EASTVIEW

Debt Service Coverage Ratio ("DSCR") Loan

Underwriting Credit Guidelines

Version 7.2

Effective: November 2025

Contents

Disclosures

Origination Policy

This Underwriting Guide establishes the minimum requirements that must be met to originate long term rental (DSCR) loans by Eastview as a loan buyer or table funder. Every subject loan is subject to a full diligence review executed by Eastview. Eastview maintains the right to reject a loan for any reason not specified in the guidelines as it sees fit. All loans underwritten under this program are business purpose loans with a fully executed affidavit from the borrowers/guarantors.

Applicable Law

Any originator, seller, or any third-party originator or broker engaged by the Seller must fully comply with all federal, state, and local laws applicable to the origination and sale of mortgage loans ("Applicable Law"). It is the Seller's sole responsibility to ensure that all loans it originates comply with Applicable Law.

Fair Lending

Eastview strictly complies with all applicable federal, state, and local requirements related to fair 6 lending, including the Equal Credit Opportunity Act and the Fair Housing Act (together, the "Fair Lending Requirements"). Accordingly, in connection with its decision to purchase / table fund loans, Eastview will not discriminate on any prohibited basis. Eastview will also not knowingly purchase loans from Sellers engaged in practices that violate Fair Lending Requirements. To the extent a Seller is found to be engaging in practices that may violate Fair Lending Requirements, Eastview may terminate its contractual relationship with such Seller or take any other action that it deems appropriate.

State Licensing

The Seller must comply with all applicable state license and registration requirements in connection with mortgage loan origination and any other related business activities, which include without limitation:

• Ensuring that each loan officer/originator/broker involved in the origination of loans delivered to Eastview is appropriately licensed.

• Maintaining appropriate organizational licensure based on the type and location of the activities it engages in.

Leverage Matrices

Leverage Grid		Max As Is LTV	Max LTC
FICO: 780+	Purchase	80%	80%
	Refinance (No Cash Out)	80%	N/A
	Refinance (Cash Out)	80%	N/A
FICO: 760 - 779	Purchase	80%	80%
	Refinance (No Cash Out)	80%	N/A
	Refinance (Cash Out)	80%	N/A
FICO: 740 - 759	Purchase	80%	80%
	Refinance (No Cash Out)	80%	N/A
	Refinance (Cash Out)	80%	N/A
FICO: 720 - 739	Purchase	80%	80%
	Refinance (No Cash Out)	80%	N/A
	Refinance (Cash Out)	80%	N/A
FICO: 700 - 719	Purchase	80%	80%
	Refinance (No Cash Out)	80%	N/A
	Refinance (Cash Out)	75%	N/A
FICO: 680 - 699	Purchase	75%	75%
	Refinance (No Cash Out)	75%	N/A
	Refinance (Cash Out)	70%	N/A
FICO: 660 - 679	Purchase	70%	70%
	Refinance (No Cash Out)	70%	N/A
	Refinance (Cash Out)	65%	N/A
Foreign National	Purchase	70%	70%
	Refinance (No Cash Out)	70%	N/A
	Refinance (Cash Out)	65%	N/A

Leverage Reductions	
Property classified as "unleased" & Loan Purpose as "Refinance"	-10%
Non-Warrantable Condominium (doesn’t apply to pending litigations)	-10%
Property Type: 5-9 Units	-5%
Market Specific: Chicago / Detroit / Baltimore / Flint	-5%

Definitions

Loan to Cost ("LTC"): Loan Amount divided by the cost basis of the subject property.

- **Cost Basis**: The total closing costs as disclosed in the HUD / Settlement statement without including any origination points paid to the lender or the broker (if applicable). Cost basis can include assignments fees up to the lesser of 5% of property's purchase price or $40,000. Regarding completed rehabilitation, the borrower needs to provide before/after photos verifying the completed work and supporting invoices.

Loan to Value ("LTV"): Loan Amount divided by "As Is" appraised value.

