



**GREEN BOX**  
LOANS, Inc.

# SPECIALTY LENDING MATRICES

Revised 11.1.2024

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## 12 or 24 MONTH BANK STATEMENTS & PL Only w/ 3mos Bank Statements

90% LTV/CLTV Purchase • Loan Amounts Up To \$3,000,000 • 48 Months from Housing Event

### Primary Residence

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
740 +	90%	90%	80%	\$1,000,000
	90%	90%	60%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,000,000
720 +	90%	90%	80%	\$1,000,000
	85%	85%	60%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,000,000
700 +	85%	85%	80%	\$1,000,000
	80%	80%	60%	\$2,000,000
	75%	70%	65%	\$2,500,000
	75%	70%	60%	\$3,000,000
680 +	80%	80%	80%	\$1,000,000
	80%	80%	60%	\$2,000,000
660 +	80%	80%	80%	\$1,000,000
	60%	60%	60%	\$2,000,000

### Other Restrictions

Non Warrantable Condos	Not allowed
IO	Max LTV/CLTV 75% & 700 FICO
2-4 Units	Maximum LTV 75%

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Second Home Residence				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
680 +	80%	80%	70%	\$1,000,000
	80%	80%	65%	\$2,000,000
660 +	60%	60%	60%	\$2,000,000

Other Restrictions	
2-4 Units	Not available
IO	Max LTV/CLTV 75% & 700 FICO
Non Warrantable Condos	Not allowed

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	80%	75%	75%	\$1,000,000
700 +	75%	70%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000

Other Restrictions	
2-4 Units	Not available
IO	Max LTV/CLTV 75% & 700 FICO
Non Warrantable Condos	Not allowed

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisal notes the subject property is in a declining market, 5-25% reduction in maximum is required, determined by the underwriter</p> <p>If the appraisal states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV for purchase or RT transactions &amp; 10-25% reduction in LTV/CLTV for cash out transactions.</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business assets are eligible for the borrower's down payment, closing costs, and reserves. The following must be provided:           <ul style="list-style-type: none"> <li>○ All funds must be documented with the most recent two months bank statements.</li> <li>○ The percentage of business assets used in the transaction or considered for reserves may not exceed borrower's percentage of ownership in their business.</li> <li>○ Provide access letters from all additional business owners.</li> <li>○ Provide evidence the withdrawal of said funds will not negatively impact the business with any one of the following:               <ul style="list-style-type: none"> <li>▪ Cash-flow analysis covering the most recent three months.</li> <li>▪ A current balance sheet for most recent quarter.</li> <li>▪ A CPA letter.</li> </ul> </li> <li>○ Large deposits (atypical/inconsistent) must be sourced and documented if funds are being considered for down payment, closing costs, and/or reserves.</li> <li>○ Business assets are eligible from any business owned by the borrower(s).</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – i.e. Bitcoin and Ethereum are in-eligible</li> </ul> </li> </ul>
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Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Aliens</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u>In-Eligible:</u> Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out is \$1,000,000</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Tax liens, judgments, and charge-offs accounts must be satisfied or brought current prior to or at closing.</li> <li>• Liens impacting title must be satisfied prior to closing.</li> <li>• All collections and charge-offs must be paid if an individual collection or charge-off is equal to or greater than \$1000 or if the cumulative total of collections and charge-offs per loan is equal to or greater than \$2500.</li> <li>• All settled debts reported in the previous 24 months must be fully explained and taken into consideration in the full credit review.</li> </ul> <p>IRS Installment Plans    Loans with borrowers making monthly installment payments to the Internal Revenue Service (IRS) may be eligible for funding provided the borrower is being qualified with the installment payment, and the following documentation is included in the loan file:</p> <ul style="list-style-type: none"> <li>• Document a satisfactory payment history (account must be in good standing).</li> <li>• Evidence of the approved installment agreement with the IRS.</li> <li>• IRS debts which have become liens or are past-due, are ineligible for qualifying as an installment plan and must be paid prior to funding.</li> </ul>
Continuity of Obligation	<ul style="list-style-type: none"> <li>• At least one borrower on the new loan must also be obligated on the current lien; or</li> <li>• Borrower has been on title to the subject property for the previous 12 months; occupied the subject property for the previous 12 months; and can demonstrate having made the payments in the previous 12 months</li> </ul> <p>Exception to the above</p> <ul style="list-style-type: none"> <li>• The borrower acquired the subject property through an inheritance or was legally awarded the property through a court ordered agreement. This scenario requires no minimum waiting period for continuity of obligation.</li> </ul>

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Credit	<ul style="list-style-type: none"> <li>• The score for each borrower must be generated from a minimum of 3 traditional open trade lines evaluated for at least 12 months. The three trade lines must reflect an acceptable payment history.</li> <li>• Trade lines for closed accounts may be used to meet this requirement provided the payment history is acceptable.</li> <li>• Authorized user accounts may not be used to satisfy this requirement unless the borrower can provide written documentation (such as canceled checks or payment receipts) proving that he or she has been the actual and sole payer of the monthly payment on the account for at least 12 months preceding the date of the application</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> <li>• Any loan for which one or more borrowers do not have two valid credit scores, are considered "non-traditional" credit loans. All non-traditional credit loans are ineligible.</li> <li>• Forbearance: see for Forbearance section &amp; Credit Significant Derogatory Credit Events, Housing Events</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #008000; color: white;"> <th colspan="2">Matrix 5000-Elite Plus -12/24BS</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Mo</td></tr> <tr> <td>BK (Other)</td><td>48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>48 Mo</td></tr> <tr> <td colspan="2"><b>Multiple Housing Events in the last 7 years are not allowed.</b></td></tr> </tbody> </table>	Matrix 5000-Elite Plus -12/24BS		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo	<b>Multiple Housing Events in the last 7 years are not allowed.</b>	
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Credit Alimony & Child Support	<p>Borrowers making monthly child support or alimony payments must be qualified with the monthly payment:</p> <ul style="list-style-type: none"> <li>• Arrearages must be satisfied prior to closing or the borrower must show evidence the arrearage has been paid as agreed in the past twelve months</li> <li>• Alimony and child support must be included in qualifying ratios as monthly debt, and may not be deducted from earnings</li> <li>• Alimony and child support may not be considered a debt paid by a business when qualifying a self-employed borrower.</li> </ul>																

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Credit Authorized User Accounts	<ul style="list-style-type: none"> <li>• The authorized user account cannot be considered part of the borrower's credit history when the borrower has several authorized user accounts, and only a few accounts of his/her own (see second bullet). Conversely, if the borrower has several trade lines in good standing and only a minor number of authorized user accounts, the underwriter may consider the information reported on the credit report as an accurate reflection of the borrower's credit history.</li> <li>• If a borrower provides 12 months canceled checks as proof of payment on an authorized user account, the account may be considered part of the borrower's credit history. The required monthly payment must be included in the DTI calculation.</li> <li>• Authorized user accounts are not required to be included in the borrower's DTI ratios, unless the debt was listed on the initial loan application, or if the borrower is responsible for making the payment.</li> </ul>
Credit Debts Paid by Business (Self-Employed Borrowers)	<p>In order for a debt to be excluded from the borrower's total qualifying ratio calculation, evidence must be provided to show the business has paid the debt for the previous 12 month period. Additional requirements in removing a business paid debt include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• No history of delinquency on the account in question.</li> <li>• Installment debts or auto leases with a history of being paid by the business, and have since been paid in full and replaced with similar/new debt, may only be excluded if the new liability payment is less than or equal to the previous/original payment.</li> <li>• Personal liabilities, including mortgage debt (with the exception of the subject property), may be excluded from the DTI when documentation supports a business paying for the debt with the most recent 12 months bank statements or tax returns. It is acceptable for a separate borrower owned business not used for qualifying income to document a payment history.</li> </ul>

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<p style="text-align: center;"><b>Credit Debts Paid by Others</b></p>	<p>When a borrower is obligated on a non-mortgage debt, the payment may be excluded from the DTI if another party is repaying the debt. All of the following requirements must be met:</p> <ul style="list-style-type: none"> <li>• Document in the form of 12 months cancelled checks that the other party has been making regular payments during the previous 12 months.</li> <li>• The other party may not be an Interested Party to the Transaction.</li> <li>• The debt must be paid as agreed with no history of delinquent payments.</li> <li>• Non-mortgage debts include but are not limited to:           <ul style="list-style-type: none"> <li>○ Auto loan.</li> <li>○ Lease payment.</li> <li>○ Student loan.</li> <li>○ Revolving debt.</li> </ul> </li> </ul> <p>When a borrower is obligated on a mortgage debt, the payment may be excluded from the DTI if another party is repaying the debt. All of the following requirements must be met:</p> <ul style="list-style-type: none"> <li>• The other party is obligated on the mortgage debt.</li> <li>• Document in the form of 12 months cancelled checks that the other party has been making regular payments during the previous 12 months.</li> <li>• The debt must be paid as agreed with no history of delinquent payments.</li> <li>• The borrower is not using rental income from the applicable property to qualify.</li> <li>• The property must be included in the total count of financed properties.</li> </ul> <p><b>Projected Obligations and Obligations Not Considered Debt</b></p> <ul style="list-style-type: none"> <li>• Debt payments, such as a student loan (regardless of current status (forbearance, deferred, or in repayment)) or balloon-payment Note scheduled to begin or come due within 12 months of the mortgage loan closing, must be included by the UW as anticipated monthly obligations during the underwriting analysis.</li> <li>• Debt payments deferred to a period outside the 12-month timeframe must be classified as projected obligations.</li> </ul> <p>Obligations not considered debt, and therefore not subtracted from gross income, include:</p> <ul style="list-style-type: none"> <li>• Federal, State, and local taxes; Federal Insurance Contributions Act (FICA) or other retirement contributions, such as 401(k) accounts (including repayment of debt secured by these funds); Commuting costs; Union dues; Open accounts with zero balances; Automatic deductions to savings accounts; Child-care; Voluntary deductions.</li> </ul>
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Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required</li> <li>• For homes owned free and clear, provide evidence taxes, property insurance, and association dues are paid as agreed.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free           <ul style="list-style-type: none"> <li>◦ Maximum LTV/CLTV of 75%</li> <li>◦ Maximum DTI of 43%.</li> <li>◦ The rent-free period must be the months directly preceding or during the loan purchase application process.</li> <li>◦ The rent-free period is consecutive and does not exceed 12 months</li> <li>◦ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>◦ The underwriter must obtain an acceptable 12 months rental history (based on specific requirements) for the time-frame immediately prior to the rent-free period</li> <li>◦ and the borrower must provide an acceptable letter of explanation</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>

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Credit Paying Off and Paying Down Debt	<p>Both installment and revolving debts may be paid off in order to remove the payment from the total qualifying ratios. The following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Evidence the account has been paid in full.</li> <li>• Source of funds to pay off the debt must be documented.</li> <li>• Lease payments may not be paid down or paid off for qualifying purposes.</li> <li>• Revolving debt must be documented as paid in full in order for the monthly obligation to be removed from the qualifying DTI. Paid in full revolving accounts may remain open with a zero balance at consummation.</li> <li>• Paying off debt at the time of funding with any portion of the allowable cash-back, from a rate &amp; term refinance, will result in the loan being deemed a cash-out refinance.</li> <li>• Installment debts with less than ten payments remaining may be excluded from qualifying DTI ratio.</li> </ul>
Credit Significant Derogatory Credit Events, Housing Events	<p>Borrowers with significant derogatory credit events (restructured mortgages, foreclosure (including Notice of Default and pre-foreclosure), bankruptcy, Deed in Lieu) are eligible provided the significant derogatory credit event meets the required seasoning periods. The following guidelines apply to individuals who have a significant derogatory credit event reporting on their credit history, regardless of whether the incident is reported on the credit report. The borrower must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Maximum 43% DTI.</li> <li>• First-Time home buyers will require a minimum of 7 years seasoning from the completion date of the significant derogatory credit event.</li> <li>• Mortgage Loans with unrelated multiple significant derogatory credit events are ineligible.</li> <li>• To conclude that the borrower's credit profile is acceptable despite previous financial mismanagement, the rationale supporting the determination that the financial mismanagement is unlikely to recur and the borrower's credit profile is acceptable must be explained.</li> <li>• All other requirements within this guide must be met.</li> <li>• Forbearance is considered a housing event.</li> </ul>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 660 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>
Credit Scores – Rapid Rescores	<p>New credit reports ordered specifically for the purpose of increasing a borrower's credit scores (such as Rapid Rescore<sup>©</sup>) are ineligible. A new credit report with updated credit scores may be provided if the initial credit report contained erroneous information and has since been corrected, provided the new credit report meets the Fair Credit Reporting Act with regard to the nature of the inquiry. All credit reports obtained in connection with the subject loan transaction must be provided, along with a letter of explanation and any supporting documentation regarding the reason for the new report.</p>

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Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	<p>Escrow funds/impound accounts are required to be established for all HPML loans.</p> <p>Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, for non-HPML loans or exempt business purpose loans when the following requirements are met:</p> <ul style="list-style-type: none"> <li>• LTV less than or equal to 80%</li> <li>• Minimum decision credit score of 720</li> <li>• Minimum 12-months of reserves</li> </ul>
First Time Home Buyers FTHB	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• 1 units properties only</li> <li>• No housing events in the past 7 years</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history               <ul style="list-style-type: none"> <li>▪ Not allowed</li> </ul> </li> </ul> </li> <li>• Interest Only is not allowed.</li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>

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Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• Purchase transactions, 100% Gift Funds are allowed with a maximum LTV/CLTV of 70%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are not allowed.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> <li>• Eligible for 1 unit Primary Residence or 1-unit Second Homes transactions only</li> <li>• Co-mingled accounts, other than those accounts held jointly with a spouse or domestic partner, are ineligible as the source of funds for the 5% borrower demonstrated liquid assets.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> <li>• Donors must be individuals and not a business or Trust.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>

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Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Income General Requirements	<p>General Requirements for Alternative Income documentation loans:</p> <ul style="list-style-type: none"> <li>• The most recent bank statements must be dated within 45 days of the initial application date and within 90 days of the consummation date. If updated statements are provided then income calculations may need to be re-analyzed.</li> <li>• File must contain written documentation in the form of an income calculation worksheet (or similar) for income used in qualifying each borrower.</li> <li>• Full bank statements are required. Full bank statements must include all of the following information: all pages of statement, account holder name and address, beginning, ending and average balance, institution name, account number, truncated account number permitted, statement period, and full transaction history.</li> <li>• Verification of Deposits and/or DU/LP Vendor statements are ineligible.</li> <li>• As a result of inconsistencies or legibility concerns or at the discretion of the underwriter, additional information may be requested.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 12 or 24 months personal bank statements - Utilize 12 or 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 50% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingled accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 12 or 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements:           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
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## **5000-Elite Plus-Bank Statements 12 or 24**

Income Calculation /  
Documentation -  
Bank Statements from  
Business or co-mingled  
Account

### **Using Business Bank Statements / Co-mingled (Business & Personal) to Qualify**

- Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own > 50% but < 100% of a business will be qualified at net income multiplied by their ownership.
- Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).
- Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.
- Business / co-mingled account(s) must be for the same business / company.
- Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.
- Qualifying income is the lower of the documented option or the income indicated on the initial 1003.

Documentation Options: See the following sections

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<p>Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 24 Month P&amp;L Statement (Option 1)</p>	<ol style="list-style-type: none"> <li>1. 12 or 24 Month P&amp;L Statement (Option 1)             <ul style="list-style-type: none"> <li>o 12 or 24 Month P&amp;L prepared by CPA or EA</li> <li>o 12 or 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>o P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits. The bank statements and P&amp;L must cover the same time period. Qualifying income Acceptable Variance Levels                     <ol style="list-style-type: none"> <li>i. 12 months Bank Statements: In the event that 12 months of statements are provided and there is a decline in deposits in the last six months of the review period that exceeds 10%, an additional 12 months of bank statements must be provided.</li> <li>ii. 24 months Bank Statements: In the event that 24 months of bank statements are utilized to determine the borrower's income, variances year over year are likely to occur.                             <ol style="list-style-type: none"> <li>1. If the eligible deposits decline greater than 5% up to 10% year over year, it should be addressed as per below.</li> <li>2. If the decline of deposits is greater than 10% year over year, then the account is ineligible for use in the income calculation.                                 <ol style="list-style-type: none"> <li>a. A declining deposit trend should be calculated as follows:                                     <ol style="list-style-type: none"> <li>i. If the eligible deposits declined by greater than 5% up to 10% year over year, utilize a 12-month average of the most recent year's eligible deposits.   <ol style="list-style-type: none"> <li>1. The borrower must provide a written explanation for a decline &gt;5% in year over year eligible deposits. The explanation must address the reason for the decline and whether or not this event will continue into the future.</li> </ol> </li> <li>ii. In the event the borrower is utilizing Profit and Loss Statement method to qualify, a revised P&amp;L should be provided covering only the most recent 12-month period and used for determining the borrower's income.</li> </ol> </li> <li>b. Deposit Trend Calculation                                     <ol style="list-style-type: none"> <li>i. The deposit trend is measured by calculating the percent change from year one (months 13-24, previous year) to year two (months 1-12, most recent year).</li> <li>ii. Eligible deposits from year one should be subtracted from year two, and the difference divided by year one's eligible deposits to determine the change.</li> <li>iii. For example, if year one eligible deposits are \$100,000 and year two eligible deposits are \$80,000, the percent change would be a 20% decline <math>(\\$80,000 - \\$100,000) / \\$100,000 = 20\%</math></li> </ol> </li> </ol> </li> </ol> </li> </ol></li></ul> </li> </ol>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2)               <ul style="list-style-type: none"> <li>o An expense statement specifying business expenses (minimum expense ratio is <b>15%</b>) as a percent of the gross annual sales/revenue prepared and signed by a CPA or EA</li> <li>o 12 or 24 months of business bank statements covering the most recent time period.</li> <li>o Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA or EA.</li> <li>o Expenses must be reasonable for the type of business.</li> <li>o GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)	<ol style="list-style-type: none"> <li>3. 50% Net Margin (Option 3)               <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation.</li> <li>o 24 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (12 or 24) or (b) the income indicated on the initial 1003.                   <ul style="list-style-type: none"> <li>▪ Net Income = <u>Total Eligible Deposits * Borrower Ownership Percentage * 50%</u> 12 or 24 months</li> </ul> </li> </ul> </li> </ol>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account  CPA Profit & Loss Statement w/ Bank Statements (Option 4)	<ol style="list-style-type: none"> <li>4. CPA Profit &amp; Loss Statement w/ Minimum 3 Months Bank Statements (Option 4)               <ul style="list-style-type: none"> <li>o Profit &amp; Loss statement prepared by a Certified Public Accountant (CPA) Only. The credit file must contain documentation showing the CPA is currently licensed in their state.                   <ul style="list-style-type: none"> <li>i. 12 or 24 Month CPA compiled P&amp;L Statement                       <ol style="list-style-type: none"> <li>1. 12 or 24 month (P&amp;L) prepared/complied and signed by a CPA (proof of CPA current state license required), dated within 30-days of the loan application, and</li> <li>2. The preparer must state: (a) they have prepared the borrower's most recent tax return OR (b) have reviewed the borrower's most recent <u>tax returns</u>; and</li> <li>3. A minimum 3-months of business bank statements covering the most recent 3-month period.</li> </ol> </li> <li>o The 3-months of business bank statements must support the sales reflected on the Profit and Loss Statement prepared by a CPA. The average deposits from the bank statements must be greater than, or no less than, 10% below the average monthly sales. In the event the 10% tolerance is not met, continuous bank statements may be added to the analysis until the tolerance is met. The qualifying income is the lower of (a) the net income from the P&amp;L divided by 12 or 24, or (b) total deposits per bank statements, minus any inconsistent deposits, divided by the number of bank statements, or (c) the income disclosed on the initial 1003.</li> <li>o Maximum LTV is 80% for Purchase; 75% for Rate / Term &amp; 70% for Cash Out.</li> <li>o 85% LTV Purchase available with minimum credit score 720, max loan amount \$1,000,000 and 1 unit.</li> <li>o Maximum DTI 43%.</li> </ul> </li> </ul></li></ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>• The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>• Expenses must be reasonable for the type of business;</li> <li>• Pattern of deposits and payment should be consistent;</li> <li>• Expectations of changes in deposit pattern must be considered</li> <li>• Income documented separately but co-mingled must be backed out of deposit</li> <li>• Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>• Nonprofit Entity not eligible</li> <li>• Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>

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Income – Misc. Sources	<ul style="list-style-type: none"> <li>• Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>• Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, and second job income.</li> </ul>
Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental:       <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only):       <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> <li>○ Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> </ul> </li> <li>• Long Term Rental Departing Residency       <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible.           <ul style="list-style-type: none"> <li>▪ 75% of the verified monthly rental income can be used.</li> <li>▪ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>

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Income – Supplement Asset Utilization	Not Eligible
Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• Minimum Fico 700</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Not available for FTHB</li> </ul>
Listing Seasoning	Properties previously listed for sale should be seasoned at least 6 months, seasoning is from the listing contract expiration date to application date
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><b><u>Non-Arm's Length Transactions</u></b>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><b><u>Interested Party Transactions</u></b>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	Not allowed
Non-Occupant Co-Borrower	Loans with non-occupant co-borrowers, guarantors and co-signers are ineligible
Non-Permanent Resident	<p>Non-Permanent residents are eligible borrowers provided the legal residency is documented and all the following criteria are met:</p> <ul style="list-style-type: none"> <li>• H1B and L1 Visas (only) are eligible when a copy of the document is provided in the file.           <ul style="list-style-type: none"> <li>○ Primary residence only.</li> <li>○ Valid Social Security Number required.</li> <li>○ Visas must be current at the time of consummation. The employer on the loan application must be the same as on the unexpired visa.               <ul style="list-style-type: none"> <li>▪ If fewer than six (6) months remain at loan consummation, document an extension was requested, along with a letter from the employer confirming the borrower's continued employment and continued visa renewal sponsorship.</li> </ul> </li> <li>○ Borrowers qualified with Full Income documentation must provide most recent two years of filed United States income tax returns for all borrowers whose income is being considered in qualifying.</li> <li>○ Borrowers qualified with Bank Statement (personal or business) income documentation must use the 24-month Bank Statement product option. 12 Month Bank Statement is not available</li> <li>○ Maximum LTV/CLTV is 80%</li> <li>○ Interest Only is not available.</li> </ul> </li> </ul>

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Non-Sufficient Funds (NSF) / Overdraft	<p><b>Non-Sufficient Funds</b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than three (3) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
Other Real Estate Owned Limitation	<ul style="list-style-type: none"> <li>• A borrower may own a maximum of 4 financed, one- to four-unit residential real properties, including the subject property (regardless of occupancy type).           <ul style="list-style-type: none"> <li>○ Borrowers on title to a property and not included on the property Mortgage Note as evidenced in the loan file would not be required to include said property in the maximum property count.</li> <li>○ Co-signed Mortgage Notes must be included in the maximum property count.</li> </ul> </li> <li>• Borrowers must have 2 months PITIA in reserves for each additional property owned by the borrower; this is in addition to the reserves required for the subject property. If additional properties are owned free and clear, the two months of insurance, taxes, and association dues (when applicable) must be documented.</li> <li>• Properties in the name of a borrower's business, commercial or residential, typically do not need to be included in this count, when the associated mortgage debt is not the borrower's personal obligation and thus not reported on the borrower's personal credit report or tax returns.</li> <li>• Financed commercial properties that are the borrower's personal obligation must be included in the count of maximum financed properties owned by a borrower. When a commercial property is reported on the personal 1040 tax returns, the property is deemed a personal property unless sufficient evidence is provided to support otherwise.</li> <li>• Vacant land is not typically considered in the count of maximum financed properties.</li> </ul>

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Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75%           <ul style="list-style-type: none"> <li>○ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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<b>Property Flipping</b>	<p>If the seller has owned the property less than 180 calendar days from the date of the purchase contract and the new sales price is higher than the price paid by the seller to acquire the property, this transaction would be ineligible.</p> <p>The following types of re-sale transactions are not considered property flips; however, these transactions would be ineligible for HPML's.</p> <ul style="list-style-type: none"> <li>• Property being sold by a spouse who acquired the property through a divorce settlement.</li> <li>• Property acquired by an employer through a relocation program.</li> <li>• Property being sold by an administrator or executor of an estate.</li> <li>• Property being sold by a lender, mortgage investor, or mortgage insurance company acquired through foreclosure or deed-in-lieu of foreclosure.</li> <li>• Property being transferred via quit claim deed (or transfers) between the property seller and their business, when the property seller is the sole owner of the business (e.g., Joe Smith transferred to Smith LLC, or Smith LLC transferred to Joe Smith).</li> </ul>
<b>Property Types</b>	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units (2-4 Units OO only), PUDs, Townhouses, Condominiums: Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property • Non warrantable condos • 2-4 units with an Accessory Dwelling Units (ADU)</p>
<b>Property Types Modular Homes</b>	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> <li>• Max. LTV/CLTV is 75.0% for purchases and 70.0% for refinances.</li> </ul>

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Qualifying Rate and Ratios	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30 year full amortization.</li> </ul> <p><b>DTI Ratio</b></p> <p>OO &amp; Second Home: standard max is 50%</p> <p>OO &amp; LTV &gt; 80%: standard max is 43%</p> <p><b>Loan amounts &gt; \$2,000,000; max. is 43%</b></p> <p>NOO: Max is 43%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• If the subject property was purchased in the previous 9 months, the Settlement Statement(s) or Closing Disclosure(s) must be provided.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	See cash out section
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• Buying out the equity position of a co-owner as a result of a court ordered agreement.</li> <li>• Property ownership resulting from a legal documented inheritance.</li> <li>• Paying off a first lien and purchase money subordinate lien (underwriter must document that the entire subordinate lien was used to purchase the property).</li> <li>• Paying off a seasoned non-purchase money subordinate lien or first lien HELOC.</li> <li>• Paying off a first lien HELOC used in its entirety to purchase the subject property</li> <li>• If the subject property was purchased in the previous 9 months, the Settlement Statement(s) or Closing Disclosure(s) must be provided.</li> </ul>

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Rent Loss Coverage	<ul style="list-style-type: none"> <li>Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>OO: 6 months' PITIA</li> <li>OO &amp; Loan amount greater than \$1,500,000: 9 months' PITIA</li> <li>Loan amounts &gt; \$1,500,000 &amp; LTV &gt; 80%: 12 months' PITIA</li> <li><b>Loan amounts &gt; \$2,500,000: 12 months' PITIA</b></li> <li>Second Home or NOO: 12 months' PITIA Borrowers with other properties in addition to the subject property are required to have an additional two months of reserves for each property, based on the individual properties PITIA.</li> <li>Properties owned free and clear require two months of taxes, insurance and HOA dues in reserves</li> <li>Cash out proceeds may be used to meet the reserve requirement</li> <li>Reserve calculations for an existing rental property are based on the actual PITIA calculation for that property, rather than the negative cash flow from the Property.</li> <li>Reserves for the Interest-only products are based on the interest-only payment.</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum Residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>

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Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: 3%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Not allowed
Tax Liens	Must be paid off
Temporary Rate Buydowns	Not allowed

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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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**24 MONTH BANK STATEMENTS**
**90% LTV/CLTV Purchase • Loan Amounts Up To \$4,000,000 • 48 Months from Housing Event**
**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	90%	85%	80%	\$1,500,000
	85%	80%	80%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,000,000
	70%	70%	NA	\$3,500,000
	70%	65%	N/A	\$4,000,000
700 +	90%	85%	80%	\$1,500,000
	85%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	75%	70%	65%	\$3,000,000
	70%	65%	NA	\$3,500,000
680 +	85%	80%	75%	\$1,000,000
	85%	75%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	70%	65%	65%	\$3,000,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,500,000

**Other Restrictions**

Condo - Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 85%
Interest Only	Max LTV/CLTV 80% & 680 Fico

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Second Home Residence				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	85%	75%	75%	\$2,000,000
	75%	70%	70%	\$2,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo - Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & 680 Fico

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	85%	75%	75%	\$2,000,000
	75%	70%	70%	\$3,000,000
	70%	70%	NA	\$3,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	70%	65%	65%	\$3,000,000
	70%	65%	NA	\$3,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	70%	65%	NA	\$3,000,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000
Other Restrictions				
Condo - Warrantable	Max LTV/CLTV 85%			
Condo – Non Warrantable	Max LTV/CLTV 80%			
2-4 Units	Max LTV/CLTV 85%			
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%			
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%			
Interest Only	Max LTV/CLTV 75% & 680 Fico			

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

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<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact;</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>■ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>■ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
<b>Borrower Eligibility</b>	<p><u><b>Eligible:</b></u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Aliens</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u><b>In-Eligible:</b></u> Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out; Unlimited</li> </ul>														
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>														
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="361 1171 1121 1416"> <thead> <tr> <th colspan="2">Matrix 5000-ELITE-24BS</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td> <td>660</td> </tr> <tr> <td>Housing</td> <td>0x30x12</td> </tr> <tr> <td>BK (Chap 13 Discharge)</td> <td>48 Mo</td> </tr> <tr> <td>BK (Other)</td> <td>48 Mo</td> </tr> <tr> <td>Foreclosure / NOD</td> <td>48 Mo</td> </tr> <tr> <td>Short Sale / DIL / Loan Mod.</td> <td>48 Mo</td> </tr> </tbody> </table>	Matrix 5000-ELITE-24BS		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>
Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV of 75%</li> <li>○ Maximum DTI of 43%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>

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Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 640 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>
Credit Scores – Rapid Rescores	<p>Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.</p>
Eligible States	<p><u><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></u></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.

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Escrow Waivers	<p>Escrow funds/impound accounts are required to be established for all HPML loans.</p> <p>Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, for non-HPML loans or exempt business purpose loans when the following requirements are met:</p> <ul style="list-style-type: none"> <li>• LTV less than or equal to 80%</li> <li>• Minimum decision credit score of 720</li> <li>• Minimum 12-months of reserves</li> </ul>
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history               <ul style="list-style-type: none"> <li>▪ Max LTV/CLTV: 75%</li> <li>▪ 15% applicant contribution</li> <li>▪ Payment shock is not considered</li> </ul> </li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	<p>Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.</p>

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Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><u><b>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</b></u></p> <p><u><b>Using Personal Bank Statements to Qualify</b></u></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 24 months personal bank statements - Utilize 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingles accounts, may be used for income analysis.</li> </ul> <p><u><b>Personal Bank Statement Analysis</b></u></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 24 Month P&amp;L Statement (Option 1)           <ul style="list-style-type: none"> <li>○ 24 Month P&amp;L prepared by CPA, EA, or licensed tax preparer.</li> <li>○ 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>○ P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> <p>Qualifying income</p> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2)           <ul style="list-style-type: none"> <li>○ An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, EA or licensed tax preparer.</li> <li>○ 24 months of business bank statements covering the most recent time period.</li> <li>○ Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer..</li> <li>○ Expenses must be reasonable for the type of business.</li> <li>○ GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>

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<p>Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)</p>	<p>3. 50% Net Margin (Option 3)</p> <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation.</li> <li>o 24 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (24) or (b) the income indicated on the initial 1003.           <ul style="list-style-type: none"> <li>▪ Net Income = <math>\frac{\text{Total Eligible Deposits} * \text{Borrower Ownership Percentage} * 50\%}{24 \text{ months}}</math></li> </ul> </li> </ul>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account CPA / EA / CTEC Profit & Loss Statement w/ Bank Statements (Option 4)	<p>4. CPA / EA Profit &amp; Loss Statement w/ Minimum 3 Months Bank Statements (Option 4)</p> <ul style="list-style-type: none"> <li>o Profit &amp; Loss statement prepared by a Certified Public Accountant (CPA), an IRS Enrolled Agent (EA) or a CTEC registered tax preparer. The credit file must contain documentation showing the CPA is currently licensed in their state or the EA is currently active (Screen shot of the IRS web site) or CTEC is currently active, certification from California (e.g., screenshot of CTEC web site).           <ul style="list-style-type: none"> <li>i. 24 Month CPA, EA or CTEC compiled P&amp;L Statement               <ul style="list-style-type: none"> <li>1. 24 month (P&amp;L) prepared/complied and signed by a CPA (proof of CPA current state license required) or EA (proof EA currently active on IRS web site) or CTEC certification from California (e.g., screenshot of CTEC web site), dated within 30-days of the loan application, and</li> <li>2. The preparer must state: (a) they have prepared the borrower's most recent tax return OR (b) have reviewed the borrower's most recent <u>tax returns</u>; and</li> <li>3. A minimum 3-months of business bank statements covering the most recent 3-month period.</li> </ul> </li> <li>o The 3-months of business bank statements must support the sales reflected on the Profit and Loss Statement prepared by either a CPA, EA or CTEC. The average deposits from the bank statements must be greater than, or no less than, 10% below the average monthly sales. In the event the 10% tolerance is not met, continuous bank statements may be added to the analysis until the tolerance is met. The qualifying income is the lower of (a) the net income from the P&amp;L divided by 24, or (b) total deposits per bank statements, minus any inconsistent deposits, divided by the number of bank statements, or (c) the income disclosed on the initial 1003.</li> <li>o Maximum LTV is 80% for Purchase; 75% for Rate / Term &amp; 70% for Cash Out.</li> <li>o Maximum DTI 43%</li> <li>o Maximum loan amount: \$2,500,000</li> </ul> </li> </ul>
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Income Calculation / Documentation - CPA / EA Profit & Loss Statement ONLY (Option 5)	<p>5. 24 Month CPA or EA Prepared P&amp;L Statement Only          Profit &amp; Loss statement prepared by a Certified Public Accountant (CPA) or an IRS Enrolled Agent (EA) or a CTEC registered tax preparer. The credit file must contain documentation showing the CPA is currently licensed in their state or the EA is currently active (Screen shot of the IRS web site) or CTEC is currently active, certification from California (e.g., screenshot of CTEC web site).</p> <ul style="list-style-type: none"> <li>○ 24 month (P&amp;L) prepared/complied and signed by a CPA (proof of CPA current state license required) or EA (proof EA currently active on IRS web site) or CTEC certification from California (e.g., screenshot of CTEC web site), dated within 30-days of the loan application, and</li> <li>○ Preparer to provide a signed document with the following:           <ul style="list-style-type: none"> <li>i. Confirmation of review or completion of the most recent tax return or financial statement(s); and</li> <li>ii. Indicate borrower's ownership percentage of the business.</li> </ul> </li> <li>○ Qualifying income:           <ul style="list-style-type: none"> <li>i. Net income from the P&amp;L Statement divided by the time period covered (24 months) multiplied by the borrower's ownership percentage.</li> <li>ii. Expenses on the P&amp;L must be reasonable for the industry, GBL reserves the right to require additional information.</li> </ul> </li> <li>○ The following may be added back to the qualifying income calculation:           <ul style="list-style-type: none"> <li>i. Depreciation.</li> <li>ii. Depletion.</li> <li>iii. Amortization/casualty loss.</li> </ul> </li> <li>○ Business Bank Statements are not required</li> <li>○ Max LTV is 80% for Purchase; 75% for Rate / Term &amp; 70% for Cash Out.</li> <li>○ Maximum DTI 43%</li> <li>○ FTHB must have complete 12 month rental history</li> <li>○ Maximum loan amount: \$2,500,000</li> <li>○ Use of CTEC,           <ul style="list-style-type: none"> <li>i. Max LTV/CLTV is 65%</li> <li>ii. Loan amount must be less than \$2,000,000</li> <li>iii. Cumulative loan amounts with the same borrower with GreenBox Loans, Inc. in the last 6 months, must less than \$2,000,000 total.</li> </ul> </li> </ul>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>● The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>● Expenses must be reasonable for the type of business;</li> <li>● Pattern of deposits and payment should be consistent;</li> <li>● Expectations of changes in deposit pattern must be considered</li> <li>● Income documented separately but co-mingled must be backed out of deposit</li> <li>● Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>● Nonprofit Entity not eligible</li> <li>● Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>

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Income – Misc. Sources	<ul style="list-style-type: none"> <li>Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, asset distribution/utilization, and second job income.</li> </ul>
Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>Long Term Rental: <ul style="list-style-type: none"> <li>A copy of the lease(s) for the rental property.</li> <li>Must provide two (2) months of proof of the receipt of rental income. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>Short Term Rental (refi only): <ul style="list-style-type: none"> <li>Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> <li>Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> </ul> </li> <li>Long Term Rental Departing Residency <ul style="list-style-type: none"> <li>A copy of the lease(s) for the rental property.</li> <li>Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible. <ul style="list-style-type: none"> <li>75% of the verified monthly rental income can be used.</li> <li>If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>

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<b>Income – Supplement Asset Utilization</b>	<p>The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes</p> <p><b>Restrictions</b></p> <ul style="list-style-type: none"> <li>• Non-occupant co-borrowers not allowed</li> <li>• Max 43% DTI</li> <li>• Minimum 680 Credit Score</li> <li>• Gift Funds not eligible</li> <li>• Max LTV/CLTV: 85%</li> <li>• Max LTV/CLTV Cash Out: 75%</li> <li>• Max Loan Amount: \$2,500,000</li> </ul> <p><b>Asset Utilization Qualifying Method</b></p> <ul style="list-style-type: none"> <li>• Minimum Eligible Assets required is \$100,000 after down payment, closing costs and required reserves.</li> <li>• Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84</li> </ul> <p><b>Asset Utilization Income Documentation</b></p> <ul style="list-style-type: none"> <li>• All individuals listed on the asset account(s) must be on the Note and Mortgage;</li> <li>• Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;</li> <li>• Assets must be seasoned 120-days;</li> </ul> <p><b>Assets Eligible for Depletion</b></p> <p style="margin-left: 20px;">Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:</p> <ul style="list-style-type: none"> <li>• 100% of Checking, Saving and Money Market Accounts</li> <li>• 70% of Stocks, Bonds and Mutual Funds</li> <li>• 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)</li> <li>• 60% of retirement Assets: Eligible if the borrower is not of retirement age.</li> </ul> <p><b>Assets Ineligible for Depletion</b></p> <ul style="list-style-type: none"> <li>• Equity in Real Estate</li> <li>• Privately traded or restricted/non-vested stocks</li> <li>• Any assets which produces income already included in the income calculation</li> <li>• Any assets held in the name of a business.</li> <li>• Assets held in an irrevocable trust where the beneficiary of the trust is not the borrower;</li> <li>• Assets held in a charitable giving trust, donor advised fund, or similar entity where the intended beneficiary is not the borrower.</li> <li>• Crypto is not an eligible liquid asset for asset utilization/depletion.</li> </ul>
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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 80%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> <li>• Guideline restrictions:               <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV limited to 80% purchases and 75% for refinances.</li> <li>○ 24 Month Bank Statements only (options 1, 2 &amp; 3); P&amp;L Only (option 5) &amp; 3 month banks statements w/ P&amp;L (option 4) documentation are not allowed.</li> <li>○ Non-occupant co-borrowers are not allowed.</li> <li>○ Gift funds are not allowed.</li> <li>○ US credit, US asset &amp; US income only</li> </ul> </li> </ul> </li></ul>
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Non-Sufficient Funds (NSF) / Overdraft	<p><b>Non-Sufficient Funds</b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than three (3) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75%           <ul style="list-style-type: none"> <li>○ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Products Available	<ul style="list-style-type: none"> <li>• 30 Year Fixed</li> <li>• 40 Year Fixed</li> <li>• 30 Year Fixed with Interest Only (120 months)</li> <li>• 40 Year Fixed with Interest Only (120 months)</li> </ul>

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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<b>Property Types</b> All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo.</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p>DTI Ratio          Standard max is 50%          LTV/CLTV &gt; 85.0%: maximum 43%          Loan amounts &gt; \$3,500,000:maximum 43%</p>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date. <ul style="list-style-type: none"> <li>○ Appraised value can be used for less than 12 month seasoning, under the following conditions: <ul style="list-style-type: none"> <li>▪ Must have owned the property for at least 6 months</li> <li>▪ Two appraisals are required</li> <li>▪ Maximum LTV/CLTV is 70%</li> <li>▪ Maximum Cash out amount is \$500,000.</li> <li>▪ The following counties are excluded: San Francisco, CA; Denver, CO; Jacksonville, Miami, Orlando, Tampa, FL; Kansas City, MO; Cincinnati, OH; Nashville, TN; Austin, TX.</li> </ul> </li> </ul> </li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI is over 43%</li> <li>• Minimum Residual income is \$2,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All Interested Party Contributions must be properly disclosed in the sales contract, appraisal, loan estimate and closing disclosure and be compliant with applicable federal, state, and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. A borrower participating in the transaction (i.e., borrower acting as their own agent) may contribute funds (i.e., commission) up to the maximum contribution limits referenced above.</p> <p>Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>

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Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>

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A temporary buydown creates a funded buydown account that is used to temporarily reduce the borrower's monthly payment during the initial year(s) of the loan. The Note Rate remains constant; only the borrower's payment is reduced. The buydown is funded by interested party contributions (IPCs). The buydown cannot exceed IPC limits. The buydown fund contribution can only come from a Seller/Builder or third-party. The difference between the buydown payment and the payment required by the note rate is paid every month by the loan servicer held in an escrow account from the buydown funds that are collected at closing.

**Buydown Types:**

- 2-1 Buydown
  - Payment is calculated at 2% below the Note Rate for the first year
  - Payment is calculated at 1% below the Note rate for the second year
  - Payment calculated at the Note Rate for the years three through maturity
- 1-0 Buydown
  - Payment is calculated at 1% below the Note Rate for the first year
  - Payment is calculated at the Note Rate for the years two through maturity

**Eligible Parameters:**

- Owner Occupied
- Primary Residence
- Purchase
- Loan amount <= \$2,000,000
- LTV/CLTV <=80%
- Not Available with P&L Only or 3 Month Bank Statement w/ P&L documentation options
- Seller/Builder and Third Party Funded subsidies
  - Third Party subsidies include Real Estate Agents and Brokerages; Funds from Borrower(s) are ineligible
  - Borrower, Lender, and Premium Pricing from the interest rate are not permitted
- 30-year Fully Amortizing Fixed Rate only
- Borrower(s) must qualify based on the Note Rate without consideration of the bought down rate
- If reserves are required, the reserves must be calculated using the Note Rate
- Borrower(s) and Seller/Builder are required to sign the Temporary Buydown Agreement at closing
- The percentage of funds must be included in the interested party contribution limit.
- To calculate the percentage of the buydown fund contribution, divide the buydown fund total by the purchase price

**Temporary Buydowns**

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## 5000-ELITE-24BS or 24PL Only or 3BS 24PL

Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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**24 MONTH BANK STATEMENTS & & PL Only w/ 3mos Bank Statements**
**80% LTV/CLTV Purchase • Loan Amounts Up To \$3,000,000 • 36 Months from Housing Event • DTI Up To 55%**
**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	80%	80%	\$1,000,000
	80%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	70%	65%	60%	\$3,000,000
680 +	80%	80%	75%	\$1,000,000
	80%	75%	70%	\$1,500,000
	80%	70%	65%	\$2,000,000
	70%	65%	60%	\$3,000,000
660 +	80%	75%	70%	\$1,000,000
	80%	75%	65%	\$1,500,000
	70%	65%	60%	\$2,000,000
640 +	80%	70%	65%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

**Other Restrictions**

Condo – Warrantable	Max LTV/CLTV 80%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out: 2-4 Units & Condo	Max LTV/CLTV 75%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Cash Out: Condos in FL	Max LTV/CLTV 75%
Interest Only	Max LTV/CLTV 75% & Fico 680
FTHB w/ Rental History	5% reduction in Max LTV/CLTV
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV

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### Second Home Residence

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	75%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

### Other Restrictions

Condo	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%
Cash Out: Condos in FL	Max LTV/CLTV 70%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	75%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

Other Restrictions	
Condo	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%
Cash Out: Condos in FL	Max LTV/CLTV 70%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation.</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u><b>Eligible:</b></u> U.S. Citizen • Permanent Resident Alien: • Non-Permanent Resident Alien</p> <p>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</p> <p><u><b>In-Eligible:</b></u> Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out: Unlimited</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="361 698 1136 948"> <thead> <tr> <th colspan="2">Matrix 5000-24BS</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>620</td></tr> <tr> <td>Housing</td><td>1x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>36 Mo</td></tr> <tr> <td>BK (Other)</td><td>36 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>36 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>36 Mo</td></tr> </tbody> </table>	Matrix 5000-24BS		Minimum FICO	620	Housing	1x30x12	BK (Chap 13 Discharge)	36 Mo	BK (Other)	36 Mo	Foreclosure / NOD	36 Mo	Short Sale / DIL / Loan Mod.	36 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

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Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided.           <ul style="list-style-type: none"> <li>◦ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>◦ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>◦ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>◦ FTHB reduce maximum LTV/CLTV by 10%</li> <li>◦ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>◦ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>◦ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>◦ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 620 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><u><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></u></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.
First Time Home Buyers (FTHB)	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	<p>Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.</p>
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 24 months personal bank statements - Utilize 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingled accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements:           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 24 Month P&amp;L Statement (Option 1)               <ul style="list-style-type: none"> <li>o 24 Month P&amp;L prepared by CPA, EA or licensed tax preparer</li> <li>o 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>o P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2)               <ul style="list-style-type: none"> <li>o An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, EA or licensed tax preparer</li> <li>o 24 months of business bank statements covering the most recent time period.</li> <li>o Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer.</li> <li>o Expenses must be reasonable for the type of business.</li> <li>o GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)	<ol style="list-style-type: none"> <li>3. 50% Net Margin (Option 3)               <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation.</li> <li>o 24 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (24) or (b) the income indicated on the initial 1003.                   <ul style="list-style-type: none"> <li>▪ Net Income = <math>\frac{\text{Total Eligible Deposits} * \text{Borrower Ownership Percentage} * 50\%}{24 \text{ months}}</math></li> </ul> </li> </ul> </li> </ol>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account CPA Profit & Loss Statement w/ Bank Statements (Option 4)	<ol style="list-style-type: none"> <li>4. CPA Profit &amp; Loss Statement w/ Minimum 3 Months Bank Statements (Option 4)           <ul style="list-style-type: none"> <li>o Profit &amp; Loss statement prepared by a Certified Public Accountant (CPA). The credit file must contain documentation showing the CPA is currently licensed in their state.               <ol style="list-style-type: none"> <li>i. 24 Month CPA compiled P&amp;L Statement                   <ol style="list-style-type: none"> <li>1. 24 month (P&amp;L) prepared/complied and signed by a CPA (proof of CPA current state license required), dated within 30-days of the loan application, and</li> <li>2. The preparer must state: (a) they have prepared the borrower's most recent tax return <b>OR</b> (b) have reviewed the borrower's most recent <b>tax returns</b>; and</li> <li>3. A minimum 3-months of business bank statements covering the most recent 3-month period.</li> </ol> </li> <li>o The 3-months of business bank statements must support the sales reflected on the Profit and Loss Statement prepared by a CPA. The average deposits from the bank statements must be greater than, or no less than, 10% below the average monthly sales. In the event the 10% tolerance is not met, continuous bank statements may be added to the analysis until the tolerance is met. The qualifying income is the lower of (a) the net income from the P&amp;L divided by 24, or (b) total deposits per bank statements, minus any inconsistent deposits, divided by the number of bank statements, or (c) the income disclosed on the initial 1003.</li> <li>o Maximum LTV is 80% for Purchase; 70% for all refinance transactions.</li> <li>o Maximum DTI 43%</li> <li>o Minimum Fico: 660</li> <li>o Maximum loan amount: \$2,000,000</li> </ol></li></ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>• The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>• Expenses must be reasonable for the type of business;</li> <li>• Pattern of deposits and payment should be consistent;</li> <li>• Expectations of changes in deposit pattern must be considered</li> <li>• Income documented separately but co-mingled must be backed out of deposit</li> <li>• Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>• Nonprofit Entity not eligible</li> <li>• Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>

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Income Misc. Sources	<ul style="list-style-type: none"> <li>• Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>• Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, asset distribution/utilization, and second job income.</li> </ul>
Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental:           <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income or if departing residency, one (1) month security deposit. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only):           <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> </ul> </li> <li>• Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> <li>• Long Term Rental Departing Residency           <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible.               <ul style="list-style-type: none"> <li>■ 75% of the verified monthly rental income can be used.</li> <li>■ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>

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The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes

#### Restrictions

- Non-occupant co-borrowers not allowed
- Max 43% DTI
- Minimum 680 Credit Score
- Gift Funds not eligible
- Max LTV/CLTV: 85%
- Max LTV/CLTV Cash Out: 75%
- Max Loan Amount: \$2,500,000

#### Asset Utilization Qualifying Method

- Minimum Eligible Assets required is \$100,000 after down payment, closing costs and required reserves.
- Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84.

#### Asset Utilization Income Documentation

- All individuals listed on the asset account(s) must be on the Note and Mortgage;
- Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;
- Assets must be seasoned 120-days;

#### Assets Eligible for Depletion

Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:

- 100% of Checking, Saving and Money Market Accounts
- 70% of Stocks, Bonds and Mutual Funds
- 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)
- 60% of retirement Assets: Eligible if the borrower is not of retirement age.

#### Assets Ineligible for Depletion

- Equity in Real Estate
- Privately traded or restricted/non-vested stocks
- Any assets which produces income already included in the income calculation
- Any assets held in the name of a business.
- Assets held in an irrevocable trust where the beneficiary of the trust is not the borrower;
- Assets held in a charitable giving trust, donor advised fund, or similar entity where the intended beneficiary is not the borrower.
- Crypto is not an eligible liquid asset for asset utilization/depletion.

