

SHARP DSCR PRODUCT SUITE

GENERAL PROGRAM GUIDANCE

REFER TO PROGRAM SPECIFIC REQUIREMENTS FOR OVERLAYS

MIN DSCR	Refer to program specifics	OCCUPANCY	Investment Only
CREDIT SCORE	<ul style="list-style-type: none"> 3 scores - Lowest MID score amongst all borrowers 2 scores - Lowest score amongst all borrowers 		
HOUSING HISTORY	<ul style="list-style-type: none"> Mortgages on other REOs (non-subject & non-PR) that are not reporting on credit, do not need to be verified. See program specific requirements for allowable payment history. 		
PRIMARY HOUSING	Borrower must currently maintain a primary residence (Own or Rent) Rent free not permitted.		
COLLECTIONS	<ul style="list-style-type: none"> Items not impacting title do not need to be considered. Open judgements/garnishments must be paid off prior to or at closing. 		
CASH-OUT SEASONING	<ul style="list-style-type: none"> Refinance of a previous cash-out within past 6 MO. ineligible C/O for personal purposes not permitted. 		
FIRST TIME HOMEBUYER	Borrowers who have not had homeownership in the past 3 years are not eligible.		
ENTITY VESTING	Business Purpose loans may be vested in LLC, LP, GP, CORP & S CORP. Foreign Entities not permitted.		
TRANSCRIPTS	Not required		
CONCESSIONS	Seller Concessions - MAX 5%	INSURANCE	6 MO. Rent Loss Insurance required.
INTEREST ONLY	I/O Period 10 YRs Amortization period 20 YRs Maturity 30 YRs	I/O QUALIFYING	Using the ITIA payment
ADU'S	<p>Permitted: Refinance, 1007 rents, copy of current lease and evidence of 2 MO. Receipt. Purchase, Use the lower of 1007 rents or actual. Appraisal must indicate legal/conforming use, zoning permits ADU, ADU typical for area, MIN 1 comp w/ADU, MAX 1 ADU per property, Multi units not permitted, ADU market rents listed on 1007, copy of current lease and evidence of 2 MO. Receipt.</p>		
LOAN AMTS	Loan amounts ≥\$2.0MM a second signature required.		
2ND LIENS	New subordinate financing not permitted. Re-subordinated liens subject to MAX LTV Second lien may not be privately held, HELOC or Reverse Mortgage.		
NON-ARMS	Non-Arm's Length transactions not permitted		
DSCR CALCULATIONS			
ANNUAL	<ul style="list-style-type: none"> Occupied Properties – Use the lower of leases or market rents. If actual lease amounts are higher, lease amounts may be used up to 120% of Market rents w/3 MO. Receipt. Gross rents/PITIA (Fully Amortizing) Interest Only, Gross rents/ITIA (Interest Only) 	SHORT TERM	<ul style="list-style-type: none"> 5% LTV Reduction MIN DSCR 1.0 Lesser of 12 MO Rental History or Market Rents REFI Only: 12 MO history provided from on-line rental service Evidence of active listing. Gross rents X 80% ÷ PITIA (Fully Amortizing) Interest Only, Gross rents X 80% ÷ ITIA (Interest Only)
APPRAISAL REQUIREMENTS			
APPRAISAL	LN AMTS <\$2.0 MM - 1 Full Appraisal LN AMTS ≥\$2.0MM - 2 Full Appraisals	CDA	CDA < 10% of appraised value full second appraisal required
		CU	CU of 2.5 or less CDA not required.
STATES/CITY			
INELIGIBLE	AK, RI, VT	CITY OF NY	Short Term Rentals are not permitted TX 50 (a) (6) and (a) (4) Ineligible

