MKLENDING CORP.
MORTGAGE BANKERS

Last Update MK 08/06/2026

P&L Plus and VOE Plus

PL Plus Program Code: PL Plus -30, -7/6, -5/6, -30 IO, -40 IO, -7/6 IO, -7/6 IO-40, -5/6 IO, -5/6 IO-40
VOE Plus Program Code: VOE Plus -30, -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			
		Purchase & R/T		Cash-Out	
		Primary	2nd Home/ Investment	Primary	2nd Home/ Investment
740+	≤ 1M	80%	80%	80%	75%
	≤ 1.5M	80%	80%	75%	75%
	≤ 2M	80%	80%	75%	70%
	≤ 2.5M	80%	75%	70%	65%
	≤ 3M	75%	70%	65%	60%
720-739	≤ 1M	80%	80%	75%	75%
	≤ 1.5M	80%	80%	75%	75%
	≤ 2M	80%	80%	70%	70%
	≤ 2.5M	80%	75%	70%	65%
	≤ 3M	75%	70%	65%*	60%*
700-719	≤ 1M	80%	80%	75%	75%
	≤ 1.5M	80%	80%	75%	70%
	≤ 2M	80%	80%	70%	70%
	≤ 2.5M	75%	75%	65%	65%*
	≤ 3M	70%	70%*	60%*	60%*
680-699	≤ 1M	80%	80%	70%	70%
	≤ 1.5M	80%	80%	70%	70%
	≤ 2M	75%	75%	65%	65%*
	≤ 2.5M	70%	70%	60%	NA
660-679	≤ 1M	80%	80%	70%	70%
	≤ 1.5M	75%	75%	70%	65%
	≤ 2M	75%	70%	60%	60%*
	≤ 2.5M	70%*	65%*	NA	NA

- Interest Only: Min FICO 700, FTHB not eligible
- **Non-Permanent Resident Alien:** Cash-Out not eligible
- If loan has credit event BK/FC/SS/DIL/Mod (due to Default)/NOD/PreFC/MC/Lis Pendens/ & 120+ days delinquent 36-48 Mo, 1x30x12, 0x60x24), additional restrictions will apply:
  - 5% LTV/CLTV reduction (* Not available)
  - Max DTI 50%
  - LTV/CLTV > 60%: Max Cash-out $500,000
  - Non-Warrantable Condo max LTV/CLTV 75%
  - Non-Permanent Resident Alien Max LTV/CLTV 75%
  - 2-4 Units/Condos Max LTV/CLTV 75%

- Declining Markets: 5% LTV/CLTV Reduction

<table>
<tr><th colspan="6">General Requirements</th></tr>
<tr><td>DTI</td><td colspan="5">▪ Max 50%</td></tr>
<tr><td>Occupancy</td><td colspan="5">▪ Primary
▪ Second Home
▪ Investment</td></tr>
<tr><td rowspan="10">Product Type
*Interest Only: Qualification based upon the remaining term (amortized) after expiration of the interest only period</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 IO</td><td>40 yr</td><td>30 yr</td><td>10 yr</td><td rowspan="3">Note Rate</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
o Refinance of a previous Cash Out transaction seasoned less than one (1) year will be considered a Cash Out
o Non-Permanent Resident Alien: Cash out not eligible</td></tr>
<tr><td>Max Cash-Out Limit</td><td colspan="5">▪ LTV/CLTV > 60%: Max Cash-out $750,000 (No Credit Event)
▪ LTV/CLTV ≤ 60%: Unlimited Cash-out</td></tr>
<tr><td>Loan Amount</td><td colspan="5">▪ Min: $150,000
▪ Max: $3,000,000</td></tr>
<tr><td>State Restrictions</td><td colspan="5">▪ Maximum loan amount is limited to $2,000,000. If either or both of the following apply:
o The appraisal report identifies the property as a declining market;
o The subject property is in a state of NJ or FL
▪ Florida Condominiums:
o Up to 7 Stories. No High Rise Condo (8+)
o 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.
o Projects with an unacceptable or no inspection are not eligible.
▪ Investment properties are ineligible in Baltimore, Maryland</td></tr>
<tr><td>Appraisals</td><td colspan="5">• 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</td></tr>
<tr><td>Appraisal Review</td><td colspan="5">• Collateral Underwriter (CU) or Loan Collateral Advisor (LCA) as a secondary valuation if the score is <= 2.5</td></tr>
</table>

