

**INVESTOR CONNECT DSCR 1.0+**

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO	
PURCHASE RATE & TERM	80% <sup>1</sup>	\$1,000,000	640	
		\$1,500,000	660	
		\$2,000,000	740	
	75%	\$1,000,000	620	
		\$1,500,000	640	
		\$2,000,000	700	
	70%	\$1,500,000	620	
		\$2,000,000	640	
		\$2,500,000	700	
	65%	\$2,000,000	620	
\$2,500,000		660		
CASH OUT		75%	\$1,500,000	700
		70%	\$1,500,000	660
	65%	\$1,000,000	620	
		\$2,000,000	660	
60%	\$2,500,000	700		

- Minimum loan amount \$100,000

<sup>1</sup> 3-4 Unit Max 75%

**Short Term Rental Refinance:** Min DSCR 1.0, Max LTV 70%, Min Score 700, and 1-year experience operating a short-term rental.

**Short Term Rental Purchases:** Min DSCR 1.0 (using AirDNA Revenue Calculator tool), Max LTV 75%, Min Score 700, and 1-year experience operating a short-term. Max LTV 70% without 1 year experience operating a short-term rental

**INVESTOR CONNECT DSCR .75-.99<sup>1</sup>**

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE & TERM	70%	\$1,500,000	680
	65%	\$2,000,000	700

<sup>1</sup> Min \$175k loan amount; 40 yr. and 40 Yr IO product not permitted

**INVESTOR PREMIER - DSCR 1.0+**

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE & TERM	75%	\$1,500,000	700
CASH OUT	70%	\$1,500,000	700

- Minimum loan amount \$100,000
- Loan amounts ≤ \$150,000– require min 1.25 DSCR
- Condos: Max LTV/CLTV 70%
- Non-Perm Resident Aliens and Foreign Nationals not permitted
- Minimum 3 Year Prepay Penalty Required. PPP state restrictions apply (see PPP section; state of Rhode Island ineligible). Non-PPP states are ineligible for Premier (KS, NM)
- Max financed properties = 15 residential. CEL exposure to a single borrower/guarantor cannot exceed \$5MM UPB or 10 loans.
- 40-year Fixed and 40-year ARM fully amortizing products not permitted
- All additional overlays of Investor Connect otherwise apply
- **Short-Term Rental Qualifying:** Not allowed.
- **Geographic Restriction:** Georgia loans must be closed in an entity to be eligible under Investor Premier

## INVESTOR DIAMOND - DSCR 1.0+

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE & TERM	80% <sup>1</sup>	\$3,000,000	700
	75%	\$3,000,000	680
	70%	\$3,000,000	660
CASH OUT	75%	\$2,500,000	700
	70%	\$2,500,000	680

<sup>1</sup>3-4 Unit Max 75%

- Minimum loan amount \$100,000
- **Credit score between 660 -679– require min 1.20 DSCR**
- Max LTV reduced by 5% for IO
- 5/6 ARM, 5/6 ARM IO, 7/6 ARM, 7/6 ARM IO, 30 Yr Fixed, 30 Yr Fixed IO products only
- Qualifying FICO – Highest Mid-FICO score. If more than one guarantor, use the highest Mid-FICO guarantor. No borrower can have less than a 660 Mid-FICO.
- 0x30x12 mortgage/housing history is required
- Ineligible Borrowers: Foreign Nationals, Non-Revocable Trusts, Guardianships, Life Estates, and Diplomats
- Non-Warrantable condos, agricultural properties, any property zoning agricultural or commercial, lot loans, leasehold properties, hobby farms and property with deed/resale restrictions are ineligible
- Short-Term Rental not allowed
- Solar Panels – anything that will include a UCC filing associated with the property and/or will create an easement on title is ineligible
- Maximum cash out is \$500,000
- Texas 50(a)(6) is not permitted
- One appraisal up to \$3 Million on a purchase; Refinance transactions require two appraisals for >\$2 Million loan amount. Full appraisal required; Hybrid appraisals are ineligible
- Transfer appraisals are ineligible
- Business assets cannot be used as reserves
- 7 year seasoning required on all credit events (bankruptcy, foreclosure, short sale, deed-in-lieu, etc.)
- For a borrower that previously has a loan in forbearance, 6 months of satisfactory payments after the applicable loan is out of forbearance
- Delayed financing is eligible up to 6 months of the loan application and considered cash-out.
- Credit score freeze must be unfrozen
- All additional overlays of Investor Connect otherwise apply

