MKLENDING CORP.
MORTGAGE BANKERS

Last Update 11/10/2025

Alt Doc Prime

Program Code: Alt Prime -30, -40, -7/6, -5/6, -30 IO, -40 IO, -7/6 IO, -7/6 IO-40, -5/6 IO, -5/6 IO-40

FICO	Loan Amt	Max CLTV					
		Primary					
		Bank Statement, 1099			WVOE, Asset Utilization		
		Purchase	R/T	Cash-Out	Purchase	R/T	Cash-Out
720+	≤ 1M	90%	85%	80%	80%	75%	70%
	≤ 1.5M	90%	85%	80%	80%	75%	70%
	≤ 2M	85%	80%	80%	80%	75%	70%
	≤ 2.5M	80%	75%	75%	75%	70%	70%
	≤ 3M	75%	70%	70%	70%	NA	NA
700-719	≤ 1M	90%	85%	80%	80%	75%	70%
	≤ 1.5M	90%	85%	80%	80%	75%	70%
	≤ 2M	85%	75%	70%	80%	75%	70%
	≤ 2.5M	75%	70%	65%	75%	70%	65%
	≤ 3M	75%	70%	65%	70%	NA	NA
680-699	≤ 1M	90%	85%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	80%	75%	70%	75%	70%	65%
	≤ 2.5M	75%	70%	65%	70%	65%	60%
	≤ 3M	70%	65%	65%	NA	NA	NA
660-679	≤ 1M	80%	80%	75%	NA	NA	NA
	≤ 1.5M	80%	75%	75%	NA	NA	NA
	≤ 2M	75%	70%	65%	NA	NA	NA
	≤ 2.5M	70%	65%	65%	NA	NA	NA
640-659	≤ 1M	80%	75%	70%	NA	NA	NA
	≤ 1.5M	70%	65%	65%	NA	NA	NA
	≤ 2M	65%	NA	NA	NA	NA	NA
620-639	≤ 1M	70%	70%	NA	NA	NA	NA

Last Update 11/10/2025

FICO	Loan Amt	Max CLTV					
		Second Home / Investment					
		Bank Statement, 1099			WVOE, Asset Utilization		
		Purchase	R/T	Cash-Out	Purchase	R/T	Cash-Out
720+	≤ 1M	85%	80%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	85%	80%	75%	80%	75%	70%
	≤ 2.5M	80%	75%	75%	75%	70%	70%
	≤ 3M	75%	70%	70%	NA	NA	NA
700-719	≤ 1M	85%	80%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	85%	75%	70%	80%	75%	70%
	≤ 2.5M	75%	70%	65%	75%	70%	65%
	≤ 3M	75%	70%	65%	NA	NA	NA
680-699	≤ 1M	85%	80%	75%	80%	75%	70%
	≤ 1.5M	85%	80%	75%	80%	75%	70%
	≤ 2M	80%	75%	70%	75%	70%	65%
	≤ 2.5M	75%	70%	65%	70%	65%	60%
	≤ 3M	70%	65%	65%	NA	NA	NA
660-679	≤ 1M	80%	80%	75%	NA	NA	NA
	≤ 1.5M	80%	75%	75%	NA	NA	NA
	≤ 2M	75%	70%	65%	NA	NA	NA
	≤ 2.5M	70%	65%	65%	NA	NA	NA
640-659	≤ 1M	80%	75%	70%	NA	NA	NA
	≤ 1.5M	70%	65%	65%	NA	NA	NA
	≤ 2M	65%	NA	NA	NA	NA	NA
620-639	≤ 1M	70%	70%	NA	NA	NA	NA

- 2-4 Units & Condo Max LTV/CLTV: 85%
- Rural Max LTV/CLTV: Purchase 80%, Refinance 75%
- First Time Home Buyer see restrictions below
- State Overlays/Restrictions see below
- Declining Market: Maximum LTV/CLTV is limited to 85% for Purchases, 80% for all refinances and the max loan amount is limited to $2,000,000