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SHARP S DSCR

Occupancy	DSCR >=1.0						DSCR <1.0					
	Units	Loan Amount	MIN FICO	MAX LTV/CLTV			Units	Loan Amount	MIN FICO	MAX LTV/CLTV		
				Purchase	R/T	C/O				Purchase	R/T	C/O
Investment	1	<=\$1.0MM	700+	80%	75%	75%	1	<=\$1.0MM	700+	75%	70%	70%
			660	75%	75%	70%			680	70%	65%	
			640	75%	70%				660	65%		
		<=\$1.5MM	700+	80%	75%	75%		<=\$1.5MM	700+	75%	70%	70%
			660	75%	70%	70%			680	70%	65%	
			640	65%	65%				660			
		<=\$2.0MM	700+	75%	70%	70%		<=\$2.0MM	700+	70%	65%	65%
			660	70%	65%	65%			680	65%	60%	
			640	65%					660			
		<=\$2.5MM	700+	70%	65%	65%		<=\$2.5MM	700+	65%		
			660	70%	65%	65%			680	60%		
			640	60%					660			
<=\$3.0MM	700+	70%	65%		<=\$3.0MM	700+	60%					
	660					680	60%					
<=\$3.5MM	700+	70%	65%									

SHARP N DSCR

Occupancy	DSCR >=1.0						DSCR >=0.75					
	Units	Loan Amount	MIN FICO	MAX LTV/CLTV			Units	Loan Amount	MIN FICO	MAX LTV/CLTV		
				Purchase	R/T	C/O				Purchase	R/T	C/O
Investment	1	<=\$1.0MM	740+	80%	80%	75%	1	<=\$1.0MM	740+	65%		
			700	80%	80%	75%			700	65%		
			680	75%	75%	70%			680			
			660	75%	75%	60%			660			
		<=\$2.0MM	700	75%	75%	70%		<=\$2.0MM	700	60%		
			680	70%	70%	65%			680			

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SHARP C DSCR												
Occupancy	DSCR >=1.00						DSCR >=.75					
	Units	Loan Amount	MIN FICO	MAX LTV/CLTV			Units	Loan Amount	MIN FICO	MAX LTV/CLTV		
				Purchase	R/T	C/O				Purchase	R/T	C/O
Investment	1	<=\$1.0MM	700	80% ¹	75%	70%	1	<=\$750K	680	70%	70%	
			680	80% ¹	75%	65%						
			660	70% ²	70% ²	65%						
			640 ³	70% ²	70% ²							
		<=\$1.5MM	720+	75%	75%	75%						
			700	75%	75%							
			680	70%	70%							
		<=\$2.0MM	660	65%	65%							
			740	75%	75%	70%						
			720	75%	75%							
			700	70%	70%							
			680	65%	65%							
		<=\$2.5MM ³	660	60%	60%							
			740+	70%	70%							

¹ Purchase only | Warrantable condo MAX LTV 75% | Non-Warrantable Condo MAX LTV 75% | Rural MAX LTV 75%

² 1-Unit only | 2-4 Units MAX LTV 65%

³ MIN DSCR 1.25

SHARP I DSCR												
Occupancy	DSCR >=1.00						DSCR >=.80					
	Units	Loan Amount	MIN FICO	MAX LTV/CLTV			Units	Loan Amount	MIN FICO	MAX LTV/CLTV		
				Purchase	R/T	C/O				Purchase	R/T	C/O
Investment	1	< \$1.5MM	740+	80%	80%	75%	1	<=\$1.5MM	720	75%	75%	70%
			700	80%	80%	75%						
		>=\$1.5MM	740+	75%	75%	65%						
			700	75%	75%	65%						
		>=\$2.0MM	700+	70%	70%	65%						

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SHARP W DSCR												
Occupancy	Units	Loan Amount	DSCR >=1.0				DSCR <1.0 - >=0.75					
			MIN FICO	MAX LTV/CLTV			Units	Loan Amount	MIN FICO	MAX LTV/CLTV		
				Purchase	R/T	C/O				Purchase	R/T	C/O
Investment	1	<=\$1.5MM	700+	80%	80%	75%	1	<=\$1.5MM	700+	75%	75%	70%
			680	80%	80%	70%			680	75%	75%	65%
			660	75%	75%	65%			660	70%	70%	60%
		<=\$2.0MM	700+	75%	75%	70%		<=\$2.0MM	700+	65%	65%	60%
			680	70%	70%	65%			680	65%	65%	55%
			660	65%	65%	60%			660	60%	60%	50%

