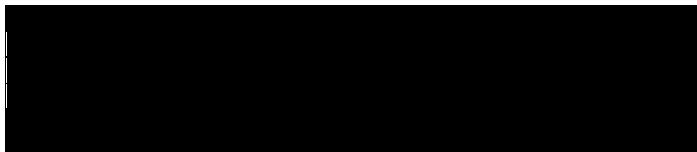


| 12 & 24 Month I/O | | | Stabilized-1.10 DSCR Min | | |
|-------------------|-------------|-----------------|--------------------------|-----|----------|
| FICO | Loan Amount | Debt Yield | Purchase | R/T | Cash-Out |
| 680 | \$3,000,000 | See chart below | 75% | 70% | 65% |
| 650 | \$3,000,000 | | 70% | 65% | 60% |
| 620 | \$3,000,000 | | 65% | 60% | 55% |



| Property Restrictions | | Program Parameters | |
|----------------------------------------------------------|-------------------|---------------------|--------------------------|
| Per unit value of \$50k-\$40k | -5% LTV | Non-Perm Res Alien | -5% LTV |
| Per unit value < \$40k | Not Allowed | Minimum Loan Amount | \$250,000 |
| Mixed Use Properties | -5% LTV | Maximum Loan Amount | \$3,000,000 |
| Rural Properties | Not Allowed | | |
| Vacant Properties (> 10% vacant of gross potential rent) | 10% LTV Reduction | Originations Charge | 2 Points Origination Fee |
| Property Type | 5-25 units | | |

| Quick Guidelines | |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mortgage History | <ul style="list-style-type: none"> • 120+ lates must be >24 months |
| BK/FC/SS/DIL/MOD | <ul style="list-style-type: none"> • >36 Months – No Restriction |
| Terms | <ul style="list-style-type: none"> • 12 Month I/O • 24 Month IO w/ 1 year extension possible |
| Qualifying Rate | <ul style="list-style-type: none"> • Note Rate |
| Qualifying Payment | <ul style="list-style-type: none"> • I/O: Initial ITIA based on note rate |
| Assets | <ul style="list-style-type: none"> • Sourced or seasoned 30 days (1 mos most recent bank statements req.) |
| Cash-Out | <ul style="list-style-type: none"> • Business purpose use ONLY |
| Impounds | <ul style="list-style-type: none"> • Not Required |
| Appraisal | <ul style="list-style-type: none"> • MAI/Narrative > \$1M & Mixed Use • MAI/Narrative or 71A ≤ \$1M • No C5 or C6 |
| Appraisal Vendors | <ul style="list-style-type: none"> • CBRE • Colliers • Cushman & Wakefield |

| | |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> • Integra (IRR) • Newmark/JLL, • Bowery Valuation • Leitner Berman • Fred Beck & Assoc • Cornerstone • WH Heyden & Assoc |
| Appraisal Review | <ul style="list-style-type: none"> • All loans require a broker provided appraisal review from Situs AMC - https://www.situsamc.com/ |
| Environmental Screen Assessment Vendors | <ul style="list-style-type: none"> • EDR • Partners ESI • Salem Environmental |
| Phase 1 Assessment Vendors | <ul style="list-style-type: none"> • Partners ESI, Salem (Tri-State) • AEI Consultants • CBRE (IVI) • GRS Group • Hillman Consulting • Velocity Consulting • KOW Building Consultants • EMJ Construction (Tri-State, DC) |
| Min Sq Footage | <ul style="list-style-type: none"> • 500 Sq Ft per Unit |
| Inspections | <ul style="list-style-type: none"> • An Environmental Screen Assessment or a Phase 1 assessment performed by EDR, Partners ESI or Salem Environmental is required on loans > \$1M or if there are environmental concerns • Copy of the COO is required |
| Eligible Properties | <ul style="list-style-type: none"> • 5-25 units • 5-25 units w/ mixed use (70% residential) |
| Credit Score | <ul style="list-style-type: none"> • Median FICO below 620 (the lower score shall be used in the event only two credit scores are obtained) • All borrowers must have a minimum of 2 FICO scores • Minimum FICO is 620 |
| Tradelines | <ul style="list-style-type: none"> • No Minimum Tradelines required |
| Compliance | <ul style="list-style-type: none"> • Points & Fees man not exceed 5% |
| Citizenship | <ul style="list-style-type: none"> • US Citizen, Perm/ Non-Perm Res. Alien |
| Foreign Nationals | <ul style="list-style-type: none"> • Not allowed |
| Properties Acquired within last 2 years | <ul style="list-style-type: none"> • Final HUD from purchase is required |
| Seller Concessions | <ul style="list-style-type: none"> • Max 6% |
| Max Acreage | <ul style="list-style-type: none"> • 2 Acres |

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Max # of Financed Properties | <ul style="list-style-type: none"> Committee Review if over 4 |
| Loan Amounts over \$1,000,000 | <ul style="list-style-type: none"> A Certificate of Occupancy is required |
| Gift Funds | <ul style="list-style-type: none"> Not Allowed |
| Non-Arm's Length Transactions | <ul style="list-style-type: none"> Not Allowed |
| First Time Home Buyers | <ul style="list-style-type: none"> Allowed Must be a local borrower with financial strength Property should have a strong operating history with high occupancy in a good market |
| First Time Investor | <ul style="list-style-type: none"> Allowed Must be a local borrower with financial strength Property should have a strong operating history with high occupancy in a good market |
| ACH | <ul style="list-style-type: none"> Required on All transactions |
| LLC's | <ul style="list-style-type: none"> All members must be individual |
| Declining Markets | <ul style="list-style-type: none"> Subject to LTV reduction and management review |
| State Restrictions | <ul style="list-style-type: none"> Properties in Alaska, North Dakota and South Dakota are not permitted |
| Reserves | <ul style="list-style-type: none"> 6 months of debt service (I/O) payments based on the max loan amount 3 months additional for any REO in forbearance |
| Prepayment Penalty | |
| <ul style="list-style-type: none"> A 6 month prepay will only apply if there is an approved exception on the loan <ul style="list-style-type: none"> PA- Loan amounts < \$301,022 cannot have a prepayment penalty PA- Loan amounts < \$301,022 must be vested in a Corp, LLC, Partnership or Trust <ul style="list-style-type: none"> 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 | |
| Eligible States | |
| 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, , NE, NH, NM, NJ, NV, NY, OH, OK, OR, PA*, RI, SC, TN, TX, UT, VA, WA, WI, WV, WY | |
| Net Cash Flow & Debt Yield | |
| <p>Determining a sustainable and reasonable Underwritten Net Cashflow (NCF) is a critical component in determining loan risk when evaluating multifamily and mixed-use properties. A property's NCF will be used in the Debt Yield calculation</p> <ul style="list-style-type: none"> Net Cash Flow = <ul style="list-style-type: none"> Gross Potential Revenues (GPR) Less Operating Expenses and Vacancy (% of GPR) Less Property Taxes Greater of current annual property taxes or appraiser confirmed Less Insurance Property insurance premiums based on the in-place policy at loan Less Replacement Reserves The Debt Yield = <ul style="list-style-type: none"> Net Cashflow divided by the Maximum Loan Amount | |

Operating Expense/Vacancy and Debt Yield Table

| ARV per unit (Rehab Loans) or As-Is Value Per Unit (Stabilized) | | Operating Exp | Debt Yield |
|--------------------------------------------------------------------|-----------|---------------|------------|
| Min | Max | % | % |
| \$30,000 | \$99,999 | 35% | 10% |
| \$100,000 | \$250,000 | 25% | 9.50% |
| \$250,000 | | 15% | 9% |