ELIGIBILITY	Financing of the investment property must be solely for commercial / business purposes and a Certification of Business Purpose/Non-Owner Occupancy form must be signed and notarized					
PRODUCTS	Product	Term	IO Term	Initial Cap	Periodic Cap	Life Cap
	5/6 ARM	360 mo	NA	2	1	6
	5/6 ARM	480 mo	NA	2	1	6
	5/6 ARM IO	360 mo	120 mo	2	1	6
	5/6 ARM IO	480 mo	120 mo	2	1	6
	7/6 ARM	360 mo	NA	5	1	6
	7/6 ARM	480 mo	NA	5	1	6
	7/6 ARM IO	360 mo	120 mo	5	1	6
	7/6 ARM IO	480 mo	120	5	1	6
	30 Yr Fixed	360 mo	NA	NA	NA	NA
	30 Yr Fixed IO	360 mo	120 mo	NA	NA	NA
	40 Yr Fixed	480 mo	NA	NA	NA	NA
	40 Yr Fixed IO	480 mo	120 mo	NA	NA	NA
	MIN LOAN AMOUNT	Investor Connect			DSCR ≥ 1.0 – Min \$100,000 DSCR .75-.99 – Min \$175,000 Max loan amount \$2,500,000	

	Investor Premier	DSCR $\geq$ 1.0 – Min \$100,000 DSCR min 1.25 for loan amount \$100,000-\$150,000 DSCR below 1 ineligible Max loan amount \$1,500,000		
	Investor Diamond	DSCR $\geq$ 1.0 – Min \$100,000 DSCR below 1 ineligible Max loan amount \$3,000,000		
<b>INTEREST ONLY</b>	Interest Only Period – 40 Year Interest Only = 10-year IO then 30-year amortization 30 Year Interest Only = 10-year IO then 20-year amortization			
<b>QUALIFICATION</b>	Fully amortizing fixed and ARM loans are qualified at the initial P&I (30-yr or 40-yr, as applicable), property taxes, Insurance, HOA. Interest only loans are qualified on the interest only payment, property taxes, insurance, HOA.			
<b>DSCR CALCULATION</b>	Lesser of 1) 1007 market rent or 2) current lease or 12 mo average Short-Term Rental statements, divided by (P)ITIA.			
<b>DSCR MAX LTV/CLTV</b>	<b>Investor Connect DSCR 1.0+</b>	<b>Investor Connect DSCR .75-.99</b>	<b>Investor Premier – DSCR 1.0+</b>	<b>Investor Diamond – 1.0+</b>
	Max 80%	Max 70 % Min 680 FICO	Max 70%	Max 80%
<b>BORROWERS</b>	US Citizen Non-Permanent Resident Aliens <ul style="list-style-type: none"> <li>1-2 Unit Properties Only</li> <li>Max 75%</li> </ul> First Time Investors (see below for details) Limited Partnerships, General Partnerships, Corporations, Limited Liability Company Inter-vivos Revocable Trust Ineligible: First Time Homebuyer			
<b>FIRST TIME INVESTOR</b>	Eligible with DSCR $\geq$ 1.0 DSCR <1.0 not permitted for first time investors Motivation letter required if property is purchased out of state from the borrower's/guarantor's residence Min 680 FICO			
<b>FOREIGN NATIONALS</b>	Programs	Investor Connect Only		
	Transaction Types	Purchase/Rate/Term/Cash-Out (1-2 Unit Properties only)		
	Max Loan Amount	\$1,500,000		
	Max LTV/CLTV	Purchase/Rate & Term: Loan Amounts $\leq$ \$1M Max 70%		
		Purchase/Rate & Term: Loan Amounts > \$1M Max 65%		
		Cash-Out: Max 65%		
	Reserves	6 months		
	FICO	Foreign Nationals are not subject to FICO requirements (use 680 FICO for pricing)		
	Escrows	Escrow for taxes and insurance is required		
	DSCR	DSCR <1.0 is not permitted		
Note:	If at least one borrower is not a Foreign National, the Foreign National restrictions still will apply. Short term rental income used for qualification is not permitted for Foreign Nationals. ACH enrollment required – Must be drawn on a US Bank			
<b>CREDIT EVENTS</b>	<ul style="list-style-type: none"> <li>Credit Event = Bankruptcy Chapter 7, 11, 13, Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent <ul style="list-style-type: none"> <li>Investor Connect – 3 years seasoning</li> <li>Investor Premier – 4 years seasoning</li> <li>Investor Diamond – 7 years seasoning</li> </ul> </li> </ul> Seasoning is from the date of dismissal, discharge, or property resolution (completion date), as of the note date			
<b>HOUSING HISTORY</b>	<ul style="list-style-type: none"> <li>1x30x12 (no rolling) <ul style="list-style-type: none"> <li>Investor Diamond requires 0x30x12</li> </ul> </li> <li>Housing History applies to all mortgages reporting on credit. If primary or subject property are not reported on credit, a VOM is required and subject to Housing History guides.</li> <li>Only one borrower needs to meet housing history</li> <li>All borrowers must be current on mortgage or rent at loan application</li> <li>Property tax liens and delinquent HOA dues require an LOE and may require borrower own funds to bring</li> </ul>			

