

MVP Foreign National – Investment Properties					
Maximum LTV/CLTVs			DSCR (Investment Only)		
DSCR	Credit Score	Loan Amount	Purchase	R/T Refi	Cash-Out Refi
>=1.00	680+	1,000,000	75	65	65
		1,500,000	70	60	60
	Foreign Credit	1,000,000	75	65	65
		1,500,000	70	60	60
<1.00	680+	1,000,000	65	60	60
		1,500,000	65	NA	NA
	Foreign Credit	1,000,000	65	60	60
		1,500,000	65	NA	NA
Housing History		Credit Event Seasoning	First Time Investor	Unleased Properties	
0x30x12, if documented		BK/FC/SS/DIL/Mod: >= 36 Mo	Allowed	Refinance: 5% LTV reduction if vacant	

Declining Markets and State/CBSA Restrictions
Maximum eligible LTVs do not require a market adjustment for the Foreign National program.
Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands

General Requirements	
Product Type	Fixed Rate Terms: 30 year, 40 yr I/O; 5/6 ARM, 7/6 ARM, (40-year term ARMs available when combined with interest only feature)
Interest Only	Eligible
Loan Amounts	• Min: 150,000 • Max: 1,500,000
Loan Purpose	Purchase, Rate/Term, and Cash Out
Occupancy	<ul style="list-style-type: none"> Investment for all eligible foreign citizens 2nd Home Only for Canadian citizens (contact AE for information)
Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries including Russia and Belarus are not eligible
Property Type	<ul style="list-style-type: none"> Single Family: Attached, Detached 2-4 Units and Condominiums: Max LTV/CLTV <ul style="list-style-type: none"> Purchase – 70%, Refinance – 65% Condo Hotel: Max LTV/CLTV: <ul style="list-style-type: none"> Purchase – 70%, Refinance – 65% Rural: Not Eligible <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Florida Condominiums: <ul style="list-style-type: none"> A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible </div>
Acreage	DSCR maximum 2-acres.
Cash-In-Hand	<ul style="list-style-type: none"> \$300,000 if LTV > 50% \$500,000 for LTV <= 50% Total equity withdrawn cannot exceed above limits
Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2 nd appraisal obtained.

MVP Program – PRICER KEY	
Documentation (“Doc Type”) drop down in Pricer	MVP Program doc type
DSCR	DSCR

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Income Requirements	
Income	<p>Long-Term Rental Documentation and DSCR Calculation</p> <ul style="list-style-type: none"> • Purchase Transactions: <ul style="list-style-type: none"> ▪ Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents. ▪ If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. ▪ A vacant or unleased property is allowed without LTV restriction. • Refinance Transactions: Required documentation <ul style="list-style-type: none"> ▪ FNMA Form 1007 or 1025 reflecting long term market rents, and lease agreement. ▪ If the lease has converted to month-to-month, then provide most recent two (2) months proof of receipt to evidence continuance of lease. • Monthly Gross Rents are determined by the higher of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. • A vacant or unleased property is allowed, and the maximum LTV allowed is restricted by 5%. • DSCR Calculation: <ul style="list-style-type: none"> ▪ Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. See this matrix for required Debt Service Coverage Ratios. ▪ Gross rents divided by PITIA = DSCR <p>Short-Term Rental (e.g., Airbnb, VRBO, FlipKey) Documentation and DSCR Calculation</p> <p>Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> • Short Term Rental Income – Purchase and Refinance Transactions <ul style="list-style-type: none"> ○ LTV/CLTV limits: <ul style="list-style-type: none"> ○ Purchase: Lesser of 75%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix. ○ Refinance: Lesser of 70%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix. ○ See matrix for Condo Hotel LTV/CLTV limits. • DSCR calculation: <ul style="list-style-type: none"> ○ Monthly gross rents based upon a 12-month average to account for seasonality required. ○ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used. ○ (Gross Rents * .80) divided by PITIA = DSCR. • Any of the following methods may be used to determine gross monthly rental income: <ul style="list-style-type: none"> ○ A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents. <ul style="list-style-type: none"> ◆ If long-term rent is utilized, 20% expense factor is not to be applied. ○ The most recent 12-month rental history statement from the 3rd party rental/management service. <ul style="list-style-type: none"> ◆ The statement must identify the subject property/unit, rents collected for the previous 12 months, and all vendor management fees. The rental income will exclude all vendor or management fees. • The most recent 12-month bank statements from the borrower evidencing short term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits. <ul style="list-style-type: none"> ○ AIRDNA (www.Airdna.co) Rentalizer and Overview reports, accessed using the Explore Short-Term Rental Data, must meet the following requirements: <ul style="list-style-type: none"> ▪ Rentalizer (Property Earning Potential). <ul style="list-style-type: none"> ▫ Only allowed for purchase transaction. ▫ Gross Rents equal the revenue projection from the Rentalizer Report. <ul style="list-style-type: none"> a. The gross rents are subject to the application of the 20% extraordinary expense factor. b. Revenue projection equals the average daily rental rate times the occupancy rate. ▫ Forecast Period must cover 12 months from the Note date. ▫ The occupancy rate must be > 60%. ▫ Must have five (5) comparable properties, all within the same ZIP code. ▫ Must be similar in size, room count, amenities, availability, and occupancy. ▫ Maximum occupancy limited to 2 individuals per bedroom. ▪ Overview report (Evaluate a Market): <ul style="list-style-type: none"> ▫ Market score by zip code. ▫ Market grade must be 60 or greater.

