

Community DSCR

MATRIX

		DSCR > 1.00		DSCR < 1.00	
Loan Amount	FICO	Purchase / Rate&Term	Cash Out	Purchase / Rate&Term	Cash Out
≤ \$1,000,000	740	80%	75%	65%	N/A
	700	80%	75%	65%	N/A
	680	75%	70%	N/A	N/A
	660	75%	60%	N/A	N/A
	Foreign National	70%	60%	N/A	N/A
< \$2,000,000	700	75%	70%	60%	N/A
	680	70%	65%	N/A	N/A
Minimum DSCR		1.00x		0.75x	

Eligibility

AUS	Manual Underwriting only
Age of documentation	Credit documentation must be no more than 90 days from the Note Date
Appraisal	<p>Full appraisal required on all transactions:</p> <ul style="list-style-type: none"> • Valid for 120 days • Recertification of value not allowed <p>Secondary Appraisal review required on all transactions:</p> <ul style="list-style-type: none"> • Clear Capital CDA <ul style="list-style-type: none"> ○ CDA variance > 10%, a second full appraisal is required • Field Review • FNMA CU with a score of 2.5 or less • Flip Transactions – see Flip transaction section
Assets	<p>Assets must be seasoned for 60 days or sourced, and verified with one of the following:</p> <ul style="list-style-type: none"> • Most recent 2 months' account statements, or most recent quarterly account statement, indicating opening and closing balances, and reflecting a consecutive 60 days of asset verification • If account summary page provides the required information, additional pages are not required • Written Verification of Deposit (VOD), completed by the financial institution <ul style="list-style-type: none"> ○ Must include the current and average balances for the most recent 2 months o ○ Large disparities between the current balance and the opening balances will require additional verification or supporting documentation • Account statements must provide all of the following information: <ul style="list-style-type: none"> ○ Borrower or guarantor as the account holder ○ Account number ○ Statement date and time period covered ○ Current balance in US dollars <p>Note: Large and/or unusual deposits may require additional documentation including letter of explanation, third party documentation, etc</p> <p>See guidelines for all Eligible asset account requirements</p> <p>Eligible:</p> <ul style="list-style-type: none"> • Borrowed Funds secured by an asset • Business Assets • Depository accounts • Earnest money/Cash deposit on sales contract • Gift Funds • Foreign Assets • Life Insurance

	<ul style="list-style-type: none"> • Like-Kind Exchange • Net proceeds from sale of real estate • Rent credit for lease with purchase option • Retirement accounts • Sale of Personal Assets • Secondary/Subordinate Financing (institutional seconds only) <ul style="list-style-type: none"> ○ Ineligible on Investment properties • Spousal Accounts • Stock Options • Stocks, Bonds, Mutual Funds • Trust accounts • Virtual Currency <p>Ineligible:</p> <ul style="list-style-type: none"> • Cash-on-hand • Sweat equity • Gift of Equity • Gift or grant funds which must be repaid • Down payment assistance programs • Unsecured loans or cash advances • Section 8 Voucher Assistance • Proceeds of SBA/PPP loans or any other government assistance
<p>Borrower Eligibility/First Time Investor</p>	<p>Standard:</p> <ul style="list-style-type: none"> • Defined as borrowers with 12-month history of investment property ownership in the most recent 12 months <p>First-Time Investors Allowed:</p> <ul style="list-style-type: none"> • Max 75% LTV • Defined as borrowers without 12-month history of investment property ownership in the most recent 12 months. <p>First-Time Home buyers:</p> <ul style="list-style-type: none"> • Not allowed
<p>Borrowing Entities</p>	<p>Borrowing Entities in the form of Limited Liability Companies (hereafter referred to as Borrowing Entity or borrower) are allowed under the DSCR Program. A Personal Guarantor is also required. See Personal Guarantor section for complete requirements.</p> <p>Both the Borrowing Entity and the Personal Guarantor must complete a loan application.</p> <p>Borrowing Entities and Guarantors must also receive notice of the loan and its terms prior to closing.</p> <p>The business purpose and activities of the Borrowing Entity are limited to ownership and management of real estate, and ownership is limited to a maximum of 4 owners (aka members, partners, or shareholders).</p> <p>The following documentation is required for each Borrowing Entity:</p> <ul style="list-style-type: none"> • Articles Of Organization/Certificate of Formation • Secretary of State Search • Operating Agreement (or equivalent) • Certificate of Good Standing • Executed W-9 and/or Employer Identification Number (EIN) • Evidence of signing authority for Guarantor(s) signing on behalf of the entity <p>Series or Layered LLCs with multiple members/managers are eligible.</p> <p>ARTICLES OF ORGANIZATION/CERTIFICATE OF FORMATION REQUIRED DOCUMENTS:</p> <ul style="list-style-type: none"> • The Articles identify the state in which the LLC was organized. • The Articles is the document to be used to determine the exact name of the LLC. • In some states, the Articles identify the Manager or Managing Member <p>SECRETARY OF STATE SEARCH REQUIRED DOCUMENTS:</p> <ul style="list-style-type: none"> • After the state in which the LLC was formed has been identified, search for the LLC on the web site of the Secretary of State for the applicable state. • The web site will: <ul style="list-style-type: none"> ○ confirm the state in which the LLC was organized; ○ confirm whether the LLC is in good standing with the state (not all state websites will confirm good standing); and