Loan Purpose:

- **Purchase:** The property was acquired within 6 months of loan origination
- **Refinance:** The property was acquired more than 6 months of loan origination
    - **Cash Out**: The borrower's net receivable funds at closing represent more than 2% of the loan amount or more than or equal to $2,000.
    - **Rate & Term**: The borrower's net receivable funds at closing represent less than or equal to 2% of the loan amount or less than $2,000.

Leased/Unleased Property - Refinance: A property qualifies as leased based on the criteria set forth of the table below. Unleased refinances are subject to a leverage reduction as described above. For cross-collateralized portfolios we require the majority of the properties to be leased in order for the loan not to be subject to a "vacant refinance" leverage reduction.

Loan Purpose	Property Type	Units required to be leased
Refinance	SFR/Townhome/Condo/PUD	1
	2 Unit	1
	3 Unit	2
	4 Unit	2
	5 Unit	3
	6 Unit	3
	7 Unit	4
	8 Unit	4
	9 Unit	5

Eligible Loan Characteristics

Minimum Loan Amount	$100,000
Maximum Loan Amount	$3,000,000
Loan Term	360 Months
Minimum DSCR	1.00x
Lien	Only first liens are allowed
Prepayment Penalty Structure	Option between the five following structures: - 7 Years (84 Months) Minimum Interest - 7 Years 7% / 6% / 5% / 4% / 3% / 2% / 1% - 5 Years (60 Months) Minimum Interest - 5 Years: 5% / 4% / 3% / 2% / 1% - 3 Years: 3% / 2% / 1% - 2 Years: 2% / 1% - 1 Year: 1% The penalty is based on the applicable percentage based on the year the loan is being paid off. The amount charged is based on the outstanding balance and not the original loan amount
Borrowing Entity	The following structures are allowed: - LLC - Limited Partnership - Corporation - Trust - Individual
Property Ownership	Fee Simple. Leasehold is not permitted
Rate Type	Fixed and Adjustable Rates are permitted. The following methodology applies to Adjustable-Rate Mortgages (“ARM”): - Fixed Period: 5 (“5/1”) or 7 (“7/1”) years - Adjustment: Annually - Margin: 5.00% - Index: 30-day average SOFR - Caps (5/1): 2 / 2 / 5 - Caps (7/1): 5 / 2 / 5

	- Floor: 5.00% - Lookback Days: 45 - ARM Rounding Method: Up - ARM Rounding Factor: 0.125%
Interest Only Term	10 Years. Other option terms are permitted with management approval. All IO loans are based on accelerated amortization. No balloon payments will be due at the end of the term
Recourse	All loans should have executed personal guarantees by 100% of the entity's ownership.
Closing Escrows	The lender needs to collect escrows at closing that equal to the sum of: - 2 months of taxes - 2 months of insurance - Any tax payment due in the next 90 days - Any open taxes, unless paid at closing by Title
Not Permitted States	North Dakota, South Dakota, Hawaii and Alaska
Limited Recourse/Bad Boy Carveout Exposure	If the borrower selects this structure, then the maximum exposure that Eastview allows to this specific borrower is $10 million or 10 properties. Additionally, this structure requires a Pledge of Equity in the underlying entity

Valuation Methodology

Eastview requires appraisals for all loans tabled funded or aggregated. Eastview reserves the right to review all valuation reports and determine if the subject property value is supported.

Appraisers must meet all industry standards and be State Certified. State Licensed Appraisers and Trainees are not permitted. All real estate appraisals must be performed according to the Uniform Standards of Professional Appraisal Practice (USPAP) and Fannie Mae guidelines, including Universal Appraisal Dataset (UAD) requirements.

Appraisal assignments must be obtained in a manner that maintains appraiser independence and does not unduly influence the appraiser to meet a predetermined value. Eastview reserves the right to restrict the use of any specific appraiser and/or appraisal management company at its discretion.

