

REFER TO THE SHARP ADVANTAGE FULL PROGRAM GUIDELINES FOR ADDITIONAL GUIDANCE AND RESTRICTIONS

| PRIMARY RESIDENCE |      |          |            | SECOND HOME |      |          |            | INVESTMENT PROPERTY |      |          |            |          |
|-------------------|------|----------|------------|-------------|------|----------|------------|---------------------|------|----------|------------|----------|
| LOAN AMOUNT       | FICO | PURCHASE | RATE/ TERM | CASH OUT    | FICO | PURCHASE | RATE/ TERM | CASH OUT            | FICO | PURCHASE | RATE/ TERM | CASH OUT |
| <= \$1M           | 740  | 90       | 90         | 80          | 740  | 85       | 85         | 80                  | 740  | 85       | 85         | 80       |
|                   | 720  | 90       | 90         | 80          | 720  | 85       | 85         | 80                  | 720  | 85       | 80         | 80       |
|                   | 700  | 90       | 85         | 80          | 700  | 85       | 85         | 80                  | 700  | 85       | 80         | 80       |
|                   | 680  | 85       | 85         | 80          | 680  | 80       | 80         | 75                  | 680  | 80       | 80         | 75       |
|                   | 660  | 80       | 80         | 75          | 660  | 80       | 80         | 75                  | 660  | 75       | 75         | 70       |
|                   | 640  | 75       | 75         | 70          | 640  | 75       | 75         | 70                  | 640  | 70       | 70         | 65       |
| >\$1M - <=\$1.5M  | 740  | 90       | 90         | 80          | 740  | 85       | 80         | 80                  | 740  | 80       | 80         | 80       |
|                   | 720  | 90       | 90         | 80          | 720  | 85       | 80         | 80                  | 720  | 80       | 80         | 80       |
|                   | 700  | 90       | 85         | 80          | 700  | 85       | 80         | 80                  | 700  | 80       | 80         | 80       |
|                   | 680  | 85       | 85         | 80          | 680  | 85       | 80         | 75                  | 680  | 80       | 80         | 75       |
|                   | 660  | 80       | 80         | 75          | 660  | 80       | 75         | 75                  | 660  | 75       | 75         | 70       |
|                   | 640  | 70       | 65         | 60          | 640  | 70       | 65         | 60                  | 640  | 65       | 65         | 60       |
| >\$1.5M - <=\$2M  | 740  | 90       | 80         | 80          | 740  | 85       | 80         | 80                  | 740  | 80       | 80         | 75       |
|                   | 720  | 90       | 80         | 80          | 720  | 85       | 80         | 80                  | 720  | 80       | 80         | 75       |
|                   | 700  | 85       | 80         | 80          | 700  | 85       | 80         | 80                  | 700  | 80       | 80         | 75       |
|                   | 680  | 80       | 75         | 75          | 680  | 80       | 75         | 75                  | 680  | 80       | 75         | 75       |
|                   | 660  | 75       | 70         | 65          | 660  | 75       | 70         | 70                  | 660  | 75       | 70         | 60       |
|                   | 640  | 65       |            |             | 640  | 65       |            |                     | 640  | 65       |            |          |
| >\$2M - <=\$2.5M  | 740  | 80       | 80         | 80          | 740  | 80       | 80         | 80                  | 740  | 80       | 80         | 75       |
|                   | 720  | 80       | 80         | 80          | 720  | 80       | 80         | 80                  | 720  | 80       | 80         | 75       |
|                   | 700  | 80       | 80         | 80          | 700  | 80       | 80         | 80                  | 700  | 80       | 80         | 75       |
|                   | 680  | 75       | 75         | 75          | 680  | 75       | 75         | 75                  | 680  | 75       | 75         | 75       |
|                   | 660  | 70       | 70         | 70          | 660  | 70       | 65         | 65                  | 660  | 70       | 65         | 60       |
| >\$2.5M - <=\$3M  | 740  | 80       | 80         | 75          | 740  | 80       | 80         | 75                  | 740  | 80       | 80         | 75       |
|                   | 720  | 80       | 80         | 75          | 720  | 80       | 80         | 75                  | 720  | 80       | 80         | 75       |
