

## theLender Wholesale

25531 Commercentre Dr. Ste 250 Lake Forest, CA, 92630 833-381-8733 | www.thelender.com

## Effective Date: May 2, 2023 theLender Non-QM Business Purpose Rate Sheet

### LOCK DESK

**CONTACT:** 

E-mail: lockdesk@thelender.com

**Direct:** 833-381-8733

Lock Desk Closes at 3:00 PM PST

### APPRAISAL ORDER PROCEDURES

AMC selection can be made at: <a href="https://www.thelender.com/appraisals/">https://www.thelender.com/appraisals/</a>

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### NON QM Fees

Underwriting Fee: \$1,995
\*Doc Prep Fee: \$599 (Business Purpose Only)

*EXTENSION FEES						
NON QM						
5 day 7 day 10 day 15 day	-0.125 -0.250 -0.375 -0.500					
*2 total lock extensions allowed						

## Eligible States

AK\*, AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS\*, KY, LA, MA, MD, ME, MI\*, MN\*, MO, MS, MT, NC, ND, NE, NH, NJ, NM\*, NV, NY, OH\*, OK, OR, PA, RI\*, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV, WY

\*See Matrix for restrictions and additional details regarding Prepayment Penalty



### LOSS PAYEE

Hometown Equity Mortgage, LLC dba theLender its successors and/or assigns 25531 Commercentre Dr #250, Lake Forest, CA 92630

For use by mortgage professionals only. Mortgage Financing Provided by Hometown Equity Mortgage, LLC dba theLender NMLS #133519 . Rates, terms and programs subject to change without notice.

## **\$Lender**

	15 Day Price (base 5 year PPP)				
Note Rate	7/6 ARM	10/ 6 ARM	30 Yr Fx		
6.750	96.050	95.950	95.950		
6.875	96.800	96.700	96.700		
7.000	97.550	97.450	97.450		
7.125	98.175	98.075	98.075		
7.250	98.800	98.700	98.700		
7.375	99.425	99.325	99.325		
7.500	99.800	99.700	99.700		
7.625	100.175	100.075	100.075		
7.750	100.550	100.450	100.450		
7.875	100.925	100.825	100.825		
8.000	101.300	101.200	101.200		
8.125	101.675	101.575	101.575		
8.250	102.050	101.950	101.950		
8.375	102.425	102.325	102.325		
8.500	102.800	102.700	102.700		
8.625	103.175	103.075	103.075		
8.750	103.550	103.450	103.450		
8.875	103.925	103.825	103.825		
9.000	104.300	104.200	104.200		
9.125	104.675	104.575	104.575		
9.250	105.050	104.950	104.950		
9.375	105.300	105.200	105.200		
9.500	105.550	105.450	105.450		
9.625	105.800	105.700	105.700		
9.750	106.050	105.950	105.950		
9.875	106.300	106.200	106.200		
10.000	106.550	106.450	106.450		
10.125	106.800	106.700	106.700		
10.250	107.050	106.950	106.950		

Prepay Term	Max Price
60 Months	101.000
48 Months	101.000
36 Months	101.000
24 Months	100.750
12 Months	100.000
No Penalty	99.750

PrePay Notes

1. AK, KS, MI, MN, MS, NM, OH, & RI must buyout PPP

2. II. & NJ - Prepayment penalty not allowed if vesting as an individual; "IL - Loan with a rate
≥ 8% must close in the name of an entity

3. PA - Loan amounts < \$301,022 cannot have a prepayment penalty

ARM Requirements	
ARM Index	SOFR 30AVG
ARM Margin	4.5
7yr/10yr ARM Caps	2/1/5
Reset Frequency	6 mo

Lock Period Adjustme	ents
30 days	-0.250
45 days	-0.375

#### FICO/LTV LLPAs (Price Adjustments)

FICO/LIV ELFAS (FIICE	rajustineirisj							
	_	<=50.00	50.01-55.00	55.01-60.00	60.01-65.00	65.01-70.00	70.01-75.00	75.01-80.00
	760+	2.500	2.250	2.000	1.250	0.500	-0.250	-2.500
	740-759	2.375	2.125	1.875	1.125	0.250	-0.500	-2.750
	720-739	2.125	1.875	1.625	0.875	0.000	-0.750	-3.500
DSCR	700-719	1.500	1.250	1.000	0.250	-0.750	-1.375	-4.250
	680-699	0.875	0.500	0.500	-0.250	-1.500	-3.000	NA
	660-679	0.625	0.250	0.000	-0.750	-2.000	-4.750	NA
	640-659	-1.875	-2.375	-2.875	-3.625	-4.000	NA	NA
	620-639	-2.875	-3.375	-3.625	-4.375	-4.750	NA	NA
	Foreign National 680+	0.500	0.000	-0.125	-0.625	-1.500	-3.000	NA
DSCR	>=1.25	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Additional	1.00-1.24	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Adjustments	.7599	-1.375	-1.375	-1.375	-1.875	-2.375	-2.625	NA
	<.75	-2.375	-2.375	-2.375	-3.125	-3.375	-4.125	NA