The age and price of the subject property should fall within the age and price range of properties in the subject neighborhood. Comparable properties should be selected from the same neighborhood when possible. Selection of a comparable outside the subject neighborhood should be addressed within the report. For condominiums, at least one comparable should be from outside the subject project. Ideally, comparable sales should be within six months of the report date. Older comparable sales that are the best indicator of value should be addressed in comments by the appraiser.

The appraisal should be dated no more than 120 days prior to the Note date, after 120 days, a new appraisal report is required, or a recertification of the value completed by the same appraiser.

Properties for which the appraisal indicates condition ratings of C5 or C6 as determined under the Uniform Appraisal Dataset (UAD) guidelines are not permitted.

An appraisal review is required on every loan file unless a second appraisal is obtained. An Enhanced Desk Review is required from one of the following choices:

- ARR from Pro Teck
- CDA from Clear Capital

Additionally, in case there is any ambiguity on the rent estimates, Eastview, at its sole discretion, may require a RentRange report to confirm the rental values. For AirBnB / Vacation Rentals, a RentRange report is always required.

The Secondary Review will need to be within 10% of the As Is appraisal value. Eastview will also be conducting an internal review of the appraisal. If the variance is less than 10%, the As Is appraisal value will be used to underwrite the loan. If the variance is greater than 10% the lesser of the 3 values will be used to underwrite the loan. The same methodology / 10%-Rule will apply for the RentRange report and the Appraisal Market Rent when a RentRange report is needed.

Properties should always be rent-ready. Any repair or maintenance required by the appraiser must be completed prior to loan purchase unless it represents less than 5% of the purchase price/as is value. In such case the borrower will have 60 days to complete such work, or the loan will be triggered to a defaulted status. Confirmation of the completed work will be subject to form 1004D populated from the subject appraiser that escalated the original maintenance concerns.

	Single Family Property		**Condominium**		**2-4 Units**		**5-8 Units**	
Appraisal Type	Loan Amount Requirement	Appraisal Form	Loan Amount Requirement	Appraisal Form	Loan Amount Requirement	Appraisal Form	Loan Amount Requirement	Appraisal Form
Full Interior Appraisal	N/A	1004 / 1007	N/A	1073 / 1007	N/A	1025 / 1007	N/A	MAI / Narrative
HYBRID Appraisal	<$750,000	1004 / 1007	Not Permitted	N/A	Not Permitted	N/A	Not Permitted	N/A

Debt Service Coverage Ratio ("DSCR") – (SFR, Townhome, 2-4 Unit, Condo)

Each loan will require a DSCR calculation to qualify. The components of a DSCR calculation are set forth below:

$$DSCR = \frac{\text{Qualifying Monthly Rent}}{\text{PITIA}}$$

Qualifying Monthly Rent:

- If the unit is rented at the time of origination, qualifying monthly rent is equal to the lesser of:
    - Lease in-place rent
    - 105% of Market rent
- If the unit is <u>not</u> rented at the time of origination, qualifying monthly rent is equal to:
    - 100% of Market rent

In case the property is used as a Vacation Rental, the qualifying monthly rent is equal to the lesser of:

- 125% of Market Rent
- Average vacation monthly income over 12-month period

In order to qualify a property for DSCR as a vacation rental the following need to be confirmed:

- Verification of Online Listing
- If not self-managed, evidence of property management agreement
- Annual income statement verifying collected rents on a trailing 12-month period.

Rent is defined in the appraisal, on form 1007 / Market Rent Addendum. In case a RentRange report was ordered, the 10% rule applies as defined in the Valuation section.

Monthly PITIA:

Defined as the sum of principal, interest, taxes, insurance and association fees. See below for a definition of each component:

- Principal: monthly principal payment based on initial loan amount and original interest rate.
- Interest: monthly interest payment based on initial loan amount and original interest rate.
- Taxes: as defined in the title report.
- Insurance: as defined in the quote or official binder provided by the agent (includes flood if property located in flood zone).
- Association Fees: as defined in a letter by the HOA.

