



ITINWYSE (FULL DOCUMENTATION/BANK STATEMENT)

LoanWise offers loans to Borrower(s) with a valid Individual Taxpayer Identification Number, in lieu of a social security number, who want to purchase or refinance a home. The program allows multiple options for income documentation, including standard full doc and bank statements. This program is designed for borrowers who are sound credit risks based on a common-sense approach to underwriting.

HIGHLIGHTS

- Loan amounts up to \$1,500,000
- Interest Only available
- Multiple Qualification Options
- 15 and 30-year Fixed Rate

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| Eligible Occupancy | <ul style="list-style-type: none"> • Primary Residence • Second Home • Investment Property |
| Property Types | <ul style="list-style-type: none"> • Single Family Residence (SFR) • Planned Unit Development (PUD) • Warrantable Condo (Max 65% LTV) • Non-Warrantable Condo (Max 65% LTV) • Townhome • 2 - 4 Units (Max LTV 60%) • Max 15 acres (If rural, 5% LTV reduction to max allowable LTV) |
| Eligible Transactions | <p>PURCHASE, including non-arm’s length transactions with restrictions</p> <p>RATE AND TERM REFINANCE</p> <ul style="list-style-type: none"> • No seasoning required to use current appraised value • Payoff of first and second, where the second is seasoned for 12-months and not drawn on in 12-months preceding proposed closing date unless the second was used in full to purchase the property • Refinance of a previous loan that provided cash-out, as measured from the previous loan closing date to the proposed closing date, and is seasoned less than 6 months, will be considered a cash-out refinance. • Recoup of funds expended to improve the subject property. Improvements must have been completed within the last 6-months preceding the proposed closing date, funds must have been Borrower’s own. Cash out amount not to exceed documented improvement costs • Buyout accompanied by an executed buyout agreement <p>CASH-OUT REFINANCE</p> <ul style="list-style-type: none"> • Refinances which do not fit into the rate and term guidelines is deemed to be cash out • 6-months seasoning required measured from property acquisition date or preceding refinance transaction date to the proposed closing date |
| Borrower Eligibility | <p>Individual Taxpayer Identification Number (ITIN) borrowers are individuals with an ITIN who reside and work within the United States but do not possess U.S. citizenship. Residency status must be verified with the following documentation:</p> <ul style="list-style-type: none"> • Unexpired ITIN card or letter from IRS assigning the ITIN to the borrower prior to application • Unexpired U.S. government photo ID (driver’s license, etc.) • If a U.S. government-issued photo ID is not available, borrower must provide: <ul style="list-style-type: none"> ○ Unexpired foreign government photo ID (driver’s license, passport, visa, etc.) ○ One item of supplemental documentation (birth certificate, tax return, W-2, tax bill, social security card, utility bill) |