Income – Supplement  
Asset Utilization

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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u> A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u> A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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<p>Non-Arm's Length &amp; Interested Party Transactions Eligibility &amp; Restrictions</p>	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"><li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li><li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li><li>• Seller(s) representing themselves as agent in real estate transaction.</li><li>• Renter(s) purchasing from landlord.<ul style="list-style-type: none"><li>◦ 24 months of cancelled checks to prove timely payments are required.</li><li>◦ A verification of rent (VOR) is not acceptable.</li></ul></li><li>• Purchase between family members.<ul style="list-style-type: none"><li>◦ 15% reduction to maximum LTV/CLTV.</li><li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li><li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li></ul></li></ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"><li>• Primary residences only.</li><li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li><li>• Maximum LTV/CLTV of 80%.</li><li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li><li>• Employer to employee sales or transfers are not allowed.</li><li>• Property trades between buyer and Seller are not allowed.</li></ul>
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<b>Non-Permanent Resident Alien Includes Asylum &amp; DACA</b>	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> </ul> <p>Guideline restrictions:</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 75% for Purchase or R/T; 65% for Cash Out</li> <li>• Non-Occupant Co-Borrowers not allowed</li> <li>• Gift Funds not allowed</li> <li>• Must have US credit, US income and US assets.</li> </ul> </li></ul>
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Non-Permanent Resident Alien Asylum	<p>Asylum – Individuals granted asylum are eligible, documentation includes one of the following:</p> <ul style="list-style-type: none"> <li>• Form I-765 Employment Authorization referencing C08           <ul style="list-style-type: none"> <li>◦ After being granted asylum in the United States, DHS issues a Form I-94, Arrival/Departure Record, to asylees. Form I-94 will contain a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>• Non-Permanent Resident Alien Guidelines restrictions apply</li> </ul>
Non-Sufficient Funds (NSF) / Overdraft	<p><b><u>Non-Sufficient Funds</u></b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>◦ An occurrence is defined as one or more checks returned the same day.</li> <li>◦ No more than five (5) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>

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Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75%           <ul style="list-style-type: none"> <li>◦ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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<b>Property Types</b> All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p><b><u>DTI Ratio</u></b></p> <p>Standard max is 50%</p> <p>DTI may be increased to 55% with the following:</p> <ul style="list-style-type: none"> <li>• Min FICO: 680</li> <li>• Max LTV: 70%</li> <li>• Eligible Transactions: Purchase or Rate and Term Refinance</li> <li>• Minimum Residual Income: greater of .5% of the loan amount or \$2,500. Increased requirement may be waived with an additional 6 months PITIA reserves.</li> <li>• First time home buyer not eligible</li> <li>• 0x30x12</li> <li>• IO is not available</li> </ul>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• LTV =&gt; 80%: 6 months' PITIA</li> <li>• LTV &lt; 80%: 3 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTHB, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI is over 43%</li> <li>• Minimum Residual income is \$2,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>

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Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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### 24 MONTH BANK STATEMENTS

80% LTV/CLTV Purchase / R&T • Loan Amounts Up To \$1,500,000 • 24 Months from Housing Event

#### Primary Residence

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	70%	\$1,500,000
680 +	80%	75%	70%	\$1,500,000
660 +	75%	75%	70%	\$1,500,000
640 +	70%	65%	65%	\$1,000,000
	65%	60%	N/A	\$1,500,000

#### Second Home

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
660 +	65%	65%	55%	\$1,500,000

#### Investment

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
660 +	65%	65%	55%	\$1,500,000

#### Other Restrictions

Interest Only	Not Available
Cash Out: Condos in FL	Max LTV/CLTV 70%
Cash Out in CT, IL & NJ	Max LTV/CLTV 70%
FTHB w/ Rental History	5% reduction in Max LTV/CLTV
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV

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Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing            Income and Asset Documentation: Dated within 60 days of closing            Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition, an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien</p> <p>A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</p> <p><u>In-Eligible:</u> Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out; Greater than below subject to exception and compensating factors           <ul style="list-style-type: none"> <li>◦ LTV/CLTV =&gt; 70%: \$500,000</li> <li>◦ LTV/CLTV &gt; 60% &amp; &lt; 70%: \$1,000,000</li> <li>◦ Unlimited Cash Out is available when the LTV/CLTV is &lt;=60%</li> </ul> </li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>◦ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>◦ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> <li>Housing late payments exceeding 1x60x24 require a letter of explanation from the borrower. The situation causing the delinquency must be adequately documented as resolved. The new housing payment must be considered when determining if the situation is adequately resolved.</li> </ul> <table border="1" data-bbox="361 736 1136 980"> <thead> <tr> <th colspan="2">Matrix 5000-NP-24BS</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>640</td></tr> <tr> <td>Housing</td><td>0x60x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>24 Mo</td></tr> <tr> <td>BK (Other)</td><td>24 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>24 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>24 Mo</td></tr> </tbody> </table>	Matrix 5000-NP-24BS		Minimum FICO	640	Housing	0x60x12	BK (Chap 13 Discharge)	24 Mo	BK (Other)	24 Mo	Foreclosure / NOD	24 Mo	Short Sale / DIL / Loan Mod.	24 Mo
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Short Sale / DIL / Loan Mod.	24 Mo														
Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

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Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. <ul style="list-style-type: none"> <li>○ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>○ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>○ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history <ul style="list-style-type: none"> <li>○ FTHB reduce maximum LTV/CLTV by 10%</li> <li>○ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 600 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided..</p>

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	<p>Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.</p>
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 24 months personal bank statements - Utilize 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingled accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements:           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 24 Month P&amp;L Statement (Option 1) <ul style="list-style-type: none"> <li>o 24 Month P&amp;L prepared by CPA, EA or licensed tax preparer</li> <li>o 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>o P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2) <ul style="list-style-type: none"> <li>o An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, EA or licensed tax preparer</li> <li>o 24 months of business bank statements covering the most recent time period.</li> <li>o Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer.</li> <li>o Expenses must be reasonable for the type of business.</li> <li>o GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)	<ol style="list-style-type: none"> <li>3. 50% Net Margin (Option 3) <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation.</li> <li>o 24 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (24) or (b) the income indicated on the initial 1003. <ul style="list-style-type: none"> <li>▪ Net Income = <u>Total Eligible Deposits * Borrower Ownership Percentage * 50%</u>  24 months</li> </ul> </li> </ul> </li> </ol>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>• The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>• Expenses must be reasonable for the type of business;</li> <li>• Pattern of deposits and payment should be consistent;</li> <li>• Expectations of changes in deposit pattern must be considered</li> <li>• Income documented separately but co-mingled must be backed out of deposit</li> <li>• Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>• Nonprofit Entity not eligible</li> <li>• Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>
Income – Misc. Sources	<ul style="list-style-type: none"> <li>• Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>• Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, asset distribution/utilization, and second job income.</li> </ul>

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Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental: <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income or if departing residency, one (1) month security deposit. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only): <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> </ul> </li> <li>• Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> <li>• Long Term Rental Departing Residency <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible. <ul style="list-style-type: none"> <li>■ 75% of the verified monthly rental income can be used.</li> <li>■ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>
Interest Only	Not Available
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Limitations on Other Real Estate Owned	Borrowers are not limited in the number of properties owned however borrower with > 20 financed properties are limited to Owner Occupied or 2 <sup>nd</sup> Home transactions only.
Minimum Loan Amount	\$150,000 IL - \$250,000

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Non-Arm's Length  
&  
Interested Party  
Transactions

Non-Arm's Length Transactions

A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.

When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.

A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).

Interested Party Transactions

A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.

In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
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<b>Non-Permanent Resident Alien Includes Asylum &amp; DACA</b>	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> </ul> </li> </ul> <p>Guideline restrictions:</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 75% for Purchase or R/T; 65% for Cash Out</li> <li>• Non-Occupant Co-Borrowers not allowed</li> <li>• Gift Funds not allowed</li> <li>• Must have US credit, US income and US assets.</li> </ul>
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Non-Sufficient Funds (NSF) / Overdraft	<p><b><u>Non-Sufficient Funds</u></b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than seven (7) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
Payment Shock	<ul style="list-style-type: none"> <li>• Primary Not Calculated for LTV/CLTV &lt;= 70%</li> <li>• Primary Residence and LTV/CLTV &gt; 70%           <ul style="list-style-type: none"> <li>○ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

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Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
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A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types  
All Condos

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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> </ul> <p>DTI Ratio          Standard max is 50%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI is over 43%</li> <li>• Minimum Residual income is \$2,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes or non-owner occupied properties</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• Loan amount &lt;= \$1.5MM: 3 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better. Waiver not eligible for DTI greater than 50%.</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTTB, Fico =&gt; 680 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, Fico =&gt; 680 &amp; loan amount &lt;= \$1,500,000</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	<p>Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.</p>

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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**5000-RH-24BS**

PRODUCT DESCRIPTION								
<b>24 MONTHS BANK STATEMENTS</b>								
<b>1 Day Out of BK • 12 Months Out of Foreclosure • \$750,000 Max Loan Amount</b>								
<b>Primary Residence, Second Home &amp; Investment</b>								
Credit Score	Purchase LTV / CLTV	R&T LTV / CLTV	Cash Out LTV / CLTV	Maximum Loan Amount				
660 +	60%	60%	55%	\$750,000				
Other Restrictions								
Interest Only	Not Available							
FTHB w/ Rental History	5% reduction in Max LTV/CLTV							
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV							
Investment Properties								
Maximum LTV/CLTV & Misc.								
Maximum	65%							
Cash Out	NA							
Fico < 680	55%							
Cash Out & Fico < 660	NA							
FICO	Minimum 660							

Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing            Income and Asset Documentation: Dated within 60 days of closing            Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition, an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p>

Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for reserve requirements</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien</p> <p>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</p> <p><u>In-Eligible:</u> Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

Cash Out Amount	<ul style="list-style-type: none"> <li>• 60% of the appraised value.</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$2,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>

Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> <li>Housing late payments exceeding 1x60x24 require a letter of explanation from the borrower. The situation causing the delinquency must be adequately documented as resolved. The new housing payment must be considered when determining if the situation is adequately resolved.</li> </ul> <table border="1" data-bbox="361 731 1121 980"> <thead> <tr> <th colspan="2">Matrix 5000-RH-24BS</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x90x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>0 Months</td></tr> <tr> <td>BK (Other)</td><td>0 Months</td></tr> <tr> <td>Foreclosure / NOD</td><td>12 Months</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>12 Months</td></tr> </tbody> </table>	Matrix 5000-RH-24BS		Minimum FICO	660	Housing	0x90x12	BK (Chap 13 Discharge)	0 Months	BK (Other)	0 Months	Foreclosure / NOD	12 Months	Short Sale / DIL / Loan Mod.	12 Months
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Short Sale / DIL / Loan Mod.	12 Months														
Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided.           <ul style="list-style-type: none"> <li>◦ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>◦ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>◦ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>◦ FTHB reduce maximum LTV/CLTV by 10%</li> <li>◦ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>◦ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>◦ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>◦ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.</p>

Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancellation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><u><a href="#">See GreenBox Loans, Inc.'s "Location" on web page:</a></u></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.
Foreclosure/Short Sale/Deed In Lieu/Notice Of Default	A 'Housing Event' is a completed foreclosure, short sale, deed in lieu or notice of default (or similar notice required under state law as an initial phase of the foreclosure process). A severe delinquency (90 days or greater) is also considered a Housing Event. Seasoning is measured from the date of completed sale or final property transfer. The foreclosure action must be completed prior to loan closing with no outstanding deficiency balance remaining. If the property was surrendered in a Chapter 7 bankruptcy, the bankruptcy discharge date is used for seasoning. The foreclosure action is not required to be fully complete.
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.

Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 24 months personal bank statements - Utilize 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingled accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>

Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 24 Month P&amp;L Statement (Option 1)           <ul style="list-style-type: none"> <li>o 24 Month P&amp;L prepared by CPA, EA or licensed tax preparer</li> <li>o 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>o P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2)           <ul style="list-style-type: none"> <li>o An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, EA or licensed tax preparer</li> <li>o 24 months of business bank statements covering the most recent time period.</li> <li>o Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer.</li> <li>o Expenses must be reasonable for the type of business.</li> <li>o GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>• The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>• Expenses must be reasonable for the type of business;</li> <li>• Pattern of deposits and payment should be consistent;</li> <li>• Expectations of changes in deposit pattern must be considered</li> <li>• Income documented separately but co-mingled must be backed out of deposit</li> <li>• Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>• Nonprofit Entity not eligible</li> <li>• Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>

Income – Misc. Sources	<ul style="list-style-type: none"> <li>• Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>• Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, asset distribution/utilization, and second job income.</li> </ul>
Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental:           <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income or if departing residency, one (1) month security deposit. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only):           <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> </ul> </li> <li>• Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> <li>• Long Term Rental Departing Residency           <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible.               <ul style="list-style-type: none"> <li>▪ 75% of the verified monthly rental income can be used.</li> <li>▪ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>
Interest Only	Not Available

Limitations on Other Real Estate Owned	Borrowers are not limited in the number of properties owned however borrower with > 20 financed properties are limited to Owner Occupied or 2 <sup>nd</sup> Home transactions only.
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. For investment properties, listing expiration of less than 6 months permitted with a prepayment penalty.
Minimum Loan Size	\$150,000 IL - \$250,000
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>            A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>            A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction from maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are in-eligible.</li> <li>○ Deferred Action for Childhood Arrivals (DACA) in-eligible</li> </ul> </li> <li>• Guideline restrictions:           <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV: 75% for Purchase or R/T; 55% for Cash Out</li> <li>○ Non-Occupant Co-Borrowers not allowed</li> <li>○ Gift Funds not allowed</li> <li>○ Must have US Credit, US Income and US assets.</li> <li>○ US credit requirements detailed under the CREDIT section of this guide should be utilized.</li> </ul> </li> </ul>
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Non-Sufficient Funds (NSF) / Overdraft	<p><b>Non-Sufficient Funds</b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than seven (7) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
Payment Shock	<p>Primary Residence Only</p> <p>Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</p> <p>Payment Shock = <math>(\text{Proposed Housing Payment} / \text{Present Housing Payment}) * 100</math></p> <p>For borrowers who have less than a 12-month housing history, do not have a current housing payment, or own a home free and clear, payment is shock is not considered.</p>

Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

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**5000-RH-24BS**

Property Types	<p><u>Eligible:</u> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><u>Ineligible:</u> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
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Property Types  
All Condos

A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs - Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the note rate</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 30-year full amortization</li> </ul> <p>DTI Ratio          Standard max is 50%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI is over 43%</li> <li>• Minimum residual Income is \$3,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second home or non-owner occupied properties</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amount &lt;= \$1.5MM: 3 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> </ul>

Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	<p>Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.</p>
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydown	<p>Not allowed.</p>

Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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**Full Documentation**
**90% LTV/CLTV Purchase • Loan Amounts Up To \$3,000,000 • 48 Months from Housing Event**
**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
740 +	90%	90%	80%	\$1,000,000
	90%	90%	60%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,000,000
720 +	90%	90%	80%	\$1,000,000
	85%	85%	60%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,000,000
700 +	85%	85%	80%	\$1,000,000
	80%	80%	60%	\$2,000,000
	75%	70%	65%	\$2,500,000
	75%	70%	60%	\$3,000,000
680 +	80%	80%	80%	\$1,000,000
	80%	80%	60%	\$2,000,000
660 +	80%	80%	80%	\$1,000,000
	60%	60%	60%	\$2,000,000

**Other Restrictions**

Non Warrantable Condos	Not allowed
IO	Max LTV/CLTV 75% & 700 FICO
2-4 Units	Maximum LTV 75%
Agency Loan Amounts	At least \$1.00 higher



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Second Home Residence				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
680 +	80%	80%	70%	\$1,000,000
	80%	80%	65%	\$2,000,000
660 +	60%	60%	60%	\$1,000,000

Other Restrictions	
2-4 Units	Not available
IO	Max LTV/CLTV 75% & 700 FICO
Agency Loan Amounts	At least \$1.00 higher

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	80%	75%	75%	\$1,000,000
700 +	75%	70%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000

Other Restrictions	
2-4 Units	Not available
IO	Max LTV/CLTV 75% & 700 FICO
Agency Loan Amounts	At least \$1.00 higher

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisal notes the subject property is in a declining market, 5-25% reduction in maximum is required, determined by the underwriter</p> <p>If the appraisal states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV for purchase or RT transactions &amp; 10-25% reduction in LTV/CLTV for cash out transactions.</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business assets are eligible for the borrower's down payment, closing costs, and reserves. The following must be provided:           <ul style="list-style-type: none"> <li>○ All funds must be documented with the most recent two months bank statements.</li> <li>○ The percentage of business assets used in the transaction or considered for reserves may not exceed borrower's percentage of ownership in their business.</li> <li>○ Provide access letters from all additional business owners.</li> <li>○ Provide evidence the withdrawal of said funds will not negatively impact the business with any one of the following:               <ul style="list-style-type: none"> <li>▪ Cash-flow analysis covering the most recent three months.</li> <li>▪ A current balance sheet for most recent quarter.</li> <li>▪ A CPA letter.</li> </ul> </li> <li>○ Large deposits (atypical/inconsistent) must be sourced and documented if funds are being considered for down payment, closing costs, and/or reserves.</li> <li>○ Business assets are eligible from any business owned by the borrower(s).</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – i.e. Bitcoin and Ethereum are in-eligible</li> </ul> </li> </ul>
Borrower Eligibility	<p><u><b>Eligible:</b></u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Aliens</p> <p>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</p> <p><u><b>In-Eligible:</b></u> Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out is \$1,000,000</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>○ Tax liens, judgments, and charge-offs accounts must be satisfied or brought current prior to or at closing.</li> <li>○ Liens impacting title must be satisfied prior to closing.</li> <li>○ All collections and charge-offs must be paid if an individual collection or charge-off is equal to or greater than \$1000 or if the cumulative total of collections and charge-offs per loan is equal to or greater than \$2500.</li> <li>○ All settled debts reported in the previous 24 months must be fully explained and taken into consideration in the full credit review.</li> </ul> <p><b>IRS Installment Plans</b>            Loans with borrowers making monthly installment payments to the Internal Revenue Service (IRS) may be eligible for funding provided the borrower is being qualified with the installment payment, and the following documentation is included in the loan file:</p> <ul style="list-style-type: none"> <li>○ Document a satisfactory payment history (account must be in good standing).</li> <li>○ Evidence of the approved installment agreement with the IRS.</li> <li>○ IRS debts which have become liens or are past-due, are ineligible for qualifying as an installment plan and must be paid prior to funding.</li> </ul>
Continuity of Obligation	<ul style="list-style-type: none"> <li>• At least one borrower on the new loan must also be obligated on the current lien; or</li> <li>• Borrower has been on title to the subject property for the previous 12 months; occupied the subject property for the previous 12 months; and can demonstrate having made the payments in the previous 12 months</li> </ul> <p><b>Exception to the above</b></p> <ul style="list-style-type: none"> <li>• The borrower acquired the subject property through an inheritance or was legally awarded the property through a court ordered agreement. This scenario requires no minimum waiting period for continuity of obligation.</li> </ul>

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Credit	<ul style="list-style-type: none"> <li>• The score for each borrower must be generated from a minimum of 3 traditional open trade lines evaluated for at least 12 months. The three trade lines must reflect an acceptable payment history.</li> <li>• Trade lines for closed accounts may be used to meet this requirement provided the payment history is acceptable.</li> <li>• Authorized user accounts may not be used to satisfy this requirement unless the borrower can provide written documentation (such as canceled checks or payment receipts) proving that he or she has been the actual and sole payer of the monthly payment on the account for at least 12 months preceding the date of the application</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> <li>• Any loan for which one or more borrowers do not have two valid credit scores, are considered "non- traditional" credit loans. All non-traditional credit loans are ineligible.</li> <li>• Forbearance: see for Forbearance section &amp; Credit Significant Derogatory Credit Events, Housing Events</li> </ul> <table border="1" data-bbox="361 763 1136 1049"> <thead> <tr> <th colspan="2" style="background-color: #008000; color: white;">Matrix 5000-Elite Plus-FD</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Mo</td></tr> <tr> <td>BK (Other)</td><td>48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>48 Mo</td></tr> <tr> <td colspan="2">Multiple Housing Events in the last 7 years are not allowed.</td></tr> </tbody> </table>	Matrix 5000-Elite Plus-FD		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo	Multiple Housing Events in the last 7 years are not allowed.	
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Credit Alimony & Child Support	<p>Borrowers making monthly child support or alimony payments must be qualified with the monthly payment:</p> <ul style="list-style-type: none"> <li>• Arrearages must be satisfied prior to closing or the borrower must show evidence the arrearage has been paid as agreed in the past twelve months</li> <li>• Alimony and child support must be included in qualifying ratios as monthly debt, and may not be deducted from earnings</li> <li>• Alimony and child support may not be considered a debt paid by a business when qualifying a self-employed borrower.</li> </ul>																

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Credit Authorized User Accounts	<ul style="list-style-type: none"> <li>• The authorized user account cannot be considered part of the borrower's credit history when the borrower has several authorized user accounts, and only a few accounts of his/her own (see second bullet). Conversely, if the borrower has several trade lines in good standing and only a minor number of authorized user accounts, the underwriter may consider the information reported on the credit report as an accurate reflection of the borrower's credit history.</li> <li>• If a borrower provides 12 months canceled checks as proof of payment on an authorized user account, the account may be considered part of the borrower's credit history. The required monthly payment must be included in the DTI calculation.</li> <li>• Authorized user accounts are not required to be included in the borrower's DTI ratios, unless the debt was listed on the initial loan application, or if the borrower is responsible for making the payment.</li> </ul>
Credit Debts Paid by a Business (Self-Employed Borrowers)	<p>In order for a debt to be excluded from the borrower's total qualifying ratio calculation, evidence must be provided to show the business has paid the debt for the previous 12 month period. Additional requirements in removing a business paid debt include but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• No history of delinquency on the account in question.</li> <li>• Evidence the obligation was paid out of company or business funds.</li> <li>• Tax returns or cash flow analysis to reflect the business making said payment.</li> <li>• If personally obligated, it is not acceptable to exclude mortgage debt as a result of the business making the payment.</li> <li>• Contingent liabilities and cosigned obligations must be included in the borrower's DTI unless 12 months cancelled checks are provided to support the debt payment being made by another individual. If the payment history indicates delinquent payments, the payment must then be included in the borrower's DTI.</li> <li>• Installment debts or auto leases with a history of being paid by the business, and have since been paid in full and replaced with similar/new debt, may only be excluded if the new liability payment is less than or equal to the previous/original payment.</li> </ul>

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<p><b>Credit Debts Paid by Others</b></p> <p>When a borrower is obligated on a non-mortgage debt, the payment may be excluded from the DTI if another party is repaying the debt. All of the following requirements must be met:</p> <ul style="list-style-type: none"> <li>• Document in the form of 12 months cancelled checks that the other party has been making regular payments during the previous 12 months.</li> <li>• The other party may not be an Interested Party to the Transaction.</li> <li>• The debt must be paid as agreed with no history of delinquent payments.</li> <li>• Non-mortgage debts include but are not limited to:           <ul style="list-style-type: none"> <li>○ Auto loan.</li> <li>○ Lease payment.</li> <li>○ Student loan.</li> <li>○ Revolving debt.</li> </ul> </li> </ul> <p>When a borrower is obligated on a mortgage debt, the payment may be excluded from the DTI if another party is repaying the debt. All of the following requirements must be met:</p> <ul style="list-style-type: none"> <li>• The other party is obligated on the mortgage debt.</li> <li>• Document in the form of 12 months cancelled checks that the other party has been making regular payments during the previous 12 months.</li> <li>• The debt must be paid as agreed with no history of delinquent payments.</li> <li>• The borrower is not using rental income from the applicable property to qualify.</li> <li>• The property must be included in the total count of financed properties.</li> </ul> <p><b>Projected Obligations and Obligations Not Considered Debt</b></p> <ul style="list-style-type: none"> <li>• Debt payments, such as a student loan (regardless of current status (forbearance, deferred, or in repayment)) or balloon-payment Note scheduled to begin or come due within 12 months of the mortgage loan closing, must be included by the UW as anticipated monthly obligations during the underwriting analysis.</li> <li>• Debt payments deferred to a period outside the 12-month timeframe must be classified as projected obligations.</li> </ul> <p>Obligations not considered debt, and therefore not subtracted from gross income, include:</p> <ul style="list-style-type: none"> <li>• Federal, State, and local taxes; Federal Insurance Contributions Act (FICA) or other retirement contributions, such as 401(k) accounts (including repayment of debt secured by these funds); Commuting costs; Union dues; Open accounts with zero balances; Automatic deductions to savings accounts; Child-care; Voluntary deductions.</li> </ul>	
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Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required</li> <li>• For homes owned free and clear, provide evidence taxes, property insurance, and association dues are paid as agreed.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free           <ul style="list-style-type: none"> <li>◦ Maximum LTV/CLTV of 75%</li> <li>◦ Maximum DTI of 43%.</li> <li>◦ The rent-free period must be the months directly preceding or during the loan purchase application process.</li> <li>◦ The rent-free period is consecutive and does not exceed 12 months</li> <li>◦ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>◦ The underwriter must obtain an acceptable 12 months rental history (based on specific requirements) for the time-frame immediately prior to the rent-free period</li> <li>◦ and the borrower must provide an acceptable letter of explanation</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>

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Credit Paying Off and Paying Down Debt	Both installment and revolving debts may be paid off in order to remove the payment from the total qualifying ratios. The following documentation must be provided: <ul style="list-style-type: none"> <li>• Evidence the account has been paid in full.</li> <li>• Source of funds to pay off the debt must be documented.</li> <li>• Lease payments may not be paid down or paid off for qualifying purposes.</li> <li>• Revolving debt must be documented as paid in full in order for the monthly obligation to be removed from the qualifying DTI. Paid in full revolving accounts may remain open with a zero balance at consummation.</li> <li>• Paying off debt at the time of funding with any portion of the allowable cash-back, from a rate &amp; term refinance, will result in the loan being deemed a cash-out refinance.</li> <li>• Installment debts with less than ten payments remaining may be excluded from qualifying DTI ratio.</li> </ul>
Credit Significant Derogatory Credit Events, Housing Events	Borrowers with significant derogatory credit events (restructured mortgages, foreclosure (including Notice of Default and pre-foreclosure), bankruptcy, Deed in Lieu) are eligible provided the significant derogatory credit event meets the required seasoning periods. The following guidelines apply to individuals who have a significant derogatory credit event reporting on their credit history, regardless of whether the incident is reported on the credit report. The borrower must meet the following criteria: <ul style="list-style-type: none"> <li>• Maximum 43% DTI.</li> <li>• First-Time home buyers will require a minimum of 7 years seasoning from the completion date of the significant derogatory credit event.</li> <li>• Mortgage Loans with unrelated multiple significant derogatory credit events are ineligible.</li> <li>• To conclude that the borrower's credit profile is acceptable despite previous financial mismanagement, the rationale supporting the determination that the financial mismanagement is unlikely to recur and the borrower's credit profile is acceptable must be explained.</li> <li>• All other requirements within this guide must be met.</li> <li>• Forbearance is considered a housing event.</li> </ul>
Credit Scores	The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 660 or greater. To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.
Credit Scores – Rapid Rescores	New credit reports ordered specifically for the purpose of increasing a borrower's credit scores (such as Rapid Rescore <sup>©</sup> ) are ineligible. A new credit report with updated credit scores may be provided if the initial credit report contained erroneous information and has since been corrected, provided the new credit report meets the Fair Credit Reporting Act with regard to the nature of the inquiry. All credit reports obtained in connection with the subject loan transaction must be provided, along with a letter of explanation and any supporting documentation regarding the reason for the new report.

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Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	<p>Escrow funds/impound accounts are required to be established for all HPML loans.</p> <p>Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, for non-HPML loans or exempt business purpose loans when the following requirements are met:</p> <ul style="list-style-type: none"> <li>• LTV less than or equal to 80%</li> <li>• Minimum decision credit score of 720</li> <li>• Minimum 12-months of reserves</li> </ul>
First Time Home Buyers FTHB	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• 1 units properties only</li> <li>• No housing events in the past 7 years</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history               <ul style="list-style-type: none"> <li>▪ Not allowed</li> </ul> </li> </ul> </li> <li>• Interest Only is not allowed.</li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>

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Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• Purchase transactions, 100% Gift Funds are allowed with a maximum LTV/CLTV of 70%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are not allowed.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> <li>• Eligible for 1-unit Primary Residence or Second Homes transactions only</li> <li>• Co-mingled accounts, other than those accounts held jointly with a spouse or domestic partner, are ineligible as the source of funds for the 5% borrower demonstrated liquid assets.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> <li>• Donors must be individuals and not a business or Trust</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>

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## **5000-Elite Plus-FD**

<p>Gift Funds Verifying Donor Availability of Funds &amp; Transfers of Gift Funds</p>	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"><li>• a copy of the donor's check and the borrower's deposit slip,</li><li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li><li>• a copy of the donor's check to the closing agent, or</li><li>• a settlement statement showing receipt of the donor's check.</li></ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"><li>• Gift funds may not be used to meet reserve requirements.</li></ul>
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Refer to Fannie Mae guidelines for specific standards which are not addressed below:

Full Income Documentation:

- Paystubs-a minimum of a full 30 calendar days of paystubs dated no earlier than 30 calendar days prior to the initial loan application date must be included in the file for non-self-employed borrowers. See Fannie Mae standards for acceptable paystub documentation.
- W2s-two years of W2 statements must be provided for all non-Schedule C self-employed borrowers (if applicable). All salaried employees must also provide two years W2 statements, unless a written verification of employment (WVOE) and YTD paystub are being provided.
- W2 transcripts-W2 transcripts may be used in lieu of W2s when necessary. A written explanation should be included in the closed loan package as to why the borrower's W2 statement was unavailable.
- K1's-All K-1's must be obtained regardless of the percentage of ownership. Losses must be considered in the qualifying income calculation.
- Verbal Verifications of Employment-must be completed within ten business days of the consummation date.
- Verbal Verifications of Prior Employment-must be completed within 120 days prior to the consummation date.
- Non-Arm's Length Verbal Verifications of Employment-are ineligible.
- Third Party Verification of Employment-a verbal verification of employment when provided by a third party and dated within ten business days of the date of consummation is acceptable. If the "information current as-of" date on the verification is older than 35 calendar days, updated verification documentation must be provided. Fannie Mae DU Validation Service (DVS) or Freddie Mac LPA Asset and Income Modeler (AIM) documentation is acceptable, in conjunction with any additional documentation required in these Guidelines.
- Written Verification of Employment-written verification of employment forms are acceptable provided they are accompanied by a minimum of one pay stub dated within 30 calendar days of the application date. The paystub must include year to date earnings for the borrower. Written VOEs are not acceptable for a borrower employed by family or self-employed. Fannie Mae DU Validation Service (DVS) or Freddie Mac LPA Asset and Income Modeler (AIM) documentation as applicable are acceptable, in conjunction with any additional documentation required in these Guidelines.
- Employment Gaps and New Employment- must be documented prior to consummation and meet the requirements below.
  - Borrowers with an absence or gap in employment which exceeds 120 days must provide evidence of return to work for a minimum 30 days.
  - Borrower's new employment must be documented with a paystub(s) covering the 30 day period or Written Verification of Employment.
  - Verbal verification of employment dated within ten business days of the consummation date.
  - The borrower must document a 2- year work history prior to the absence or gap from employment.
  - It is acceptable to measure the length of employment from the date a borrower began or returned to work to the date of closing or loan consummation.
- Residual Income-not applicable.

Income Calculation /  
Documentation -

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Income Calculation / Documentation - Tax Transcripts and Tax Returns	<ul style="list-style-type: none"> <li>• Personal Tax Transcripts (1040)-most recent two years 1040 transcripts for each borrower.</li> <li>• Personal Tax Returns (1040)-most recent two years 1040 returns signed and dated prior to date of consummation are required. Borrowers whose income is reported solely from W2, salaried, non-self-employed sources are not required to provide tax returns unless deemed necessary due to additional factors such as Unreimbursed Business Expenses, secondary income from self-employment or rental income; however, tax transcripts must be included for all borrowers.</li> <li>• Transactions Originated and/or Closed from January through mid-April-of any given year, AMG will consider using the most current year's tax returns for borrowers for which tax transcripts are not yet available. AMG would require a copy of the returns as well as confirmation of receipt from the IRS—either in the form of an e-file acceptance or stamp from the IRS and verification that any amount due has been remitted to the IRS and sourced in the file. Any significant increase or decrease in income from the prior year's returns must be satisfactorily explained.</li> <li>• Extension of Time to File-Borrowers filing tax extensions for personal tax returns must provide all of the following:           <ol style="list-style-type: none"> <li>1. The filed IRS Application for Extension of Time to File</li> <li>2. The request for the tax transcript verifying "no record of return filed"; and</li> <li>3. The prior most recent two years of tax transcripts.</li> <li>4. Year-to-date Profit and Loss and Balance Sheets for the year of returns on extension.</li> <li>5. Document any amount due that has been remitted to the IRS with Extension and provide source of funds in file. Significant variances in the tax liability from previous years compared to the estimated current year must be fully explained.</li> </ol>           Additional documentation may be required.         </li> <li>• Transactions Closed on or after October 15-of any given year (where the borrower had filed an extension for their previous year's return), we would require a copy of the returns as well as confirmation of receipt from the IRS—either in the form of an e-file acceptance or stamp from the IRS and verification that any amount due has been remitted to the IRS, and sourced in the file. Any significant increase or decrease in income from the prior year's return must be satisfactorily explained.</li> <li>• Tax Transcripts and IRS Rejection Code-If a request for tax transcripts (personal or business) has been rejected by the IRS by means of a rejection code, Fannie Mae guidelines should be followed. In addition, the Seller should obtain documentation which includes but is not limited to the following:           <ol style="list-style-type: none"> <li>1. IRS rejection documentation.</li> <li>2. Letter of explanation from the borrower.</li> <li>3. Transcripts obtained directly from the borrower.</li> <li>4. Form 14039 (IRS Identity Theft Affidavit) if applicable.</li> </ol> </li> </ul>
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Income Calculation / Documentation - Tax Transcripts and Tax Returns Self-Employment	<ul style="list-style-type: none"> <li>• Business Tax Returns-most recent two years returns for all businesses signed prior to the date of consummation, including all schedules and K-1s. All business losses must be considered in the qualifying income calculation.</li> <li>• Business Tax Transcripts-optional.</li> <li>• Profit and Loss Statements and Balance Sheets-for the prior tax year are required for all businesses considered in qualifying when the IRS Form 1040 has not yet been filed (e.g., prior to the tax filing deadline or an "Extension of Time to File" has been filed).</li> <li>• Year-to-Date Profit and Loss Statement-required for all self-employed borrowers when a borrower's business income is being considered for qualifying. Income from a Year-to-Date Profit and Loss should not be considered in the income calculation. Year-to-date profit and loss statements are not required if and when the borrower has a small business loss equal to 5% or less of the total qualifying income. Profit and Loss Statements are not required to be signed.</li> <li>• Year-to-Date Balance Sheet-required for all self-employed borrowers when a borrower's business income is being considered for qualifying (See Sole Proprietorship Section for exceptions). Balance sheets are not required if and when the borrower has a small business loss equal to 5% or less of the total qualifying income. Balance Sheets are not required to be signed.</li> <li>• Third-party verification of self-employment-must be completed within ten business days of consummation and include the name and phone number of the employee verifying the information. Examples of acceptable verification include CPA letters, Regulatory Agency verification, verification from the applicable licensing bureau, and website documentation.</li> </ul>
Income Calculation / Documentation - PPP Loans	<ul style="list-style-type: none"> <li>• PPP Cares Act Loans-for self-employed income considerations (when the consumer is not a Sole Proprietor and the debt is not in the name of the consumer, nor has the consumer personally guaranteed repayment of the debt) the debt would be a liability of the business and subject to the business financial strength, it may or may not impact the use of income generated from that business in consumer qualifying considerations.</li> <li>• PPP Cares Act Loans (To a Sole Proprietor)-could be in the individuals name. PPP loans to sole proprietors would be considered a liability with a 0.00 monthly payment unless there was evidence in the file that the loan was not forgiven and subject to a monthly payment from the consumer. (Unlike a typical SBA loan, the PPP loans are not personally guaranteed. The application indicates the Borrower's attestation that they are taking out the loan to use for purposes that would result in forgiveness.). There should be no additional liability considerations based on the business outstanding PPP loan.</li> </ul>
Income Calculation / Documentation - General Requirements	<ul style="list-style-type: none"> <li>• All income documentation-must be obtained prior to funding.</li> <li>• 4506C-required for all borrowers.</li> <li>• Income Analysis-underwriter must provide a written income analysis and detailed calculations for each type of income used in qualifying borrower(s).</li> </ul>
Income Calculation / Documentation - Stability and Continuance of Employment and Income	<ul style="list-style-type: none"> <li>• Income may not be used in calculating the borrower's debt-to-income ratio if it comes from any source that cannot be verified, is not stable, or will not continue</li> <li>• Underwriter must verify the borrower's employment for the most recent two full years, and the underwriter must require the borrower to:           <ul style="list-style-type: none"> <li>○ Indicate if the borrower was in school or the military for the recent two full years, providing evidence supporting this claim with college transcripts or military discharge papers</li> </ul> </li> </ul>

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Income Calculation / Documentation - Employments Gaps and New Employment	<ul style="list-style-type: none"> <li>Borrowers with an absence or gap in employment which exceeds 120 days must provide evidence of return to work for a minimum 30 days.</li> <li>Borrower's new employment must be documented with a paystub(s) covering the 30 day period or Written Verification of Employment.</li> <li>Verbal verification of employment dated within ten business days of the consummation date.</li> <li>The borrower must document a 2- year work history prior to the absence or gap from employment.</li> <li>It is acceptable to measure the length of employment from the date a borrower began or returned to work to the date of closing or loan consummation</li> </ul>
Income Calculation / Documentation - Extended Absences	<p>Borrowers returning to work after an extended absence (defined as six months), may be considered as having stable income provided:</p> <ul style="list-style-type: none"> <li>they've been in their current employment position for a minimum of six months, and;</li> <li>borrower can document a two year work history prior to the absence from employment.             <ul style="list-style-type: none"> <li>A two year employment history must be documented with W2s and paystubs, or written employment verification and paystub.</li> <li>It is acceptable to measure the length of employment from the date a borrower began or returned to work to the date of closing or loan consummation.</li> </ul> </li> </ul>
Income Calculation / Documentation - Projected Income from New Job (Executed Employment Contracts and Fully Executed Offer Letters)	<ul style="list-style-type: none"> <li>Projected income is acceptable for qualifying purposes for a borrower scheduled to start a new job within 60 calendar days of loan consummation or prior to loan purchase whichever is less.</li> <li>File must contain the following:             <ul style="list-style-type: none"> <li>An executed copy of the borrower's offer or employment contract for future employment and anticipated income.</li> <li>A paystub from the borrower that includes sufficient information to support the income used to qualify the borrower based on the offer or employment contract, must be provided prior to loan purchase.</li> </ul> </li> <li>The creditor must verify that the borrower will have sufficient income or cash reserves to support the mortgage payment and any other obligations between loan closing and the start of employment. Examples of this type of scenario are teachers whose contracts begin with the new school year, or a physician beginning a residency after the loan closes.</li> </ul>
Income Calculation / Documentation - Non-Reimbursed Business Expense	Out of pocket, unreimbursed business expenses reported on a borrower's federal tax return, must be deducted from the borrower's qualifying income. If reported on the most recent two years tax returns, the expenses would be averaged over 24 months. If the unreimbursed expenses are higher in the most recent tax year, then a 12-month average of the expenses should be deducted from the qualifying income.

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Income Calculation / Documentation - Tax Transcripts and IRS Rejection Code	If a request for tax transcripts has been rejected by the IRS by means of a rejection code, Fannie Mae guidelines should be followed. In addition, the underwriter should obtain documentation which includes but is not limited to the following: <ul style="list-style-type: none"> <li>• IRS rejection documentation.</li> <li>• Letter of explanation from the borrower.</li> <li>• Transcripts obtained directly from the borrower.</li> <li>• Form 14039 (IRS Identity Theft Affidavit) if applicable.</li> </ul>
Income Self-Employment Income Minimum Length of Self Employment	<ul style="list-style-type: none"> <li>• Income from self-employment is considered stable, and effective, if the borrower has been self-employed for two or more years and documented with the most recent 2 years of tax returns.</li> <li>• Borrowers who have been self-employed for less than two years are not eligible</li> </ul>
Income – Misc. Source Rental Income: General Requirements	<ul style="list-style-type: none"> <li>• A separate schedule of real estate is not required for rental properties as long as all properties are documented on the Uniform Residential Loan Application.</li> <li>• Rental Income calculations must be provided for each property. It is recommended that rental Income calculations are based on the most conservative income approach and meet Fannie Mae requirements.</li> <li>• Positive rental income is considered gross income for qualifying purposes, while negative income must be treated as a recurring liability.</li> <li>• A rental history over the previous 24 months that is free of unexplained gaps greater than three months (such gaps could be explained by student, seasonal, or military renters, or property rehabilitation).</li> <li>• Any gaps in documentation greater than 3 months will be ineligible. If the borrower has filed an extension for the previous year tax filing, it may be necessary to provide evidence of additional month's receipt of rental income.</li> <li>• The income from the tax returns must be supported by the current lease agreement. If the documents do not coincide, the lesser income must be used to qualify.</li> <li>• Income from the subject owner occupied property (1-4 units) may not be used to qualify the borrower when the subject transaction is a purchase transaction.</li> <li>• The monthly housing obligation (PITIA) may not be reduced based on the percentage of ownership when ownership is split with non-borrowing individuals.</li> <li>• Rental income will be based on the borrower's Schedule E income.</li> </ul>
Income – Supplement Asset Utilization	Not Eligible

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Income Supplement Income Part Time Job/ Secondary Employment (multiple Jobs)	<ul style="list-style-type: none"> <li>Part-time employment income can be used to qualify the borrower if the UW documents that the borrower has worked the part time job uninterrupted for the past two years and plans to continue. For qualifying purposes, "part-time" income refers to employment taken to supplement the borrower's income from regular employment; part-time employment is not a primary job, and it is generally worked less than 40 hours per week.</li> <li>Part-time income received for less than two years but no less than 18 months may be included as effective income, provided that the UW justifies and documents that the income is likely to continue.</li> <li>Secondary and/or multiple job income received for less than two years but no less than 18 months may be included as effective income, provided that the UW justifies and documents that the income is likely to continue.</li> <li>Part-time/secondary income not meeting these requirements may not be used in qualifying.</li> </ul>
Income Unacceptable Sources	<p>Income from sources considered ineligible includes, but is not limited to the following:</p> <p>A. Border or Roommate Income, B. Deferred Compensation Plans, C. Farm Income from the Subject Property, D. Foreign Income, E. Future Income, F. Gambling Income. G. Home Ownership Subsidies from any source other than the Public Housing Agency, H. Income Derived from the Sale or Distribution of Marijuana, I. Income Derived from the Subject Property with Land Being Leased to Another Party, J. Income Determined to be Temporary or One-Time in Nature, K. Lump Sum Payments of Lottery Earnings that are not ongoing, L. Lump Sum Payments such as Inheritances or Lawsuit Settlements, M. Non-Incidental Income Received from Farming or Agricultural Use of a Property, N. Rental Income from an Accessory Dwelling Unit Associated with the Subject Property, O. Rental Income Received from the Borrower's Single Family Primary Residence on a refinance transaction, P. Income from the subject owner occupied property (1-4 units) may not be used to qualify the borrower when the subject transaction is a purchase transaction, Q. Restricted Stock Units, R. Retained Earnings in a Company, S. Stock Options, T. Taxable Forms of Income not declared on Personal Tax Returns U. Trailing Co-Borrower Income, V. Unverifiable Income, W. VA Education Benefits.</p>
Income Working for a Family Business	<p>Borrowers working for a business owned and/or operated by a family member, spouse, or domestic partner carry additional risk, and therefore the following qualifying documentation is required:</p> <ul style="list-style-type: none"> <li>Must be qualified using a two-year average of W-2 earnings amortized over 24 months. If there has been a decline in earnings from one year to the next, the UW must use the more conservative lower income for qualifying.</li> <li>Income must be reported on the borrower's most recent two years signed federal income tax returns, regardless of the type of income the borrower receives (commission, salary, overtime, or bonus).</li> <li>Tax transcripts obtained directly from the IRS may not be used in lieu of tax returns.</li> <li>Provide one of the following to verify borrower's ownership percentage (if any): A signed copy of the most current business tax return, a CPA letter, or most current Schedule K-1.</li> </ul>

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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• Minimum Fico 700</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Not available for FTHB</li> </ul>
Listing Seasoning	Properties previously listed for sale should be seasoned at least 6 months, seasoning is from the listing contract expiration date to application date
Minimum Loan Amount	\$1.00 more than agency county loan limits
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	Not allowed
Non-Occupant Co-Borrower	Loans with non-occupant co-borrowers, guarantors and co-signers are ineligible
Non-Permanent Resident	<p>Non-Permanent residents are eligible borrowers provided the legal residency is documented and all the following criteria are met:</p> <ul style="list-style-type: none"> <li>• H1B and L1 Visas (only) are eligible when a copy of the document is provided in the file.           <ul style="list-style-type: none"> <li>○ Primary residence only.</li> <li>○ Valid Social Security Number required.</li> <li>○ Visas must be current at the time of consummation. The employer on the loan application must be the same as on the unexpired visa.               <ul style="list-style-type: none"> <li>▪ If fewer than six (6) months remain at loan consummation, document an extension was requested, along with a letter from the employer confirming the borrower's continued employment and continued visa renewal sponsorship.</li> </ul> </li> <li>○ Borrowers qualified with Full Income documentation must provide most recent two years of filed United States income tax returns for all borrowers whose income is being considered in qualifying.</li> <li>○ Two full uninterrupted years of employment in the United States required for all borrowers whose income is being considered in qualifying.</li> <li>○ Maximum LTV/CLTV is 80%</li> <li>○ Interest Only is not available.</li> </ul> </li> </ul>

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Other Real Estate Owned Limitation	<ul style="list-style-type: none"> <li>• A borrower may own a maximum of 4 financed, one- to four-unit residential real properties, including the subject property (regardless of occupancy type).           <ul style="list-style-type: none"> <li>◦ Borrowers on title to a property and not included on the property Mortgage Note as evidenced in the loan file would not be required to include said property in the maximum property count.</li> <li>◦ Co-signed Mortgage Notes must be included in the maximum property count.</li> </ul> </li> <li>• Borrowers must have 2 months PITIA in reserves for each additional property owned by the borrower; this is in addition to the reserves required for the subject property. If additional properties are owned free and clear, the two months of insurance, taxes, and association dues (when applicable) must be documented.</li> <li>• Properties in the name of a borrower's business, commercial or residential, typically do not need to be included in this count, when the associated mortgage debt is not the borrower's personal obligation and thus not reported on the borrower's personal credit report or tax returns.</li> <li>• Financed commercial properties that are the borrower's personal obligation must be included in the count of maximum financed properties owned by a borrower. When a commercial property is reported on the personal 1040 tax returns, the property is deemed a personal property unless sufficient evidence is provided to support otherwise.</li> <li>• Vacant land is not typically considered in the count of maximum financed properties.</li> </ul>
Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75%           <ul style="list-style-type: none"> <li>◦ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>

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Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>If the seller has owned the property less than 180 calendar days from the date of the purchase contract and the new sales price is higher than the price paid by the seller to acquire the property, this transaction would be ineligible.</p> <p>The following types of re-sale transactions are not considered property flips; however, these transactions would be ineligible for HPML's.</p> <ul style="list-style-type: none"> <li>• Property being sold by a spouse who acquired the property through a divorce settlement.</li> <li>• Property acquired by an employer through a relocation program.</li> <li>• Property being sold by an administrator or executor of an estate.</li> <li>• Property being sold by a lender, mortgage investor, or mortgage insurance company acquired through foreclosure or deed-in-lieu of foreclosure.</li> <li>• Property being transferred via quit claim deed (or transfers) between the property seller and their business, when the property seller is the sole owner of the business (e.g., Joe Smith transferred to Smith LLC, or Smith LLC transferred to Joe Smith).</li> </ul>
Property Types	<p><b>Eligible:</b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable</p> <p><b>Ineligible:</b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property • Non warrantable condos • 2-4 units with an Accessory Dwelling Units (ADU)</p>

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Property Types <b>Modular Homes</b>	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> <li>• Max. LTV/CLTV is 75.0% for purchases and 70.0% for all refinances.</li> </ul>
Qualifying Rate and Ratios	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30 year full amortization.</li> </ul> <p><b>DTI Ratio</b></p> <p>OO &amp; Second Homes: standard max. is 50%</p> <p>OO &amp; LTV &gt; 80%: standard max. is 43%</p> <p><b>Loan amounts &gt; \$2,000,000; max. is 43%</b></p> <p>NOO: Max is 43%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• If the subject property was purchased in the previous 9 months, the Settlement Statement(s) or Closing Disclosure(s) must be provided.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	See cash out section
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• Buying out the equity position of a co-owner as a result of a court ordered agreement.</li> <li>• Property ownership resulting from a legal documented inheritance.</li> <li>• Paying off a first lien and purchase money subordinate lien (underwriter must document that the entire subordinate lien was used to purchase the property).</li> <li>• Paying off a seasoned non-purchase money subordinate lien or first lien HELOC.</li> <li>• Paying off a first lien HELOC used in its entirety to purchase the subject property</li> <li>• If the subject property was purchased in the previous 9 months, the Settlement Statement(s) or Closing Disclosure(s) must be provided.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• OO: 6 months' PITIA</li> <li>• OO &amp; Loan amount greater than \$1,500,000: 9 months' PITIA</li> <li>• Loan amounts &gt; \$1,500,000 &amp; LTV &gt; 80%: 12 months' PITIA</li> <li>• <b>Loan amounts &gt; \$2,500,000: 12 months' PITIA</b></li> <li>• Second Home and NOO: 12 months' PITIA Borrowers with other properties in addition to the subject property are required to have an additional two months of reserves for each property, based on the individual properties PITIA.</li> <li>• Properties owned free and clear require two months of taxes, insurance and HOA dues in reserves</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve calculations for an existing rental property are based on the actual PITIA calculation for that property, rather than the negative cash flow from the Property.</li> <li>• Reserves for the Interest-only products are based on the interest-only payment.</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI is over 43%</li> <li>• Minimum Residual income is \$2,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes or non-owner occupied properties</li> </ul>

