

# NON-QM SUMMARY



Program Description	KVOE	Reduced Doc/TVOE	ITIN	Foreign National	DSCR
<b>Program Code</b>	KVOE 30, KVOE 7/6	RED/TVOE30 REDI/TVOEI 7/6	ITIN 30	FNF/FNFF/FND/FNDF 30 FNF/FNFI/FND/FNDI/FNDF/FNDFI 7/6	DSCR 30, DSCR 7/6, DSCRI 7/6
<b>Loan Purpose</b>	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out
<b>Max. LTV</b>	75%	80%	80%	75%	80%
<b>Occupancy</b>	Primary, 2 <sup>nd</sup> Home & Investment	Primary, 2 <sup>nd</sup> Home & Investment	Primary	2 <sup>nd</sup> Home & Investment	Investment
<b>Property Type</b>	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo
<b>Products</b>	30 Year Fixed 7/6 ARM	30 Year Fixed 7/6 ARM Interest Only	30 Year Fixed	30 Year Fixed 7/6 ARM Interest Only	30 Year Fixed 7/6 ARM Interest Only
<b>Index</b>	SOFR 30 Days Average	SOFR 30 Days Average	Not Applicable	SOFR 30 Days Average	SOFR 30 Days Average
<b>Margin</b>	4.500%	4.000%	Not Applicable	4.500%(2 <sup>nd</sup> Home) 6.500%(Investment)	6.000%
<b>CAPS</b>	5/1/5	5/1/5	Not Applicable	5/1/5	5/1/5
<b>First-Time Homebuyer</b>	Allowed	Allowed	Allowed	Allowed	Not Allowed
<b>Non-Occupant Co-Borrowers</b>	Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
<b>Non-Arm's Length Transactions</b>	Allowed	Purchase & Primary only	Allowed: Refer to Guideline	Not Allowed	Not Allowed
<b>Min. Credit Score</b>	640	660	660	660 or Foreign Credit (No FICO)	640
<b>Mortgage History</b>	No VOR required. 1X30 in last 12 months. Private VOM/VOR & Rent Free: Allowed & No additional documents required.	VOM/VOR for last 12 months. 1X30 in last 12 months. Private VOM/VOR & Rent Free: Allowed & No additional documents required.	VOM/VOR for last 12 months. 0X30 last 12 months. Private VOM/VOR & Rent Free: Refer to Note at page 4	VOM/VOR for last 24 months. 0X30 in last 12 months. Private VOM/VOR & Rent Free: Refer to Note at page 4	VOM/VOR for last 24 months. 0X30 in last 12 months. Private VOM/VOR & Rent Free: Refer to Note at page 4

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<b>Tradeline Requirement</b>	Min. 3 open & active ≥12months	Min. 3 open & active ≥12months	Min. Two (2) FICO scores Min. 4 open & active ≥ 12months Non-traditional tradeline(s) maybe used	Min. 3 open ≥ 24 months credit reference letters maybe used. Refer to Guideline	Min. 3 open ≥ 12 months Refer to Guideline
<b>Bankruptcy</b>	4 years	4 years	3 years	3 years	3 years
<b>Foreclosure</b>	7 years	7 years	3 years	3 years	3 years
<b>Short Sale, Deed-In-Lieu</b>	4 years	2 years	3 years	3 years	3 years
<b>Loan Modification</b>	2 years	2 years	2 years	2 years	2 years
<b>Charge offs, Collections Judgments, Tax Liens</b>	Must meet FNMA guideline	Must meet FNMA guideline	Must be paid in full at or before closing	Must be paid in full at or before closing	Must be paid in full at or before closing
<b>Qualifying Rate</b>	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate	Note Rate	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate
<b>Qualifying Ratio/DSCR</b>	49.99%	49.99%	49.99%	49.99% (Full Doc) Purchase & Rate/Term: 0.75 Cash-Out: 1.00	Purchase & Rate/Term: 0.75 Cash-Out: 1.00
<b>Employment History</b>	Min. 2 years	Min. 2 years	Min. 2 years	Min. 2 years	Min. 2 years
<b>Income Documentation</b>	WVOE	RED: Bank Stmt's or/and P&L TVOE: WVOE	Full Documentation	Full Documentation Or DSCR	DSCR
<b>4506-C</b>	Not Required	Not Required	Required	Not Required	Not Required
<b>Asset</b>	2 Month Banks Statements Must meet FNMA guideline	2 Month Banks Statements Must meet FNMA guideline	2 Month Banks Statements Must meet FNMA guideline	2 Month Banks Statements Must meet FNMA guideline Foreign assets: Refer to Guideline	2 Month Banks Statements Must meet FNMA guideline