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PROGRAM SPECIFIC REQUIREMENTS										
SHARP	S		N		C		I		W	
MIN DSCR	<1.0 allowed. A DSCR factor is required		0.75		0.75		0.80		0.75	
LOAN AMOUNTS	<ul style="list-style-type: none"> MIN \$100k MAX \$3.5MM <\$150K PUR MAX 75% REFI MAX 70% & MIN DSCR 1.25 		<ul style="list-style-type: none"> MIN \$100K MAX \$2.0MM 		<ul style="list-style-type: none"> LTV >75% MIN \$200K LTV ≤ 75% MIN \$125K MAX \$2.5MM 		<ul style="list-style-type: none"> MIN \$100K MAX \$3.0MM <\$150K MAX 75% LTV 		<ul style="list-style-type: none"> MIN \$100K MAX \$2.0MM 	
TERMS	FIXED	15 YR, 30 YR, 40 YR	FIXED	30 YR	FIXED	15 YR, 30 YR	FIXED	30 YR	FIXED	30 YR
	ARMS	SOFR 5/6, 7/6, 10/6	ARMS	SOFR 5/6	ARMS	SOFR 5/6, 7/6	ARMS	SOFR 5/6, 7/6	ARMS	N/A
	INTEREST ONLY	FX 30 YR, 40 YR ARM 5/6, 7/6, 10/6 YR	INTEREST ONLY	ARM 5/6	INTEREST ONLY	FX 30 YR, 40 YR ARM 5/6, 7/6	INTEREST ONLY	FX 30 YR, 40 YR ARM 5/6, 7/6	INTEREST ONLY	FX 30 YR
ARM QUALIFYING	The note rate is used to determine the qualifying payment.		The note rate is used to determine the qualifying payment		The greater of the note rate or the fully indexed rate is used to determine the qualifying payment.		The greater of the note rate or the fully indexed rate is used to determine the qualifying payment.		N/A	
INTEREST ONLY	<ul style="list-style-type: none"> MIN 680 FICO, PUR, R&T MAX LTV/CLTV 75% C/O MAX LTV/CLTV 70% 		<ul style="list-style-type: none"> MAX 75% LTV/CLTV MIN DSCR 1.00 		MIN DSCR 1.0		<ul style="list-style-type: none"> MIN DSCR 1.0, MIN FICO 700, MAX LN AMT \$3MM MAX LTV 80% 		<ul style="list-style-type: none"> MIN 680 FICO, PUR, R&T MAX LTV 75% C/O MAX LTV 70% 	
CASH-OUT	MAX C/O Amounts: <ul style="list-style-type: none"> LTV/CLTV ≥ 65% - \$500k, LTV/CLTV <65% \$1MM C/O amounts may be used to meet reserve requirements 		MAX C/O Amounts: <ul style="list-style-type: none"> \$500k C/O amounts may be used to meet reserve requirements. 		MAX C/O Amounts: <ul style="list-style-type: none"> LTV/CLTV > 60% - \$500K, LTV/CLTV ≤ 60% - Unlimited C/O may be used to meet reserve requirements 		MAX C/O Amounts: <ul style="list-style-type: none"> LTV/CLTV > 65% - \$1.0 MM LTV/CLTV ≤ 65% - Unlimited C/O may be used to meet reserve requirements 		MAX C/O Amounts: <ul style="list-style-type: none"> LTV/CLTV ≥ 65% - \$500k, LTV/CLTV <65% - \$1MM C/O may be used to meet reserve requirements 	
ELIGIBLE PROP TYPES	SFD, SFA, 2-4 Units & Condos		SFD, SFA, 2-4 Units & Condos		SFD, SFA, 2-4 Units & Condos		SFD, SFA, 2-4 Units & Condos		SFD, SFA, 2-4 Units & Condos	
	2-4 Units & Warrantable Condo <ul style="list-style-type: none"> PUR MAX LTV/CLTV 75% REFI MAX LTV/CLTV 70% 		Warrantable Condos – follow SFD LTVs		Warrantable Condos MAX 75%		Warrantable Condos MAX 80%		2-4 Units <ul style="list-style-type: none"> MAX LN AMT \$2.5MM; and If \$2.5MM 5% LTV reduction; and MIN FICO 680 Warrantable Condos <ul style="list-style-type: none"> Follow SFD LTVs 	