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Underwriting Requirements			
Credit Score	<ul style="list-style-type: none"> If score available, use the lowest decision score amongst all borrowers Middle of 3 scores or lower of 2, if available 	DTI Requirements	Standard Max 50% (does not apply to DSCR) Applies to Canadian Full Doc only
Assets	Min of 30-days asset verification required.	Reserves	<ul style="list-style-type: none"> 6-months of PITIA Cash out may be used to satisfy requirement
Gift Funds	Not allowed	Document Age	90-days
Tradelines: US Credit History	<ul style="list-style-type: none"> US credit: Min 2 reporting 24-months or 3 reporting 12-months, for borrowers 	Prepayment Penalty - Investment Property Only	<ul style="list-style-type: none"> Prepayment periods up to 5-Years eligible, see rate sheet Penalties not allowed in AK, KS, MI, MN, MS, NM, OH, and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$301,022 in PA
Foreign Residency Requirement	<p>A foreign national borrower must evidence their primary residence for the country issuing their Passport. Foreign National borrowers may not occupy the subject property as a primary residence.</p> <ul style="list-style-type: none"> A complete loan application (Form 1003) is required on all loan files reflecting the borrowers address for their primary residence in their country of origin. The application must include the borrower's full legal name, phone number, address including flat, floor, unit or house number, street name, city, province/state along with a postal code. Borrower to provide a third-party document with an address that matches the primary residence on the application e.g., lease agreement, utility bill, financial statement. The Borrower Contact Consent Form is required. 		
Automatic Payment Authorization (ACH)	<ul style="list-style-type: none"> Automatic Payment Authorization (ACH) Form is required for all foreign national borrowers. Funds must be from a U.S. Bank. The executed (ACH) enrollment form must be included in the closed loan submission package. The (ACH) enrollment form must include the bank routing number, account number, and account type. Borrowers may select a date within the grace period stated on the Note. 		
Foreign National Documentation Requirements	<p style="text-align: right;">10/16/2023</p> <ul style="list-style-type: none"> The following are required as evidence the borrower is in the U.S legally: <ul style="list-style-type: none"> Copy of the borrowers valid and unexpired passport (including photograph). If a non-U.S. citizen is borrowing with a U.S. citizen, foreign national documentation requirements still apply. All parties (borrowers and property sellers) involved in the transaction must be screened through exclusionary lists and must be cleared through OFAC's SDN list. A search of Specially Designated Nationals & Blocked Persons list may be completed via the US Department of Treasury: http://sdnsearch.ofac.treas.gov/. Borrowers from OFAC sanctioned countries are ineligible http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx. Individuals with Diplomatic immunity are not eligible, immunity status is listed on the reverse side of the U.S. issued ID card or at: https://2009-2017.state.gov/s/cpr/rls/dpl/index.htm Documents signed by Borrowers outside of the United States must be notarized by a U.S. embassy or consular official. The certificate of acknowledgment must meet the standard notarial requirements and must include the embassy or consular seal. If the U.S. embassy or consular official is unavailable, a notary is acceptable if the country, where signing is taking place, is part of the Hague Convention and the signed documents are accompanied by an Apostille. See the following link to determine if the country is part of the Hague Convention: https://travel.state.gov/content/travel/en/records-and-authentications/authenticate-your-document/apostille-requirements.html Model Apostille forms can be found on the following link: https://www.hch.net/en/instruments/specialised-sections/apostille Power of Attorney (POA) is not allowed. 		