	• CDA if the score is > 2.5
Declining Market	• Properties in declining markets as determined by the appraisal, other third-party valuation (i.e., CDA) will require a 5% reduction to the LTV/CLTV caps within the loan matrices.
Rural Property	• Maximum of 20 acres
Escrow Impound	▪ Mandatory escrow for taxes and insurance will be required for below o HPLMs (5 Years) ▪ Flood insurance escrows are required when the subject property is located in a Special Flood Hazard Area (SFHA)
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.
Document Age	▪ Ninety (90) days prior to the note date
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	▪ 0x30x12 and 0x60x24 ▪ 1x30x12 and 0x60x24 ***See Credit Restriction Below**
Credit Event Seasoning	▪ BK/FC/SS/DIL/Mod (due to Default)/NOD/PreFC/MC/Lis Pendens/ & 120+ days delinquent > 48 Mo ▪ >36 and <48 Mo ***See Credit Restriction below** ▪ Forbearance and deferral transactions and a loan modification due to default is considered a derogatory housing event ▪ The seasoning period is measured from the date of discharge/ dismissal or property resolution (completion date) to the note date.
Credit Restriction	▪ If loan has credit event BK/FC/SS/DIL/Mod (due to Default)/NOD/PreFC/MC/Lis Pendens/ & 120+ days delinquent between 36-48 Mo, 1x30x12, 0x60x24), additional restrictions will apply: o 5% LTV/CLTV reduction (* Not available) See Matrix above. o Max DTI 50% o LTV/CLTV > 60%: Max Cash-out $500,000 o Non-Warrantable Condo max LTV/CLTV 75%
First Time Home Buyer	▪ Both Owner-Occupied (OO) and Non-Owner-Occupied (NOO) permitted. ▪ DTI may not exceed 50%. ▪ The rental history, reflecting 0x30 o First time homebuyers with less than 12-month rental history: LOE or rent-free letter is required. ▪ Interest Only not eligible

Eligible Borrower	▪ US Citizens ▪ Permanent Resident Aliens ▪ Non-Permanent Resident Aliens (Max LTV /CLTV 80% w/ no credit event, cash out not eligible) ▪ Inter Vivos Revocable Trust (Must meet Fannie Mae requirements) ▪ Limited Liability Companies
Ineligible Borrower	▪ Non-Occupant Co-Borrowers ▪ Irrevocable Trust ▪ ITIN Borrower ▪ Land Trust ▪ Blind Trust ▪ Persons with Diplomatic Immunity, as defined by US Citizenship and Immigration Services ▪ Persons from OFAC sanctioned countries and persons sanctioned by OFAC ▪ Not-For-Profit entity ▪ Any material parties (company or individual) to the transaction listed on HUD's Limited Denial of Participation (LDP) list, the federal General Services Administration (GSA) Excluded Party list, or any other exclusionary list.
Assets Requirements	▪ 1 month bank statement or VOD with 30-day average.
Reserves	▪ Reserve requirements are determined by loan amount and LTV as follows: ○ Loan Amount ≤ \$1.5 million and LTV ≤ 75% → None required ○ Loan Amount ≤ \$1.5 million and LTV > 75% → 2 months of PI ○ Loan Amount > \$1.5 million → 4 months of PI ○ Loan Amount > \$2.0 million → 6 months of PI ▪ Cash out may be used to satisfy requirement
Gift Funds	▪ 100% gift allowed for down payment, closing and reserves ▪ Gift funds are allowed in refinance transactions.
Interested Party Contribution	▪ Primary and Second Home: ○ 6% for LTVs > 75% ○ 9% for LTV ≤ 75% ▪ Investment: ○ Max 6%
Self Employed Income	▪ **Profit & Loss Statement Only** ○ 12 Mo CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement ▪ Qualifying income is the net income from the P&L divided by 12 months ▪ Expenses on the P&L must be reasonable for the industry. ○ CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent tax return & borrower has minimum 25% ownership, and CPA/EA/CTEC letter must verify minimum 2 years of existence of business. ▪ Must be signed by a CPA/EA/CTEC