OTHER LLPAs (	(Price Adjustments)

THER LLPAs (Price A		<=50.00	50.01-55.00	55.01-60.00	60.01-65.00	65.01-70.00	70.01-75.00	75.01-80.00
Housing History	0x60x12	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250	NA
Housing Event	>36 Mo	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Seasoning	24 - 35 Mo	-0.250	-0.250	-0.250	-0.250	-0.375	-0.375	NA
	<=\$150,000	-0.750	-0.750	-0.875	-0.875	-0.875	-1.750	-2.000
	\$150,001 - \$250,000	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250
	250,001-500,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	500,001-1,000,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Loan Balance	1,000,001-1,500,000	0.000	0.000	0.000	0.000	0.000	0.000	NA
	1,500,001-2,000,000	-0.125	-0.125	-0.250	-0.250	-0.375	NA	NA
	2,000,001-2,500,000	-0.125	-0.125	-0.250	-0.375	-0.500	NA	NA
	2,500,001-3,000,000	-0.500	-0.500	-0.500	-0.625	-0.750	NA	NA
	3,000,001-3,500,000	-0.750	-0.750	-0.750	-0.875	-1.000	NA	NA
Purpose	CO Refi & FICO>=700	-0.375	-0.375	-0.375	-0.500	-0.750	-1.250	NA
rurpose	CO Refi & FICO<700	-0.500	-0.500	-0.500	-0.500	-1.500	NA	NA
	Condo	-0.125	-0.125	-0.125	-0.250	-0.500	-0.750	-1.500
Property Type	Condotel/Assisted Livivng	-1.375	-1.375	-1.375	-1.375	-1.375	-1.375	NA
Troperty Type	Non Warrantable Condo	-0.375	-0.375	-0.375	-0.500	-0.750	-1.000	NA
	2-4 Unit	-0.500	-0.500	-0.500	-0.500	-0.625	-0.750	-2.000
Amortization	40 Year	-0.250	-0.250	-0.250	-0.250	-0.250	-0.375	-0.500
Amortization	Interest Only	-0.500	-0.500	-0.500	-0.500	-0.625	-0.750	-1.000
5% Fixed	48 Months	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250
Prepayment	36 Months	-0.625	-0.625	-0.625	-0.625	-0.750	-0.750	-0.750
Penalty Term*	24 Months	-1.250	-1.250	-1.250	-1.250	-1.500	-1.500	-1.500
	12 Months	-2.000	-2.000	-2.250	-2.250	-2.625	-2.625	-2.625
	No Penalty	-2.875	-2.875	-3.125	-3.125	-3.500	-3.500	-3.500
Declining PrePay:	5%,4%,3%,2%,1%	-0.375	-0.375	-0.375	-0.375	-0.375	-0.250	-0.125
	5%,4%,3%,2%	-0.500	-0.500	-0.500	-0.500	-0.500	-0.500	-0.375
	5%,4%,3%	-0.875	-0.875	-0.875	-0.875	-1.000	-1.000	-1.000
	5%,4%	-1.375	-1.375	-1.375	-1.375	-1.625	-1.625	-1.625
Other	Escrow Waiver	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250
	ACH Waiver	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250	-0.250



## **NONI** Matrix

Effective Date: 04.01.23

	the				
FICO	Loan Amount	Purchase	R/T	Cash-Out	Reserves
	\$1,000,000	80%	75%	75%	0 Months- Purchase & R/T 3 Months > 70% LTV 6 Months- C/O
700+	\$1,500,000	75%	75%	70%	0   0 0.0/7
	\$2,000,000	70%	70%	65%	3 Months- Purchase & R/T 6 Months- C/O
	\$3,500,000	70%	70%	N/A	o Monins- C/ O
	\$1,000,000	75%	75%	70%	0 Months- Purchase & R/T 3 Months > 70% LTV 6 Months- C/O
660+	\$1,500,000	75%	75%	70%	
	\$2,000,000	70%	70%	65%	3 Months- Purchase & R/T 6 Months- C/O
	\$3,000,000	65%	65%	N/A	o Monins- C/ O
	\$1,000,000	70%	70%	65%	0 Months- Purchase & R/T 3 Months > 70% LTV 6 Months- C/O
	\$1,500,000	65%	65%	N/A	
620+	\$2,000,000	65%	65%	N/A	3 Months- Purchase & R/T 6 Months- C/O
	\$3,000,000	60%	60%	N/A	

