



**loanwise**  
NMLS #1724453

**CREDITWISE+**  
LESS THAN PERFECT FULL DOC

**CREDITWISE PLUS**

LoanWise offers full documentation loans to Borrowers with less than perfect credit under expanded underwriting guidelines. Loans in this program consider all factors as required in the Ability to Repay Rule as defined in section 1026.43. This program is designed for Borrowers who are sound credit risks based on a common-sense approach to underwriting.

**HIGHLIGHTS**

- Loan amounts up to \$3.0MM
- Interest only available with 30 or 40-year term
- DTI up to 50% allowed
- Credit scores down to 600
- All occupancy types allowed
- 5/6 and 7/6 ARM, 15 and 30 FRM
- Recent Credit Events Allowed
- Multiple financed properties allowed

**Eligible Occupancy**

- Owner Occupied
- Second Home
- Investment Property

**Property Types**

- Single Family Residence (SFR)
- Planned Unit Development (PUD)
- 2 - 4 Units (Max LTV 85%)
- Warrantable Condo (Max LTV 85%)
- Non-Warrantable Condo (Max LTV 80%)
- Condo Hotel/Condotel (Max 75% LTV Purchase; 65% LTV R/T and Cash-out Refi; \$1.5M max loan amount)
- Townhome
- Modular
- Rural (On a Credit Exception Basis - Max 15 Acres)

**Eligible Transactions**

- PURCHASE**, including non-arm's length transactions see Underwriting Guidelines
- RATE AND TERM REFINANCE**
- 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
- CASH-OUT REFINANCE**
- 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
  - Value to be utilized must be supported