Wage Earner Income	▪ **WVOE Form Required** o Two-year history with same employer. 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. o WVOE verification must be completed through a third-party vendor.
Ineligible Transactions	▪ Assignment of Contracts ▪ Construction Loans ▪ Builder Bailout & Model leasebacks ▪ Conversion Loans ▪ Rent Credits ▪ Non-Arm's Length (Only Eligible on Primary Residence) ▪ Employee of a Seller, Broker or Originator that is party to the subject loan ▪ Lease Option ▪ Daily Simple Interest Loans ▪ Tenants in Common Vesting, unless all parties vested match the actual borrowers on the loan
Eligible Properties	▪ Individual properties must have a minimum property value of $150k ▪ One Unit Single Family Residences ▪ Single Family properties with ADUs (Accessory Dwelling Units) follow FNMA requirements and restrictions ▪ Unpermitted additions/alterations and deferred maintenance to follow FNMA guidelines ▪ 2-4 unit properties ▪ PUDs – Attached and Detached ▪ Townhouses ▪ Leasehold Properties ▪ Warrantable Condo ▪ Non-Warrantable Condo * See Restrictions to Non-Warrantable Condo may be permitted case-by-case, with LLPA* ▪ Maximum 20 acres
Non-Warrantable Condo	• Rick stacking of non-warrantable features are not permitted • A single owner / entity may not own more than 30% of the units • Commercial Space must be typical to the market, have no negative impact and comprise 49% or less of project space • Investor Concentration up to 70% • No more than 25% of the total units in the project may be 60 days or more past due on their Condo / HOA dues. This figure includes delinquencies for special assessments • Mandatory upfront or periodic membership fees for the use of recreational amenities, such as country club facilities and golf courses are not allowed • All common areas must be 100% complete • HOA Should be in control. Projects under builder, developer control may be considered on a case-by-case basis and will require an Exception approval, subject to an additional LLPA • HOA Reserves must demonstrate a minimum of 10% • Projects involved in pending litigation that involve minor matters with no impact on the safety, structural soundness, habitability, or functional use of the project are acceptable as long the pending lawsuit(s) meets the following

	○ Do not affect marketability of the units ○ Potential for damages do not exceed 25% of the HOA reserves OR with documentation from the insurance carrier and attorney representing the HOA or insurance carrier that the insurance carrier has agreed to provide the defense and the association's insurance is sufficient to cover the litigation ▪ **Lawsuits that involve safety, structural soundness, habitability, or functional use are not eligible**
Ineligible Property Type	• Agricultural zoned properties **(may be considered case-by-case, exception required, subject to LLPA)** • Assisted Living/Continuing Care Facilities • Barndominiums • Boarding Houses • Builder Model Leaseback • C5 or C6 Property Condition Grades • Condominium projects with registration services or restrictions on owner's ability to occupy • Condotels • Cooperatives • Earth Berm Homes • Faux Log Homes (properties with a Log Cabin aesthetic, may be eligible with exception, subject to LLPA) • Fractional Ownership/Timeshares • Geodesic Domes • Group Homes • Homes on Native American Land (Reservations) • Houseboats • Live/Work Condos • Log Homes • Mandatory Country Club Memberships • Manufactured Homes • Mixed Use Properties • Multiple dwellings on same lot (legal ADU acceptable. Limited to one) • Properties under Construction • Residential units with >= 5 units • Properties > 20 acres • Properties used for the cultivation, distribution, manufacture, or sale of Marijuana • Unique Properties • Working Farms • Zoning Violations • Theme Park Resort Properties
Listing Seasoning	• Properties that have been listed for sale within the past six (6) months from the Note Date may not be currently listed at the time of Loan Application and will require a borrower LOE and listing cancellation. • Multiple listings in the past twelve (12) months are not eligible. • For all refinances, the LTV/CLTV will be based on the appraised value.