MKLENDING CORP.
MORTGAGE BANKERS

Last Update MK 7/22/2026

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			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
	≤ 3.5M	70%	65%	NA	NA	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
	≤ 3.5M	70%	65%	NA	NA	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

FICO	Loan Amt	Max CLTV					
		Second Home / Investment					
		Bank Statement, 1099			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
	≤ 3.5M	70%	65%	NA	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
	≤ 3.5M	70%	65%	NA	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

- Non-Permanent Resident Alien Max LTV/CLTV 80%
- 2-4 Units & Condo Max LTV/CLTV: 85%
- Rural Max LTV/CLTV: Purchase 80%, Refinance 75%
- State Restriction and Declining Market: Maximum LTV/CLTV is limited to 85% for Purchases and 80% for all refinances and the max loan amount is limited to $2,000,000 if either or both of the following apply:
  - The appraisal report identifies the property as a declining market
  - The subject property is in a state of NJ or FL
- Investment properties are ineligible in Baltimore, Maryland

Income Requirement

Self Employed Income	▪ **Personal Bank Statements** ○ 12-months of Personal and 2-months of business bank statements ○ 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 ○ The business bank statements must reflect business activity and transfers to the personal account ▪ **Business Bank Statements** ○ 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** ○ 1-year 1099 ○ Fixed Expense Ratio of 10% ○ YTD Documentation to support continued receipt of income from same source.
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: ▪ 100% of Checking, Savings, and Money Market Accounts; ▪ 100% of the cash surrender value of life insurance less any loans may be considered ▪ 70% of Stocks, Bonds, and Mutual Funds; ▪ 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59½)

<table>
<tr><td>Asset Utilization (Cont.)</td><td>

60% of Retirement Assets: Eligible if the borrower is not of retirement age.
Asset Utilization Restriction:

Gift funds may not be used to determine qualifying income
Max 1x30x12 housing late
Min 36 months credit event seasoning

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<tr><td colspan="2">General Requirements</td></tr>
<tr><td>DTI</td><td>

Max 50%

</td></tr>
<tr><td>Occupancy</td><td>

Primary
Second Home
Investment

</td></tr>
<tr><td>Interest Only</td><td>

Min Credit Score: 660
Max LTV: 90%

</td></tr>
<tr><td>Product Type

*Interest Only: Qualification based upon the remaining term (amortized) after expiration of the interest only period</td><td>
<table>
<tr><th>Product</th><th>Term</th><th>Amortization Term</th><th>I/O Term</th><th>Qualifying Rate</th></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>
</table>
</td></tr>
<tr><td>Loan Purpose</td><td>

Purchase
Rate/Term
Cash-Out

</td></tr>
<tr><td>Loan Amount</td><td>

Min: $150,000
Max: $3,500,000

</td></tr>
<tr><td>Cash-Out</td><td>

Max Cash-In-Hand: Unlimited
Cash-Out Seasoning

For properties owned 12 months or longer, the LTV/CLV is based upon the appraised value.
If the cash-out seasoning is less than 12 months, but greater than 6 months, the transaction property value is limited to the lower of the current appraised value or the property’s purchase price plus documented improvements.
A prior cash-out transaction within the past six (6) months is ineligible for another cash-out
Refinance of a previous Cash-Out transaction seasoned less than one (1) year will be considered a Cash-Out refinance.

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</table>

Property Type	▪ Single Family ▪ 2-4 Units (Max LTV/CLTV: 85%) ▪ Condo (Max LTV/CLTV: 85%)
Acreage	▪ Property up to 20-acres ▪ Rural Max LTV/CLTV: Purchase 80%, Refinance 75%
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
Accessory Dwelling Units (ADU)	▪ Eligible on 1-unit properties with up to 2 ADUs; 3+ ADUs not permitted ▪ Must be **smaller than the primary dwelling** ▪ Must be similar in quality to the primary dwelling ▪ Must have separate features from the primary dwelling for the following : means of ingress/egress, kitchen, sleeping area, bathroom facilities ▪ Kitchen must include **cabinets, countertop, sink with running water, and stove** ▪ ADU with access only through or open to primary dwelling is **not eligible as an ADU** ▪ Appraisal must describe ADU(s), address marketability, and include comparable(s) with same use / same number of ADUs ▪ Form 1025 required for 2 ADUs ▪ **OO / 2nd Home:** ADU income not eligible for qualifying ▪ Investment: rental income eligible per program requirements ○ LTR: lower of Form 1007/1025 market rent or actual rent ○ STR: per selected doc type requirements ▪ Rental Income on NOO may be used for the ADU subject to the following: ○ Appraisal report to reflect zoning compliance is legal or in compliance with zoning laws ○ Permits must be verified if required by jurisdiction ○ Appraisal report to include at least one comparable with the same number of ADU's as the subject property ▪ Gross market rents must be itemized when there are two ADU's that generate rental income
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. ○ 85% LTV Purchase ▪ 80% Refinance
Escrow Impound	▪ Mandatory escrow for taxes and insurance will be required for below ○ HPLMs (5 Years) ▪ Flood insurance escrows are required when the subject property is located in a Special Flood Hazard Area (SFHA)
Document Age	▪ 90 days prior to the note date

<table>
<tr><td>State Restrictions</td><td>

Maximum LTV/CLTV is limited to 85% for Purchases and 80% for all refinances and the max loan amount is limited to $2,000,000. If either or both of the following apply:

The appraisal report identifies the property as a declining market;
The subject property is in a state of NJ or FL

Florida Condominiums:

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.