Debt Service Coverage Ratio ("DSCR") – (Multifamily)

Each loan will require a DSCR calculation to qualify. The components of a DSCR calculation are set forth below:

$$\text{DSCR} = \frac{\text{Qualifying Monthly Rent}}{\text{Total Expenses}}$$

Qualifying Monthly Rent:

- If the unit is rented at the time of origination, qualifying monthly rent is equal to the lesser of:
  - Lease in-place rent
  - 105% of Market rent
- If the unit is not rented at the time of origination, qualifying monthly rent is equal to the lesser of:
  - 100% of Market rent

In case the property is used as AirBnB/Vacation Rental, the qualifying monthly rent is equal to the lesser of:

- 125% of Market Rent
- Average AirBnB monthly income

In order to qualify a property for DSCR as a vacation rental the following need to be confirmed:

- Verification of Online Listing
- If not self-managed, evidence of property management agreement
- Annual income statement verifying collected rents on a trailing 12-month period

Rent is defined in the appraisal, on form 1007 / Market Rent Addendum. In case a RentRange report was ordered, the 10% rule applies as defined in the Valuation section

Total Expenses:

Defined as the sum of the following line items:

- Principal: monthly principal payment based on initial loan amount and original interest rate.
- Interest: monthly interest payment based on initial loan amount and original interest rate.
- Taxes: as defined in the title report or the appraisal
- Insurance: as defined in the quote or official binder provided by the agent (includes flood if property located in flood zone)
- Operating Expenses: any additional actual expenses as summarized in the appraisal (i.e. utilities, maintenance & repairs, replacement reserves, general administration, trash removal, etc.)

Lease Requirements

Each lease agreement needs to satisfy the following criteria:

- Only Arm's Length leases are allowed. Any type of relation between the borrower and the tenant is strictly prohibited.
- Lease term should be no longer than 3 years.
- Lease should not offer option to purchase to the tenant.
- No single room occupancy ("SRO") is allowed.
- Commercial tenants are not allowed.
- Month to Market is allowed if the borrower the tenant has lived in the subject property for at least 6 months.

Property Requirements

The property needs to satisfy the following criteria:

- Only the following property types are allowed:
  - Single Family Residence.
  - Townhome.
  - Condominium.
  - 2-4 Units.
  - Multifamily 5-9 Units.
- Minimum square footage is:
  - SFR or Townhome: 600
  - Condo or 2-9 Units: 500 per unit
- Properties not located in the following areas:
  - ZHVI multiplier of >3x
  - HPA of < -10%
  - Rural areas (as defined in the appraisal)
- Ineligible properties include:
  - Mobile or manufactured homes.
  - Raw land.
  - Properties with escalated liens as set forth in the title report with local authorities.
  - Properties with environmental hazards such as underground oil tanks.
  - Properties zoned as commercial use.
  - Condotels
  - Properties greater than 10 acres
  - Tenants in Common (TIC)
  - Agricultural properties
  - Timeshares and log homes
  - Properties with deed/resale restrictions

Condominium Requirements

For each condominium, Eastview requires the borrower to obtain a fully executed Condominium Questionnaire from the Association. The applicable form can be derived directly through Fannie Mae (Form 1076).

A condominium is considered non-warrantable if any of the following applies:

- The project is not yet completed.
- The developer has not turned over control of the HOA to the owners.
- A single person/entity owns more than 10% of all units.
- HOA permits short-term rentals.
- The majority (>50%) of the units are purposed as rentals (non-owner occupied).
- There is a pending litigation associated with the HOA.
- Commercial space accounts for more than 25% of the building square footage.
- More than 15% of units are in arrears with their association dues.

If Fannie Mae's guidelines change or if there is a provision not included in the bullet points above that deems a condominium warrantable then Eastview will revert to the newest guidelines and Fannie Mae's eligibility in order to qualify the dwelling as warrantable or non-warrantable.