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<b>Business Assets</b>	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline
<b>Min. Borrower Contribution</b>	<ul style="list-style-type: none"> <li>Primary &amp; 2<sup>nd</sup> Home: None</li> <li>Investment: 10%</li> </ul>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: None</li> <li>Investment: 10%</li> </ul>	None	<ul style="list-style-type: none"> <li>2nd Home: None</li> <li>Investment: 10%</li> </ul>	100%
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: 100% Gift Allowed</li> <li>Investment: Not Allowed</li> </ul>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: 100% Gift Allowed</li> <li>Investment: Not Allowed</li> </ul>	100% Gift Allowed	<ul style="list-style-type: none"> <li>2nd Home: 100% Gift Allowed</li> <li>Investment: Not Allowed</li> </ul>	Not Allowed
<b>Reserves</b>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: 4 months</li> <li>Investment: 6 months</li> </ul>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: LTV &lt;=70% &amp; &lt;= \$1M: 6 months LTV &gt; 70% or &gt; \$1M: 12 months</li> <li>Investment: &lt;= \$1MM: 6 months &gt;\$1MM &lt;=\$2MM: 9 months &gt;\$2MM: 12 months</li> <li>1 months for each additional financed property.</li> </ul> <p>*Cash out net proceeds can be used for reserve requirement</p>	<p>LTV ≤ 70%: 3 months LTV &gt; 70%: 6 months 2 months for each additional financed property.</p> <p>*Cash out net proceeds can be used for reserve requirement</p>	<p>&lt;= \$1 MM: 6 months &gt;\$1MM &lt;=\$2MM: 9 months &gt;\$2 MM: 12 months 2 months for each additional financed property.</p> <p>* Cash out net proceeds can be used for reserve requirement</p>	<p>&lt;= \$1 MM: 6 months &gt;\$1MM &lt;=\$2MM: 9 months &gt;\$2 MM: 12 months 2 months for each additional financed property.</p> <p>* Cash out net proceeds can be used for reserve requirement</p>
<b>Max. Seller Contribution</b>	Primary & 2nd Home: 6 % Investment: 3%	Primary & 2nd Home: 6 % Investment: 3%	6%	Second Home: 6 % Investment: 3%	3%
<b>Max. Cash back to borrower</b>	Unlimited	Unlimited	Limited to 50% of property value	Limited to 50% of property value	Limited to 50% of property value
<b>Value Seasoning</b>	Rate & Term: No Seasoning Cash Out: 6 Months	12 Months	12 Months	12 Months	12 Months
<b>Listed Properties</b>	Cash Out: 6 Months	Cash Out: 6 Months	Cash Out: 6 Months	Cash Out: 6 Months	Cash Out: 6 Months
<b>Departing properties</b>	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline

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<b>Appraisal</b>	1 Appraisal	1 Appraisal: <= \$1.5 MM 2 Appraisals: > \$1.5 MM	1 Appraisal	Purchase: <= \$1.5 MM: 1 Appraisal > \$1.5 MM: 2 Appraisals Refinance: <= \$1 MM: 1 Appraisal > \$1 MM: 2 Appraisals	Purchase: <= \$1.5 MM: 1 Appraisal > \$1.5 MM: 2 Appraisals Refinance: <= \$1 MM: 1 Appraisal > \$1 MM: 2 Appraisals
<b>Transferred Appraisal</b>	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
<b>Desk Review</b>	Required	<ul style="list-style-type: none"> <li>▪ Internal Review: Loan Amount =&lt; \$1.5MM</li> <li>▪ Required: Loan Amount &gt;\$1.5MM</li> </ul>	Internal Review	<ul style="list-style-type: none"> <li>▪ Internal Review: Loan Amount =&lt; \$1.5MM</li> <li>▪ Required: Loan Amount &gt;\$1.5MM</li> </ul>	<ul style="list-style-type: none"> <li>▪ Internal Review: Loan Amount =&lt; \$1.5MM</li> <li>▪ Required: Loan Amount &gt;\$1.5MM</li> </ul>
<b>Number of Financed Properties</b>	Max. 4 financed properties & Max. \$2MM combined	Max. 4 financed properties & Max. \$4MM combined	Max. 4 financed properties & Max. \$4MM combined	Max. 4 financed properties & Max. \$4MM combined	Max. 4 financed properties & Max. \$4MM combined
<b>Subordinate Financing</b>	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
<b>Prepayment Penalty</b>	None	Primary, 2 <sup>nd</sup> Home: None Investment: 2 Years or None	None	2 <sup>nd</sup> Home: None Investment: 2 Years or None	2 Years or None
<b>Payment Shock</b>	Not Applicable	Not Applicable	300%	300%	300%
<b>Escrow Waiver</b>	Eligible for non-HPML files	Eligible for non-HPML files	Not Eligible	Not Eligible	Not Eligible
<b>Closing In Trust</b>	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline
<b>Power of Attorney</b>	Not allowed for Investment & Cash-Out	Not allowed for Investment & Cash-Out	Not Allowed for Cash Out	Not Allowed	Not Allowed
<b>Note</b>	Conforming Loan Limit. Private VOR & Rent Free: Allowed	Private VOR & Rent Free: Allowed	Private VOR: 12 months cancelled checks or Rent Free: add 4 months reserves & DTI< 36%	DSCR: Monthly Gross Income divided by the PITIA. Private VOR: 12 months cancelled checks or Rent Free: add 4 months reserves & DTI< 36% (Full Doc)	DSCR: Monthly Gross Income divided by the PITIA. Private VOR: 12 months cancelled checks or Rent Free: add 4 months reserves