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Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: 3%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Not allowed
Tax Liens	Must be paid off
Temporary Rate Buydowns	Not allowed

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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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**FULL DOCUMENTATION**
**90% LTV/CLTV Purchase • Loan Amounts Up To \$4,000,000 • 48 Months from Housing Event**
**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	90%	85%	80%	\$1,000,000
	90%	85%	80%	\$1,500,000
	85%	80%	80%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,000,000
	70%	N/A	N/A	\$4,000,000
700 +	90%	85%	80%	\$1,500,000
	85%	75%	70%	\$2,000,000
	75%	70%	65%	\$3,000,000
	70%	65%	NA	\$3,500,000
680 +	90%	85%	75%	\$1,000,000
	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	75%	65%	65%	\$3,000,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

**Other Restrictions**

Condo - Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 85%
Interest Only	Max LTV/CLTV 80% & Fico 680

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### Second Home

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	85%	80%	75%	\$2,000,000
	75%	70%	70%	\$2,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo - Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	85%	80%	75%	\$2,000,000
	75%	70%	70%	\$3,000,000
	70%	70%	NA	\$3,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	70%	65%	65%	\$3,000,000
	70%	70%	NA	\$3,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	70%	65%	65%	\$3,000,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo - Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds</li> </ul> </li> </ul> </li> </ul>
AUS	If owner-occupied or second home, the file must also include one of the following as evidence the borrower is not eligible for financing through a GSE or Government loan program an AUS Findings with a "Refer" or "Approve/Ineligible" response
Bankruptcy	<p><b>All Bankruptcies:</b>            Must be discharged for a minimum of 48 months from closing date. Seasoning is measured from the month and year of discharge.</p> <p>Multiple bankruptcy filings ineligible</p>

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Borrowers – Eligibility	<p><b><u>Eligible:</u></b> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien with US Credit</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b><u>In-Eligible:</u></b> Foreign national • Co-Signers • Guarantors • Any forms of a Trust • Non-Permanent Resident Alien with Foreign Credit</p>
Cash Out Amount	<ul style="list-style-type: none"> <li>• Maximum cash out: Unlimited</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="445 633 1220 882"> <thead> <tr> <th colspan="2">Matrix 5000-ELITE-FD</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Mo</td></tr> <tr> <td>BK (Other)</td><td>48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>48 Mo</td></tr> </tbody> </table>	Matrix 5000-ELITE-FD		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

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Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV of 75%</li> <li>○ Maximum DTI of 43%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>

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Credit Scores	The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 640 or greater. To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#"><u>See GreenBox Loans, Inc.'s "Location" on web page</u></a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waiver	<p>Escrow funds/impound accounts are required to be established for all HPML loans.</p> <p>Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, for non-HPML loans or exempt business purpose loans when the following requirements are met:</p> <ul style="list-style-type: none"> <li>• LTV less than or equal to 80%</li> <li>• Minimum decision credit score of 720</li> <li>• Minimum 12-months of reserves</li> </ul>

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First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history               <ul style="list-style-type: none"> <li>▪ Max LTV/CLTV: 75%</li> <li>▪ 15% applicant contribution</li> <li>▪ Payment shock is not considered</li> </ul> </li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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<p>Income - Documentation</p>	<ul style="list-style-type: none"> <li>• When tax returns are required, the most recent two years should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior two years of tax returns.</li> </ul> <p>Wage or Salaried Borrowers:</p> <ul style="list-style-type: none"> <li>• A completed Request for Verification of Employment (Form 1005 or Form 1005(S)), or the borrower's recent paystub (reflecting 30 days of pay and YTD earnings) and IRS W-2 forms covering the most recent two-year period</li> <li>• A verbal VOE from each employer within 10-days of the note date</li> <li>• A completed, signed, and dated IRS Form 4506-C is required for each borrower. The form should be executed and the transcripts for the most recent two-year period included in the credit file. If tax returns included in the credit file, the transcripts and returns should be compared. Any discrepancies between the two documents should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Tax returns are not required if the only income is wages or salary. If any business income present on the transcripts or the borrower owns multiple investment properties, tax returns must be provided. Personal tax returns must be complete with all schedules (W-2 forms, 1099 forms, K-1, and any other forms) and be signed and dated</li> </ul> <p>Self Employed Borrowers:</p> <ul style="list-style-type: none"> <li>• Most recent two years of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>• A YTD P&amp;L and balance sheet (Borrower prepared acceptable, borrower required to sign and date both the P&amp;L and Balance Sheet).</li> <li>• A complete, signed, and dated IRS Form 4506-C is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Verify the existence of the business within 30-days of funding and ensure the business is active with the following; a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>• Underwriter must consider the financial strength of a self-employed borrower's business</li> </ul>
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Income – Documentation of other Sources	<p>The following sources of income must be verified using Fannie Mae requirements.</p> <ul style="list-style-type: none"> <li>• Bonus*</li> <li>• Commission*</li> <li>• Overtime*</li> <li>• Part-time/Variable (uninterrupted and stable for past two years*)</li> <li>• Retirement</li> <li>• Social security</li> <li>• Investment and Trust</li> <li>• Military or government assistance</li> <li>• Child support and alimony</li> </ul> <p>* A period of two years must be used in calculating the average overtime, bonus, and commission income. If either type of income shows a continual decline, written justification on the income worksheet must be provided, or income should not be used. For Part-time employment, a minimum two (2) year history is required however a shorter period, of no less than twelve (12) months, may be considered case-by-case if positive factors are present to offset shorter history.</p>
Income – Documentation of Rental Income	<p>If a borrower has a history of renting the subject or another property, generally the rental income will be reported on IRS Form 1040, Schedule E of the borrower's personal tax returns or on Rental Real Estate Income and Expenses of a Partnership or an S Corporation form (IRS Form 8825) of a business tax return. If the borrower does not have a history of renting the subject property or if, in certain cases, the tax returns do not accurately reflect the ongoing income and expenses of the property, the UW may be justified in using a fully executed current lease agreement. Examples of scenarios that justify the use of a lease agreement are</p> <ul style="list-style-type: none"> <li>○ purchase transactions;</li> <li>○ refinance transactions in which the borrower purchased the rental property during or subsequent to the last tax return filing; or</li> <li>○ refinance transactions of a property that experienced significant rental interruptions such that income is not reported on the recent tax return (for example, major renovation to a property occurred in the prior year that affected rental income).</li> </ul>

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Income – Supplement Asset Utilization	<p>The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes</p> <p><b>Restrictions</b></p> <ul style="list-style-type: none"> <li>• Non-occupant co-borrowers not allowed</li> <li>• Max 43% DTI</li> <li>• Minimum 680 Credit Score</li> <li>• Gift Funds not eligible</li> <li>• Max LTV/CLTV: 85%</li> <li>• Max LTV/CLTV Cash Out: 75%</li> <li>• Max Loan Amount: \$2,500,000</li> </ul> <p><b>Asset Utilization Qualifying Method</b></p> <ul style="list-style-type: none"> <li>• Minimum Eligible Assets required is \$100,000 after down payment, closing costs and required reserves.</li> <li>• Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84</li> </ul> <p><b>Asset Utilization Income Documentation</b></p> <ul style="list-style-type: none"> <li>• All individuals listed on the asset account(s) must be on the Note and Mortgage;</li> <li>• Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;</li> <li>• Assets must be seasoned 120-days;</li> </ul> <p><b>Assets Eligible for Depletion</b></p> <p>Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:</p> <ul style="list-style-type: none"> <li>• 100% of Checking, Saving and Money Market Accounts</li> <li>• 70% of Stocks, Bonds and Mutual Funds</li> <li>• 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)</li> <li>• 60 of retirement Assets: Eligible if the borrower is not of retirement age.</li> </ul> <p><b>Assets Ineligible for Depletion</b></p> <ul style="list-style-type: none"> <li>• Equity in Real Estate</li> <li>• Privately traded or restricted/non-vested stocks</li> <li>• Any assets which produces income already included in the income calculation</li> <li>• Any assets held in the name of a business.</li> <li>• Assets held in an irrevocable trust where the beneficiary of the trust is not the borrower;</li> <li>• Assets held in a charitable giving trust, donor advised fund, or similar entity where the intended beneficiary is not the borrower.</li> <li>• Crypto is not an eligible liquid asset for asset utilization/depletion.</li> </ul>
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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 80%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><u><a href="#">Non-Arm's Length Transactions</a></u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u><a href="#">Interested Party Transactions</a></u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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<b>Non-Arm's Length &amp; Interested Party Transactions Eligibility &amp; Restrictions</b>	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
<b>Non-Occupant Co-Borrowers</b>	<ul style="list-style-type: none"> <li>• Must be immediate family members.</li> <li>• When non-occupant income used a 5% LTV reduction from program maximum required.</li> <li>• Occupying borrower(s) must have a DTI ratio of 60% or less. Excluding income/debts of non-occupant borrower.</li> <li>• Eligible transactions limited to purchase only or rate/term refinance</li> </ul>

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Non-Permanent Resident Alien Includes Asylum & DACA Continued on next page	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> </ul> </li> </ul>
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Non-Permanent Resident Alien Includes Asylum & DACA Continued	<p>Guideline restrictions:</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 85%</li> <li>• Non-Occupant Co-Borrowers not allowed</li> <li>• Gift Funds not allowed</li> <li>• US credit requirements detailed under the CREDIT section of this guide should be utilized. Foreign Credit Not allowed.</li> <li>• Primary residence only</li> <li>• Two full uninterrupted years of employment in the United States required for all borrowers whose income is being considered in qualifying.</li> </ul>
Occupancy	Owner Occupied, Second Homes and Investment
Payment Shock	<ul style="list-style-type: none"> <li>• Not calculated</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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<b>Property Flipping</b>	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
<b>Property Types</b>	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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<p>Property Types All Condos</p>	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria: <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that <ul style="list-style-type: none"> <li>▪ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>▪ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>▪ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums: <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899. <ul style="list-style-type: none"> <li>▪ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met: <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs - Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the note rate</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization</li> </ul> <p>DTI Ratio  Standard max is 50%  LTV/CLTV &gt; 85.0%: max 43%  Loan amounts &gt; \$3,500,000:maximum 43%</p>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>6 months seasoning required measure from deed transfer to application</li> <li>Max cash out: see Cash Out Amount Limit Section</li> <li>Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date. <ul style="list-style-type: none"> <li>Appraised value can be used for less than 12 month seasoning, under the following conditions: <ul style="list-style-type: none"> <li>Must have owned the property for at least 6 months</li> <li>Two appraisals are required</li> <li>Maximum LTV/CLTV is 70%</li> <li>Maximum Cash out amount is \$500,000.</li> <li>The following counties are excluded: San Francisco, CA; Denver, CO; Jacksonville, Miami, Orlando, Tampa, FL; Kansas City, MO; Cincinnati, OH; Nashville, TN; Austin, TX.</li> </ul> </li> </ul> </li> <li>No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>The original purchase transaction was an arms-length transaction.</li> <li>The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>No seasoning required</li> <li>Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>Buyout accompanied by an executed buyout agreement</li> <li>Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>

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Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• LTV &gt; 90.0%: 12 Months' PITIA</li> <li>• Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• LTV/CLTV &gt; 85%, O/O: minimum residual income is \$2,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes or non-owner occupied properties</li> </ul>

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Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Spousal Accounts	Accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and are subject to the seasoning requirements. Accounts held solely in the name of a non-borrowing spouse may not be used to meet reserve requirements.
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"><li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li><li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li><li>• The maximum payment required under the plan is included in the DTI calculation.</li><li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li><li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li></ul>
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Temporary Buydowns	<p>A temporary buydown creates a funded buydown account that is used to temporarily reduce the borrower's monthly payment during the initial year(s) of the loan. The Note Rate remains constant; only the borrower's payment is reduced. The buydown is funded by interested party contributions (IPCs). The buydown cannot exceed IPC limits. The buydown fund contribution can only come from a Seller/Builder or third-party. The difference between the buydown payment and the payment required by the note rate is paid every month by the loan servicer held in an escrow account from the buydown funds that are collected at closing.</p> <p>Buydown Types:</p> <ul style="list-style-type: none"> <li>• 2-1 Buydown <ul style="list-style-type: none"> <li>◦ Payment is calculated at 2% below the Note Rate for the first year</li> <li>◦ Payment is calculated at 1% below the Note rate for the second year</li> <li>◦ Payment calculated at the Note Rate for the years three through maturity</li> </ul> </li> <li>• 1-0 Buydown <ul style="list-style-type: none"> <li>◦ Payment is calculated at 1% below the Note Rate for the first year</li> <li>◦ Payment is calculated at the Note Rate for the years two through maturity</li> </ul> </li> </ul> <p>Eligible Parameters:</p> <ul style="list-style-type: none"> <li>• Owner Occupied</li> <li>• Primary Residence</li> <li>• Purchase</li> <li>• Loan amount &lt;= \$2,000,000</li> <li>• LTV/CLTV &lt;=80%</li> <li>• Seller/Builder and Third Party Funded subsidies <ul style="list-style-type: none"> <li>◦ Third Party subsidies include Real Estate Agents and Brokerages; Funds from Borrower(s) are ineligible</li> <li>◦ Borrower, Lender, and Premium Pricing from the interest rate are not permitted</li> </ul> </li> <li>• 30-year Fully Amortizing Fixed Rate only</li> <li>• Borrower(s) must qualify based on the Note Rate without consideration of the bought down rate</li> <li>• If reserves are required, the reserves must be calculated using the Note Rate</li> <li>• Borrower(s) and Seller/Builder are required to sign the Temporary Buydown Agreement at closing</li> <li>• The percentage of funds must be included in the interested party contribution limit.</li> <li>• To calculate the percentage of the buydown fund contribution, divide the buydown fund total by the purchase price</li> </ul>
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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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### FULL DOCUMENTATION

80% LTV/CLTV Purchase • Loan Amounts Up To \$3,000,000 • 36 Months From Housing Event • DTI Up To 55%

#### Primary Residence

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	80%	80%	\$1,000,000
	80%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	70%	65%	60%	\$3,000,000
680 +	80%	80%	75%	\$1,000,000
	80%	75%	70%	\$1,500,000
	80%	70%	65%	\$2,000,000
	70%	65%	60%	\$3,000,000
660 +	80%	75%	70%	\$1,000,000
	80%	75%	65%	\$1,500,000
	70%	65%	60%	\$2,000,000
640 +	80%	75%	70%	\$1,000,000
	70%	65%	65%	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

#### Other Restrictions

Condo – Warrantable	Max LTV/CLTV 80%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Cash Out: Condos in FL	Max LTV/CLTV 75%
Interest Only	Max LTV/CLTV 75% & Fico 680
FTHB w/ Rental History	5% reduction in Max LTV/CLTV
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV

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Second Home				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	70%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

Other Restrictions	
Condo	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 70%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%
Cash Out: Condos in FL	Max LTV/CLTV 70%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	70%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000
Other Restrictions				
Condo	Max LTV/CLTV 80%			
2-4 Units	Max LTV/CLTV 80%			
Cash Out in CT, IL & NJ	Max LTV/CLTV 70%			
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%			
Cash Out: Condos in FL	Max LTV/CLTV 70%			
Interest Only	Max LTV/CLTV 75% & Fico 680			

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds</li> </ul> </li> </ul> </li> </ul>
AUS	<p>If owner-occupied or second home, the file must also include one of the following as evidence the borrower is not eligible for financing through a GSE or Government loan program an AUS Findings with a "Refer" or "Approve/Ineligible" response</p>
Bankruptcy	<p>Multiple bankruptcy filings ineligible in the last 7 years.</p>

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Borrowers – Eligibility	<p><b><u>Eligible:</u></b> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b><u>In-Eligible:</u></b> Foreign national • Co-Signers • Guarantors • Any forms of a Trust</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>Maximum cash out: Unlimited</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

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Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="443 660 1214 913"> <thead> <tr> <th colspan="2">Matrix 5000-FD</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>620</td></tr> <tr> <td>Housing</td><td>1x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>36 Mo</td></tr> <tr> <td>BK (Other)</td><td>36 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>36 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>36 Mo</td></tr> </tbody> </table>	Matrix 5000-FD		Minimum FICO	620	Housing	1x30x12	BK (Chap 13 Discharge)	36 Mo	BK (Other)	36 Mo	Foreclosure / NOD	36 Mo	Short Sale / DIL / Loan Mod.	36 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

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Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided.           <ul style="list-style-type: none"> <li>○ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>○ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>○ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ FTHB reduce maximum LTV/CLTV by 10%</li> <li>○ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 620 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waiver	Impounds are required.
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income - Documentation	<ul style="list-style-type: none"> <li>• When tax returns are required, the most recent two years should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior two years of tax returns.</li> <li>• Wage or Salaried Borrowers:           <ul style="list-style-type: none"> <li>• A completed Request for Verification of Employment (Form 1005 or Form 1005(S)), or the borrower's recent paystub (reflecting 30 days of pay and YTD earnings) and IRS W-2 forms covering the most recent two-year period</li> <li>• A verbal VOE from each employer within 10-days of the note date</li> <li>• A completed, signed, and dated IRS Form 4506-C is required for each borrower. The form should be executed and the transcripts for the most recent two-year period included in the credit file. If tax returns included in the credit file, the transcripts and returns should be compared. Any discrepancies between the two documents should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Tax returns are not required if the only income is wages or salary. If any business income present on the transcripts or the borrower owns multiple investment properties, tax returns must be provided. Personal tax returns must be complete with all schedules (W-2 forms, 1099 forms, K-1, and any other forms) and be signed and dated</li> </ul> </li> <li>• Self Employed Borrowers:           <ul style="list-style-type: none"> <li>• Most recent two years of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>• A YTD P&amp;L and balance sheet (Borrower prepared acceptable, borrower required to sign and date both the P&amp;L and Balance Sheet).</li> <li>• A complete, signed, and dated IRS Form 4506-C is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Verify the existence of the business within 30-days of funding and ensure the business is active with the following; a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>• Underwriter must consider the financial strength of a self-employed borrower's business</li> </ul> </li> </ul>
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Income – Documentation of other Sources	<p>The following sources of income must be verified using Fannie Mae requirements.</p> <ul style="list-style-type: none"> <li>• Bonus*</li> <li>• Commission*</li> <li>• Overtime*</li> <li>• Part-time/Variable (uninterrupted and stable for past two years*)</li> <li>• Retirement</li> <li>• Social security</li> <li>• Investment and Trust</li> <li>• Military or government assistance</li> <li>• Child support and alimony</li> </ul> <p>* A period of two years must be used in calculating the average overtime, bonus, and commission income. If either type of income shows a continual decline, written justification on the income worksheet must be provided, or income should not be used. For Part-time employment, a minimum two (2) year history is required however a shorter period, of no less than twelve (12) months, may be considered case-by-case if positive factors are present to offset shorter history.</p>
Income – Documentation of Rental Income	<p>If a borrower has a history of renting the subject or another property, generally the rental income will be reported on IRS Form 1040, Schedule E of the borrower's personal tax returns or on Rental Real Estate Income and Expenses of a Partnership or an S Corporation form (IRS Form 8825) of a business tax return. If the borrower does not have a history of renting the subject property or if, in certain cases, the tax returns do not accurately reflect the ongoing income and expenses of the property, the UW may be justified in using a fully executed current lease agreement. Examples of scenarios that justify the use of a lease agreement are</p> <ul style="list-style-type: none"> <li>○ purchase transactions;</li> <li>○ refinance transactions in which the borrower purchased the rental property during or subsequent to the last tax return filing; or</li> <li>○ refinance transactions of a property that experienced significant rental interruptions such that income is not reported on the recent tax return (for example, major renovation to a property occurred in the prior year that affected rental income).</li> </ul>

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Income – Supplement Asset Utilization	<p>The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes</p> <p><b>Restrictions</b></p> <ul style="list-style-type: none"> <li>• Non-occupant co-borrowers not allowed</li> <li>• Max 43% DTI</li> <li>• Minimum 680 Credit Score</li> <li>• Gift Funds not eligible</li> <li>• Max LTV/CLTV: 85%</li> <li>• Max LTV/CLTV Cash Out: 75%</li> <li>• Max Loan Amount: \$2,500,000</li> </ul> <p><b>Asset Utilization Qualifying Method</b></p> <ul style="list-style-type: none"> <li>• Minimum Eligible Assets required is \$100,000 after down payment, closing costs and required reserves.</li> <li>• Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84</li> </ul> <p><b>Asset Utilization Income Documentation</b></p> <ul style="list-style-type: none"> <li>• All individuals listed on the asset account(s) must be on the Note and Mortgage;</li> <li>• Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;</li> <li>• Assets must be seasoned 120-days;</li> </ul> <p><b>Assets Eligible for Depletion</b></p> <p>Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:</p> <ul style="list-style-type: none"> <li>• 100% of Checking, Saving and Money Market Accounts</li> <li>• 70% of Stocks, Bonds and Mutual Funds</li> <li>• 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)</li> <li>• 60 of retirement Assets: Eligible if the borrower is not of retirement age.</li> </ul> <p><b>Assets Ineligible for Depletion</b></p> <ul style="list-style-type: none"> <li>• Equity in Real Estate</li> <li>• Privately traded or restricted/non-vested stocks</li> <li>• Any assets which produces income already included in the income calculation</li> <li>• Any assets held in the name of a business.</li> <li>• Crypto is not an eligible liquid asset for asset utilization/depletion.</li> </ul>
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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Occupant Co-Borrowers	<ul style="list-style-type: none"> <li>• Must be immediate family members.</li> <li>• When non-occupant income used a 5% LTV reduction from program maximum required.</li> <li>• Occupying borrower(s) must have a DTI ratio of 60% or less. Excluding income/debts of non-occupant borrower.</li> <li>• Eligible transactions limited to purchase only or rate/term refinance</li> </ul>

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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> </ul> <p>Guideline restrictions:</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 80%</li> <li>• Non-Occupant Co-Borrowers not allowed</li> <li>• Gift Funds not allowed</li> <li>• US credit requirements detailed under the CREDIT section of this guide should be utilized. Foreign Credit Not allowed.</li> </ul> </li></ul>
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Occupancy	Owner Occupied, Second Homes and Investment
Payment Shock	<ul style="list-style-type: none"> <li>• Not calculated</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following: <ul style="list-style-type: none"> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul> </li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>• The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>• Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>• Single entity ownership allowed up to 20% of the project.</li> <li>• Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>• GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>• Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>• Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>• 90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>• 40% of the total units in the project must be owner occupied.</li> <li>• All phases are complete.</li> <li>• HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>• All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>• 50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>• Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>• Project may be subject to additional phasing.</li> <li>• HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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<b>Property Types</b> <b>Modular Homes</b>	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
<b>Ratios</b>	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs - Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the note rate</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization</li> </ul> <p><b>DTI Ratio</b>  Standard max is 50%</p> <p><b>Primary Residence - Up to 55% allowed:</b></p> <ul style="list-style-type: none"> <li>○ Min residual income of \$3,500</li> <li>○ Max LTV/CLTV &lt;= 80%</li> <li>○ Minimum 12-months reserves</li> <li>○ First time home buyer not eligible</li> <li>○ 0x30x12</li> <li>○ IO is not available.</li> <li>○ Cash Out transactions are not allowed</li> </ul>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>

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Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 50% on O/O or LTV/CLTV &gt; 85% on O/O</li> <li>DTI &gt; 50%: minimum residual income is \$3,500</li> <li>LTV/CLTV &gt; 85%, O/O: minimum residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>Cash out proceeds may be used to meet the reserve requirement</li> <li>Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTHB, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>

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Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Spousal Accounts	<p>Accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and are subject to the seasoning requirements. Accounts held solely in the name of a non-borrowing spouse may not be used to meet reserve requirements.</p>
Subordinate Financing	<p>Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.</p>

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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### FULL DOCUMENTATION

80% LTV/CLTV Purchase / R&T • Loan Amounts Up To \$1,500,000 • 24 Months From Housing Event

#### Primary Residence

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	70%	\$1,500,000
680 +	80%	75%	70%	\$1,500,000
660 +	75%	75%	70%	\$1,500,000
640 +	70%	65%	65%	\$1,000,000
	65%	60%	N/A	\$1,500,000

#### Second Home

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
660 +	65%	65%	55%	\$1,500,000

#### Investment

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
660 +	65%	65%	55%	\$1,500,000

#### Other Restrictions

Interest Only	Not Available
Cash Out: Condos in FL	Max LTV/CLTV 70%
Cash Out in CT, IL & NJ	Max LTV/CLTV 70%
FTHB w/ Rental History	5% reduction in Max LTV/CLTV
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions. In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable. If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions. A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds</li> </ul> </li> </ul> </li> </ul>
<b>AUS</b>	<p>If owner-occupied or second home, the file must also include one of the following as evidence the borrower is not eligible for financing through a GSE or Government loan program an AUS Findings with a "Refer" or "Approve/Ineligible" response</p>
<b>Bankruptcy</b>	<p><b>All Bankruptcies:</b> Must be discharged for a minimum of 24 months from closing date. Seasoning is measured from the month and year of discharge.</p> <p>Multiple bankruptcy filings ineligible</p>

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Borrowers – Eligibility	<p><b><u>Eligible:</u></b> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b><u>In-Eligible:</u></b> Foreign national • Co-Signers • Guarantors • Any forms of a Trust</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>Maximum cash out; Greater than below subject to exception and compensating factors <ul style="list-style-type: none"> <li>LTV/CLTV =&gt; 70%: \$500,000</li> <li>LTV/CLTV &gt; 60% &amp; &lt; 70%: \$1,000,000</li> <li>Unlimited Cash Out is available when the LTV/CLTV is &lt;=60%</li> </ul> </li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

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Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> <li>• Housing late payments exceeding 1x60x24 require a letter of explanation from the borrower. The situation causing the delinquency must be adequately documented as resolved. The new housing payment must be considered when determining if the situation is adequately resolved.</li> </ul> <table border="1" data-bbox="439 763 1220 1003" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #008000; color: white;"> <th colspan="2">Matrix 5000-NP-FD</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>640</td></tr> <tr> <td>Housing</td><td>0x60x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>24 Mo</td></tr> <tr> <td>BK (Other)</td><td>24 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>24 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>24 Mo</td></tr> </tbody> </table>	Matrix 5000-NP-FD		Minimum FICO	640	Housing	0x60x12	BK (Chap 13 Discharge)	24 Mo	BK (Other)	24 Mo	Foreclosure / NOD	24 Mo	Short Sale / DIL / Loan Mod.	24 Mo
Matrix 5000-NP-FD															
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

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Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. <ul style="list-style-type: none"> <li>○ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>○ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>○ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history <ul style="list-style-type: none"> <li>○ FTHB reduce maximum LTV/CLTV by 10%</li> <li>○ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 600 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waiver	Impounds are required.
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.

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Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income - Documentation	<ul style="list-style-type: none"> <li>• When tax returns are required, the most recent two years should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior two years of tax returns.</li> <li>• Wage or Salaried Borrowers:           <ul style="list-style-type: none"> <li>• A completed Request for Verification of Employment (Form 1005 or Form 1005(S)), or the borrower's recent paystub (reflecting 30 days of pay and YTD earnings) and IRS W-2 forms covering the most recent two-year period</li> <li>• A verbal VOE from each employer within 10-days of the note date</li> <li>• A completed, signed, and dated IRS Form 4506-C is required for each borrower. The form should be executed and the transcripts for the most recent two-year period included in the credit file. If tax returns included in the credit file, the transcripts and returns should be compared. Any discrepancies between the two documents should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Tax returns are not required if the only income is wages or salary. If any business income present on the transcripts or the borrower owns multiple investment properties, tax returns must be provided. Personal tax returns must be complete with all schedules (W-2 forms, 1099 forms, K-1, and any other forms) and be signed and dated</li> </ul> </li> <li>• Self Employed Borrowers:           <ul style="list-style-type: none"> <li>• Most recent two years of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>• A YTD P&amp;L and balance sheet (Borrower prepared acceptable, borrower required to sign and date both the P&amp;L and Balance Sheet).</li> <li>• A complete, signed, and dated IRS Form 4506-C is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Verify the existence of the business within 30-days of the funding and ensure the business is active with the following; a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>• Underwriter must consider the financial strength of a self-employed borrower's business</li> </ul> </li> </ul>
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Income – Documentation of other Sources	<p>The following sources of income must be verified using Fannie Mae requirements.</p> <ul style="list-style-type: none"> <li>• Bonus*</li> <li>• Commission*</li> <li>• Overtime*</li> <li>• Part-time/Variable (uninterrupted and stable for past two years*)</li> <li>• Retirement</li> <li>• Social security</li> <li>• Investment and Trust</li> <li>• Military or government assistance</li> <li>• Child support and alimony</li> </ul> <p>* A period of two years must be used in calculating the average overtime, bonus, and commission income. If either type of income shows a continual decline, written justification on the income worksheet must be provided, or income should not be used. For Part-time employment, a minimum two (2) year history is required however a shorter period, of no less than twelve (12) months, may be considered case-by-case if positive factors are present to offset shorter history.</p>
Income – Documentation of Rental Income	If a borrower has a history of renting the subject or another property, generally the rental income will be reported on IRS Form 1040, Schedule E of the borrower's personal tax returns or on Rental Real Estate Income and Expenses of a Partnership or an S Corporation form (IRS Form 8825) of a business tax return. If the borrower does not have a history of renting the subject property or if, in certain cases, the tax returns do not accurately reflect the ongoing income and expenses of the property, the UW may be justified in using a fully executed current lease agreement. Examples of scenarios that justify the use of a lease agreement are <ul style="list-style-type: none"> <li>○ purchase transactions;</li> <li>○ refinance transactions in which the borrower purchased the rental property during or subsequent to the last tax return filing; or</li> <li>○ refinance transactions of a property that experienced significant rental interruptions such that income is not reported on the recent tax return (for example, major renovation to a property occurred in the prior year that affected rental income).</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000

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<p>Non-Arm's Length &amp; Interested Party Transactions</p>	<p><b><u>Non-Arm's Length Transactions</u></b> A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.  When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.  A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><b><u>Intersected Party Transactions</u></b> A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.  In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
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<b>Non-Arm's Length &amp; Interested Party Transactions Eligibility &amp; Restrictions</b>	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ Full Documentation only.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
<b>Non-Occupant Co-Borrowers</b>	<ul style="list-style-type: none"> <li>• Must be immediate family members.</li> <li>• When non-occupant income used a 5% LTV reduction from program maximum required.</li> <li>• Occupying borrower(s) must have a DTI ratio of 60% or less. Excluding income/debts of non-occupant borrower.</li> <li>• Eligible transactions limited to purchase only or rate/term refinance</li> </ul>

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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> <li>• Guideline restrictions:               <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV: 75% for Purchase or R/T; 60% for Cash Out</li> <li>○ Non-Occupant Co-Borrowers not allowed</li> <li>○ Gift Funds not allowed</li> <li>○ US credit requirements detailed under the CREDIT section of this guide should be utilized. Foreign Credit Not allowed.</li> </ul> </li> </ul> </li></ul>
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Occupancy	Owner Occupied, Second Homes and Investment
Payment Shock	<ul style="list-style-type: none"> <li>• Not calculated</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> </ul> <p>Eligible without guideline restrictions.</p>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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<b>Property Types Modular Homes</b>	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
<b>Ratios</b>	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs - Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the note rate</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 30-year full amortization</li> </ul> <p>DTI Ratio Standard max is 50%</p>
<b>Refinance Cash Out</b>	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI is over 43%</li> <li>• Minimum Residual income is \$2,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes or non-owner occupied properties</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amount &lt;= \$1.5MM: 3 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better. Waiver not eligible for DTI greater than 50%.</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTHB, Fico =&gt; 680 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, Fico =&gt; 680 &amp; loan amount &lt;= \$1,500,000</li> </ul>

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Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Spousal Accounts	Accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and are subject to the seasoning requirements. Accounts held solely in the name of a non-borrowing spouse may not be used to meet reserve requirements.
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydown	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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**5000-RH-FD**
**PRODUCT DESCRIPTION**
**FULL DOCUMENTATION – RECENT HOUSING EVENT – NON-PRIME**
**One Day Out of BK • 12 Months Out of Foreclosure • \$750,000 Max Loan Amount**
**Primary Residence, Second Home & Investment**

Credit Score	Purchase LTV / CLTV	R&T LTV / CLTV	Cash Out LTV / CLTV	Maximum Loan Amount
640 +	60%	60%	55%	\$750,000

Other Restrictions	
Interest Only	Not Available
FTHB w/ Rental History	5% reduction in Max LTV/CLTV
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV

Investment Properties	
Maximum LTV/CLTV & Misc.	
Maximum	65%
Cash Out	NA
Fico < 680	60%
Cash Out & Fico < 660	NA
FICO	Minimum 660

Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing          Income and Asset Documentation: Dated within 60 days of closing          Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition, an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p>

Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of for non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserves requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds</li> </ul> </li> </ul> </li> </ul>
<b>AUS</b>	<p>If owner-occupied or second home, the file must also include one of the following as evidence the borrower is not eligible for financing through a GSE or Government loan program an AUS Findings with a "Refer" or "Approve/Ineligible" response</p>

Borrowers – Eligibility	<p><b><u>Eligible:</u></b> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b><u>In-Eligible:</u></b> Foreign national • Co-Signers • Guarantors • Any forms of a Trust</p>
Cash Out Amount	<ul style="list-style-type: none"> <li>60% of the appraised value.</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$2,000 must be paid in full prior to or at closing.</li> <li>Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> <li>Housing late payments exceeding 1x60x24 require a letter of explanation from the borrower. The situation causing the delinquency must be adequately documented as resolved. The new housing payment must be considered when determining if the situation is adequately resolved.</li> </ul> <table border="1" data-bbox="418 742 1277 987"> <thead> <tr> <th colspan="2">Matrix 5000-RH-FD</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x90x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>0 Months</td></tr> <tr> <td>BK (Other)</td><td>0 Months</td></tr> <tr> <td>Foreclosure / NOD</td><td>12 Months</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>12 Months</td></tr> </tbody> </table>	Matrix 5000-RH-FD		Minimum FICO	660	Housing	0x90x12	BK (Chap 13 Discharge)	0 Months	BK (Other)	0 Months	Foreclosure / NOD	12 Months	Short Sale / DIL / Loan Mod.	12 Months
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided.           <ul style="list-style-type: none"> <li>○ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>○ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>○ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ FTHB reduce maximum LTV/CLTV by 10%</li> <li>○ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 600 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page</a></p> Texas: <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waiver	Impounds are required.
First Time Home Buyers	An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years. <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

Housing Event

A Housing Event is any one of the following events listed below. If the Housing Event occurred within 24 months of closing, it's considered a Recent Housing Event:

- Foreclosure
- Deed-in-Lieu
- Short Sale
- Modification
- 1x120
- Bankruptcy (see Bankruptcy section for details)

Seasoning of a foreclosure, deed-in-lieu, or short sale is measured from the date of completed sale or final property transfer. The Housing Event must be completed prior to loan closing with no outstanding deficiency balance remaining.

For a 120-day mortgage late, seasoning is from the date the mortgage was brought current. Seasoning for a modification is from the date the modification was executed.

If the property was surrendered in a Chapter 7 bankruptcy, the bankruptcy discharge date is used for seasoning. Bankruptcy papers may be required to show the property was surrendered. The foreclosure action is not required to be fully complete.

There is no seasoning requirement for a Recent Housing Event. It must be completed prior to loan closing with no outstanding deficiency balance remaining. A signed, detailed letter of explanation from the borrower providing the reason for the event must be obtained. If the explanation indicates an inability to make prior housing payments, GB will consider the reasonableness of the new housing payment in comparison to the prior housing payment.

Income	<ul style="list-style-type: none"> <li>When tax returns are required, the most recent two years should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior two years of tax returns.</li> </ul> <p><b>Wage or Salaried Borrowers:</b></p> <ul style="list-style-type: none"> <li>A completed Request for Verification of Employment (Form 1005 or Form 1005(S)), or the borrower's recent paystub (reflecting 30 days of pay and YTD earnings) and IRS W-2 forms covering the most recent two-year period</li> <li>A verbal VOE from each employer within 10-days of the note date</li> <li>A completed, signed, and dated IRS Form 4506-C is required for each borrower. The form should be executed and the transcripts for the most recent two-year period included in the credit file. If tax returns included in the credit file, the transcripts and returns should be compared. Any discrepancies between the two documents should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>Tax returns are not required if the only income is wages or salary. If any business income present on the transcripts or the borrower owns multiple investment properties, tax returns must be provided. Personal tax returns must be complete with all schedules (W-2 forms, 1099 forms, K-1, and any other forms) and be signed and dated</li> </ul> <p><b>Self Employed Borrowers:</b></p> <ul style="list-style-type: none"> <li>Most recent two years of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>A YTD P&amp;L and balance sheet (Borrower prepared acceptable, borrower required to sign and date both the P&amp;L and Balance Sheet).</li> <li>A complete, signed, and dated IRS Form 4506-C is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>Verify the existence of the business within 30-days of funding and ensure the business is active with the following; a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>Underwriter must consider the financial strength of a self-employed borrower's business</li> <li>Provide three (3) months business bank statements or the months reflected on the YTD P&amp;L. The 3-months of business bank statements must support the sales reflected on the Profit and Loss Statement. The average deposits from the bank statements must be greater than, or no less than, 10% below the average monthly sales. In the event the 10% tolerance is not met, continuous bank statements may be added to the analysis until the tolerance is met</li> </ul>
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Income – Documentation of other Sources	<p>The following sources of income must be verified using Fannie Mae requirements.</p> <ul style="list-style-type: none"> <li>• Bonus*</li> <li>• Commission*</li> <li>• Overtime*</li> <li>• Part-time/Variable (uninterrupted and stable for past two years*)</li> <li>• Retirement</li> <li>• Social security</li> <li>• Investment and Trust</li> <li>• Military or government assistance</li> <li>• Child support and alimony</li> </ul> <p>* A period of two years must be used in calculating the average overtime, bonus, and commission income. If either type of income shows a continual decline, written justification on the income worksheet must be provided, or income should not be used. For Part-time employment, a minimum two (2) year history is required however a shorter period, of no less than twelve (12) months, may be considered case-by-case if positive factors are present to offset shorter history.</p>
Income – Documentation of Rental Income	<p>If a borrower has a history of renting the subject or another property, generally the rental income will be reported on IRS Form 1040, Schedule E of the borrower's personal tax returns or on Rental Real Estate Income and Expenses of a Partnership or an S Corporation form (IRS Form 8825) of a business tax return. If the borrower does not have a history of renting the subject property or if, in certain cases, the tax returns do not accurately reflect the ongoing income and expenses of the property, the UW may be justified in using a fully executed current lease agreement. Examples of scenarios that justify the use of a lease agreement are</p> <ul style="list-style-type: none"> <li>○ purchase transactions;</li> <li>○ refinance transactions in which the borrower purchased the rental property during or subsequent to the last tax return filing; or</li> <li>○ refinance transactions of a property that experienced significant rental interruptions such that income is not reported on the recent tax return (for example, major renovation to a property occurred in the prior year that affected rental income).</li> </ul>
Interest Only	Not Available
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. For investment properties, listing expiration of less than 6 months permitted with a prepayment penalty.
Minimum Loan Amount	\$150,000 IL - \$250,000

Non-Arm's Length  
&  
Interested Party  
Transactions

Non-Arm's Length Transactions

A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.

When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.

A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).

Interested Party Contributions can only be for non-recurring closing cost.

Interested Party Transactions

A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.

In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.

Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ Full Documentation only.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Occupant Co-Borrower	<ul style="list-style-type: none"> <li>• Must be immediate family members.</li> <li>• When non-occupant income used a 5% LTV reduction from program maximum required.</li> <li>• Occupying borrower(s) must have a DTI ratio of 60% or less. Excluding income/debts of non-occupant borrower.</li> <li>• Eligible transactions limited to purchase only or rate/term refinance</li> </ul>

Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> </ul> <p>• Guideline restrictions:</p> <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV: 75% for Purchase or R/T; 55% for Cash Out</li> <li>○ Non-Occupant Co-Borrowers not allowed</li> <li>○ Gift Funds not allowed</li> <li>○ Must have US Credit, US Income and US assets</li> <li>○ US credit requirements detailed under the CREDIT section of this guide should be utilized.</li> </ul> </li></ul>
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Occupancy	Owner Occupied, Second Homes and Investment
Payment Shock	<ul style="list-style-type: none"> <li>• Not Calculated</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

Property Types  
All Condos

A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types All Condos Continued	<ul style="list-style-type: none"> <li>• The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>• Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>• Single entity ownership allowed up to 20% of the project.</li> <li>• Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>• GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>• Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>• Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>• 90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>• 40% of the total units in the project must be owner occupied.</li> <li>• All phases are complete.</li> <li>• HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>• All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>• 50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>• Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>• Project may be subject to additional phasing.</li> <li>• HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs - Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the note rate</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 30-year full amortization</li> </ul> <p>DTI Ratio Standard max is 50%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>The original purchase transaction was an arms-length transaction.</li> <li>The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>No seasoning required</li> <li>Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>Buyout accompanied by an executed buyout agreement</li> <li>Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>Not required</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum residual income is \$3,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>Loan amount &lt;= \$1.5MM: 3 months' PITIA</li> <li>Cash out proceeds may be used to meet the reserve requirement</li> </ul>

Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: Max is 3%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Spousal Accounts	Accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and are subject to the seasoning requirements. Accounts held solely in the name of a non-borrowing spouse may not be used to meet reserve requirements.
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>

Temporary Rate Buydowns	Not Allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations:</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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**12 MONTH BANK STATEMENTS**
**90% LTV/CLTV Purchase • Loan Amounts Up To \$3,500,000 • 48 Months from Housing Event**
**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	90%	85%	80%	\$1,500,000
	85%	80%	80%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,000,000
	70%	70%	NA	\$3,500,000
700 +	85%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	75%	70%	65%	\$3,000,000
680 +	85%	80%	75%	\$1,000,000
	85%	75%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo - Warrantable	Max LTV/CLTV 85%
Condo – Non-Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 85%
Interest Only	Max LTV/CLTV 75% & Fico 680

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### Second Home

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	85%	75%	75%	\$2,000,000
	75%	70%	70%	\$2,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo - Warrantable	Max LTV/CLTV 85%
Condo – Non-Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	85%	75%	75%	\$2,000,000
	75%	70%	70%	\$3,000,000
	70%	70%	NA	\$3,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	70%	65%	65%	\$3,000,000
	70%	65%	NA	\$3,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	70%	65%	NA	\$3,000,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000
Other Restrictions				
Condo - Warrantable	Max LTV/CLTV 85%			
Condo – Non-Warrantable	Max LTV/CLTV 80%			
2-4 Units	Max LTV/CLTV 85%			
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%			
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%			
Interest Only	Max LTV/CLTV 75% & Fico 680			

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition, an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation.</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u><b>Eligible:</b></u> U.S. Citizen • Permanent Resident Alien</p> <p>A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</p> <p><u><b>In-Eligible:</b></u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out; Unlimited</li> </ul>														
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>														
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" style="margin-top: 10px;"> <thead> <tr> <th colspan="2">Matrix 5000-ELITE-12BS</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td> <td>660</td> </tr> <tr> <td>Housing</td> <td>0x30x12</td> </tr> <tr> <td>BK (Chap 13 Discharge)</td> <td>48 Mo</td> </tr> <tr> <td>BK (Other)</td> <td>48 Mo</td> </tr> <tr> <td>Foreclosure / NOD</td> <td>48 Mo</td> </tr> <tr> <td>Short Sale / DIL / Loan Mod.</td> <td>48 Mo</td> </tr> </tbody> </table>	Matrix 5000-ELITE-12BS		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo
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Credit  Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>
Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV of 75%</li> <li>○ Maximum DTI of 43%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>

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Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 640 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>
Credit Scores – Rapid Rescores	<p>Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.</p>
Eligible States	<p><a href="#"><u>See GreenBox Loans, Inc.'s "Location" on web page</u></a>:</p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.

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Escrow Waivers	<p>Escrow funds/impound accounts are required to be established for all HPML loans.</p> <p>Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, for non-HPML loans or exempt business purpose loans when the following requirements are met:</p> <ul style="list-style-type: none"> <li>• LTV less than or equal to 80%</li> <li>• Minimum decision credit score of 720</li> <li>• Minimum 12-months of reserves</li> </ul>
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• 12-month rental history is required, reflecting 0x30, <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history <ul style="list-style-type: none"> <li>▪ Max LTV/CLTV: 75%</li> <li>▪ 15% applicant contribution</li> <li>▪ Payment shock is not considered</li> </ul> </li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	<p>Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.</p>

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Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 12 months personal bank statements - Utilize 12 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingles accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 12 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 12 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 12 Month P&amp;L Statement (Option 1) <ul style="list-style-type: none"> <li>o 12 Month P&amp;L prepared by CPA, IRS Enrolled Agent or licensed tax preparer.</li> <li>o 12 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>o P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2) <ul style="list-style-type: none"> <li>o An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, IRS Enrolled Agent or licensed tax preparer.</li> <li>o 12 months of business bank statements covering the most recent time period.</li> <li>o Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer.</li> <li>o Expenses must be reasonable for the type of business.</li> <li>o GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)	<ol style="list-style-type: none"> <li>3 50% Net Margin (Option 3) <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent.</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation. The Business Narrative Form should be used to determine if the borrower's business is eligible for this option.</li> <li>o 12 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (12) or (b) the income indicated on the initial 1003.</li> </ul> </li> </ol> <p style="text-align: center;">Net Income = <u>Total Eligible Deposits * Borrower Ownership Percentage * 50%</u>  12 months</p>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>Expenses must be reasonable for the type of business;</li> <li>Pattern of deposits and payment should be consistent;</li> <li>Expectations of changes in deposit pattern must be considered</li> <li>Income documented separately but co-mingled must be backed out of deposit</li> <li>Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>Nonprofit Entity not eligible</li> <li>Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible</li> </ul>
Income – Misc. Sources	<ul style="list-style-type: none"> <li>Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, asset distribution/utilization, and second job income.</li> </ul>

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Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental: <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income Appraisal Independence. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only): <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> <li>○ Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> </ul> </li> <li>• Long Term Rental Departing Residency <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible. <ul style="list-style-type: none"> <li>■ 75% of the verified monthly rental income can be used.</li> <li>■ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>
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The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes

#### Restrictions

- Non-occupant co-borrowers not allowed
- Max 43% DTI
- Minimum 680 Credit Score
- Gift Funds not eligible
- Max LTV/CLTV: 85%
- Max LTV/CLTV Cash Out: 75%
- Max Loan Amount: \$2,500,000

#### Asset Utilization Qualifying Method

- Minimum Eligible Assets required is \$100,000 after down payment, closing costs and required reserves.
- Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84.

#### Asset Utilization Income Documentation

- All individuals listed on the asset account(s) must be on the Note and Mortgage;
- Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;
- Assets must be seasoned 120-days;

#### Assets Eligible for Depletion

Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:

- 100% of Checking, Saving and Money Market Accounts
- 70% of Stocks, Bonds and Mutual Funds
- 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)
- 60 of retirement Assets: Eligible if the borrower is not of retirement age.

#### Assets Ineligible for Depletion

- Equity in Real Estate
- Privately traded or restricted/non-vested stocks
- Any assets which produces income already included in the income calculation
- Any assets held in the name of a business.
- Assets held in an irrevocable trust where the beneficiary of the trust is not the borrower;
- Assets held in a charitable giving trust, donor advised fund, or similar entity where the intended beneficiary is not the borrower.
- Crypto is not an eligible liquid asset for asset utilization/depletion.