|                   | 700  | 75       | 75         | 75          | 700  | 75       | 75         | 75                  | 700  | 75       | 75         | 75       |
|                   | 680  | 75       | 75         | 75          | 680  | 75       | 75         | 75                  | 680  | 75       | 75         | 75       |

\* SFR (attached and detached) , 2-4 Units, Warrantable & Non-Warrantable Condos  
 \* 2-4 units MAX LTV/ CLTV 80%  
 \* Condos: Purchase/ Rate & Term/ Cash Out - Warrantable - MAX LTV 85% | Non-Warrantable / Condotel - MAX LTV 80%

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|---|--|--------------|------------------|--|-----------|---------------|------|------------------|-------|--|
| FULL/ALT DOC PROGRAM INFORMATION  |  |              |                  |  |           |               |      |                  |       |  |
| TERMS   | Fully Amortizing   | <b>FIXED</b> | 15YR, 30YR, 40YR | <b>ARM</b>   | 5/6 & 7/6 | <b>INDEX</b>  | SOFR | <b>5 YR Caps</b> | 2/1/5 |  |
|   | Interest Only  | <b>FIXED</b> | 30 & 40 YR       | <b>ARM</b>   | 5/6 & 7/6 | <b>MARGIN</b> | 5.0  | <b>7 YR Caps</b> | 5/1/5 |  |
| INTEREST ONLY TERMS   | I/O period: First 10 YRS   Qualifying PITIA payment using fully amortizing term (e.g. 30 YR FX - 10 YR I/O period = 20 YR Term)  |              |                  |  |           |               |      |                  |       |  |
| ELIGIBLE LOAN AMOUNTS   | <b>MIN</b>   | \$125K       | <b>MAX</b>       | \$3M (loan amounts >\$2M require Corporate Approval) |           |               |      |                  |       |  |
| CASH-OUT  | <ul style="list-style-type: none"> <li>LTV &gt; 65% MAX \$500K   LTV &lt;= 65% Unlimited</li> <li><b>SEASONING:</b> MIN 6 months from acquisition date to note date   No waiting period if property inherited or legally awarded</li> </ul>  |              |                  |  |           |               |      |                  |       |  |
| NON ARMS LENGTH TRANSACTIONS  | Refer to Sharp Advantage Underwriting Guidelines<br><a href="#">Follow Fannie Mae guidance for additional clarification and requirements</a>   |              |                  |  |           |               |      |                  |       |  |
| COMPLIANCE  | High Cost or Section 32 loans - not permitted  |              |                  |  |           |               |      |                  |       |  |
| GENERAL ELIGIBILITY   |  |              |                  |  |           |               |      |                  |       |  |
| ELIGIBLE PROPERTY TYPES   | <ul style="list-style-type: none"> <li>SFR (attached and detached) , 2-4 Units, Warrantable &amp; Non-Warrantable Condos</li> <li>Max 20 Acres   Purchase: Max 80% LTV   Refi: Max 75% LTV (Refer to Sharp Advantage Underwriting Guidelines for full details)</li> </ul>  |              |                  |  |           |               |      |                  |       |  |
| INELIGIBLE PROPERTY TYPES   | Refer to Sharp Advantage Underwriting Guidelines for complete list   |              |                  |  |           |               |      |                  |       |  |
| CONDOS  | <b>Purchase/ Rate &amp; Term/ Cash Out:</b> Warrantable - MAX LTV 85%   Non-Warrantable / Condotel - MAX LTV 80% <ul style="list-style-type: none"> <li><b>FL Condos - Purchase: Max LTV/ CLTV 75% / Refinance: Max LTV/ CLTV 65%</b></li> <li>FL Condos: New Construction - PERS approval required</li> <li>Loan Amounts &gt; \$2.5M must be warrantable (Refer to Sharp Advantage Underwriting Guidelines for full details)</li> </ul>   |              |                  |  |           |               |      |                  |       |  |
| ELIGIBLE BORROWERS  | US Citizens, Perm Resident Aliens, Non Perm Resident Aliens (Refer to Sharp Advantage Underwriting Guidelines for full details)  |              |                  |  |           |               |      |                  |       |  |
| INELIGIBLE BORROWERS  | ITIN, Foreign National, Asylum status and DACA are ineligible (Refer to Sharp Advantage Underwriting Guidelines for full details)  |              |                  |  |           |               |      |                  |       |  |
| NON-OCCUPANT CO-BORROWER  | Full Doc   Purchase   1-Unit Owner Occupied   MAX 80% LTV/ CLTV   MAX DTI 43%   6 months reserves required   Occupying borrower must qualify for >=75% of PITIA   Non-Occupant Co-Borrower must be on title  |              |                  |  |           |               |      |                  |       |  |
| DTI   | MAX 50%  |              |                  |  |           |               |      |                  |       |  |
