

GENERAL PROGRAM GUIDANCE

REFER TO PROGRAM SPECIFIC REQUIREMENTS FOR OVERLAYS

MIN DSCR	Refer to program specifics	OCCUPANCY	Investment Only	HOUSING HISTORY	<ul style="list-style-type: none"> 0 x 30 x 12 PR Housing & all mortgages reporting on credit report Mortgages on other REOs (non-subject & non-PR) not reporting on credit, do not need to be verified.
CREDIT SCORE	<ul style="list-style-type: none"> 3 scores - Lowest MID score amongst all borrowers 2 scores - Lowest score amongst all borrowers 				
TRADELINES	3 reporting for last 12 MO. or 2 reporting for 24 MO w/activity in past 12 MO.			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			RESERVES	Loan Amounts ≤\$1.5MM 6 MO. >\$1.5MM 9 MO.
CONCESSIONS	Seller Concessions - MAX 5%			INSURANCE	6 MO. Rental Insurance required.
INTEREST ONLY	I/O Period 10 YRs Amortization period 20 YRs Maturity 30 YRs			I/O QUALIFYING	Using the ITIA payment
BORROWERS	U.S. Citizens, & Non-Perm Res Alien, Perm Res Alien eligible – Foreign Nationals not permitted				
ADU'S	<p>Permitted: Refinance, 1007 rents, copy of current lease and evidence of 2 MO. Receipt.</p> <p>Purchase, Use the lower of 1007 rents or actual.</p> <p>Appraisal must indicate legal/conforming use, zoning permits ADU, ADU typical for area, MIN 1 comp w/ADU, MIN 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) Vacant/Unleased Properties – Purchase only – Use rents from 1007 	SHORT TERM	<ul style="list-style-type: none"> 5% LTV Reduction MIN DSCR 1.0 Lesser of 12 MO Rental History or Market Rents 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)
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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.
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STATES

INELIGIBLE	AK, RI, VT	TX 50 (a) (6) and (a) (4) Ineligible
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SHARP DSCR PRODUCT SUITE

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%			
			640						660				
		<=\$3.5MM	700+	70%	65%								

PROGRAM SPECIFIC REQUIREMENTS

LOAN AMOUNTS	MIN \$100K MAX \$3.5MM	MIN DSCR	None
TERMS	FIXED 15YR, 30 YR, 40 YR	ARMs	SOFR 5/6, 7/6, 10/6
INTEREST ONLY	MIN 680 FICO, Purchase, R&T MAX LTV/CLTV 75% C/O MAX LTV/CLTV 70%		
QUALIFYING - ARMS	The note rate is used to determine the qualifying payment.		
CREDIT EVENTS	BK 7 & 13 - 36 MO discharge/dismissal date SS, DIL, FC, Mod, 120+ housing late 36 MO. 24 MO. Permitted, Purchase MAX 75% - Refinance MAX 70%		
FIRST TIME INVESTOR	Borrowers with history of owning or managing investment properties for MIN 12 Mo. Within the past 3 YRS. 680 MIN FICO Reported mortgage history 0 X 30 X 36 Owns a PR for MIN 1 YR. Credit event seasoning MIN 36 MO. Purchase/R&T only		
PROPERTY TYPES	Eligible: SFD, SFA, 2-4 Units & Condos 2-4 Units & Warrantable Condo, Purchase MAX LTV/CLTV 75%, Refinance (all) MAX LTV/CLTV 70% Non-Warrantable Condo & Condotel Purchase MAX LTV/CLTV 75%, Refinance (all) MAX LTV/CLTV 65% & MAX LN AMT. \$1.5MM Ineligible: Manufactured, Co-ops, Mixed Use		
RURAL PROPERTIES	Not permitted MAX acreage 2 - property may not be zoned or indicated by appraisal as rural or AG.		
PROPERTIES LISTED FOR SALE	<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 or Unleased Properties: Purchase MAX 75% Refinance MAX 70% Use market rents established by 1007.		
FLORIDA CONDO'S	Greater than 5 stories AND over 30 YRS old OR 25 YRS if within 3 miles of the coast a structural inspection required. Unacceptable reports - Ineligible		
CASH-OUT	May be used to meet reserve requirements MAX Cash-in-hand: LTV/CLTV ≥ 65% - \$500k, LTV/CLTV <65% \$1MM		
GIFT FUNDS	Permitted - MIN borrower contribution 5% Funds may not be used to meet reserve requirements.		
BORROWERS	VISA Waivers in lieu of residency documents will not be accepted. Foreign Nationals not permitted.		
DECLINING VALUES	Appraisal indicated declining market or subject property is located on the Sharp S Depreciating Market List Purchase MAX 85% Refinance MAX 80% & MAX LN AMT \$2MM		
ESCROW WAIVERS	Flood insurance - not permitted Taxes & Insurance - permitted when LTV ≤80%, MIN FICO 720, MIN 12 MO. Reserves		