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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Limitations on Other Real Estate Owned	Borrowers are not limited in the number of properties owned however borrower with > 20 financed properties are limited to Owner Occupied or 2 <sup>nd</sup> Home transactions only.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord. <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members. <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Permanent Resident Alien	Not eligible

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Non-Sufficient Funds (NSF) / Overdraft	<p><b>Non-Sufficient Funds</b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than three (3) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75%           <ul style="list-style-type: none"> <li>○ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = <math>(\text{Proposed Housing Payment} / \text{Present Housing Payment}) * 100</math></li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

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Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
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A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types  
All Condos

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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p>DTI Ratio          Standard max is 50%</p>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date. <ul style="list-style-type: none"> <li>○ Appraised value can be used for less than 12 month seasoning, under the following conditions: <ul style="list-style-type: none"> <li>▪ Must have owned the property for at least 6 months</li> <li>▪ Two appraisals are required</li> <li>▪ Maximum LTV/CLTV is 70%</li> <li>▪ Maximum Cash out amount is \$500,000.</li> <li>▪ The following counties are excluded: San Francisco, CA; Denver, CO; Jacksonville, Miami, Orlando, Tampa, FL; Kansas City, MO; Cincinnati, OH; Nashville, TN; Austin, TX.</li> </ul> </li> </ul> </li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, &amp; loan amounts &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI is over 43%</li> <li>• Minimum Residual income is \$2,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>

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Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>

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<p><b>Temporary Buydowns</b></p> <p>A temporary buydown creates a funded buydown account that is used to temporarily reduce the borrower's monthly payment during the initial year(s) of the loan. The Note Rate remains constant; only the borrower's payment is reduced. The buydown is funded by interested party contributions (IPCs). The buydown cannot exceed IPC limits. The buydown fund contribution can only come from a Seller/Builder or third-party. The difference between the buydown payment and the payment required by the note rate is paid every month by the loan servicer held in an escrow account from the buydown funds that are collected at closing.</p> <p>Buydown Types:</p> <ul style="list-style-type: none"> <li>• 2-1 Buydown <ul style="list-style-type: none"> <li>◦ Payment is calculated at 2% below the Note Rate for the first year</li> <li>◦ Payment is calculated at 1% below the Note rate for the second year</li> <li>◦ Payment calculated at the Note Rate for the years three through maturity</li> </ul> </li> <li>• 1-0 Buydown <ul style="list-style-type: none"> <li>◦ Payment is calculated at 1% below the Note Rate for the first year</li> <li>◦ Payment is calculated at the Note Rate for the years two through maturity</li> </ul> </li> </ul> <p>Eligible Parameters:</p> <ul style="list-style-type: none"> <li>• Owner Occupied</li> <li>• Primary Residence</li> <li>• Purchase</li> <li>• Loan amount &lt;= \$2,000,000</li> <li>• LTV/CLTV &lt;=80%</li> <li>• Not Available with P&amp;L Only or 3 Month Bank Statement w/ P&amp;L documentation options</li> <li>• Seller/Builder and Third Party Funded subsidies <ul style="list-style-type: none"> <li>◦ Third Party subsidies include Real Estate Agents and Brokerages; Funds from Borrower(s) are ineligible</li> <li>◦ Borrower, Lender, and Premium Pricing from the interest rate are not permitted</li> </ul> </li> <li>• 30-year Fully Amortizing Fixed Rate only</li> <li>• Borrower(s) must qualify based on the Note Rate without consideration of the bought down rate</li> <li>• If reserves are required, the reserves must be calculated using the Note Rate</li> <li>• Borrower(s) and Seller/Builder are required to sign the Temporary Buydown Agreement at closing</li> <li>• The percentage of funds must be included in the interested party contribution limit.</li> <li>• To calculate the percentage of the buydown fund contribution, divide the buydown fund total by the purchase price</li> </ul>
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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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**12 MONTH BANK STATEMENTS**
**80% LTV/CLTV Purchase • Loan Amounts Up To \$2,500,000 • 36 Months from Housing Event**
**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	80%	80%	\$1,000,000
	80%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	70%	65%	60%	\$2,500,000
680 +	80%	80%	75%	\$1,000,000
	80%	75%	70%	\$1,500,000
	80%	70%	65%	\$2,000,000
	70%	65%	60%	\$2,500,000
660 +	80%	75%	70%	\$1,000,000
	80%	75%	65%	\$1,500,000
	70%	65%	60%	\$2,000,000
640 +	80%	75%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

**Other Restrictions**

Condo – Warrantable	Max LTV/CLTV 80%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out: 2-4 Units & Condo	Max LTV/CLTV 75%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Cash Out: Condos in FL	Max LTV/CLTV 75%
Interest Only	Max LTV/CLTV 75% & Fico 680
FTHB w/ Rental History	5% reduction in Max LTV/CLTV
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV

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Second Home				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	70%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000
Other Restrictions				
Condo	Max LTV/CLTV 80%			
2-4 Units	Max LTV/CLTV 80%			
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%			
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%			
Cash Out: Condos in FL	Max LTV/CLTV 70%			
Interest Only	Max LTV/CLTV 75% & Fico 680			

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	70%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000
Other Restrictions				
Condo	Max LTV/CLTV 80%			
2-4 Units	Max LTV/CLTV 80%			
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%			
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%			
Cash Out: Condos in FL	Max LTV/CLTV 70%			
Interest Only	Max LTV/CLTV 75% & Fico 680			

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition, an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ..." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
<b>Borrower Eligibility</b>	<p><u><b>Eligible:</b></u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien</p> <p>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</p> <p><u><b>In-Eligible:</b></u> Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out: Unlimited</li> </ul>														
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>														
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="361 1215 1129 1460"> <thead> <tr> <th colspan="2">Matrix 5000-12BS</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td> <td>620</td> </tr> <tr> <td>Housing</td> <td>1x30x12</td> </tr> <tr> <td>BK (Chap 13 Discharge)</td> <td>36 Mo</td> </tr> <tr> <td>BK (Other)</td> <td>36 Mo</td> </tr> <tr> <td>Foreclosure / NOD</td> <td>36 Mo</td> </tr> <tr> <td>Short Sale / DIL / Loan Mod.</td> <td>36 Mo</td> </tr> </tbody> </table>	Matrix 5000-12BS		Minimum FICO	620	Housing	1x30x12	BK (Chap 13 Discharge)	36 Mo	BK (Other)	36 Mo	Foreclosure / NOD	36 Mo	Short Sale / DIL / Loan Mod.	36 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>
Credit – Housing History	<ul style="list-style-type: none"> <li>● 12 months housing history is required.           <ul style="list-style-type: none"> <li>○ When a 12 months housing history is not available, the following are required: LOE or rent free letter, GBL exception approval and a 10% reduction to LTV/CLTV for FTHB (see First Time Home Buyers section) or 5% reduction to LTV/CLTV for Non-FTHB. Does not include properties owned Free &amp; Clear.</li> </ul> </li> <li>● If a borrower's mortgage or rental history is not reported on the credit report, alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided.           <ul style="list-style-type: none"> <li>○ Private landlord VORs may be considered on a case by case basis.</li> </ul> </li> <li>● Private party promissory notes must be provided.</li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 620 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 12 months personal bank statements - Utilize 12 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingled accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 12 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 12 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 12 Month P&amp;L Statement (Option 1)           <ul style="list-style-type: none"> <li>o 12 Month P&amp;L prepared by CPA, IRS Enrolled Agent, or licensed tax preparer</li> <li>o 12 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>o P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2)           <ul style="list-style-type: none"> <li>o An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, IRS Enrolled Agent or licensed tax preparer.</li> <li>o 12 months of business bank statements covering the most recent time period.</li> <li>o Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer.</li> <li>o Expenses must be reasonable for the type of business.</li> <li>o GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)	<ol style="list-style-type: none"> <li>3 50% Net Margin (Option 3)           <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent.</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation. The Business Narrative Form should be used to determine if the borrower's business is eligible for this option.</li> <li>o 12 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (12) or (b) the income indicated on the initial 1003.</li> </ul> </li> </ol> <p style="text-align: center;">Net Income = <u>Total Eligible Deposits * Borrower Ownership Percentage * 50%</u>  <u>12 months</u></p>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>• The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>• Expenses must be reasonable for the type of business;</li> <li>• Pattern of deposits and payment should be consistent;</li> <li>• Expectations of changes in deposit pattern must be considered</li> <li>• Income documented separately but co-mingled must be backed out of deposit</li> <li>• Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>• Nonprofit Entity not eligible</li> <li>• Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>
Income – Misc. Sources	<ul style="list-style-type: none"> <li>• Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>• Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, asset distribution/utilization, and second job income.</li> </ul>

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Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental:           <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income or if departing residency, one (1) month security deposit. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only):           <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> </ul> </li> <li>• Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> <li>• Long Term Rental Departing Residency           <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible.               <ul style="list-style-type: none"> <li>■ 75% of the verified monthly rental income can be used.</li> <li>■ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>
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The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes

#### Restrictions

- Non-occupant co-borrowers not allowed
- Max 43% DTI
- Minimum 680 Credit Score
- Gift Funds not eligible
- Max LTV/CLTV: 85%
- Max LTV/CLTV Cash Out: 75%
- Max Loan Amount: \$2,500,000

#### Asset Utilization Qualifying Method

- Minimum Eligible Assets required is \$100,000 after down payment, closing costs and required reserves.
- Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84

#### Asset Utilization Income Documentation

- All individuals listed on the asset account(s) must be on the Note and Mortgage;
- Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;
- Assets must be seasoned 120-days;

#### Assets Eligible for Depletion

Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:

- 100% of Checking, Saving and Money Market Accounts
- 70% of Stocks, Bonds and Mutual Funds
- 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)
- 60% of retirement Assets: Eligible if the borrower is not of retirement age.

#### Assets Ineligible for Depletion

- Equity in Real Estate
- Privately traded or restricted/non-vested stocks
- Any assets which produces income already included in the income calculation
- Any assets held in the name of a business.
- Assets held in an irrevocable trust where the beneficiary of the trust is not the borrower;
- Assets held in a charitable giving trust, donor advised fund, or similar entity where the intended beneficiary is not the borrower.
- Crypto is not an eligible liquid asset for asset utilization/depletion.

Income – Supplement  
Asset Utilization

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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Limitations on Other Real Estate Owned	Borrowers are not limited in the number of properties owned however borrower with > 20 financed properties are limited to Owner Occupied or 2 <sup>nd</sup> Home transactions only.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Intersected Party Transactions</u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are in-eligible.</li> <li>○ Deferred Action for Childhood Arrivals (DACA) are in-eligible</li> </ul> </li> <li>• Guideline restrictions:           <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV: 75% for Purchase or R/T; 65% for Cash Out</li> <li>○ Non-Occupant Co-Borrowers not allowed</li> <li>○ Gift Funds not allowed</li> <li>○ US credit requirements detailed under the CREDIT section of this guide should be utilized.</li> </ul> </li> </ul>
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Non-Sufficient Funds (NSF) / Overdraft	<p><b><u>Non-Sufficient Funds</u></b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than five (5) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75%           <ul style="list-style-type: none"> <li>○ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

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Property Types

Eligible: Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable & Non-Warrantable

Ineligible: • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property

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A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types  
All Condos

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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p>DTI Ratio Standard max is 50%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTHB, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>

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Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum Residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>



**5000-ELITE-1YR**

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**1 YEAR TAX RETURNS**

**85% LTV/CLTV • Loan Amounts Up To \$3,500,000 • 48 Months from Housing Event**

**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	85%	85%	80%	\$1,500,000
	85%	80%	80%	\$2,000,000
	80%	75%	75%	\$2,500,000
	75%	70%	70%	\$3,500,000
700 +	85%	85%	80%	\$1,500,000
	85%	75%	70%	\$2,000,000
	75%	70%	65%	\$3,000,000
	70%	65%	NA	\$3,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	75%	65%	65%	\$3,000,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

**Other Restrictions**

Condo – Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 85%
Interest Only	Max LTV/CLTV 75% & Fico 680

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### Second Home

Credit Score	Purchase	R/T	Cash Out	Loan amount
720 +	85%	75%	75%	\$2,000,000
	75%	70%	70%	\$2,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

### Other Restrictions

Condo – Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Investment				
Credit Score	Purchase	R/T	Cash Out	Loan amount
720 +	85%	80%	75%	\$2,000,000
	75%	70%	70%	\$3,000,000
	70%	70%	NA	\$3,500,000
700 +	85%	80%	75%	\$1,500,000
	85%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	70%	65%	65%	\$3,000,000
	70%	70%	NA	\$3,500,000
680 +	85%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	75%	70%	65%	\$2,500,000
	70%	65%	65%	\$3,000,000
660 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	75%	70%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo – Warrantable	Max LTV/CLTV 85%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 85%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & Fico 680



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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter including</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation.</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either: <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion. <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
AUS	If owner-occupied or second home, the file must also include one of the following as evidence the borrower is not eligible for financing through a GSE or Government loan program an AUS Findings with a "Refer" or "Approve/Ineligible" response
Bankruptcy	<p><b>All Bankruptcies:</b> Must be discharged for a minimum of 48 months from closing date. Seasoning is measured from the month and year of discharge.</p> <p>Multiple bankruptcy filings ineligible</p>

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Borrowers – Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien with US Credit</p> <ul style="list-style-type: none"> <li>A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u>In-Eligible:</u> Foreign national • Co-Signers • Guarantors • Any forms of a Trust • Non-Permanent Resident Alien with Foreign Credit</p>
Cash Out Amount	<ul style="list-style-type: none"> <li>Maximum cash out: Unlimited</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="443 620 1214 873"> <thead> <tr> <th colspan="2">Matrix 5000-ELITE-1YR</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Mo</td></tr> <tr> <td>BK (Other)</td><td>48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>48 Mo</td></tr> </tbody> </table>	Matrix 5000-ELITE-1YR		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

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Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV of 75%</li> <li>○ Maximum DTI of 43%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 640 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waiver	<p>Escrow funds/impound accounts are required to be established for all HPML loans.</p> <p>Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, for non-HPML loans or exempt business purpose loans when the following requirements are met:</p> <ul style="list-style-type: none"> <li>• LTV less than or equal to 80%</li> <li>• Minimum decision credit score of 720</li> <li>• Minimum 12-months of reserves</li> </ul>

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<b>First Time Home Buyers</b>	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history               <ul style="list-style-type: none"> <li>▪ Max LTV/CLTV: 75%</li> <li>▪ 15% applicant contribution</li> <li>▪ Payment shock is not considered</li> </ul> </li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
<b>Forbearance</b>	<p>Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.</p>
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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<p>Income - Documentation</p>	<ul style="list-style-type: none"> <li>• When tax returns are required, the most recent year should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior year tax return.</li> </ul> <p><b>Wage or Salaried Borrowers:</b></p> <ul style="list-style-type: none"> <li>○ The borrower's most recent paystubs reflecting 30 days of pay and YTD earnings, along with IRS W-2 forms covering the most recent one-year time period, depending upon the option selected. GBL will also accept a completed Request for Verification of Employment (Fannie Mae Form 1005) in lieu of paystubs and W-2 forms.</li> <li>○ A verbal Verification of Employment (VOE) from each employer within 5 days of the Note date. An email directly from the employer's work email address that identifies the name and title of the verifier and the borrower's name and current employment status may be used in lieu of a verbal VOE.</li> <li>○ A completed, signed, and dated IRS Form 4506-C is required for each borrower. The form should be executed and the W-2 transcript(s) for the corresponding number of W-2s included in the credit file. Any discrepancies between the two (2) documents should be explained and, if necessary, additional documentation obtained to satisfy the discrepancy. If tax returns are present in the credit file, transcripts for the returns will be required.</li> </ul> <p><b>Self Employed Borrowers:</b></p> <ul style="list-style-type: none"> <li>○ Most recent year of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>○ A YTD P&amp;L and balance sheet (Borrower required to sign and date both the P&amp;L and Balance Sheet).</li> <li>○ A complete, signed, and dated IRS Form 4506-C is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>○ Verify the existence of the business within 30-days of funding and ensure the business is active with the following; a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>○ Underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Supplemental income is not eligible for 1-Year Income Documentation (i.e. auto allowance, dividend/interest income, capital gains, Foreign Income, pension or retirement).</p>
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Income – Documentation of Rental Income	If a borrower has a history of renting the subject or another property, generally the rental income will be reported on IRS Form 1040, Schedule E of the borrower's personal tax returns or on Rental Real Estate Income and Expenses of a Partnership or an S Corporation form (IRS Form 8825) of a business tax return. If the borrower does not have a history of renting the subject property or if, in certain cases, the tax returns do not accurately reflect the ongoing income and expenses of the property, the UW may be justified in using a fully executed current lease agreement. Examples of scenarios that justify the use of a lease agreement are <ul style="list-style-type: none"> <li>○ purchase transactions;</li> <li>○ refinance transactions in which the borrower purchased the rental property during or subsequent to the last tax return filing; or</li> <li>○ refinance transactions of a property that experienced significant rental interruptions such that income is not reported on the recent tax return (for example, major renovation to a property occurred in the prior year that affected rental income).</li> </ul>
Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount

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Non-Arm's Length & Interested Party Transactions	<p><b><u>Non-Arm's Length Transactions</u></b></p> <p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><b><u>Interested Party Transactions</u></b></p> <p>A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord. <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members. <ul style="list-style-type: none"> <li>◦ 10% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Occupant Co-Borrowers	<ul style="list-style-type: none"> <li>• Must be immediate family members.</li> <li>• When non-occupant income used a 5% LTV reduction from program maximum required.</li> <li>• Occupying borrower(s) must have a DTI ratio of 60% or less. Excluding income/debts of non-occupant borrower.</li> <li>• Eligible transactions limited to purchase only or rate/term refinance</li> </ul>
Non-Permanent Resident Alien	Not allowed.
Occupancy	Owner Occupied, Second Homes and Investment
Payment Shock	<ul style="list-style-type: none"> <li>• Not calculated</li> </ul>

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> </ul> <p>Eligible without guideline restrictions.</p>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>



**5000-ELITE-1YR**

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Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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<b>Property Types</b> <b>Modular Homes</b>	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
<b>Ratios</b>	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs - Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the note rate</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization</li> </ul> <p><b>DTI Ratio</b>  Standard max is 50%</p>
<b>Refinance</b> <b>Cash Out</b>	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date. <ul style="list-style-type: none"> <li>○ Appraised value can be used for less than 12 month seasoning, under the following conditions: <ul style="list-style-type: none"> <li>■ Must have owned the property for at least 6 months</li> <li>■ Two appraisals are required</li> <li>■ Maximum LTV/CLTV is 70%</li> <li>■ Maximum Cash out amount is \$500,000.</li> <li>■ The following counties are excluded: San Francisco, CA; Denver, CO; Jacksonville, Miami, Orlando, Tampa, FL; Kansas City, MO; Cincinnati, OH; Nashville, TN; Austin, TX.</li> </ul> </li> </ul> </li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>The original purchase transaction was an arms-length transaction.</li> <li>The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>No seasoning required</li> <li>Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>Buyout accompanied by an executed buyout agreement</li> <li>Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>Loan amounts &lt;= \$1.5m: 6 months PITIA</li> <li>Loan Amount &gt; \$1.5m: 9 months PITIA</li> <li>Loan Amount &gt; \$2.5m: 12 months PITIA</li> <li>Cash out proceeds may be used to meet the reserve requirement</li> <li>Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, &amp; loan amount &lt;= \$1,500,000</li> <li>Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, &amp; loan amount &lt;= \$1,500,000</li> <li>Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount</li> </ul>

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Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum Residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Spousal Accounts	Accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and are subject to the seasoning requirements. Accounts held solely in the name of a non-borrowing spouse may not be used to meet reserve requirements.
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"><li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li><li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li><li>• The maximum payment required under the plan is included in the DTI calculation.</li><li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li><li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li></ul>
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Temporary Buydowns	<p>A temporary buydown creates a funded buydown account that is used to temporarily reduce the borrower's monthly payment during the initial year(s) of the loan. The Note Rate remains constant; only the borrower's payment is reduced. The buydown is funded by interested party contributions (IPCs). The buydown cannot exceed IPC limits. The buydown fund contribution can only come from a Seller/Builder or third-party. The difference between the buydown payment and the payment required by the note rate is paid every month by the loan servicer held in an escrow account from the buydown funds that are collected at closing.</p> <p>Buydown Types:</p> <ul style="list-style-type: none"> <li>• 2-1 Buydown <ul style="list-style-type: none"> <li>◦ Payment is calculated at 2% below the Note Rate for the first year</li> <li>◦ Payment is calculated at 1% below the Note rate for the second year</li> <li>◦ Payment calculated at the Note Rate for the years three through maturity</li> </ul> </li> <li>• 1-0 Buydown <ul style="list-style-type: none"> <li>◦ Payment is calculated at 1% below the Note Rate for the first year</li> <li>◦ Payment is calculated at the Note Rate for the years two through maturity</li> </ul> </li> </ul> <p>Eligible Parameters:</p> <ul style="list-style-type: none"> <li>• Owner Occupied</li> <li>• Primary Residence</li> <li>• Purchase</li> <li>• Loan amount &lt;= \$2,000,000</li> <li>• LTV/CLTV &lt;=80%</li> <li>• Seller/Builder and Third Party Funded subsidies <ul style="list-style-type: none"> <li>◦ Third Party subsidies include Real Estate Agents and Brokerages; Funds from Borrower(s) are ineligible</li> <li>◦ Borrower, Lender, and Premium Pricing from the interest rate are not permitted</li> </ul> </li> <li>• 30-year Fully Amortizing Fixed Rate only</li> <li>• Borrower(s) must qualify based on the Note Rate without consideration of the bought down rate</li> <li>• If reserves are required, the reserves must be calculated using the Note Rate</li> <li>• Borrower(s) and Seller/Builder are required to sign the Temporary Buydown Agreement at closing</li> <li>• The percentage of funds must be included in the interested party contribution limit.</li> <li>• To calculate the percentage of the buydown fund contribution, divide the buydown fund total by the purchase price</li> </ul>
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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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**1 YEAR TAX RETURNS**  
**80% LTV/CLTV • LOAN AMOUNTS UP TO \$2,500,000**

**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
700 +	80%	80%	80%	\$1,000,000
	80%	80%	75%	\$1,500,000
	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	80%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	80%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,000,000
	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	75%	70%	\$1,000,000
	70%	65%	65%	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

**Other Restrictions**

Condo – Warrantable	Max LTV/CLTV 80%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Cash Out: Condos in FL	Max LTV/CLTV 75%
Interest Only	Max LTV/CLTV 75% & Fico 680
FTHB w/ Rental History	5% reduction in Max LTV/CLTV
FTHB w/ No Rental History	10% reduction in Max LTV/CLTV

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### Second Home

Credit Score	Purchase	R/T	Cash Out	Loan amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	70%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

### Other Restrictions

Condo	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 70%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%
Cash Out: Condos in FL	Max LTV/CLTV 70%
Interest Only	Max LTV/CLTV 75% & Fico 680



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Investment				
Credit Score	Purchase	R/T	Cash Out	Loan amount
700 +	80%	75%	75%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
660 +	80%	75%	75%	\$1,500,000
	70%	65%	65%	\$2,000,000
640 +	80%	70%	70%	\$1,000,000
	70%	NA	NA	\$1,500,000
	65%	NA	NA	\$2,000,000
620 +	70%	70%	NA	\$1,000,000

Other Restrictions	
Condo	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 70%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 75%
Cash Out: Condos in FL	Max LTV/CLTV 70%
Interest Only	Max LTV/CLTV 75% & Fico 680

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
<b>AUS</b>	<p>If owner-occupied or second home, the file must also include one of the following as evidence the borrower is not eligible for financing through a GSE or Government loan program an AUS Findings with a "Refer" or "Approve/Ineligible" response</p>
<b>Bankruptcy</b>	<p><b>All Bankruptcies:</b> Must be discharged for a minimum of 36 months from closing date. Seasoning is measured from the month and year of discharge.</p> <p>Multiple bankruptcy filings ineligible</p>

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Borrowers – Eligibility	<p><u><b>Eligible:</b></u> U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u><b>In-Eligible:</b></u> Foreign national • Co-Signers • Guarantors • Any forms of a Trust</p>
Cash Out Amount	<ul style="list-style-type: none"> <li>• Maximum cash out: Unlimited</li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="443 644 1214 889"> <thead> <tr> <th colspan="2"><b>Matrix 5000-1YR</b></th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>620</td></tr> <tr> <td>Housing</td><td>1x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>36 Mo</td></tr> <tr> <td>BK (Other)</td><td>36 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>36 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>36 Mo</td></tr> </tbody> </table>	<b>Matrix 5000-1YR</b>		Minimum FICO	620	Housing	1x30x12	BK (Chap 13 Discharge)	36 Mo	BK (Other)	36 Mo	Foreclosure / NOD	36 Mo	Short Sale / DIL / Loan Mod.	36 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>														

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Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided.           <ul style="list-style-type: none"> <li>○ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>○ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>○ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ FTHB reduce maximum LTV/CLTV by 10%</li> <li>○ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 600 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.

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Eligible States	<a href="#">See GreenBox Loans, Inc.'s "Location" on web page</a> Texas: <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waiver	Impounds are required.
First Time Home Buyers	An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years. <ul style="list-style-type: none"> <li>• FTHB with the latest 12 months rental history showing 0x30x12: 5% reduction in LTV/CLTV from the matrix</li> <li>• FTHB with no rental history in the last twelve months, partial rental history in the last twelve months or 1x30x12: 10% reduction in LTV/CLTV from the matrix</li> </ul>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income - Documentation	<ul style="list-style-type: none"> <li>• When tax returns are required, the most recent year should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior year tax return.</li> <li>• Wage or Salaried Borrowers:           <ul style="list-style-type: none"> <li>○ The borrower's most recent paystubs reflecting 30 days of pay and YTD earnings, along with IRS W-2 forms covering the most recent one-year time period, depending upon the option selected. GBL will also accept a completed Request for Verification of Employment (Fannie Mae Form 1005) in lieu of paystubs and W-2 forms.</li> <li>○ A verbal Verification of Employment (VOE) from each employer within 5 days of the Note date. An email directly from the employer's work email address that identifies the name and title of the verifier and the borrower's name and current employment status may be used in lieu of a verbal VOE.</li> <li>○ A completed, signed, and dated IRS Form 4506-T is required for each borrower. The form should be executed and the W-2 transcript(s) for the corresponding number of W-2s included in the credit file. Any discrepancies between the two (2) documents should be explained and, if necessary, additional documentation obtained to satisfy the discrepancy. If tax returns are present in the credit file, transcripts for the returns will be required.</li> </ul> </li> <li>• Self Employed Borrowers:           <ul style="list-style-type: none"> <li>○ Most recent year of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>○ A YTD P&amp;L and balance sheet (Borrower required to sign and date both the P&amp;L and Balance Sheet).</li> <li>○ A complete, signed, and dated IRS Form 4506-T is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>○ Verify the existence of the business within 30-days of funding and ensure the business is active with the following: a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>○ Underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> </li> </ul> <p style="margin-top: 20px;">Supplemental income is not eligible for 1-Year Income Documentation (i.e. auto allowance, dividend/interest income, capital gains, Foreign Income, pension or retirement).</p>
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Income – Documentation of Rental Income	If a borrower has a history of renting the subject or another property, generally the rental income will be reported on IRS Form 1040, Schedule E of the borrower's personal tax returns or on Rental Real Estate Income and Expenses of a Partnership or an S Corporation form (IRS Form 8825) of a business tax return. If the borrower does not have a history of renting the subject property or if, in certain cases, the tax returns do not accurately reflect the ongoing income and expenses of the property, the UW may be justified in using a fully executed current lease agreement. Examples of scenarios that justify the use of a lease agreement are <ul style="list-style-type: none"> <li>○ purchase transactions;</li> <li>○ refinance transactions in which the borrower purchased the rental property during or subsequent to the last tax return filing; or</li> <li>○ refinance transactions of a property that experienced significant rental interruptions such that income is not reported on the recent tax return (for example, major renovation to a property occurred in the prior year that affected rental income).</li> </ul>
Interest Only	<ul style="list-style-type: none"> <li>● Maximum LTV/CLTV 75%</li> <li>● I/O period 120 months</li> <li>● Qualify using amortizing payment on remaining term after I/O</li> <li>● Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount

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<p>Non-Arm's Length &amp; Interested Party Transactions</p>	<p><b><u>Non-Arm's Length Transactions</u></b> A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.  When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.  A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><b><u>Interested Party Transactions</u></b> A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.  In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 10% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Occupant Co-Borrowers	<ul style="list-style-type: none"> <li>• Must be immediate family members.</li> <li>• When non-occupant income used a 5% LTV reduction from program maximum required.</li> <li>• Occupying borrower(s) must have a DTI ratio of 60% or less. Excluding income/debts of non-occupant borrower.</li> <li>• Eligible transactions limited to purchase only or rate/term refinance</li> </ul>

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Non-Permanent Resident Alien	<p>An alien admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States.</p> <ul style="list-style-type: none"> <li>• Legal Status Documentation <ul style="list-style-type: none"> <li>◦ Visa types allowed: E, G, H, L, O, P, R and TN</li> <li>◦ Visa must be current and may not expire for a minimum of 2 years following the close date.</li> <li>◦ When applicable, valid employment authorization doc (EAD) required for US employment if not sponsored by current employer. If the Visa will expire within 6 months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employed and continued visa renewal sponsorship (employer on the loan application must be the same as on the unexpired visa).</li> </ul> </li> <li>• Guideline restrictions: <ul style="list-style-type: none"> <li>◦ Maximum LTV/CLTV: 85%</li> <li>◦ Non-Occupant Co-Borrowers not allowed</li> <li>◦ Gift Funds not allowed</li> <li>◦ US credit requirements detailed under the CREDIT section of this guide should be utilized. Foreign Credit Not allowed.</li> </ul> </li> </ul>
Occupancy	Owner Occupied, Second Homes and Investment
Payment Shock	<ul style="list-style-type: none"> <li>• Not Calculated</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following: <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul> </li> </ul>
Points and Fees	Total points and fees must be less than 5%

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Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b>Eligible:</b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b>Ineligible:</b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo.</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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<b>Property Types</b> <b>Modular Homes</b>	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
<b>Ratios</b>	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs - Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the note rate</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization</li> </ul> <p><b>DTI Ratio</b>  Standard max is 50%</p>
<b>Refinance</b> <b>Cash Out</b>	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement.</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 6 months PITIA</li> <li>• Loan Amount &gt; \$1.5m: 9 months PITIA</li> <li>• Loan Amount &gt; \$2.5m: 12 months PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTHB, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, Fico =&gt; 660 &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount</li> </ul>

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Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum Residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner-occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Spousal Accounts	Accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and are subject to the seasoning requirements. Accounts held solely in the name of a non-borrowing spouse may not be used to meet reserve requirements.
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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**PRODUCT DESCRIPTION**
**ITIN - No Social Security Number**
**89% LTV/CLTV Purchase • Rate/Term & Cash Out Refinances • Loan Amounts Up To \$1,000,000**
**Primary Residence**

Credit Score	Purchase LTV / CLTV	R&T LTV / CLTV	Cash Out LTV / CLTV	Maximum Loan Amount
720 +	89%	80%	70%	\$600,000
	85%	80%	70%	\$650,000
	80%	80%	70%	\$750,000
	70%	70%	65%	\$1,000,000
700 +	85%	80%	65%	\$450,000
	80%	80%	65%	\$500,000
	80%	75%	65%	\$750,000
	70%	70%	65%	\$800,000
660 +	80%	75%	65%	\$600,000
	80%	70%	N/A	\$750,000
	60%	60%	N/A	\$800,000
No Fico or 640 +	65%	65%	55%	\$500,000

**Other Restrictions**

Condos	Warrantable Condos Max LTV/CLTV 80% & Non-Warrantable Max LTV/CLTV 70%
2-4 Units	2 units: Reduce LTV/CLTV by 5% 3-4 Units: Reduce LTV/CLTV by 10% Max LTV/CLTV 80%
Interest Only	Not Available
NJ, IL & CT	Max LTV/CLTV: Purchase & R/T 80%; CO 65%
One Fico Score of the Primary Wage Earner	Max LTV/CLTV 70% & max. loan amount \$600,000
Incomplete Housing or Rental History or Living Rent Free	Max LTV/CLTV 75%
Second Home: Purchase or RT	Min. Fico 660 (must have at least two scores), max. LTV/CLTV 70% & max. loan amount \$750,000
Second Home: Cash out	Min. Fico 700 (must have at least two scores), max. LTV/CLTV 65% & max. loan amount \$500,000
NOO: Purchase or RT	Min. Fico 660 (must have at least two scores), max. LTC/CLTV 65% & max. loan amount \$750,000
NOO: Cash out	Min. Fico 700 (must have at least two scores), max. LTV/CLTV 60% & max. loan amount \$500,000

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Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing            Income and Asset Documentation: Dated within 60 days of closing            Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transaction's "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p>

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<b>Appraisal Transfers</b>	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"> <li>• Prepared on Letterhead of the original Lender</li> <li>• Current Date</li> <li>• Borrower Name</li> <li>• Property Address</li> <li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li> <li>• Signed by an Authorized Representative</li> <li>• Appraisal must be dated within 45 days of submission to GBL</li> </ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"> <li>• Executed Appraisal Transfer Letter</li> <li>• First generation appraisal report</li> <li>• "Subject to ...." are in-eligible</li> <li>• Copy of the invoice submitted to the original lender</li> <li>• Proof that the original report was provided to the borrower</li> </ul>
<b>ARM Information</b>	<ul style="list-style-type: none"> <li>• Index: Prime Rate</li> <li>• Margin: 4.0%</li> <li>• Caps: 2 / 2 / 6</li> <li>• Floor: Start Rate</li> <li>• Look Back: 45 Days</li>   <li>• Minimum Fico is 660</li> <li>• Maximum LTV/CLTV is 85%</li> </ul>

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<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Not eligible</li> </ul> </li> </ul>
<b>Bankruptcy</b>	<p><b>Chapter 7 and 11:</b>      Chapter 7 and Chapter 11 bankruptcies must be discharged for a minimum of 36 months from closing date. Seasoning is measured from the month and year of discharge.</p> <p><b>Chapter 13:</b>      Chapter 13 bankruptcies must be discharged for a minimum of 36 months from closing date. Seasoning is measured from the month and year of discharge. If the Chapter 13 bankruptcy was dismissed, 36 months' seasoning is required from the date of the dismissal.</p>

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Borrower Eligibility	<p><b><u>Eligible:</u></b></p> <ul style="list-style-type: none"> <li>• Must have a Valid ITIN</li> <li>• DACA eligible with ITIN / SSN</li> <li>• Asylum applicants eligible with ITIN / SSN and evidence of application</li> <li>• If multiple borrowers, one borrower must have ITIN. Other applicant(s) may have SSN.</li> </ul> <p>Borrower Identification</p> <p>Required documentation of the borrower's identity at time of loan submission with final verification of identification to be completed prior to loan funding.</p> <p>The following are required on all loans:</p> <ol style="list-style-type: none"> <li>1. Unexpired government photo ID (i.e. driver's license)</li> <li>2. Unexpired Passport from country of origin</li> <li>3. Supplemental documentation: ITIN card or letter from IRS</li> </ol> <p><b><u>In-Eligible:</u></b></p> <ul style="list-style-type: none"> <li>• Irrevocable or Blind Trusts</li> <li>• Inter-Vivos Revocable Trust</li> <li>• Limited partnerships, general partnerships, corporations</li> <li>• Power of Attorney (POA) not allowed</li> </ul>
Cash Out Amount Limit	\$500,000
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

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## Credit

- All accounts must be current at time of closing except as noted below.
- Consumer Debt - Max 1x30 on non-mortgage debt, no rolling lates\* & no open collections, no charge offs within the last 24-months
- Collections/Charge Offs - Charge offs must be seasoned at least 24 months and collections must be paid in full
- LOE(s) required for all adverse credit and must reflect extenuating circumstances that have been cured
- All tax liens and payment plans must be paid-off prior to or at closing.
- Identification: Borrower(s) must have valid unexpired ID, such as Driver's License, Visa or Passport.

### Tradeline Requirements:

- 2 tradelines open reporting for 12+ months with activity in last 12 months or 1 open tradeline reporting for 24+ months with activity in last 12 months
- If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the tradeline requirements.
- LTV > 85%: 2 open tradelines reporting for 12+ months with activity in last 12 months
- Non-Traditional Credit is accepted when LTV <= 65% – See Non Traditional Credit section

Matrix 5000-ITIN-FD	
Minimum FICO	640 or No Fico Scores
Housing	0x30x12
BK (Chap 13 Discharge)	36 Mo
BK (Other)	36 Mo
Foreclosure / NOD	36 Mo
Short Sale / DIL / Loan Mod.	36 Mo

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Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided.           <ul style="list-style-type: none"> <li>○ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>○ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>○ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrowers who live rent-free or without a complete 12-month housing history are limited to maximum LTV/CLTV of 75%</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>

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Credit Scores	The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner or the primary wage earner has no score, use the lowest representative score of all the borrowers.  To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided, or the lower score when only 2 agency scores are provided or the score when only 1 agency score is provided. All borrowers on the loan, if they have a Fico score, must have a score of 640 or greater or no score.
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#"><u>See GreenBox Loans, Inc.'s "Location" on web page:</u></a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.
First Time Home Buyers	Eligible
Forbearance	<p>Forbearance will not be considered a housing event, with the following</p> <ul style="list-style-type: none"> <li>• No Missed / Disruption of Mortgage Payments</li> <li>• Loan reinstated</li> </ul>

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Gift Funds	<ul style="list-style-type: none"> <li>• Gift Funds are acceptable if ONE of the following applies           <ol style="list-style-type: none"> <li>1. A 10% down payment has been made by the borrower from their own resources</li> <li>2. 100% Gift Funds are allowed for loans only with a maximum LTV/CLTV of 65%. Borrower(s) must meet reserve requirements</li> </ol> </li> <li>• Gift funds may not be used to meet reserve requirements.</li> <li>• Gift of Equity allowed for Primary Residence only and 65% maximum LTV/CLTV. Must meet all other guidelines for Gift Funds.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Documentation Full Doc	<p><b>Full Documentation</b></p> <p>A minimum of two (2) years employment and income history</p> <ul style="list-style-type: none"> <li>• Gaps in employment in excess of 30 days during the past two (2) years require a satisfactory letter of explanation and the borrower must be employed with their current employer for a minimum of six (6) months to qualify.</li> <li>• For a Borrower who has less than a two-year employment and income history, the Borrower's income may be qualifying income if the Mortgage file contains documentation to support that the Borrower was either attending school or in a training program immediately prior to their current employment history. School transcripts must be provided to document.</li> <li>• IRS Form 4506-C / Tax Transcripts</li> <li>• A completed, signed, and dated IRS form 4506-C must be completed for all borrowers at closing whose income is used to qualify for the mortgage.</li> <li>• The 4506-C must be processed and tax transcripts obtained (for each year requested) to validate against all tax returns used for qualifying. For self-employed borrowers, this applies to both personal and business returns (for businesses where borrower(s) has 25% or more ownership) regardless of whether or not income is used to qualify, a separate form must be filled out for each business entity.</li> </ul> <p><b>Documentation requirements:</b></p> <ul style="list-style-type: none"> <li>• Pay Stub - 1 full month with YTD earnings</li> <li>• W-2's and/or 1099's - prior two (2) years for all borrowers</li> <li>• 1040's - prior two years, including all pages, schedules, statements</li> <li>• For all self-employed borrowers:               <ul style="list-style-type: none"> <li>◦ Two years of tax returns,</li> <li>◦ Year to Date (YTD) Profit and Loss Statements and Balance Sheets,                   <ul style="list-style-type: none"> <li>▪ The P&amp;L and Balance sheet must be prepared and signed by either a CPA/accountant, IRS Enrolled Agent or licensed tax preparer</li> <li>▪ Self-prepared P&amp;L are not allowed</li> </ul> </li> </ul> </li> <li>• Business returns on all Corporations and Schedule E business entities prior two years if ownership is &gt; 25%, including all pages, schedules, statements</li> <li>• 1120S, 1120 and 1065's – prior two (2) years if General Partner and/or percentage of ownership is &gt; 25%, including all pages, schedules, statements</li> <li>• Self-prepared tax returns are not allowed for Self-Employed borrowers</li> </ul>
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Income Documentation of Rental Income	If a borrower has a history of renting the subject or another property, generally the rental income will be reported on IRS Form 1040, Schedule E of the borrower's personal tax returns or on Rental Real Estate Income and Expenses of a Partnership or an S Corporation form (IRS Form 8825) of a business tax return. If the borrower does not have a history of renting the subject property or if, in certain cases, the tax returns do not accurately reflect the ongoing income and expenses of the property, the UW may be justified in using a fully executed current lease agreement. Examples of scenarios that justify the use of a lease agreement are <ul style="list-style-type: none"> <li>o purchase transactions;</li> <li>o refinance transactions in which the borrower purchased the rental property during or subsequent to the last tax return filing; or</li> <li>o refinance transactions of a property that experienced significant rental interruptions such that income is not reported on the recent tax return (for example, major renovation to a property occurred in the prior year that affected rental income).</li> </ul>
Listing Seasoning	For all cash-out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$225,000
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>            A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>            A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Occupant Co-Borrower	Not Allowed

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Non-Traditional Credit	<p>The credit history must include three (3) credit references, including at least one from Group I (below) covering the most recent 12 months' activity from date of application.</p> <p>Group I references should be exhausted prior to considering Group II (below) for eligibility purposes, as Group I is considered more indicative of a borrower's future housing payment performance.</p> <p>Group I:</p> <ul style="list-style-type: none"> <li>• Rental housing payments. This includes payments made to a landlord or management company. Also included are payments made on a privately-held mortgage loan that is not reported to the credit bureaus, contract for deed payments and other similar arrangements, provided the payments are related to the borrower's housing</li> <li>• Utilities, such as electricity, gas, water, telephone service, television, and internet service providers. If utilities are included in the rental housing payment, they cannot be considered a separate source of nontraditional credit. Utilities can be considered a source of nontraditional credit only if the payment history can be separately documented.</li> </ul> <p>Group II:</p> <ul style="list-style-type: none"> <li>• Insurance coverage, i.e., medical (excluding payroll deductions), auto, life or renter's insurance; payment to child care providers; school tuition; retail stores -- department, furniture, appliance stores or specialty stores; rent-to-own; payment of medical bills not covered by insurance; Internet/cell phone services; a documented 12-month history of saving by regular deposits, resulting in an increasing balance to the account; automobile leases, or a personal loan from an individual with repayment terms in writing and supported by canceled checks.</li> </ul>
Occupancy	Owner Occupied, Second Homes & Investments
Payment Shock	<p>Primary Residence Only            Payment shock should not exceed 200% of the borrower's current housing payment</p> <p>Payment Shock = <math>(\text{Proposed Housing Payment} / \text{Present Housing Payment}) * 100</math></p>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><u><b>Eligible:</b></u> Single Family Residences, PUDs, Townhouses, Condominiums (warrantable), 2-4 Units • Non-Warrantable condos</p> <p><u><b>Ineligible:</b></u> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>• The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>• Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>• Single entity ownership allowed up to 20% of the project.</li> <li>• Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>• GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>• Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>• Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>• 90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>• 40% of the total units in the project must be owner occupied.</li> <li>• All phases are complete.</li> <li>• HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>• All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>• 50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>• Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>• Project may be subject to additional phasing.</li> <li>• HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> </ul> <p>DTI Ratio</p> <p>Standard max is 43%</p> <p>Primary Residence - DTI &gt; 43 may be allowed with an underwriting exception &amp; with min. residual income of \$3,500</p> <p>LTV &gt; 80: Max DTI is 43%</p>

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Refinance - Cash Out	<ul style="list-style-type: none"> <li>• For properties owned 12-months or longer, the LTV/CLV is based upon the appraised value.</li> <li>• Note date to note date is used to calculate seasoning.</li> <li>• If Cash-Out Seasoning is 7-11 months, the transaction property value is limited to the lower of the current appraised value or the property's purchase price + documented improvements</li> <li>• Cash-Out Seasoning of 6 months or less is allowed with only the following           <ul style="list-style-type: none"> <li>◦ Delayed Financing - Cash-out on properties purchased by the borrower with cash and owned less than 6 months is allowed. The following requirements apply:               <ul style="list-style-type: none"> <li>▪ Original transaction was an arm's-length transaction</li> <li>▪ Settlement statement from purchase confirms no mortgage financing used to acquire subject</li> <li>▪ Source of funds used for purchase documented (gift funds may not be included)</li> <li>▪ New loan amount can be no more than the actual documented amount of the borrower's initial investment in purchasing the property plus the financing of closing costs, prepaid fees, and points on the new mortgage loan</li> <li>▪ All other cash-out refinance eligibility requirements must be met</li> </ul> </li> </ul> </li> <li>• Seasoning is measures from note date to note date.</li> <li>• OO only</li> </ul>
Refinance – Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Rent Loss Insurance is required when the subject property is NOO and using its rental income for qualification.</li> <li>• Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program.</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• LTV/CLTV &lt;= 75%: 3 months' PITIA</li> <li>• LTV/CLTV 75.01% to 85%: 6 months' PITIA</li> <li>• LTV/CLTV &gt; 85%: 8 months' PITIA</li> <li>• Loan amounts &gt; \$750,000 minimum 6 months' PITIA</li> <li>• No Fico, one Fico or Fico &lt; 660: minimum 6 months' PITIA</li> <li>• Second Homes or NOO: minimum 6 months' PITIA</li> <li>• Cash out proceeds may be used for reserves if Fico is =&gt; 680</li> <li>• Non-vested or restricted stock accounts are not eligible for use as down payment or reserves.</li> <li>• Retirement Accounts:           <ul style="list-style-type: none"> <li>◦ 60% of the vested value of retirement accounts, after reduction of any outstanding loans, may be considered toward the required reserves.</li> <li>◦ Excluding 401k's &amp; IRA's, verification of the terms of liquidation if funds are used for reserves.</li> <li>◦ Retirement accounts that do not allow any type of withdrawal are ineligible for use as reserves.</li> </ul> </li> <li>• Gift funds must not be used to meet reserve requirements</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• DTI &gt; 43% - minimum residual income is \$3,500</li> <li>• LTV &gt; 80% - minimum residual income is \$3,000</li> <li>• Residual income is not required when DTI &lt;= 43% and LTV &lt;= 80%</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for second homes &amp; non-owner occupied properties</li> </ul>

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Seller Concessions	<p><b>OO &amp; Second Homes</b></p> <p>&gt;85% 2% seller credit for NRCC</p> <p>80.01-85% standard: 2%; 4% allowed to recurring &amp; non-recurring closing cost with 700+ Fico and max loan amount of \$450,000</p> <p>75.01-80% 3%</p> <p>&lt;=75% 6%</p> <ul style="list-style-type: none"> <li>• Max Seller Contribution:6%           <ul style="list-style-type: none"> <li>◦ If the purchase price is less than or equal to the list price.</li> </ul> </li> <li>• Max Seller Contribution:3%           <ul style="list-style-type: none"> <li>◦ If the purchase price is above the list price.</li> </ul> </li> </ul> <p>NOO – Not allowed.</p> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Tax Liens	All tax liens (federal, state, and local) must be paid off prior to or at loan closing
Temporary Rate Buydowns	Not allowed

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PRODUCT DESCRIPTION				
ITIN - No Social Security Number 85% LTV Purchase • 80% R&T • Loan Amounts Up To \$750,000				
Primary Residence				
Credit Score	Purchase LTV / CLTV	R&T LTV / CLTV	Cash Out LTV / CLTV	Maximum Loan Amount
720 +	85%	80%	65%	\$650,000
	80%	75%	65%	\$750,000
660 +	80%	70%	60%	\$750,000
640 +	60%	N/A	N/A	\$300,000
No Fico	55%	N/A	N/A	\$300,000

Other Restrictions	
Condos	Warrantable Condos Max LTV/CLTV 80% & Non-Warrantable Max LTV/CLTV 65%
2-4 Units	2 Units: No reduction; Max LTV/CLTV is 80% 3-4 Units: Reduce LTV/CLTV by 5%; Max LTV/CLTV 75%
Interest Only	Not Available
Use of 12 Month Bank Statements	Min Fico 660 (must have at least two Fico scores)
NJ, IL & CT	Max LTV/CLTV: Purchase & R/T 80%; CO 60%
One Fico Score of the Primary Wage Earner	Max LTV/CLTV 60% & max. loan amount \$300,000
Incomplete Housing or Rental History or Living Rent Free	Max LTV/CLTV 75%
Second Home: Purchase or RT	Min. Fico 660 (must have at least two scores), max. LTV/CLTV 70% & max. loan amount \$750,000
Second Home: Cash out	Min. Fico 720 (must have at least two scores), max. LTV/CLTV 60% & max. loan amount \$500,000
NOO: Purchase or RT	Min. Fico 660 (must have at least two scores), max. LTC/CLTV 65% & max. loan amount \$750,000
NOO: Cash out	Min. Fico 720 (must have at least two scores), max. LTV/CLTV 55% & max. loan amount \$500,000
Cash Out (all occupancies)	Only available on 24 Month Bank Statement; 12BS in-eligible

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Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing            Income and Asset Documentation: Dated within 60 days of closing            Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transaction's "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"> <li>• Prepared on Letterhead of the original Lender</li> <li>• Current Date</li> <li>• Borrower Name</li> <li>• Property Address</li> <li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li> <li>• Signed by an Authorized Representative</li> <li>• Appraisal must be dated within 45 days of submission to GBL</li> </ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"> <li>• Executed Appraisal Transfer Letter</li> <li>• First generation appraisal report</li> <li>• "Subject to ...." are in-eligible</li> <li>• Copy of the invoice submitted to the original lender</li> <li>• Proof that the original report was provided to the borrower</li> </ul>
ARM Information	<ul style="list-style-type: none"> <li>• Index: Prime Rate</li> <li>• Margin: 4.0%</li> <li>• Caps: 2 / 2 / 6</li> <li>• Floor: Start Rate</li> <li>• Look Back: 45 Days</li>   <li>• Minimum Fico is 660</li> <li>• Maximum LTV/CLTV is 85%</li> </ul>

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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Not eligible</li> </ul> </li> </ul>
Bankruptcy	<p><b>Chapter 7 and 11:</b>          Chapter 7 and Chapter 11 bankruptcies must be discharged for a minimum of 36 months from closing date. Seasoning is measured from the month and year of discharge.</p> <p><b>Chapter 13:</b>          Chapter 13 bankruptcies must be discharged for a minimum of 36 months from closing date. Seasoning is measured from the month and year of discharge. If the Chapter 13 bankruptcy was dismissed, 36 months' seasoning is required from the date of the dismissal.</p>

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Borrower Eligibility	<p><b><u>Eligible:</u></b></p> <ul style="list-style-type: none"> <li>• Must have a Valid ITIN</li> <li>• DACA eligible with ITIN / SSN</li> <li>• Asylum applicants eligible with ITIN / SSN and evidence of application</li> <li>• If multiple borrowers, one borrower must have ITIN. Other borrower(s) may have SSN.</li> </ul> <p>Borrower Identification</p> <p>Required documentation of the borrower's identity at time of loan submission with final verification of identification to be completed prior to loan funding.</p> <p>The following are required on all loans:</p> <ol style="list-style-type: none"> <li>1. Unexpired government photo ID (i.e. driver's license)</li> <li>2. Unexpired Passport from country of origin</li> <li>3. Supplemental documentation: ITIN card or letter from IRS</li> </ol> <p><b><u>In-Eligible:</u></b></p> <ul style="list-style-type: none"> <li>• Irrevocable or Blind Trusts</li> <li>• Inter-Vivos Revocable Trust</li> <li>• Limited partnerships, general partnerships, corporations</li> <li>• Power of Attorney (POA) not allowed</li> </ul>
Cash Out Amount Limit	\$500,000
Compliance	Fully documented ability-to-repay • No section 32 or state high cost • Compliance with all applicable Federal and State regulations

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### Credit

- All accounts must be current at time of closing except as noted below.
- Consumer Debt - Max 1x30 on non-mortgage debt, no rolling lates\* & no open collections, no charge offs within the last 24-months
- Collections/Charge Offs - Charge offs must be seasoned at least 24 months and collections must be paid in full
- LOE(s) required for all adverse credit and must reflect extenuating circumstances that have been cured
- All tax liens and payment plans must be paid-off prior to or at closing.
- Identification: Borrower(s) must have valid unexpired ID, such as Driver's License, Visa or Passport.

