



Single Property Rental Program

MAXIMUM LTVs

FICO	Purch / RT Re	Cash Out
>=720	80%	75%
700 - 719	75%	70%
680-699	70%	65%

MAXIMUM LTC FOR C/O REFI LOANS

- f Subject to LTV limits:
 - à 80% if Property purchased < 3 mos
 - à Additional 5% Haircut on Max LTV if Property purchased between 3 and 6 months (for Borrowers with <5 Rental Properties owned in the last 24 months)

PREPAYMENT PENALTIES

- f 3 years: 3%, 2%, 1%, 0%
- f 4 years: 4%, 3%, 2%, 1%, 0%
- f 5 years: 5%, 4%, 3%, 2%, 1%, 0%

STATE RESTRICTIONS

- f All US, except MN, ND, SD, IA & WV

RESERVES/ESCROWS

At Closing:

- f First 3 Months of PITI, not including Stub Interest for Closing Month
- f Pro-Rata Property Taxes for next Tax Due Date, such that Tax Due is Fully Funded 30 Days in Advance of Due Date

Ongoing Monthly:

- f Real Estate Taxes - 1/12th Annual Taxes Due
- f Insurance - 1/12th Annual Insurance Costs

LOAN PRODUCTS/AMORTIZATION

- f 5/6, 7/6 or 10/6 ARM (Adjustable Rate Mortgage) or 30-Year FRM (Fixed Rate Mortgage)
- f Maximum IO periods for ARMs: initial fixed rate period (5, 7 or 10 years)
- f 30-Year FRM loans are offered as Fully Amortizing or 10-year IO/20-year Fully Amortizing options
- f 30-year Amortization Term
- f 5-year Interest Only Period + 25-year Amortization Term
- f 7-year Interest Only Period + 23-year Amortization Term
- f 10-year Interest Only Period + 20-year Amortization Term

LOAN GENERAL

- f Min Loan amount: \$75,000
- f Max Loan amount: \$1,000,000 (1 Unit) and \$2,000,000 (2-4 Unit)
- f 1-4 Unit Properties/PUDs/Warrantable Condos/Townhomes
- f No Vacation or Seasonal rentals
- f Properties without existing debt financed within 180 days of purchase are considered Delayed Purchase loans, and eligible for all terms applicable to Purchase loans

OTHER LTC/LTV LIMITS

- f U.S. Non-Permanent Residents/Foreign Nationals: Max 65% LTV
- f For Purchase loans, the lowest of 1. Purchase Price, 2. Appraised Value and 3. ARR/CDA value is used to calculate LTV

DEBT SERVICE COVERAGE RATIO (DSCR)

- f Calculation: Monthly In-Place Gross Rental Income divided by Monthly PITIA
- f Gross Rental Income: the lower of
 - à Actual Monthly Rent in the Lease Agreement
 - à Market Monthly Rent in the Appraisal
 - à 10% Haircut of Market Monthly Rent for Unleased Properties
- f PITIA: total monthly payments of
 - à Monthly Mortgage Principal and Interest Payment at Qualifying Rate
 - à Monthly Property Tax Payment
 - à Monthly Home Insurance Payment
 - à Monthly HOA Payment or Property Management Fee
- f Minimum In-Place DSCR of 1.20x is required, based on initial payment amount at close
- f All 80 LTV hybrid ARMs with IO periods must also qualify with a Minimum In-Place DSCR of 1.0x, with debt service including the fully amortizing principal payment at the end of the IO period
- f Leased Properties are defined as those with:
 - à A currently active lease with a minimum initial term of 12 months, between unrelated parties
 - à Month-to-month lease with evidence of a prior active lease
 - à A lease with a start date within 30 days of closing date and proof of receipt of security deposit
- f Unleased Properties are defined as those with:
 - à No Current Tenant/Vacant
 - à Month-to-month lease with no evidence of prior active lease
 - à Unleased Properties are only allowed for Purchase loans

BORROWER/GUARANTOR REQUIREMENTS

Credit & Background

- f New Borrower: Tri-Merge Credit Report No Older than 90 Days
- f Existing Borrower with 0x30x12 Payment History: Tri-Merge Credit Report No Older than 120 days
- 680 Minimum Qualifying FICO determined as:
 - f Mid Score if 3 Scores are available
 - f Low Score if 2 Scores are available
 - f For Multiple Guarantors, Lowest Score Calculated as above is used
 - f Bankruptcy Discharge Date must be no less than 3 Years Prior to Closing Date
 - f Foreclosure/Deed-in-Lieu/Short Sale Date must be no less than 3 Years Prior to Closing Date