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Additional Parameters	
Non-Occupant coborrowers	Not allowed
LLC / Partnership / Corporate Vesting	<ul style="list-style-type: none"> • DSCR Documentation only. • Investment Properties Only • Entity domiciled in a US state with activities limited to ownership and management of real property • Maximum of 4 owners / members • Personal guarantees must be provided by all members of the entity. <p>LIMITED LIABILITY COMPANY (LLC)</p> <ul style="list-style-type: none"> ▪ Entity Articles of Organization or Partnership ▪ Certificate of Good Standing or equivalent ▪ Certificate of Authorization for the person executing all documents on behalf of the Entity. The authorization may be determined in an Operating Agreement or other corporate documents. If not, a Borrowing Certificate is required. ▪ Corporate documents that contain a list of owners, title, and ownership percentage ▪ Tax Identification Number (Employer Identification Number-EIN) <p>CORPORATION</p> <ul style="list-style-type: none"> ▪ C-Corporations only: S-Corporations – Not Allowed ▪ Filed Certificate/Articles of Incorporation (and all amendments) ▪ By-Laws (and all amendments) ▪ Certificate of Good Standing (Issued by the Secretary of State (SOS) where the Corporation is incorporated) ▪ Tax Identification Number (EIN) ▪ Borrowing Resolution/Corporate Resolution granting authority of signer to enter loan obligation ▪ Receipt of current year franchise tax payment or clear search <p>PARTNERSHIP</p> <ul style="list-style-type: none"> ▪ Filed Partnership Certificate (if a general partnership, filing with the SOS may not be required) ▪ Partnership Agreement (and all amendments) ▪ Certificate of Good Standing (Issued by the SOS where the partnership is registered) ▪ Tax Identification Number (EIN) ▪ Limited partner consents (where required by partnership agreement).
Power of Attorney	Not allowed
Purchase Transactions	Assignment of contract or finders fees reflected on the purchase contract are not eligible to be included in the sales contract price or associated with the LTV calculation
Rate / Term Refinance	<ul style="list-style-type: none"> • Pay off an existing first mortgage loan and any subordinate loan used to acquire the property. • Pay off any subordinate loan not used in the acquisition of the subject property, provided one of the following apply: <ul style="list-style-type: none"> ▪ Closed-end loan, at least 12 months of seasoning has occurred. ▪ HELOC, at least 12 months of seasoning has occurred, and total draws over the past 12 months are less than \$2,000. (For business purpose transactions, any draw over the life of the loan may not have been used for personal use. Business purpose transactions will require a draw history schedule, along with an attestation from the borrower, in the credit file, that none of the advances were used for personal/consumer use). • Buy out a co-owner pursuant to an agreement. • Cash back in an amount not to exceed the lesser of 2% of the new loan amount or \$5,000 can be included in the transaction. • If the subject property was acquired greater than six (6) months from application date, the appraised value will be used to determine LTV/CLTV. If the property was acquired less than or equal to six (6) months from the application date, the lesser of the current appraisal value or previous purchase price plus documented improvements (if any) will be used to determine LTV/CLTV. The purchase settlement statement and any invoices for materials/labor will be required. • Refinance of a previous loan that provided cash out, as measured from the previous note date to the application date, and is seasoned less than 12 months, will be considered a cash out refinance.
Cash Out Refinances	<ul style="list-style-type: none"> • Cash-out eligible to satisfy the reserve requirements. • Loans not eligible for cash-out: <ul style="list-style-type: none"> ○ Primary Residence or Second Home properties listed for sale in the past six (6) months. ○ Investment properties listed for sale in the past six (6) months, unless a three (3) year prepay penalty, ○ There has been a prior cash-out transaction within the past six (6) months ○ A minimum borrower seasoning requirement of six (6) months is required for a transaction to be eligible for cash-out. ○ For properties owned 12 months or longer, the LTV/CLV is based upon the appraised value. ○ If the cash-out seasoning is less than 12 months, but greater than 6 months, the transaction property value is limited to the lower of the current appraised value or the property's purchase price plus documented improvements. ○ Cash-out seasoning of six (6) months or less is allowed with the following restriction: <ul style="list-style-type: none"> ▪ The Seller has documented that the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.