#### Tradeline Requirements:

- 2 open tradelines reporting for 12+ months with activity in last 12 months or 1 open tradeline reporting for 24+ months with activity in last 12 months
- If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the tradeline requirements.
- Non-Traditional Credit is accepted when LTV <= 55% – See Non Traditional Credit section

Matrix 5000-ITIN-12 or 24 BS	
Minimum FICO	640 or No Score
Housing	0x30x12
BK (Chap 13 Discharge)	36 Mo
BK (Other)	36 Mo
Foreclosure / NOD	36 Mo
Short Sale / DIL / Loan Mod.	36 Mo

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Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided.           <ul style="list-style-type: none"> <li>○ Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>○ Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>○ Any private party or non-instructional mortgages the promissory note must be provided.</li> </ul> </li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ FTHB reduce maximum LTV/CLTV by 10%</li> <li>○ Non FTHB reduce maximum LTV/CLTV by 5%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have at least one valid score of 640 or greater or no score.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancellation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><u><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></u></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.

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First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• Minimum 680 credit score.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• Minimum six (6) months of reserves.</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history               <ul style="list-style-type: none"> <li>▪ Max LTV/CLTV: 70%</li> <li>▪ 15% applicant contribution</li> <li>▪ Payment shock is not considered</li> </ul> </li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	<p>Forbearance will not be considered a housing event, with the following</p> <ul style="list-style-type: none"> <li>• No Missed / Disruption of Mortgage Payments</li> <li>• Loan reinstated</li> </ul>
Gift Funds	<ul style="list-style-type: none"> <li>• Gift Funds are acceptable if ONE of the following applies           <ol style="list-style-type: none"> <li>1. A 10% down payment has been made by the borrower from their own resources</li> <li>2. 100% Gift Funds are allowed for loans only with a maximum LTV/CLTV of 65%. Borrower(s) must meet reserve requirements.</li> </ol> </li> <li>• Gift funds may not be used to meet reserve requirements.</li> <li>• Gift of Equity allowed for Primary Residence only and 65% maximum LTV/CLTV. Must meet all other guidelines for Gift Funds.</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of a certified check, an electronic transfer, cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 12 or 24 months personal bank statements - Utilize 12 or 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingles accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 12 or 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account  12 or 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 12 or 24 Month P&amp;L Statement (Option 1)           <ul style="list-style-type: none"> <li>o 12 or 24 Month P&amp;L prepared by CPA, EA or licensed tax preparer</li> <li>o 12 or 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>o P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period. Qualifying income is the lower of the Net Income indicated on the P&amp;L or the income indicated on the initial 1003</li> </ul> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>• The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>• Expenses must be reasonable for the type of business;</li> <li>• Pattern of deposits and payment should be consistent;</li> <li>• Expectations of changes in deposit pattern must be considered</li> <li>• Income documented separately but co-mingled must be backed out of deposit</li> <li>• Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> </ul>
Listing Seasoning	For all cash-out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.

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Minimum Loan Amount	\$150,000 IL - \$225,000
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>            A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>            A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTC/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Occupant Co-Borrower	Not Allowed

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	<p><b><u>Non-Sufficient Funds</u></b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than three (3) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Non-Sufficient Funds (NSF) / Overdraft</p> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
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Non-Traditional Credit	<p>The credit history must include three (3) credit references, including at least one from Group I (below) covering the most recent 12 months' activity from date of application.</p> <p>Group I references should be exhausted prior to considering Group II (below) for eligibility purposes, as Group I is considered more indicative of a borrower's future housing payment performance.</p> <p>Group I:</p> <ul style="list-style-type: none"> <li>• Rental housing payments. This includes payments made to a landlord or management company. Also included are payments made on a privately-held mortgage loan that is not reported to the credit bureaus, contract for deed payments and other similar arrangements, provided the payments are related to the borrower's housing</li> <li>• Utilities, such as electricity, gas, water, telephone service, television, and internet service providers. If utilities are included in the rental housing payment, they cannot be considered a separate source of nontraditional credit. Utilities can be considered a source of nontraditional credit only if the payment history can be separately documented.</li> </ul> <p>Group II:</p> <ul style="list-style-type: none"> <li>• Insurance coverage, i.e., medical (excluding payroll deductions), auto, life or renter's insurance; payment to child care providers; school tuition; retail stores -- department, furniture, appliance stores or specialty stores; rent-to-own; payment of medical bills not covered by insurance; Internet/cell phone services; a documented 12-month history of saving by regular deposits, resulting in an increasing balance to the account; automobile leases, or a personal loan from an individual with repayment terms in writing and supported by canceled checks.</li> </ul>
Occupancy	Owner Occupied, Second Homes & Investments
Payment Shock	<p>Primary Residence Only  Payment shock should not exceed 200% of the borrower's current housing payment</p> <p>Payment Shock = <math>(\text{Proposed Housing Payment} / \text{Present Housing Payment}) * 100</math></p>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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<b>Property Flipping</b>	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
<b>Property Types</b>	<p><b><u>Eligible:</u></b> Single Family Residences, PUDs, Townhouses, Condominiums, 2-4 Units • Non-Warrantable condos</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types  
All Condos

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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>• The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>• Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>• Single entity ownership allowed up to 20% of the project.</li> <li>• Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>• GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>• Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>• Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>• 90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>• 40% of the total units in the project must be owner occupied.</li> <li>• All phases are complete.</li> <li>• HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>• All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>• 50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>• Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>• Project may be subject to additional phasing.</li> <li>• HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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<b>Property Types</b> <b>Modular Homes</b>	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
<b>Qualifying Rate and Ratios</b>	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> </ul> <p><b>DTI Ratio</b></p> <p>Standard max is 43%</p> <p>Primary Residence - DTI &gt; 43 may be allowed with an underwriting exception &amp; min. residual income of \$3,500  LTV/CLTV &gt; 75%: Max DTI is 43%</p>

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Refinance - Cash Out	<ul style="list-style-type: none"> <li>• For properties owned 12-months or longer, the LTV/CLV is based upon the appraised value.</li> <li>• Note date to note date is used to calculate seasoning.</li> <li>• If Cash-Out Seasoning is 7-11 months, the transaction property value is limited to the lower of the current appraised value or the property's purchase price + documented improvements</li> <li>• Cash-Out Seasoning of 6 months or less is allowed with only the following <ul style="list-style-type: none"> <li>○ Delayed Financing - Cash-out on properties purchased by the borrower with cash and owned less than 6 months is allowed. The following requirements apply: <ul style="list-style-type: none"> <li>■ Original transaction was an arm's-length transaction</li> <li>■ Settlement statement from purchase confirms no mortgage financing used to acquire subject</li> <li>■ Source of funds used for purchase documented (gift funds may not be included)</li> <li>■ New loan amount can be no more than the actual documented amount of the borrower's initial investment in purchasing the property plus the financing of closing costs, prepaid fees, and points on the new mortgage loan</li> <li>■ All other cash-out refinance eligibility requirements must be met</li> </ul> </li> </ul> </li> <li>• Seasoning is measures from note date to note date.</li> <li>• OO only</li> </ul>
Refinance – Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Rent Loss Insurance is required when the subject property is NOO and using its rental income for qualification.</li> <li>• Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program.</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• LTV/CLTV &lt;= 75%: 6 months' PITIA</li> <li>• LTV/CLTV &gt; 75%: 8 months' PITIA</li> <li>• No Fico, one Fico or Fico &lt; 660: minimum 8 months' PITIA</li> <li>• Second Homes or NOO: minimum 8 months' PITIA</li> <li>• Cash out proceeds may be used for reserves if Fico is =&gt; 680</li> <li>• Non-vested or restricted stock accounts are not eligible for use as down payment or reserves.</li> <li>• Retirement Accounts:           <ul style="list-style-type: none"> <li>◦ 60% of the vested value of retirement accounts, after reduction of any outstanding loans, may be considered toward the required reserves.</li> <li>◦ Excluding 401k's &amp; IRA's, verification of the terms of liquidation if funds are used for reserves.</li> <li>◦ Retirement accounts that do not allow any type of withdrawal are ineligible for use as reserves.</li> </ul> </li> <li>• Gift funds must not be used to meet reserve requirements</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Required when DTI &gt; 43% - minimum residual income is \$3,500</li> <li>• Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>• Not required for non-owner occupied properties</li> </ul>

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	<p><b><u>OO &amp; Second Homes</u></b></p> <table border="0"> <tr> <td>&gt; 80%</td><td>2%</td></tr> <tr> <td>75.01-80%</td><td>3%</td></tr> <tr> <td>&lt;=75%</td><td>6%</td></tr> </table> <ul style="list-style-type: none"> <li>• Max Seller Contribution:6%           <ul style="list-style-type: none"> <li>◦ If the purchase price is less than or equal to the list price.</li> </ul> </li> <li>• Max Seller Contribution:3%           <ul style="list-style-type: none"> <li>◦ If the purchase price is above the list price.</li> </ul> </li> </ul> <p>NOO – Not allowed.</p>	> 80%	2%	75.01-80%	3%	<=75%	6%
> 80%	2%						
75.01-80%	3%						
<=75%	6%						
Seller Concessions	<p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>						
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing.</p>						
Temporary Rate Buydowns	<p>Not allowed</p>						

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**INVESTOR PROPERTY**  
**\$1,500,000 Max Loan Amount • Non-Owner Occupied • Qualify On Rental Survey**

**Investment**

DSCR	Credit Score	Transaction			Maximum Loan Amount
		Purchase	R/T	Cash Out	
=> 1.0	680 +	75%	65%	60%	\$1,000,000
		70%	60%	55%	\$1,500,000
	Foreign Credit / Fico < 680	75%	65%	60%	\$1,000,000
		70%	60%	55%	\$1,500,000
0.80 to < 1.0	680 +	65%	55%	50%	\$1,000,000
		65%	N/A	N/A	\$1,500,000
	Foreign Credit / Fico < 680	65%	60%	N/A	\$1,000,000
		65%	NA	N/A	\$1,500,000
0.75 to 0.79	680 + or Foreign Credit or Fico < 680	60%	NA	NA	\$750,000

**Restrictions & Notes**

Debt Service Coverage Ratio (DSCR)	Gross Income / PITIA (PI using the note rate rather than fully indexed). Business Purpose Only
Gross Income	Lower of Estimated Market Rent from Form 1007 or lease agreement if provided. Monthly rent from an existing lease can be used with lease agreement and proof of last two payments.
One Fico Score	Use Foreign Credit / Fico < 680
Interest Only	Available at 70% LTV/CLTV & DSCR => 1.0
2-4 Units & Condos	Purchase or R/T Max LTV/CLTV 70%; Cash Out Max LTV/CLTV 60%
Unleased Property (Refi Only)	Reduce LTV/CLTV by 5%
Using Short Term Rental Income	Reduce LTV/CLTV by 5%; Use 80% of Gross Income
First Time Investors	Allowed; no restrictions
ITIN	Maximum LTV/CLTV 65% w/ DSCR => 1.0; Maximum LTV/CLTV 60% w/ DSCR 0.80 – 0.99; Must have two Fico scores, 660+
	GFE ONLY



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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transaction's "Appraised Value" will be the lower of the two appraisals.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>



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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets Held in Foreign Accounts	<p>Assets held in foreign accounts may be used as a source of funds to close and to meet applicable reserve requirements. One of the following options may be utilized:</p> <ul style="list-style-type: none"><li>• Transferred to a U.S. domiciled account in the borrower's name at least ten (10) days prior to closing unless funds are held in a foreign bank with U.S. branches insured by the FDIC; or</li><li>• Verified funds for closing to be wired directly to the closing agent. Wire transfer to include bank name, accountholder name, and account number. Bank used as source of wire transfer must match the bank holding the assets verified in the loan file.</li></ul> <p>Documentation for assets held in foreign accounts:</p> <ul style="list-style-type: none"><li>• Assets must be verified in U.S. Dollar equivalency at the current exchange rate via either <a href="http://www.xe.com">www.xe.com</a> or the Wall Street Journal conversion table.</li><li>• A copy of the two (2) most recent statements of that account. If the funds are not seasoned a minimum of sixty (60) days, a letter of explanation is required along with the information to comprise a sixty (60) day chain of funds.</li><li>• UK (United Kingdom) Borrowers Only: Use of specific foreign exchange services such as MoneyCorp <a href="https://www.moneycorp.com/uk/">https://www.moneycorp.com/uk/</a>, Halo Financial <a href="https://www.halofinancial.com/">https://www.halofinancial.com/</a>, Currencies Direct <a href="http://www.currenciesdirect.com/en/us">http://www.currenciesdirect.com/en/us</a> or TransferWise <a href="https://transferwise.com/us/">https://transferwise.com/us/</a> in order to transfer funds directly to the closing agent directly. Borrower must have and maintain a US Bank Account regardless of transferring closing funds directly to the closing agent.</li><li>• Reserves may remain in a foreign bank account.</li></ul>
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Assets Held in the US	<p>Assets Held in U.S. Bank          Verification of assets is required for purchase or refinance transactions to evidence sufficient funds to close. Seasoning of funds and reserves are not required.</p> <p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation.</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from Applicant's CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Automatic Payment Authorization (ACH)	<p>Automatic Payment Authorization (ACH) Form is required for all foreign national borrowers. Funds must be from a U.S. Bank. The executed (ACH) enrollment form must be included in the closed loan submission package. The (ACH) enrollment form must include the bank routing number, account number, and account type. Borrowers may select a date within the grace period stated on the Note.</p>



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Borrower Application	<ul style="list-style-type: none"><li>The borrower information, including the address of the primary residence in the foreign country, and employment section of the loan application (i.e., Fannie Mae Form 1003) should be completed.</li><li>No proof of borrower income is required.</li></ul>
Borrower Eligibility	<p><b>Eligible Borrowers:</b> • Foreign Nationals, see Foreign National section</p> <p><b>Ineligible Borrowers</b> - Any forms of a Trust</p>
Cash Out Amount Limit	<ul style="list-style-type: none"><li>Max cash-out: \$300,000 if LTV &gt; 50%</li><li>Max cash-out: \$500,000 if LTV &lt;= 50%</li></ul>
Collections And Charge-Offs	<p>Applicable if showing on the US credit report.</p> <ul style="list-style-type: none"><li>Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li><li>Medical collections may remain open with a max cumulative balance of \$10,000</li><li>Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li><li>All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li><li>Disputed accounts are treated as collections</li></ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"><li>Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li></ul>

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Qualifying on US Credit :Credit Matrix											
Credit Foreign National – w/ U.S. Credit	<table border="1"> <tbody> <tr> <td>Credit Score</td><td>660 if available; qualifying score is the middle of 3 or lower of 2 scores</td></tr> <tr> <td>Trades</td><td>Min 2 reporting 24-months or 3 reporting 12-months</td></tr> <tr> <td>Mortgage History</td><td>0 x 30 last 12 months, if documented</td></tr> <tr> <td>Bankruptcy/Foreclosure</td><td>None within 3 years</td></tr> <tr> <td>Judgment/Tax Lien/Collections/Charge-Offs</td><td>Must be paid. New non-medical items with a cumulative total &gt; \$5,000 in the last 24 months will exclude the borrower from this program.</td></tr> </tbody> </table> <p>       • Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.        • Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing     </p>	Credit Score	660 if available; qualifying score is the middle of 3 or lower of 2 scores	Trades	Min 2 reporting 24-months or 3 reporting 12-months	Mortgage History	0 x 30 last 12 months, if documented	Bankruptcy/Foreclosure	None within 3 years	Judgment/Tax Lien/Collections/Charge-Offs	Must be paid. New non-medical items with a cumulative total > \$5,000 in the last 24 months will exclude the borrower from this program.
Credit Score	660 if available; qualifying score is the middle of 3 or lower of 2 scores										
Trades	Min 2 reporting 24-months or 3 reporting 12-months										
Mortgage History	0 x 30 last 12 months, if documented										
Bankruptcy/Foreclosure	None within 3 years										
Judgment/Tax Lien/Collections/Charge-Offs	Must be paid. New non-medical items with a cumulative total > \$5,000 in the last 24 months will exclude the borrower from this program.										
Credit Foreign National Housing / Residency	<p>A foreign national borrower must evidence their primary residence for the country issuing their Passport. Foreign National borrowers may not occupy the subject property as a primary residence.</p> <ul style="list-style-type: none"> <li>• A complete loan application (FNMA Form 1003) is required on all loan files reflecting the borrower's address for their primary residence in their country of origin.</li> <li>• The application must include the borrower's full legal name, phone number, address including flat, floor, unit or house number, street name, city, province/state along with a postal code.</li> <li>• Borrower to provide a third-party document with an address that matches the primary residence on the application e.g., lease agreement, utility bill, financial statement.</li> </ul>										



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Credit Foreign National – w/ U.S. Housing	<ul style="list-style-type: none"><li>If the subject property is owned free and clear, an EOI (evidence of insurance), property profile report or similar document, showing no liens against the property must be documented.</li><li>If a refinance transaction, a 12-month housing history or if owned less than 12 months, the period of ownership is required and is limited to verifying the subject property and any other real estate owned (OREO) that is on the credit report. If OREO is not reporting on the credit report, no mortgage history is required.</li><li>Any mortgages payments showing on the credit report should be current at time of closing. If the credit report or VOM reflects a past-due status, updated documentation is required to verify account is current.</li><li>A housing history for the borrower's primary residence (in the foreign country) is not required.</li></ul>
Credit Foreign National – Non-U.S. Credit / Tradelines	Not Required.
Credit Scores	If available, the applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.

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Debt Service Coverage Ratio Long Term Rental Documentation	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property.</p> <p>Gross rents are utilized in the DSCR calculation. Gross rents are the lower of the actual rents from lease agreement(s) if provided and market rents from either Fannie Mae Form 1007 or Form 1025 in the case of a multi-family property. If two appraisals are required, use the lower of the two appraisal for income.</p> <p>If the lease agreement reflects higher rents than the Form 1007 or 1025, the lease amount may be used for gross rents if two (2) months' proof of receipt is verified and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%. If the lease agreement reflects lower rents than the Form 1007 or 1025, the lease agreement amount must be used for gross rents.</p> <p>For purchase transactions without an existing lease, the gross rents indicated on the 1007 or 1025 may be used without the lease agreement(s).</p>
Debt Service Coverage Ratio Short Term Rental Documentation (continued on the next page)	<p>Short Term Rental Income (such as Airbnb, VRBO, Flipkey)</p> <p>Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> <li>• <b>A 5% LTV/CLTV reduction required when using short term rental income to qualify.</b></li> <li>• DSCR calculation:           <ul style="list-style-type: none"> <li>◦ Monthly gross rents based upon a 12-month average to account for seasonality required.</li> <li>◦ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property.</li> <li>◦ (Gross Rents * .80) divided by PITIA = DSCR.</li> </ul> </li> <li>• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.</li> </ul>

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Debt Service Coverage Ratio Short Term Rental Documentation (continued)	<p>Any of the following methods may be used to determine monthly rental income</p> <ol style="list-style-type: none"> <li>1. A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting short-term market rents.</li> <li>2. A most recent 12-month rental history statement from the 3rd party rental/management service.           <ol style="list-style-type: none"> <li>a. The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The rental income will exclude all vendor or management fees.</li> </ol> </li> <li>3. The most recent 12-month bank statements from the borrower evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits.</li> <li>4. AIRDNA Rentalizer and Overview reports must meet the following requirements:           <ol style="list-style-type: none"> <li>a. Rentalizer (Property Earning Potential).               <ol style="list-style-type: none"> <li>i. Only allowed for purchase transaction</li> <li>ii. Gross Rents equal the revenue projection from the Rentalizer Report.                   <ol style="list-style-type: none"> <li>1. The gross rents are subject to the application of the 20% extraordinary expense factor.</li> <li>2. Revenue projection equals the average daily rental rate times the occupancy rate.</li> </ol> </li> <li>iii. Forecast period must cover 12 months from the Note date.</li> <li>iv. Must have <b>three (3)</b> comparable properties, all within the same ZIP code.</li> <li>v. Must be similar in size, room count, amenities, availability, and occupancy.</li> <li>vi. Maximum occupancy limited to 2 individuals per bedroom.</li> </ol> </li> <li>b. Overview Report (Evaluate a Market):               <ol style="list-style-type: none"> <li>i. Market score or Sub-Market score by zip code</li> <li>ii. Market score or Sub-Market score must be 60 or greater</li> <li>iii. When both a Market and Sub-Market score are present, use the lower of the two.                   <ol style="list-style-type: none"> <li>1. Both the Market and Sub-Market score must be at the zip code level.</li> </ol> </li> <li>iv. Market Research report no longer reflects zip code results in the Market/Sub-Market analysis. AirDNA broke down zip codes into sub-markets that vary based on city, town, or neighborhood boundaries. To document the accurate Market/Sub-Market score, it is necessary to capture a screenshot of the Market Research report that includes the zip code search. This will verify the zip code used for the search matches the subject property.</li> </ol> </li> </ol> </li> </ol>
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Debt Service Coverage Ratio Calculation Example	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property. Minimum Debt Service Ratio is 0.75</p> <p>Single Family Purchase Money Transaction Monthly PITIA = \$650 Estimated Monthly Market Rent (Form 1007) = \$850 Existing Lease Monthly Rent = Not Available</p> <p>Gross Market Rent = \$850 (Estimated Monthly Market Rent when a lease is not available for a purchase transaction) Gross Income = \$850 ÷ PITIA = \$650 DSCR = 1.30</p> <p>IO Payment Qualification The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR.</p>
Documentation	<p>Documents signed by Borrowers outside of the United States must be notarized by a U.S. embassy or consular official. The certificate of acknowledgment must meet the standard notarial requirements and must include the embassy or consular seal. If the U.S. embassy or consular official is unavailable, a notary is acceptable if the country, where signing is taking place, is part of the Hague Convention and the signed documents are accompanied by an Apostille.  <a href="https://travel.state.gov/content/travel/en/legal-considerations/judicial/authentication-of-documents/notarial-and-authentication-apostille.html">https://travel.state.gov/content/travel/en/legal-considerations/judicial/authentication-of-documents/notarial-and-authentication-apostille.html</a></p> <p>Power of Attorney (POA) is not allowed.</p>
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></p>
Escrow Holdbacks	<p>Escrow holdbacks are not permitted.</p>
Escrows	<p>Impounds are required.</p>

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First Time Investor / Experienced Investor	Not required
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Foreign National - Borrower Eligibility	<p>A Foreign National is a non-resident alien who is not authorized to live or work in the U.S. A Foreign National may periodically visit the U.S. for various reasons including vacation and/or business. To be eligible, the borrower must live and work in another country and be a legal resident of that same country. They may not purchase property intended for use as a primary residence or second home.</p> <p>Any borrower(s)/guarantor(s) identified on OFAC sanction list are ineligible. Any borrower(s)/guarantor(s) from Russia and Belarus are ineligible.</p> <p><b>Documentation Requirements</b></p> <ul style="list-style-type: none"> <li>• The following are required as evidence the borrower is in the U.S legally:           <ul style="list-style-type: none"> <li>○ Copy of the borrowers valid and unexpired passport (including photograph).</li> </ul> </li> <li>• If a non-U.S. citizen is borrowing with a U.S. citizen, foreign national documentation requirements still apply.</li> <li>• All parties (borrowers and property sellers) involved in the transaction must be screened through exclusionary lists and must be cleared through OFAC's SDN list. A search of Specially Designated Nationals &amp; Blocked Persons list may be completed via the US Department of Treasury: <a href="http://sdnsearch.ofac.treas.gov/">http://sdnsearch.ofac.treas.gov/</a>.</li> <li>• Borrowers from OFAC sanctioned countries are ineligible <a href="http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx">http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx</a>.</li> <li>• Individuals with Diplomatic immunity are not eligible, immunity status is listed on the reverse side of the U.S. issued ID card or at: <a href="https://2009-2017.state.gov/s/cpr/rls/dpl//index.htm">https://2009-2017.state.gov/s/cpr/rls/dpl//index.htm</a></li> <li>• Documents signed by Borrowers outside of the United States must be notarized by a U.S. embassy or consular official. The certificate of acknowledgment must meet the standard notarial requirements and must include the embassy or consular seal. If the U.S. embassy or consular official is unavailable, a notary is acceptable if the country, where signing is taking place, is part of the Hague Convention and the signed documents are accompanied by an Apostille. See the following link to determine if the country is part of the Hague Convention: <a href="https://travel.state.gov/content/travel/en/records-and-authentications/authenticate-your-document/apostille-requirements.html">https://travel.state.gov/content/travel/en/records-and-authentications/authenticate-your-document/apostille-requirements.html</a></li> </ul> <p>Model Apostille forms can be found on the following link:  <a href="https://www.hcch.net/en/instruments/specialised-sections/apostille">https://www.hcch.net/en/instruments/specialised-sections/apostille</a></p> <ul style="list-style-type: none"> <li>• Power of Attorney (POA) is not allowed.</li> <li>• All borrowers must complete IRS form W-8BEN</li> <li>• If vesting in LLC, LLC must be Domestic Domiciled.</li> </ul>



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Gift Funds	Not Allowed.
Individual Taxpayer Identification Number (ITIN)	<ul style="list-style-type: none"><li>• Borrower(s) without a valid unexpired visa</li><li>• Minimum Fico is 660. All borrowers must have a minimum of two Fico scores. One credit score or no scores borrower(s) are ineligible.</li><li>• US assets only</li><li>• US credit only</li><li>• Must have primary residence in the US</li><li>• <u>Tradeline Requirements A minimum credit depth of three (3) acceptable tradelines aged individually for a minimum of two (2) years is required.</u></li><li>• Maximum loan amount is \$1,000,000</li><li>• All borrowers on the application must meet ITIN section requirements.</li><li>• DSCR 0.80 – 0.99, maximum LTV/CLTV is 60%</li><li>• DSCR =&gt; 1.0, maximum LTV/CLTV is 65%</li><li>• DSCR &lt; 0.80 not eligible</li><li>• IO is not available</li><li>• Purchase or rate &amp; term transactions only</li></ul> <p>Borrower Identification Required documentation of the borrower's identity at time of loan submission with final verification of identification to be completed prior to loan funding. The following are required on all loans:</p> <ol style="list-style-type: none"><li>1. Unexpired government photo ID (i.e. driver's license)</li><li>2. Unexpired Passport from country of origin</li><li>3. Supplemental documentation: ITIN card or letter from IRS</li></ol>
Interest Only	Max LTV/CLTV 70% IO Term:120 months Total Term: 360 or 480 months Repayment Term: 240 or 360 months DSCR => 1.0 Not available for ITIN



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Listing Seasoning	For all cash-out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. Listing expiration dates of less than 6 months are permitted with a prepayment penalty.
Minimum Loan Size	\$150,000 IL - \$250,000 minimum loan amount
Multiple Properties	Maximum of ten (10) properties financed with any GB program • No limit on the number of financed properties the borrower may own.
Non-Arm's Length Transactions	A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property Builder, Developer, or Seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales and flip transactions.  When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.  A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report, in these cases, is required; as well as the payment history pattern
Occupancy	Non-owner occupied investment Only

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Office of Foreign Assets Control (OFAC)	<p>The Office of Foreign Assets Control (OFAC) of the US Department of Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against individuals and foreign countries. A clear OFAC search for individuals and foreign countries is required.</p> <p><u>Individual</u></p> <p>Individuals identified on OFAC's SDN list are not eligible. All individuals involved in the transaction must be screened through exclusionary lists and must be cleared through OFAC's SDN list, regardless of citizenship status.</p> <p>Requirements:</p> <ul style="list-style-type: none"> <li>• A search of Specially Designated Nationals &amp; Blocked Persons list must be completed via the US Department of Treasury:  <a href="http://sanctionssearch.ofac.treas.gov">http://sanctionssearch.ofac.treas.gov</a>.</li> <li>• Individuals to be included in the OFAC search: Borrowers/Guarantors, Property Sellers, Brokers, Loan Officers, Appraisers, Real Estate Agents, Settlement Agents.</li> <li>• When the borrower is an entity, Guarantor(s) and all member(s)/manager(s) of the entity must be included in the OFAC search.</li> </ul> <p><u>Foreign Countries</u></p> <p>Borrower(s)/Guarantor(s) from OFAC sanctioned countries are not eligible. The Borrower(s)/Guarantor(s) are defined as individuals signing the loan application.</p> <p>Requirements:</p> <ul style="list-style-type: none"> <li>• Borrowers/Guarantors who are Foreign Nationals must be screened against the OFAC sanctioned countries list. Search to be completed via the US Department of Treasury Office of Foreign Asset Control: <a href="http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx">http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx</a>.           <ul style="list-style-type: none"> <li>○ Not applicable for Non-Permanent Resident Aliens and Permanent Resident Aliens.</li> </ul> </li> <li>• If the borrower is an entity, member(s)/manager(s) who are not Guarantors do not have to be screened against the OFAC sanctioned country list.</li> </ul>
Points and Fees	Total points and fees must be less than <b>7%</b>
Prepayment Penalty	Investment Properties may have a prepayment penalty. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Ownership / GB Exposure	There is no limit on the number of financed properties a borrower can own. Greenbox Loans, Inc. will not finance more than an aggregate of \$2,000,000 or a more than 10 Properties at any one time to the same borrower/guarantor. Exceptions to this policy will be reviewed on a case-by-case basis.
Property Types	<p><b>Eligible:</b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable • Condo hotel</p> <p><b>Ineligible:</b> • Acreage greater than 2 acres (appraisal must include total acreage) • Agricultural zoned property • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>◦ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>◦ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>▪ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>▪ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>▪ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>◦ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>▪ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>◦ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>◦ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>◦ The priority of common expense assessments applies.</li> <li>◦ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>• The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>• Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>• Single entity ownership allowed up to 20% of the project.</li> <li>• Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>• GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>• Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>• Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>• 90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>• 40% of the total units in the project must be owner occupied.</li> <li>• All phases are complete.</li> <li>• HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>• All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>• 50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>• Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>• Project may be subject to additional phasing.</li> <li>• HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Property Types Condominium Hotels (a.k.a. Condo Hotel, Condotel)	<ul style="list-style-type: none"> <li>• Projects that are managed and operated as a hotel or motel, even though the units are individually owned.</li> <li>• A project that includes registration services and offers rentals of units on a daily, weekly, or monthly basis.</li> <li>• Investor concentration, within the subject project, may exceed established project criteria, up to 100%.           <ul style="list-style-type: none"> <li>◦ Maximum LTV/CLTV:               <ul style="list-style-type: none"> <li>▪ Purchase 70%</li> <li>▪ (Any) Refinance: 65%</li> </ul> </li> </ul> </li> <li>• Maximum Loan Amount: \$1.5 million</li> <li>• Minimum square footage: 500</li> <li>• Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven</li> <li>• Bedroom required</li> </ul>
Qualifying Rate	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• Fixed – Qualify at Note Rate</li> </ul> <p>Fully Amortizing – Qualifying Ratios are based on PITIA with the principal and interest payments amortized over the loan term</p> <p>Interest Only – Qualifying Ratios are based on the PITIA payment (Business Purpose) over the 20 year remaining term.</p>

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Refinance - Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance – Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Insurance	<ul style="list-style-type: none"> <li>• Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program. All other insurance per Fannie Mae guidelines.</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• Reserves           <ul style="list-style-type: none"> <li>○ Loan amounts &lt;= \$1.5MM: 6 months' PITIA</li> <li>○ Loan amounts &gt; \$1.5MM: 12 months' PITIA</li> <li>○ Cash out proceeds may be used to meet the reserve requirement</li> <li>○ Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul> </li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions May not exceed 3%</p> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>



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**5000-DSCR-FN**  
**5000-DSCR-ITIN**

Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple. IL – vesting must be to non-individuals</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>

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INVESTOR PROPERTY \$3,000,000 Max Loan Amount • Non-Owner Occupied • Qualify On Rental Survey/Income • 48 Months from Housing Event				
Investment				
DSCR	=> 1.0			Maximum Loan Amount
Credit Score	Purchase	R&T	Cash Out	
700 +	80%	75%	70%	\$1,000,000
	75%	75%	70%	\$1,500,000
	75%	75%	65%	\$2,000,000
	70%	70%	65%	\$3,000,000

  

Notes	
Debt Service Coverage Ratio (DSCR)	Gross Income / PITIA (PI using the note rate rather than fully indexed). Business Purpose Only
Gross Income	Lower of Estimated Market Rent from Form 1007 or lease agreement if provided. Monthly rent from an existing lease can be used with lease agreement and proof of last three payments.
First Time Investor	Maximum LTV/CLTV 65% & 12 Months Reserves
Interest Only	Max LTV/CLTV 70%; Min Credit Score 700; Max Loan amount \$2.0m
Non-Warrantable Condos	Max LTV/CLTV 70%
Unleased Property – Refinance only	Reduce LTV/CLTV by 5%; Max LTV/CLTV 65%
For Sale by Owner	Reduce LTV/CLTV 10%
Short Term Rental Income	5% LTV/CLTV reduction to the maximum LTV matrix; Maximum LTV/CLTV 70%
2-4 Units	Max LTV/CLTV 75%
GFE ONLY	

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisals states the subject property is located in declining market, an exception will be required with 10-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required.</p> <p>When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Checking, savings, and certificates of deposit (100%)</li> <li>• US Savings Bonds (100% if fully matured, otherwise 80%)</li> <li>• Marketable Securities (publicly traded stocks, bonds, mutual funds (75% net of margin debt))</li> <li>• Restricted Stock Units (RSU) – per FNMA Guidelines</li> <li>• Retirement Accounts (60% of vested balance, less outstanding loans. Account statement must be dated within 30 days of the Note date)</li> <li>• Pension Plans (60% of amounts accessible within 30-day window. Account statement must be dated within 30 days of the Note date.)</li> <li>• Annuities (60% of amounts accessible within 30-day window)</li> <li>• Trust Accounts (100%) – Full review of trust documentation required</li> <li>• Business Asset Requirements for Self Employed Borrower:           <ul style="list-style-type: none"> <li>○ Borrowers on the loan must have 50% ownership of the business and must be the owners of the account.</li> <li>○ Access letters from the remaining owners of the business must be obtained.</li> <li>○ A letter from a CPA or borrower must be obtained verifying that the withdrawal of funds for the transaction will not have a negative impact on the business. If a CPA letter is not provided, a cash flow analysis of the business assets and liabilities (balance sheet) must be completed by the client for analysis to determine if the withdrawal of funds from the business is acceptable.</li> </ul> </li> <li>• Spousal Accounts – Accounts held solely in the name of a non-borrowing spouse may be used for down payment and closing costs only and are subject to verification requirements listed below. (Accounts held solely in the name of a non-borrowing spouse may not be used to meet reserve requirements.)</li> <li>• Unsecured loans, sweat equity, and gifts that require repayment are not eligible for sources of down payment.</li> <li>• Crypto currency is available for cash to close only. Must be liquidated. Cannot be used for reserves.</li> <li>• 1031 Exchange funds are ineligible for reserves</li> </ul>
Borrower Application	<ul style="list-style-type: none"> <li>• The borrower information and employment section of the loan application (i.e., Fannie Mae Form 1003) should be completed.</li> <li>• No proof of borrower income is required.</li> </ul>

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Borrower Eligibility	<p><b>Eligible Borrowers:</b> U.S. citizens • Permanent resident aliens • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> Not Allowed</li> </ul> <p><b>Ineligible Borrowers</b> - Any forms of a Trust • Foreign Nationals • FTHB</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out:           <ul style="list-style-type: none"> <li>◦ LTV/CLTV &lt;= 65%: \$1,000,000</li> <li>◦ LTV/CLTV &gt; 65%: \$500,000</li> </ul> </li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Collection Accounts and Charge-offs do not have to be paid in full if the following applies:           <ul style="list-style-type: none"> <li>◦ Collections and charge-offs &lt; 24 months old with a maximum cumulative balance of \$2,000</li> <li>◦ Collections and charge-offs ≥ 24 months old with a maximum of \$2,500 per occurrence</li> <li>◦ Collections and charge-offs that have passed beyond the statute of limitation for that state (supporting documentation required)</li> <li>◦ All medical collections up to \$10,000</li> <li>◦ IRS repayment plans with 3 months history of payments may remain unpaid.</li> </ul> </li> <li>• Past Due Accounts must be brought current</li> </ul>
Continuity of Title	Title policy must include a minimum of six months' history of property ownership from the effective date of the policy or preliminary report. All transfers of title within the last six-month period must be disclosed and fully investigated. Property flips are subject to additional restrictions.
Construction to Permanent Financing	<p>Construction conversion refers to the replacement of interim construction financing with a long-term mortgage.</p> <p>Construction conversion loans are not allowed.</p>

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Credit	<ul style="list-style-type: none"> <li>• Tradelines           <ul style="list-style-type: none"> <li>◦ 3 open and active for &gt;12 months OR</li> <li>◦ 2 open and active for &gt;24 months OR</li> <li>◦ Authorized User accounts may be counted toward the tradeline requirement when another borrower on the subject transaction is the owner of the tradeline, the borrower is an authorized user on a spouse's tradeline, or when the borrower can provide proof they are the actual and sole payer on the tradeline for the most recent 12 months.</li> </ul> </li> </ul> <table border="1" data-bbox="496 563 1262 840"> <thead> <tr> <th colspan="2">Matrix 5000-Elite Plus-DSCR</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>700</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Months</td></tr> <tr> <td>BK (Other)</td><td>48 Months</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Months</td></tr> <tr> <td>Short Sale / DIL / Loan Mod</td><td>48 Months</td></tr> </tbody> </table>	Matrix 5000-Elite Plus-DSCR		Minimum FICO	700	Housing	0x30x12	BK (Chap 13 Discharge)	48 Months	BK (Other)	48 Months	Foreclosure / NOD	48 Months	Short Sale / DIL / Loan Mod	48 Months
Matrix 5000-Elite Plus-DSCR															
Minimum FICO	700														
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BK (Chap 13 Discharge)	48 Months														
BK (Other)	48 Months														
Foreclosure / NOD	48 Months														
Short Sale / DIL / Loan Mod	48 Months														
Credit Housing History	<ul style="list-style-type: none"> <li>• Minimum 12 months of housing payments required. A VOM/VOR is required for all the borrower's outstanding mortgages or rent paid.</li> <li>• A 12-month housing history (VOM/VOR) is required for borrower(s)' primary residence, unless, the primary residence is owned free and clear (an EOI (evidence of insurance), property profile report or similar document, showing no liens against the property).</li> <li>• Must document that all mortgages are current within 15 calendar days prior to the Note date.</li> <li>• No Housing History or Less than 12 Months Verified: Borrowers who do not have a complete 12-month housing history are ineligible. Borrowers who own their primary residence free and clear for a minimum of 12 months are acceptable. Experienced investors who provide verification of living rent free are acceptable provided they own other REOs with acceptable mortgage financing history. A "rent-free" letter of explanation is required.</li> </ul>														
Credit Scores	<p>The applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.</p>														
Credit Scores – Rapid Rescores	<p>Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.</p>														

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Debt Service Coverage Ratio Long Term Rental Documentation	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA or ITIA (for interest only loans) of the subject property.</p> <p>Gross rents are utilized in the DSCR calculation. Gross rents are the lower of the actual rents from lease agreement(s) if provided and market rents from either Fannie Mae Form 1007 or Form 1025 in the case of a multi-family property. If two appraisals are required, use the lower of the two appraisal for income.</p> <ul style="list-style-type: none"><li>● Underwriter must supply evidence of the DSCR calculation amount, i.e., the amount to be listed on the 1008 or GBL DSCR Worksheet Calculation.</li><li>● Experienced Investors – proof of management history for at least one year is required. Borrower(s) working in the property management industry constitutes experience and is acceptable.</li></ul> <p>Purchase Transactions</p> <p>The qualifying rent figure will be the higher of the 1007 (or 1025) or the current lease provided the difference is not greater than 20%.</p> <p>Refinance Transactions</p> <p>The qualifying rent figure will be the lower of the 1007 or the current lease provided the difference is not greater than 20%.</p> <ul style="list-style-type: none"><li>● For unleased property refinance transactions, there is no vacancy factor and the gross rents shown on the 1007 may be used.</li><li>● If using the lease agreements income,<ul style="list-style-type: none"><li>○ Leases are required to be no less than twelve (12) months but may convert to month-to-month upon expiration</li><li>○ provide three (3) months' proof of receipt of payment.</li><li>○ If using a higher monthly lease amount, the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%.</li></ul></li></ul>
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Debt Service Coverage Ratio Short Term Rental Documentation (continued on next page)	<p>Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"><li>• <b>A 5% LTV/CLTV reduction required when using short term rental income to qualify.</b></li><li>• DSCR calculation:<ul style="list-style-type: none"><li>○ Monthly gross rents based upon a 12-month average to account for seasonality required.</li><li>○ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property.</li><li>○ (Gross Rents * .80) divided by PITIA = DSCR.</li></ul></li><li>• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.</li></ul>
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Debt Service Coverage Ratio Short Term Rental Documentation (continued)	<p>Any of the following methods may be used to determine monthly rental income</p> <ol style="list-style-type: none"> <li>1. A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting short-term market rents.</li> <li>2. A most recent 12-month rental history statement from the 3rd party rental/management service.           <ol style="list-style-type: none"> <li>a. The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The rental income will exclude all vendor or management fees.</li> </ol> </li> <li>3. The most recent 12-month bank statements from the borrower evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits.</li> <li>4. AIRDNA Rentalizer and Overview reports must meet the following requirements:           <ol style="list-style-type: none"> <li>a. Rentalizer (Property Earning Potential).               <ol style="list-style-type: none"> <li>i. Only allowed for purchase transaction</li> <li>ii. Gross Rents equal the revenue projection from the Rentalizer Report.                   <ol style="list-style-type: none"> <li>1. The gross rents are subject to the application of the 20% extraordinary expense factor.</li> <li>2. Revenue projection equals the average daily rental rate times the occupancy rate.</li> <li>iii. Forecast period must cover 12 months from the Note date.</li> <li>iv. Must have <b>three (3)</b> comparable properties, all within the same ZIP code.</li> <li>v. Must be similar in size, room count, amenities, availability, and occupancy.</li> <li>vi. Maximum occupancy limited to 2 individuals per bedroom.</li> </ol> </li> <li>b. Overview Report (Evaluate a Market):                   <ol style="list-style-type: none"> <li>i. Market score or Sub-Market score by zip code</li> <li>ii. Market score or Sub-Market score must be 60 or greater</li> <li>iii. When both a Market and Sub-Market score are present, use the lower of the two.                       <ol style="list-style-type: none"> <li>1. Both the Market and Sub-Market score must be at the zip code level.</li> </ol> </li> <li>iv. Market Research report no longer reflects zip code results in the Market/Sub-Market analysis. AirDNA broke down zip codes into sub-markets that vary based on city, town, or neighborhood boundaries. To document the accurate Market/Sub-Market score, it is necessary to capture a screenshot of the Market Research report that includes the zip code search. This will verify the zip code used for the search matches the subject property.</li> </ol> </li> </ol> </li> </ol> </li> </ol>
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Debt Service Coverage Ratio Calculation Example	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property.</p> <p>Long Term Rental          Single Family Purchase Money Transaction          Monthly PITIA = \$650          Estimated Monthly Market Rent (Form 1007) = \$850          Existing Lease Monthly Rent = Not Available          DSCR =&gt; 1.0</p> <p>Gross Market Rent = \$850 (Estimated Monthly Market Rent when a lease is not available for a purchase transaction)          Gross Income = \$850  <math>\div \text{PITIA} = \\$650</math>  <math>\text{DSCR} = 1.30</math></p> <p>Short Term Rental – see Debt Service Coverage Ratio - Short Term Rental Documentation</p> <p>IO Payment Qualification          The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR</p> <p>DSCR Ratio          Purchase &amp; R/T: 1.0          Cash Out: 1.00</p>
Eligible States	<a href="#">See GreenBox Loans, Inc.'s "Location" on web page:</a>
Escrow Holdbacks	Escrow holdbacks are not permitted.