| FICO  | <ul style="list-style-type: none"> <li>For one borrower: Use the middle of 3 credit scores or lower of 2 credit scores</li> <li>Multiple borrowers: Use the primary wage earner score</li> <li>All borrowers on the loan must meet the program minimum FICO requirements</li> </ul>  |              |                  |  |           |               |      |                  |       |  |
| FIRST TIME HOMEBUYER  | <ul style="list-style-type: none"> <li>Are identified as borrowers who have had not owned a home in the past 3 YRs   MAX DTI 45%   I/O Ineligible</li> <li>Borrowers living in a marital home will not be considered FTHB</li> </ul>   |              |                  |  |           |               |      |                  |       |  |
| ESCROW WAIVER   | <ul style="list-style-type: none"> <li>Permitted when loan is non-HPML AND LTV &lt;=80%   MIN FICO 700</li> <li>Escrow holdbacks - not permitted   Flood insurance waivers not permitted</li> </ul>  |              |                  |  |           |               |      |                  |       |  |
| INTERESTED PARTY CONTRIBUTIONS  | Primary / Second Home: LTV: >75% = 6%   <=75% = 9%   Investment = Max 6%   |              |                  |  |           |               |      |                  |       |  |
| APPRAISALS  | 2 appraisals are required for Loan Amounts >=\$2M  |              |                  |  |           |               |      |                  |       |  |
| APPRAISAL REVIEW  | <ul style="list-style-type: none"> <li>CU Score is &lt;=2.5 is acceptable with Submission Summary Report (SSR)</li> <li>If CU Score is &gt;2.5 = Desk Review (CDA) OR Field Review OR 2nd appraisal is required</li> <li>If CDA is &gt;10% of appraised value - a Field Review OR 2nd full appraisal required</li> </ul>   |              |                  |  |           |               |      |                  |       |  |
| HOUSING HISTORY   | <ul style="list-style-type: none"> <li>Borrowers are considered to have housing history when: <ul style="list-style-type: none"> <li>Property is owned free &amp; clear OR they are living in a marital home OR have recently the sold primary residence &amp; living rent free until subject transaction closes</li> <li><b>If Rent Free:</b> <ul style="list-style-type: none"> <li>Letter from property owner supporting rent free status</li> <li>6 months of reserves required</li> <li>10% minimum investment from borrowers own funds required</li> </ul> </li> </ul> </li> </ul> |              |                  |  |           |               |      |                  |       |  |
| TRADELINES  | One of the following must be met: <ul style="list-style-type: none"> <li>Primary borrower has 3 reporting FICO scores; or</li> <li>2 tradelines reporting for 24 months w/activity in the past 12 months; or</li> <li>3 tradelines reporting for 12 months w/recent activity</li> </ul>  |              |                  |  |           |               |      |                  |       |  |

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|---|--|
| <b>CREDIT EVENTS</b>  | <ul style="list-style-type: none"> <li>BK 7 &amp; 13 = 36 months from discharge/dismissal   SS, DIL, FC, MOD or 120+ lates = 36 months</li> <li>Credit event seasoning 24-36 months: Purchase - Max 80% LTV   Refinance - Max 75% LTV</li> </ul>   |
| <b>COLLECTIONS</b>  | Non-Medical within 24 months = <\$2K cumulative may remain open   All items affecting title and open judgements/garnishments must be paid off prior to/at closing  |
| <b>RESERVES</b>   | <ul style="list-style-type: none"> <li>&lt;= \$1.5M and LTV &lt;= 80% = 3 months PITIA</li> <li>&lt;= \$1.5M and LTV &gt; 80% = 6 months PITIA</li> <li>&gt; \$1.5M to \$2.5M = 6 months PITIA</li> <li>&gt; \$2.5M to \$3.5M = 12 months PITIA</li> <li>When Asset Utilization is the sole source of income, reserves are not required</li> <li>Cash-out proceeds may be used to meet reserve requirements</li> </ul> |
| <b>SUBORDINATE FINANCING</b>                                  | <ul style="list-style-type: none"> <li>New subordinate financing not permitted</li> <li>Resubordinated liens subject to MAX LTV and cannot be privately held or a HELOC</li> </ul>   |
| <b>DISCLOSURES</b>  | Business Narrative required for all Self-Employed Borrowers  |
| <b>ENTITY VESTING</b>   | <ul style="list-style-type: none"> <li>Investment Properties permitted   Business Purpose loans vested in LLC, C CORP, S CORP permitted (refer to PPP Matrix)</li> <li>Borrowers/ members with 50% or more ownership require a personal guarantee</li> <li>Foreign Entities are not permitted. Entity must be registered in property state.</li> </ul>   |
| <b>TAX TRANSCRIPTS</b>  | <b>Full Doc</b> - Required   <b>ALT Doc</b> - Required for 1099 and W-2 wage income  |