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PROGRAM SPECIFIC REQUIREMENTS					
SHARP	S	N	C	I	W
	Non-Warrantable Condo & Condotel <ul style="list-style-type: none"> • PUR MAX LTV/CLTV 75%, • REFI MAX LTV/CLTV 65% & MAX LN AMT. \$1.5MM 	Non-Warrantable Condo MAX LTV 75%	Non-Warrantable Condo & Condotels <ul style="list-style-type: none"> • PUR/R&T MAX 75% • C/O MAX 70% 	Non-Warrantable Condo Condotel <ul style="list-style-type: none"> • MAX LTV 75% • MAX LN AMT \$1.5MM, • PUR MAX LTV 75%, • REFI MAX LTV 65% • MIN DSCR 1.0 	Non-Warrantable Condo <ul style="list-style-type: none"> • PUR MAX LTV/CLTV 75%, • REFI MAX LTV/CLTV 65% & MAX LN AMT. \$1.5MM
INELIGIBLE PROP TYPES	Manufactured, Co-ops, Mixed Use	Manufactured, Co-ops, Condotels, Mixed Use	Manufactured, Co-ops, Mixed Use	Manufactured, Co-ops, Mixed Use	Manufactured, Co-ops, Mixed Use, Condotel
RURAL	<ul style="list-style-type: none"> • Not permitted • MAX acreage 2 – Not zoned rural or AG • Property may not be zoned or indicated by appraisal as rural or AG. 	<ul style="list-style-type: none"> • MAX acreage 5, including road frontage & subject property. • SFR & Condo only • At least 2 recent sales & rental comps within 5 miles of subject. • Agricultural - Not permitted. 	<ul style="list-style-type: none"> • Permitted – MAX 2 acres • MAX LTV 75%, 6 MO. Reserves • 0x30x12 housing payment history. 	Permitted – MAX 20 acres	<ul style="list-style-type: none"> • Not permitted • MAX acreage 2 • Property may not be zoned or indicated by appraisal as rural or AG.
FLORIDA CONDOS	<ul style="list-style-type: none"> • Condo's Greater than 5 stories AND over 30 YRS old; OR • 25 YRS old and within 3 miles of the coast • A structural inspection required. • Unacceptable reports - Ineligible 	N/A	N/A	N/A	N/A
DECLINING VALUES	Appraisal indicated declining market <ul style="list-style-type: none"> • PUR MAX 75% • REFI MAX 70% • MAX LN AMT \$2MM 	Appraiser indicated declining market. <ul style="list-style-type: none"> • 5% LTV Reduction 	Appraiser indicated declining market. <ul style="list-style-type: none"> • 5% LTV Reduction 	Appraiser indicated declining market and LTV >65% <ul style="list-style-type: none"> • 5% LTV Reduction 	Appraiser indicated declining market. <ul style="list-style-type: none"> • 5% LTV Reduction
PROPERTIES LISTED FOR SALE	<ul style="list-style-type: none"> • Must be taken off the market prior to application date. • C/O – Properties listed for sale within 6 MO. Prior to the application – 10% LTV reduction required. 	<ul style="list-style-type: none"> • Must be taken off the market prior to the application date. • C/O – Properties listed for sale within 6 MO. Prior to the application – 10% LTV reduction required 	<ul style="list-style-type: none"> • Must be taken off the market prior to the application date. • C/O – Properties listed for sale within 6 MO. Prior to the application – 10% LTV reduction required 	<ul style="list-style-type: none"> • Must be taken off the market prior to the application date. • C/O – Properties listed for sale within 6 MO. Prior to the application – 10% LTV reduction required 	<ul style="list-style-type: none"> • Must be taken off the market prior to the application date. • C/O – If the property was listed in the 6 MO. Prior to application a 10% LTV reduction is required.
VACANT PROPERTIES	Vacant/Unleased Properties: <ul style="list-style-type: none"> • PUR MAX 75% • REFI MAX 70% • Use market rents established by 1007. 	Vacant/Unleased Properties <ul style="list-style-type: none"> • PUR only • Use rents from 1007 	Vacant/Unleased Properties <ul style="list-style-type: none"> • PUR only • Use rents from 1007 	Vacant/Unleased Properties <ul style="list-style-type: none"> • PUR only • Use rents from 1007 	Vacant/Unleased Properties: <ul style="list-style-type: none"> • PUR MAX 75% • REFI MAX 70% • Use market rents established by 1007.

