

### INVESTOR CONNECT DSCR 1.0+

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE & TERM	85% <sup>1,3</sup>	\$1,500,000	740
	80%	\$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
		\$2,000,000	620
	65%	\$2,500,000	660
		\$3,000,000 <sup>2</sup>	700
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

**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 1.1 (using AirDNA Revenue Calculator tool), Max LTV 75%, Min Score 700-, and 1-year experience owning and operating a short-term rental.

<sup>1</sup>>80% - 30 Year Fixed only; 3 Yr PPP required (ineligible in no PPP states); First-Time Investor not allowed

<sup>2</sup>>\$2.5M – 30 Year Fixed only

<sup>3</sup>>80% - SFR only

### INVESTOR CONNECT DSCR .75-.99

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE & TERM	75% <sup>1</sup>	\$2,000,000	720
	70%	\$1,500,000	680
	65%	\$2,000,000	700

- Min \$175k loan amount; 40 yr. and 40 yr. IO product not permitted

<sup>1</sup>>70% 30 Year Fixed only

## INVESTOR PREMIER - DSCR 1.0+

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
<b>PURCHASE RATE &amp; TERM</b>	75%	\$1,500,000	700
<b>CASH OUT</b>	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, NJ, 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
- FTHB ineligible
- 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

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
	15 Yr Fixed	180 mo	NA	NA	NA	NA
	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 \$3,000,000 <ul style="list-style-type: none"><li>&gt;\$2.5M: 30 Year Fixed Only</li></ul>		
	Investor Premier			DSCR ≥ 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		
INTEREST ONLY	Max 80% 40 Year Interest Only = 10-year IO then 30-year amortization (not permitted on DSCR <1.00) 30 Year Interest Only = 10-year IO then 20-year amortization					
QUALIFICATION	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.					
DSCR CALCULATION	Lesser of 1) 1007 market rent or 2) current lease or 12 mo average Short-Term Rental statements, divided by (P)ITIA.					
DSCR MAX LTV/CLTV	Investor Connect DSCR 1.0+	Investor Connect DSCR .75-.99	Investor Premier – DSCR 1.0+			
	Max 85%	Max 75%	Max 75%			
BORROWERS	US Citizen Lawful Permanent Resident Aliens of the United States Lawful Non-Permanent Resident Aliens of the United States First Time Investors (see below for details) Limited Partnerships, General Partnerships, Corporations, Limited Liability Company Inter-vivos Revocable Trust First-time Homebuyer: On Investor Connect with DSCR 1.0+.					
FIRST TIME INVESTOR	Minimum DSCR 1.0 Max 80% Motivation letter required if property is purchased out of state from the borrower's/guarantor's residence STR rental properties are ineligible Min 680 FICO FTHB living rent free is ineligible					
FIRST-TIME HOMEBUYER	Investor Connect only: <ul style="list-style-type: none"><li>Max 75% LTV</li><li>Min 700 FICO</li><li>Min 1.0 DSCR</li></ul>					

	<ul style="list-style-type: none"> <li>• Max \$750k UPB</li> <li>• Interest only and/or 40-year amortization is ineligible</li> <li>• No exceptions allowed</li> <li>• Motivation letter required for purchasing investment and not owning a primary</li> <li>• FTHB living rent free is ineligible</li> </ul>	
FOREIGN NATIONALS	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: Loan Amounts ≤ \$1M; Max 75%
		Rate & Term: Loan Amounts ≤ \$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:	<p>If at least one borrower is not a Foreign National, the Foreign National restrictions still will apply.</p> <p>Short term rental income used for qualification is not permitted for Foreign Nationals.</p> <p>ACH enrollment required – Must be drawn on a US Bank</p>
CREDIT EVENTS	<p>Credit Event = Bankruptcy Chapter 7, 11, 13, Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default, Single Bankruptcy or 120+ Delinquent</p> <ul style="list-style-type: none"> <li>• Investor Connect – 3 years seasoning</li> <li>• Investor Premier – 4 years seasoning</li> </ul> <p>Seasoning is from the date of dismissal, discharge, or property resolution (completion date), as of the note date</p> <p>Single bankruptcy seasoning including Ch 7, 11 and Ch. 13 based on discharge or dismissal date</p> <p>Multiple Bankruptcies, regardless of seasoning, are ineligible</p>	
HOUSING HISTORY	<ul style="list-style-type: none"> <li>• 1x30X12 (no rolling)</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>• Credit supplements completed by an institution is acceptable; Credit supplements not allowed on Private lien holders/landlords</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 current</li> <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>• Borrower primary residence owned free and clear requires proof property taxes are paid current</li> <li>• Rent Free or Incomplete housing history <ul style="list-style-type: none"> <li>○ First-time Homebuyers or First Time Investors living rent free are ineligible</li> <li>○ Properties owned free and clear satisfies with evidence property taxes are current</li> <li>○ No open and active mortgages reporting on credit 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>○ Rent free from spouse or title only ownership requires Institutional VOM or bank records to satisfy primary housing history</li> <li>○ No private VOMs permitted unless supported with 12 months bank statements, cancelled checks, or bank debts</li> </ul> </li> <li>• A borrower who sold a home and is temporarily staying rent free until the purchase of a new home is not considered an incomplete housing history. Must document most recent rent 12-month history prior to the sale of departing residence.</li> </ul>	

