

INVESTOR CONNECT DSCR 1.0+

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE AND TERM	80% ^{1,2}	\$1,000,000	640
		\$1,500,000	660
		\$2,000,000	740
	75%	\$1,000,000	620
		\$1,500,000	640
		\$2,000,000	700
	70%	\$1,500,000	620
		\$2,000,000	640
		\$2,500,000	700
	65%	\$2,000,000	620
\$2,500,000		660	
CASH OUT	75%	\$1,500,000	700
	70%	\$1,500,000	660
	65%	\$1,000,000	620
		\$2,000,000	660
	60%	\$2,500,000	700

- Minimum loan amount \$100,000
 - Loan amounts \$100k-\$150k – require min DSCR 1.25
- ¹3-4 Unit Max 75%
²Non-Warrantable Condo – Max 75% LTV/CLTV
- Short Term Rental Refinance:** Min DSCR 1.25%, Max LTV 70%, Min Score 700, and 1-year experience operating a short-term rental.
- Short Term Rental Purchases:** Min DSCR 1.50% (or 1.25% using AirDNA ‘Rentalizer’ tool). Max LTV 75%, Min Score 700, and 1-year experience operating a short-term rental. Max LTV 70% without 1-year experience operating a short-term rental.

INVESTOR PREMIER - DSCR 1.0+

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE AND TERM	70%	\$1,000,000	720
CASH OUT			

- Minimum loan amount \$100,000
- Loan amounts < \$150,000 – require min 1.25 DSCR
- Non-Perm Resident Aliens and Foreign Nationals not permitted
- Minimum 3 Year Prepay Penalty Required. Non-PPP state restrictions apply
- Max financed properties = 15 residential
- 40-Yr Fixed and 40-Yr ARM fully amortizing products not permitted
- All additional overlays of Investor Connect otherwise apply
- Short-term rental: Not allowed
- Market Rent Survey based on long-term tenancy may be used with Min DSCR of 1.00 (or 1.25 < \$150,000)
- **Geographic Restriction:** Georgia loans must be closed in an entity to be eligible for Investor Premier

INVESTOR CONNECT DSCR .85-.99¹

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE AND TERM	70%	\$1,500,000	680
	65%	\$2,000,000	700

¹ Min \$175k loan amount; 40 yr. IO not permitted



ELIGIBILITY	Financing of the investment property must be solely for commercial / business purposes and is required to sign a Certification of Business Purpose/Non-Owner Occupancy					
PRODUCTS	Product	Term	IO Term	Initial Capital	Periodic Cap	Life Cap
	5/6 ARM	360 mo	NA	2	1	6
	5/6 ARM	480 mo	NA	2	1	6
	5/6 ARM IO	360 mo	120 mo	2	1	6
	5/6 ARM IO	480 mo	120 mo	2	1	6
	7/6 ARM	360 mo	NA	5	1	6
	7/6 ARM	480 mo	NA	5	1	6
	7/6 ARM IO	360 mo	120 mo	5	1	6
	7/6 ARM IO	480 mo	120 mo	5	1	6
	30 YR. FIXED	360 mo	NA	NA	NA	NA
	30 YR. FIXED IO	360 mo	120 mo	NA	NA	NA
	40 YR. FIXED	480 mo	NA	NA	NA	NA
	40 YR. FIXED IO	480 mo	120 mo	NA	NA	NA
MIN LOAN AMOUNT	Investor Connect - \$100,000 - Loan amounts \$100k-\$150k – require min 1.25 DSCR Investor Premier - \$100,000 - Loan amounts < \$150,000 – require min 1.25 DSCR					
INTEREST ONLY	Interest Only Period – 40 Year Interest Only = 10-year IO then 30-year amortization (not permitted on DSCR ≤0.99) 30 Year Interest Only = 10-year IO then 20-year amortization					
QUALIFICATION	Fully amortizing fixed and ARM loans are qualified at the initial P&I (30-yr or 40-yr, as applicable), property taxes, Insurance, HOA. Interest only loans are qualified on the interest only payment, property taxes, insurance, HOA.					
DSCR CALCULATION	Lesser of 1) 1007 market rent or 2) current lease or 12 mo average Short-Term Rental statements divided by (P)ITIA. See Rent Qualification in Manual.					
DSCR MAX LTV/CLTV	Investor Connect DSCR .85-0.9		Investor Connect DSCR 1.0+		Investor Premier DSCR 1.0+	
	Max 70% LTV/CLTV Min 680 FICO		Max 80% LTV/CLTV		Max 70%	
BORROWERS	US Citizen Non-Permanent Resident Aliens - 1–2-unit properties only First Time Investors (see below for details) Limited Partnerships, General Partnerships, Corporations, Limited Liability Company Inter-vivos Revocable Trust Ineligible: First Time Homebuyer, Foreign Nationals					
FIRST TIME INVESTOR	Eligible with DSCR ≥1.0 Only DSCR <1.0 not permitted for first time investors Motivation letter required if property is purchased out of state from the borrower’s/guarantor’s residence					
CREDIT EVENTS	4 years seasoning, reduced to minimum 3 years with additional LLPA LOE required for credit event < 4 years seasoned *Housing Event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent Bankruptcy Ch 7 and 11, based on discharged or dismissal date and Ch. 13 paid as agreed within 4 years of filed date, or 3 years with LLPA. All bankruptcies must have been discharged/dissolved prior to application. No open bankruptcies allowed.					