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Escrow Waivers	<p>Escrow funds/impound accounts can be waived, with the exception of Flood Insurance Premium, on exempt business purpose loans when the following requirements are met:</p> <ul style="list-style-type: none"> <li>• LTV less than or equal to 75%</li> <li>• Minimum decision credit score of 720</li> <li>• Minimum 12-months of reserves</li> </ul>
First Time Home Buyer (FTHB) or No Primary Residence	Not allowed
First Time Investor / Experienced Investor	<p>Experienced Investor</p> <ul style="list-style-type: none"> <li>• An experienced investor is an individual borrower having a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years. Ownership of commercial income producing property may also be used as evidence of investor experience. For files with more than one borrower, only one borrower must meet the definition.</li> <li>• Experience can be documented by one of the following:           <ul style="list-style-type: none"> <li>○ Complete the REO schedule on the 1003 loan application, or</li> <li>○ Provide a property profile report, or</li> <li>○ Other 3rd party documentation</li> </ul> </li> </ul> <p>First Time Investor – A borrower that does not meet the Experienced Investor criteria. Allowed with proof of Primary home ownership, minimum of 12 months reserves and a maximum LTV/CLTV of 65%.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	Not Allowed
Gift of Equity	Not allowed

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Interest Only	Max LTV/CLTV 70% Minimum 700 Fico IO Term:120 months Total Term: 360 months Repayment Term: 240 months Maximum Loan amount: \$2,000,000
Listing Seasoning	Property listed for sale at any time in the 180 days prior to loan application are ineligible
Minimum Loan Size	\$150,000 IL - \$250,000 minimum loan amount
Multiple Properties	Maximum of ten (10) properties financed with any GB program • No limit on the number of financed properties the borrower may own.
Non-Arm's Length Transactions	<p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property Builder, Developer, or Seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report, in these cases, is required; as well as the payment history pattern</p> <p>A non-arm's length transaction is not allowed</p>

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Non-Permanent Resident Alien	<p>An alien admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States.</p> <p><b>Required Documents</b></p> <p>Evidence of employment in the U.S. including an EAD document. Employment Authorization Document must be issued by the U.S. Citizenship &amp; Immigration Service (USCIS) providing authorization to work in the US without restrictions or</p> <p>Non-immigrant Visa - An unexpired (at time of closing) Non-immigrant Visa with an Entry Stamp issued by the U.S. Department of State which will evidence legal entry into the U.S. for temporary residence. Visa must not expire for 3 years following the close date.</p> <p>The following Visas are acceptable:</p> <p>E series, G series, H series, L series, O series</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 65%</li> <li>• Must meet credit and asset section of this guide</li> </ul>
Occupancy	Non-owner occupied only
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:           <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-151 (referred to as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> </ul>
Points and Fees	Total points and fees must be less than <b>7%</b>

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Prepayment Penalty	Investment Properties may have a prepayment penalty. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.
Property Flipping	<ul style="list-style-type: none"> <li>• When the subject property is being resold within 365 days of its acquisition by the seller and the sales price has increased more than 10%, the rules below apply. To determine the 365-day period, the acquisition date (the day the seller became the legal owner of the property) and the purchase date (the day both parties executed the purchase agreement) is used.</li> <li>• Must be arm's length</li> <li>• No pattern of previous flipping activity may exist in the last 12 months. Exceptions to ownership transfers may include newly constructed properties, sales by government agencies, properties inherited or acquired through divorce, and sales by the holder of a defaulted loan</li> <li>• The property was marketed openly and fairly, through a multiple listing service, auction, for sale by owner offering (documented) or developer marketing</li> <li>• No assignments of the contract to another buyer</li> <li>• If the property is being purchased for more than 5% above the appraised value, a signed letter of acknowledgement from the borrower must be obtained</li> <li>• Flip transactions must comply with the HPML appraisal rules in Regulation Z.</li> <li>• A second appraisal is required in the following circumstances:           <ul style="list-style-type: none"> <li>○ &gt;10% increase in sales price if seller acquired the property in the past 90 days</li> <li>○ &gt;20% increase in sales price if seller acquired the property in the past 91-180 days</li> </ul> </li> </ul>
Property Ownership / GBL Exposure	There is no limit on the number of financed properties a borrower can own. Greenbox Loans, Inc. will not finance more than an aggregate of \$2,000,000 or a more than 10 Properties at any one time to the same borrower/guarantor. Exceptions to this policy will be reviewed on a case-by-case basis.
Property Types	<p><b>Eligible:</b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b>Ineligible:</b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property • Condo hotel</p>

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Property Types Condo – Warrantable	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>FNMA eligible projects are allowed, no restrictions</p>
Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> <li>• Max. LTC/CLTV is 70.0% for purchases and 65% for all refinances.</li> </ul>

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Property Types Condo Non-Warrantable	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>Non-warrantable Condos – any condo projects not FNMA approved. Non-warrantable condo project are allowed under the following</p> <ul style="list-style-type: none"> <li>• COMMERCIAL SPACE: Subject unit 100% residential. Commercial space in building/project &lt; 50%. Any commercial must be "typical to the marketplace and have no negative impact on marketability. Commercial % determined by appraiser. Commercial entity cannot control HOA.</li> <li>• COMPLETION STATUS: The project, or the subject's legal phase along with other phases, must be complete. All common elements in the project or legal phase must be 100% completed. At least 50% must be sold or under a bona-fide contract.</li> <li>• CONDOTELS: True Condotels with onsite reservation desks are prohibited. Not allowed</li> <li>• DELINQUENT HOA DUES: No more than 20% of the total units in the project may be 60 days or more past due on the payment of condominium/association fees.</li> <li>• INVESTOR CONCENTRATION: Investor concentration in project up to 60%. Higher percentages may be considered under the Investment Property Program on a case-by-case basis when an established history of a high percentage of rental units in the condo project can be demonstrated.</li> <li>• HOA CONTROL: The developer may be in control of the condominium association provided the Master Agreement provides for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time period.</li> <li>• HOA RESERVES: HOA Budget must include a dedicated line-item allocation to replacement reserves of at least 8% of the budget.</li> <li>• LITIGATION: Pending litigation may be accepted on a case-by-case basis. Litigation that involves structural issues, health and safety issues or items that will impact the marketability of the project will not be accepted.</li> <li>• NEW PROJECTS: The project or the subject's legal phase along with other phases must be complete. All common areas in the project must be 100% complete. Minimum of 50% of units must be sold or under contract.</li> <li>• SINGLE ENTITY OWNERSHIP: Single entity ownership in project up to 25%.</li> </ul> <p>Non warrantable condo projects are subject to review and additional requirement may be required.</p> <p>Approval is subject to management review and additional restrictions</p>
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Qualifying Rate	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• Fixed – Qualify at Note Rate</li> </ul> <p>Fully Amortizing – Qualifying Ratios are based on PITIA with the principal and interest payments amortized over the loan term</p> <p>Interest Only – IO Payment Qualification</p> <ul style="list-style-type: none"> <li>• The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR</li> </ul>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• If the subject property was purchased in the previous 9 months, the Settlement Statement(s) or Closing Disclosure(s) must be provided.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	Delayed purchase financing is considered Cash Out Transaction
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• Buying out the equity position of a co-owner as a result of a court ordered agreement.</li> <li>• Property ownership resulting from a legal documented inheritance.</li> <li>• Paying off a first lien and purchase money subordinate lien (underwriter must document that the entire subordinate lien was used to purchase the property).</li> <li>• Paying off a seasoned non-purchase money subordinate lien or first lien HELOC.</li> <li>• Paying off a first lien HELOC used in its entirety to purchase the subject property</li> <li>• If the subject property was purchased in the previous 9 months, the Settlement Statement(s) or Closing Disclosure(s) must be provided.</li> </ul>

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Rent Loss Insurance	Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program. All other insurance per Fannie Mae guidelines.
Reserves	<ul style="list-style-type: none"> <li>• Reserves           <ul style="list-style-type: none"> <li>○ LTV/CLTV &gt; 75%: 6 months' PITIA</li> <li>○ Loan amounts &lt; \$1.0m: 3 months' PITIA</li> <li>○ Loan amounts \$1.0m to \$1.5m: 6 months' PITIA</li> <li>○ Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>○ Net proceeds from a cash-out transaction may be used to meet the reserve requirements.</li> <li>○ First Time Investor: minimum 12 months' PITIA</li> </ul> </li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions May not exceed 3%</p> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Not allowed
Tax Liens	All tax liens must be paid off
Temporary Buydowns	Not allowed

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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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**INVESTOR PROPERTY**

\$3,500,000 Max Loan Amount • Non-Owner Occupied • Qualify On Rental Survey/Income • 48 Months from Housing Event

**Investment**

DSCR	=> 1.0			Maximum Loan Amount
Credit Score	Purchase	R&T	Cash Out	
720 +	85%	NA	NA	\$1,250,000
700 +	80%	75%	75%	\$1,500,000
	75%	70%	75%	\$2,000,000
	70%	65%	65%	\$3,500,000
	70%	65%	N/A	\$3,500,000
	75%	75%	75%	\$1,000,000
660 +	75%	70%	70%	\$1,500,000
	70%	65%	65%	\$2,000,000
	70%	65%	65%	\$2,500,000
	65%	N/A	N/A	\$3,000,000

**Notes**

Debt Service Coverage Ratio (DSCR)	Gross Income / PITIA (PI using the note rate rather than fully indexed). Business Purpose Only
Gross Income	Lower of Estimated Market Rent from Form 1007 or lease agreement if provided. Monthly rent from an existing lease can be used with lease agreement and proof of last two payments.
First Time Investor	Max LTV/CLTV 75%; Min Credit Score 680
Interest Only	Max LTV/CLTV 75%; Min Credit Score 680; Cash out Max. LTV/CLTV 70%
2-4 Units & Condos	Max LTV/CLTV 75%
Unleased Property – Refinance only	Reduce LTV/CLTV by 5%; Max LTV/CLTV 70%
Using Short Term Rental Income	Reduce LTV/CLTV by 5%; Use 80% of Gross Income
Cash Out: Condos in FL	Max LTV/CLTV 70%
LTV/CLTV > 80.0%	1.25+ DSCR • 6 months reserves
GFE ONLY	

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from Applicant's CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
<b>Borrower Application</b>	<ul style="list-style-type: none"> <li>• The borrower information and employment section of the loan application (i.e., Fannie Mae Form 1003) should be completed.</li> <li>• No proof of borrower income is required.</li> </ul>

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Borrower Eligibility	<p><b>Eligible Borrowers:</b> U.S. citizens • Permanent resident aliens • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b>Ineligible Borrowers -</b> Any forms of a Trust • Foreign Nationals</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out:           <ul style="list-style-type: none"> <li>○ LTV/CLTV =&gt; 65%: \$500,000</li> <li>○ LTV/CLTV &gt; 55% &amp; &lt; 65%: \$1,000,000</li> <li>○ Unlimited Cash Out: LTV/CLTV is &lt;=55%</li> </ul> </li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing</li> </ul> <p>Housing History</p> <ul style="list-style-type: none"> <li>A 12-month housing history (VOM/VOR) is required for borrower(s)' primary residence, unless, the primary residence is owned free and clear (an EOI (evidence of insurance), property profile report or similar document, showing no liens against the property).</li> <li>Housing history is limited to verifying the borrower's primary residence, the subject property, if a refinance transaction, and any other real estate owned (OREO) that is on the credit report. If OREO is not reporting on the credit report, no mortgage history is required.</li> <li>Any mortgages payments showing on the credit report should be current at time of closing. If the credit report or VOM reflects a past-due status, updated documentation is required to verify account is current.</li> </ul> <table border="1" data-bbox="382 913 1157 1166"> <thead> <tr> <th colspan="2">Matrix 5000-ELITE-DSCR</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Months</td></tr> <tr> <td>BK (Other)</td><td>48 Months</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Months</td></tr> <tr> <td>Short Sale / DIL / Loan Mod</td><td>48 Months</td></tr> </tbody> </table>	Matrix 5000-ELITE-DSCR		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Months	BK (Other)	48 Months	Foreclosure / NOD	48 Months	Short Sale / DIL / Loan Mod	48 Months
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Credit Scores	<p>The applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.</p>														

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Debt Service Coverage Ratio Long Term Rental Documentation	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property.</p> <p>Gross rents are utilized in the DSCR calculation. Gross rents are the lower of the actual rents from lease agreement(s) if provided and market rents from either Fannie Mae Form 1007 or Form 1025 in the case of a multi-family property. If two appraisals are required, use the lower of the two appraisal for income.</p> <p>If the lease agreement reflects higher rents than the Form 1007 or 1025, the lease amount may be used for gross rents if two (2) months' proof of receipt is verified and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%. If the lease agreement reflects lower rents than the Form 1007 or 1025, the lease agreement amount must be used for gross rents.</p> <p>For purchase transactions without an existing lease, the gross rents indicated on the 1007 or 1025 may be used without the lease agreement(s).</p>
Debt Service Coverage Ratio Short Term Rental Documentation (continued on the next page)	<p>Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> <li>• <b>A 5% LTV/CLTV reduction required when using short term rental income to qualify.</b></li> <li>• DSCR calculation:           <ul style="list-style-type: none"> <li>○ Monthly gross rents based upon a 12-month average to account for seasonality required.</li> <li>○ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property.</li> <li>○ (Gross Rents * .80) divided by PITIA = DSCR.</li> </ul> </li> <li>• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.</li> </ul>

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Debt Service Coverage Ratio Short Term Rental Documentation (continued)	<p>Any of the following methods may be used to determine monthly rental income</p> <ol style="list-style-type: none"> <li>1. A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting short-term market rents.</li> <li>2. A most recent 12-month rental history statement from the 3rd party rental/management service.           <ol style="list-style-type: none"> <li>a. The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The rental income will exclude all vendor or management fees.</li> </ol> </li> <li>3. The most recent 12-month bank statements from the borrower evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits.</li> <li>4. AIRDNA Rentalizer and Overview reports must meet the following requirements:           <ol style="list-style-type: none"> <li>a. Rentalizer (Property Earning Potential):               <ol style="list-style-type: none"> <li>i. Only allowed for purchase transaction</li> <li>ii. Gross Rents equal the revenue projection from the Rentalizer Report.                   <ol style="list-style-type: none"> <li>1. The gross rents are subject to the application of the 20% extraordinary expense factor.</li> <li>2. Revenue projection equals the average daily rental rate times the occupancy rate.</li> <li>iii. Forecast period must cover 12 months from the Note date.</li> <li>iv. Must have <b>three (3)</b> comparable properties, all within the same ZIP code.</li> <li>v. Must be similar in size, room count, amenities, availability, and occupancy.</li> <li>vi. Maximum occupancy limited to 2 individuals per bedroom.</li> </ol> </li> <li>b. Overview Report (Evaluate a Market):               <ol style="list-style-type: none"> <li>i. Market score or Sub-Market score by zip code</li> <li>ii. Market score or Sub-Market score must be 60 or greater</li> <li>iii. When both a Market and Sub-Market score are present, use the lower of the two.                   <ol style="list-style-type: none"> <li>1. Both the Market and Sub-Market score must be at the zip code level.</li> </ol> </li> <li>iv. Market Research report no longer reflects zip code results in the Market/Sub-Market analysis. AirDNA broke down zip codes into sub-markets that vary based on city, town, or neighborhood boundaries. To document the accurate Market/Sub-Market score, it is necessary to capture a screenshot of the Market Research report that includes the zip code search. This will verify the zip code used for the search matches the subject property.</li> </ol> </li> </ol> </li> </ol> </li> </ol>
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Debt Service Coverage Ratio Calculation Example	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property.        LTV/CLTV less than or equal to 80.0%: Minimum DSCR is 1.00        LTV/CLTV greater than 80.0%: Minimum DSCR is 1.25</p> <p>Single Family Purchase Money Transaction        Monthly PITIA = \$650        Estimated Monthly Market Rent (Form 1007) = \$850        Existing Lease Monthly Rent = Not Available        DSCR =&gt; 1.0</p> <p>Gross Market Rent = \$850 (Estimated Monthly Market Rent when a lease is not available for a purchase transaction)        Gross Income = \$850  <math>\div \text{PITIA} = \\$650</math>  <math>\text{DSCR} = 1.30</math></p> <p>IO Payment Qualification        The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR.</p>
Eligible States	<a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Not allowed
First Time Home Buyer (FTHB) or No Primary Residence	Case by case review with a minimum 15% reduction to maximum LTV/CLTV; Max. LTV/CLTV 65%

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First Time Investor / Experienced Investor	<p><b>Experienced Investor</b></p> <ul style="list-style-type: none"> <li>• An experienced investor is an individual borrower having a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years. Ownership of commercial income producing property may also be used as evidence of investor experience. For files with more than one borrower, only one borrower must meet the definition.</li> <li>• Experience can be documented by one of the following:           <ul style="list-style-type: none"> <li>○ Complete the REO schedule on the 1003 loan application, or</li> <li>○ Provide a property profile report, or</li> <li>○ Other 3rd party documentation</li> </ul> </li> </ul> <p>First Time Investor – A borrower that does not meet the Experienced Investor criteria.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing cost from Applicant's own funds is required.</li> <li>• Gifts of equity are allowed. The Applicant must contribute 5% of their own funds to the transaction</li> <li>• Gift funds may not be used to meet the reserve requirements</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>

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Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Interest Only	<p>Max LTV/CLTV 75% for Purchase or RT; Cash out max LTV/CLT is 70%.</p> <p>Minimum 680 Fico</p> <p>IO Term:120 months</p> <p>Total Term: 360 or 480 months</p> <p>Repayment Term: 240 or 360 months</p>
Listing Seasoning	<p>For all cash-out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. Listing expiration dates of less than 6 months are permitted with a prepayment penalty.</p>
Minimum Loan Size	<p>\$150,000</p> <p>IL - \$250,000 minimum loan amount</p>
Multiple Properties	<p>Maximum of ten (10) properties financed with any GB program • No limit on the number of financed properties the borrower may own.</p>

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Non-Arm's Length Transactions	<p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property Builder, Developer, or Seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report, in these cases, is required; as well as the payment history pattern</p> <p>A non-arm's length transaction is not allowed</p>
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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> </ul> <p>Guideline restrictions:</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 75% for Purchase or R/T; 70% for Cash Out</li> <li>• Gift Funds not allowed</li> <li>• Must have US credit and US assets.</li> </ul> </li></ul>
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Occupancy	Non-owner occupied only
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:           <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-151 (referred to as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> </ul>
Points and Fees	Total points and fees must be less than 7%
Prepayment Penalty	Investment Properties may have a prepayment penalty. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.
Products Available	<ul style="list-style-type: none"> <li>• 30 Year Fixed</li> <li>• 40 Year Fixed</li> <li>• 30 Year Fixed with Interest Only (120 months)</li> <li>• 40 Year Fixed with Interest Only (120 months)</li> </ul>

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<b>Property Flipping</b>	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
<b>Property Ownership / GB Exposure</b>	<p>There is no limit on the number of financed properties a borrower can own. Greenbox Loans, Inc. will not finance more than an aggregate of \$2,000,000 or a more than 10 Properties at any one time to the same borrower/guarantor. Exceptions to this policy will be reviewed on a case-by-case basis.</p>
<b>Property Types</b>	<p><b>Eligible:</b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable • Condo hotel</p> <p><b>Ineligible:</b> • Acreage greater than 2 acres (appraisal must include total acreage) • Agricultural zoned property • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Property Types Condominium Hotels (a.k.a. Condo Hotel, Condotel)	<ul style="list-style-type: none"> <li>• Projects that are managed and operated as a hotel or motel, even though the units are individually owned.</li> <li>• A project that includes registration services and offers rentals of units on a daily, weekly, or monthly basis.</li> <li>• Investor concentration, within the subject project, may exceed established project criteria, up to 100%. <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV: <ul style="list-style-type: none"> <li>■ Purchase 75%</li> <li>■ (Any) Refinance: 65%</li> </ul> </li> </ul> </li> <li>• Maximum Loan Amount: \$1.5 million</li> <li>• Minimum square footage: 500</li> <li>• Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven</li> <li>• Bedroom required</li> </ul>
Qualifying Rate	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• Fixed – Qualify at Note Rate</li> </ul> <p>Fully Amortizing – Qualifying Ratios are based on PITIA with the principal and interest payments amortized over the loan term</p> <p>Interest Only – IO Payment Qualification</p> <ul style="list-style-type: none"> <li>• The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR, provided the LTV/CLTV &lt;= 75%.</li> </ul>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.           <ul style="list-style-type: none"> <li>○ Appraised value can be used for less than 12 month seasoning, under the following conditions:               <ul style="list-style-type: none"> <li>■ Must have owned the property for at least 6 months</li> <li>■ Two appraisals are required</li> <li>■ Maximum LTV/CLTV is 70%</li> <li>■ Maximum Cash out amount is \$500,000.</li> <li>■ The following counties are excluded: San Francisco, CA; Denver, CO; Jacksonville, Miami, Orlando, Tampa, FL; Kansas City, MO; Cincinnati, OH; Nashville, TN; Austin, TX.</li> </ul> </li> </ul> </li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>

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Rent Loss Insurance	Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program. All other insurance per Fannie Mae guidelines.
Reserves	<ul style="list-style-type: none"> <li>• LTV/CLTV &gt; 80.0%: minimum reserves is 6 months' PITIA</li> <li>• Reserves           <ul style="list-style-type: none"> <li>◦ Loan amounts &lt;= \$1.5m: 2 months' PITIA</li> <li>◦ Loan amounts &gt; \$1.5m: 6 months' PITIA</li> <li>◦ Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>◦ Cash out proceeds may be used to meet the reserve requirement</li> </ul> </li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions May not exceed 3%</p> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Buydown	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul>

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Vesting For Business Purpose	<p>A Business Purpose Loan where the borrower is an entity is limited to the following structures: Limited Liability Company (LLC), Partnership, and Corporation.</p> <p>The following requirements apply to all loans vested in an entity:</p> <ul style="list-style-type: none"> <li>• Purpose and activities are limited to ownership and management of real property.</li> <li>• Multi-level entity structures are allowed subject to entity documentation requirements met for all entities.</li> <li>• Entity must be domiciled in a U.S. State.</li> <li>• Entity is limited to a maximum of four (4) member(s) or manager(s).</li> <li>• Personal guaranties must be provided by member(s)/manager(s) representing at least 51% ownership of the entity.</li> <li>• A guarantor must have authority to execute loan documents on behalf of the entity.</li> <li>• Each Entity member providing a Personal Guaranty (full recourse) must complete a FNMA Form 1003 or similar credit application indicating clearly that such document is being provided in the capacity of guarantor. Only the debt appearing on the personal credit report of individual(s) providing a personal guaranty needs to be reflected on the FNMA Form 1003 loan application. The application of each member providing a personal guaranty and their credit score, and creditworthiness will also be used to determine qualification and pricing.</li> <li>• No broker or sales person shall suggest or encourage the formation of an Entity for the purpose of obtaining a mortgage loan. Such structures shall be initiated and arranged by the members of the Entity.</li> <li>• Appraisal(s) must be in the entity name. Appraisal(s) in individual names are not allowed.</li> </ul>
Vesting For Business Purpose Guarantor(s) Documentation	<ul style="list-style-type: none"> <li>• Loan Application (e.g., FNMA Form 1003 or other application)           <ul style="list-style-type: none"> <li>◦ Completed for each member of the Entity providing a guaranty.</li> <li>◦ Section labelled "Title will be held in what Name(s)" should be completed with only the LLC name               <ul style="list-style-type: none"> <li>▪ Signed by Individuals.</li> </ul> </li> </ul> </li> <li>• Credit reports from each guarantor.</li> <li>• Loan documents           <ul style="list-style-type: none"> <li>◦ Business purpose loan disclosures as applicable (e.g., GFE, TIL, LE, CD, ECOA)</li> <li>◦ Any state or federally required settlement statement as applicable.</li> </ul> </li> <li>• Note, Deed of Trust/Mortgage, and all applicable Riders must be executed by the guarantor in their capacity as authorized signer for the entity.</li> <li>• Personal Guaranty           <ul style="list-style-type: none"> <li>◦ The guaranty must be full recourse.</li> <li>◦ The guaranty must reference the Note and loan amount.</li> <li>◦ Personal guaranties from community property states (AK, AZ, ID, LA, NM, TX, WA, WI) must be accompanied with a Spousal Consent to Pledge.</li> </ul> </li> </ul>

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Vesting For Business Purpose Entity Documentation Requirements	<p><b>Limited Liability Company (LLC)</b></p> <ul style="list-style-type: none"> <li>• Entity articles of organization or partnership (or equivalent)</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• Entity documents authorizing the guarantor to execute loan documents on behalf of the entity (e.g., Operating Agreement, Certificate of Authorization)           <ul style="list-style-type: none"> <li>◦ If not available, a Borrowing Certificate is required               <ul style="list-style-type: none"> <li>▪ Borrowing Certificate (LLC Borrowing Certificate - Single Member or LLC Borrowing Certificate - Multiple Member)</li> </ul> </li> </ul> </li> <li>• Entity documents that include a list of members/managers and ownership percentage (e.g., organization structure)</li> <li>• EIN/Tax Identification Number           <ul style="list-style-type: none"> <li>◦ Single member LLC may use EIN or the guarantor social security number</li> <li>◦ Multi-member LLCs require an EIN</li> </ul> </li> </ul> <p><b>Corporation</b></p> <ul style="list-style-type: none"> <li>• Filed Certificate/Articles of Incorporation and all amendments (or equivalent)</li> <li>• By-Laws and all amendments</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Borrowing Resolution/Corporate Resolution granting authority of signer to enter loan obligation</li> <li>• Receipt of current year franchise tax payment, clear search, or evidence the state does not require a franchise tax payment.</li> </ul> <p><b>Partnership</b></p> <ul style="list-style-type: none"> <li>• Filed Partnership Certificate (if a general partnership, filing with the SOS may not be required)</li> <li>• Partnership Agreement and all amendments</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Limited partner consents (where required by partnership agreement).</li> </ul>
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<p>Vesting For Business Purpose Entity Documentation Requirements</p>	<p>Documents must be completed and signed as follows:</p> <ul style="list-style-type: none"><li>• Signed as an individual(s):<ul style="list-style-type: none"><li>○ Loan Application (FNMA Form 1003)<ul style="list-style-type: none"><li>▪ Completed for each member of the Entity providing a guaranty.</li><li>▪ Section labelled "Title will be held in what Name(s)" should be completed with only the Entity name.</li><li>▪ Signed by Individuals</li></ul></li><li>○ Personal Guaranty<ul style="list-style-type: none"><li>▪ Completed for each member of the Entity providing a guarantee.</li><li>▪ The guaranty should be executed at loan closing and dated the same date as the Note.</li><li>▪ Personal Guaranties from community property states (AK, AZ, ID, LA, NM, TX, WA, WI) must be accompanied with a Spousal Consent to Pledge.</li></ul></li></ul></li><li>• Signed by the authorized signer for the entity:<ul style="list-style-type: none"><li>○ Disclosures (e.g., GFE, TIL, LE, CD, ECOA)</li><li>○ Any state or federally required settlement statement as applicable</li><li>○ Note, Deed of Trust/Mortgage, and all Rider</li></ul></li></ul>
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**INVESTOR PROPERTY**

\$3,000,000 Max Loan Amount • Non-Owner Occupied • Qualify On Rental Survey • 24 Months from Housing Event

**Investment**

DSCR	Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
=> 1.0	700 +	75%	75%	70%	\$1,000,000
		75%	70%	70%	\$1,500,000
		70%	65%	65%	\$2,000,000
		70%	N/A	N/A	\$3,000,000
	660 +	75%	70%	70%	\$1,000,000
		75%	70%	70%	\$1,500,000
		70%	65%	65%	\$2,000,000
		65%	N/A	N/A	\$2,500,000
	640 +	70%	65%	60%	\$1,000,000
		65%	N/A	N/A	\$1,500,000
		65%	N/A	N/A	\$2,000,000

Other Restrictions	
Debt Service Coverage Ratio (DSCR)	Gross Income / PITIA (PI using the note rate rather than fully indexed). Business Purpose Only
Interest Only	Max LTV/CLTV 60%; Min Credit Score 680
2-4 Units & Condos	Max LTV/CLTV 75%
Unleased Property – Refinance only	Reduce LTV/CLTV by 5%; Max LTV/CLTV 65%
Using Short Term Rental Income	Reduce LTV/CLTV by 5%; Use 80% of Gross Income
Cash Out: Condos in FL	Max LTV/CLTV 70%
1x30x12	No Reduction
0x60x12	Max LTV/CLTV: Purchase 65%; R/T and Cash out 60%
GFE ONLY	

First Time Investor Matrix	
Fico 700	Max LTV/CLTV 75%
Fico 680	Max LTV/CLTV 70%
Fico 660	Max LTV/CLTV 65%
Fico 620	Max LTV/CLTV 60%



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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition, an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transaction's "Appraised Value" will be the lower of the two appraisals.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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<b>Assets</b>	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation.</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from Applicant's CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
<b>Borrower Application</b>	<ul style="list-style-type: none"> <li>• The borrower information and employment section of the loan application (i.e., Fannie Mae Form 1003) should be completed.</li> <li>• No proof of borrower income is required.</li> </ul>

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Borrower Eligibility	<p><b>Eligible Borrowers:</b> U.S. citizens • Permanent resident aliens • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b>Ineligible Borrowers</b> - Any forms of a Trust • Foreign Nationals</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out:           <ul style="list-style-type: none"> <li>○ LTV/CLTV =&gt; 65%: \$500,000</li> <li>○ LTV/CLTV &gt; 55% &amp; &lt; 65%: \$1,000,000</li> <li>○ Unlimited Cash Out: LTV/CLTV is &lt;=55%</li> </ul> </li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <p>Housing History</p> <ul style="list-style-type: none"> <li>A 12-month housing history (VOM/VOR) is required for borrower(s)' primary residence, unless, the primary residence is owned free and clear (an EOI (evidence of insurance), property profile report or similar document, showing no liens against the property).</li> <li>Housing history is limited to verifying the borrower's primary residence, the subject property, if a refinance transaction, and any other real estate owned (OREO) that is on the credit report. If OREO is not reporting on the credit report, no mortgage history is required.</li> <li>Any mortgages payments showing on the credit report should be current at time of closing. If the credit report or VOM reflects a past-due status, updated documentation is required to verify account is current.</li> </ul> <table border="1" data-bbox="348 931 1121 1176"> <thead> <tr> <th colspan="2">Matrix 5000-DSCR</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>640</td></tr> <tr> <td>Housing</td><td>0x60x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>24 Months</td></tr> <tr> <td>BK (Other)</td><td>24 Months</td></tr> <tr> <td>Foreclosure / NOD</td><td>24 Months</td></tr> <tr> <td>Short Sale / DIL / Loan Mod</td><td>24 Months</td></tr> </tbody> </table>	Matrix 5000-DSCR		Minimum FICO	640	Housing	0x60x12	BK (Chap 13 Discharge)	24 Months	BK (Other)	24 Months	Foreclosure / NOD	24 Months	Short Sale / DIL / Loan Mod	24 Months
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Credit Scores	<p>The applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.</p>														

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Debt Service Coverage Ratio Long Term Rental Documentation	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property.</p> <p>Gross rents are utilized in the DSCR calculation. Gross rents are the lower of the actual rents from lease agreement(s) if provided and market rents from either Fannie Mae Form 1007 or Form 1025 in the case of a multi-family property. If two appraisals are required, use the lower of the two appraisal for income.</p> <p>If the lease agreement reflects higher rents than the Form 1007 or 1025, the lease amount may be used for gross rents if two (2) months' proof of receipt is verified and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%. If the lease agreement reflects lower rents than the Form 1007 or 1025, the lease agreement amount must be used for gross rents.</p> <p>For purchase transactions without an existing lease, the gross rents indicated on the 1007 or 1025 may be used without the lease agreement(s).</p>
Debt Service Coverage Ratio Short Term Rental Documentation (continued on next page)	<p>Short Term Rental Income (such as Airbnb, VRBO, Flipkey)</p> <p>Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> <li>• <b>A 5% LTV/CLTV reduction required when using short term rental income to qualify.</b></li> <li>• DSCR calculation:           <ul style="list-style-type: none"> <li>○ Monthly gross rents based upon a 12-month average to account for seasonality required.</li> <li>○ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property.</li> <li>○ (Gross Rents * .80) divided by PITIA = DSCR.</li> </ul> </li> <li>• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.</li> </ul>

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Debt Service Coverage  
Ratio  
Short Term Rental  
Documentation  
(continued)

- Any of the following methods may be used to determine monthly rental income
1. A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting short-term market rents.
  2. A most recent 12-month rental history statement from the 3rd party rental/management service.
    - a. The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The rental income will exclude all vendor or management fees.
  3. The most recent 12-month bank statements from the borrower evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits.
  4. AIRDNA Rentalizer and Overview reports must meet the following requirements:
    - a. Rentalizer (Property Earning Potential).
      - i. Only allowed for purchase transaction
      - ii. Gross Rents equal the revenue projection from the Rentalizer Report.
        1. The gross rents are subject to the application of the 20% extraordinary expense factor.
        2. Revenue projection equals the average daily rental rate times the occupancy rate.
        - iii. Forecast period must cover 12 months from the Note date.
        - iv. Must have **three (3)** comparable properties, all within the same ZIP code.
        - v. Must be similar in size, room count, amenities, availability, and occupancy.
        - vi. Maximum occupancy limited to 2 individuals per bedroom.
      - b. Overview Report (Evaluate a Market):
        - i. Market score or Sub-Market score by zip code
        - ii. Market score or Sub-Market score must be 60 or greater
        - iii. When both a Market and Sub-Market score are present, use the lower of the two.
          1. Both the Market and Sub-Market score must be at the zip code level.
        - iv. Market Research report no longer reflects zip code results in the Market/Sub-Market analysis. AirDNA broke down zip codes into sub-markets that vary based on city, town, or neighborhood boundaries. To document the accurate Market/Sub-Market score, it is necessary to capture a screenshot of the Market Research report that includes the zip code search. This will verify the zip code used for the search matches the subject property.

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Debt Service Coverage Ratio Calculation Example	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property. DSCR =&gt; 1.0</p> <p>Single Family Purchase Money Transaction Monthly PITIA = \$650 Estimated Monthly Market Rent (Form 1007) = \$850 Existing Lease Monthly Rent = Not Available</p> <p>Gross Market Rent = \$850 (Estimated Monthly Market Rent when a lease is not available for a purchase transaction) Gross Income = \$850 ÷ PITIA       = \$650 DSCR       = 1.30</p> <p>IO Payment Qualification The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR.</p>
Eligible States	<a href="#">See GreenBox Loans, Inc.'s "Location" on web page:</a>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrows	Impounds are required.
First Time Home Buyer (FTHB) or No Primary Residence	Case by case review with a minimum 5% reduction to maximum LTV/CLTV; Max LTV/CLTV 60%

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First Time Investor / Experienced Investor	<p><b>Experienced Investor</b></p> <ul style="list-style-type: none"> <li>• An experienced investor is an individual borrower having a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years. Ownership of commercial income producing property may also be used as evidence of investor experience. For files with more than one borrower, only one borrower must meet the definition.</li> <li>• Experience can be documented by one of the following:           <ul style="list-style-type: none"> <li>○ Complete the REO schedule on the 1003 loan application, or</li> <li>○ Provide a property profile report, or</li> <li>○ Other 3rd party documentation</li> </ul> </li> </ul> <p>First Time Investor – A borrower that does not meet the Experienced Investor criteria.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing cost from Applicant's own funds is required.</li> <li>• Gifts of equity are allowed. The Applicant must contribute 5% of their own funds to the transaction</li> <li>• Gift funds may not be used to meet the reserve requirements</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>

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Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Interest Only	Max LTV/CLTV 60% Minimum 680 Fico IO Term:120 months Total Term: 360 or 480 months Repayment Term: 240 or 360 months Housing: 0x30x12 Maximum Loan amount: \$2,000,000
Listing Seasoning	For all cash-out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. Listing expiration dates of less than 6 months are permitted with a prepayment penalty.
Minimum Loan Size	\$150,000 IL - \$250,000 minimum loan amount
Multiple Properties	Maximum of ten (10) properties financed with any GB program • No limit on the number of financed properties the borrower may own.

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Non-Arm's Length  
Transactions

A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property Builder, Developer, or Seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales and flip transactions.

When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.

A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report, in these cases, is required; as well as the payment history pattern

A non-arm's length transaction is not allowed

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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> <li>• Maximum LTV/CLTV: 75%</li> <li>• Gift Funds not allowed</li> <li>• Must meet the credit and assets sections</li> </ul> </li> </ul>
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Occupancy	Non-owner occupied only
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:           <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-151 (referred to as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	Investment Properties may have a prepayment penalty. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>



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Property Ownership / GB Exposure	There is no limit on the number of financed properties a borrower can own. Greenbox Loans, Inc. will not finance more than an aggregate of \$2,000,000 or a more than 10 Properties at any one time to the same borrower/guarantor. Exceptions to this policy will be reviewed on a case-by-case basis.
Property Types	<p><b>Eligible:</b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable • Condo hotel</p> <p><b>Ineligible:</b> • Acreage greater than 2 acres (appraisal must include total acreage) • Agricultural zoned property • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Property Types Condominium Hotels (a.k.a. Condo Hotel, Condotel)	<ul style="list-style-type: none"> <li>• Projects that are managed and operated as a hotel or motel, even though the units are individually owned.</li> <li>• A project that includes registration services and offers rentals of units on a daily, weekly, or monthly basis.</li> <li>• Investor concentration, within the subject project, may exceed established project criteria, up to 100%.           <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV:               <ul style="list-style-type: none"> <li>■ Purchase 75%</li> <li>■ (Any) Refinance: 65%</li> </ul> </li> </ul> </li> <li>• Maximum Loan Amount: \$1.5 million</li> <li>• Minimum square footage: 500</li> <li>• Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven</li> <li>• Bedroom required</li> </ul>
Qualifying Rate	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• Fixed – Qualify at Note Rate</li> </ul> <p>Fully Amortizing – Qualifying Ratios are based on PITIA with the principal and interest payments amortized over the loan term</p> <p>Interest Only – IO Payment Qualification</p> <p>The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR, provided the Fico =&gt; 660 &amp; 0x30x12.</p>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Insurance	Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program. All other insurance per Fannie Mae guidelines.

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Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 2 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions May not exceed 3%</p> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law. Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>

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Temporary Rate Buydowns	Not Allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>
Vesting For Business Purpose	<p>A Business Purpose Loan where the borrower is an entity is limited to the following structures: Limited Liability Company (LLC), Partnership, and Corporation.</p> <p>The following requirements apply to all loans vested in an entity:</p> <ul style="list-style-type: none"> <li>• Purpose and activities are limited to ownership and management of real property.</li> <li>• Multi-level entity structures are allowed subject to entity documentation requirements met for all entities.</li> <li>• Entity must be domiciled in a U.S. State.</li> <li>• Entity is limited to a maximum of four (4) member(s) or manager(s).</li> <li>• Personal guaranties must be provided by member(s)/manager(s) representing at least 51% ownership of the entity.</li> <li>• A guarantor must have authority to execute loan documents on behalf of the entity.</li> <li>• Each Entity member providing a Personal Guaranty (full recourse) must complete a FNMA Form 1003 or similar credit application indicating clearly that such document is being provided in the capacity of guarantor. Only the debt appearing on the personal credit report of individual(s) providing a personal guaranty needs to be reflected on the FNMA Form 1003 loan application. The application of each member providing a personal guaranty and their credit score, and creditworthiness will also be used to determine qualification and pricing.</li> <li>• No broker or sales person shall suggest or encourage the formation of an Entity for the purpose of obtaining a mortgage loan. Such structures shall be initiated and arranged by the members of the Entity.</li> <li>• Appraisal(s) must be in the entity name. Appraisal(s) in individual names are not allowed.</li> </ul>

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Vesting For Business Purpose Guarantor(s) Documentation	<ul style="list-style-type: none"><li>• Loan Application (e.g., FNMA Form 1003 or other application)<ul style="list-style-type: none"><li>◦ Completed for each member of the Entity providing a guaranty.</li><li>◦ Section labelled "Title will be held in what Name(s)" should be completed with only the LLC name<ul style="list-style-type: none"><li>▪ Signed by Individuals.</li></ul></li></ul></li><li>• Credit reports from each guarantor.</li><li>• Loan documents<ul style="list-style-type: none"><li>◦ Business purpose loan disclosures as applicable (e.g., GFE, TIL, LE, CD, ECOA)</li><li>◦ Any state or federally required settlement statement as applicable.</li></ul></li><li>• Note, Deed of Trust/Mortgage, and all applicable Riders must be executed by the guarantor in their capacity as authorized signer for the entity.</li><li>• Personal Guaranty<ul style="list-style-type: none"><li>◦ The guaranty must be full recourse.</li><li>◦ The guaranty must reference the Note and loan amount.</li><li>◦ Personal guaranties from community property states (AK, AZ, ID, LA, NM, TX, WA, WI) must be accompanied with a Spousal Consent to Pledge.</li></ul></li></ul>
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Vesting For Business Purpose Entity Documentation Requirements	<p>Limited Liability Company (LLC)</p> <ul style="list-style-type: none"> <li>• Entity articles of organization or partnership (or equivalent)</li> <li>• Evidence of good standing               <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• Entity documents authorizing the guarantor to execute loan documents on behalf of the entity (e.g., Operating Agreement, Certificate of Authorization)               <ul style="list-style-type: none"> <li>◦ If not available, a Borrowing Certificate is required                   <ul style="list-style-type: none"> <li>▪ Borrowing Certificate (LLC Borrowing Certificate - Single Member or LLC Borrowing Certificate - Multiple Member)</li> </ul> </li> </ul> </li> <li>• Entity documents that include a list of members/managers and ownership percentage (e.g., organization structure)</li> <li>• EIN/Tax Identification Number               <ul style="list-style-type: none"> <li>◦ Single member LLC may use EIN or the guarantor social security number</li> <li>◦ Multi-member LLCs require an EIN</li> </ul> </li> </ul> <p>Corporation</p> <ul style="list-style-type: none"> <li>• Filed Certificate/Articles of Incorporation and all amendments (or equivalent)</li> <li>• By-Laws and all amendments</li> <li>• Evidence of good standing               <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Borrowing Resolution/Corporate Resolution granting authority of signer to enter loan obligation</li> <li>• Receipt of current year franchise tax payment, clear search, or evidence the state does not require a franchise tax payment.</li> </ul> <p>Partnership</p> <ul style="list-style-type: none"> <li>• Filed Partnership Certificate (if a general partnership, filing with the SOS may not be required)</li> <li>• Partnership Agreement and all amendments</li> <li>• Evidence of good standing               <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Limited partner consents (where required by partnership agreement).</li> </ul>
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INVESTOR PROPERTY \$2,000,000 Max Loan Amount • No DSCR Calculation • No Income • 36 Months from Housing Event					
Investment					
DSCR	Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
= > 0.75	700 +	75%	70%	70%	\$1,000,000
		75%	70%	65%	\$1,500,000
		70%	65%	60%	\$2,000,000
		65%	NA	NA	\$2,500,000
		60%	NA	NA	\$3,000,000
= > 0.75	660 +	70%	65%	NA	\$1,000,000
		70%	65%	NA	\$1,500,000
		65%	60%	NA	\$2,000,000
< 0.75	720 +	75%	70%	65%	\$1,000,000
		70%	70%	65%	\$1,500,000
		70%	65%	60%	\$2,000,000
	660 +	65%	65%	NA	\$1,000,000

Other Restrictions & Notes	
I/O	Max LTV/CLTV 65%; Min Credit Score 680
2-4 Units / Condo	Max LTV/CLTV 70%
Unleased Property – Refinance only	Reduce LTV/CLTV by 5%; Max LTV/CLTV 65%
Cash Out: Condos in FL	Max LTV/CLTV 65%
Debt Service Coverage Ratio (DSCR)	Not Required
Income	Not Required
GFE ONLY	

First Time Investor Matrix	
Fico 700	Max LTV/CLTV 60%
Fico 680	Max LTV/CLTV 55%
Fico 660	Max LTV/CLTV 50%

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection. Fannie Mae Form 1007 or Form 1025 in the case of a multi-family property are required.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transaction's "Appraised Value" will be the lower of the two appraisals.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from Applicant's CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Application	<ul style="list-style-type: none"> <li>• The borrower information and employment section of the loan application (i.e., Fannie Mae Form 1003) should be completed.</li> <li>• No proof of borrower income is required.</li> </ul>

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Borrower Eligibility	<p><b>Eligible Borrowers:</b> U.S. citizens • Permanent resident aliens • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b>Ineligible Borrowers -</b> Any forms of a Trust • Foreign Nationals</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>Maximum cash out:           <ul style="list-style-type: none"> <li>LTV/CLTV =&gt; 65%: \$500,000</li> <li>LTV/CLTV &gt; 55% &amp; &lt; 65%: \$1,000,000</li> <li>Unlimited Cash Out: LTV/CLTV is &lt;=55%</li> </ul> </li> </ul>
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>

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Credit	<ul style="list-style-type: none"> <li>Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing</li> </ul> <p><u>Housing History</u></p> <ul style="list-style-type: none"> <li>A 12-month housing history (VOM/VOR) is required for borrower(s)' primary residence, unless, the primary residence is owned free and clear (an EOI (evidence of insurance), property profile report or similar document, showing no liens against the property).</li> <li>Housing history is limited to verifying the borrower's primary residence, the subject property, if a refinance transaction, and any other real estate owned (OREO) that is on the credit report. If OREO is not reporting on the credit report, no mortgage history is required.</li> <li>Any mortgages payments showing on the credit report should be current at time of closing. If the credit report or VOM reflects a past-due status, updated documentation is required to verify account is current.</li> </ul> <table border="1" data-bbox="361 959 1136 1204"> <thead> <tr> <th colspan="2"><b>Matrix 5000-NO RATIO</b></th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>660</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>36 Months</td></tr> <tr> <td>BK (Other)</td><td>36 Months</td></tr> <tr> <td>Foreclosure / NOD</td><td>36 Months</td></tr> <tr> <td>Short Sale / DIL / Loan Mod</td><td>36 Months</td></tr> </tbody> </table>	<b>Matrix 5000-NO RATIO</b>		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	36 Months	BK (Other)	36 Months	Foreclosure / NOD	36 Months	Short Sale / DIL / Loan Mod	36 Months
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Credit Scores	<p>The applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.</p>														

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Debt Service Coverage Ratio (DSCR)	Any ratio is allowed
Debt Service Coverage Ratio Long Term Rental Documentation	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property.</p> <p>Gross rents are utilized in the DSCR calculation. Gross rents are the lower of the actual rents from lease agreement(s) if provided and market rents from either Fannie Mae Form 1007 or Form 1025 in the case of a multi-family property. If two appraisals are required, use the lower of the two appraisal for income.</p> <p>If the lease agreement reflects higher rents than the Form 1007 or 1025, the lease amount may be used for gross rents if two (2) months' proof of receipt is verified and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%. If the lease agreement reflects lower rents than the Form 1007 or 1025, the lease agreement amount must be used for gross rents.</p> <p>For purchase transactions without an existing lease, the gross rents indicated on the 1007 or 1025 may be used without the lease agreement(s).</p>
Debt Service Coverage Ratio Short Term Rental Documentation (continued on next page)	<p>Short Term Rental Income (such as Airbnb, VRBO, Flipkey)</p> <p>Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> <li>• A 5% LTV/CLTV reduction required when using short term rental income to qualify.</li> <li>• DSCR calculation:           <ul style="list-style-type: none"> <li>◦ Monthly gross rents based upon a 12-month average to account for seasonality required.</li> <li>◦ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property.</li> <li>◦ (Gross Rents * .80) divided by PITIA = DSCR.</li> </ul> </li> <li>• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.</li> </ul>

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Debt Service Coverage  
Ratio  
Short Term Rental  
Documentation  
(continued)

- Any of the following methods may be used to determine monthly rental income
1. A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting short-term market rents.
  2. A most recent 12-month rental history statement from the 3rd party rental/management service.
    - a. The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees.  
The rental income will exclude all vendor or management fees.
  3. The most recent 12-month bank statements from the borrower evidencing short-term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits.
  4. AIRDNA Rentalizer and Overview reports must meet the following requirements:
    - a. Rentalizer (Property Earning Potential).
      - i. Only allowed for purchase transaction
      - ii. Gross Rents equal the revenue projection from the Rentalizer Report.
        1. The gross rents are subject to the application of the 20% extraordinary expense factor.
        2. Revenue projection equals the average daily rental rate times the occupancy rate.
      - iii. Forecast period must cover 12 months from the Note date.
      - iv. Must have **three (3)** comparable properties, all within the same ZIP code.
      - v. Must be similar in size, room count, amenities, availability, and occupancy.
      - vi. Maximum occupancy limited to 2 individuals per bedroom.
    - b. Overview Report (Evaluate a Market):
      - i. Market score or Sub-Market score by zip code
      - ii. Market score or Sub-Market score must be 60 or greater
      - iii. When both a Market and Sub-Market score are present, use the lower of the two.
        1. Both the Market and Sub-Market score must be at the zip code level.
      - iv. Market Research report no longer reflects zip code results in the Market/Sub-Market analysis. AirDNA broke down zip codes into sub-markets that vary based on city, town, or neighborhood boundaries. To document the accurate Market/Sub-Market score, it is necessary to capture a screenshot of the Market Research report that includes the zip code search. This will verify the zip code used for the search matches the subject property.

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Debt Service Coverage Ratio Calculation Example	<p>Debt Service Coverage Ratio is the Monthly Gross Income divided by the PITIA of the subject property.</p> <p>Single Family Purchase Money Transaction        Monthly PITIA = \$650        Estimated Monthly Market Rent (Form 1007) = \$850        Existing Lease Monthly Rent = Not Available</p> <p>Gross Market Rent = \$850 (Estimated Monthly Market Rent when a lease is not available for a purchase transaction)        Gross Income = \$850  <math>\div \text{PITIA} = \\$650</math>        DSCR = 1.30</p> <p>IO Payment Qualification        The interest only payment on a loan with an interest only payment feature may be used in lieu of an amortizing payment to calculate the Qualifying Payment and the DSCR, provided the Fico =&gt; 680 &amp; 0x30x12.</p>
Eligible States	<a href="#">See GreenBox Loans, Inc.'s "Location" on web page</a>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrows	Impounds are required.
First Time Home Buyer (FTHB) or No Primary Residence	Case by case review with a minimum 10% reduction to maximum LTV/CLTV; Max LTV/CLTV 60%

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First Time Investor / Experienced Investor	<p>Experienced Investor</p> <ul style="list-style-type: none"> <li>• An experienced investor is an individual borrower having a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years. Ownership of commercial income producing property may also be used as evidence of investor experience. For files with more than one borrower, only one borrower must meet the definition.</li> <li>• Experience can be documented by one of the following:           <ul style="list-style-type: none"> <li>○ Complete the REO schedule on the 1003 loan application, or</li> <li>○ Provide a property profile report, or</li> <li>○ Other 3rd party documentation</li> </ul> </li> </ul> <p>First Time Investor – A borrower that does not meet the Experienced Investor criteria.:</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing cost from Applicant's own funds is required.</li> <li>• Gifts of equity are allowed. The Applicant must contribute 5% of their own funds to the transaction</li> <li>• Gift funds may not be used to meet the reserve requirements</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>

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Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower..</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Interest Only	Max LTV/CLTV 65% Minimum 680 Fico IO Term:120 months Total Term: 360 or 480 months Repayment Term: 240 or 360 months
Listing Seasoning	For all cash-out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. Listing expiration dates of less than 6 months are permitted with a prepayment penalty.
Minimum Loan Size	\$150,000 IL - \$250,000
Multiple Properties	Maximum of ten (10) properties financed with any GB program • No limit on the number of financed properties the borrower may own.