Liquidity Requirements

For a loan to fully qualify under the guidelines the entity needs to support the following levels of liquidity.

For loans with DSCR >1.00, the minimum requirement is the sum of:

- 6 Months of PITIA Payments.
- Down Payments and Closing Costs (if loan purpose is a purchase).
- Any outstanding judgments or personal liens in excess of $5,000.

For loans with DSCR <1.00, the minimum requirement is the sum of:

- 9 Months of PITIA Payments.
- Down Payments and Closing Costs (if loan purpose is a purchase).
- Any outstanding judgments or personal liens in excess of $5,000.

In case any of the guarantors has an existing payment plan on any unpaid taxes or open liens, the monthly payment should be calculated as part of the necessary liquidity.

The following are applicable sources of liquidity and must be dated within 2 months of origination:

- 2 most recent months of Banks statement / Investment Accounts.
  - In case a new account was opened, the borrower needs to verify the source of the funds.
- 50% of the value of a retirement plan.
- 100% of cash out proceeds.
- Written verification of deposit completed by the financial institution.
- Executed letter from attorney or title agency verifying holding funds on behalf the entity.

For any judgments over the $5,000 the borrower needs to either provide (i) evidence that the full judgement has been paid, (ii) evidence of sufficient liquidity to pay the full lien amount or (iii) monthly payment plan in place that is also taken into consideration in the monthly payment calculation

Title Requirements

The following title insurance requirements are applicable to loans purchased:

- The title should be fee-simple.
- No liens are accepted on the property.
- The insurance should provide sufficient gap coverage.
- Each dwelling should be its own tax parcel.
- Each dwelling should comply to zoning regulation and have sufficient access to public.
- The policy is produced in the correct form:
    - The 2006 American Land Title Association (ALTA) standard form.
    - An ALTA short form if it provides coverage equivalent to the 2006 ALTA standard form.
    - In states in which standard ATLA forms of coverage are, by law or regulation, not used, the state promulgated standard or short form which provides the same coverage as the equivalent ALTA form.
    - For Adjustable-Rate Mortgages, the policy must include ALTA Endorsement 6-06.
- The amount of title insurance coverage must at least equal the original principal amount of the mortgage.

The title policy must protect Eastview by insuring:

- That the mortgage is superior to any lien for unpaid common expense assessments. (In jurisdictions that give these assessments a limited priority over a first mortgage lien, the policy must provide assurance that those assessments have been paid through the effective date of the policy.)
- Against any impairment or loss of title of the first lien caused by any past, present, or future violations of any covenants, conditions, or restrictions of the master deed for the project. (It must specifically insure against any loss that results from a violation that existed as of the date of the policy.)
- That the unit does not encroach on another unit or on any of the common elements, areas, or facilities. (The policy also must insure that there is no encroachment on the unit by another unit or by any of the common elements, areas, or facilities.)
- That the mortgage loan is secured by a unit in a condominium project that has been created in compliance with the applicable enabling statutes.
- That real estate taxes are assessable and lien able only against the individual condominium unit and its undivided interest in the common elements, rather than against the project as a whole.
- That the owner of a PUD unit is a member of the homeowners' association, and that the membership is transferable if the unit is sold.

Credit & Background Underwriting

Eastview requires 100% of the entity owners and guarantors to execute an authorization that allows the lender to run the following reports:

1. Credit Report
    a. Needs to show at least two scores for each guarantor.
    b. Needs to be dated within 90 days of loan origination.
    c. Minimum Credit Score is 660 for each entity owner / guarantor.
    d. The qualifying credit score per guarantor is the median of the three scores reported or the lesser of the two if two are reported.
    e. For housing events, the required seasoning is:
        i. Bankruptcy: 4 Years
        ii. Bankruptcy Discharge or Dismissal: 2 Years
        iii. Foreclosure: 4 Years
        iv. Short Sales / Deeds in lieu: 4 Years
        v. Mortgage Delinquencies: 1 X 30 X 12

In order to calculate the loan's underlying credit score, the qualifying credit score of the individual with the highest percentage of ownership will be utilized. In cases where the entity has owners with equal percentage of ownership, the higher qualifying credit score will be utilized.

