



INVESTOR DEBT SERVICE COVERAGE RATIO (DSCR)

LoanWyse offers loans to Borrower(s) utilizing solely the rental income on subject property to determine cash flow. Loans in this program are classified as business purpose loans and exempt from the ATR rule as defined in section 1026.43.

HIGHLIGHTS

- Loan amounts up to \$3.0MM
- Qualify on Interest only
- No DTI or Employment verified
- 5/6 & 7/6 ARM and 30 FRM
- 1x30x12 housing history allowed
- Credit score down to 700

Eligible Occupancy	Investment Property Only
Property Types	<ul style="list-style-type: none"> • Single Family Residence (SFR) • Planned Unit Development (PUD) • Warrantable Condo (Max LTV 80%) • Non-Warrantable Condo (Max LTV 75%) • Modular Home • Townhome • 2 - 4 Units (Max LTV 80%) • Condotel (Max LTVs: Purchase 75%/RT& CO 65%; see LTV grid for loan amount restrictions) • Rural allowed up to 20 acres
Eligible Borrowers	<ul style="list-style-type: none"> • U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien • ITIN Borrowers and Borrowers with diplomatic immunity not allowed
Eligible Transactions	<p>PURCHASE, (non-arms length transactions is not allowed)</p> <p>RATE AND TERM REFINANCE</p> <ul style="list-style-type: none"> • Payoff of first and second, where the second is seasoned for 12-months and no draws greater than \$2,000 in the past 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. • Buyout accompanied by an executed buyout agreement • Cashback in an amount not to exceed the lesser of 2% of the new loan amount or \$5,000 • Properties listed for sale must be removed from listing for at least one month prior to application and LTV will be based on the lesser of the list price or appraised value when listed within the last six months by the current owner. <p>CASH-OUT REFINANCE</p> <ul style="list-style-type: none"> • Refinances which do not fit into the rate and term guidelines are deemed to be cash out • 6-months seasoning required measured from property acquisition date to the proposed closing date • Properties listed for sale must be removed from listing for at least three months prior to application date, LTV will be based on the lesser of the list price or appraised value, and require a 5% reduction in LTV. • Loan proceeds used for personal, family or household purposes are not allowed

Tradelines	<p>If a borrower has three (3) credit scores, the minimum tradeline requirement is waived. Standard tradeline requirements apply to each borrower. 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 700, subject to loan amount and LTV restrictions • Use lowest middle score of all Borrower(s) for pricing and underwriting purposes 								
Housing Payment History	<p>Housing payment history no greater than 1x30x12 for all mortgages/rental verifications on current primary residence and subject property. See LTV grid for LTV restrictions. Any derogatory mortgage history reporting on the credit report and/or provided within the loan file will be factored into the overall housing history rating and must be brought current. For any non-subject property, non-primary mortgages not reporting to the credit bureau, additional housing history is not required.</p>								
Credit Event	<p>Borrower(s) 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="540 625 1222 804"> <thead> <tr> <th colspan="2">Housing Event Seasoning Restriction</th> </tr> </thead> <tbody> <tr> <td>BK/FC/SS/DIL/Mod</td> <td>>= 36 Months</td> </tr> <tr> <td>Max LTV:</td> <td>75</td> </tr> <tr> <td>Max Loan Amount</td> <td>\$3,000,000</td> </tr> </tbody> </table> <p>Additional credit requirements:</p> <ul style="list-style-type: none"> • Judgment/Tax Liens - must be paid off prior to closing • Collections/Charge-Offs - do not have to be paid in full if the following applies: <ul style="list-style-type: none"> ○ Collections and charge-offs < 24 months old with a maximum cumulative balance of \$2,000 ○ Collections and charge-offs ≥ 24 months old with a maximum of \$2,500 per occurrence ○ Collections and charge-offs that have passed beyond the statute of limitation for that state (supporting documentation required) ○ All medical collections ○ Exception: IRS repayment plans with 3 months history of payments may remain unpaid. • Past Due Accounts must be brought current prior to closing 	Housing Event Seasoning Restriction		BK/FC/SS/DIL/Mod	>= 36 Months	Max LTV:	75	Max Loan Amount	\$3,000,000
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BK/FC/SS/DIL/Mod	>= 36 Months								
Max LTV:	75								
Max Loan Amount	\$3,000,000								
Income and Assets									
DSCR	<p>No DTI is calculated for this product. Qualification is based solely on the Debt Service Coverage Ratio (DSCR) of the subject property only. Minimum DSCR is 0.800.</p>								
Experience Investor	<p>At least one Borrower must be able to document a 12-month history of ownership and management of at least one investment property (commercial or residential) in the last 36-month period.</p>								
First-Time Investor	<ul style="list-style-type: none"> • DSCR >1.00, max 75% LTV • 0x30x12 housing history, minimum credit score 700 • Housing/Credit Event > 36 months • First-time homebuyers are not eligible • Cash-out not eligible 								
Gift Funds/ Interested Party Contributions	<ul style="list-style-type: none"> • Gift funds are allowed for funds to close. Purchase transactions only. A minimum of 10% contribution from Borrower's own funds is required. • Gifts of equity are not allowed. • Gifts must be documented in compliance with FNMA/FHLMC requirements and be from immediate family members. • Gift funds cannot be counted towards reserves. • Seller concessions: Max 3% towards closing 								