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Non-Arm's Length Transactions	<p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property Builder, Developer, or Seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report, in these cases, is required; as well as the payment history pattern</p> <p>A non-arm's length transaction is not allowed</p>
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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>• Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>• Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are eligible, documentation includes one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C08, or</li> <li>▪ Form I-94 with a stamp or notation, such as "asylum granted indefinitely" or the appropriate provision of law (8 CFR 274a.12(a)(5) or INA 208) to show their employment authorization. The asylee does not need to present a foreign passport with this Form I-94. An asylee can also present an electronic Form I-94 with an admission class of "AY."</li> </ul> </li> <li>○ Deferred Action for Childhood Arrivals (DACA)               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) referencing code C33, or</li> <li>▪ Form I-797 conveying approval status for Case Type I765-Application for Employment Authorization referencing code C33, or</li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> </ul> </li> </ul> <p>Guideline restrictions:</p> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 70% for Purchase or R/T; 60% for Cash Out</li> <li>• Gift Funds not allowed</li> <li>• Must have US credit, and US assets</li> </ul> </li></ul>
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Occupancy	Non-owner occupied only
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>Acceptable evidence of permanent residency include the following: <ul style="list-style-type: none"> <li>Alien Registration Receipt Card I-151 (referred to as a green card).</li> <li>Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> </ul>
Points and Fees	Total points and fees must be less than <b>7%</b>
Prepayment Penalty	Investment Properties may have a prepayment penalty. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>Property seller on the purchase contract must be the owner of record;</li> <li>Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>



## 5000-NO RATIO

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Property Ownership / GB Exposure	There is no limit on the number of financed properties a borrower can own. Greenbox Loans, Inc. will not finance more than an aggregate of \$2,000,000 or a more than 10 Properties at any one time to the same borrower/guarantor. Exceptions to this policy will be reviewed on a case-by-case basis.
Property Types	<p><b>Eligible:</b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable • Condo hotel</p> <p><b>Ineligible:</b> • Acreage greater than 2 acres (appraisal must include total acreage) • Agricultural zoned property • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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Property Types All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:           <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that               <ul style="list-style-type: none"> <li>▪ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>▪ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>▪ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums:           <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.               <ul style="list-style-type: none"> <li>▪ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met:           <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Property Types Condominium Hotels (a.k.a. Condo Hotel, Condotel)	<ul style="list-style-type: none"> <li>• Projects that are managed and operated as a hotel or motel, even though the units are individually owned.</li> <li>• A project that includes registration services and offers rentals of units on a daily, weekly, or monthly basis.</li> <li>• Investor concentration, within the subject project, may exceed established project criteria, up to 100%.           <ul style="list-style-type: none"> <li>◦ Maximum LTV/CLTV:               <ul style="list-style-type: none"> <li>▪ Purchase 75%</li> <li>▪ (Any) Refinance: 65%</li> </ul> </li> </ul> </li> <li>• Maximum Loan Amount: \$1.5 million</li> <li>• Minimum square footage: 500</li> <li>• Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven</li> <li>• Bedroom required</li> </ul>
Qualifying Rate	Not calculated
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
<b>Rent Loss Insurance</b>	<ul style="list-style-type: none"> <li>• Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program. All other insurance per Fannie Mae guidelines.</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Reserves           <ul style="list-style-type: none"> <li>◦ 4 months PITIA</li> <li>◦ Loan amounts &gt; \$1.5m: 6 months' PITIA</li> <li>◦ Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>◦ Cash out proceeds may be used to meet the reserve requirement</li> </ul> </li> </ul>

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Seller Concessions & Interested Party Contributions	<p>Seller Concessions May not exceed 3%</p> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Buydowns	Not Allowed

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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>
Vesting For Business Purpose	<p>A Business Purpose Loan where the borrower is an entity is limited to the following structures: Limited Liability Company (LLC), Partnership, and Corporation.</p> <p>The following requirements apply to all loans vested in an entity:</p> <ul style="list-style-type: none"> <li>• Purpose and activities are limited to ownership and management of real property.</li> <li>• Multi-level entity structures are allowed subject to entity documentation requirements met for all entities.</li> <li>• Entity must be domiciled in a U.S. State.</li> <li>• Entity is limited to a maximum of four (4) member(s) or manager(s).</li> <li>• Personal guaranties must be provided by member(s)/manager(s) representing at least 51% ownership of the entity.</li> <li>• A guarantor must have authority to execute loan documents on behalf of the entity.</li> <li>• Each Entity member providing a Personal Guaranty (full recourse) must complete a FNMA Form 1003 or similar credit application indicating clearly that such document is being provided in the capacity of guarantor. Only the debt appearing on the personal credit report of individual(s) providing a personal guaranty needs to be reflected on the FNMA Form 1003 loan application. The application of each member providing a personal guaranty and their credit score, and creditworthiness will also be used to determine qualification and pricing.</li> <li>• No broker or sales person shall suggest or encourage the formation of an Entity for the purpose of obtaining a mortgage loan. Such structures shall be initiated and arranged by the members of the Entity.</li> <li>• Appraisal(s) must be in the entity name. Appraisal(s) in individual names are not allowed.</li> </ul>

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<p>Vesting For Business Purpose Guarantor(s) Documentation</p>	<ul style="list-style-type: none"><li>• Loan Application (e.g., FNMA Form 1003 or other application)<ul style="list-style-type: none"><li>○ Completed for each member of the Entity providing a guaranty.</li><li>○ Section labelled "Title will be held in what Name(s)" should be completed with only the LLC name<ul style="list-style-type: none"><li>▪ Signed by Individuals.</li></ul></li></ul></li><li>• Credit reports from each guarantor.</li><li>• Loan documents<ul style="list-style-type: none"><li>○ Business purpose loan disclosures as applicable (e.g., GFE, TIL, LE, CD, ECOA)</li><li>○ Any state or federally required settlement statement as applicable.</li></ul></li><li>• Note, Deed of Trust/Mortgage, and all applicable Riders must be executed by the guarantor in their capacity as authorized signer for the entity.</li><li>• Personal Guaranty<ul style="list-style-type: none"><li>○ The guaranty must be full recourse.</li><li>○ The guaranty must reference the Note and loan amount.</li><li>○ Personal guaranties from community property states (AK, AZ, ID, LA, NM, TX, WA, WI) must be accompanied with a Spousal Consent to Pledge.</li></ul></li></ul>
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Vesting For Business Purpose Entity Documentation Requirements	<p>Limited Liability Company (LLC)</p> <ul style="list-style-type: none"> <li>• Entity articles of organization or partnership (or equivalent)</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• Entity documents authorizing the guarantor to execute loan documents on behalf of the entity (e.g., Operating Agreement, Certificate of Authorization)           <ul style="list-style-type: none"> <li>◦ If not available, a Borrowing Certificate is required               <ul style="list-style-type: none"> <li>▪ Borrowing Certificate (LLC Borrowing Certificate - Single Member or LLC Borrowing Certificate - Multiple Member)</li> </ul> </li> </ul> </li> <li>• Entity documents that include a list of members/managers and ownership percentage (e.g., organization structure)</li> <li>• EIN/Tax Identification Number           <ul style="list-style-type: none"> <li>◦ Single member LLC may use EIN or the guarantor social security number</li> <li>◦ Multi-member LLCs require an EIN</li> </ul> </li> </ul> <p>Corporation</p> <ul style="list-style-type: none"> <li>• Filed Certificate/Articles of Incorporation and all amendments (or equivalent)</li> <li>• By-Laws and all amendments</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Borrowing Resolution/Corporate Resolution granting authority of signer to enter loan obligation</li> <li>• Receipt of current year franchise tax payment, clear search, or evidence the state does not require a franchise tax payment.</li> </ul> <p>Partnership</p> <ul style="list-style-type: none"> <li>• Filed Partnership Certificate (if a general partnership, filing with the SOS may not be required)</li> <li>• Partnership Agreement and all amendments</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Limited partner consents (where required by partnership agreement).</li> </ul>
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INVESTOR PROPERTY					
\$2,000,000 Max Loan Amount • 5-10 Units & 2-8 Mixed Use • Qualify On Rental Survey/Income • 48 Months from Housing Event					
Investment					
DSCR	=> 1.0			Reserves	Maximum Loan Amount
Credit Score	Purchase	R / T	Cash Out		
700 +	75%	70%	65%	6 months	\$1,500,000
	70%	65%	65%	9 months	\$2,000,000
680 +	70%	70%	60%	6 Months	\$1,500,000

Notes	
Debt Service Coverage Ratio (DSCR)	Gross Income / PITIA (PI using the note rate). Business Purpose Only
Gross Income	Lower of Estimated Market Rent and monthly rent from an existing lease (proof of last three payments)
Vacant Unit(s)	Qualify using 75% market rents; see DSCR section for max vacant units allowed
First Time Investor	60% Max LTV/CLTV
Mix Use	65% Max LTV/CLTV; Min. Fico 700; Total commercial Sq. Ft. must be less than the total residential Sq. Ft.
Interest Only	Min. Fico 680
Using Short Term Rental Income (Residential Units Only)	Reduce LTV/CLTV by 5%; use 80% of gross income
CT, IL & NJ	70% Maximum LTV/CLTV
9 & 10 Units	No Mix Use • Min. Fico 680 • Max. LTV/CLTV 70% for purchases & Max. LTV/CLTV 65% for all refinances
GFE ONLY	

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Any FHLMC or FNMA 5 to 10 Residential Income Property Appraisal Form (FHLMC 71A or 71B, FNMA 1050 or similar short form and for mixed use any General Purpose Commercial Form. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation. If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p>Two Appraisals are required.</p> <p>When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>Appraisal transfers are NOT allowed</p>

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Appraisal Notes	<p>For 5-10 units, use any FHLMC or FNMA 5 to 10 Residential Income Property Appraisal Form, in lieu of a narrative</p> <ul style="list-style-type: none"> <li>• Examples           <ul style="list-style-type: none"> <li>◦ FHLMC Form 71A or 71B;</li> <li>◦ FNMA Form 1050;</li> <li>◦ Freddie Mac Multifamily SBL Property Inspection and Lease Audit;</li> <li>◦ or, similar short form appraisals</li> </ul> </li> </ul> <p>For 2-8 Mixed Use, Commercial use limited to retail or office space. Residential or commercial zoning acceptable.</p> <ul style="list-style-type: none"> <li>• General Purpose Commercial Forms (i.e., GP Commercial Summary Form)</li> </ul> <p>Appraisal Attachments Required for both 5-10 Units &amp; Mix Use</p> <ul style="list-style-type: none"> <li>• Rent Roll</li> <li>• Income and Expense Statement</li> <li>• Photos of subject including exterior/interior and street scene</li> <li>• Aerial photo</li> <li>• Sketch or floor plan of typical units</li> <li>• Map</li> <li>• Plot plan or survey</li> <li>• Appraiser qualifications</li> </ul> <p>Property Condition</p> <ul style="list-style-type: none"> <li>• No Fair or poor ratings.</li> <li>• No environmental issues (Storage or use of hazardous material i.e., dry cleaner, laundromat, chemical storage, fuel station, auto body repair)</li> <li>• No health or safety issues (As noted by appraiser, i.e., broken windows, stairs)</li> <li>• No excessive deferred maintenance that could become a health or safety issue for tenants</li> <li>• No structural deferred maintenance, (i.e., Foundation, roof, electrical, plumbing)</li> </ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation.</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible for investment properties</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from Applicant's CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Application	<ul style="list-style-type: none"> <li>• The borrower information and employment section of the loan application (i.e., Fannie Mae Form 1003) should be completed.</li> <li>• No proof of borrower income is required.</li> </ul>

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Borrower Eligibility	<p>Borrower is not required to own a primary residence, however, if the borrower does not own a primary residence, LOE is required and is subject to review and restrictions</p> <p><b>Eligible Borrowers:</b> U.S. citizens • Permanent resident aliens • Non-Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><b>Ineligible Borrowers -</b> Any forms of a Trust • Foreign Nationals</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out is \$1,000,000</li> </ul>

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	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing</li> </ul> <p>Housing History</p> <ul style="list-style-type: none"> <li>• A 12-month housing history (VOM/VOR) is required for borrower(s)' primary residence, unless, the primary residence is owned free and clear (an EOI (evidence of insurance), property profile report or similar document, showing no liens against the property).</li> <li>• Housing history is limited to verifying the borrower's primary residence, the subject property, if a refinance transaction, and any other real estate owned (OREO) that is on the credit report. If OREO is not reporting on the credit report, no mortgage history is required.</li> <li>• Any mortgages payments showing on the credit report should be current at time of closing. If the credit report or VOM reflects a past-due status, updated documentation is required to verify account is current.</li> </ul> <table border="1" data-bbox="496 915 1262 1160"> <thead> <tr> <th colspan="2">Matrix 5000-DSCR 5-10 Units &amp; 2-8 Mix Use</th></tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>680</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Months</td></tr> <tr> <td>BK (Other)</td><td>48 Months</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Months</td></tr> <tr> <td>Short Sale / DIL / Loan Mod</td><td>48 Months</td></tr> </tbody> </table>	Matrix 5000-DSCR 5-10 Units & 2-8 Mix Use		Minimum FICO	680	Housing	0x30x12	BK (Chap 13 Discharge)	48 Months	BK (Other)	48 Months	Foreclosure / NOD	48 Months	Short Sale / DIL / Loan Mod	48 Months
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Credit Scores	The applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.														

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Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
	<p>Income used to qualify borrower is based upon cash flow from subject property. Qualify using the lower of current leases or market rents as shown on appraisal.</p> <p>If the lease agreement reflects higher rents than the Form 1007 or 1025, the lease amount may be used for gross rents if two (2) months' proof of receipt is verified and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%. If the lease agreement reflects lower rents than the Form 1007 or 1025, the lease agreement amount must be used for gross rents.</p> <p>Short Term Rental Income (such as Airbnb, VRBO, Flipkey) – see Debt Service Coverage Ratio Short Term Rental Documentation section</p> <p>Income from commercial space must not exceed 49% of the total property income.</p>
Debt Service Coverage Ratio	<p>Loan qualification is based on Debt Service Coverage Ratio (DSCR) for the subject property.</p> <ul style="list-style-type: none"> <li>• Minimum qualifying DSCR 1.00 (Gross rents divided by PITIA, loans with interest only feature may use the ITIA payment.)</li> <li>• Qualifying ratios based on the Note Rate (PITIA); loans with interest only feature may use the ITIA payment.</li> <li>• Leased properties qualify using the lower of actual lease or market rents.</li> <li>• If two appraisals are required, use the lower of the two appraisal for income.</li> <li>• Reduce qualifying rents by any management fee reflected on appraisal report.</li> <li>• Vacant units use 75% of market rents to qualify.           <ul style="list-style-type: none"> <li>▪ Vacant unit limits               <ul style="list-style-type: none"> <li>○ Purchase: No limit</li> <li>○ Refinance:                   <ul style="list-style-type: none"> <li>▪ 2 to 3 units: maximum 1 vacancy</li> <li>▪ 4+ units: maximum 2 vacancies</li> </ul> </li> </ul> </li> </ul> </li> </ul>

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Debt Service Coverage Ratio Short Term Rental Documentation For Residential Units ONLY	<p>Short Term Rental Income (such as Airbnb, VRBO, Flipkey)</p> <p>Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis.</p> <ul style="list-style-type: none"> <li>• <b>A 5% LTV/CLTV reduction required when using short term rental income to qualify.</b></li> <li>• DSCR calculation:           <ul style="list-style-type: none"> <li>◦ Monthly gross rents based upon a 12-month average to account for seasonality required.</li> <li>◦ Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short-term rental property compared to non-short-term property.</li> <li>◦ (Gross Rents * .80) divided by PITIA = DSCR.</li> </ul> </li> <li>• When short-term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR.</li> </ul> <p>Any of the following methods may be used to determine monthly rental income</p> <ul style="list-style-type: none"> <li>• A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long-term or short-term market rents. A most recent 12-month rental history statement from the 3rd party rental/management service.           <ul style="list-style-type: none"> <li>◦ The statement must identify the subject property/unit, rents collected for the previous 12-months, and all vendor management fees. The rental income will exclude all vendor or management fees.</li> </ul> </li> <li>• The most recent 12-month bank statements from the borrower evidencing short term rental deposits. Borrower must provide rental records for the subject property to support monthly deposits.</li> </ul>
Docs	<ul style="list-style-type: none"> <li>• Use the standard 1-4 Family Rider and doc package for all multi-unit properties (1-4 and 5+)</li> <li>• Use the same doc package for 5-10 multi-unit and 2-8 mixed use</li> <li>• Note: your docs may reflect as 1-4 unit rider (and, not as multi-unit rider)           <ul style="list-style-type: none"> <li>◦ The standard Fannie 1-4 Rider does not apply to just 1-4 units, it just has that title</li> <li>◦ The 1-4 Rider is an assignment of rents rider that can apply to any non-owner property, regardless of number of units or use of property</li> </ul> </li> </ul>
Eligible States	<a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a>
Escrow Holdbacks	Escrow holdbacks are not permitted.

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Escrows	Impounds are required.
First Time Investor / Experienced Investor	<p>Experienced Investor</p> <ul style="list-style-type: none"> <li>• An experienced investor is an individual borrower having a history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in last 3 years. Ownership of commercial income producing property may also be used as evidence of investor experience. For files with more than one borrower, only one borrower must meet the definition.</li> <li>• Experience can be documented by one of the following:           <ul style="list-style-type: none"> <li>○ Complete the REO schedule on the 1003 loan application, or</li> <li>○ Provide a property profile report, or</li> <li>○ Other 3rd party documentation</li> </ul> </li> </ul> <p>First Time Investor – A borrower that does not meet the Experienced Investor criteria. First time investors maximum LTV is 60%.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing cost from Applicant's own funds is required.</li> <li>• Gifts of equity are not allowed</li> <li>• Gift funds may not be used to meet the reserve requirements</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>

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Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Insurance Commercial General Liability Insurance	<p>Commercial general liability insurance blanket policy against claims for personal injury, bodily injury, death or property damage occurring upon, in or about any property, such insurance to be:</p> <ul style="list-style-type: none"> <li>• Per Occurrence Minimum Coverage: \$1,000,000</li> <li>• Aggregate Coverage: \$2,000,000</li> <li>• At least as broad as Insurance Services Office's (ISO) policy form CG 00 01</li> </ul>
Listing Seasoning	<p>For all cash-out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. Listing expiration dates of less than 6 months are permitted with a prepayment penalty.</p>
Minimum Loan Size	<p>\$500,000 for 2-8 Unit Mix Use \$400,000 for 5-10 Residential Units (no mix use)</p>



## 5000-DSCR 5-10 UNITS & 2-8 MIX USE

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Multiple Properties	Maximum of ten (10) properties financed with any GB program • No limit on the number of financed properties the borrower may own.
Non-Arm's Length Transactions	<p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property Builder, Developer, or Seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report, in these cases, is required; as well as the payment history pattern</p> <p>A non-arm's length transaction is not allowed</p>

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Non-Permanent Resident Alien Includes Asylum & DACA	<p>An individual admitted to the United States as a lawful temporary resident. Lawful non-permanent residents are legally accorded the privilege of residing temporarily in the United States. Underwriters must validate the borrower has employment authorization. This may be documented with either an EAD or a VISA permitting employment.</p> <ul style="list-style-type: none"> <li>○ Borrower Eligibility Requirements:           <ul style="list-style-type: none"> <li>○ Residing in U.S. for at least 2 years; and</li> <li>○ Must have been employed in the U.S. for at least 2 years as evidenced on the loan application; and</li> <li>○ Must have valid Social Security Number(s); and</li> </ul> </li> <li>○ Employment Status Documentation is required for all borrowers, and may consist of one of the following:           <ul style="list-style-type: none"> <li>○ Employment Authorization Documents, provide one of the following:               <ul style="list-style-type: none"> <li>▪ Form I-766 Employment Authorization Document (EAD), (work permit/card) is required for US employment if the borrower is not sponsored by a current employer.                   <ul style="list-style-type: none"> <li>• If the EAD will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the borrower's continued employment and continued EAD renewal. The employer on the loan application must be the same as on the unexpired EAD. The EAD documentation is acceptable up to 540 days if an automatic extension has been granted.</li> </ul> </li> <li>▪ Form I-765 Application for Employment Authorization, the form:                   <ul style="list-style-type: none"> <li>• Must reflect approval status in the Action Block (upper right-hand corner of the form)</li> </ul> </li> <li>▪ Form I-797, I-797A, I-797B, or I-797C conveying approval status                   <ul style="list-style-type: none"> <li>• Petitioner to match employer name on application.</li> </ul> </li> </ul> </li> <li>○ If EAD is not provided, a copy of the Visa permitting employment authorization needs to be included in the credit file. Some common Visa types allowing employment include the following:               <ul style="list-style-type: none"> <li>▪ E-3, H-1B, L, O, and P</li> </ul> </li> <li>○ Asylum – Individuals granted asylum are not eligible.</li> <li>○ Deferred Action for Childhood Arrivals (DACA) are not eligible</li> </ul> <ul style="list-style-type: none"> <li>• Maximum LTV/CLTV: 65%</li> <li>• Must meet credit section of this guide</li> </ul> </li></ul>
Occupancy	Non-owner occupied only

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:           <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-151 (referred to as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> </ul>
Points and Fees	Total points and fees must be less than <b>7%</b>
Prepayment Penalty	Investment Properties may have a prepayment penalty. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

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Property Ownership / GB Exposure	<p>There is no limit on the number of financed properties a borrower can own. Greenbox Loans, Inc. will not finance more than an aggregate of \$2,000,000 or a more than 10 Properties at any one time to the same borrower/guarantor. Exceptions to this policy will be reviewed on a case-by-case basis.</p>
Property Types & Commercial Concentration	<ul style="list-style-type: none"> <li>• 5 - 10 Unit Residential Properties</li> <li>• 2 - 8 Unit Mixed Use - Residential and commercial. <u>Commercial space limited to Retail or Office Unit(s) only</u> <ul style="list-style-type: none"> <li>◦ 2 - 3 Units : Maximum 1 Commercial Unit Allowed</li> <li>◦ 4 - 5 Units : Maximum 2 Commercial Units Allowed</li> <li>◦ 6 - 8 Units : Maximum 3 Commercial Units Allowed</li> </ul> </li> <li>• Mixed Use: maximum square footage of total commercial space cannot be greater than the total residential square footage.</li> <li>• No Rural or Agricultural Properties or Condotels</li> <li>• Residential/Commercial zoning acceptable.</li> <li>• PROPERTY CONDITION <ul style="list-style-type: none"> <li>◦ No fair or poor ratings</li> <li>◦ No environmental issues (Storage or use of hazardous material i.e., Dry Cleaners, Laundromat)</li> <li>◦ No health or safety issues (As noted by appraiser, i.e., broken windows, stairs)</li> <li>◦ No excessive deferred maintenance that could become a health or safety issue for tenants</li> <li>◦ No structural deferred maintenance, (i.e., Foundation, roof, electrical, plumbing)</li> </ul> </li> <li>• Vacant unit limits <ul style="list-style-type: none"> <li>◦ Purchase: No limit</li> <li>◦ Refinance: <ul style="list-style-type: none"> <li>▪ 2 to 3 units: maximum 1 vacancy</li> <li>▪ 4+ units: maximum 2 vacancies</li> </ul> </li> </ul> </li> <li>• Residential unit(s) not permitted to be occupied by the borrower or the borrower's immediate family.</li> <li>• Commercial unit(s) may be occupied by the borrower's business.</li> </ul>
Qualifying Rate	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• Fixed – Qualify at Note Rate</li> <li>• Fully Amortizing – Qualifying Ratios are based on PITIA with the principal and interest payments amortized over the loan term;</li> <li>• Interest Only - Qualifying Ratios are based on ITIA</li> </ul>

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Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
<b>Rent Loss Insurance</b>	<ul style="list-style-type: none"> <li>• Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program. All other insurance per Fannie Mae guidelines.</li> </ul>

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Reserves	<ul style="list-style-type: none"> <li>• Reserves Required           <ul style="list-style-type: none"> <li>◦ Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>◦ Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>◦ Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>◦ Cash out proceeds may Not be used to meet the reserve requirement</li> </ul> </li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions May not exceed 3%</p> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law. Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	<ul style="list-style-type: none"> <li>• CLTV max = LTV max</li> <li>• Subordinate Financing payment must be included in DSCR calculation</li> </ul>

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not Allowed
Vacancy	<ul style="list-style-type: none"> <li>▪ Vacant unit limits           <ul style="list-style-type: none"> <li>○ Purchase: No limit</li> <li>○ Refinance:               <ul style="list-style-type: none"> <li>▪ 2 to 3 units maximum 1 vacancy</li> <li>▪ 4+ units maximum 2 vacancies</li> </ul> </li> </ul> </li> </ul>
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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Vesting For Business Purpose	<p>A Business Purpose Loan where the borrower is an entity is limited to the following structures: Limited Liability Company (LLC), Partnership, and Corporation.</p> <p>The following requirements apply to all loans vested in an entity:</p> <ul style="list-style-type: none"> <li>• Purpose and activities are limited to ownership and management of real property.</li> <li>• Multi-level entity structures are allowed subject to entity documentation requirements met for all entities.</li> <li>• Entity must be domiciled in a U.S. State.</li> <li>• Entity is limited to a maximum of four (4) member(s) or manager(s).</li> <li>• Personal guaranties must be provided by member(s)/manager(s) representing at least 51% ownership of the entity.</li> <li>• A guarantor must have authority to execute loan documents on behalf of the entity.</li> <li>• Each Entity member providing a Personal Guaranty (full recourse) must complete a FNMA Form 1003 or similar credit application indicating clearly that such document is being provided in the capacity of guarantor. Only the debt appearing on the personal credit report of individual(s) providing a personal guaranty needs to be reflected on the FNMA Form 1003 loan application. The application of each member providing a personal guaranty and their credit score, and creditworthiness will also be used to determine qualification and pricing.</li> <li>• No broker or sales person shall suggest or encourage the formation of an Entity for the purpose of obtaining a mortgage loan. Such structures shall be initiated and arranged by the members of the Entity.</li> <li>• Appraisal(s) must be in the entity name. Appraisal(s) in individual names are not allowed.</li> </ul>
Vesting For Business Purpose Guarantor(s) Documentation	<ul style="list-style-type: none"> <li>• Loan Application (e.g., FNMA Form 1003 or other application)           <ul style="list-style-type: none"> <li>◦ Completed for each member of the Entity providing a guaranty.</li> <li>◦ Section labelled "Title will be held in what Name(s)" should be completed with only the LLC name               <ul style="list-style-type: none"> <li>▪ Signed by Individuals.</li> </ul> </li> </ul> </li> <li>• Credit reports from each guarantor.</li> <li>• Loan documents           <ul style="list-style-type: none"> <li>◦ Business purpose loan disclosures as applicable (e.g., GFE, TIL, LE, CD, ECOA)</li> <li>◦ Any state or federally required settlement statement as applicable.</li> </ul> </li> <li>• Note, Deed of Trust/Mortgage, and all applicable Riders must be executed by the guarantor in their capacity as authorized signer for the entity.</li> <li>• Personal Guaranty           <ul style="list-style-type: none"> <li>◦ The guaranty must be full recourse.</li> <li>◦ The guaranty must reference the Note and loan amount.</li> <li>◦ Personal guaranties from community property states (AK, AZ, ID, LA, NM, TX, WA, WI) must be accompanied with a Spousal Consent to Pledge.</li> </ul> </li> </ul>

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Vesting For Business Purpose Entity Documentation Requirements	<p>Limited Liability Company (LLC)</p> <ul style="list-style-type: none"> <li>• Entity articles of organization or partnership (or equivalent)</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• Entity documents authorizing the guarantor to execute loan documents on behalf of the entity (e.g., Operating Agreement, Certificate of Authorization)           <ul style="list-style-type: none"> <li>◦ If not available, a Borrowing Certificate is required               <ul style="list-style-type: none"> <li>▪ Borrowing Certificate (LLC Borrowing Certificate - Single Member or LLC Borrowing Certificate - Multiple Member)</li> </ul> </li> </ul> </li> <li>• Entity documents that include a list of members/managers and ownership percentage (e.g., organization structure)</li> <li>• EIN/Tax Identification Number           <ul style="list-style-type: none"> <li>◦ Single member LLC may use EIN or the guarantor social security number</li> <li>◦ Multi-member LLCs require an EIN</li> </ul> </li> </ul> <p>Corporation</p> <ul style="list-style-type: none"> <li>• Filed Certificate/Articles of Incorporation and all amendments (or equivalent)</li> <li>• By-Laws and all amendments</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Borrowing Resolution/Corporate Resolution granting authority of signer to enter loan obligation</li> <li>• Receipt of current year franchise tax payment, clear search, or evidence the state does not require a franchise tax payment.</li> </ul> <p>Partnership</p> <ul style="list-style-type: none"> <li>• Filed Partnership Certificate (if a general partnership, filing with the SOS may not be required)</li> <li>• Partnership Agreement and all amendments</li> <li>• Evidence of good standing           <ul style="list-style-type: none"> <li>◦ Good standing is always required for the state in which the entity was formed (e.g., Certificate, screen shot from state website)</li> </ul> </li> <li>• EIN/Tax Identification Number</li> <li>• Limited partner consents (where required by partnership agreement).</li> </ul>
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**ASSET UTILIZATION**

80% LTV/CLTV Purchase or R/T • Loan Amounts Up To \$2,500,000 • 48 Months from Housing Event

**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	80%	75%	75%	\$2,000,000
	75%	70%	70%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	80%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000

**Other Restrictions**

Condo - Warrantable	Max LTV/CLTV 80%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & 680 Fico
Use of 60 Months Qualifying Income	OO only & Max LTV/CLTV for Purchases is 75% & 70% for Refinances

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### Second Home Residence

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	80%	75%	75%	\$2,500,000
700 +	80%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	80%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & 680 Fico

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Investment				
Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	80%	75%	75%	\$2,500,000
700 +	80%	80%	75%	\$1,500,000
	80%	75%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	80%	75%	75%	\$1,500,000
	80%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000

Other Restrictions	
Condo	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 80%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Max LTV/CLTV 75% & 680 Fico

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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#### Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation.</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien:</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u>In-Eligible:</u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>
Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out: Unlimited</li> </ul>

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Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>														
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="361 1073 1136 1323"> <thead> <tr> <th colspan="2" style="background-color: #008000; color: white;">Matrix 5000-AU</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td>680</td></tr> <tr> <td>Housing</td><td>0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td>48 Mo</td></tr> <tr> <td>BK (Other)</td><td>48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td>48 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td>48 Mo</td></tr> </tbody> </table>	Matrix 5000-AU		Minimum FICO	680	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo
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Short Sale / DIL / Loan Mod.	48 Mo														

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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>
Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ Maximum LTV/CLTV of 70%</li> <li>○ Maximum DTI of 43%.</li> <li>○ Any available portion of a 12-month housing history must be paid as agreed.</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>

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Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	The applicable credit score is the middle of three scores provided for any borrower. If only two credit score are obtained, the lesser of two will be used. When there are multiple borrowers/guarantors, the lowest applicable score from the group of borrowers/guarantors is the representative credit score for qualifying.
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><u><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></u></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.

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First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• Minimum six (6) months of reserves.</li> <li>• 12-month rental history is required, reflecting 0x30, <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history <ul style="list-style-type: none"> <li>▪ Max LTV/CLTV: 70%</li> <li>▪ 15% applicant contribution</li> <li>▪ Payment shock is not considered</li> </ul> </li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Not Allowed</li> </ul>
Income – Misc. Sources	<ul style="list-style-type: none"> <li>• Not Allowed</li> </ul>

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Income Asset Utilization Using 84 Months	<p>The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes</p> <p><b>Restrictions</b></p> <ul style="list-style-type: none"> <li>• Non-occupant co-borrowers not allowed</li> <li>• Max 43% DTI</li> <li>• Minimum 680 Credit Score</li> <li>• Gift Funds not eligible</li> <li>• Max LTV/CLTV: 85%</li> <li>• Max LTV/CLTV Cash Out: 75%</li> <li>• Max Loan Amount: \$2,500,000</li> </ul> <p><b>Asset Utilization Qualifying Method</b></p> <ul style="list-style-type: none"> <li>• Minimum Eligible Assets required is the lower of \$1,000,000 or 150% of the loan balance after down payment, closing costs and required reserves</li> <li>• Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84</li> </ul> <p><b>Asset Utilization Income Documentation</b></p> <ul style="list-style-type: none"> <li>• All individuals listed on the asset account(s) must be on the Note and Mortgage;</li> <li>• Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;</li> <li>• Assets must be seasoned 120-days;</li> </ul> <p><b>Assets Eligible for Depletion</b></p> <p>Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:</p> <ul style="list-style-type: none"> <li>• 100% of Checking, Saving and Money Market Accounts</li> <li>• 100% of the cash surrender value of life insurance less any loans may be considered for assets.</li> <li>• 70% of Stocks, Bonds and Mutual Funds</li> <li>• 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)</li> <li>• 60 of retirement Assets: Eligible if the borrower is not of retirement age.</li> </ul> <p><b>Assets Ineligible for Depletion</b></p> <ul style="list-style-type: none"> <li>• Equity in Real Estate</li> <li>• Privately traded or restricted/non-vested stocks</li> <li>• Any assets which produces income already included in the income calculation</li> <li>• Any assets held in the name of a business.</li> <li>• Assets held in an irrevocable trust where the beneficiary of the trust is not the borrower;</li> <li>• Assets held in a charitable giving trust, donor advised fund, or similar entity where the intended beneficiary is not the borrower.</li> <li>• Crypto is not an eligible liquid asset for asset utilization/depletion.</li> </ul>
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The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes

#### Restrictions

- Non-occupant co-borrowers not allowed
- Max 43% DTI
- Minimum 680 Credit Score
- Gift Funds not eligible
- Max LTV/CLTV Purchases: 75%
- Max LTV/CLTV Refinances: 70%
- Max Loan Amount: \$1,500,000
- Primary Residence Only
- IO is not available

#### Asset Utilization Qualifying Method

- Minimum Eligible Assets required is enough liquid assets to pay off the loan in full after down payment, closing costs and required reserves
- Debt Ratio Calculation: Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 60.

Income  
Asset Utilization  
Using 60 Months

#### Asset Utilization Income Documentation

- All individuals listed on the asset account(s) must be on the Note and Mortgage;
- Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;
- Assets must be seasoned 120-days;

#### Assets Eligible for Depletion

Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:

- 100% of Checking, Saving and Money Market Accounts
- 80% of Stocks, Bonds and Mutual Funds
- 60% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)
- 50% of retirement Assets: Eligible if the borrower is not of retirement age.

#### Assets Ineligible for Depletion

- Equity in Real Estate
- Privately traded or restricted/non-vested stocks
- Any assets which produces income already included in the income calculation
- Any assets held in the name of a business.
- Assets held in an irrevocable trust where the beneficiary of the trust is not the borrower;
- Assets held in a charitable giving trust, donor advised fund, or similar entity where the intended beneficiary is not the borrower.
- Crypto is not an eligible liquid asset for asset utilization/depletion.

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Interest Only	<ul style="list-style-type: none"> <li>• Maximum LTV/CLTV 75%</li> <li>• I/O period 120 months</li> <li>• Qualify using amortizing payment on remaining term after I/O</li> <li>• Minimum Credit Score 680</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord. <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members. <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Permanent Resident Alien	Not Eligible
Non-occupant co-borrowers	Not Eligible

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Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75% <ul style="list-style-type: none"> <li>○ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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<b>Property Types</b> All Condos	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria: <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• Florida Condominiums: <ul style="list-style-type: none"> <li>○ For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899. <ul style="list-style-type: none"> <li>■ Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements.</li> </ul> </li> <li>○ Projects with an unacceptable or no inspection are ineligible.</li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met: <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of the project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p>DTI Ratio          Standard max is 43%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTHB &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> <li>• First Time Home Buyers (FTHB): min. 6 months' PITIA</li> </ul>

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Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum Residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	<p>Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.</p>

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

**ONE YEAR 1099**

80% LTV/CLTV Purchase or R/T • Loan Amounts Up To \$2,500,000 • 48 Months from Housing Event

**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	80%	75%	75%	\$1,000,000
	75%	75%	75%	\$2,000,000
	75%	70%	70%	\$2,500,000
700 +	80%	75%	75%	\$1,000,000
	75%	70%	70%	\$2,000,000
	70%	65%	65%	\$2,500,000
680 +	75%	75%	75%	\$1,000,000
	75%	75%	75%	\$1,500,000
	70%	70%	70%	\$2,000,000
	65%	65%	65%	\$2,500,000
660 +	75%	75%	75%	\$1,000,000
	70%	70%	70%	\$1,500,000
	65%	65%	65%	\$2,000,000

Other Restrictions	
Condo - Warrantable	Max LTV/CLTV 80%
Condo – Non Warrantable	Max LTV/CLTV 80%
2-4 Units	Max LTV/CLTV 75%
Cash Out in CT, IL & NJ	Max LTV/CLTV 75%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Not Available
Occupancy	OO Only

Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing            Income and Asset Documentation: Dated within 60 days of closing            Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.            If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.            In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.            If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.            A second appraisal is required on loan amounts &gt; \$2,000,000</p>

Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ..." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <p>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</p> <p><u>In-Eligible:</u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out: Unlimited</li> </ul>														
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>														
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="361 1215 1129 1465"> <thead> <tr> <th colspan="2">Matrix 5000-1YR1099</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td> <td>660</td> </tr> <tr> <td>Housing</td> <td>0x30x12</td> </tr> <tr> <td>BK (Chap 13 Discharge)</td> <td>48 Mo</td> </tr> <tr> <td>BK (Other)</td> <td>48 Mo</td> </tr> <tr> <td>Foreclosure / NOD</td> <td>48 Mo</td> </tr> <tr> <td>Short Sale / DIL / Loan Mod.</td> <td>48 Mo</td> </tr> </tbody> </table>	Matrix 5000-1YR1099		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>
Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ Not allowed</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>

Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 640 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancellation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Waivers	Impounds are required.

First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• Minimum six (6) months of reserves.</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history               <ul style="list-style-type: none"> <li>▪ Not allowed</li> </ul> </li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 75%. No Applicant contribution is required on a primary residence. A 5% applicant contribution is required for second homes and investment properties.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

Income Calculation / Documentation - IRS Form 1099	<p>Permitted for individual(s) earning 100% commission or for independent contractors.</p> <ul style="list-style-type: none"> <li>• 1-year of 1099s or 1099 transcript(s) permitted           <ul style="list-style-type: none"> <li>◦ One of the following Business expense analysis methods:               <ul style="list-style-type: none"> <li>▪ 90% Net Margin (10% Expense Factor)</li> <li>▪ 3rd Party prepared P&amp;L (CPA, EA, accountant, tax preparer)</li> </ul> </li> </ul> </li> <li>• A minimum 2-year self-employment history is required (e.g., 1099 income).           <ul style="list-style-type: none"> <li>◦ A minimum two (2) year employment history is required to be documented on the loan application (1003).</li> <li>◦ A Self Employed history of less than 2 years would be acceptable for a borrower who transitioned from a wage/salary to 1099 in the same field.</li> </ul> </li> <li>• Qualifying income is the 12 monthly average from the total number of 1099's minus the expense factor from the method chosen above</li> <li>• YTD earnings must be documented when the 1099 reporting period is greater than 90-days from the note date. YTD earnings must support the ongoing receipt of income shown on the 1099s by:           <ul style="list-style-type: none"> <li>◦ Checks or a single check stub(s) with YTD totals if available, or</li> <li>◦ Bank statements (YTD).               <ul style="list-style-type: none"> <li>▪ The YTD earnings from the total of check stubs or the tally of deposits from bank statements must be within 10% or greater than earnings used for qualification.</li> </ul> </li> </ul> </li> </ul>
Income – Misc. Sources	<ul style="list-style-type: none"> <li>• Not Allowed except rental income</li> </ul>

Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental: <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only): <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> <li>○ Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> </ul> </li> <li>• Long Term Rental Departing Residency <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible. <ul style="list-style-type: none"> <li>■ 75% of the verified monthly rental income can be used.</li> <li>■ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>
Interest Only	<ul style="list-style-type: none"> <li>• Not available</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount

Non-Arm's Length  
&  
Interested Party  
Transactions

Non-Arm's Length Transactions

A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.

When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.

A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).

Interested Party Transactions

A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.

In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.

Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Permanent Resident Alien	Not Eligible
Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75%           <ul style="list-style-type: none"> <li>◦ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = <math>(\text{Proposed Housing Payment} / \text{Present Housing Payment}) * 100</math></li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>

Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>○ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>○ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>○ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
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A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types  
All Condos

Property Types All Condos Continued	<ul style="list-style-type: none"> <li>The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>Single entity ownership allowed up to 20% of the project.</li> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p><b>DTI Ratio</b> Standard max is 43%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better</li> <li>• Reserves are waived if owner occupied, purchase, LTV/CLTV &lt; =65%, non-FTHB &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves are waived if owner occupied, rate &amp; term refinance, LTV/CLTV &lt; =70%, &amp; loan amount &lt;= \$1,500,000</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> <li>• First Time Home Buyers (FTHB): Min. 6 months' PITIA</li> </ul>

Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum Residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p><b>Seller Concessions</b></p> <ul style="list-style-type: none"> <li>O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p><b>Interested Party Contributions</b></p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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### WRITTEN VERIFICATION OF EMPLOYMENT

75% LTV/CLTV Purchase / R&T • LOAN AMOUNTS UP TO \$2,000,000 • 48 Months from Housing Event

#### Primary Residence

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
720 +	75%	70%	70%	\$1,500,000
	70%	70%	65%	\$2,000,000
700 +	75%	70%	70%	\$1,000,000
	70%	70%	65%	\$1,500,000
680 +	75%	70%	70%	\$1,000,000

Other Restrictions	
FTHB	Max LTV/CLTV 70%
Second Homes & NOO	Not Available
Cash Out in CT, IL & NJ	Max LTV/CLTV 70%
Purchase or R/T in NJ, IL & CT	Max LTV/CLTV 80%
Interest Only	Not Available

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA, EA or licensed tax preparer stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u>In-Eligible:</u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Maximum cash out: Unlimited</li> </ul>														
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>														
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="361 1204 1121 1449"> <thead> <tr> <th colspan="2">Matrix 5000-WVOE</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td> <td>680</td> </tr> <tr> <td>Housing</td> <td>0x30x24</td> </tr> <tr> <td>BK (Chap 13 Discharge)</td> <td>48 Mo</td> </tr> <tr> <td>BK (Other)</td> <td>48 Mo</td> </tr> <tr> <td>Foreclosure / NOD</td> <td>48 Mo</td> </tr> <tr> <td>Short Sale / DIL / Loan Mod.</td> <td>48 Mo</td> </tr> </tbody> </table>	Matrix 5000-WVOE		Minimum FICO	680	Housing	0x30x24	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	48 Mo	Short Sale / DIL / Loan Mod.	48 Mo
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Credit  Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>
Credit – Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history           <ul style="list-style-type: none"> <li>○ Not allowed</li> <li>○ Borrower(s) who own their primary residence free and clear are not considered living rent-free.</li> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free.</li> </ul> </li> </ul>

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Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 640 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>
Credit Scores – Rapid Rescores	<p>Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.</p>
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• O/O &amp; Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O (business purpose only)</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Impounds are required.

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First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• Minimum 680 credit score.</li> <li>• DTI may not exceed 43%.</li> <li>• A minimum 10% of applicant contribution</li> <li>• Minimum six (6) months of reserves.</li> <li>• No Gift Funds</li> <li>• Maximum LTV/CLTV 70%</li> <li>• 12-month rental history is required, reflecting 0x30, <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history <ul style="list-style-type: none"> <li>▪ Not allowed</li> </ul> </li> </ul> </li> <li>• Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</li> </ul>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• 100% Gift Funds are allowed with a maximum LTV/CLTV of 75%. Borrower(s) must meet the reserves requirements</li> <li>• Gifts of equity are allowed with a maximum LTV/CLTV of 65%.</li> <li>• Not Allowed for FTHB</li> <li>• Gift funds may not be used to meet the reserve requirements</li> </ul>

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Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	A written Verification of Employment may be utilized when the only source of earnings is wages/salary. The following criteria applies: <ul style="list-style-type: none"> <li>• Two-year history with same employer is required.</li> <li>• Completed Fannie Mae Form 1005</li> <li>• Primary Residence Only</li> <li>• 24-month 0x30 housing history required</li> <li>• Paystubs, Tax Returns, 4506-T, or W-2's not required.</li> <li>• Must be completed by Human Resource, Payroll Department or Officer of the Company.</li> <li>• If LTV/CLTV greater than 65.0%, two (2) most recent months of Personal Bank Statements are required to support the WVOE. The bank statements must reflect deposits from the employer supporting at least 65% of gross wage/salary reflected on the WVOE. If the LTV/CLTV is 65% or less, Personal Bank Statements are not required.</li> <li>• FTHB maximum LTV/CLTV 70%, no gift funds allowed.</li> <li>• Borrower(s) employed by family members or related individuals are not eligible.</li> <li>• Only eligible source of income is limited to Wage/Salary. Supplemental income sources such as rental income not permitted.</li> <li>• An internet search of the business is required with documentation to be included in the credit file to support existence of the business.</li> </ul>
Interest Only	<ul style="list-style-type: none"> <li>• Not available</li> </ul>
Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date.
Limitations on Other Real Estate Owned	Borrowers are not limited in the number of properties owned however borrower with > 20 financed properties are limited to Owner Occupied or 2 <sup>nd</sup> Home transactions only.
Minimum Loan Amount	\$150,000 IL - \$250,000 minimum loan amount

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Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u></p> <p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u></p> <p>A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
Non-Arm's Length & Interested Party Transactions  Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>○ 24 months of cancelled checks to prove timely payments are required.</li> <li>○ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>○ Not Allowed.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 70%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>

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Non-Permanent Resident Alien	Not Eligible
Payment Shock	<ul style="list-style-type: none"> <li>• Primary: Not Calculated for LTV/CLTV &lt;= 75%</li> <li>• Primary Residence and LTV/CLTV &gt; 75% <ul style="list-style-type: none"> <li>◦ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = (Proposed Housing Payment /Present Housing Payment) * 100</li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>
Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card). <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>

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Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.

To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.

- All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.
- Special assessment information is to be provided to determine if there is a critical repair. Provide purpose, amount, term, balance, status, and cost per unit.
- Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria:
  - Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time
  - The project has deficiencies, defects, substantial damage, or deferred maintenance that
    - is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;
    - the improvements need substantial repairs and rehabilitation, including many major components; or
    - impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.
- Florida Condominiums:
  - For loans secured by a condominium unit in the state of Florida, if the project is over 30 years old (or 25 years if within 3 miles of the coast), a structural inspection is required for projects greater than 5 stories. The inspection needs to address items that substantially conform to the definition of a milestone inspection as defined in Florida statute 553.899.
    - Inspection must confirm there are no conditions severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements
  - Projects with an unacceptable or no inspection are ineligible
- GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).
- See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.
- GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.
- Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Two- to four-unit condominium projects will not require a project review provided the following are met:
  - The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.
  - The priority of common expense assessments applies.
  - The standard insurance requirements apply.
- Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.
- Commercial space allowed up to 50% of project.
- No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.
- Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.

Property Types  
All Condos

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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>• The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>• Projects involved in litigation are acceptable provided the lawsuit(s) are not structural in nature which impact the subject unit and do not affect the marketability of the project units and potential damages do not exceed 25% of HOA reserves or documentation from the insurance carrier or attorney representing the insurance carrier that the insurance carrier has agreed to conduct defense and the HOA insurance policy is sufficient to cover the litigation expense.</li> <li>• Single entity ownership allowed up to 20% of the project.</li> <li>• Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>• GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>• Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo</li> <li>• Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>• 90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>• 40% of the total units in the project must be owner occupied.</li> <li>• All phases are complete.</li> <li>• HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>• All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>• 50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>• Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>• Project may be subject to additional phasing.</li> <li>• HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p>DTI Ratio          Standard max is 43%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from deed transfer to application</li> <li>• Max cash out: see Cash Out Amount Limit Section</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> <li>• No waiting period if the borrower acquired the property through an inheritance, or was legally awarded the property through divorce, separation, or dissolution of a domestic partnership.</li> </ul>

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Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1.5m: 6 months' PITIA</li> <li>• Loan amounts &gt; \$1.5m: 9 months' PITIA</li> <li>• Loan amounts &gt; \$2.5m: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> <li>• Reserve requirements are waived for Rate-And-Term Refinance transactions when the transaction results in a reduction to the monthly principal and interest payment of 10% or greater AND housing history is 1x30x12 or better. Waiver not eligible for DTI greater than 50%. For an Interest Only loan, the reduction is based on the amortizing payment used for loan qualification.</li> <li>• Reserves for a loan with an Interest Only feature are based upon the Interest Only payment amount.</li> </ul>

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Residual Income	<ul style="list-style-type: none"> <li>Required when DTI is over 43%</li> <li>Minimum Residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> <li>Not required for second homes or non-owner occupied properties</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Secondary financing must be institutional. Existing secondary financing must be subordinated and recorded or refinanced. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Rate Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

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**FOREIGN NATIONAL**  
Traditional Income Documentation from Country of Origin • Loan Amounts Up To \$2,000,000

Second Home and Investment

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
680 +	70%	70%	60%	\$1,500,000
	65%	65%	60%	\$2,000,000
Foreign Credit or Fico < 680	70%	65%	60%	\$1,000,000
	65%	60%	55%	\$1,500,000

Other Restrictions	
2-4 Units	Max LTV/CLTV 65%
Condo	Max LTV/CLTV 65%
I/O	Available at 55%
Transactions in NJ, IL & CT	Max LTV/CLTV 65%
Cash Out in FL	Max LTV/CLTV 60%
F1 Visas	Max LTV/CLTV 60%
One Fico Score	Use Foreign Credit or Fico < 680

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>1007 is required for all NOO transactions.</p> <p>A second appraisal is required on loan amounts &gt; \$2,000,000</p>

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#### Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

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Assets	<p>Full Asset Documentation is required for both funds to close and reserves</p> <p><b><u>Assets Held in U.S. Bank</u></b></p> <p>The down payment, closing costs, and reserves must be verified with a VOD or computer bank statement, as deposited in a U.S. bank prior to closing. Seasoning of funds is not required.</p> <p><b><u>Assets Held in Foreign Accounts</u></b></p> <p>Assets held in foreign accounts may be used as a source of funds to close and to meet applicable reserve requirements. These funds must be transferred to a U.S. domiciled account in the borrower's name at least ten (10) days prior to closing.</p> <ul style="list-style-type: none"><li>• Documenting Assets Held in Foreign Accounts:<ul style="list-style-type: none"><li>○ Assets must be verified in U.S. Dollar equivalency at the current exchange rate via either <a href="http://www.xe.com">www.xe.com</a> or the Wall Street Journal conversion table.</li><li>○ A copy of the two (2) most recent statements of that account. If the funds are not seasoned a minimum of sixty (60) days, a letter of explanation is required along with the information to comprise a sixty (60) day chain of funds.</li></ul></li><li>• UK (United Kingdom) Borrowers Only: Use of specific foreign exchange services such as MoneyCorp <a href="https://www.moneycorp.com/uk/">https://www.moneycorp.com/uk/</a>, Halo Financial <a href="https://www.halofinancial.com/">https://www.halofinancial.com/</a>, Currencies Direct <a href="http://www.currenciesdirect.com/en/us">http://www.currenciesdirect.com/en/us</a> or TransferWise <a href="https://transferwise.com/us/">https://transferwise.com/us/</a> in order to transfer funds directly to the closing agent directly. Borrower must have and maintain a US Bank Account regardless of transferring closing funds directly to the closing agent.</li><li>• Borrower must have and maintain a US Bank Account for auto withdrawal of mortgage payments.</li></ul> <p>All Foreign National borrowers are required to complete an ACH Form from a U.S. Bank for auto withdrawal of mortgage payments.</p>
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- A foreign national is a person who is not a citizen of the United States and/or does not permanently reside in the U.S.
- US Citizen(s) living abroad or has foreign income will be qualified and priced as Foreign National if they lack US credit, tax documentation or US income.

#### FOREIGN NATIONAL PROGRAM SPECIFIC DOCUMENTATION REQUIREMENTS

- The following are required as evidence the borrower is in the U.S:
  - Copy of the borrowers valid and unexpired passport (including photograph) and
    - Copy of the borrower's valid and unexpired visa (including photograph) OR an I-797 form with valid extension dates and I-94, or
    - Borrowers from Countries participating in the State Department's Visa Waiver Program (VWP) or Citizens of Canada and Bermuda are not required to provide a valid visa. Participating countries can be found at  
<https://travel.state.gov/content/travel/en/us-visas/tourism-visit/visa-waiver-program.html> or  
<https://travel.state.gov/content/travel/en/us-visas/tourism-visit/citizens-of-canada-and-bermuda.html> The file should be documented with a current print-out of the participating countries, with the borrowers country of origin highlighted.
    - Citizens of Canada traveling to the United States do not require a nonimmigrant visa.
- Visa types allowed: A-1, A-2, A-3, B-1, B-2, H-2, H-3, I, J-1, J-2, O-2, P-1, P-2, TN NAFTA, Laser Visa, F1 (max LTV/CLTV 60%)
- If a non-U.S. citizen is borrowing with a U.S. citizen, foreign national documentation requirements still apply.
- All parties (borrowers and property sellers) involved on the transaction must be screened through exclusionary lists, and must be cleared through OFAC's SDN list. A search of Specially Designated Nationals & Blocked Persons list may be completed via the US Department of Treasury:  
<http://sdnsearch.ofac.treas.gov/>.
- Borrowers from OFAC sanctioned countries are ineligible <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>.
- Individuals with Diplomatic immunity are not eligible, immunity status is listed on the reverse side of the U.S. issued ID card or at: <https://2009-2017.state.gov/s/cpr/rls/dpl//index.htm>
- Documents signed by Borrowers outside of the United States must be notarized by a U.S. embassy or consular official. The certificate of acknowledgment must meet the standard notarial requirements and must include the embassy or consular seal. If the U.S. embassy or consular official is unavailable, a notary is acceptable if the country, where signing is taking place, is part of the Hague Convention and the signed documents are accompanied by an Apostille. See the following link to determine if the country is part of the Hague Convention:  
<https://travel.state.gov/content/travel/en/records-and-authentications/authenticate-your-document/apostille-requirements.html>

Model Apostille forms can be found on the following link:

<https://www.hcch.net/en/instruments/specialised-sections/apostille>

- Power of Attorney (POA) is not allowed.
- All borrowers must complete IRS form W-8BEN
- If vesting in LLC, LLC must be Domestic Domiciled.

