

NON-QM SUMMARY



Program Description	KVOE	Reduced Doc/TVOE	ITIN	Foreign National	DSCR
Program Code	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
Loan Purpose	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
Max. LTV	75%	80%	80%	75%	80%
Occupancy	Primary, 2 nd Home & Investment	Primary, 2 nd Home & Investment	Primary	2 nd Home & Investment	Investment
Property Type	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
Products	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
Index	SOFR 30 Days Average	SOFR 30 Days Average	Not Applicable	SOFR 30 Days Average	SOFR 30 Days Average
Margin	4.500%	4.000%	Not Applicable	4.500%(2 nd Home) 6.500%(Investment)	6.000%
CAPS	5/1/5	5/1/5	Not Applicable	5/1/5	5/1/5
First-Time Homebuyer	Allowed	Allowed	Allowed	Allowed	Not Allowed
Non-Occupant Co-Borrowers	Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
Non-Arm's Length Transactions	Allowed	Purchase & Primary only	Allowed: Refer to Guideline	Not Allowed	Not Allowed
Min. Credit Score	640	660	660	660 or Foreign Credit (No FICO)	640
Mortgage History	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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Tradeline Requirement	Min. 3 open & active ≥12months	Min. 3 open or closed ≥12months	Min. 3 open or closed ≥12months	Min. 3 open or closed ≥12months	Min. 3 open ≥ 12 months Refer to Guideline
Bankruptcy	4 years	4 years	3 years	3 years	3 years
Foreclosure	7 years	7 years	3 years	3 years	3 years
Short Sale, Deed-In-Lieu	4 years	2 years	3 years	3 years	3 years
Loan Modification	2 years	2 years	2 years	2 years	2 years
Charge offs, Collections Judgments, Tax Liens	Must meet FNMA guideline	Accounts do not need to be paid off if the balance of an individual account is less than \$250 or the total balance of all account is \$1000 or less			
Qualifying 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	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
Qualifying Ratio/DSCR	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
Employment History	Min. 2 years	Min. 2 years	Min. 2 years	Min. 2 years	Min. 2 years
Income Documentation	WVOE	RED: Bank Stmtms or/and P&L TVOE: WVOE	Full Documentation	Full Documentation Or DSCR	DSCR
4506-C	Not Required	Not Required	Required	Not Required	Not Required
Asset	2 Month Banks Statements Must meet FNMA guideline	Most recent 1 month bank statement(s)	Most recent 1 month bank statement(s)	Most recent 1 month bank statement(s)	Most recent 1 month bank statement(s)

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

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Appraisal	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
Transferred Appraisal	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
Desk Review	Required	<ul style="list-style-type: none"> ▪ Internal Review: Loan Amount =< \$1.5MM ▪ Required: Loan Amount >\$1.5MM 	Internal Review	<ul style="list-style-type: none"> ▪ Internal Review: Loan Amount =< \$1.5MM ▪ Required: Loan Amount >\$1.5MM 	<ul style="list-style-type: none"> ▪ Internal Review: Loan Amount =< \$1.5MM ▪ Required: Loan Amount >\$1.5MM
Number of Financed Properties	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
Subordinate Financing	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
Prepayment Penalty	None	Primary, 2 nd Home: None Investment: 2 Years or None	None	2 nd Home: None Investment: 2 Years or None	2 Years or None
Payment Shock	Not Applicable	Not Applicable	300%	300%	300%
Escrow Waiver	Eligible for non-HPML files	Eligible for non-HPML files	Not Eligible	Not Eligible	Not Eligible
Closing In Trust	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline
Power of Attorney	Not allowed for Investment & Cash-Out	Not allowed for Investment & Cash-Out	Not Allowed for Cash Out	Not Allowed	Not Allowed
Note	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