<p>HOUSING HISTORY</p>	<ul style="list-style-type: none"> • 1x30x12 (no rolling) • Only one borrower needs to meet housing history • All borrowers must be current on mortgage, property taxes and HOA dues, or rent at loan application • Housing history required for Primary and subject property refi. Other REO, not reported on credit, no mortgage rating required • Document housing history via 12 months proof of payment via credit report, cancelled checks, bank debits or institutional VOR/VOM. • Rent free or incomplete housing history <ul style="list-style-type: none"> ○ No open and active mortgages reporting on credit or free and clear properties will require an exception and is generally limited to max 75% LTV. ○ Open and active mortgage(s) reporting on initial credit for minimum 12 months is permitted to satisfy housing history. ○ A minimum 12 months previous mortgage history reporting on initial credit within the last 12 months is permitted to satisfy housing history. ○ No private VOMs or credit supplements permitted. ○ Rent free from spouse or title only ownership requires Institutional VOM or bank records to satisfy primary housing history • A borrower who sold a home and is temporarily staying rent free until the purchase of a new home is not considered an incomplete housing history. Must document most rent 12-month history prior to the sale of departing residence
<p>QUALIFYING FICO</p>	<p>Highest Mid FICO score *Use highest mid FICO of guarantor if more than 1 guarantor. No borrower can have less than a 620 mid FICO</p>
<p>TRADELINES</p>	<ul style="list-style-type: none"> • Each borrower must have 2 tradelines or joint borrowers must have a total of 3 tradelines combined, rated at least 12 months, with activity in the last 24 months. • Tradeline may be opened or closed • Eligible tradelines cannot have any derogatory history in previous 24 months • Current housing not reporting on credit can be considered an open trade if supported by bank records • No authorized user accounts may be used to satisfy minimum tradelines. • Non-traditional credit is not allowed as an eligible tradeline
<p>RESERVES</p>	<p>DSCR 1.0+ - Purchase/Rate Term ≤\$1,500,000 – No reserves ≤ 70%, 6 months > 70% \$2,500,000 – 9 months Cash-out – 6 months</p> <p>DSCR .85-.99 \$1,500,000 – 3 months \$2,000,000 – 9 months</p> <p>Investor Premier Purchase/Rate Term – No Reserves Cash-out – 6 months No additional reserves needed for additional financed properties Cash out may be used as reserves</p>
<p>ASSETS</p>	<p>Asset Statements</p> <ul style="list-style-type: none"> • 1 month or 1 quarterly investment statement or FNMA approved third party direct pull services <ul style="list-style-type: none"> ○ Statements not required for Cash-out transactions which satisfy reserves, one quarterly investment statement, or FNMA approved third party direct pull services <p>100% value of Bank Accounts, Stocks, Bonds, Mutual Funds. Retirement Accounts at vesting percentage</p>