<p><b>Tradelines</b></p>	<p>If the primary wage-earner has three (3) credit scores, the minimum tradeline requirement is waived. For loans when the primary wage-earner has less than three credit scores, each borrower must meet the minimum tradeline requirements, 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"> <li>• 2 open tradelines reporting for 24-months with activity in the last 12 months; or</li> <li>• 3 open tradelines reporting 12-months with activity in the last 12 months</li> </ul>																											
<p><b>Credit Score</b></p>	<ul style="list-style-type: none"> <li>• Credit scores allowed down to 600, subject to loan amount and LTV restrictions</li> <li>• Use middle score of Primary Income-Earner for pricing and underwriting purposes</li> </ul>																											
<p><b>Housing Payment History</b></p>	<p>Housing payment history no greater than 0x90x12 for all mortgages/rental verifications. See below for LTV and loan amount restrictions.</p> <table border="1" data-bbox="532 548 1382 940"> <thead> <tr> <th colspan="3">Housing History Restrictions</th> </tr> </thead> <tbody> <tr> <td>Housing History</td> <td>1x30x12*</td> <td>0x60x12*</td> </tr> <tr> <td>Max LTV Pur/RT</td> <td>80/80</td> <td>80/75</td> </tr> <tr> <td>Max Cash-Out LTV</td> <td>80</td> <td>75</td> </tr> <tr> <td>Max Loan Amount</td> <td>\$3,000,000</td> <td>\$1,500,000</td> </tr> <tr> <td>Housing History</td> <td>0x90x12</td> <td></td> </tr> <tr> <td>Max LTV Pur LTV:</td> <td>70</td> <td></td> </tr> <tr> <td>Max Refinance LTV</td> <td>NA</td> <td></td> </tr> <tr> <td>Max Loan Amount</td> <td>\$1,000,000</td> <td></td> </tr> </tbody> </table> <p>* Any mortgage late that occurred greater than 7 months ago but within the last 12 months of closing date will require an exception.</p>	Housing History Restrictions			Housing History	1x30x12*	0x60x12*	Max LTV Pur/RT	80/80	80/75	Max Cash-Out LTV	80	75	Max Loan Amount	\$3,000,000	\$1,500,000	Housing History	0x90x12		Max LTV Pur LTV:	70		Max Refinance LTV	NA		Max Loan Amount	\$1,000,000	
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<p><b>Credit Event</b></p>	<p>Borrowers 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="532 1161 1382 1551"> <thead> <tr> <th colspan="3">Housing Event Seasoning Restriction</th> </tr> </thead> <tbody> <tr> <td>BK/FC/SS/DIL/Mod</td> <td>&gt;= 36 Months</td> <td>&gt;= 24 Months</td> </tr> <tr> <td>Max LTV Pur/RT:</td> <td>80/80</td> <td>80/75</td> </tr> <tr> <td>Max Cash-Out LTV</td> <td>80</td> <td>75</td> </tr> <tr> <td>Max Loan Amount</td> <td>\$3,000,000</td> <td>\$1,500,000</td> </tr> <tr> <td>BK/FC/SS/DIL/Mod</td> <td>&gt;= 12 Months</td> <td></td> </tr> <tr> <td>Max LTV:</td> <td>70</td> <td></td> </tr> <tr> <td>Max Cash-Out LTV</td> <td>NA</td> <td></td> </tr> <tr> <td>Max Loan Amount</td> <td>\$1,000,000</td> <td></td> </tr> </tbody> </table> <p>Chapter 13 BK seasoning is calculated based upon the court's final ruling:</p> <ul style="list-style-type: none"> <li>• Dismissed status will use the dismissal date.</li> <li>• Discharge status may use the filing date.</li> </ul> <p>Additional credit requirements:</p> <ul style="list-style-type: none"> <li>• Judgment/Tax Lien (must meet one of the following): <ul style="list-style-type: none"> <li>○ Paid off prior to or at closing, or</li> <li>○ 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.</li> </ul> </li> </ul>	Housing Event Seasoning Restriction			BK/FC/SS/DIL/Mod	>= 36 Months	>= 24 Months	Max LTV Pur/RT:	80/80	80/75	Max Cash-Out LTV	80	75	Max Loan Amount	\$3,000,000	\$1,500,000	BK/FC/SS/DIL/Mod	>= 12 Months		Max LTV:	70		Max Cash-Out LTV	NA		Max Loan Amount	\$1,000,000	
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<p><b>Credit Event (cont.)</b></p>	<ul style="list-style-type: none"> <li>• Collections/Charge-Offs: May be excluded if in aggregate less than \$2,000 if less than 24-months old or maximum \$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.</li> </ul>
<p style="text-align: center;"><b>INCOME AND ASSETS</b></p>	
<p><b>DTI</b></p>	<p>Maximum DTI: 50%</p>
<p><b>Gift Funds</b></p>	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close and on purchase transactions only. A minimum of 5% contribution from Borrower's own funds is required for primary residence and 10% for second home and investment properties.</li> <li>• Gifts of equity are allowed on primary residence only. Borrowers must contribute 5% of their own funds to the transaction.</li> <li>• Gifts must be documented in compliance with FNMA/FHLMC requirements and be from immediate family members.</li> </ul>
<p><b>Reserves</b></p>	<ul style="list-style-type: none"> <li>• 6-months PITIA</li> <li>• Cash out may be used to satisfy requirement</li> <li>• Additional reserves required for multiple financed properties. Two (2) months subject PITIA for each additional property up to 12 months maximum.</li> </ul>
<p><b>Income Documentation</b></p>	<p><b>WAGE-EARNER DOCUMENTATION REQUIREMENTS</b></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><b>Qualification:</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• LoanWyse reserves right to request tax returns in its sole discretion.</li> </ul> <p><b>SELF-EMPLOYED DOCUMENTATION REQUIREMENTS</b></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 or 2-years personal and/or business federal tax returns as applicable. 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><b>Qualification:</b></p> <p>Take 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> <p><b>RENTAL INCOME</b></p> <p>Rental income can be used for qualifying. Gross market rent for subject property must be documented with FNMA Form 1007 or Form 1025, as applicable, when rental income from the subject property is being used to qualify.</p>

<p><b>Other Income Sources</b></p>	<p><b>OPTION 1   TAX RETURNS</b></p> <p>Utilize the net figure on schedule E page 1 of most recent year’s tax return adding back depreciation, amortization, property taxes, insurance, HOA dues (if included on Schedule E) and mortgage interest, divided by 12 to calculate a monthly amount. Subtract the total mortgage payment (PITIA) to determine the net rental income/loss. Positive rental income will be added to qualifying income. Negative rental income (loss) must be added to the borrower’s total monthly obligations.</p> <p><b>OPTION 2   LEASE</b></p> <p>Use 75% of current lease less documented PITI plus HOA dues. If lease(s) is materially greater than income listed on tax returns, Borrower to provide explanation and supporting documentation. Document the unit(s) in question is rented with most recent 2 month’s proof of receipt of rent.</p> <p><b>OTHER INCOME SOURCES</b></p> <p>Document most recent 1-2 years receipt on tax returns and supporting tax documentation, current receipt, and expectation of a least 3 years continuance. See Underwriting Guidelines for additional information.</p>
<p><b>Assets</b></p>	<ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 70% of retirement assets</li> <li>• 1031 exchanges eligible for investment properties</li> <li>• 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"> <li>○ A signed letter from a 3<sup>rd</sup> 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</li> <li>○ 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.</li> </ul> </li> <li>• Cash out proceeds MAY be used for the reserve requirement</li> </ul>
<p><b>LIABILITIES</b></p>	
<p><b>Installment Debt</b></p>	<p>Installment loans must be included in the DTI. Installment debt with less than 10-months’ worth of payments remaining may be excluded from DTI. Borrowers 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.</p>
<p><b>OTHER HIGHLIGHTS</b></p>	
<p><b>Non-Occupant Borrowers</b></p>	<ul style="list-style-type: none"> <li>• 5% LTV reduction to max LTV allowed</li> <li>• Non-occupant income limited to Standard Documentation only</li> <li>• Occupying borrower(s) must have a DTI ratio of 60% or less. This excludes the income/debts of the non-occupant borrower(s).</li> <li>• Cash-out transactions are not allowed.</li> </ul>
<p><b>First-Time Homebuyer</b></p>	<ul style="list-style-type: none"> <li>• Primary residence only</li> <li>• Minimum 680 credit score</li> <li>• Maximum DTI allowed is 45% unless the residual is above \$3,000.00 then the maximum DTI is 50%</li> <li>• Minimum six (6) months of reserves</li> <li>• 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%.</li> </ul>

