


	the NONI65	Effective Date 8/29/2022
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FICO	Loan Amount	Reserves	Purchase or Rate & Term	Cash-Out
680+	\$2,000,000	None	65%	65%

Products	Margin & Caps	I/O (Y/N)	Final Maturity	Residency		Property Restrictions	Max LTV
5/6, 7/6 & 10/6 Adjustable Rate (ARM)	4.50	2/1/5	N	30 years	US Citizen, Perm/NonPerm Res.	Condotels	Allowed
30 & 40 Year Fixed	NA	NA	N	30/40 years	Alien	Non-Warrantable Condo	No Restriction
Interest Only: 5/6, 7/6 & 10/6 Adj Rate (ARM)	4.50	2/1/5	Y	30 Years	AK, AL, AR, AZ, CA, CO, CT, DE, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NM, NJ, NV, NY, OH, OK, OR, PA*, RI**, SC, SD, TN, TX**, UT, VA, WA, WI, WV, WY	Warrantable Condo	No Restriction
Interest Only: 30 Year Fixed	NA	NA	Y	30 Years		Modular	No Restriction
Interest Only: 40 Year Fixed	NA	NA	Y	40 Years		Florida Condo	No Restriction
						Rural Properties	Not Allowed
Guidelines Quick Reference							
ARM Index & Floor	Index: 30 day SOFR Floor = Note Rate			Impounds	Not required		
Qualifying Rate	Note Rate			Appraisal	<ul style="list-style-type: none"> • No C5 or C6 • 2 appraisals >\$1.5MM 		
Qualifying Payment	Full Amortization: PITIA based on note rate IO: Initial ITIA based on note rate			Min Sq. footage	600 sq feet		
Assets	Sourced or seasoned 60 days (2 mos most recent bank statements req.)			Credit Score	<ul style="list-style-type: none"> • Must have 1 valid score; Take the Mid score when all 3 agency scores provided; lower of 2 if only 2; Lowest of all borrowers Representative score 		
Credit	Mortgage only credit report with FICO required. * FTHB - 2 open and active trade lines seasoned for 24 months are required			Compliance	<ul style="list-style-type: none"> • Points & Fees may not exceed 5% 		
Cash Out	Business purpose use ONLY						
Prepayment Penalty	* 5% of the amount prepaid			Hard Prepay Only	<ul style="list-style-type: none"> • 0, 1, 2, 3, 4 & 5 year prepays available • Not allowed in AK, KS, MI, MN, MS, NM, OH & RI; Must buyout PPP 		
State Specific	<p>*PA- Loan amounts > \$278,205 can be vested as an Entity or as an Individual</p> <p>*PA- Loan amounts < \$278,205 must be vested in a Corp, LLC, Partnership or Trust & PrePay not allowed, must be bought out</p>						
	What is a DSCR Loan? How do you qualify?						
	<p>DSCR status for Debt-Service-Coverage-Ratio. This means your loan is qualified based on the cash flow/ market rents of the subject property.</p> <p>How do I qualify? Take your gross rents based off the lesser of market rents or lease agreement / by the PITIA (Full Am) or ITIA (Interest Only)</p>						
	Interest Only Example: If your DSCR >= 1.00 you've got a "NONI".			Full Amortization Example: If your DSCR < 1.00 you still have a loan just at a different price.			
	$\frac{\text{Gross Rents} = \$1500}{\text{ITA} = \$1500} = 1.00 \text{ DS}$			$\frac{\text{Gross Rents} = \$1500}{\text{PITIA} = \$2000} = 0.75 \text{ DSCR}$			
	Additional Restrictions						
	Maximum Cash-Out				\$1,000,000		
	Assisted Living/Nursing Homes				Allowed: home must be residential in nature and have little to no alterations		
	1st Time Investor				No Restrictions		
	Max Acreage				2		
	Unleased Property (Refinance only)				No Restrictions		
STR Experience				Not Required			
Max # of HEM Financed Properties				Committee review over 4			
Gift Funds				No Restrictions			
100% Gift Funds				Allowed			
NonArms Length Trans.				Not Eligible			
Minimum Loan Amount				\$150,000			
Minimum DSCR				No Minimum			
ACH				Required			
First Time Home Buyers				Not Eligible			
LLCs				All members must be individuals			
Cash-Out Seasoning				6 Months - 12 to use appraised value			
Credit							
Maximum Housing Lates				0x60x12			
Credit Event seasoning restrictions:				24 months			
BK, Foreclosure, Deed in Lieu, Short Sale, 120 day mortgage lates				< 36 months - \$1.5M Max Loan Amount			