Investment properties are ineligible in Baltimore, Maryland

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<tr><td>Prepayment Penalty</td><td>

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.

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<tr><td colspan="2">General Underwriting Guidelines</td></tr>
<tr><td>Credit Score</td><td>

Middle of 3 scores or lower of 2

</td></tr>
<tr><td>Tradelines</td><td>

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

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<tr><td>Housing History</td><td>
<table>
<tr><th>Housing History</th><th>1x30x12</th><th>0x60x12</th><th>0x90x12</th></tr>
<tr><td>Max LTV/CLTV: Purchase</td><td>See matrix above</td><td>80%</td><td>70%</td></tr>
<tr><td>Max LTV/CLTV: Refi.</td><td>See matrix above</td><td>75%</td><td>NA</td></tr>
<tr><td>Max Loan Amt:</td><td>See matrix above</td><td>$1,500,000</td><td>$1,000,000</td></tr>
</table>
</td></tr>
<tr><td>Credit Event Seasoning</td><td>
<table>
<tr><th>BK/FC/SS/DIL/PreFC/MC</th><th>>= 36 Mo</th><th>>= 24 Mo</th><th>>= 12 Mo</th></tr>
<tr><td>Max LTV/CLTV: Purchase</td><td>See matrix above</td><td>80%</td><td>70%</td></tr>
<tr><td>Max LTV/CLTV: Refi.</td><td>See matrix above</td><td>75%</td><td>NA</td></tr>
<tr><td>Max Loan Amt:</td><td>See matrix above</td><td>$1,500,000</td><td>$1,000,000</td></tr>
</table>

The seasoning period is measured from the date of discharge/ dismissal or property resolution (completion date) to the note date.
In the case of a foreclosure which was included in a BK, the seasoning timeline will start from the earlier of the date of discharge of bankruptcy and the foreclosure completion date

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</table>

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, modifications and Deferrals (including COVID-19 related events) are considered under housing payment history. ○ Greater than 12 months from note date: Completed or reinstated greater than 12 months from the note date of the subject transaction may be eligible subject to housing history requirements for the selected program. ○ Within 12 months of note date: Completed or reinstated within 12 months from the note date of the subject transaction are **Not eligible.**
Reserves	▪ Reserve requirements are determined by loan amount and LTV as follows: o Loan Amount ≤ $1.5 million and LTV ≤ 75% → None required o Loan Amount ≤ $1.5 million and LTV > 75% → 2 months of PI o Loan Amount > $1.5 million → 4 months of PI o Loan Amount > $2.0 million → 6 months of PI ▪ Cash out may be used to satisfy requirement
Assets Req.	▪ 1 month bank statement or VOD with 30-day average.
Business Funds	▪ 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. ▪ For business purpose loans assets held in the name of the vested entity: 100% of the assets may be used
Gift Funds	Gift funds ▪ LTV/CLTV ≤ 80%: 100% gift allowed for down payment, closing and reserves ▪ LTV/CLTV > 80%: Gift funds allowed for down payment, closing and reserves after Minimum 5% borrower contribution is met ▪ Gift funds are allowed in refinance transactions.
First Time Home Buyer	▪ Both Owner-Occupied (OO) and Non-Owner-Occupied (NOO) permitted. ▪ DTI may not exceed 50%. ▪ The rental history, reflecting 0x30, documented. ▪ First time homebuyers with less than 12-month rental history: ▪ LOE or rent-free letter is required.
Interested Party Contributions	▪ Primary and Second Home o 6% for LTVs > 75% o 9% for LTV ≤ 75% ▪ Investment o Max 6%

Ineligible Property Type	▪ Properties with agricultural features (e.g., vineyards, farms, ranches, orchards, equestrian facilities) ▪ Properties used as healthcare facilities (e.g., assisted living, elder care, recovery/treatment, Continuing Care Facilities) ▪ Properties used for the cultivation, distribution, manufacture, or sale of Marijuana ▪ Properties with condition rating of C5/C6 or quality rating of Q6 on the appraisal ▪ Barndominiums ▪ Properties under Construction ▪ Units with >= 5 units ▪ Properties > 20 acres ▪ Zoning Violations or illegal use ▪ Properties on Native American Land (Reservations) ▪ Manufactured or Mobile homes ▪ Mixed Use Properties ▪ Faux Log Homes (properties with a Log Cabin aesthetic, may be eligible with exception, subject to LLPA) ▪ Houseboats ▪ Log Homes ▪ Units subject to timeshare arrangements ▪ Properties with fractional ownership ▪ Boarding Houses ▪ Builder Model Leaseback ▪ Condominium projects with registration services or restrictions on owner's ability to occupy ▪ Condotels ▪ Cooperatives ▪ Earth Berm Homes ▪ Group Homes ▪ Live/Work Condos ▪ Mandatory Country Club Memberships ▪ Unique Properties ▪ Working Farms ▪ Theme Park Resort Properties ▪ Vacant land or land development properties ▪ Properties not readily accessible by roads that meet local standards ▪ Properties not suitable for year-round occupancy, regardless of location ▪ Units in a Co-op development ▪ Properties used as boarding houses, bed/breakfast, or single room occupancy (e.g., pad split app) ▪ Properties with nonresidential, income-producing structures on premise (e.g., billboards, cell phone towers, commercial workshop) ▪ Dome or geodesic 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 lesser of lowest list price in prior 12 months or appraised value.