	<ul style="list-style-type: none"> ○ contain the most recent Filings filed with the Secretary of State by the LLC. These filings may be labelled "Annual Reports," "Statement of Information," or "Filings." ● Open the most recent Statement of Information/Filing to determine the person or entity that manages the LLC. <ul style="list-style-type: none"> ○ The LLC will be managed by either a Manager or a Managing Member. ○ If the managing person or managing entity in the Statement of Information does not match the managing person or managing entity in the Operating Agreement, the discrepancy must be resolved <p>OPERATING AGREEMENT REQUIRED DOCUMENTS:</p> <ul style="list-style-type: none"> ● Review the management section of the Operating Agreement. <ul style="list-style-type: none"> ○ This section identifies whether the LLC is managed by (i) one or more Managers, or (ii) the Members of the LLC. The Section should also provide the name(s) of the initial Manager(s). ○ Review the section to ensure that the Manager or Managing Member has the authority to sign the loan document or agreement. ● The signature page of the Operating Agreement will identify the Managers and Members. ● Confirm if there are any amendments to the Operating Agreement or Resolutions/Consents changing the identity of the Managers or Members. ● If the identity of the Manager(s) or Member(s) in the Operating Agreement differ from the Articles/Certificate or the Statement of Information/Filing on the Secretary of State's website, the discrepancy must be resolved. <p>CERTIFICATE OF GOOD STANDING REQUIRED DOCUMENTS:</p> <ul style="list-style-type: none"> ● To ensure that the LLC remains in good standing with the state, a Certificate of Good Standing from the Secretary of State of the state or organization should be ordered. <ul style="list-style-type: none"> ○ If the LLC is obtaining a loan secured by real property in a state that is different from the LLC's state of organization, ML must obtain a Certificate of Good Standing in that additional state. ○ For example, if a Delaware LLC is obtaining a loan to buy a rental property in the state of Florida, a Lender should obtain a Certificate of Good Standing from the state of Florida to ensure that the LLC registered as a foreign company with the Florida Secretary of State. ○ Ensure that the Certificate of Good Standing is dated no more than 30 days prior to closing. <p>SERIES OR LAYERED LLCS REQUIRED DOCUMENTS:</p> <ul style="list-style-type: none"> ● Series or Layered LLCs with multiple members/managers are eligible as Borrowing Entities when the following requirements are met: <ul style="list-style-type: none"> ○ Personal Guarantor for transaction must own at least 25% of the Borrowing Entity LLC and all subsequent ascending LLCs making up the overall ownership structure. ○ Personal Guarantor must have signing rights for Borrowing Entity LLC and all subsequent ascending LLCs making up the overall ownership structure. ○ LLC documentation listed in Borrowing Entities must be received for all ascending LLCs making up the overall ownership structure
<p>Cash Out</p>	<p>Cash-Out Proceeds may be used for reserve requirements</p> <p>Max Cash out: \$500,000</p>
<p>Citizenship</p>	<p>Eligible:</p> <ul style="list-style-type: none"> ● U.S. Citizen ● Permanent resident alien ● Non-Permanent Resident Aliens (w/ US Credit) ● Foreign Nationals <p>Ineligible Borrowers:</p> <ul style="list-style-type: none"> ● Borrowers with diplomatic immunity or otherwise excluded from U.S. jurisdiction ● Residents of any country not permitted to transact business with US companies are ineligible (as determined by any U.S. government authority) ● Trusts or Land Trusts (trusts may qualify for ownership vesting only) ● Borrowers less than 18 years old ● Loans to employees of Broker ● First-Time Home Buyers <p>Ineligible Guarantors:</p> <ul style="list-style-type: none"> ● Foreign Nationals ● Borrowers with diplomatic immunity or otherwise excluded from U.S. jurisdiction