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PROGRAM SPECIFIC REQUIREMENTS					
SHARP	S	N	C	I	W
FIRST TIME INVESTOR	<p>Borrower Experience</p> <ul style="list-style-type: none"> Lookback period – 3 YRS Owned/managed 1 INV prop in the past 12 MO <p>Borrowers not meeting the above limitations:</p> <ul style="list-style-type: none"> 680 MIN FICO Reported mortgage history 0 X 30 X 36 Owns a PR for MIN 1 YR. Credit event seasoning MIN 36 MO PUR/R&T only 	<p>Borrower Experience</p> <ul style="list-style-type: none"> Lookback period – 3 YRS Owned/managed 1 INV prop in the past 12 MO. <p>Borrowers not meeting the above limitations:</p> <ul style="list-style-type: none"> MAX LTV 75% 	<p>Borrower Experience</p> <ul style="list-style-type: none"> Lookback period – 3 YRS Owned/managed 1 INV prop in the past 12 MO. <p>Borrowers not meeting the above:</p> <ul style="list-style-type: none"> PUR only MIN DSCR 1.0 	<p>Borrower Experience</p> <ul style="list-style-type: none"> Lookback period – 1 YR Owned/managed 1 INV prop in the past 12 MO. <p>Borrowers not meeting the above:</p> <ul style="list-style-type: none"> PUR only MIN DSCR 1.0 MAX LTV 75% 12 MO. Reserves required 	<p>Borrower Experience</p> <ul style="list-style-type: none"> Lookback period – 3 YRS Owned/managed 1 INV prop in the past 12 MO. <p>Borrowers not meeting the above:</p> <ul style="list-style-type: none"> Owns a PR for MIN 1 YR Credit event seasoning MIN 36 MO. PUR/R&T only MAX LN AMT \$1.0MM
HOUSING HISTORY	1 X 30 X 12 permitted – MAX allowed for all mortgages reporting on the credit reports.	1 X 30 X 12 for all mortgages reporting on the credit report.	0 X 30 X 12 for all mortgages reporting on the credit report.	1 X 30 X 12 - for all mortgages reporting on the credit report MAX LTV 75%	1 X 30 X 12 permitted – MAX allowed for all mortgages reporting on the credit reports
TRADELINER REQUIREMENTS	<ul style="list-style-type: none"> Each borrower with 3 reporting FICO scores does not need to meet tradeline requirements OR 3 tradelines reporting for last 12 MO. or 2 reporting for 24 MO w/activity in past 12 MO 	<ul style="list-style-type: none"> Each borrower with 3 reporting FICO scores does not need to meet tradeline requirements OR 3 tradelines reporting for last 12 MO. or 2 reporting for 24 MO w/activity in past 12 MO 	3 tradelines reporting for last 12 MO. or 2 reporting for 24 MO w/activity in past 12 MO	<ul style="list-style-type: none"> Each borrower with 3 reporting FICO scores does not need to meet tradeline requirements OR 3 tradelines reporting for last 12 MO. or 2 reporting for 24 MO w/activity in past 12 MO 	<ul style="list-style-type: none"> Each borrower with 3 reporting FICO scores does not need to meet tradeline requirements OR 3 tradelines reporting for last 12 MO. or 2 reporting for 24 MO w/activity in past 12 MO
CREDIT EVENT SEASONING	<ul style="list-style-type: none"> BK 7 & 13 – 36 MO discharge/dismissal date SS, DIL, FC, Mod, 120+ housing late 36 MO. 24 MO. Permitted, PUR MAX 75% - REFI MAX 70% 	<ul style="list-style-type: none"> BK 7 & 13 – 36 MO discharge/dismissal date SS, DIL, FC, Mod, 120+ housing late 36 MO. 	<ul style="list-style-type: none"> BK 7 & 13 – 36 MO discharge/dismissal date SS, DIL, FC, Mod, 120+ housing late 36 MO. 	<ul style="list-style-type: none"> BK 7 & 13 – 36 MO discharge/dismissal date SS, DIL, FC, Mod, 120+ housing late 36 MO. 	<ul style="list-style-type: none"> BK 7 & 13 – 36 MO discharge/dismissal date SS, DIL, FC, Mod, 120+ housing late 36 MO. 24 MO. Permitted, PUR MAX 75% - REFI MAX 70%
RESERVES	<p>Subject property - Loan Amounts:</p> <ul style="list-style-type: none"> ≤\$1.5MM 6 MO. >\$1.5MM 9 MO. 	<p>Subject property - Loan Amounts:</p> <ul style="list-style-type: none"> ≤\$1.5MM 6 MO. >\$1.5MM 9 MO. 	<p>Subject property – Loan Amounts</p> <ul style="list-style-type: none"> \$125K - \$500K and ≤70% LTV: 3 MO. or > 70% MIN 6 MO. > \$500K 6 MO. 	<p>Subject property – Loan Amounts</p> <ul style="list-style-type: none"> >\$1MM 6 MO. DSCR <1.0 6 MO. R&T ≤ 65% No MIN required 	<p>Subject property - Loan Amounts:</p> <ul style="list-style-type: none"> ≤\$1.5MM 6 MO. >\$1.5MM 9 MO.
GIFT FUNDS	<p>Permitted</p> <ul style="list-style-type: none"> MIN borrower contribution 5% Funds may not be used to meet reserve requirements 	<p>Permitted – MIN borrower contribution 10%</p>	<p>Permitted – MIN borrower contribution 5%</p>	<p>Permitted – MIN borrower contribution 10%</p>	<p>Permitted</p> <ul style="list-style-type: none"> MIN borrower contribution 5% Funds may not be used to meet reserve requirements