<p>Reserves</p>	<ul style="list-style-type: none"> • Loan amounts up to \$1.0MM: 3 months PITIA • Loan amounts above \$1.0MM and up to \$1.5MM: 6 months PITIA • Loan amounts above \$1.5 MM: 9 months PITIA • Cash out may be used to satisfy requirement • For Rate & Term Refinance <= 65% LTV, no minimum reserves required. • First-Time Investor: 12 months PITIA • Foreign National: 12 months PITIA plus 2 months for each additional financed property
<p>Assets</p>	<ul style="list-style-type: none"> • Use 100% of cash and cash equivalents • Use 60% of retirement assets • 1031 exchanges eligible, not allowed to be used as reserves • Spousal accounts - accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and may not be used to meet reserve requirements. • Business funds may be used provided the Borrower(s) owns a minimum of 50% ownership of the business and must be an owner on the account. The amount of funds that may be utilized is based on the Borrower's percentage of ownership. <ul style="list-style-type: none"> ○ All non-borrowing owners of the business must provide a signed and dated letter acknowledging the transaction and confirming the borrower's access to funds in the account. • Cash out proceeds MAY be used for the reserve requirement • Assets must be seasoned for 30 days
<p>Calculation Method</p>	<p>The DSCR is defined as the gross rents divided by the qualifying PITIA on the subject property.</p> <p>DETERMINATION OF RENTS</p> <p>PURCHASE: The qualifying rent will be the higher of the 1007 or the current lease (lease agreement in place to be transferred to borrower at closing) provided the difference is not greater than 20%. When the 1007 is greater than 20%, may use up to 120% of the Lease amount to qualify (i.e., lease is \$1100 and 1007 is \$1500 then \$1320 may be used to qualify). When the Lease is greater than 20%, the higher Lease amount may be used with 3 months current proof of receipt of the higher rental income. If vacant, 100% of market rents may be utilized.</p> <p><u>Short-Term Rental Income:</u> If subject property leased on a short-term basis utilizing an on-line service such as Airbnb or VRBO, gross monthly rents can be determined by using a 12-month look back period; and either 12-monthly statements, or an annual statement provided by the on-line service to document receipt of rental income. In addition, a screen shot of the online listing must show the property is activity marketed as a short-term rental. In order to utilize short term rental income, it must be allowed in the subject property's city/county jurisdiction, and if a short-term rental license/permit is required, then license must be provided. If the existing license/permit is in the name of the current owner's/seller's name, must verify license/permit is transferrable. If short term rental income is used a 5% LTV reduction to max LTV will apply.</p> <p>REFINANCE: The qualifying rent will be the higher of the 1007 or the current lease provided the difference is not greater than 20%. When the 1007 is greater than 20%, may use up to 120% of the Lease amount to qualify (i.e., lease is \$1100 and 1007 is \$1500 then \$1320 may be used to qualify). When the Lease is greater than 20%, the higher Lease amount may be used with 3 months current proof of receipt of the higher rental income. If vacant, 100% market rents may be utilized and a 5% LTV reduction to max LTV will apply.</p> <p><u>Short-Term Rental Income:</u> If subject property leased on a short-term basis utilizing an on-line service such as Airbnb or VRBO, gross monthly rents can be determined by using a 12-month look back period; and either 12-monthly statements, or an annual statement provided by the on-line service to document receipt of rental income. In addition, a screen shot of the online listing must show the property is activity marketed as a short-term rental. In order to utilize short term rental income, it must be allowed in the subject property's city/county</p>