<b>Title Vesting</b>	<ul style="list-style-type: none"> <li>• Individual names as joint tenants, community property, or tenants in common</li> <li>• Limited Liability Corporations (LLC) - <i>Investment Property Only</i></li> <li>• Partnerships/Corporations – <i>Investment Property Only</i></li> </ul>
<b>Appraisal/Valuation</b>	<ul style="list-style-type: none"> <li>• Loan amounts up to \$2MM, one (1) appraisal required</li> <li>• Loan amount over \$2MM, two (2) appraisals required</li> </ul> <p>In instances where one appraisal is required, said 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. Loan amounts &gt;\$1.5MM and up to \$2MM may not utilize a CU or LCA score in lieu of a CDA. Additional appraisal due diligence may be required at the discretion of LoanWyse.</p> <p><b>PURCHASE:</b> lesser of purchase price or appraised value</p> <p><b>REFINANCE</b> (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 for 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>CBSA/Declining markets – properties located in certain geographic area (see State CBSA List) or declining market are subject to a 5% LTV reduction to max LTV.</p>
<b>ARM Terms</b>	<ul style="list-style-type: none"> <li>• Margin = 5.000%</li> <li>• Index = 30 Day Average of SOFR</li> <li>• Caps 5yr ARM = 2/1/5</li> <li>• Caps 7yr ARM = 5/1/5</li> <li>• Floor rate = Note Rate</li> <li>• Adjustment Period = 6-months</li> </ul>
<b>Interest Only</b>	<ul style="list-style-type: none"> <li>• Interest Only (I/O) features are allowed on ARMs and FRMs. The IO period is 10 years. Minimum 660 credit score and max 80% LTV. Standard guidelines apply.</li> </ul>
<b>Qualifying Payment</b>	<p>To determine the P&amp;I component of the Qualifying Payment, utilize the below (except as otherwise specified):</p> <ul style="list-style-type: none"> <li>• Fixed Rate: Utilize the start rate over the full term of the loan</li> <li>• Amortizing ARM: Utilize the greater of the start rate or the fully indexed rate over the full term of the loan.</li> <li>• FRM/ARM with IO Feature: Qualify using the fully amortized payment calculated over the fully amortizing period, based on the greater of the start rate or the fully indexed rate to determine qualifying PITIA. The 40-year term has a 10-year initial interest-only period followed by a 30-year fully amortizing period.</li> </ul>
<b>Prepayment Penalties</b>	<p>Prepayment penalties may be placed on investment properties for a period of at least one year up to a maximum of 5 years in an amount equal to 6 months interest of 80% of the unpaid principal balance, to the extent permitted by state and federal law. See Underwriting Guidelines for requirements.</p>
<b>Loan Amount</b>	<ul style="list-style-type: none"> <li>• Minimum Loan Amount: \$150,000</li> <li>• Maximum Loan Amount: \$3,000,000</li> </ul>