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FICO	Loan Amount	Purchase	R/T	Cash-Out	Reserves
	\$1,000,000	75%	70%	70%	6-Months
700+	\$1,500,000	75%	70%	65%	O-MOIIIIS
	\$2,000,000	70%	70%	60%	
	\$3,000,000	65%	65%	N/A	12- Months
\$1,	\$1,000,000	70%	70%	65%	6-Months
660+	\$1,500,000	70%	70%	65%	0-//(0111113
	\$2,000,000	65%	65%	60%	
	\$3,000,000	60%	60%	N/A	12- Months
	State & County Restric	ctions			Reserves
States:  • AK, AZ, CT. ID, IL, MT, NY, NJ, OR, TN & UT  Counties:				Reserves for I/	ceeds can be used O based of ITIA Payment not be used for reserves
•	Austin-Round Rock TX, S Jose CA	an Francisco/San			
Restrictions	•				
•	Purchase 70' Refinance 65	% Max LTV			



## **NONI** Matrix

Effective Date: 04.01.23

		Credit		Program	Parameters	
		1x3	30x12 No Restriction	Minimum Loan Amount	\$100,000	
Mortgage Histo	ry	0x60x12 Max LTV	70% Purchase-R/T / 65% Cash-Out	Maximum Loan Amount	\$3,500,000	
EC DII CC DI	FC, DIL, SS, BK  ≥ 36 Months – No Restrict  24 to 35 Months Max LTV 75% Purchas		Nonths - No Restrictions	Maximum Cash-Out	LTV ≥ 65% Max \$500k LTV < 65% Unlimited	
FC, DIL, 55, BK			ıx LTV 75% Purchase-R/T / 70% Cash-	LTV Re	estrictions	
Out  Borrower Eligibility			Out	*STR	75% Max LTV 20% expense factor to be applied to Gross Rental Incom	
1st Time Investor		680 Mir	imum Fico	ACH Enrollment required	Purchase & R/T LTV > 75%; Cash-out LTV> 70%	
Interest Only		Qualif	y at ITIA	Non-Warrantable Condo	Purchase & R/T 75% Cash-out 70%	
Citizenship		US Citizen, Perm/	Non-Perm Res. Alien		Purchase 75% Refinances 65%	
Credit Score		valid score; Take the	Mid score when all 3 agency scores t of all borrowers Representative score	Condotel	Max Loan = \$1,500,000 Min Sq Ft = 500	
Tradeline Requirement	(2) open and active tradelines, with at least (1) seasoned for 24 months.  If all Borrowers have 3 Fico Scores, No Tradelines required.			Assisted Living / Nursing Home	By exception only	
	Quick R	eference Guidelines		Modular	65% Max LTV	
Qualifying Rate		Note Rate		Rural Properties	Eligible	
Qualifying Payment	Full Amortization: PITIA based on note rate; IO: Initial ITIA based on note rate		rate; IO: Initial ITIA based on note rate	Unleased Property (Refinance only); Does not apply to short term rentals	Max LTV 70% for DSCR ≥ 1.00 Max LTV 65% for DSCR < 1.00	
Arm Index &Floor		Index: 30 Day SOF	R : Floor = Note Rate	Gift Funds	Allowed	
Assets	Sourced	& Seasoned 30 Days	(1 Mo's recent Statements Req)	100% Gift Funds	10% reduction in maximum LTV required unless the borrower has 5% of their own funds verified.	
Cash-Out		Business Purp	ose use ONLY	Additional Restrictions		
Impounds		Not R	equired	Max # of HEM Financed Properties	Committee review for over 4 loans to 1 borrow	
Compliance		Points & Fees mo	ry not exceed 5%	Non Arm's Length Transactions	Not Eligible	
Seller Concessions			V ≤ 70% V > 70%	Vesting in LLC's	All Members must be individuals	
Appraisal	No C5 or C6;	2 Appraisals >\$2.0M	; ARR/CDA req or CU risk score >2.5	DSCR < 0.75	See rate sheet for pricing	
Minimum SQFT			00 sq ft 500 sq ft	Eligible States		
		AK, AL, AR, AZ, CA, CO, CT, DE, DC, FL, GA, HI, IA, ID, IL*, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, NNE, NH, NM, NJ, NV, NY, OH, OK, OR, PA*, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV, WY				
				syment Penalty		
bilable Prepayment Penalties: Fixed Percentage:  Prepay is 5% of the amount prepaid  *Prepay Options: 0, 1, 2, 3, 4 & 5 year prepay options available  Declining Balance:  5 year: 5%, 4%, 3%, 2%, 1%  4 year: 5%, 4%, 3%, 2%  3 year: 5%, 4%, 3%			Declining Balance:	State *PA- Loan amounts < \$301,022 *IL - Loan with a rate ≥ 8% m	Specific: cannot have a prepayment penalty nust close in the name of an entity at allowed if vesting as an individual	