	<ul style="list-style-type: none"> Residents of any country not permitted to transact business with US companies are ineligible (as determined by any U.S. government authority) Trusts or Land Trusts Individuals less than 18 years old
Credit	<p>Refer to guidelines for full credit requirements</p> <p>Standard:</p> <ul style="list-style-type: none"> 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months; Acceptable Tradelines: <ul style="list-style-type: none"> Max 0x60 in most recent 12 months <p>Qualifying FICO: All borrowers/guarantors</p> <ul style="list-style-type: none"> Lower mid score <p>Mortgage Payment History</p> <ul style="list-style-type: none"> 0x30x12 <p>FC/DIL/SS Seasoning</p> <ul style="list-style-type: none"> 36 months <p>BK Seasoning (7/11/13)</p> <ul style="list-style-type: none"> 36 months
DSCR	<p>DSCR – Non-Short Term Rental Income:</p> <ul style="list-style-type: none"> Gross Rents / PITIA (fully amortizing) or; Gross Rents / ITIA (interest only loans) <p>DSCR – Short Term Rental Income:</p> <ul style="list-style-type: none"> Average monthly gross income x 80% / Proposed [P]ITIA* <p>DSCR < 1.00</p> <ul style="list-style-type: none"> Purchase Only
Financed Properties	<p>No limit on the number of other properties borrowers may currently have financed.</p> <p>May not exceed \$10M aggregate with a maximum of ten loans for each individual borrower.</p>
First-Time Home Buyers	Not allowed
Flip Transactions	<p>When the subject property is being resold within 365 days of its acquisition by the seller and the sales price has increased more than 10%, the transaction is considered a “flip”. To determine the 365-day period, the acquisition date (the day the seller became the legal owner of the property) and the purchase date (the day both parties executed the purchase agreement) should be used.</p> <p>Flip transactions are subject to the following requirements:</p> <ul style="list-style-type: none"> All transactions must be arm’s length, with no identity of interest between the buyer and property seller or other parties participating in the sales transaction. No pattern of previous flipping activity may exist in the last 12 months. Exceptions to ownership transfers may include newly constructed properties, sales by government agencies, properties inherited or acquired through divorce, and sales by the holder of a defaulted loan. The property was marketed openly and fairly, through a multiple listing service, auction, for sale by owner offering (documented) or developer marketing. No assignments of the contract to another buyer. If the property is being purchased for more than 5% above the appraised value, a signed letter of acknowledgement from the borrower must be obtained. <p>A second appraisal is required in the following circumstances:</p> <ul style="list-style-type: none"> Greater than 10% increase in sales price if seller acquired the property in the past 90 days Greater than 20% increase in sales price if seller acquired the property in the past 91-180 days
Foreign Nationals	<ul style="list-style-type: none"> 12 month housing history is required Minimum DSCR of 1.00 Assets must be seasoned for 60 days

