000 |
| Occupancy | ♦ Primary ♦ Second Home ♦ Investment | Loan Purpose | ♦ Purchase (No DSCR) ♦ Rate/Term (No DSCR) ♦ Cash Out |
| Borrower Eligibility | ♦ US Citizens ♦ Permanent Resident Alien ♦ Non-Permanent Resident Alien (No DSCR) | Ineligible Borrower | ♦ Non-Occupant Co-Borrowers ♦ Foreign Nationals |
| Property Type | ♦ Single Family (Max 10 acres) ♦ PUD ♦ Condo - Warrantable (Max CLTV/HCLTV: Primary/2nd Home 75% - Investment 70%) ♦ 2-4 Units (Max CLTV/HCLTV: Primary/2nd Home 75% - Investment 70%) | | |
| Rural Property | ♦ Primary up to 80% CLTV, max 10 acres | | |
| Appraisals | ♦ HPML: Full Appraisal (FNMA Form 1004, 1025, 1073 with interior/exterior inspection) ♦ Non-HPML: - Loan Amount > \$400,000: Full Appraisal (FNMA Form 1004, 1025, 1073 with interior/exterior inspection) - Loan Amount ≤ \$400,000: AVM with a 90% Confidence Factor (ClearCapital, Collateral Analytics, CoreLogic, HouseCanary, Homegenius, Quantarium, Veros) AND Property Condition Inspection | | |
| Ineligible Senior Liens | ♦ Loans in active forbearance or deferment are ineligible. Deferred balance from modifications > 12mos may remain open. ♦ Negative amortization ♦ Reverse mortgages ♦ Balloon loans that the balloon payment comes due during the amortization period of the 2nd lien. | | |
| Interest Only Senior Lien | ♦ Interest-Only senior liens acceptable when qualified at max 50% DTI ♦ Qualify 1st lien I/O on Fully Amortized payment on remaining term after I/O period. | | |
| Property Type | ♦ 1st lien ARMS with < 3 years fixed period remaining qualified on fully indexed payment. | | |

Underwriting Requirements

| | | | |
|----------------------------|--|------------------------|---|
| DTI Requirements | ♦ Max: 50% | Credit Event Seasoning | ♦ ≥ 48 Months ♦ No multiple events in last 7 years |
| Prepayment Penalty | ♦ Minimum 1 year required for DSCR ♦ Prepayment periods up to 3-Years eligible ♦ 5% fixed on remaining loan balance | Housing History | ♦ 0x30x12 ♦ Minimum 12 months housing history required |
| Credit Score | ♦ Use representative credit score of the borrower with the highest qualifying income ♦ DSCR loans qualify using the lowest middle score of all borrowers | | |
| Assets | ♦ Not required | | |
| Tradelines | ♦ Min 2 reporting 24-months w/activity in last 12- months or ♦ 3 reporting 12-months w/recent activity. | | |
| Seasoning | ♦ > 6 months ownership seasoning no restrictions. ≤ 6 months ownership seasoning ineligible for refinance. ♦ ≤ 6 months seasoning since previous refinance on either 1st lien or 2nd lien max 80 CLTV | | |
| Derogatory Credit | ♦ Open charge-offs or collections < \$1000 per occurrence ok. No delinquent tradelines at closing. ♦ Open Medical collections < \$1000 per occurrence ok. | | |
| Recently Listed Properties | ♦ Properties listed for sale in the last 6 months are not eligible. | | |
| Escrows | ♦ Not allowed | | |