| Tradelines | <p>Standard tradeline requirements apply unless the co-borrower is the spouse of the borrower. In that case, only one spouse is required to meet the minimum tradelines. Standard tradelines requirement:</p> <ul style="list-style-type: none"> • 2 open tradelines reporting for 24-months with activity in the last 12 months; or • 3 open tradelines reporting 12-months with activity in the last 12 months | | | | | | | | | | |
|--------------------------------|---|----------------|--|-------------------------|-----------|-------------------------|-----------|---------------------------|-----------|-------------------|-----------|
| Credit Score | <ul style="list-style-type: none"> • Credit scores allowed down to 660, subject to loan amount and LTV restrictions • Use lowest middle score of all Borrowers for pricing and underwriting purposes | | | | | | | | | | |
| Housing Payment History | <p>Housing payment history no greater than 1x30x12 for all US mortgages/rental verifications.</p> | | | | | | | | | | |
| Credit Event | <p>Applicants with any of the following major credit events (bankruptcy, foreclosure, modification, short sale, short pay, deed in lieu) are subject to the below requirements, measured from event completion date or discharge/dismissal to proposed closing date:</p> <table border="1" data-bbox="574 590 1068 764"> <thead> <tr> <th colspan="2">Credit History</th> </tr> </thead> <tbody> <tr> <td>FC / SS / DIL Seasoning</td> <td>36 Months</td> </tr> <tr> <td>Chapter 13 BK Seasoning</td> <td>36 Months</td> </tr> <tr> <td>Chapter 7/11 BK Seasoning</td> <td>36 Months</td> </tr> <tr> <td>Loan Modification</td> <td>24 Months</td> </tr> </tbody> </table> <p>Additional credit requirements:</p> <ul style="list-style-type: none"> • Judgment/Tax Lien (must meet one of the following): <ul style="list-style-type: none"> ○ Paid off prior to or at closing, or ○ May remain open with 3-month satisfactory payment history and must be subordinated if recorded against subject property. Maximum payment required under the repayment agreement will be included in DTI Ratio. • Collections/Charge-Offs: May be excluded if in aggregate less than \$2,000 if less than 24-months old or maximum of \$2,500 per occurrence if greater than 24-months old. Any greater that may affect title must be paid off prior to or at closing. Medical collections are excluded from this requirement regardless of amount. | Credit History | | FC / SS / DIL Seasoning | 36 Months | Chapter 13 BK Seasoning | 36 Months | Chapter 7/11 BK Seasoning | 36 Months | Loan Modification | 24 Months |
| Credit History | | | | | | | | | | | |
| FC / SS / DIL Seasoning | 36 Months | | | | | | | | | | |
| Chapter 13 BK Seasoning | 36 Months | | | | | | | | | | |
| Chapter 7/11 BK Seasoning | 36 Months | | | | | | | | | | |
| Loan Modification | 24 Months | | | | | | | | | | |
| INCOME AND ASSETS | | | | | | | | | | | |
| DTI | <ul style="list-style-type: none"> • Maximum DTI: 43% • DTI may be increased to 50% with the following: <ul style="list-style-type: none"> ○ Max LTV: 80% ○ Eligible Transactions: Purchase or Rate and Term Refinance ○ Minimum Residual Income: greater of 0.5% of the loan amount or \$3,000 | | | | | | | | | | |
| Gift Funds | <ul style="list-style-type: none"> • Gift funds are allowed for funds to close. A minimum of 5% contribution from Borrower's own funds is required for primary residence and 10% for second home and investment properties. • Gifts must be documented in compliance with FNMA/FHLMC requirements and be from immediate family members • Gifts of equity are allowed on primary residence only. Borrower must contribute 5% of their own funds. | | | | | | | | | | |
| Reserves | <ul style="list-style-type: none"> • Primary Residence: 6-months PITIA • Cash-out may be used to satisfy reserve requirements • Additional reserves required for multiple financed properties. Two (2) months subject PITIA for each additional property up to 12 months maximum. | | | | | | | | | | |

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| <p>Assets</p> | <ul style="list-style-type: none"> • Use 100% of cash and cash equivalents • Use 70% of vested retirement assets • Business funds may be used provided the Borrower(s) owns a minimum of 25% ownership of the business. The amount of funds that may be utilized is based on the Borrower’s percentage of ownership. Borrower(s) must provide: <ul style="list-style-type: none"> ○ A signed letter from a 3rd party Tax Professional (defined as a CPA, Tax Attorney, Enrolled Agent (EA), California Tax Education Council (CTEC) or Paid Tax Professional (PTIN)) or borrower must be obtained verifying that the withdrawal of funds for the transaction will not have a negative impact on the business; AND ○ All non-borrowing owners of the business must provide a signed and dated letter acknowledging the transaction and confirming the borrowers access to funds in the account. • Cash out proceeds may be used for the reserve requirement |
| <p>Standard and Alternative Income Documentation / Qualification Methods</p> | <p>Borrowers may be qualified utilizing the following income documentation. Primary wage earner must have a minimum of 4 years continuous work history in the United States.</p> <p>STANDARD INCOME DOCUMENTATION</p> <p>WAGE-EARNER DOCUMENTATION REQUIREMENTS</p> <p>Provide the 1 or 2-years W-2s and the most recent 30 consecutive days of paystubs including year-to-date income with the most recent one dated within 90 calendar days of funding.</p> <p>QUALIFICATION:</p> <ul style="list-style-type: none"> • If Borrowers receive bonus, commission, or overtime, obtain a written VOE to determine a history and continuance. Generally, a 2-year history is required, 1-2 years can be used on a case-by-case basis with positive factors to offset and a reasonable expectation of continuance. • LoanWyse reserves right to request tax returns in its sole discretion. <p>SELF-EMPLOYED DOCUMENTATION REQUIREMENTS</p> <p>A borrower is considered self-employed with 25% or more ownership interest in a business. Borrowers must generally be self-employed for 2-years; however, 1-2 years is acceptable with 2-years previous employment in same line of work and no gaps. Provide the most recent 1-2-years personal and/or business federal tax returns. A year-end and/or year-to-date profit and loss statement and balance sheet dated within 90 days of closing date may be required.</p> <p>QUALIFICATION:</p> <ul style="list-style-type: none"> • Take 12 or 24-month average of income if increasing, 12-month average if decreasing. If decreasing, additional documentation may be required. See Underwriting Guidelines for additional information. <p>ALTERNATIVE INCOME DOCUMENTATION</p> <p>PERSONAL BANK STATEMENTS</p> <p>Provide the most recent consecutive 12 or 24-months of personal bank statements. Evaluate deposits to verify that they are part of Borrower’s income stream. Any that are abnormal to Borrower’s typical deposits must be sourced/documentated to be considered as part of income. Total all eligible deposits and divide by the number of statements provided to determine monthly income. Provide the most recent 2-months of business statements to verify that income is coming from Borrower’s business. Transfers from only one account are allowed. Transfers between personal accounts are not considered income. A Borrower who provides personal bank statements but does not meet the above outlined criteria will have their statements treated as business statements.</p> |

