

P&L Prime

Program Code: PL 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 | | |
| | | Purchase | R/T | Cash-Out |
| 720+ | ≤ 2M | 80% | 75% | 70% |
| | ≤ 2.5M | 75% | 70% | 70% |
| | ≤ 3M | 70% | NA | NA |
| 700-719 | ≤ 2M | 80% | 75% | 70% |
| | ≤ 2.5M | 75% | 70% | 65% |
| | ≤ 3M | 70% | NA | NA |
| 680-699 | ≤ 1.5M | 80% | 75% | 70% |
| | ≤ 2M | 75% | 70% | 65% |
| | ≤ 2.5M | 70% | 65% | 60% |
| FICO | Loan Amt | Max CLTV | | |
| | | Second Home / Investment | | |
| | | Purchase | R/T | Cash-Out |
| 720+ | ≤ 2M | 80% | 75% | 70% |
| | ≤ 2.5M | 75% | 70% | 70% |
| 700-719 | ≤ 2M | 80% | 75% | 70% |
| | ≤ 2.5M | 75% | 70% | 65% |
| 680-699 | ≤ 1.5M | 80% | 75% | 70% |
| | ≤ 2M | 75% | 70% | 65% |
| | ≤ 2.5M | 70% | 65% | 60% |
| <ul style="list-style-type: none"> First Time Home Buyer see restrictions below State Overlays/Restrictions see below If appraisal report identifies the property in declining market, max loan amount limited to \$2M Rural: Max LTV/CLTV 80% Purchase, 75% Refinance | | | | |

| Income Requirement | | | | | |
|--|--|-------|-------------------|----------|--------------------------------------|
| Self Employed Income | <ul style="list-style-type: none">▪ Profit & Loss Statement Only<ul style="list-style-type: none">○ 12 Mo CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement Only within 30 days of the loan application<ul style="list-style-type: none">▪ 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 50% ownership, and CPA/EA/CTEC letter must verify minimum 2 years of existence of business.<ul style="list-style-type: none">▪ Must be signed by a CPA/EA/CTEC | | | | |
| General Requirements | | | | | |
| DTI | <ul style="list-style-type: none">▪ Standard max 50% (If 1st time home buyer or living rent free, additional restriction will apply) | | | | |
| Occupancy | <ul style="list-style-type: none">▪ Primary▪ Second Home▪ Investment | | | | |
| Product Type *Interest Only: Amortization term used for Qualification | Product | Term | Amortization Term | I/O Term | Qualifying Rate |
| | 40-Yr Fixed | 40 yr | 40 yr | NA | Note Rate |
| | 40-Yr Fixed IO | 40 yr | 30 yr | 10 yr | |
| | 30-Yr Fixed | 30 yr | 30 yr | NA | |
| | 30-Yr Fixed IO | 30 yr | 20 yr | 10 yr | |
| | Product | Term | Amortization Term | I/O Term | Qualifying Rate |
| | 7/6 ARM | 30 yr | 30 yr | NA | Higher of Fully Indexed or Note Rate |
| | 7/6 ARM IO | 30 yr | 20 yr | 10 yr | |
| | 7/6 ARM IO-40Yr Term | 40 yr | 30 yr | 10 yr | |
| | 5/6 ARM | 30 yr | 30 yr | NA | |
| | 5/6 ARM IO | 30 yr | 20 yr | 10 yr | |
| | 5/6 ARM IO-40Yr Term | 40 yr | 30 yr | 10 yr | |
| Loan Purpose | <ul style="list-style-type: none">▪ Purchase▪ Rate/Term▪ Cash-Out | | | | |
| Loan Amount | <ul style="list-style-type: none">▪ Min: \$150,000▪ Max: \$3,000,000 | | | | |
| Cash-Out | <ul style="list-style-type: none">▪ Max Cash-In-Hand: Unlimited▪ Cash-Out Seasoning<ul style="list-style-type: none">○ 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. | | | | |

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| Property Type | <ul style="list-style-type: none"> Single Family 2-4 Units Condo |
| Rural Property | <ul style="list-style-type: none"> Max LTV/CLTV 80% Purchase, 75% Refinance |
| State Restrictions | <ul style="list-style-type: none"> New Jersey and Florida: <ul style="list-style-type: none"> Max loan amount limited to \$2M Florida Condominiums: <ul style="list-style-type: none"> Up to 7 Stories. No High Rise Condo (8+) 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: <ul style="list-style-type: none"> Investment property not permitted in Baltimore City, MD Texas: <ul style="list-style-type: none"> Texas Senate Bill 17 eligibility restrictions for Non-Permanent residents see seller guide |
| Escrow | <ul style="list-style-type: none"> Taxes and insurance escrows required |
| Prepayment Penalty | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 90 days prior to the note date |
| General Underwriting Guidelines | |
| Credit Score | <ul style="list-style-type: none"> Middle of 3 scores or lower of 2 |
| Tradelines | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 1x30x12 Borrowers with less than 12 months housing history (ie: living rent free) Max DTI 43% |
| Housing Event Seasoning | <ul style="list-style-type: none"> BK/FC/SS/DIL/PreFC/MC: ≥ 36 Months |
| Notice of Default | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> LTV ≤ 80%: 3-months 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) |

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| Assets Requirements | <ul style="list-style-type: none"> 1 month bank statement or VOD with 30-day average (Any large deposit must be sourced) |
| Business Funds | <ul style="list-style-type: none"> Business accounts may be considered for assets. The amount of business assets that may be utilized is limited to the borrower's ownership percentage in the business. |
| Gift Funds | <ul style="list-style-type: none"> Allowed after Min contribution is met: <ul style="list-style-type: none"> 5% min contribution for Primary and Second Home 10% min contribution for Investment Gift Not Permitted on Refinances |
| First Time Home Buyer | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> Primary and Second Home <ul style="list-style-type: none"> 6% for LTVs > 75% 9% for LTV ≤ 75% Investment <ul style="list-style-type: none"> Max 6% |
| Appraisals | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> If appraisal report indicates declining market the max LTV/CLTV is 80% and Max Loan Amount is limited to \$2M |