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PROGRAM SPECIFIC REQUIREMENTS					
SHARP	S	N	C	I	W
BORROWERS	<ul style="list-style-type: none"> U.S. Citizens, Perm Res Aliens & Non-Perm Res Aliens VISA Waivers in lieu of residency documents will not be accepted. Foreign Nationals not permitted Foreign Nationals not permitted. 	<ul style="list-style-type: none"> U.S. Citizens, Perm Res Aliens & Non-Perm Res Aliens Foreign Nationals not permitted 	<ul style="list-style-type: none"> U.S. Citizens, Perm Res Aliens & Non-Perm Res Aliens Foreign Nationals not permitted 	<ul style="list-style-type: none"> U.S. Citizens, Perm Res Aliens & Non-Perm Res Aliens Foreign Nationals not permitted 	<ul style="list-style-type: none"> U.S. Citizens, Perm Res Aliens & Non-Perm Res Aliens Foreign Nationals not permitted
ESCROW WAIVERS	<ul style="list-style-type: none"> Tax & Insurance waivers permitted when LTV ≤80%, MIN FICO 720, MIN 12 MO. Reserves Tax & Insurance waivers are NOT permitted on HPML loans Required Flood insurance must be escrowed 	<ul style="list-style-type: none"> Tax & Insurance waivers are not permitted, unless otherwise specified by applicable state law. Tax & Insurance waivers are NOT permitted on HPML loans. Required Flood insurance must be escrowed 	<ul style="list-style-type: none"> Tax & Insurance waivers permitted – DTI ≤43%, MIN FICO 700, MIN Reserves 6 MO. (excluding C/O proceeds) LTV/CLTV ≤ 70%, CA ≤ 90% Tax & Insurance waivers are NOT permitted on HPML loans Required Flood insurance must be escrowed 	<ul style="list-style-type: none"> Tax & Insurance waivers permitted when LTV ≤80% Tax & Insurance waivers are NOT permitted on HPML loans Required Flood insurance must be escrowed 	<ul style="list-style-type: none"> Tax & Insurance waivers permitted when LTV ≤80%, MIN FICO 720, MIN 12 MO. Reserves Tax & Insurance waivers are NOT permitted on HPML loans Required Flood insurance must be escrowed
STATE OVERLAYS	<p>CT, IL, NJ, NY – MAX LTV/MAX LN AMT:</p> <ul style="list-style-type: none"> PUR 75% R&T and C/O – 70% MAX LN AMT - \$2MM 				