	<p>current</p> <ul style="list-style-type: none"> <li>Housing history required for Primary and subject property refi. Other REO, not reported on credit, no mortgage rating required</li> <li>Document housing history via 12 months proof of payment via credit report, cancelled checks, bank debits or institutional VOR/VOM.</li> <li>Borrowers living rent free with immediate family members will be considered with compensating factors and attestation from homeowner will be required. <ul style="list-style-type: none"> <li>Rent free from spouse or title only ownership requires institutional VOM or bank records are required to satisfy primary housing history</li> </ul> </li> <li>Incomplete housing history <ul style="list-style-type: none"> <li>No open and active mortgages reporting on credit or free and clear properties must have compensating factors present.</li> <li>Open and active mortgage(s) reporting on initial credit for minimum 12 months is permitted to satisfy housing history.</li> <li>A minimum 12 months previous mortgage history reporting on initial credit within the last 12 months is permitted to satisfy housing history.</li> <li>No private VOMs or credit supplements permitted.</li> </ul> </li> <li>Subject property recently vacated by borrower requires a lease and proof of three months rent paid at new primary residence. Subject property refinance is ineligible if borrower is now rent free.</li> </ul>
<b>QUALIFYING FICO</b>	<p>Highest Mid FICO score  *Use highest mid FICO of guarantor if more than 1 guarantor  No borrower can have less than a 620 mid FICO (Investor Diamond requires a 660 mid FICO)  Foreign Nationals are not subject to FICO requirements (use 680 FICO for pricing)</p>
<b>TRADELINES</b>	<ul style="list-style-type: none"> <li>Each borrower must have 2 tradelines or joint borrowers must have a total of 3 tradelines combined, rated at least 12 months, with activity in the last 24 months.</li> <li>Tradeline may be opened or closed</li> <li>Eligible tradelines cannot have any derogatory history in previous 24 months</li> <li>Current housing not reporting on credit can be considered an open trade if supported by bank records</li> <li>No authorized user accounts may be used to satisfy minimum tradelines.</li> <li>Non-traditional credit is not allowed as an eligible tradeline</li> </ul>
<b>RESERVES</b>	<p><b>DSCR 1.0+ -</b>  Purchase/Rate Term  ≤\$1,500,000 - No reserves ≤ 70%, 6 months &gt; 70%  \$3,000,000 – 9 months  Cash-out – 6 months</p> <p><b>DSCR .75 - .99</b>  \$1,500,000 – 3 months  \$2,000,000 – 9 months</p> <p><b>Investor Premier</b>  Purchase/Rate Term – No Reserves  Cash-out – 6 months</p> <p>Multi pack loans - reserves are calculated based on the highest (P)ITIA of all loans.  No additional reserves needed for additional financed properties  Cash out may be used as reserves. Loans with layered risk may require additional borrower assets to meet reserve requirements.</p>
<b>ASSETS</b>	<p>Asset Statements</p> <ul style="list-style-type: none"> <li>1 month or 1 quarterly investment statement or FNMA approved third party direct pull services <ul style="list-style-type: none"> <li>Statements not required for Cash-out transactions which satisfy reserves, one quarterly investment statement, or FNMA approved third party direct pull services</li> </ul> </li> </ul> <p>100% value of Bank Accounts, Stocks, Bonds, Mutual Funds, Retirement Accounts at vesting percentage</p>
<b>PROPERTY</b>	<p>Investor Connect/Investor Diamond</p> <ul style="list-style-type: none"> <li>Max Financed Properties - No limit to the number of financed properties.</li> <li>CEL exposure to a single borrower/guarantor cannot exceed \$5MM UPB or 10 loans.</li> </ul> <p>Investor Premier</p> <ul style="list-style-type: none"> <li>The max financed properties = 15 residential</li> <li>CEL exposure to a single borrower/guarantor cannot exceed \$5MM UPB or 10 loans.</li> </ul> <p>Declining Markets requires a 5% LTV reduction from max borrower qualifies for; Floor: 75% Purchase; 70% Refinance  Investor Connect – Max 10 acres</p>