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Delayed Financing	<ul style="list-style-type: none"> • Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application. <ul style="list-style-type: none"> ▪ The original purchase transaction was an arms-length transaction. ▪ The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property). Can Not be from gifts. ▪ The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements. ▪ The preliminary title search or report must confirm that there are no existing liens on the subject property ▪ The transaction is considered cash-out; cash-out pricing adjustors apply ▪ The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions. ▪ Cash in hand limits apply.
Eligible Non Arms Length transactions	<ul style="list-style-type: none"> • Renter(s) purchasing from landlord. <ul style="list-style-type: none"> ○ 24 months of cancelled checks to prove timely payments are required. ○ A verification of rent (VOR) is not acceptable. • Purchase between family members. <ul style="list-style-type: none"> ○ Full Documentation only. ○ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD. ○ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.
Waiver of Escrow – Impound Accounts	<ul style="list-style-type: none"> • Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, for non-HPML loans or exempt business purpose loans when the following requirements are met: <ul style="list-style-type: none"> ○ LTV less than or equal to 80% ○ Minimum decision credit score of 720 ○ Minimum 12-months of reserves ○ Pricing adjustment may apply, see rate sheet. (applies when either taxes or insurance is not escrowed, both must be escrowed avoid LLPA.)
Prepayment Penalty Options	<ul style="list-style-type: none"> • Six (6) months of interest - The prepayment charge will be equal to six (6) months of interest on the amount of the prepayment that exceeds 20% of the original principal balance. The charge applies to loans that pay off due to sale or refinance, or curtailments that exceed 20% of the original principal balance in a given 12-month time period. (Not eligible under cross-collateral, 5-8 unit, or 2-8 mixed use.) • Prepayment penalties are not allowed in AK, KS, MI, MN, MS, NM, OH, and RI. • Prepayment penalties are not allowed on loans vested to individuals in IL and NJ. • Pennsylvania - Prepayment penalties are not allowed on loan balances less than an adjusted value as determined by the Dept of Banking & Securities. For calendar year 2022 the base figure amount is \$301,022.
Housing History	<ul style="list-style-type: none"> • A housing history for the borrower's primary residence is not required. Refinance transactions (including cash out) require the most recent 12-month housing history for the subject property.
Student Loans	If the credit report does not provide a monthly payment for the student loan or if the loans are deferred, you can use a payment equal to 1% of the outstanding balance or a fully amortizing payment using the documented loan repayment terms.
Gift Funds	Not Allowed
Eligible Properties	<ul style="list-style-type: none"> • Single Family Detached or Attached • Condominium • 2-4 Unit residential properties • Condo hotels • Properties of 20 acres or less (DSCR max 2 acres) • Minimum Square Footage: <ul style="list-style-type: none"> • Single Family – 700 sq feet • Condo – 500 sq feet • 2-4 units – 400 sq feet per individual unit
DSCR	<p><u>Long Term Rental</u></p> <ul style="list-style-type: none"> • <u>Purchase Transactions</u> <ul style="list-style-type: none"> • Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents. • If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. • A vacant or unleased property is allowed without LTV restriction. • <u>Refinance Transactions</u> <ul style="list-style-type: none"> • Required documentation: <ul style="list-style-type: none"> • FNMA Form 1007 or 1025 reflecting long term market rents, and lease agreement. • If the lease has converted to month-to-month, then provide the most recent two (2) months proof of receipt to evidence continuance of lease. If unable to provide evidence of receipt, the unit will be treated as vacant and subject to the following: <ul style="list-style-type: none"> • Eligibility (LTV) must use the DSCR < 1.00 matrix. Pricing is based upon the DSCR from the gross rents on the 1007. • Monthly Gross Rents are determined by the higher of actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%. • A vacant or unleased property is allowed. Eligibility (LTV) must use the DSCR < 1.00 matrix for all properties with any unleased (vacant) units. Pricing is based upon the DSCR from the gross rents on the 1007. • DSCR Calculation • Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property. See the Verus Eligibility Matrix for required Debt Service Coverage Ratios. • Gross rents divided by PITIA = DSCR