Liquidity

- f Loan Amount \$1,000,000: 6 Months of PITIA
- f Loan Amount > \$1,000,000: 9 Months of PITIA
- f Subject to
 - à Non-Permanent Residents & Foreign Nationals: Minimum 12 Months of PITIA
 - à Cash Out Amounts from Subject Loan May Be Used to Satisfy Reserve Requirements
 - à Liquid Reserves Must Be Seasoned for a Minimum of 3 Months for Purchase Transactions
- f The cumulative amount including all guarantors is considered for loans with multiple guarantors

- f First time borrowers may be allowed at Lender discretion
- f Full Recourse with warm body guaranty from all members with >=20% ownership
- f LLCs, US Corporations and individuals allowed

THIRD PARTY REPORTS

- f Loan Amount \$1,500,000
 - à One Full Independent Appraisal + Appraisal Risk Review (ARR) or Collateral Desktop Analysis (CDA) Required
 - à If Appraisal-ARR/CDA Variance Exceeds 10%, Second Full Independent Appraisal Required
 - à Lower of Two Appraised Values to be Used
- f Loan Amount > \$1,500,000
 - à Two Full Independent Appraisals
 - à Lower of Two Appraised Values to be Used in LTV Calculations
- f Appraisals dated within 180 days of closing date are required

MAXIMUM LTVs		
FICO	Purch / RT Re	Cash Out
>=740	"<\$3MM: 80% >\$3MM: 75%"	"<\$3MM: 75% >\$3MM: 75%"
720 - 739	"<\$3MM: 75% >\$3MM: 75%"	"<\$3MM: 75% >\$3MM: 70%"
700 - 719	"<\$3MM: 75% >\$3MM: 70%"	"<\$3MM: 70% >\$3MM: 70%"
680 - 699	"<\$3MM: 75% >\$3MM: 70%"	"<\$3MM: 70% >\$3MM: 65%"
f U.S. Non-Permanent Residents/Foreign Nationals: 65%		

LOAN GENERAL
f Min Loan amount: à \$75,000 per Property for portfolios <\$500,000 à \$50,000 per Property for portfolios >=\$500,000
f Max Loan amount: \$50MM+, subject to \$1MM (1-Unit) and \$2,000,000 (2-4 Units) individual property limits
f 1-4 Unit Properties/PUDs/Warrantable Condos/Townhomes/5-20 Unit MF/Eligible Mixed Use (>50% Residential)
f No Vacation or Seasonal rentals
f All US, except P Q % Q % % % % % % %
f Properties without existing debt financed within 180 days of purchase are considered Delayed Purchase loans, and eligible for all terms applicable to Purchase loans

MAXIMUM LTC FOR C/O REFI LOANS
f Subject to LTV limits: à 80% if Property purchased < 6 mos à Additional 5% Haircut on Max LTV if Property purchased between 3 and 6 months (for Borrowers with <5 Rental Properties owned in the last 24 months)

BORROWER/GUARANTOR REQUIREMENTS	
Credit & Background	Liquidity
f New Borrower: Tri-Merge Credit Report No Older than 90 Days	f Lower of 10% of Loan Balance and 9 Months of PITIA (12 Months for Foreign Nationals)
f Existing Borrower with 0x30x12 Payment History: Tri-Merge Credit Report No Older than 120 days	f Two Most Recent Consecutive Months of Bank Statements or Investment Account Statements required
680 Minimum Qualifying FICO determined as: f Mid Score if 3 Scores are available f Low Score if 2 Scores are available f For Multiple Guarantors, Lowest Score Calculated as above is used	f Up to 50% of the Cash Out Amounts from Subject Loan May Be Used to Satisfy Reserve Requirements
f Bankruptcy Discharge Date must be no less than 3 Years Prior to Closing Date	f Liquid Reserves Must Be Seasoned for a Minimum of 3 Months for Purchase Transactions
f Foreclosure/Deed-in-Lieu/Short Sale Date must be no less than 3 Years Prior to Closing Date	f The cumulative amount including all guarantors is considered for loans with multiple guarantors
f No 1st time borrowers, need prior rental property ownership experience	f IRAs/401Ks and other restricted assets are considered with a 50% haircut to market value
f Self managed properties may be allowed for loans <=\$3MM, at Lender discretion	
f Third party property manager required for loans >\$5MM	
f Non-Resort with pledge of equity of borrowing entity and customary bad boy carveouts	
f LLCs and US Corporations only	