Investor Premier/Investor Diamond - Max 5 Acres  
 Rural Properties – Max 75%  
 Minimum square footage required 500 sq ft. per unit - Kitchenettes ineligible.  
 SFR/Condo/PUDs – Max 6 Bedrooms  
 Unsold builder inventory not eligible

<b>NON-WARRANTABLE CONDOS</b>	<b>Non-Warrantable Condos - Limited to two non-warrantable reasons</b>	
	Products	Available on all products except Investor Diamond
	Presale	At least 30% of the units must be sold or under bona fide contract
	Investor Concentration	Up to 70% of units can be tenant occupied
	Commercial Space	Up to 50%
	Recreational Leases	Eligible
	Single Entity Ownership	A single entity can own up to 30% of units
	Delinquent HOA	Up to 25%
	Master Coverage Deductible	10% deductible max allowed Coverage less than full replacement cost is ineligible. ACV not permitted
	Reserves	<10% replacement, maintenance, and/or deductible
	Mandatory Memberships	Cannot exceed 10% of purchase price
	Material Litigation - Structural/Functional litigation against developer	Ineligible
	Insurance Coverage	Coverage amount less than the replacement cost is ineligible (Actual Cash Value is not permitted)
	Newly Converted - Non-full gut rehabs	Ineligible
Flood Insurance	Projects in a flood zone with no master flood coverage are ineligible. Borrower individual policies are not acceptable.	

<b>APPRAISAL REQUIREMENTS</b>	1 appraisal required for all transactions All appraisals require a third-party valuation by ClearEdge. CU score of 2.5 or below, no 3 <sup>rd</sup> party review					
	Investor Diamond: One appraisal up to \$3 Million on a purchase; Refinance transactions require two appraisals for >\$2 Million loan amount. Hybrid appraisals are ineligible. Transfer appraisals are ineligible.					
	<b>Hybrid Appraisals</b> Order through CEL Approved Vendors Max loan amount is \$1,500,000					
	Purchase	Max 70% LTV/CLTV				
	Rate & Term	Max 65% LTV/CLTV				
	Cash Out	Max 60% LTV/CLTV				
	<b>Property Types</b>	<table border="1"> <thead> <tr> <th>Eligible</th> <th>Ineligible</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>SFR</li> <li>PUD</li> <li>Condo</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Rural</li> <li>Leaseholds or Properties on leased land</li> <li>Irregular or non-residential zoning</li> <li>Atypical or extremely custom homes</li> <li>Properties on acreage - 5+ Acres</li> <li>Properties in need of major repairs</li> <li>New construction PUDs / Condos</li> <li>Properties subject to inspection</li> </ul> </td> </tr> </tbody> </table>	Eligible	Ineligible	<ul style="list-style-type: none"> <li>SFR</li> <li>PUD</li> <li>Condo</li> </ul>	<ul style="list-style-type: none"> <li>Rural</li> <li>Leaseholds or Properties on leased land</li> <li>Irregular or non-residential zoning</li> <li>Atypical or extremely custom homes</li> <li>Properties on acreage - 5+ Acres</li> <li>Properties in need of major repairs</li> <li>New construction PUDs / Condos</li> <li>Properties subject to inspection</li> </ul>
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	<b>LTV/CLTV</b>	<b>Maximum Cash Out</b>				
>65%	\$750k					
≤65%	\$1.5M					
Investor Diamond	\$500k					

<b>CASH-OUT</b>	<b>LTV/CLTV</b>	<b>Maximum Cash Out</b>
	>65%	\$750k
	≤65%	\$1.5M
	Investor Diamond	\$500k

	<b>Ownership Seasoning</b>	<b>0-6 months</b>	<b>6.1-12 months</b>
	Rate/Term	Lesser of (PP + Improvements*) -or- Appraisal	Appraisal
	Cash Out	Not permitted	Appraisal – Max 70%
	*Purchase appraisal or original listing photos required along with schedule of improvements		
	Rate/Term & Cash-Out Refinance: Seasoning is measured from application date		

**GIFT FUNDS** Gift Funds are not permitted.

**INSURANCE** Commercial, Landlord or rental dwelling policy required

PPP prohibited in KS, NM.  
 Non-PPP states or loans without a PPP are not eligible for Investor Premier.