BUSINESS BANK STATEMENTS

Provide the most recent consecutive 12 or 24-months of business bank statements. Multiple accounts may be used; however, a combination of Personal Bank Statements and Business Bank Statement is prohibited. The Borrower(s) must own 25% or more of the business to utilize business bank statements.

OPTION 1 | 3rd Party Profit and Loss Statement

Provide a P&L statement prepared by a 3rd Party Tax Professional (defined as a CPA, Tax Attorney, Enrolled Agent (EA), California Tax Education Council (CTEC) or Paid Tax Professional (PTIN)) covering the period of bank statements provided. The total eligible deposits on business bank statements must support at least 80% of the gross receipts listed on the P&L statement. If the deposits support the gross receipts, use the lesser of the net income on the P&L statement divided by the number of statements based on the Borrower's pro-rata share of ownership or total eligible deposits reported on the bank statements divided by the number of statements for qualifying income. Any abnormal or large deposits will need to be sourced and documented. Income utilized to qualify must be reasonable based on the Borrower's line of work.

OPTION 2 | 3rd Party Expense Statement

Provide a letter from Borrower's 3rd Party Tax Professional (defined as a CPA, Tax Attorney, Enrolled Agent (EA), California Tax Education Council (CTEC) or Paid Tax Professional (PTIN)) stating the business' expense ratio based on the most recent year's filed tax return. The letter must be provided on the tax professional's letterhead and may not include any exculpatory language. Verification and validation of the preparer's business/license must be provided. Multiply the business' total eligible deposits over the period shown on bank statements by the expense ratio provided by the tax professional to calculate total expenses. Deduct that figure from the total eligible deposits to calculate net deposits. Multiply net deposits by the Borrower's pro-rata ownership percentage and divide by the number of statements provided for qualifying income. Income utilized to qualify must be reasonable based on the Borrower's line of work.

OPTION 3 | Fixed Expense Ratio

Multiply total eligible deposits by a 50% expense ratio. Multiply result by Borrower's ownership percentage and divide by number of statements provided. A completed Self-Employed Business Narrative Form is required. So long as this expense ratio is reasonable to Borrower's line of work and Borrower qualifies, no further information is required. Any abnormal deposits will need to be sourced and documented.

All Methods:

Comingled accounts will be treated as business accounts for purposes of determining income.

NSFs: NSF activity in the past 12-months must be satisfactorily explained by the borrower. Excessive NSF or overdraft activity may preclude the borrower from bank statement eligibility. See Underwriting Guidelines for additional detail.

Income trend: Bank statements should show a stable or increasing trend. If the trend is declining and/or irregular, additional documentation may be required at underwriter's discretion.

LIABILITIES

Installment Debt

Installment loans must be included in the DTI. Installment debt with less than 10-months' worth of payments remaining may be excluded from DTI. Borrower(s) may pay down the debt such that the remaining balance is less than the sum of 10-months' worth of payments. The assets used must be sourced. Loans secured by financial assets (margin loan, 401(K) loan, etc.) do not need to be included in the DTI provided the asset balance exceeds the loan balance.