LOAN PRODUCTS/AMORTIZATION
f 5/6 & 7/6 ARM (Adjustable Rate Mortgage) - 10 & 30- Year Term Loans
f 10/6 ARM (Adjustable Rate Mortgage) - 30- Year Term Loans
f 5-Year FRM (Fixed Rate Mortgage) - 5-Year Term Loans
f 10-Year FRM (Fixed Rate Mortgage) - 10-Year Term Loans
f 30-Year FRM (Fixed Rate Mortgage) - 30-Year Term Loans & Loan Amount<=\$5MM
f Maximum IO periods
ARMs: initial fixed rate period (5, 7 or 10 years)
5/10-Year FRM: 5 years
30-Year FRM: 10 years

PREPAYMENT PENALTIES
For all loans >=\$500,000:
f 5-year Loan Term: à Yield maintenance with 6 month open prepay window at end of loan term à 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
f 10-year Loan Term: à Yield maintenance with 6 month open prepay window at end of loan term à 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
f 30-year Loan Term: à 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
Additional options for loans <=\$3MM only: f 3 years Penalty with 3%, 2%, 1% Stepdown Structure

DEBT SERVICE COVERAGE RATIO (DSCR)
f Calculation: In-Place Net Cash Flow (NCF) divided by Mortgage Payment, after accounting for all Property Operating Revenues, Expenses and Capital Expenditure Reserves, as reasonably determined by Lender
f Gross Rental Income: the lower of à Actual Monthly Rent in the Lease Agreement à Market Monthly Rent in the Appraisal à 10% Haircut of Market Monthly Rent for Unleased Properties
f Mortgage Payment: initial payment amount at close
f Minimum NCFDSCR of 1.20x
f All 80 LTV hybrid ARMs with IO periods must also qualify with a Minimum In-Place DSCR of 1.0x, with debt service including the fully amortizing principal payment at the end of the IO period

RESERVES/ESCROWS
At Closing: f First 3 Months of PITI, not including Stub Interest for Closing Month f Pro-Rata Property Taxes for next Tax Due Date, such that Tax Due is Fully Funded 30 Days in Advance of Due Date
Ongoing Monthly: f Real Estate Taxes - 1/12th Annual Taxes Due f Insurance - 1/12th Annual Insurance Costs f Capital Expenditures - 1/12th Annual Capital Expenditures Budget, as reasonably determined by Lender

THIRD PARTY REPORTS
f If Allocated Loan Amount for a Property \$1,500,000 à One Full Independent Appraisal Required à Market Rent Estimate Included in Appraisal à Appraisal Risk Review (ARR) or Collateral Desktop Analysis (CDA) Required à If Appraisal-ARR/CDA Variance Exceeds 10%, Second Full Independent Appraisal Required à Lower of Two Appraised Values to be Used in LTV Calculations
f If Allocated Loan Amount for a Property > \$1,500,000 à Two Full Independent Appraisals Required à Market Rent Estimate Included in Appraisal à Lower of Two Appraised Values to be Used in LTV Calculations
f USPAP/FIRREA Compliant Interior/Exterior Appraisals with As-is Value
f Appraisals must be dated within 120 days of closing date, or within 180 days with recertification of value
f All third party reports need to be addressed and assigned to Lender per guidelines
f For Purchase loans, the lowest of 1. Purchase Price, 2. Appraised Value and 3. ARR/CDA value is used to calculate LTV

Multifamily Term Program

MAXIMUM LTVs

FICO	Purch / RT Re	Cash Out
>=740	"<\$3MM: 75% >\$3MM: 75%"	"<\$3MM: 75% >\$3MM: 70%"
720 - 739	"<\$3MM: 75% >\$3MM: 75%"	"<\$3MM: 75% >\$3MM: 70%"
700 - 719	"<\$3MM: 75% >\$3MM: 75%"	"<\$3MM: 70% >\$3MM: 70%"
680 - 699	"<\$3MM: 75% >\$3MM: 70%"	"<\$3MM: 70% >\$3MM: 65%"
f U.S. Non-Permanent Residents/Foreign Nationals: 65%		

PREPAYMENT PENALTIES

For all loans:

- f 5-year Loan Term:
 - à Yield maintenance with 6 month open prepay window at end of loan term
 - à 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
- f 10-year Loan Term:
 - à Yield maintenance with 6 month open prepay window at end of loan term
 - à 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
- f 30-year Loan Term:
 - à 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure

Additional options for loans <=\$3MM only:

