



Single Property Rental Program

MAXIMUM LTVs

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

MAXIMUM LTC FOR C/O REFI LOANS

- Subject to LTV limits:
 - 80% if Property purchased < 3 mos
 - 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

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

STATE RESTRICTIONS

- All US, except MN, ND, SD, UT, VT & WV

RESERVES/ESCROWS

At Closing:

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

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

LOAN PRODUCTS/AMORTIZATION

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

LOAN GENERAL

- Min Loan amount: \$75,000
- Max Loan amount: \$1,000,000 (1 Unit) and \$2,000,000 (2-4 Unit)
- 1-4 Unit Properties/PUDs/Warrantable Condos/Townhomes
- No Vacation or Seasonal rentals
- 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

- U.S. Non-Permanent Residents/Foreign Nationals: Max 65% LTV
- 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)

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

BORROWER/GUARANTOR REQUIREMENTS

Credit & Background	Liquidity
<ul style="list-style-type: none"> New Borrower: Tri-Merge Credit Report No Older than 90 Days Existing Borrower with 0x30x12 Payment History: Tri-Merge Credit Report No Older than 120 days <p>680 Minimum Qualifying FICO determined as:</p> <ul style="list-style-type: none"> Mid Score if 3 Scores are available Low Score if 2 Scores are available For Multiple Guarantors, Lowest Score Calculated as above is used Bankruptcy Discharge Date must be no less than 3 Years Prior to Closing Date Foreclosure/Deed-in-Lieu/Short Sale Date must be no less than 3 Years Prior to Closing Date 	<ul style="list-style-type: none"> Loan Amount ≤ \$1,000,000: 6 Months of PITIA Loan Amount > \$1,000,000: 9 Months of PITIA Subject to <ul style="list-style-type: none"> Non-Permanent Residents & Foreign Nationals: Minimum 12 Months of PITIA Cash Out Amounts from Subject Loan May Be Used to Satisfy Reserve Requirements Liquid Reserves Must Be Seasoned for a Minimum of 3 Months for Purchase Transactions The cumulative amount including all guarantors is considered for loans with multiple guarantors
<ul style="list-style-type: none"> First time borrowers may be allowed at Lender discretion Full Recourse with warm body guaranty from all members with >=20% ownership LLCs, US Corporations and individuals allowed 	

THIRD PARTY REPORTS

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

Rental Portfolio Program

MAXIMUM LTVs

FICO	Purch / RT Refi	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%"

- U.S. Non-Permanent Residents/Foreign Nationals: 65%

LOAN GENERAL

- Min Loan amount:
 - \$75,000 per Property for portfolios <\$500,000
 - \$50,000 per Property for portfolios >=\$500,000
- Max Loan amount: \$50MM+, subject to \$1MM (1-Unit) and \$2,000,000 (2-4 Units) individual property limits
- 1-4 Unit Properties/PUDs/Warrantable Condos/Townhomes/5-20 Unit MF/Eligible Mixed Use (>50% Residential)
- No Vacation or Seasonal rentals
- All US, except MN, ND, SD, UT, VT & WV
- 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

- Subject to LTV limits:
 - 80% if Property purchased < 6 mos
 - 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
<ul style="list-style-type: none"> New Borrower: Tri-Merge Credit Report No Older than 90 Days Existing Borrower with 0x30x12 Payment History: Tri-Merge Credit Report No Older than 120 days <p>680 Minimum Qualifying FICO determined as:</p> <ul style="list-style-type: none"> Mid Score if 3 Scores are available Low Score if 2 Scores are available For Multiple Guarantors, Lowest Score Calculated as above is used Bankruptcy Discharge Date must be no less than 3 Years Prior to Closing Date Foreclosure/Deed-in-Lieu/Short Sale Date must be no less than 3 Years Prior to Closing Date 	<ul style="list-style-type: none"> Lower of 10% of Loan Balance and 9 Months of PITIA (12 Months for Foreign Nationals) Two Most Recent Consecutive Months of Bank Statements or Investment Account Statements required Up to 50% of the Cash Out Amounts from Subject Loan May Be Used to Satisfy Reserve Requirements Liquid Reserves Must Be Seasoned for a Minimum of 3 Months for Purchase Transactions The cumulative amount including all guarantors is considered for loans with multiple guarantors IRAs/401Ks and other restricted assets are considered with a 50% haircut to market value
<ul style="list-style-type: none"> No first time borrowers, need prior rental property ownership experience Self managed properties may be allowed for loans <=\$3MM, at Lender discretion Third party property manager required for loans >\$5MM Non-Recourse with pledge of equity of borrowing entity and customary bad boy carveouts LLCs and US Corporations only 	