<p>DSCR Continued</p>	<p>Short Term Rental Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> • Short Term Rental Income – Purchase and Refinance Transactions o LTV/CLTV limits: <ul style="list-style-type: none"> ▪ Purchase: Lesser of 75%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix. ▪ Refinance: Lesser of 70%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix. ▪ See matrix for Condo Hotel LTV/CLTV limits. o DSCR calculation: <ul style="list-style-type: none"> ▪ Monthly gross rents based upon a 12-month average to account for seasonality required. ▪ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used. <ul style="list-style-type: none"> ▪ (Gross Rents * .80) divided by PITIA = DSCR. • Any of the following methods may be used to determine gross monthly rental income: <ul style="list-style-type: none"> o A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents. ▪ If long-term rent is utilized, 20% expense factor is not to be applied. o The most recent 12-month rental history statement from the 3rd party rental/management service. ▪ The statement must identify the subject property/unit, rents collected for the previous 12 months, and all vendor management fees. The rental income will exclude all vendor or management fees. o The most recent 12-month bank statements from the borrower evidencing short term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits. o AIRDNA (www.Airdna.co) Rentalizer and Overview reports, accessed using the Explore Short-Term Rental Data, must meet the following requirements: <ul style="list-style-type: none"> ▪ Rentalizer (Property Earning Potential). <ul style="list-style-type: none"> o Only allowed for purchase transaction. o Gross Rents equal the revenue projection from the Rentalizer Report. <ul style="list-style-type: none"> a. The gross rents are subject to the application of the 20% extraordinary expense factor. b. Revenue projection equals the average daily rental rate times the occupancy rate. <ul style="list-style-type: none"> o Forecast Period must cover 12 months from the Note date. o The occupancy rate must be > 60%. o Must have five (5) comparable properties, all within the same ZIP code. o Must be similar in size, room count, amenities, availability, and occupancy. o Maximum occupancy limited to 2 individuals per bedroom. ▪ Overview report (Evaluate a Market): <ul style="list-style-type: none"> o Market score by zip code. o Market grade must be 60 or greater.
<p>Transferred Appraisals</p>	<p>Allowed on an exception basis – Please contact your Account Executive for details</p>
<p>Ineligible Properties</p>	<ul style="list-style-type: none"> • Leasehold properties • Properties with Condition Rating of C5 or c6, or quality rating of Q6 • Vacant land or land development properties • Properties not readily accessible by roads that meet local standards • Properties not suitable for year-round occupancy, regardless of location • Agricultural properties (including farms, ranches, or orchards) • Manufactured or Mobile homes • Co-op/timeshare hotels • Cooperative share loans • Boarding houses or bed/breakfast properties • Properties with zoning violations • Dome or geodesic homes • Assisted living facilities • Homes on Native American Land (Reservations) • Log homes • Hawaii properties located in lava zones 1 and/or 2 • Houseboats • Fractional ownership • Properties used for the cultivation, distribution, manufacture, or sale of marijuana • Rural property • NY CEMA