Geographic Restrictions	<ul style="list-style-type: none"> • Not eligible in HI – lava zones 1 & 2
Gift Funds	<p>Gift funds can be used for down payment, closing costs, and reserves after the borrower or guarantor has documented a 10% minimum contribution.</p> <p>A gift can be provided by:</p> <ul style="list-style-type: none"> • A relative, defined as the borrower’s or guarantor’s spouse, child or other dependent, or by any other individual who is related to the borrower or guarantor by blood, marriage, adoption, or legal guardianship • a non-relative that shares a familial relationship with the borrower or guarantor defined as a domestic partner (or relative of the domestic partner), individual engaged to marry the borrower, guarantor, former relative, or godparent. <p>A signed gift letter is required to provide all the following information:</p> <ul style="list-style-type: none"> • Donor’s name, address, phone and relationship to borrower or guarantor; and • Dollar amount of gift; and • Date funds were transferred; and • Donor’s statement that no repayment is expected. <p>Sufficient funds to cover the gift must be verified as either currently in the donor’s account or evidence of transfer into the borrower’s or guarantor’s account. Acceptable documentation includes any of the following:</p> <ul style="list-style-type: none"> • Copy of the donor’s check and the borrower’s or guarantor’s deposit slip • Copy of the donor’s withdrawal slip and the borrower’s or guarantor’s deposit slip • Copy of the donor’s check to the closing agent • Evidence of wire transfer from donor to borrower or guarantor • Settlement statement showing receipt of the donor’s check <p>When the funds are not transferred prior to closing, it must be documented that the donor gave the closing agent the gift funds in the form of a certified check, a cashier’s check, money order, or wire transfer.</p> <p>***GIFT OF EQUITY NOT ALLOWED***</p>
Gross Income	<p>NON-SHORT-TERM RENTAL INCOME</p> <ul style="list-style-type: none"> • Lesser of Estimated Market Rent from Form 1007 or monthly rent from existing lease: <ul style="list-style-type: none"> ○ Higher lease rent allowed with (3) months receipt ○ Purchase transactions may be vacant <p>SHORT TERM RENTAL INCOME</p> <ul style="list-style-type: none"> • Lower of the (a) 12-month average of short-term rental income; or • market rent from FNMA Form 1007 or Form 1025, as applicable <p>Short-term term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <p>Short-term rental income received directly from a home-sharing service (such as Airbnb or VRBO) or property management services may be used for qualification when any of the following requirements are met:</p> <ul style="list-style-type: none"> • 12 months evidence of receipt via the home-sharing service or property management company. <ul style="list-style-type: none"> ○ Receipt must identify the subject property/unit and all rents collected for the previous 12 months. Rental income used will be net of any management or vendor fees. ○ Property ownership report obtained and proof of property listing on service provider website. • Bank statement deposits clearly evidencing short-term rental deposits. <ul style="list-style-type: none"> ○ Bank statement deposits must be supported by rental records for subject property/unit to support the monthly rental activity for the previous 12 months. ○ Property ownership report obtained and proof of property listing on service provider website. • Appraisal Form 1007 or Form 1025, or a short-term rental narrative reflecting short-term market rents, prepared by the appraiser. <ul style="list-style-type: none"> ○ Short-term rental market data must include multiple sources such as Air B&B, VRBO, Air DNA, etc. (Air DNA is acceptable when accompanied by additional sources listed above). <p>A 20% expense factor will be applied to gross rents (after management/vendor fees) to account for operational costs associated with managing short-term rental properties such as marketing, cleaning, furnishing, vacancy, etc.</p>
Hazard Insurance	<p>Policy must be effective for at least 60 days after the date of funding (does not apply to condominium project insurance policies).</p>