- Interest Only: Min Fico 660

Income Requirement

Self Employed Income	▪ **Personal Bank Statements** o 12-months of Personal and 2-months of business bank statements o Qualifying income is determined by the total eligible deposits from the 12-months of personal statements divided by the number of statements; or the income disclosed on the initial 1003 o The business bank statements must reflect business activity and transfers to the personal account ▪ **Business Bank Statements** o 12-months of business bank statements. Qualifying income is determined by one of the following analysis methods: ▪ Fixed Expense Ratio (50%) industry eligibility based upon the completion of the Business Narrative Form in the Seller Guide. ▪ **OR** Expense ratio provided by a 3rd party (CPA or EA) min ratio of 10% ▪ **OR** P&L statement prepared by 3rd party (CPA or EA): No expense ratio deduction. P&L must support business bank statement. ▪ **IRS Form 1099** o 1-year 1099 o Fixed Expense Ratio of 10% o YTD Documentation to support continued receipt of income from same source.
Wage Earner Income	▪ **WVOE + 2-month Bank Statement (see program restriction below)** o Bank statements must reflect deposits from the employer supporting at least 65% of gross wage/salary reflected on the WVOE. o Two-year history with same employer is required. o Borrower(s) employed by family members or related individuals are not eligible. o An internet search of the business is required with documentation to be included in the credit file to support existence of the business. ▪ **WVOE Restriction:** o FTHB max LTV 70% and No gift funds allowed
Asset Utilization	▪ Minimum eligible asset required is the lower of $1,000,000 or 150% of the loan amount ▪ Most recent three (3) months account statements, quarterly statement or a VOD (assets must be seasoned 90 days) ▪ Total Eligible Assets less down payment and closing costs divided by 84 to determine a monthly income ▪ Eligible asset: o 100% of Checking, Savings, and Money Market Accounts; o 100% of the cash surrender value of life insurance less any loans may be considered o 70% of Stocks, Bonds, and Mutual Funds; o 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59½) o 60% of Retirement Assets: Eligible if the borrower is not of retirement age. o Net Proceeds from Sale of Real Estate with Final Settlement Statement and proof of net proceeds deposited into borrower's account. ▪ No Gift Funds

<table>
<tr><th colspan="6">General Requirements</th></tr>
<tr><td>DTI</td><td colspan="5">▪ Standard max 50% (If 1st time home buyer or living rent free, additional restriction will apply)</td></tr>
<tr><td>Occupancy</td><td colspan="5">▪ Primary
▪ Second Home
▪ Investment</td></tr>
<tr><td>Interest Only</td><td colspan="5">▪ Min Credit Score: 660
▪ 30 and 40-year term, qualification based upon remaining term (amortized) after expiration of interest only period</td></tr>
<tr><td rowspan="11">Product Type</td><td>Product</td><td>Term</td><td>Amortization Term</td><td>I/O Term</td><td>Qualifying Rate</td></tr>
<tr><td>40-Yr Fixed</td><td>40 yr</td><td>40 yr</td><td>NA</td><td rowspan="4">Note Rate</td></tr>
<tr><td>40-Yr Fixed IO</td><td>40 yr</td><td>30 yr</td><td>10 yr</td></tr>
<tr><td>30-Yr Fixed</td><td>30 yr</td><td>30 yr</td><td>NA</td></tr>
<tr><td>30-Yr Fixed IO</td><td>30 yr</td><td>20 yr</td><td>10 yr</td></tr>
<tr><td>7/6 ARM</td><td>30 yr</td><td>30 yr</td><td>NA</td><td rowspan="6">Higher of Fully Indexed or Note Rate</td></tr>
<tr><td>7/6 ARM IO</td><td>30 yr</td><td>20 yr</td><td>10 yr</td></tr>
<tr><td>7/6 ARM IO-40Yr Term</td><td>40 yr</td><td>30 yr</td><td>10 yr</td></tr>
<tr><td>5/6 ARM</td><td>30 yr</td><td>30 yr</td><td>NA</td></tr>
<tr><td>5/6 ARM IO</td><td>30 yr</td><td>20 yr</td><td>10 yr</td></tr>
<tr><td>5/6 ARM IO-40Yr Term</td><td>40 yr</td><td>30 yr</td><td>10 yr</td></tr>
<tr><td>Loan Purpose</td><td colspan="5">▪ Purchase
▪ Rate/Term
▪ Cash-Out</td></tr>
<tr><td>Loan Amount</td><td colspan="5">▪ Min: $150,000
▪ Max: $3,000,000</td></tr>
<tr><td>Cash-Out</td><td colspan="5">▪ Max Cash-In-Hand: Unlimited
▪ Cash-Out Seasoning
○ For properties owned 6 months or longer, the LTV/CLV is based upon the appraised value.
○ If the cash-out seasoning is less than 6 months, see seller guide for eligibility.</td></tr>
<tr><td>Property Type</td><td colspan="5">▪ Single Family
▪ 2-4 Units (Max LTV/CLTV: 85%)
▪ Condo (Max LTV/CLTV: 85%)</td></tr>
<tr><td>Acreage</td><td colspan="5">▪ Property up to 20-acres
▪ Rural Max LTV/CLTV: Purchase 80%, Refinance 75%</td></tr>
<tr><td>Document Age</td><td colspan="5">▪ 90 days prior to the note date</td></tr>
<tr><td>State Restrictions</td><td colspan="5">▪ New Jersey:
○ Max LTV/CLTV: 85% for Purchases; 80% for Refinances
○ Max loan amount limited to $2M
▪ Florida:
○ Max LTV/CLTV: 85% for Purchases; 80% for Refinances
○ Max loan amount limited to $2M
○ Condos: Up to 7 Stories. No High Rise Condo (8+)</td></tr>
</table>

State Restrictions (Cont.)