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Property Flipping	<ul style="list-style-type: none"> ▪ A property is considered a “flip” if either of the following are true: <ul style="list-style-type: none"> • The price in the borrower’s purchase agreement exceeds the property Seller’s acquisition price by more than 10% if the property Seller acquired the property 90 or fewer days prior to the date of the borrower’s purchase agreement. • The price in the borrower’s purchase agreement exceeds the property Seller’s acquisition price by more than 20% if the property Seller acquired the property 91-180 days prior to the date of the borrower’s purchase agreement. ▪ If the property is a “flip” as defined above, the following additional requirements apply: <ul style="list-style-type: none"> • A second appraisal must be obtained. ▪ If the loan is subject to Regulation Z, a copy of the second appraisal must be provided to the borrower in compliance with the federal HPML requirements. <ul style="list-style-type: none"> • The second appraisal must be dated prior to the loan consummation/note date. ▪ The property Seller on the purchase contract must be the owner of record. ▪ Increases in value should be documented with commentary from the appraiser and recent comparable sales. ▪ Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) must be provided, if applicable.
Appraisal Review	<ul style="list-style-type: none"> • 1 appraisal + CDA for loan amounts up to \$2,000,000 • 2 appraisals for loan amounts over \$2,000,000. ▪ At underwriters’ discretion, CDA may be waived w/ CU Score of 2.5 or less.
Accessory Units	<p>If the property contains an accessory unit, the property is eligible under the following conditions.</p> <ul style="list-style-type: none"> • The property is defined as a one-unit property with an accessory unit <ul style="list-style-type: none"> ○ Multiple accessory units are not permitted • The appraisal report demonstrates that the improvements are typical for the market through an analysis of at least one comparable property with the same use • Rental income may be used for the accessory unit subject to the following: <ul style="list-style-type: none"> ○ Appraisal to reflect zoning compliance is legal ○ Permit is not required to establish zoning compliance ○ Appraisal to include at least one comparable with an accessory unit ○ Refinance – The market rent for the accessory unit should be documented on FNMA Form 1007 and the file must include a copy of the current lease agreement with two (2) months proof of current receipt ○ Purchase <ul style="list-style-type: none"> ▪ Owner-Occupied/2nd Home: Income from the accessory unit may not be used as qualifying income ▪ Non Owner-Occupied: User the lower of the market rent on FNMA Form 1007 or actual rent.
Condo	<ul style="list-style-type: none"> • *Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency due to unsafe conditions are not eligible • *Projects identified as ‘Unavailable’ by FNMA are not eligible • *Project review not required for Two- to Four- unit condo projects • *Borrower must carry HO-6 coverage for replacement of fixtures, built-ins, and any improvements made to the unit • *Projects in litigation may be allowed on case-by-case basis. Lawsuit(s) cannot be structural in nature or effect marketability of the project <p>HOA Cert must verify the following:</p> <ul style="list-style-type: none"> • Commercial space allowed up 50% of project • No more than 20% of the total units must be 60 days or more past due • Investor concentration allowed up to 60% • Single entity ownership allowed up to 20% of the project • Project documents do not give a unit owner or any other party priority over the rights of the first mortgagee