LOAN PRODUCTS/AMORTIZATION

- 5/6 & 7/6 ARM (Adjustable Rate Mortgage) - 10 & 30- Year Term Loans
 - 10/6 ARM (Adjustable Rate Mortgage) - 30 -Year Term Loans
 - 5-Year FRM (Fixed Rate Mortgage) - 5-Year Term Loans
 - 10-Year FRM (Fixed Rate Mortgage) - 10-Year Term Loans
 - 30-Year FRM (Fixed Rate Mortgage) - 30-Year Term Loans & Loan Amount <=\$5MM
 - 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:
- 5-year Loan Term:
 - Yield maintenance with 6 month open prepay window at end of loan term
 - 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
 - 10-year Loan Term:
 - Yield maintenance with 6 month open prepay window at end of loan term
 - 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
 - 30-year Loan Term:
 - 5 years Penalty with 5%, 4%, 3%, 2%, 1% Stepdown Structure
- Additional options for loans <=\$3MM only:
- 3 years Penalty with 3%, 2%, 1% Stepdown Structure

DEBT SERVICE COVERAGE RATIO (DSCR)

- 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
- Gross Rental Income: the lower of
 - Actual Monthly Rent in the Lease Agreement
 - Market Monthly Rent in the Appraisal
 - 10% Haircut of Market Monthly Rent for Unleased Properties
- Mortgage Payment: initial payment amount at close
- Minimum NCF DSCR of 1.20x
- 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:
- First 3 Months of PITI, not including Stub Interest for Closing Month
 - 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:
- Real Estate Taxes - 1/12th Annual Taxes Due
 - Insurance - 1/12th Annual Insurance Costs
 - Capital Expenditures - 1/12th Annual Capital Expenditures Budget, as reasonably determined by Lender

THIRD PARTY REPORTS

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

- U.S. Non-Permanent Residents/Foreign Nationals: 65%

PREPAYMENT PENALTIES

For all loans:

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

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

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

LOAN PRODUCTS/AMORTIZATION

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

THIRD PARTY REPORTS

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

DEBT SERVICE COVERAGE RATIO (DSCR)

- 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
- Gross Rental Income: the lower of
 - Actual Monthly Rent in the Lease Agreement
 - Market Monthly Rent in the Appraisal
- 10% Haircut of Market Monthly Rent for Unleased Properties
- Mortgage Payment: initial payment amount at close
- Minimum NCF DSCR of:
 - Top or Standard Market: 1.20x
 - Small Market 1.30x
 - Very Small Market: 1.40x

RESERVES/ESCROWS

At Closing:

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

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

MAXIMUM LTC FOR C/O REFI LOANS

- Subject to LTV limits:
 - 80% if Property purchased < 6 mos
 - 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
<ul style="list-style-type: none"> New Borrower: Tri-Merge Credit Report No Older than 90 Days 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"> Mid Score if 3 Scores are available Low Score if 2 Scores are available For Multiple Guarantors, Lowest Score Calculated as above is used Bankruptcy Discharge Date must be no less than 3 Years Prior to Closing Date Foreclosure/Deed-in-Lieu/Short Sale Date must be no less than 3 Years Prior to Closing Date 	<ul style="list-style-type: none"> Lower of 10% of Loan Balance and 9 Months of PITIA (12 Months for Foreign Nationals) Two Most Recent Consecutive Months of Bank Statements or Investment Account Statements required Up to 50% of the Cash Out Amounts from Subject Loan May Be Used to Satisfy Reserve Requirements Liquid Reserves Must Be Seasoned for a Minimum of 3 Months for Purchase Transactions The cumulative amount including all guarantors is considered for loans with multiple guarantors IRAs/401Ks and other restricted assets are considered with a 50% haircut to market value
<ul style="list-style-type: none"> No first time borrowers, need prior multifamily property ownership experience Self managed properties may be allowed for loans <=\$5MM, at Lender discretion Third party property manager required for loans >\$5MM 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 LLCs and US Corporations only 	

LOAN GENERAL

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