- f 3 years Penalty with 3%, 2%, 1% Stepdown Structure

LOAN PRODUCTS/AMORTIZATION

- f 5/6, 7/6 and 10/6 ARMs (Adjustable Rate Mortgages) - 30 Year Term Loans, with or without Partial IOs
- f 30-Year FRM (Fixed Rate Mortgage) - 30-Year Term Loans & Loan Amount <=2MM
- f 30-Year FRM: 30 year Amortization
- f 5/6 ARM IO: 5-year Interest Only Period + 25-year Amortization
- f 7/6 ARM IO: 7-year Interest Only Period + 23-year Amortization
- f 10/6 ARM IO: 10-year Interest Only Period + 20-year Amortization

THIRD PARTY REPORTS

- f One Full Independent Narrative Commercial Appraisal Required
- f USPAP/FIRREA Compliant Interior/Exterior Appraisals with As-is Value
- f Appraisals dated within 120 days of closing date are required. Appraisals dated between 120 and 180 days are acceptable with a recertification of value
- f Environmental Database Survey or HRDR if loan amount < \$3MM
- f Phase I Environmental Report if loan amount >= \$3MM
- f All third party reports need to be addressed and assigned to Lender per guidelines

DEBT SERVICE COVERAGE RATIO (DSCR)

- f Calculation: In-Place Net Cash Flow (NCF) divided by Mortgage Payment, after accounting for all Property Operating Revenues, Expenses and Capital Expenditure Reserves, as reasonably determined by Lender
- f Gross Rental Income: the lower of
 - à Actual Monthly Rent in the Lease Agreement
 - à Market Monthly Rent in the Appraisal
 - à 10% Haircut of Market Monthly Rent for Unleased Properties
- f Mortgage Payment: initial payment amount at close
- f Minimum NCFDSCR of:
 - à Top or Standard Market: 1.20x
 - à Small Market: 1.30x
 - à Very Small Market: 1.40x

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At Closing:

- f First 3 Months of PITI, not including Stub Interest for Closing Month
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Ongoing Monthly:

- f Real Estate Taxes - 1/12th Annual Taxes Due
- f Insurance - 1/12th Annual Insurance Costs
- f Capital Expenditures - 1/12th Annual Capital Expenditures Budget, as reasonably determined by Lender

MAXIMUM LTC FOR C/O REFI LOANS

- f Subject to LTV limits:
 - à 80% if Property purchased < 6 mos
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BORROWER/GUARANTOR REQUIREMENTS

Credit & Background	Liquidity
<ul style="list-style-type: none"> f New Borrower: Tri-Merge Credit Report No Older than 90 Days f Existing Borrower with 0x30x12 Payment History: Tri-Merge Credit Report No Older than 120 days 680 Minimum Qualifying FICO determined as: <ul style="list-style-type: none"> f Mid Score if 3 Scores are available f Low Score if 2 Scores are available f For Multiple Guarantors, Lowest Score Calculated as above is used f Bankruptcy Discharge Date must be no less than 3 Years Prior to Closing Date f Foreclosure/Deed-in-Lieu/Short Sale Date must be no less than 3 Years Prior to Closing Date 	<ul style="list-style-type: none"> f Lower of 10% of Loan Balance and 9 Months of PITI (12 Months for Foreign Nationals) f Two Most Recent Consecutive Months of Bank Statements or Investment Account Statements required f Up to 50% of the Cash Out Amounts from Subject Loan May Be Used to Satisfy Reserve Requirements f Liquid Reserves Must Be Seasoned for a Minimum of 3 Months for Purchase Transactions f The cumulative amount including all guarantors is considered for loans with multiple guarantors f IRAs/401Ks and other restricted assets are considered with a 50% haircut to market value
<ul style="list-style-type: none"> f No 1st time borrowers, need prior multifamily property ownership experience f Self managed properties may be allowed for loans <=\$5MM, at Lender discretion f Third party property manager required for loans >\$5MM f Full Recourse with warm body guaranty from all members with >=20% ownership OR Non-Recourse with pledge of equity of borrowing entity and customary bad boy carveouts f LLCs and US Corporations only 	

LOAN GENERAL

- f Min/Max Loan amount: \$500,000/\$5,000,000
- f Up to 5 Properties per loan
- f 5+ Unit Residential or Mixed Use Properties, only if residential units > 50% of total SF and residential rent DSCR > 1.0x
- f No Vacation or Seasonal rentals
- f All US, except MN, ND, SD, IA, WI & WV
- f Properties without existing debt financed within 180 days of purchase are considered Delayed Purchase loans, and eligible for all terms applicable to Purchase loans