	<p>Refer to guidelines for full requirements on all property types and Insurance types</p> <p>Evidence of Insurance may be provided in one of the following forms:</p> <ul style="list-style-type: none"> • Policy • Certificate of Insurance (COI) <p>Evidence of Insurance must provide the following information:</p> <ul style="list-style-type: none"> • Names of borrowers reflect the same as the names on the note • Property address agrees with the note/security instrument • Mailing address is the same as property address • Policy Number • Loan Number • Name of insurance company • Insurance Agent information • Effective and expiration dates of coverage • Premium Amount • Coverage amount and deductible • Loss payee clause as applicable • Signed and dated by agent <p>Deductible:</p> <ul style="list-style-type: none"> • Maximum 5% deductible <p>Rent Loss Insurance:</p> <p>Rent Loss Insurance for the subject property is required and must equal at least 6 months PITIA for the subject property. Blanket policies covering the subject property are permitted.</p> <ul style="list-style-type: none"> • If Rent Loss coverage is less than 6 months, the deficiency balance may be comprised of additional subject property PITIA reserves. <ul style="list-style-type: none"> ○ Example: if the required reserves for the transaction are 3 months and the required Rent Loss coverage is 6 months, the total PITIA requirement for the transaction is 9 months. If the Rent Loss coverage for the property is insufficient at 4 months, the borrower can provide evidence of 5 months PITIA reserves to complete the 9 months PITIA requirement.
<p>Ineligible Transactions</p>	<ul style="list-style-type: none"> • Non-arm's length transactions • Land contract or contract for deed • Lease with purchase option
<p>Interest Only</p>	<p>Interest-only loans qualify using the interest only payment, including escrows, to determine the ITIA</p> <ul style="list-style-type: none"> • Max 75% LTV • Min DSCR 1.00x <p>IO Features:</p> <ul style="list-style-type: none"> • 30 year fixed & 5/6 ARM <ul style="list-style-type: none"> ○ 10 year - IO period ○ 20 year - Amortized period ○ 30 year - Maturity
<p>Interested Party Contributions</p>	<p>Up to 6% towards closing</p>
<p>Lease/Gross Income</p>	<p>Lease requirements: **REFINANCE**</p> <ul style="list-style-type: none"> • Executed Lease with no less than 3 months remaining at time of close for all units in subj prop <ul style="list-style-type: none"> ○ Month-to-month tenancy is not subject to this requirement with sufficient evidence (signed extension letter, etc) • Monthly lease payments must be consistent with market rents • The Property must not and cannot be occupied by a borrower, guarantor, any member of the borrower's LLC, or any family member <p>Unleased Properties:</p> <ul style="list-style-type: none"> • Max LTV 70% on Refinances; • No LTV reduction for Purchase transactions
<p>Loan Amount</p>	<ul style="list-style-type: none"> • Minimum loan amount \$100,000 • Minimum loan amount (DSCR < 1.00x) = \$250,000

	<ul style="list-style-type: none"> Maximum loan amount \$2,000,000
Loan Terms	<p>Fixed rate:</p> <ul style="list-style-type: none"> 30 year 5/6 ARM; <ul style="list-style-type: none"> Note rate is used for qualifying Interest only option (see interest only section)
Occupancy	Business Purpose Investment Properties Only
Personal Guarantors	<p>At least one Personal Guarantor is required. A Personal Guarantor must be a beneficial owner of the Borrowing Entity with 25% or greater ownership interest in the Borrowing Entity.</p> <p>Personal Guarantors must meet the credit requirements outlined in the Credit Analysis. The credit report for the Personal Guarantor will be used to determine qualification and pricing. Each Personal Guarantor must sign the Guaranty Form and complete the loan application.</p> <p>References to “borrowers” in the Asset Analysis apply to Personal Guarantors when the borrower is a Borrowing Entity.</p> <p>Eligible Guarantors:</p> <ul style="list-style-type: none"> U.S. Citizens Permanent Resident Aliens (refer to guidelines for specific requirements) Non-Permanent Resident Aliens (refer to guidelines for specific requirements) <p>Ineligible Guarantors:</p> <ul style="list-style-type: none"> Foreign Nationals Individuals with diplomatic immunity or otherwise excluded from U.S. jurisdiction Residents of any country not permitted to transact business with US companies are ineligible (as determined by any U.S. government authority) Trusts or Land Trusts Individuals less than 18 years old
Primary Residence	<p>All borrowers or guarantors must presently maintain a primary residence. Evidence of primary occupancy is required.</p> <p>Borrowers or guarantors who own a primary residence must provide:</p> <ul style="list-style-type: none"> Proof of ownership of a primary home superior in value and/or appeal to subject. Sufficient evidence of ownership must be obtained for borrowers residing in a marital home owned solely by the non-borrowing spouse (i.e. fraud report, property report). <p>Borrowers or guarantors who rent a primary residence must provide:</p> <ul style="list-style-type: none"> Evidence of an active lease in place. <ul style="list-style-type: none"> Borrowers living rent free may be considered on a case-by-case basis with compelling evidence of continued occupancy. Primary residence should be supported by one of the following characteristics: <ul style="list-style-type: none"> Geographically consistent with borrower’s place of employment; or General appeal and location of primary is superior to subject property.
Power of Attorney	<p>Limited Power of Attorney (POA) is acceptable when following requirements are met:</p> <ul style="list-style-type: none"> POA is specific to the transaction Recorded with the mortgage/deed of trust Contains an expiration date Used only to execute the final loan documents Borrower who executed the POA signed the initial 1003 No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney Not permitted on cash out or Borrowing Entity transactions
Prepayment Penalty	<ul style="list-style-type: none"> Investment Property only 1-, 2- and 3-year options <p>1 year PPP:</p> <ul style="list-style-type: none"> First year: 1% fee of amount prepaid (partial or full prepayment) <p>2 year PPP:</p> <ul style="list-style-type: none"> First year: 2% fee of the amount prepaid (partial of full prepayment) Second year: 1% fee of amount prepaid (partial of full prepayment) <p>3 year PPP:</p> <ul style="list-style-type: none"> First year: 3% fee of amount prepaid (partial or full prepayment)