On an exception basis, Eastview will approve a recourse structure of no less than 51% of the entity members. In such cases, the underlying credit score of the loan will be the highest median score of the guarantors.

Additionally, per the **List of Underwriting Documents** section of the guidelines, Eastview requires a payoff letter for all refinances in order to confirm the past performance of the subject loan we are refinancing.

The following guidance should be adhered to:

a. If the subject loan that Eastview is refinancing appears on the credit report, Eastview will rely primarily on the Credit Report to determine if the 1 X 30 X 12 delinquency has been met.
b. If the subject loan Eastview is refinancing does not appear on the credit report, Eastview will rely on the Payoff Letter to determine if the 1 X 30 X 12 delinquency has been met.
    i. The primary check on the Payoff Letter will be to check for any past due default interest. If there is default interest due on the Payoff Letter, a VOM will be required, specifying the past performance and aiding Eastview to determine if the 1 X 30 X 12 delinquency has been met.
    ii. If there is no default interest due, there is no requirement to order a VOM, and Eastview is confirming that the 1 X 30 X 12 delinquency has been met.

2. Background Report
    a. Needs to be dated withing 90 days of loan origination.
    b. No criminal findings or misdemeanors are allowed if they involve financial fraud.
    c. Eastview reserves the right to examine other criminal findings or misdemeanors on an exception basis.
    d. Needs to include an OFAC search.
    e. For foreign nationals, a background report is mandatory even if the system returns a null check.
    f. Borrower can't be a party to a lawsuit.

Property Insurance

The insurance should be sufficient to cover any losses on the property, that in turn jeopardize the lienholder's position. Such losses can occur for various hazard reasons such as destructive natural disasters or manmade events.

The insurance coverage should reflect the following:

- Coverage equal to the lesser of
  - 100% of the replacement cost as established by the property insurer.
  - the original principal balance of the mortgage.
- Sufficient rent loss coverage of 6 months, equal to the lesser of:
  - 100% of market rent.
  - 100% of rent in place at loan origination.
- If the property is in a flood zone (verified through a flood certificate), coverage equal to the lesser of
  - 100% of the replacement cost as established by the property insurer.
  - the original principal balance of the mortgage.
- If the property is a Condominium, the insurance agency needs to provide:
  - Master Property Insurance Policy.
  - H06 /Walls-In Policy.
- Language that includes a mortgagee clause.

List of Underwriting Documents

The following documents are required for Underwriting:

Ordered by Lender:

- Appraisal Report
- ARR from Pro Teck / CDA from Clear Capital
- SitusAMC (Recon Review) / Summit Valuation Solutions (SVR – Summit Validation Report)
- RentRange (if applicable)
- Credit Report
- Background Report
- OFAC Check
- Preliminary Title Report
- Insurance
- Flood Certificate

Provided by the Lender & Executed by Borrower

- Credit Report Authorization

Provided by the borrower:

- Loan Application
- ID or Passport
- Proof of Liquidity
- Property Lease (if applicable)
- Condo Questionnaire (if applicable)
- Purchase Agreement
- Vacation Rental Specifics
    - Annual Income Statement
    - Proof of Online Listing
    - Property Management Agreement (if not self-managed)
- Entity Documents
    - Certificate of Formation / Filed Articles of Organization
    - *If not single-sponsor*: Operating Agreement / Partnership Agreement / Bylaws
    - Certificate of Good Standing

Provided by Current Lender that is getting refinanced from subject loan:

- Payoff Letter / VOM

Closing Documents

- Business Purpose Affidavit
- Deed of Trust or Mortgage
- Note
- Loan Agreement
- Guarantee
- Closing Instructions and Closing Protection Letter
- Spousal Consent