<p style="text-align: center;">PROPERTY</p>	<p>Rural Properties not eligible-See manual for Rural definition</p> <p>Non-Warrantable Condos – Max 75%</p> <p>Investor Connect</p> <ul style="list-style-type: none"> • Max Financed Properties - No limit to the number of financed properties • EPM exposure to a single borrower/guarantor cannot exceed \$5MM UPB or 10 loans <p>Investor Premier</p> <ul style="list-style-type: none"> • The max financed properties = 15 residential <p>Declining Markets requires a 5% LTV reduction from max borrower qualifies for; Floor: 75% Purchase; 70% Refinance</p> <p>Max 5 Acres</p> <p>Minimum square footage required 500 sq ft. per unit – Kitchenettes ineligible</p> <p>SFR/PUDs – Max 6 Bedrooms</p>	
	<p>NON-WARRANTABLE CONDOS</p>	<p>Non-Warrantable Condos - Limited to Two</p>
<p>Max LTV</p>		<p>Max 75% LTV/CLTV</p>
<p>Presale</p>		<p>At least 30% of the units must be sold or under bona fide contract</p>
<p>Investor Concentration</p>		<p>Up to 55% of units can be tenant occupied</p>
<p>Single Entity Ownership</p>		<p>A single entity can own up to 30% of units</p>
<p>Insurance Coverage</p>		<p>Exceptions to Fannie Mae minimum coverage requirements</p>
<p>Reserves</p>		<p><10% replacement, maintenance, and/or deductible</p>
<p>Mandatory Memberships</p>		<p>Cannot exceed 10% of purchase price</p>
<p>Material Litigation – Structural/Functional litigation against developer</p>		<p>Ineligible</p>
<p>Delinquent HOA – in excess of Fannie Mae 15% limit</p>		<p>Ineligible</p>
<p>Newly Converted – Non-full gut rehabs</p>		<p>Ineligible</p>
<p>Flood Insurance</p>		<p>Projects in a flood zone with no master flood coverage are ineligible. Borrower individual policies are not acceptable</p>

APPRAISAL REQUIREMENTS	1 Full appraisal required for all transactions Hybrid appraisals on SFRs and Condos allowed with min 680 FICO, Max Loan Amount \$1,500,000 based on the below chart:					
	Transaction Type		Max LTV/CLTV			
	Purchase		Max 70% LTV/CLTV			
	Rate & Term		Max 65% LTV/CLTV			
	Cash-Out		Max 60% LTV/CLTV			
	All appraisals require a third-party valuation by an EPM approved vendor: Contact EPM for a list of approved desk review vendors.					
	CU score of 2.5 or below, no further review required for LTVs per chart					
	Transaction Type		Max LTV/CLTV			
	Purchase		≤ 75% LTV/CLTV			
	Cash-Out		≤ 65% LTV/CLTV			
CASH-OUT	LTV/CLTV		Maximum Cash-Out			
	70.01 – 75.00%		\$300k			
	65.01 – 70.00%		\$500k			
	≤ 65%		\$750k			
	Ownership Seasoning		0 – 6 Months	6.1 – 12 Months		
	Rate/Term		Lesser of (PP + Improvements*) – or- Appraisal	Appraisal		
	Cash-Out		Not Permitted	Appraisal-Max 70%		
	*Purchase appraisal or original listing photos required along with schedule of improvements					
	Rate/Term & Cash-Out Refinance: Seasoning is measured from application date					
	GIFT FUNDS	<ul style="list-style-type: none"> Eligible for purchase transactions Max gift is 10% of purchase price Borrower(s) must have 10% of their own funds documented but not required to use 				
INSURANCE	Commercial, Landlord or rental dwelling policy required.					
PREPAYMENT PENALTY	Non-PPP states or loans without a PPP are not eligible for Investor Premier Three Prepayment Penalty structure options are available:					
	1. Standard Prepayment Penalty: Penalty term of six months' advance interest on the amount prepaid that exceeds 20% of the original balance of the note – 1, 2, 3, 4 or 5-year term (see rate sheet for details)					
	2. Flat structure - 3-, 4 - or 5-year prepayment term at a 5% flat rate.					
	3. Tiered structure as indicated below:					
		5 Year PPP	4 Year PPP	3 Year PPP	2 Year PPP	1 Year PPP
	Payoff Year 1	5%	5%	5%	3%	3%
	Payoff Year 2	4%	4%	4%	3%	
	Payoff Year 3	3%	3%	3%		
	Payoff Year 4	2%	2%			
	Payoff Year 5	1%				
PROPERTIES LISTED FOR SALE	Transaction Type		PPP Term/LTV		0 – 6 Months	6.1 – 12 Months
	Rate/Term no Penalty		N/A		Not Permitted	Pre-Approval
	Rate/Term with Penalty		Min 2 year penalty		Permitted	Permitted
	Cash-Out no Penalty		Max LTV 70%		Not Permitted	Pre-Approval
	Cash-Out with Penalty		Min 2 years and max LTV 70%		Permitted	Permitted
	LTV calculated on lower of appraisal or lowest listing price					