OTHER HIGHLIGHTS

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| Non-Occupant Co-borrowers | <ul style="list-style-type: none"> • 5% LTV reduction to max LTV allowed • Non-occupant income limited to Standard Documentation only • Occupying borrower(s) must have a DTI ratio of 60% or less. This excludes the income/debts of the nonoccupant borrower(s). • Cash-out transactions are not allowed. |
| First-Time Homebuyer | <ul style="list-style-type: none"> • Primary residence only • Minimum 680 credit score • Minimum six (6) months of reserves • 12-month rental history is required, reflecting 0x30. Private Verification of Rent or living rent-free is acceptable. Max DTI for borrowers living rent-free is 43%. |
| Title Vesting | Individual names as joint tenants, community property, or tenants in common. Property cannot be vested in a trust or an entity (LLC, Corporation, etc.) |
| Appraisal/Valuation | <p>One (1) appraisal required. Appraisal must have a CU or LCA score less than or equal to 2.5. If the CU or LCA score exceeds 2.5 or is unavailable, a CDA with a variance less than 10% is required. Additional appraisal due diligence may be required at the discretion of LoanWyse.</p> <p>PURCHASE: lesser of purchase price or appraised value</p> <p>REFINANCE (all types): For properties owned less than 6-months as of the proposed closing date, the lesser of the current appraised value or the previous purchase price plus documented improvements (if any) must be used, unless Rate and Term refinance transaction, which may use current appraised value. For properties owned between 6 and less than 12-months as of the proposed closing date, current appraised value may be used provided the value is supported both by appraisal and a CDA with a variance not greater than 10%. If value not supported, use lesser of purchase price plus documented improvements or current appraised value. If more than 12-months, use current appraised value.</p> <p>Declining markets – Properties located in a declining market are subject to a 5% LTV reduction to max LTV. (LTV reduction may be waived on an exception basis)</p> |
| Prepayment Penalty | Allowed on investment properties only. |
| Loan Amount | <ul style="list-style-type: none"> • Minimum: \$150,000 • Maximum: \$1,500,000 |



| PRIMARY RESIDENCE | | | | | |
|-----------------------------------|----------------|----------|-------------|----------|----------|
| Credit Score | Loan Amount | Purchase | Rate & Term | Cash Out | Reserves |
| 720+ | <= \$1,500,000 | 80% | 80% | 70% | 6 |
| 700-719 | | 80% | 80% | 70% | 6 |
| 660 - 699 | | 80% | 80% | 70% | 6 |
| SECOND HOME & INVESTMENT PROPERTY | | | | | |
| Credit Score | Loan Amount | Purchase | Rate & Term | Cash Out | Reserves |
| 700+ | <= \$1,500,000 | 80% | 80% | 70% | 6 |
| 660 - 699 | | 80% | 80% | 70% | 6 |

| LOAN PARAMETERS | |
|----------------------------------|---|
| Loan Limits | |
| Min. Loan Amount | \$150,000 |
| Max. Loan Amount | \$1,500,000 |
| Max. Cash Out | \$350,000 |
| Max. DTI | 43% |
| Product Type | |
| Fixed Rate | 15 Year |
| | 30 Year |
| Interest Only | 30 Year fixed |
| Housing/Credit History | |
| Mortgage History | 1x30x12 |
| FC / SS / DIL / Chapter 7 and 13 | 36 Months |
| Loan Modification | 24 Months |
| Property Type | |
| SFR | No Restriction |
| Condo / Non-Warrantable Condo | 65% Max LTV |
| 2 - 4 Unit | 60% Max LTV |
| Property Status Restrictions | |
| Home Listed for Sale | Not Allowed |
| Escrow | Required |
| Rural | Allowed with 5% reduction to max LTV |
| State Restriction | |
| CBSA/Declining Markets | 5% reduction to max LTV |
| | Applies to the following states - CT,FL, IL, NJ, NY |
| | See State CBSA List for additional area restrictions. |
| FL Condos | <p>A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast.</p> <ul style="list-style-type: none"> • Projects with an acceptable inspection, max LTV is reduced 5%. • Projects with an unacceptable or no inspection are not eligible. |