- Three Prepayment Penalty structure options are available:
1. Standard Prepayment Penalty: Penalty term of six month's advance interest on the amount prepaid that exceeds 20% of the original balance of the note- 1,2,3,4, or 5-year term
  2. Flat Structure: 3-, 4- or 5-year prepayment term can be selected at a 5% flat rate instead of a tiered structure.
  3. Tier structure as indicated below:

	5 Year PPP	4 Year PPP	3 Year PPP	2 Year PPP	1 Year PPP
Payoff Year 1 (Max Prepay)	Other States: 5% OH Only: 1%	Other States: 5% OH Only: 1%	Other States: 5% OH Only: 1% MI Only: 1%	Other States: 3% OH Only: 1% MI Only: 1%	Other States: 3% OH Only: 1% MI Only: 1% RI Only: 2%
Payoff Year 2	Other States: 4% OH Only: 1%	Other States: 4% OH Only: 1%	Other States: 4% OH Only: 1% MI Only: 1%	Other States: 3% OH Only: 1% MI Only: 1%	
Payoff Year 3	Other States: 3% OH Only: 1%	Other States: 3% OH Only: 1%	Other States: 3% OH Only: 1% MI Only: 1%		
Payoff Year 4	Other States: 2% OH Only: 1%	Other States: 2% OH Only: 1%			
Payoff Year 5	All States: 1%				

**PREPAYMENT PENALTY**

State Restrictions: Additional Investor Premier restrictions apply. See matrix footnotes for details.

State	Standard PPP Allowed	Flat PPP Allowed	Tiered PPP Allowed	Special Rules
Illinois	Y	Y	Y	PPP may only be charged to entities only (LLC, Corp, Partnership)
Kentucky	Y	Y	Y	PPP prohibited on refinance loans that are paying off same lender
Louisiana	N	N	Y	
Michigan	N	N	Y	Max 3 Yr PPP (or less) and cannot exceed 1% penalty
Minnesota	Y	Y	Y	PPP prohibited on conforming loan amounts
Mississippi	N	N	Y	
New Jersey	Y	Y	Y	PPP may only be charged to entities only (LLC, Corp, Partnership)
North Carolina	Y	Y	Y	PPP prohibited on loans ≤ \$100k
Ohio	N	N	Y	Max 5 yr PPP and max cannot exceed 1% penalty  PPP is not allowed on 1-2 unit properties for loan amounts <\$110,223

	<b>Pennsylvania</b>	Y	Y	Y	IC/IP/ID - PPP may only be charged to entities only (LLC, Corp, Partnership) ID – PPP prohibited on loan amounts < \$312,159
	<b>Rhode Island</b>	N	N	Y	Max 1 yr PPP and max cannot exceed 2% penalty (Investor Premier not permitted)
Non-Delegated Only – Colorado Loans: Prepayment penalties are prohibited on loans where UCCC election is made (Supervised Loans).					

<b>PROPERTIES LISTED FOR SALE</b>	<b>Transaction Type</b>	<b>PPP Term/ LTV</b>	<b>0-6 months</b>	<b>6.1-12 months</b>
	Rate/Term no Penalty	N/A	Not Permitted	Second Level Review
	Rate/Term Penalty	Min 2yr penalty	Permitted	Permitted
	Cash Out no Penalty	Max LTV 70%	Not Permitted	Second Level Review
	Cash Out w/ Penalty	Min 2yr and max LTV 70%	Permitted	Permitted

LTV calculated on appraised value –lower of last listing price or current appraised value

<b>STATE ELIGIBILITY and LICENSING</b>	<p>Investor Connect is eligible in the following states: AL, AR, AZ, CA, CO, CT, District of Columbia, DE, FL, GA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, NC, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, RI, SC, TN, TX, UT, VA, WA, WI.</p> <p>ClearEdge does not require brokers to be licensed for Wholesale Investor Connect loans in the following states: AL, AR, CO, CT, DC, DE, FL, GA, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, NH, NM, NY*, OH, OK, PA, RI, SC, TN, TX, VA, WA, WI.</p> <p>*New York requires that a Broker Company hold a New York Real Estate Broker license. This license type is not visible within the NMLS Consumer Access, it must be confirmed at the eAccessNY website: <a href="https://appext20.dos.ny.gov/nydos/seIsearchType.do">https://appext20.dos.ny.gov/nydos/seIsearchType.do</a></p> <p>ClearEdge does not require sellers to be licensed for Non-Delegated Investor Connect loans in the following states: AL, AR, CO, CT, DC, DE, FL, GA, IL, IN, KS, KY, LA, MA, MD, ME, MI, MO, MS, NE, NH, NJ, NM, NY, OH, OK, PA, RI, SC, TN, TX, VA, WA, WI</p> <p><b>Disclaimer: This guide does not constitute legal advice and brokers and sellers are responsible for ensuring that they are properly licensed.</b></p>
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