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<p>Condo continued</p>	<p>Florida Condominiums:</p> <ul style="list-style-type: none"> For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899. <ul style="list-style-type: none"> Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements Projects with an unacceptable or no inspection are ineligible See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts. Verus' project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower. Projects consisting entirely of detached (site) units will not require a project review and are eligible for single- family dwelling LTV/CLTV. Completion of the Homeowners Association (HOA) questionnaire is not required for site condominiums. Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations. Subject Unit Minimum Requirements: Minimum 500 Square Feet, Full Size Kitchen, minimum of one (1) bedroom. Commercial space allowed up to 50% of the project. No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees. For condominium projects consisting of five or more units, single entity ownership is limited to 20% of the project. Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated. The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame. Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense. Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit. Seller must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee. 														
<p>Condo Hotel -</p>	<p>Condominium Hotel – (a.k.a. Condo Hotel, Condotel)</p> <ul style="list-style-type: none"> Projects that are managed and operated as a hotel or motel, even though the units are individually owned. A project that includes registration services and offers rentals of units on a daily, weekly, or monthly basis. Occupancy Type: Primary, Second Home, or Investment. Investor concentration, within the subject project, may exceed established project criteria, up to 100%. Maximum LTV/CLTV (may vary by product – see Loan/LTV matrix): Purchase: 65% R/T and Cash-Out: 65% Maximum Loan Amount: \$1.5 million Minimum Loan Balance: \$150,000 Minimum square footage: 500 Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven Bedroom required Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short term property. If DSCR loan, must ensure that this reduction is not double-counted. 														
<p>Canadian 2nd Home requirements</p>	<ul style="list-style-type: none"> Eligibility and pricing based on the Foreign National program. <table border="1" data-bbox="435 1371 1523 1486"> <thead> <tr> <th>Minimum Credit Score</th> <th>Maximum Loan Amount</th> <th>Purchase</th> <th>Rate/Term Refinance</th> <th>Cash-Out Refinance</th> </tr> </thead> <tbody> <tr> <td rowspan="2">680</td> <td>1,000,000</td> <td>75</td> <td>65</td> <td>65</td> </tr> <tr> <td>1,500,000</td> <td>70</td> <td>60</td> <td>60</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Doc Type: <ul style="list-style-type: none"> Standard Doc 12 or 24 Months. <ul style="list-style-type: none"> Income must be converted to U.S. dollars. Asset Utilization. <ul style="list-style-type: none"> Funds can remain in foreign bank but must be converted to U.S. dollars. DTI may not exceed 50%. <ul style="list-style-type: none"> All debt disclosed on the loan application not already included on the credit report must be factored into the DTI Eligible property types: Single Family, 2-4 Units, Condominiums, Condo Hotel 	Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance	680	1,000,000	75	65	65	1,500,000	70	60	60
Minimum Credit Score	Maximum Loan Amount	Purchase	Rate/Term Refinance	Cash-Out Refinance											
680	1,000,000	75	65	65											
	1,500,000	70	60	60											

Continued

<p>Canadian 2nd Home requirements continued</p>	<ul style="list-style-type: none"> • Canadian credit report is required. <ul style="list-style-type: none"> ○ Minimum credit score: 680 <ul style="list-style-type: none"> ▪ LLPA and eligibility to be based on Canadian credit report score. ○ One (1) credit score is required for each borrower ○ Eligible scores to be provided from Equifax or TransUnion <ul style="list-style-type: none"> ▪ A single score is eligible. However, if two (2) scores are provided, use the lower of the two (2). ○ Standard Doc 12 or 24 months: <ul style="list-style-type: none"> ▪ The highest score amongst all borrowers is used as the decision credit score ○ Asset Utilization: <ul style="list-style-type: none"> ▪ The lowest score amongst all borrowers is used as the decision credit score. ○ All debt on the credit report is to be provided by the creditor. • Reserves: Twelve (12) months are required. Reserves may be reduced to six (6) months with a 5% LTV reduction. • Borrower must have SIN (Social Insurance Number). SIN beginning with the number nine (9) issued to Temporary Foreign Worker (TFW) is not allowed. • Copy of Canadian Permanent Resident Card (if applicable) and travel document (Passport) • Government-issued driver's license or identification card to establish primary residence • Automatic Payment Authorization (ACH) Form is required
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