- Condos: A structural inspection is required if the project is greater than 5 stories and over 30 years old or 25 years old if within 3 miles of the coast.
- Projects with an unacceptable or no inspection are not eligible.

- **Maryland:**
  - Investment property not permitted in Baltimore City, MD
- **Texas:**
  - Texas Senate Bill 17 eligibility restrictions for Non-Permanent residents. See seller guide

Escrow Impound

- Taxes and insurance escrows required

Prepayment Penalty

- Investment Properties only
- Prepayment periods up to 5-years eligible, see rate sheet
- Penalties not allowed on loans vested to individuals in NJ
- Prepayment not allowed on MD
- Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12-month time period.

General Underwriting Guidelines

Credit Score

- Middle of 3 scores or lower of 2

Tradelines

- Min: 2 reporting 24-months w/ activity in last 12-months or 3 reporting 12-months w/ recent activity
- If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived

Housing History

- See CHART below
- Borrowers with less than 12 months housing history (ie: living rent free) Max DTI 43%

Housing History

Housing History	1x30x12	0x60x12	0x90x12
Max LTV/CLTV: Purchase	See matrix above	80%	70%
Max LTV/CLTV: Refi.	See matrix above	75%	NA
Max Loan Amt:	See matrix above	$1,500,000	$1,000,000

Credit Event Seasoning

BK/FC/SS/DIL/PreFC/MC	>= 36 Mo	>= 24 Mo	>= 12 Mo
Max LTV/CLTV: Purchase	See matrix above	80%	70%
Max LTV/CLTV: Refi.	See matrix above	75%	NA
Max Loan Amt:	See matrix above	$1,500,000	$1,000,000

Notice of Default

- Notice of Default will be considered 1x90x12 under housing history restrictions.
- If the borrower cured the default and has made 12 timely payments, they are eligible without any restrictions.

Forbearance, Modification, and Deferrals

- Forbearance and Deferrals are considered under housing payment history. Greater than 12 months from note date: Forbearance, loan modification, or deferrals (including COVID-19 related events) completed or reinstated greater than 12 months from the note date of the subject transaction are eligible.
- Within 12 months of note date: Not Eligible

Reserves	▪ LTV < 80%: 3-months of PITIA ▪ LTV 80.01 to 85%: 6-month PITIA ▪ LTV > 85%: 12-month of PITIA ▪ Loan Amount > $1.5M: 9-months of PITIA ▪ Loan Amount > $2.5M: 12-months of PITIA ▪ Cash out may be used to satisfy requirement ▪ Reserves Must be own funds (NO GIFT)
Assets Req.	▪ 1 month bank statement or VOD with 30-day average (Any large deposit must be sourced)
Gift Funds	▪ Allowed after Min contribution is met: o 5% min contribution for Primary and Second Home o 10% min contribution for Investment ▪ Primary/Second Home Purchase Only: o 100% Gift allowed when using 12 or 24 Month Bank Statement for Income o Max LTV/CLTV 80% o Borrowers must meet reserve and residual income requirements ▪ Gift Not Permitted on Refinances
First Time Home Buyer	▪ Primary residence only ▪ DTI may not exceed 45% ▪ Minimum six (6) months of reserves ▪ 12-month rental history, reflecting 0x30, documented ▪ Without a documented 12-month rental history: Max DTI 43% and Max LTV/CLTV 80%
Interested Party Contributions	▪ Primary and Second Home o 6% for LTVs > 75% o 9% for LTV ≤ 75% ▪ Investment o Max 6%
Appraisals	▪ FNMA Form 1004, 1025, 1073 with interior/exterior inspection ▪ Appraisal review product required unless 2nd appraisal obtained ▪ 2nd Appraisal required for loans > $2,000,000 ▪ Transferred Appraisal are acceptable
Declining Market	▪ If appraisal report indicates declining market the max LTV/CLTV is 85% for Purchases, 80% for Refinances and Max Loan Amount is limited to $2M