Calculation Method (Cont)	<p>jurisdiction, and if a short-term rental license/permit is required, then license must be provided. If short term rental income is used a 5% LTV reduction to max LTV will apply.</p> <p>I/O PAYMENT QUALIFICATION On a loan with interest only feature, the interest only payment (ITIA) on a loan may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR.</p>
Other Highlights	
Appraisal / Valuation	<ul style="list-style-type: none"> • Loan amounts up to \$2MM, one (1) appraisal required • Loan amount over \$2MM, two (2) appraisals required <p>In instances where one appraisal is required, said appraisal must have a CU score less than or equal to 2.5. If the CU score exceeds 2.5 or is unavailable, a CDA with a variance less than 10% is required. Loan amounts >\$1.5MM and up to \$2MM may not utilize a CU score in lieu of a CDA. Additional appraisal due diligence may be required at the discretion of LoanWyse.</p> <p>The following transaction also require a 2nd full appraisal.</p> <ul style="list-style-type: none"> • CDA variance is > 10% • Flip Properties <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. If more than 6 months, use current appraised value.</p> <p>Declining markets – declining markets are subject to a 5% reduction to max LTV. See LTV grid.</p>
Title Vesting	<ul style="list-style-type: none"> • Individual names as joint tenants, community property, or tenants in common • Limited Liability Corporations • Partnerships/Corporations
ARM Terms	<ul style="list-style-type: none"> • Margin = 6.000% • Index = 30 Day Average of SOFR • Caps 5yr ARM = 2/1/5 • Caps 7yr ARM = 5/1/5 • Floor rate = Margin • Adjustment Period = 6-months
Interest Only	<ul style="list-style-type: none"> • Interest Only (I/O) features are allowed on ARMs and FRMs. The IO period is 10 years. Minimum credit score 700; Max 80% LTV; DSCR > 1.0; max loan amount \$3.00M.
Qualifying Payment	<p>To determine the P&I component of the Qualifying Payment, utilize the below (except as otherwise specified):</p> <ul style="list-style-type: none"> • Fixed Rate: Utilize the start rate over the full term of the loan • Amortizing ARM: Utilize the greater of the start rate or fully indexed rate over the full term of the loan • FRM/ARM with IO Feature: Utilize the note rate and the interest only payment (ITIA) to determine qualifying payment
Prepayment Penalty	<p>Prepayment penalties may be placed on investment properties for a period of at least 3 years in an amount equal to five (5%) percent of the original principal balance, to the extent permitted by state and federal law. Price implications apply for prepayment penalty terms less than three. Minimum 1 year prepayment penalty required unless state prohibited.</p>
Loan Amount	<ul style="list-style-type: none"> • Minimum: \$100,000 • Maximum: \$3,000,000