## **NONI65 Matrix**

Effective Date: 12.12.22

	<b>ON</b> the				
FICO	Loan Amount	Purchase	R/T	Cash-Out	Reserves
680+	\$2,000,000	65%	65%	65%	None Required

#### Reserves

\*C/O proceeds can be used
\*Reserves for I/O based of ITIA Payment
\*Gift Funds cannot be used for reserves

# Projects that are managed and operated as a hotel or motel. Note that are managed and operated as a hotel or motel.

- Maximum Loan Amount: \$1.5 million
- A project that includes registration services
- Minimum Loan Balance: \$150,000
- Investor concentration up to 100%.
- Minimum square footage: 500

				investor concentration op to 10070	:
Credit				Program Parameters	
Mortgage History		0x60x12		Minimum Loan Amount	\$100,000
FC, DIL, SS, 120+ Days I	ate 24 Month	onths	< 36 months - \$1.5M Max Loan Amount	Maximum Loan Amount	\$2,000,000
Chapter 7/11/13 BK Seas	oning 24 Month	ıs		Maximum Cash-Out	\$1,000,000
Borrower Eligibility				LTV Restrictions	
1 <sup>st</sup> Time Investor	Allowed			ACH Enrollment required	Required
1st Time Homebuyer	Not Eligible			Non-Warrantable Condo	No Restriction
Citizenship	US Citizen, Perm/Non-Perm Res. Alien			Condotel	No Restriction
Credit Score	Must have 1 valid score; Take the Mid score when all 3 agency scores provided; lower of 2, if only 2; Highest of all borrowers Representative score			*STR	75% max LTV 20% expense factor to be applied to Gross Rental Income
Tradeline Requirement	Mortgage only credit report with FICO required.			Assisted Living / Nursing Home	By exception only
Quick Reference Guidelines				Modular	No Restriction
Qualifying Rate	Note Rate			Rural Properties	Eligible
Qualifying Payment	Full Amortization: PITIA based on note rate; IO: Initial ITIA based on note rate			Unleased Property (Refinance only); Does not apply to short term rentals	No Restriction
Arm Index &Floor	Index: 30 Day SOFR : Floor = Note Rate			100% Gift Funds	No LTV Reduction
Assets	Sourced & Seasoned 30 Days (1 Mo's recent Statements Req)			Additional Restrictions	
Cash-Out	Business Purpose use ONLY	6 Months	- 12 to use appraised value	Max # of Financed Properties	Committee review over 4
Impounds	Not Required		Non-Arms Length Transactions	Not Eligible	
Compliance	Points & Fees may not exceed 5%			Vesting in LLC's	All Members must be individuals
Seller Concessions	6% - LTV ≤ 70% 4% - LTV > 70%			DSCR	No Minimum
Appraisal	No C5 or C6; 2 Appraisals >\$2.0M; ARR/CDA req or CU risk score >2.5			STR Experience	Not Required
Minimum SQFT	SFR - 700 sq ft Condo – 500 sq ft			Eligible States	
Max Acreage	2			AK, AL, AR, AZ, CA, CO, CT, DE, DC, FL, GA, HI, IA, ID, IL*, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NM, NJ, NV, NY, OH, OK, OR, PA*, RI, SC, SD, TN, TX, UT, VA, VT, WA, WI, WV, WY	

**Prepayment Penalty** 

#### Available Prepayment Penalties: Fixed Percentage:

- Prepay is 5% of the amount prepaid
- \*Prepay Options: 0, 1, 2, 3, 4 & 5 year prepay options available

#### \*Not allowed in AK, KS, MI, MN, MS, NM, OH & RI; Must buyout

#### Declining Balance:

- 5 year: 5%, 4%, 3%, 2%, 1%
- 4 year: 5%, 4%, 3%, 2%
- 3 year: 5%, 4%, 3% 2 year: 5%, 4%

#### State Specific:

\*PA- Loan amounts < \$301,022 cannot have a prepayment penalty \*IL - Loan with a rate  $\geq 8\%$  must close in the name of an entity IL & NJ - Prepayment penalty not allowed if vesting as an individual