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Effective Date: 06/17/2024

**PRIMARY RESIDENCE - 1 Year / 2 Year Standard Documentation**

Credit Score	Loan Amount	Purchase	R/T	Cash Out	Reserves*
700+	<= 1,000,000	85%	80%	80%	6
	1,000,001 - 1,500,000	85%	80%	80%	6
	1,500,001 - 2,000,000	80%	75%	75%	6
	2,000,001 - 3,000,000	70%	65%	65%	6
680 - 699	<= 1,000,000	85%	80%	80%	6
	1,000,001 - 1,500,000	80%	75%	75%	6
	1,500,001 - 2,000,000	80%	75%	70%	6
	2,000,001 - 3,000,000	70%	65%	65%	6
660 - 679	<= 1,000,000	80%	80%	75%	6
	1,000,001 - 1,500,000	80%	75%	75%	6
	1,500,001 - 2,000,000	70%	70%	65%	6
620 - 659	<= 1,000,000	80%	75%	70%	6
	1,000,001 - 1,500,000	70%	65%	65%	6
600 - 619	<= 1,000,000	80%	75%	70%	6
	1,000,001 - 2,000,000	65%	65%	NA	6
600 - 619	<= 1,000,000	70%	70%	65%	3

**SECOND HOME & INVESTMENT PROPERTIES - 1 Year / 2 Year Standard Documentation**

Credit Score	Loan Amount	Purchase	R/T	Cash Out	Reserves*
700+	<= 1,000,000	80%	75%	75%	6
	1,000,001 - 1,500,000	80%	75%	75%	6
	1,500,001 - 2,000,000	80%	75%	75%	6
	2,000,001 - 2,500,000	70%	65%	65%	6
680 - 699	<= 1,000,000	80%	75%	75%	6
	1,000,001 - 1,500,000	80%	75%	75%	6
	1,500,001 - 2,000,000	80%	70%	70%	6
	2,000,001 - 2,500,000	70%	65%	65%	6
660 - 679	<= 750,000	80%	75%	75%	6
	750,001 - 1,000,000	80%	75%	75%	6
	1,000,001 - 1,500,000	80%	75%	75%	6
	1,500,001 - 2,000,000	70%	65%	65%	6
620 - 659	<= 750,000	80%	70%	70%	6
	750,001 - 1,000,000	75%	70%	70%	6
	1,000,001 - 1,500,000	70%	65%	65%	6
	1,500,001 - 2,000,000	65%	65%	NA	6

\* Refer to Underwriting guidelines for additional Reserve requirements

**LOAN PARAMETERS**

Loan Limits		
Min. Loan Amount	\$150,000	
Max. Loan Amount	\$3,000,000	
Max. Cash Out	No Limits Cash in Hand	
Housing History Restrictions		
Housing History	1x30x12	0x60x12
Max Purchase LTV	80	80
Max Refinance LTV	80	75
Max Loan Amount	\$3,000,000	\$1,500,000
Housing History	0x90x12	
Max Purchase LTV	70	
Max Refinance LTV	NA	
Max Loan Amount	\$1,000,000	
Housing Event Seasoning Restriction		
BK/FC/SS/DIL/Mod	>= 36 Months	>= 24 Months
Max Purchase LTV	80	80
Max Refinance LTV	80	75
Max Loan Amount	\$3,000,000	\$1,500,000
BK/FC/SS/DIL/Mod	>= 12 Months	
Max Purchase LTV	70	
Max Refinance LTV	NA	
Max Loan Amount	\$1,000,000	
Property Type Restrictions		
Condominium	Purchase: 85% Max LTV	
	Refinance: 80% Max LTV	
Non-Warrantable Condo	Purchase: 80% Max LTV	
	Refinance: 75% Max LTV	
Condo Hotel/Condotel	Purchase: 75% Max LTV	
	Refinance: 65% Max LTV	
2 - 4 Unit	Max Loan Amt \$1.5M	
	Purchase: 85 % Max LTV	
Acres	Refinance: 80% Max LTV	
	Max 15 Acres	
Rural	Investment: Max 2 Acres	
	80% Max LTV	
Occupancy Restrictions - 2nd Home & Investment		
Max Purchase LTV	80%	
Max Refinance LTV	75%	
Max Loan Amount	\$2,500,000	
Mortgage History	0x30x12	
Housing/Credit Event History	> 36 Months	
1 Year Standard Documentation		
Max Purchase LTV	85%	
Max Refinance LTV	80%	
Max Loan Amount	\$3,000,000	
Standard Debt-to-Income		
Max DTI	50%	
State Restriction		
CBSA/Declining Markets	5% reduction to max LTV	
	Max Loan Amt \$2.0M	
	Applies to the following states - CT,FL,IL,NJ,NY	
	See State CBSA List for additional area restrictions.	
Acres	A structural inspection is required if the project is over 30 years old or 25 years old if within 3 miles of the coast.	
	<ul style="list-style-type: none"> <li>Projects with an acceptable inspection, max LTV is reduced 5%.</li> <li>Projects with an unacceptable or no inspection are not eligible.</li> </ul>	