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						
PROGRAM SPECIFIC REQUIREMENTS													
LOAN AMOUNTS	MIN \$100K MAX \$2.0MM					MIN DSCR			0.75				
TERMS	FIXED			30 YR		ARMs		SOFR 5/6		INTEREST ONLY		SOFR 5/6	
INTEREST ONLY	MAX 75% LTV/CLTV MIN DSCR 1.00												
QUALIFYING - ARMS	The note rate is used to determine the qualifying payment.												
CREDIT EVENTS	BK 7 & 13 - 36 MO discharge/dismissal date SS, DIL, FC, Mod, 120+ housing late 36 MO.												
FIRST TIME INVESTORS	Borrowers who have not owned at least 1 investment property in the past 12MO. - MAX LTV 75%												
PROPERTY TYPES	Eligible: SFD, SFA, 2-4 Units & Condos Non-Warrantable Condo MAX LTV 75% Ineligible: Manufactured, Co-ops, Condotels, Mixed Use												
RURAL PROPERTIES	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.												
PROPERTIES LISTED FOR SALE	<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. 												
CASH-OUT	MAX \$500k C/O amounts may be used to meet reserve requirements.												
GIFT FUNDS	Permitted - MIN borrower contribution 10%												
DECLINING VALUES	Appraiser indicated declining market - 5% LTV Reduction												
ESCROW WAIVERS	Not permitted, unless otherwise specified by applicable state law or loan is non-HPML. Flood insurance must be escrowed.												

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

PROGRAM SPECIFIC REQUIREMENTS													
LOAN AMOUNTS	LTV >75% MIN \$200K – LTV ≤ 75% MIN \$125K MAX \$2.5MM						MIN DSCR			0.75			
TERMS	FIXED		15 YR. 30 YR		ARMs			SOFR 5/6, 7/6			INTEREST ONLY		
INTEREST ONLY	MIN DSCR 1.0												
QUALIFYING – ARMS	The greater of the note rate or the fully indexed rate is used to determine the qualifying payment.												
FIRST TIME INVESTORS	Borrower who has not owned/managed 1 investment property in past 12 MO. Purchase only MIN DSCR 1.0												
PROPERTY TYPES	Eligible: SFD, SFA, 2-4 Units & Warrantable Condos Non-Warrantable Condo Condo Ineligible: Ineligible: Manufactured, Co-ops, Mixed Use												
RURAL PROPERTIES	Permitted – MAX 20 acres												
PROPERTIES FOR SALE	C/O Only – Properties listed for sale within the past 6 MO. Of application date – 10% LTV reduction required												
RESERVES	MIN 3 MO. LN AMTs >\$1MM 6 MO. PITIA DSCR <1.0 6 MO. PITIA R&T ≤ 65% No MIN required												
CASH-OUT	LTV/CLTV > 60% - MAX \$500K, LTV/CLTV ≤ 60% - Unlimited Cash-out may be used to meet reserve requirements												
GIFT FUNDS	Permitted – MIN borrower contribution 5%												
DECLINING MARKETS	5% LTV reduction required												
ESCROW WAIVERS	Flood insurance – not permitted Permitted – non-HPML loans, DTI ≤43%, MIN FICO 700, MIN Reserves 6 MO. (excluding C/O proceeds) LTV/CLTV ≤ 70%, CA ≤ 90%												

SHARP I												DSCR
Occupancy	Units	Loan Amount	DSCR >=1.00				DSCR >=.80					
			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+	75%	75%	70%
			700	75%	75%	75%			700	75%	75%	70%
		<=\$1.5MM	740+	75%	75%	65%	<=\$1.5MM	720+	75%			
			700	75%	75%	65%						
<=\$2.0MM	700+	70%	70%	65%								

PROGRAM SPECIFIC REQUIREMENTS											
LOAN AMOUNTS	MIN \$100K MAX \$3.0MM					MIN DSCR					0.80
TERMS	FIXED		30 YR		ARMS		SOFR 5/6, 7/6		INTEREST ONLY		30 YR, 40 YR Fixed SOFR 5/6, 7/6 ARM
INTEREST ONLY	MIN DSCR 1.0, MIN FICO 700, MAX LN AMT \$3MM MAX LTV 80%										
QUALIFYING – ARMS	The greater of the note rate or the fully indexed rate is used to determine the qualifying payment.										
FIRST TIME INVESTORS	Borrower who has not owned/managed 1 investment property in past 12 MO. Purchase only MIN DSCR 1.0										
HOUSING HISTORY	1 X 30 X 12 MAX LTV 75%										
RESERVES	MIN 3 MO. LN AMTs >\$1MM 6 MO. PITIA DSCR <1.0 6 MO. PITIA R&T ≤ 65% No MIN required										
FIRST TIME INVESTORS	MAX LTV 75%, MIN DSCR 1.0 and 12 MO. reserves										
PROPERTY TYPES	Eligible: SFD, SFA, 2-4 Units & Warrantable Condos MAX 80% Non-Warrantable Condo MAX LTV 75% Condotel – MAX LN AMT \$1.5MM, Purchase MAX LTV 75%, Refinance (all) MAX LTV 65% MIN DSCR 1.0 Ineligible: Ineligible: Manufactured, Co-ops, Mixed Use										
RURAL PROPERTIES	Permitted – MAX 20 acres										
PROPERTIES FOR SALE	C/O Only – Properties listed for sale within the past 6 MO. Of application date – 10% LTV reduction required										
CASH-OUT	LTV/CLTV > 65% - MAX \$1.0 MM, LTV/CLTV ≤ 65% - Unlimited C/O may be used to meet reserve requirements										
GIFT FUNDS	Permitted – MIN borrower contribution 10%										
NON-ARMS LENGTH	Not permitted										
DECLINING MARKETS	LTVs > 65% and in a declining market – 5% LTV reduction required										
ESCROW WAIVERS	Flood insurance – not permitted Taxes & Insurance – permitted when LTV ≤80%										