| <b>PROPERTIES LISTED FOR SALE</b>                             | <ul style="list-style-type: none"> <li>Property must be taken off the market prior to the date of the application</li> <li>All Property Types - Use the lower of the original <b>listing price (lowest)</b> or appraised value</li> </ul>  |
| <b>GIFT FUNDS</b>   | <ul style="list-style-type: none"> <li>Permitted - Minimum Borrower Contributions: Primary &amp; 2nd home 5%   Investment 10%</li> <li>Investment properties - Gift funds not permitted when LTV/ CLTV &gt; 80%</li> <li>Gift funds may not be used to meet reserve requirements</li> </ul>  |
| <b>STATE ELIGIBILITY</b>                                      | <ul style="list-style-type: none"> <li>Properties in the state of <b>HI and NY</b> are ineligible</li> <li>Investment Properties - located in <b>Baltimore City, MD</b> and <b>Philadelphia County, PA</b> are ineligible</li> </ul>   |
| <b>INCOME TYPES</b>   |  |
| <b>FULL DOCUMENTATION</b>                                     |  |
| <b>WAGE EARNER</b>  | 1 or 2 YRS income   W-2, Paystub w/YTD earnings (Refer to Sharp Advantage Underwriting Guidelines for full details)  |
| <b>SELF-EMPLOYED</b>  | 1 or 2 YRS income   Tax Returns (Personal & Business)   YTD P&L (must be from CPA or PTIN)   |
| <b>BANK STATEMENTS (ALL)</b>                                  |  |
| <b>SELF-EMPLOYED</b>  | Borrowers must be in the same line of work for a MIN 2 YRS   Business must be in existence for a MIN of 1 YR (Refer to Sharp Advantage Underwriting Guidelines for full details)   |
| <b>NSF's</b>  | NSF's only need to be considered when resulting in a bank fee   All NSF's require an LOE from the borrower and UW evaluation required  |
| <b>LARGE DEPOSITS</b>   | Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of an inconsistent or large deposit is any deposit exceeding 100% of the average monthly sales of the business.   |
| <b>OWNERSHIP</b>  | Borrower must be a MIN 25% owner verified by Tax Professional (APA, Tax Attorney, EA, PTIN or CTEC)  |
| <b>PERSONAL BANK STATEMENTS (12/24 MONTHS) INCOME</b>         |  |
| <b>ACCOUNTS</b>   | Maximum of one (1) bank account may be used to determine qualifying income   |
| <b>EXPENSE FACTOR</b>   | <b>20% minimum if using co-mingled personal bank accounts</b>  |
| <b>SUPPORTING DOCUMENTATION</b>                               | <ul style="list-style-type: none"> <li>2 Months Business Bank Statements required reflecting business activity and transfers to personal account</li> <li>Co-Mingled (Business &amp; Personal) accounts acceptable w/evidence of business and personal utilization</li> </ul>  |
| <b>QUALIFYING INCOME CALCULATION</b>                          | Eligible deposits, less expense factor, X the % of ownership   |
| <b>BUSINESS BANK STATEMENTS (12/24 MONTHS) INCOME</b>         |  |
| <b>EXPENSE FACTOR</b>   | Standard - 50%   less than 50% may be considered (see Profit and Loss section below)   |
| <b>PROFIT AND LOSS (to support expense factor if &lt;50%)</b> | <ul style="list-style-type: none"> <li>Minimum <b>20%</b> - CPA/EA/Tax Attorney / PTIN prepared P&amp;L covering the same period as bank statements</li> <li>Gross receipts must be within <b>20%</b> of the bank statement qualifying income</li> </ul>   |
| <b>EXPENSE STATEMENT</b>                                      | Minimum 10% - CPA/EA/ PTIN/ Tax Attorney prepared Expense Statement covering the same time period as the bank statements   |
| <b>QUALIFYING INCOME CALCULATION</b>                          | Eligible deposits, less expense factor X the % of ownership  |

| PROFIT AND LOSS (12 MONTHS) INCOME   |  |     |                |                      |     |              |                  |              |                  |
|--------------------------------------|--|-----|----------------|----------------------|-----|--------------|------------------|--------------|------------------|
| <b>TERMS</b>                         | <b>MIN FICO</b>  | 660 | <b>MAX LTV</b> | <b>PUR &amp; R/T</b> | 80% | <b>C/O</b>   | 70%              | <b>TERMS</b> | 30 YR Fixed only |
| <b>EMPLOYMENT HISTORY</b>            | Borrower must be self-employed MIN 2 YRS   Business existence MIN 1 YRS   Business Ownership >= 25%  |     |                |                      |     |              |                  |              |                  |
| <b>&lt; 720 FICO</b>                 | Max LTV = 75%  |     |                |                      |     |              |                  |              |                  |
| <b>DOCUMENTATION</b>                 | Most recent 3rd party prepared P&L Statement - CPA/EA/Tax Attorney only   PTIN prepared not eligible   |     |                |                      |     |              |                  |              |                  |