loanwyse
NMLS #1724453

INVESTORWYSE+
HIGHER FICO DSCR - NO RATIO

Effective Date: 03/05/2024

>= 1.00 DSCR					
Credit Score	Loan Amount	Purchase	R/T	Cash Out	Reserves
760+	<= 1,000,000	80%	80%	75%	3
	1,000,001 - 1,500,000	80%	80%	75%	6
	1,500,001 - 2,000,000	75%	75%	65%	9
	2,000,001 - 3,000,000	70%	70%	65%	9
740-759	<= 1,000,000	80%	80%	75%	3
	1,000,001 - 1,500,000	80%	80%	75%	6
	1,500,001 - 2,000,000	75%	75%	65%	9
	2,000,001 - 3,000,000	70%	70%	65%	9
720-739	<= 1,000,000	80%	80%	75%	3
	1,000,001 - 1,500,000	80%	80%	75%	6
	1,500,001 - 2,000,000	75%	75%	65%	9
	2,000,001 - 3,000,000	70%	70%	65%	9
700-719	<= 1,000,000	80%	80%	75%	3
	1,000,001 - 1,500,000	80%	80%	75%	6
	1,500,001 - 2,000,000	75%	75%	65%	9
	2,000,001 - 3,000,000	70%	70%	65%	9
DSCR 0.800 - 0.999					
Credit Score	Loan Amount	Purchase	R/T	Cash Out	Reserves
760+	<= 1,000,000	75%	75%	70%	3
	1,000,001 - 1,500,000	75%	75%	70%	6
740-759	<= 1,000,000	75%	75%	70%	3
	1,000,001 - 1,500,000	75%	75%	70%	6
720-739	<= 1,000,000	75%	75%	70%	3
	1,000,001 - 1,500,000	75%	75%	70%	6

* Subject to LTV restriction ** Underwriting: Most restrictive of matrix or guideline applies

LOAN PARAMETERS	
Loan Limits	
Min. Loan Amount	\$100,000; max 75% LTV < \$150,000
Max. Loan Amount	\$3,000,000
Max. Cash Out*	> 65% LTV \$1M; <= 65% unlimited
Min. DSCR	0.800
Product Type	
ARMs (SOFR 30 A)	5/6 & 7/6 ARM
Fixed Rate	30-YEAR
Interest Only	Max 80% LTV / 30 or 40-YEAR AVAILABLE
	Max 3.00M Loan Amount
	700 Min Credit Score DSCR > 1.0
Investor Experience	
Experience Investor	
Min FICO	700
Max LTV	80
Property Owner	Rental Prop Min. 12 months in last 36
First-Time Investor	
Min DSCR	>= 1.0
Max LTV	75%
Housing History	0x30x12
Reserves	12 months
Other Restriction	FTHB not eligible
Housing/Credit Event Seasoning Restriction	
BK/FC/SS/DIL/Mod	>= 36 Months
Max LTV	75%
Housing History	1x30x12
Max Loan Amount	\$3,000,000
Property Type	
SFR/PUD	No Restriction
Condo (Warrantable) / 2-4 Units	Max 80% LTV
Condo (Non-Warrantable)	Max 75% LTV
Condo Hotel/Condotel	DSCR > 1.0
	Purchase 75% Max LTV
	R/T & C/O Refi 65% Max LTV
	Loan Amt - Min \$100K; Max \$1.00M
Rural	Allowed up to 20 acres
Property Status Restrictions	
Home Listed for Sale	Not Allowed
Short-Term Rental	5% reduction to max LTV applies
Rural	Allowed up to 20 acres
Impounds	
Escrow Waiver	Allowed with 720+ credit score and 12 months reserves; LLPA Applies
State Restrictions	
No Prepayment States	AK, IL, KS, MI, MN, MS, NJ, NM, OH, PA, RI (allowed; see rate sheet for pricing adjustments)
Declining Markets (applied to LTVs > 65%)	5% reduction to max LTV applies
FL Condos	A structural inspection is required if the project is greater than 5 stories; and over 30 years old or 25 years old if within 3 miles of the coast. • Projects with an acceptable inspection, max LTV is reduced 5%. • Projects with an unacceptable or no inspection are not eligible.