<b>QUALIFYING FICO</b>	<p>Highest Mid FICO score</p> <p>*Use highest mid FICO of guarantor if more than 1 guarantor</p> <p>No borrower can have less than a 620 mid FICO</p> <p>Foreign Nationals are not subject to FICO requirements (use 680 FICO for pricing)</p>
<b>TRADELINES</b>	<ul style="list-style-type: none"> <li>• If the qualifying borrower has three credit scores, the minimum tradeline requirement is waived for all borrowers</li> <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 tradeline 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>Investor Connect – DSCR 1.0+</b></p> <p>≤\$1.5MM and ≤70% LTV – no reserves</p> <p>≤\$1.5MM and &gt;70% LTV – 3 months</p> <p>&gt;\$1.5MM – 9 months</p> <p><b>Investor Connect - DSCR .75 - .99</b></p> <p>≤\$1.5MM – 6 months</p> <p>&gt;\$1.5MM – 9 months</p> <p>Cash Out – 6 months</p> <p>Foreign Nationals – 6 months</p> <p><b>Investor Premier</b></p> <p>Purchase/Rate &amp; Term – No Reserves</p> <p>Cash Out – 6 months</p> <p>Interest Only loans – reserves calculated using the ITIA payment</p> <p>Multi pack loans - reserves are calculated based on the highest (P)ITIA of all loans.</p> <p>No additional reserves needed for additional financed properties</p> <p>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</p> <ul style="list-style-type: none"> <li>• Max Financed Properties - 20 residential</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</p> <p>Investor Connect – Max 10 acres</p> <p>Investor Premier - Max 5 Acres</p> <p>Rural properties are ineligible</p> <ul style="list-style-type: none"> <li>• Appraisals marked suburban with Residential Rural zoning allowed: Max 80% Purchase; 75% Rate &amp; Term; Cash Out 65% (Investor Connect only)</li> </ul> <p>Minimum square footage required 500 sq ft. per unit - Kitchenettes ineligible.</p> <p>SFR/Condo/PUDs</p> <p>2-4 Units</p> <p>Unsold builder inventory not eligible</p> <p>State Condominium Requirements (Warrantable and Non-Warrantable):</p> <ul style="list-style-type: none"> <li>• California <b>Balcony Bill – SB326</b>: An inspection is required for projects with wood deck, balcony, stairway, walkway, or railing elevated more than 6 feet above the ground. Projects with an unacceptable or no inspection are ineligible.</li> </ul>