| <b>BUSINESS BANK STATEMENTS</b>      | <ul style="list-style-type: none"> <li>• Most recent 2 months Business Bank Statements required</li> <li>• <b>Total deposits from the bank statements must be within 20% of gross receipts/ revenue on the Profit and Loss Statement</b></li> </ul>  |     |                |                      |     |              |                  |              |                  |
| <b>TAX RETURN FILING</b>             | 3rd party preparer must attest to filing the borrowers most recent tax returns   Borrowers who file their own tax returns are ineligible   |     |                |                      |     |              |                  |              |                  |
| <b>QUALIFYING INCOME CALCULATION</b> | Net income from P&L, X percent of ownership/12 months  |     |                |                      |     |              |                  |              |                  |
| 1099 (12 MONTHS) INCOME              |  |     |                |                      |     |              |                  |              |                  |
| <b>TERMS</b>                         | 30 YR Fixed only   |     |                |                      |     |              |                  |              |                  |
| <b>EMPLOYMENT HISTORY</b>            | • 100% Commission or Independent Contractors = 1 YR receipt of 1099 required (2 YRS same line of work)   |     |                |                      |     |              |                  |              |                  |
| <b>DOCUMENTATION</b>                 | <ul style="list-style-type: none"> <li>• Supporting 1099 plus most recent 30 days paystub w/YTD earnings OR</li> <li>• 3 month bank statements evidencing deposits OR</li> <li>• 3rd Party WVOE</li> </ul>   |     |                |                      |     |              |                  |              |                  |
| <b>EXPENSE FACTOR</b>                | Utilize one of the following business expense analysis methods: <ul style="list-style-type: none"> <li>• 10% expense factor (90% Net Margin), or</li> <li>• Lower expense factor may be used when verified on Third Party prepared business expense statement letter (e.g., CPA, EA, accountant, tax preparer).</li> </ul> |     |                |                      |     |              |                  |              |                  |
| <b>QUALIFYING INCOME CALCULATION</b> | Qualifying income is the 12 monthly average from most recent year 1099 minus the expense factor from the method chosen above   |     |                |                      |     |              |                  |              |                  |
| ASSETS AS INCOME                     |  |     |                |                      |     |              |                  |              |                  |
| <b>TERMS</b>                         | <b>MIN FICO</b>  | 680 | <b>MAX LTV</b> | <b>PUR &amp; R/T</b> | 80% | <b>TERMS</b> | 30 YR Fixed only |              |                  |
| <b>UTILIZATION</b>                   | Assets may be used as sole income source (Asset Utilization) or used in combination with other income (Asset Supplementation)  |     |                |                      |     |              |                  |              |                  |
| <b>TRANSACTIONS</b>                  | Primary residence and <b>Second Home</b> only   Purchase/ Rate & Term only   Business/ Trust/ Foreign / <b>Crypto</b> assets not allowed   |     |                |                      |     |              |                  |              |                  |
| <b>GIFT FUNDS</b>                    | Not permitted  |     |                |                      |     |              |                  |              |                  |
| <b>ELIGIBLE ASSETS</b>               | 100% of checking/savings/money market   70% of stocks/bonds/mutual funds   Retirement income: age ≥ 59 1/2 =70%   age < 59 1/2 = 60% (Refer to Sharp Advantage Underwriting Guidelines for full details)   |     |                |                      |     |              |                  |              |                  |
| <b>MINIMUM ASSETS</b>                | Lesser of 1.5x the loan amount or \$1MM  |     |                |                      |     |              |                  |              |                  |
| <b>QUALIFYING INCOME</b>             | Eligible assets, less down payment, closing costs, reserves ÷ 60 Months  |     |                |                      |     |              |                  |              |                  |