	<ul style="list-style-type: none"> • Second year: 2% fee of amount prepaid (partial or full prepayment) • Third year: 1% fee of amount prepaid (partial or full prepayment)
<p>Properties</p>	<p>Please refer to program guidelines for specific requirements</p> <p>Eligible:</p> <ul style="list-style-type: none"> • SFR • Condominium (low-rise and high-rise) • PUD • Townhomes • 2-4 units • Site Condominium • Non-Warrantable Condominiums <ul style="list-style-type: none"> ◦ Max 75% LTV • Maximum 5 acres • Properties in declining markets <ul style="list-style-type: none"> ◦ Max LTV reduced by 5% • Rural Properties (refer to guidelines for requirements) <p>Ineligible:</p> <ul style="list-style-type: none"> • Manufactured Homes • Co-operative Units • Condotels • Farms or Hobby Farms • Mixed-use properties • Assisted Living/Continuing Care Facilities • Boarding Houses • Log Homes • Modular Homes • Properties Subject to Rent Control Regulations • Unique Properties (Earth homes, Berm homes, Dome homes, Barndominiums, Shouses, etc) • Properties with C5 or C6 Condition Rating
<p>Refinance</p>	<p>All Refinances:</p> <ul style="list-style-type: none"> • If the property was acquired \geq 6 months from application date, the appraised value may be used to determine loan-to-value. • If the property was acquired $<$ 6 months from application date, the lesser of the current appraised value or the previous purchase price plus documented improvements (if any) must be used. The purchase settlement statement and any invoices for materials/labor will be required <p>Rate/Term Refinance: The mortgage amount is limited to the sum of the following:</p> <ul style="list-style-type: none"> • Existing first mortgage payoff • Closing costs and prepaid items (interest, taxes, insurance) on the new mortgage • The amount of any subordinate mortgage liens used in their entirety to acquire the subject property (regardless of seasoning) • The amount of a home equity line of credit in first or subordinate lien position that was used in its entirety to acquire the subject property (regardless of seasoning) • Any subordinate financing that was not used to purchase the subject property provided: <ul style="list-style-type: none"> ◦ For closed end seconds, the loan is at least one year seasoned as determined by the time between the note date of the subordinate lien and the application date of the new mortgage ◦ For HELOCs and other open-ended lines of credit, the loan is at least one year seasoned and there have been less than \$2,000 in total draws over the past 12 months <p>If the most recent first mortgage transaction on the property was a cash-out refinance within the last 6 months, the new mortgage is not eligible as a rate/term and must proceed as a cash-out refinance.</p> <p>Note date to note date is used to calculate the 6 months.</p> <p>Max cash back in an amount that is the lesser of 2% of the new mortgage balance or \$2,000</p> <p>Cash-Out Refinance Purpose:</p> <ul style="list-style-type: none"> • Existing first mortgage payoff • Closing costs and prepaid items (interest, taxes, insurance) on the new mortgage • The amount of any subordinate mortgage liens being paid off that do not meet seasoning and draw history requirements as described in Rate/Term section