	Florida – Projects over 30 years old or 25 years if within 3 miles from the coast, a structural inspection within every 10 years is required for projects 3 stories or higher. <ul style="list-style-type: none"><li>• Inspection must confirm no conditions severe enough to affect the safety, soundness, structural integrity or habitability of the improvements</li><li>• Projects with unacceptable or no inspections are ineligible</li></ul>				
NON-WARRANTABLE CONDOS	Non-Warrantable Condos - Limited to two non-warrantable reasons				
	Allowable Features:				
	Products	Available on all products			
	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 and/or maintenance, but never less than 5%			
	Mandatory Memberships	Cannot exceed 10% of purchase price			
	Ineligible Features/Requirements for Non-Warrantable Condos:				
	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			
	Project Completion	Project not 100% complete and HOA not turned over: <ul style="list-style-type: none"><li>• At least 50% of the units in the subject property phase must be sold or under bona fide contract</li><li>• All common elements in the project or legal phase must be 100% complete</li></ul>			
	Flood Insurance	Projects in a flood zone with no master flood coverage are ineligible. Borrower individual policies are not acceptable.			
APPRAISAL REQUIREMENTS	1 appraisal required for all transactions All appraisals require a third-party valuation by ClearEdge. CU/LCA score of 2.5 or lower, no 3 <sup>rd</sup> party review. When both a CU and an LCA SSR are provided, the lower score of the two is used to determine if a review is required.				
	Hybrid Appraisals 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			
	Property Types	<table><tr><td>Eligible</td><td>Ineligible</td></tr><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></table>	Eligible	Ineligible	<ul style="list-style-type: none"><li>• SFR</li><li>• PUD</li><li>• Condo</li></ul>
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REFINANCE TRANSACTIONS	Maximum Cash Out		
	Investor Connect 1.0+		
	Unlimited		
	Investor Premier		
	LTV/CLTV	Max Cash Out	
	>65%	\$750k	
	≤65%	\$1.5M	
	Ownership Seasoning	0-6 months	6.1-12 months
	Rate & Term	<ul style="list-style-type: none"><li>• Lesser of (PP + Improvements*) or Appraised Value if CU score is greater than 2.5</li><li>• Current Appraised Value + CU score of 2.5 and below – Max 70%</li></ul>	Current Appraised Value
Cash Out	Not permitted	Current Appraised Value	
Cash Out Rehab	Properties that were purchased and rehabbed per appraisal and has SSR 2.5 and below appraised value may be used. Max 70%.  SSR scores above 2.5 are ineligible and require six months seasoning to use appraised value.	Current Appraised Value	
*Purchase appraisal or original listing photos required along with schedule of improvements			
Seasoning is measured from purchase Note date to the current Note date			
GIFT FUNDS	Allowed for Investor Connect with DSCR 1.0+ <ul style="list-style-type: none"><li>• Gift funds are not allowed on Foreign Nationals</li><li>• Purchase transaction only</li><li>• Minimum Borrower Contribution<ul style="list-style-type: none"><li>▪ ≤75% LTV – No minimum contribution required</li><li>▪ &gt;75% LTV – Borrower must have 5% of their own funds documented but not required to use</li><li>▪ If the minimum borrower contribution % is not used towards the down payment, those funds can be used towards reserves</li></ul></li><li>• Gift funds are not permitted for reserves</li><li>• Only gifts from family members are allowed</li></ul>		
INTERESTED PARTY CONTRIBUTIONS (IPC)	Maximum 6% of purchase price		
ESCROW	See Operations Manual for state specific requirements		
INSURANCE	Commercial, Landlord or rental dwelling policy required		
PREPAYMENT PENALTY	PPP prohibited in KS, NJ, NM. Non-PPP states or loans without a PPP are not eligible for Investor Premier.		
	Three Prepayment Penalty structure options are available: <ul style="list-style-type: none"><li>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</li><li>2. Flat Structure: 3-, 4- or 5-year prepayment term can be selected at a 5% flat rate instead of a tiered structure.</li><li>3. Tier structure as indicated below:</li></ul>		

		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%				
	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			
Montana	Y	N	N			
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 <\$116,356		
Pennsylvania	Y	Y	Y	IC/IP - PPP prohibited on loans for 1-2 units with loan amount ≤\$329,411		
Rhode Island	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).						
PROPERTIES LISTED FOR SALE	Transaction Type	PPP Term/ LTV		0-6 months	6.1-12 months	
	Rate & Term no Penalty	N/A		Not Permitted	Second Level Review	
	Rate & Term Penalty	Min 2yr PPP		Permitted	Permitted	
	Cash Out no Penalty	Max LTV 70%		Not Permitted	Second Level Review	
	Cash Out w/ Penalty	Min 2yr PPP and max LTV 70%		Permitted	Permitted	
	LTV based on lower of appraised value or lowest listing price in the last 12 months					
STATE ELIGIBILITY and LICENSING	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, MT, NC, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, RI, SC, TN, TX, UT, VA, WA, WI.  ClearEdge does not require brokers to be licensed for Wholesale Investor Connect loans in the following					



	<p>states: AL, AR, CO, CT, DC, DE, FL, GA, IL, IN, KS, KY, LA, MA, MD, ME, MO, MS, NC, NH, NM, NY, OH, OK, PA, RI, SC, TN, TX, VA, WA, WI.</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, MT, NC, 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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