	<ul style="list-style-type: none"> • The amount of any non-mortgage related debt paid off through closing • Additional cash in hand reflected on the settlement statement <p>Cash-out proceeds may only be utilized for business purposes as prescribed on the Business Purpose & Occupancy Affidavit</p>
Reserves	<p>Standard:</p> <ul style="list-style-type: none"> • 3 months PITIA (loan amount ≤ \$1mm) • 6 months PITIA (loan amount > \$1mm) <p>DSCR < 1.00x:</p> <ul style="list-style-type: none"> • 6 mos PITIA <p>Foreign Nationals:</p> <ul style="list-style-type: none"> • 6 mos PITIA
Subordinate Financing	Not allowed
Title Requirements	Full ALTA Loan Policy – dated within 90 days of the note date.
Vesting/Ownership	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> • Individuals • Joint tenants • Tenants in Common • Inter Vivos Revocable Trust • Business Entity <ul style="list-style-type: none"> ○ Limited Liability Company (LLC) ○ Limited and General Partnerships ○ Corporations ○ S Corporations <p>Business Entity Vesting: Ownership or title vesting in the name of an LLC, partnership, or corporation (collectively 'Entity') is acceptable.</p> <p>To vest ownership in an Entity but close in the name of a natural person, the following requirements must be met:</p> <ul style="list-style-type: none"> • Business purpose and activities are limited to ownership and management of real estate. • Entity limited to a maximum of 4 owners (aka members, partners, or shareholders). • A minimum of 50% of the Entity ownership must be represented as borrowers on the loan, each completing a 1003 as applicants. • The loan application, credit report, income (if applicable), and assets for each Entity owner will be used to determine qualification and pricing. • Each Entity owner must receive notice of the loan and its terms prior to closing. <p>The following Entity documentation must be provided:</p> <ul style="list-style-type: none"> • Entity Articles of Organization, Partnership, and Operating Agreements (if applicable) • Employer Identification Number (EIN) Verification Form • Certificate of Good Standing • Certificate of Authorization for the person executing all documents on behalf of the Entity <p>Documents must be completed and signed by each individual applicant (in their capacity as an individual only) that is an owner of the vesting Entity, as follows:</p> <ul style="list-style-type: none"> • <u>Business Purpose & Occupancy Affidavit:</u> <ul style="list-style-type: none"> ○ Signed by each Entity owner represented (both submission and closing) and guarantors, when applicable. • <u>Loan Application (1003):</u> <ul style="list-style-type: none"> ○ Completed and signed by each Entity owner represented and guarantors, when applicable. <ul style="list-style-type: none"> ▪ 1003 section labeled "Title will be held in what Name(s)" should be completed with only the Entity name. • <u>Disclosures</u> (GFE, TIL, Notice of Intent to Proceed, Servicing Disclosure, etc.): <ul style="list-style-type: none"> ○ Completed and signed by each Entity owner represented and guarantors, when applicable. • <u>Closing Disclosure:</u>

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| | <ul style="list-style-type: none">○ Completed and signed by each Entity owner represented and guarantors, when applicable.• Other Closing Documents (Final TIL, Business Purpose & Occupancy Affidavit, etc.):<ul style="list-style-type: none">○ Completed by Entity owner represented and guarantors, when applicable.• Note:<ul style="list-style-type: none">○ Signed by each Entity owner represented and guarantors, when applicable.• Deed of Trust/Mortgage and all attached Riders:<ul style="list-style-type: none">○ must be completed by the authorized owner(s) of the Entity who can legally sign and bind the Entity that is the vested owner of the subject property |
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