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Cash Out Amount	<ul style="list-style-type: none"> <li>• Max cash-out: \$300,000 if LTV/CLTV &gt; 50%</li> <li>• Max cash-out: \$500,000 if LTV/CLTV &lt;= 50%</li> </ul>										
	<b>Qualifying on US Credit :Credit Matrix</b>										
	<table border="1"> <tr> <td>Credit Score</td><td>660 if available; qualifying score is the middle of 3 or lower of 2 scores</td></tr> <tr> <td>Trades</td><td>2 trade lines within the last 24 months that show a 12 month history</td></tr> <tr> <td>Mortgage</td><td>1 x 30 last 12 months, if documented</td></tr> <tr> <td>Bankruptcy/Foreclosure/Forbearance</td><td>None within 2 years</td></tr> <tr> <td>Judgment/Tax Lien/Collections/Charge-Offs</td><td>Must be paid. New non-medical items with a cumulative total &gt; \$5,000 in the last 24 months will exclude the borrower from this program.</td></tr> </table>	Credit Score	660 if available; qualifying score is the middle of 3 or lower of 2 scores	Trades	2 trade lines within the last 24 months that show a 12 month history	Mortgage	1 x 30 last 12 months, if documented	Bankruptcy/Foreclosure/Forbearance	None within 2 years	Judgment/Tax Lien/Collections/Charge-Offs	Must be paid. New non-medical items with a cumulative total > \$5,000 in the last 24 months will exclude the borrower from this program.
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Credit Foreign National – w/ U.S. Credit	<ul style="list-style-type: none"> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing</li> </ul> <ul style="list-style-type: none"> <li>• All Foreign National borrowers are required to complete an ACH Form from a U.S. Bank for auto withdrawal of mortgage.</li> <li>• US applicant(s) will have their US credit report pulled and reviewed</li> </ul>										

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Credit Foreign National – Non-U.S. Credit	<p>Foreign National Borrowers without Qualifying U.S. Credit (Including borrowers without a valid Social Security Number and borrowers with or without an Individual Tax Identification Number) must provide evidence of two (2) trade lines within the last 24 months that show a 12 month history. ANY combination of the following is acceptable to arrive at the trade line requirement:</p> <ul style="list-style-type: none"> <li>• Trade lines evidenced via a U.S. credit report</li> <li>• Trade lines evidenced via international credit report if a U.S. credit report cannot be produced, or does not provide a sufficient number of trade lines</li> <li>• Trade lines evidenced via credit reference letters from verified financial institutions in the borrower's country of origin, if a U.S. credit report and/or international credit report is not available, or the combination of the credit reports does not provide a sufficient number of tradelines.           <ul style="list-style-type: none"> <li>◦ A minimum of 1 reference letter must be from an internationally known financial institution.</li> <li>◦ Each letter of reference must state the type and length of the relationship, how the account is held, payment amount, outstanding balance and status of account including a minimum 12 month payment history.</li> <li>◦ Can include non-traditional credit sources, i.e. utility company</li> <li>◦ A single reference source may provide verification of multiple accounts. Individual account detail must be provided.</li> <li>◦ The letter must mention the borrower by name.</li> <li>◦ Name, title &amp; contact information of the person signing the letter must be included.</li> </ul> </li> <li>• Credit Card Statements – minimum of twelve (12) recent credit card statements reflecting a timely payment history.</li> <li>• For borrower(s) who have an ITIN, borrower must have a primary and provide a 12 month housing history. If the borrower does not have a primary or is living rent free or has an incomplete housing history, reduce maximum LTV/CLTV by 10% if the borrower does not own a primary residence, an exception would be required and maximum, LTV/CLTV would 55%.</li> <li>• All documents must be translated into English</li> <li>• All Foreign National borrowers are required to complete an ACH Form from a U.S. Bank for auto withdrawal of mortgage.</li> </ul>
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.

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Documentation	<p>Documents signed by Borrowers outside of the United States must be notarized by a U.S. embassy or consular official. The certificate of acknowledgment must meet the standard notarial requirements and must include the embassy or consular seal. If the U.S. embassy or consular official is unavailable, a notary is acceptable if the country, where signing is taking place, is part of the Hague Convention and the signed documents are accompanied by an Apostille.</p> <p><a href="https://travel.state.gov/content/travel/en/legal-considerations/judicial/authentication-of-documents/notarial-and-authentication-apostille.html">https://travel.state.gov/content/travel/en/legal-considerations/judicial/authentication-of-documents/notarial-and-authentication-apostille.html</a></p> <p>Power of Attorney (POA) is not allowed.</p> <p>All borrowers must have a history of renting or owning within the past 2 years.</p> <p>12 months cancelled rent checks will be required or recent mortgage history must be reflected on the borrower's credit report.</p>
Eligible States	<p><a href="#">See GreenBox Loans, Inc.'s "Location" on web page</a></p> <p>Texas:</p> <ul style="list-style-type: none"> <li>• Second Home: Purchase and Rate &amp; Term refinances ONLY; No limited Cash Out or agency Cash Out refinances</li> <li>• NOO: Purchase, Refinances including R/T and C/O</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waiver	Impounds are required.
Gift Funds	Gift funds and Gift of Equity not allowed.
Housing History	Evidence of one year housing history (mortgage and/or rental) is required. Housing history may be included as 1 of the required tradelines for a Qualifying U.S. Credit transaction if it is included on the U.S. credit report or may be used as 1 of the required tradelines for a Qualifying Foreign Credit transaction if it is included on the U.S. credit report, the international credit report or verified in accordance with credit reference letter. If the applicant does not own a home or owns the property free & clear, housing history is not required.

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Income Foreign Income	<p><u>Self Employed:</u></p> <ul style="list-style-type: none"> <li>• Documents must be translated by an independent certified translator.</li> <li>• Independent verification of the existence of the business is required through verbal VOE, confirming the business is open or a recent business bank statement, reflecting activity to support the business is active and ongoing.</li> <li>• Must be self-employed for two years</li> <li>• Income Documentation           <ul style="list-style-type: none"> <li>• Option 1               <ul style="list-style-type: none"> <li>○ Two (2) years foreign tax returns from borrower's resident country.</li> <li>○ YTD P&amp;L statement from borrower's CPA or local equivalent (the "Accountant") on company's letterhead and currency must be converted to US dollars.</li> <li>○ Business &amp; Foreign CPA's license or local equivalent's (the "Accountant") license are to be independently verified (via LexisNexis, D&amp;B International Business Search, Google, Government or State Issued Document or other means of verification).</li> </ul> </li> <li>• Option 2               <ul style="list-style-type: none"> <li>○ Letter from a Foreign CPA or local equivalent (the "Accountant"), on company's letterhead, providing income for the last 2 years and YTD earnings. Currency must be converted to US dollars.</li> <li>○ Business &amp; Foreign CPA license's or local equivalent's (the "Accountant") license are to be independently verified (via LexisNexis, D&amp;B International Business Search, Google, Government or State Issued Document or other means of verification).</li> </ul> </li> </ul> </li> </ul> <p><u>Salaried/Wage Earner:</u></p> <ul style="list-style-type: none"> <li>• All documentation must be translated by an independent certified translator</li> <li>• Employer to be independently verified (LexisNexis, D&amp;B, Google, other).</li> <li>• Income Documentation           <ul style="list-style-type: none"> <li>• Option 1               <ul style="list-style-type: none"> <li>○ Paystubs covering a minimum of 30 days (which include YTD income) AND</li> <li>○ One (1) of the following:                   <ul style="list-style-type: none"> <li>■ a) W-2 equivalent or</li> <li>■ b) Two (2) years tax returns from borrower country of origin.</li> </ul> </li> </ul> </li> <li>• Option 2               <ul style="list-style-type: none"> <li>○ A letter from employer on company letterhead providing current monthly salary, YTD earnings and total earning for the past 2 years. Letter from employer must be on company letterhead, including address and company web address.</li> </ul> </li> </ul> </li> </ul> <p>Care must be taken in assessing income from a non-US sources. If income is declining or inconsistent, and cannot be isolated to a non-recurring instance, then the lowest annual income should be used.</p> <ul style="list-style-type: none"> <li>• US applicant(s) will have their US tax transcripts pulled and reviewed</li> </ul>
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Income – Supplement Asset Utilization (US Assets Only)	<p>The Asset Utilization is an option for an underwriter to use a Borrower's liquid assets to augment income for qualification purposes</p> <p><b>Restrictions</b></p> <ul style="list-style-type: none"> <li>• Non-occupant co-borrowers not allowed</li> <li>• Max 43% DTI</li> <li>• Minimum 680 Credit Score</li> <li>• Gift Funds not eligible</li> <li>• Max LTV/CLTV: 85%</li> <li>• Max LTV/CLTV Cash Out: 75%</li> <li>• Max Loan Amount: \$2,500,000</li> </ul> <p><b>Asset Utilization Qualifying Method</b></p> <ul style="list-style-type: none"> <li>• Debt Ratio Calculation: minimum Eligible Assets required is the lower of \$1,000,000 or 150% of the loan balance. Qualifying income based upon Total Assets Eligible for Depletion, less down payment, less out of pocket closing costs, less required reserves, divided by 84.</li> </ul> <p><b>Asset Utilization Income Documentation</b></p> <ul style="list-style-type: none"> <li>• All individuals listed on the asset account(s) must be on the Note and Mortgage;</li> <li>• Assets considered for this program must be verified with most recent three (3) months of account statements or a VOD;</li> <li>• Assets must be seasoned 120-days;</li> </ul> <p><b>Assets Eligible for Depletion</b></p> <p>Assets must be liquid and available with no penalty; additional documentation may be requested to validate the origin of the funds:</p> <ul style="list-style-type: none"> <li>• 100% of Checking, Saving and Money Market Accounts</li> <li>• 70% of Stocks, Bonds and Mutual Funds</li> <li>• 70% of Retirement Assets: Eligible if the borrower is of retirement age (at least 59 ½)</li> <li>• 60 of retirement Assets: Eligible if the borrower is not of retirement age.</li> </ul> <p><b>Assets Ineligible for Depletion</b></p> <ul style="list-style-type: none"> <li>• Equity in Real Estate</li> <li>• Privately traded or restricted/non-vested stocks</li> <li>• Any assets which produces income already included in the income calculation</li> <li>• Any assets held in the name of a business.</li> </ul>
Limitations Real Estate Owned	Borrower limited to two (2) loans with Greenbox Loans, Inc. not to exceed \$2,000,000 total.

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Listing Seasoning	For cash out refinances, properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date. For investment properties, listing expiration of less than 6 months permitted with a prepayment penalty.
Minimum Loan Amount	\$150,000 IL - \$250,000
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>            A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>            A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 55%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Occupancy	Second Home or Investment

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Office of Foreign Assets Control (OFAC)	<p>The Office of Foreign Assets Control (OFAC) of the US Department of Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against individuals and foreign countries. A clear OFAC search for individuals and foreign countries is required.</p> <p><u>Individual</u></p> <p>Individuals identified on OFAC's SDN list are not eligible. All individuals involved in the transaction must be screened through exclusionary lists and must be cleared through OFAC's SDN list, regardless of citizenship status.</p> <p>Requirements:</p> <ul style="list-style-type: none"> <li>• A search of Specially Designated Nationals &amp; Blocked Persons list must be completed via the US Department of Treasury:  <a href="http://sanctionssearch.ofac.treas.gov">http://sanctionssearch.ofac.treas.gov</a>.</li> <li>• Individuals to be included in the OFAC search: Borrowers/Guarantors, Property Sellers, Brokers, Loan Officers, Appraisers, Real Estate Agents, Settlement Agents.</li> <li>• When the borrower is an entity, Guarantor(s) and all member(s)/manager(s) of the entity must be included in the OFAC search.</li> </ul> <p><u>Foreign Countries</u></p> <p>Borrower(s)/Guarantor(s) from OFAC sanctioned countries are not eligible. The Borrower(s)/Guarantor(s) are defined as individuals signing the loan application.</p> <p>Requirements:</p> <ul style="list-style-type: none"> <li>• Borrowers/Guarantors who are Foreign Nationals must be screened against the OFAC sanctioned countries list. Search to be completed via the US Department of Treasury Office of Foreign Asset Control: <a href="http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx">http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx</a>.           <ul style="list-style-type: none"> <li>○ Not applicable for Non-Permanent Resident Aliens and Permanent Resident Aliens.</li> </ul> </li> <li>• If the borrower is an entity, member(s)/manager(s) who are not Guarantors do not have to be screened against the OFAC sanctioned country list.</li> </ul>
Points and Fees	Total points and fees must be less than 5%

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<b>Property Flipping</b>	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>
<b>Prepayment Penalty</b>	<p>Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
<b>Property Types</b>	<p><b><u>Eligible:</u></b> Single Family Residences 1-4 Units, PUDs, Townhouses, Condominiums: Warrantable &amp; Non-Warrantable</p> <p><b><u>Ineligible:</u></b> • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

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<p>Property Types All Condos</p>	<p>A condominium project is one in which individual owners hold title to units in the project along with an undivided interest in the real estate that is designated as the common area for the project. The units in the project must be owned in fee simple and the unit owners must have the sole ownership interest in and rights to the use of, the project's facilities, common elements, and limited common elements.</p> <p>To qualify as an acceptable condominium unit, the condominium project must be common for the area and demonstrate good marketability.</p> <ul style="list-style-type: none"> <li>• All Loan secured by condominium projects require a completed Homeowners Association (HOA) questionnaire.</li> <li>• Any projects with significant deferred maintenance or have received a directive from a regulatory or inspection agency to mark repairs due to unsafe conditions are not eligible. Significant deferred maintenance includes deficiencies that meet one or more of the following criteria: <ul style="list-style-type: none"> <li>○ Full or partial evacuation of the building to complete repairs is required for more than seven days or an unknown period of time</li> <li>○ The project has deficiencies, defects, substantial damage, or deferred maintenance that <ul style="list-style-type: none"> <li>■ is severe enough to affect the safety, soundness, structural integrity, or habitability of the improvements;</li> <li>■ the improvements need substantial repairs and rehabilitation, including many major components; or</li> <li>■ impedes the safe and sound functioning of one or more of the building's major structural or mechanical elements, including but not limited to the foundation, roof, load bearing structures, electrical system, HVAC, or plumbing.</li> </ul> </li> </ul> </li> <li>• GBL will not originate any loans secured by units in any condo project identified by FNMA as "Unavailable" by Condo Project Manager (CPM).</li> <li>• See the current Loan/LTV matrix for maximum LTV/CLTVs and loan amounts.</li> <li>• GBL's project exposure maximum shall be \$5,000,000 or 20% of the total units in the project, whichever is lower.</li> <li>• Projects consisting entirely of detached (site) units will not require a project review and are eligible for single family dwelling LTV/CLTV.</li> <li>• Two- to four-unit condominium projects will not require a project review provided the following are met: <ul style="list-style-type: none"> <li>○ The project is not a condo hotel, houseboat, or timeshare or segmented-ownership project.</li> <li>○ The priority of common expense assessments applies.</li> <li>○ The standard insurance requirements apply.</li> </ul> </li> <li>• Project has been created and exists in full compliance with applicable local jurisdiction, State, and all other applicable laws and regulations.</li> <li>• Commercial space allowed up to 50% of project.</li> <li>• No more than 20% of the total units in the project may be 60 days or more past due on the condominium/HOA fees.</li> <li>• Investor concentration allowed up to 60%. A higher percentage may be considered when the subject transaction is an investment property when a history of a high percentage of rental units in the project can be demonstrated.</li> <li>• The project developer may be in control of the condominium association provided the Master Agreement allows for the homeowners to take control upon either a predetermined percentage of unit sales or within a defined time frame.</li> <li>• Single entity ownership allowed up to 20% of the project.</li> </ul>
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Property Types All Condos Continued	<ul style="list-style-type: none"> <li>Borrower must carry HO-6 coverage for replacement of such items as flooring, wall covering, cabinets, fixtures, built-ins, and any improvements made to the unit.</li> <li>GBL must confirm that the project documents do not give a unit owner or any other party priority over the rights of the first mortgagee.</li> <li>Warrantable Condo is a condominium project that meets all the FNMA requirements of a warrantable condo.</li> <li>Non-warrantable condos are projects that do not meet FNMA warrantable condominium requirements. Non-warrantable condos are subject to GBL review and approval.</li> </ul>
Property Types All Condos Established Projects	<ul style="list-style-type: none"> <li>90% of the total units in the project must be sold and conveyed to the unit owners.</li> <li>40% of the total units in the project must be owner occupied.</li> <li>All phases are complete.</li> <li>HOA must be conveyed to the unit owners – no developer or builder-controlled projects allowed.</li> <li>All comparable sales may be from within the subject's project if the project is established and consists of 100 or more units. Recent sales of model match units, if available, must be utilized in the appraisal report.</li> </ul>
Property Types All Condos New Projects	<ul style="list-style-type: none"> <li>50% of the total units in the project or subject's phase must be sold and conveyed to the unit owners AND at least 50% of the units must be owner occupied.</li> <li>Project or subject's legal phase along with other development phases must be complete. All common elements in the project or legal phase must be 100% complete.</li> <li>Project may be subject to additional phasing.</li> <li>HOA should be in control – project under Developer or Builder control will be considered on a case-by-case basis only.</li> </ul>

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Property Types Modular Homes	<p>A modular home is a pre-fabricated dwelling, which is principally factory built off-site. The dwelling is delivered to the site in sections or modules. Upon delivery to the site, the home is assembled and attached to a permanent foundation and assumes the appearance and characteristics of a site-built residence. Portions of the dwelling may be built on-site.</p> <p>Modular, prefabricated, panelized, or sectional housing homes are eligible for financing. Modular homes must meet all of the following requirements:</p> <ul style="list-style-type: none"> <li>• Must assume the characteristics of site-built housing; and</li> <li>• Must be legally classified as real property; and</li> <li>• Must conform to all local building codes in the jurisdiction in which they are permanently located.</li> <li>• An ALTA 7 Endorsement is required from Title.</li> <li>• If the subject is modular construction, the comparable sales must include at least one (1) resale of a modular constructed home.</li> <li>• For lending purposes, a modular home is treated as a single-family residence including loan-to-value limits.</li> <li>• Must be typical for the area.</li> </ul>
Qualifying Rate and Ratios	<p><b>Qualifying Rate and Ratios</b></p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 30-year full amortization.</li> </ul> <p><b>DTI Ratio</b></p> <ul style="list-style-type: none"> <li>• Maximum DTI is 50%</li> </ul>
Rental Income, Subject Property	<p>When the subject property will generate rental income, one of the following Fannie Mae forms must be used to support the income-earning potential of the property:</p> <ul style="list-style-type: none"> <li>• For one-unit properties: Single-Family Comparable Rent Schedule (Form 1007) (provided in conjunction with the applicable appraisal report), or</li> <li>• For two- to four-unit properties: Small Residential Income Property Appraisal Report (Form 1025).</li> <li>• Fully executed lease agreement(s) to determine the gross rental income to be used in the net rental income (or loss) calculation. <ul style="list-style-type: none"> <li>• Lease Agreements. When current lease agreements are used, the lender must calculate the rental income by multiplying the gross rent(s) by 75%. The remaining 25% of the gross rent will be absorbed by vacancy losses and ongoing maintenance expenses.</li> </ul> </li> <li>• If the monthly qualifying rental income (as defined above) minus the full PITIA is positive, it must be added to the borrower's total monthly income.</li> <li>• If the monthly qualifying rental income minus PITIA is negative, the monthly net rental loss must be added to the borrower's total monthly obligations.</li> <li>• The full PITIA for the rental property is factored into the amount of the net rental income (or loss); therefore, it should not be counted as a monthly obligation.</li> <li>• The full monthly payment for the borrower's principal residence (full PITIA or monthly rent) must be counted as a monthly obligation.</li> </ul>

Click on the logo to go back to the index page.

Refinance - Cash Out	<ul style="list-style-type: none"> <li>• Refinances which do not fit into the rate and term guidelines are deemed to be cash out</li> <li>• 6 months seasoning required measure from note date to note date.</li> <li>• Refinance (all types): If owned less than 12 months, use lesser or purchase price plus documented improvements or market value. If more than 12 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Refinance Delayed Financing	<p>Delayed purchase financing is eligible when a property was purchased by a borrower for cash within 180 days of the loan application.</p> <ul style="list-style-type: none"> <li>• The original purchase transaction was an arms-length transaction.</li> <li>• The source of funds for the purchase transaction are documented (such as bank statements, personal loan documents, or a HELOC on another property).</li> <li>• The maximum LTV/CLTV ratio for the transaction is based upon the lower of the current appraised value or the property's purchase price plus documented improvements.</li> <li>• The preliminary title search or report must confirm that there are no existing liens on the subject property</li> <li>• The transaction is considered cash-out, cash-out Loan/LTV limits apply.</li> <li>• The new loan amount can be no more than the actual documented amount of the borrower's initial investment subject to the maximum LTV/CLTV for cash-out transactions.</li> </ul>
Refinance – Rate & Term	<ul style="list-style-type: none"> <li>• No seasoning required</li> <li>• Payoff of first and any subordinate lien(s), where the subordinate lien(s) is seasoned &gt;6 months for closed-end loans and no draws on in 6 months for home equity line(s) of credit, preceding application date unless the subordinate lien(s) was used in full to purchase the property</li> <li>• Buyout accompanied by an executed buyout agreement</li> <li>• Refinance (all types): If owned less than 6 months, use lesser or purchase price plus documented improvements or market value. If more than 6 months, use market value. Seasoning is measures from note date to note date.</li> </ul>
Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Rent loss insurance with coverage equal to at least six (6) months of gross monthly rent must be obtained and maintained on each investment property financed under this program. All other insurance per Fannie Mae guidelines.</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• Loan amounts &lt;= \$1MM: 9 months' PITIA</li> <li>• Loan amounts &gt; \$1MM: 12 months' PITIA</li> <li>• Cash out proceeds may be used to meet the reserve requirement</li> </ul>

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Residual Income	<ul style="list-style-type: none"> <li>Not required for second homes or non-owner occupied properties</li> <li>Required when DTI is over 43%, minimum residual income is \$2,500</li> <li>Residual Income is the amount of monthly income remaining once a borrower has paid all monthly debt obligations. Residual Income = Gross Monthly Income minus total monthly debt. Add \$250 for the first dependent and \$125 for each additional dependent.</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All seller concessions must be properly disclosed in the sales contract, appraisal and HUD-1 and be compliant with applicable federal, state and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested Party Contributions</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Temporary Rate Buydowns	Not allowed

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Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"><li>○ Purpose of the LLC is for the ownership and management of real estate</li><li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li><li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li><li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li></ul>
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## 5000-CES & HELOCs: 12 or 24BS & 24PL w/3BS

SECOND LIENS: CES & HELOCs • STAND-ALONE • 12 & 24 Bank Statements • 24 Month P&L w/ 3Mo. Bank Statements • 95% CLTV/HCLTV Purchase • Up To \$650,000

Primary Residence										
Purpose	Credit Score	CLTV/HCLTV	Max. Loan Amount	Reserves						
Purchase, R&T & Cash Out	720 +	85%	\$350,000	3 Months						
	680 +	80%								
	660 +	70%								
	720 +	85%	\$500,000	3 Months						
	680 +	75%								
	720 +	65%	\$650,000	4 Months						
Second Home										
Purchase, R&T & Cash Out	700 +	80%	\$350,000	4 Months						
	680 +	75%								
	720 +	80%	\$500,000	4 Months						
	700 +	75%								
<u>Non Owner</u>										
Purchase, R&T & Cash Out	740 +	80%	\$500,000	4 Months						
	700 +	75%								
	680 +	70%								
Other Restrictions										
Condo – Non Warrantable	Not available									
Condo – Warrantable	Max. CLTV/HCLTV 80%									
2-4 Units	Max. CLTV/HCLTV 75%									
Texas & Utah	Not available									
CT, IL, NJ	CLTV/HCLTV 80% & Min FICO 720									
24P&L w/ 3mosBS	Min Fico 720, OO, CLTV/HCLTV 65% & max \$350k' CES Only									
HELOC: 5 Yr Draw, 5 Yr Interest Only & 25 Yr Repayment; Must be full draw										
CES Term: 30 Year Fixed										

Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing  Income and Asset Documentation: Dated within 60 days of closing  Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p><b>Appraisal Options</b>  <u>All Occupancies:</u></p> <ul style="list-style-type: none"> <li>• A new Residential Appraisal plus an AVM supporting value within 10%. If the AVM variance is greater than 10%, the lower of the two is used to calculate CLTV/HCLTV.</li> </ul> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>Any property located in a declining market as reported by the appraiser requires a 5%-10% CLTV/HCLTV reduction.</p> <p><b>Minimum Standards</b>  Minimum Square Footage 750 Sq. Feet.  Properties located in a declining market as designated by the appraiser are not permitted  Property constructed for year-round use  Permanently affixed continuous heat source  Maximum deferred maintenance cannot exceed \$2,000  No health or safety issues both internal or external  Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven  Bedroom required</p>
Appraisal Accessory Dwelling Units (ADU)	<ul style="list-style-type: none"> <li>• Property must conform to the neighborhood.</li> <li>• Comparable properties must include accessory dwelling unit.</li> <li>• Rental income cannot be used to qualify the borrower.</li> </ul>

Appraisal Transfers	<p>Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.</p> <p>To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:</p> <ul style="list-style-type: none"><li>• Prepared on Letterhead of the original Lender</li><li>• Current Date</li><li>• Borrower Name</li><li>• Property Address</li><li>• Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements</li><li>• Signed by an Authorized Representative</li><li>• Appraisal must be dated within 45 days of submission to GBL</li></ul> <p>The following documents are required with a transfer:</p> <ul style="list-style-type: none"><li>• Executed Appraisal Transfer Letter</li><li>• First generation appraisal report</li><li>• "Subject to ...." are in-eligible</li><li>• Copy of the invoice submitted to the original lender</li><li>• Proof that the original report was provided to the borrower</li></ul>
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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> </ul> </li> <li>○ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is not available</li> </ul> <p><u>In-Eligible:</u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>
Calculation of the CLTV/HCLTV Ratio	<p>The CLTV/HCLTV ratio is determined by dividing the sum of the items listed below by the appraised value of the property.</p> <ul style="list-style-type: none"> <li>• The unpaid principal balance of the first mortgage, as verified from credit and/or VOM.</li> <li>• The original loan/line amount of the second mortgage</li> <li>• Negative amortization first liens not allowed</li> </ul>

Combined Loan/Line Balance Caps	<p>The CLTV/HCLTV of the combined 1st and 2nd lien loan/line balances are restricted as follows:</p> <ul style="list-style-type: none"> <li>• Total lien balance &lt;= \$2,000,000 – maximum CLTV/HCLTV 95%</li> <li>• Total lien balance &gt; \$2,000,000 to \$5,000,000 – maximum CLTV/HCLTV 80%</li> <li>• Total lien balance &gt; \$5,000,000 – Not available</li> </ul>																
Continuity of Obligation	<ul style="list-style-type: none"> <li>• Continuity of obligation occurs on a transaction when at least one of the borrower(s) on the existing first or second mortgage is also a borrower/member on the new transaction secured by the subject property. When an existing Mortgage will be satisfied as a result of a refinance transaction, the following requirement must be met: <ul style="list-style-type: none"> <li>○ At least one borrower on the stand-alone refinance mortgage has held title for the most recent 12-month period or since purchase, and the mortgage file contains documentation evidencing that the borrower has been making timely mortgage payments, including the payments for any secondary financing, for the most recent 12-month period</li> </ul> </li> </ul>																
Credit	<ul style="list-style-type: none"> <li>• All borrowers contributing income must meet the minimum tradeline requirements listed below: <ul style="list-style-type: none"> <li>○ A minimum of three (3) tradelines, one currently open and active for at least 24-months based upon the credit report pull date. The other two (2) must have been reported for a minimum of 12-months but can be open or closed.</li> </ul> </li> <li>• Valid tradelines have the below characteristics <ul style="list-style-type: none"> <li>○ The credit line must be reflected on the borrower's credit report</li> <li>○ The account must have activity in the last 12 months but may be open or closed.</li> </ul> </li> <li>• The following are not acceptable to be counted as valid tradelines: Liabilities in deferment status, Accounts discharged through bankruptcy , Authorized user accounts, Charge-offs, Collection accounts, Foreclosures, Deed-in-lieu foreclosures, Short sales, Pre-foreclosure sales</li> <li>• Borrower explanations are to be provided for any Disputed Tradelines with derogatory information reported in the last two years.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #008000; color: white;"> <th colspan="2">Matrix 5000-CES &amp; HELOCs</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td style="text-align: center;">660</td></tr> <tr> <td>Housing</td><td style="text-align: center;">0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>BK (Other)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td style="text-align: center;">60 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td colspan="2" style="text-align: center;">No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.</td></tr> </tbody> </table>	Matrix 5000-CES & HELOCs		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	60 Mo	Short Sale / DIL / Loan Mod.	48 Mo	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.	
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Credit Credit Events	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.
Credit Consumer Credit	<p>Consumer Credit History Applicants with current credit delinquencies are ineligible.</p> <p>Consumer Credit Charge-offs and Collections Charge-offs or collections paid off over 12 months ago are acceptable. Open medical collections less than \$1,000 per occurrence ok to be left open.</p> <p>Consumer Credit Counseling Services Borrowers enrolled in credit counseling are ineligible.</p> <p>Judgment or Liens All judgements, garnishments and all outstanding liens must be paid off prior to or at loan closing.</p> <p>Income Tax Liens All income tax liens (federal, state, local) must be paid off prior to or at loan closing</p>
Credit Forbearance / Deferment	The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented
Credit Housing History	<p>Borrowers must have satisfactory consecutive 12 or 24 month mortgage and/or rent payment history in the three (3) years prior to loan application. Mortgage and rental payments not reflected on the credit report must be documented via an institutional Verification of Rent or Verification of Mortgage (VOR/VOM), or with alternative documentation. Alternative documentation must show the most recent 12 or 24 month history, and may be in the form of cancelled checks or bank statements, mortgage/rental statements including payment history, etc. Payments to private lenders require support with cancelled checks. Alternative documentation is ineligible for FTHB.</p> <p>No mortgage lates in the last 12 months inclusive of all mortgages and all REO for all borrowers on the transaction.</p> <ul style="list-style-type: none"> <li>• Borrowers who live rent-free or without a complete 12 or 24 month housing history are in-eligible, except for the following:           <ul style="list-style-type: none"> <li>◦ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free. The underwriter must obtain an acceptable 12 or 24 months housing/rental history (based on specific requirements) for the time-frame immediately prior to the rent-free period and provide a LOE.</li> </ul> </li> </ul>

Credit Inquiries	For all inquiries within the most recent 90 days of the credit report date, a signed letter of explanation from the borrower or creditor is required to determine whether additional credit was granted as a result of the borrower's request. If new credit was extended, borrower must provide documentation on the current balance and payment; based on the verification of all new debt/liabilities, the borrower should be qualified with the additional monthly payment. If no credit was extended, borrower must state the purpose of the inquiry
Credit Liabilities	<ul style="list-style-type: none"> <li>• Installment Debt – Must be included in the DTI calculation if 10 or more payments remain. The monthly payment may be excluded from the DTI calculation if there are 9 or fewer monthly payments remaining, and the payment is not substantial. Substantial is defined as the payment equaling or exceeding 5% of the qualifying income. A substantial payment must be included in the DTI.</li> <li>• Deferred installment debts including student loans must be included in the DTI ratio.</li> <li>• Delinquent federal income taxes paid on a monthly basis to the IRS under an approved plan must be paid in full at or prior to closing.</li> <li>• All balloon payment notes</li> <li>• If the application, title, or credit documents indicate the borrower is involved in a lawsuit or litigation, the borrower is not eligible.</li> <li>• Paying off debt to qualify is permitted (Paying down debt to qualify is not permitted)</li> </ul>
Credit Past Due	<ul style="list-style-type: none"> <li>• Past due consumer debts can be no more than 30 days past due at time of closing.</li> </ul>

Credit Obligations / Liabilities not appearing on Credit Report	<p><u>Housing and Mortgage Related Obligations</u>          All properties owned by the borrower must be fully documented. These obligations must be verified using reasonably reliable records such as taxing authority or local government records, homeowner's association billing statements, information obtained from a valid and legally executed contract.</p> <p>The monthly mortgage payment (PITIA) used for qualification consists of the following:</p> <ul style="list-style-type: none"> <li>• Principal and Interest</li> <li>• Hazard and flood and insurance premiums</li> <li>• Real Estate Taxes</li> <li>• Special Assessments</li> <li>• Association Dues</li> <li>• Any subordinate financing payments.</li> <li>• Premiums and similar charges that are required by the creditor (i.e., mortgage insurance)</li> </ul> <p><u>Current Debt Obligations, Child Support, Alimony or Maintenance Obligations</u>          GBL may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed.</p> <p>Monthly alimony, child support or separate maintenance fees should be current at time of application and must be included in the borrower's DTI ratio. The file should contain supporting documentation as evidence of the obligation, such as a final divorce decree, property settlement agreement, signed legal separation agreement, or court order. If payments are past due, the borrower is ineligible,</p>
Credit Report Gap	<p>Underwriter should confirm there are no new borrower debt obligations. A gap credit report or soft-pull is required if Note date is greater than 30 days after the date of the credit report relied upon for underwriting. The gap credit report or soft-pull is to be dated within 15 days of the Note date.</p> <p>When a gap report or soft-pull is required, it becomes part of the Mortgage File and all payments/balances and DTI are to be updated.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 660 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

## **5000-CES & HELOCs: 12 or 24BS & 24PL w/3BS**

Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<ul style="list-style-type: none"> <li>• <a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></li> <li>• Texas &amp; Utah: in-eligible CES &amp; HELOCs</li> <li>• HELOC not available in AK, HI, and NY</li> <li>• CT, IL, NJ: Max LTV/CLTV/HCLTV 80% &amp; Min FICO 720</li> </ul>
Escrow Account	<ul style="list-style-type: none"> <li>• Not required for second liens.</li> </ul>
First Time Homebuyers	<p>GBL defines a First Time Home Buyer as a borrower who has no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the subject property.</p> <p>A First Time Home Buyer is required to have a documented 0x30x12 month housing/rental history. Private party housing histories are ineligible.</p>
Gift Funds	Not Allowed

HELOC ARM Information	<ul style="list-style-type: none"> <li>• Index: Prime Rate as published in the WSJ on the 1st of the month, if there is a range published the highest rate will be used</li> <li>• Lifetime Cap: 18.000% or as allowable</li> <li>• Floor Rate: Greater of 4.00% or margin.</li> <li>• Margin: will vary, see rate sheet</li> <li>• Assumable: No</li> <li>• Daily Periodic Interest Rate: Index plus Margin</li> <li>• Finance Charges: Interest accrues on the day of an advance and continues until the outstanding balance is paid in full. Interest is calculated daily based upon the Daily Periodic Rate and the daily balance.</li> <li>• Initial Advance: 100% of the line amount</li> <li>• Advances: After closing, no advances for the first 90 days for servicing transfer. Minimum subsequent draws are \$1,000, not to exceed the loan amount limit</li> <li>• Minimum Payment:           <ul style="list-style-type: none"> <li>◦ Draw Period: Interest only calculation, greater of accrued interest or \$100.</li> <li>◦ Repayment Period: Amortizing principal and interest payment based upon the total line amount, repayment term, current rate (Index plus Margin).</li> </ul> </li> <li>• Maturity Date: 1st of the Month/Year based on total loan term.</li> <li>• Qualifying Rate The greater of the fully indexed rate + 2.0% or note rate +2.0%.</li> <li>• Qualifying Payment: Qualifying payment is based on the qualifying rate and the total credit limit during repayment period.</li> <li>• HELOC Agreement Fees           <ul style="list-style-type: none"> <li>◦ Return Check \$25.00</li> <li>◦ Stop Payment \$50.00</li> <li>◦ Annual Fee \$25.00</li> </ul> </li> </ul>
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Income 12 or 24 Bank Statements Calculation / Documentation Bank Statements from Personal Account	<p><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></p> <p><u>Using Personal Bank Statements to Qualify</u></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 12 or 24 months personal bank statements - Utilize 12 or 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingled accounts, may be used for income analysis.</li> </ul> <p>Personal Bank Statement Analysis</p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 12 or 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>
Income 12 or 24 Bank Statements Calculation / Documentation Bank Statements from Business or co-mingled Account 12 or 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 12 or 24 Month P&amp;L Statement (Option 1)           <ul style="list-style-type: none"> <li>○ 12 or 24 Month P&amp;L prepared by CPA, EA, or licensed tax preparer</li> <li>○ 12 or 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>○ P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> <p>Qualifying income</p> </li> </ol>
Income 12 or 24 Bank Statements Calculation / Documentation Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2)           <ul style="list-style-type: none"> <li>○ An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, EA or licensed tax preparer.</li> <li>○ 12 or 24 months of business bank statements covering the most recent time period.</li> <li>○ Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer..</li> <li>○ Expenses must be reasonable for the type of business.</li> <li>○ GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>

<p>Income 12 or 24 Bank Statements Calculation / Documentation Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)</p>	<p>3. 50% Net Margin (Option 3)</p> <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation.</li> <li>o 12 or 24 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (12 or 24) or (b) the income indicated on the initial 1003. <ul style="list-style-type: none"> <li>▪ Net Income = <u>Total Eligible Deposits * Borrower Ownership Percentage * 50%</u> 12 or 24 months</li> </ul> </li> <li>o The underwriter may use an expense factor higher than the standard 50% when the analysis of the bank statements reflect higher expenses.</li> </ul>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account CPA / EA Profit & Loss Statement w/ Bank Statements (Option 4)	<p>4. CPA / EA Profit &amp; Loss Statement w/ Minimum 3 Months Bank Statements (Option 4)</p> <ul style="list-style-type: none"> <li>○ Profit &amp; Loss statement prepared by a Certified Public Accountant (CPA) or an IRS Enrolled Agent (EA). The credit file must contain documentation showing the CPA is currently licensed in their state or the EA is currently active (Screen shot of the IRS web site).           <ul style="list-style-type: none"> <li>i. 24 Month CPA, or EA compiled P&amp;L Statement               <ol style="list-style-type: none"> <li>1. 24 month (P&amp;L) prepared/complied and signed by a CPA (proof of CPA current state license required) or EA (proof EA currently active on IRS web site), dated within 30-days of the loan application, and</li> <li>2. The preparer must state: they have prepared the borrower's most recent tax return; and</li> <li>3. A minimum 3-months of business bank statements covering the most recent 3-month period.</li> </ol> </li> <li>○ The 3-months of business bank statements must support the sales reflected on the Profit and Loss Statement prepared by either a CPA or EA. The average deposits from the bank statements must be greater than, or no less than, 10% below the average monthly sales. In the event the 10% tolerance is not met, continuous bank statements may be added to the analysis until the tolerance is met. The qualifying income is the lower of (a) the net income from the P&amp;L divided by 24, or (b) total deposits per bank statements, minus any inconsistent deposits, divided by the number of bank statements, or (c) the income disclosed on the initial 1003.</li> <li>○ Maximum CLTV is 75%</li> <li>○ Maximum DTI 43%</li> <li>○ Maximum loan amount: \$350,000</li> <li>○ Minimum Fico is 720.</li> <li>○ Owner Occupied only</li> <li>○ 24 month Profit and Loss only; 12 month Profit and Loss is in-eligible</li> <li>○ HELOC not available.</li> </ul> </li> </ul>
Income 12 or 24 Bank Statements Calculation / Documentation Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>● The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>● Expenses must be reasonable for the type of business;</li> <li>● Pattern of deposits and payment should be consistent;</li> <li>● Expectations of changes in deposit pattern must be considered</li> <li>● Income documented separately but co-mingled must be backed out of deposit</li> <li>● Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>● Nonprofit Entity not eligible</li> <li>● Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>

Income 12 or 24 Bank Statements Documentation of Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>○ Long Term Rental:               <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Short Term Rental (refi only):               <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> <li>○ Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> </ul> </li> <li>○ Long Term Rental Departing Residency               <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible.                   <ul style="list-style-type: none"> <li>▪ 75% of the verified monthly rental income can be used.</li> <li>▪ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul>
Income 12 or 24 Bank Statements Misc. Sources	<ul style="list-style-type: none"> <li>● Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements.</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>● Not eligible</li> </ul>
Income – Supplement Asset Utilization	Not eligible
Interest Only (IO)	Not available on CES HELOC: First 60 months

Leasehold Properties	<p>In areas where leasehold estates are commonly accepted and documented via the Appraisal, loans secured by leasehold estates are eligible. The mortgage must be secured by the property improvements and the borrower's leasehold interest in the land. The leasehold estate and any improvements must constitute real property, be subject to the mortgage lien, and be insured by the lender's title policy.</p> <p>Leaseholds must meet all FNMA eligibility requirements (i.e. term of lease).</p>
Lien Ineligible Senior Lien	<ul style="list-style-type: none"> <li>• Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> <li>○ Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12- months of the Note date</li> <li>○ Loans in active forbearance or deferment</li> <li>○ Negative amortization including loans with Paid-In-Kind (PIK) features</li> <li>○ Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien</li> <li>○ Reverse Mortgages</li> <li>○ First liens for the subject property not reporting on credit report <ul style="list-style-type: none"> <li>▪ e.g., Private party mortgages including any loan not reporting on credit report</li> </ul> </li> <li>○ Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages</li> <li>○ Home Equity Line of Credit</li> <li>○ Note with default interest rate greater than the Note rate</li> </ul> </li> </ul>
Lien Ineligible Senior Lien Loan Features	<ul style="list-style-type: none"> <li>• Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.</li> <li>• Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.</li> <li>• Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.</li> <li>• All existing subordinate liens must be satisfied except for solar panels. <ul style="list-style-type: none"> <li>○ All Solar Panel loans and leases with PACE/HERO financing must be paid off.</li> </ul> </li> </ul>
Lien Position	<ul style="list-style-type: none"> <li>• Second lien must have a valid second position. <ul style="list-style-type: none"> <li>○ Other junior liens (For example: HELOCs, contract for deed, home improvement loan) must be paid off</li> </ul> </li> </ul>

Lien Senior/First Lien Documentation Requirements	<p>Stand-Alone CES:</p> <ul style="list-style-type: none"> <li>• Current (within 60 days) first mortgage statement showing,           <ul style="list-style-type: none"> <li>◦ Current principal balance.</li> <li>◦ Fully amortized.</li> <li>◦ Term.</li> </ul> </li> <li>• Copy of 1st lien Note</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> </ul> <p>Piggy-Back 2nd:</p> <ul style="list-style-type: none"> <li>• Follow 1st lien income requirements.</li> <li>• 1st mortgage approval reflecting 2nd.</li> <li>• Purchase agreement (if applicable).</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> <li>• Closing instructions reflecting 2nd.</li> </ul>
Lien Senior Lien/First Lien Interest Only or ARM	<ul style="list-style-type: none"> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> </ul>
Limitations on Financed Properties	<p>Primary and Second Homes</p> <ul style="list-style-type: none"> <li>• The maximum number of financed properties to any one borrower is limited to twenty (20) residential properties including subject property.</li> <li>• Commercial properties and residential &gt; 5-units excluded from calculation.</li> </ul> <p>Investor Properties</p> <ul style="list-style-type: none"> <li>• There is no limit on the number of financed properties</li> </ul>
Listing Seasoning	Properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date to application date.

Loan, Line & Draw Amounts	<p>Minimum loan/line amount: \$150,000</p> <p>HELOC: Minimum initial draw is 100.0% of the line amount.</p> <ul style="list-style-type: none"> <li>• Additional Draws - HELOC           <ul style="list-style-type: none"> <li>○ Prohibited during the first 120 days following closing date, after servicing transfer.</li> <li>○ Minimum \$1,000 not to exceed credit limit</li> </ul> </li> </ul>
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u></p> <p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u></p> <p>A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p>Non-arm's length transactions are permitted for a tenant buying the property that they are currently renting; from the landlord/owner of the property. Other Non-Arm's Length transactions are ineligible. Examples of non-arm's length transactions include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Family member sales</li> <li>• Renters purchasing from current landlord</li> <li>• Buyer trading properties with the seller</li> <li>• Property seller foreclosure bailouts</li> <li>• Existing buyer relationship with loan officer, real estate agents, closing agent, appraiser, builder, or developer</li> </ul>

Non-Permanent Resident Alien	Not allowed
Non-Occupant Co-borrowers	Non-Occupant co borrowers are ineligible
Ownership Seasoning	Properties owned less than six (6) months ineligible. Seasoning is not required for properties that are inherited or legally acquired through a divorce, separation, or dissolution of a domestic partnership.
Payment Shock	Not Calculated
Permanent Resident Alien	<p>A permanent resident alien is a non-U.S. citizen authorized to live and work in the U.S. on a permanent basis.</p> <p>Acceptable evidence of lawful permanent residency must be documented and meet one of the following criteria:</p> <ul style="list-style-type: none"> <li>• I-551: Permanent Resident Card (Green Card) issued for 10 years that has not expired</li> <li>• I-551: Conditional Permanent Resident Card (Green Card) issued for 2 years, that has an expiration date, and is accompanied by a copy of USCIS form I-751 requesting removal of the conditions</li> <li>• Un-expired Foreign Passport with an un-expired stamp reading as follows: "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until mm-dd-yy. Employment Authorized."</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	Not available

Product	<p>The following loan products are eligible</p> <ul style="list-style-type: none"> <li>• CES: 30 Year Fixed</li> <li>• HELOC: 30 year variable term (Index plus margin), 5 year interest only, 5 year draw period with a 25 year fully amortizing repayment period.</li> </ul>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.)</li> </ul>
Purchase Transactions	Loan proceeds must be used for the acquisition of the Subject Property; no proceeds may be paid to the Borrowers other than nominal amounts to reimburse the Borrowers for the overpayment of fees; none of the Borrowers may have had an ownership interest in the Subject Property over the past twelve months.
Purchase Transactions LTV/CLTV/HCLTV Calculation	To calculate the loan to value for a purchase transaction, the Lender must divide the loan amount by the lower of the Subject Property's purchase price or appraised value. To calculate the cumulative loan to value for a purchase transaction, the UW must divide the sum of the loan amount plus the principal amount of purchase money subordinate financing by the lower of the Subject Property's purchase price or appraised value.
Property Types	<p><u><b>Eligible:</b></u> Single Family Residences 1 Unit, PUDs, Townhouses, Condominiums: Warrantable Only • 2-4 Units</p> <p><u><b>Ineligible:</b></u> • Non-Warrantable Condos • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Log Homes • Manufactured housing • Mixed use properties • Modular homes • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

Property Types Warrantable Condos	<ul style="list-style-type: none"> <li>• Fannie Mae eligible condominium projects allowed.</li> <li>• GBL may review and approve FNMA warrantable projects. Follow the review process required by Fannie Mae for Limited Review.</li> <li>• Site Condos meeting the Fannie definition are eligible for single-family dwelling LTV/CLTV/HCLTV</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate / Payment</p> <ul style="list-style-type: none"> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on PITIA payment with the principal and interest payments amortized over the loan term</li> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> <li>• HELOC: Qualify at the greater of the current Prime Rate + margin + 2.0% or Note rate + 2.0%, using the total credit limit, over 25 year fully amortized payment.</li> </ul> <p>DTI Ratio</p> <ul style="list-style-type: none"> <li>• Maximum DTI is 45%</li> <li>• Maximum DTI is 45.01% - 50% with 700 minimum Fico, \$3,500 Residual Monthly Income and loan amount &lt;= \$500,000</li> </ul>
Refinance Transactions Rate and Term	<ul style="list-style-type: none"> <li>• Follow FNMA guidelines with the following exceptions:</li> <li>• At least one of the Borrowers must have been an owner of the Subject Property throughout the three-month period preceding the Date of the Loan – six months required for investment properties;</li> <li>• No portion of the principal due on a mortgage loan encumbering the Subject Property is being forgiven in connection with the refinance;</li> <li>• The Subject Property has not been listed for sale during the six-month period preceding the Date of the Loan -Investor Specific.</li> </ul>
Refinance Transactions Rate and Term LTV/CLTV/HCLTV Calculation	<p>If the property is owned for 6 months or less at the time of application, the LTV/CLTV/HCLTV will be based on the lesser of the original purchase price or current appraised value. The prior closing statement will be required for proof of purchase price.</p> <p>For Properties owned more than six months, LTV/CLTV/HCLTV will be based on the current appraised value.</p>

Refinance Transactions Cash out	<ul style="list-style-type: none"> <li>• At least one of the Borrowers must have been an owner of the Subject Property throughout the six-month period preceding the Date of the Loan, except if the property was inherited.</li> <li>• No portion of the principal due on a mortgage loan encumbering the Subject Property is being forgiven in connection with the refinance;</li> <li>• If the Loan is an investor loan, then the Borrowers must provide a letter of explanation stating how the loan proceeds will be used; uses for other than business purposes are not permitted</li> <li>• The Subject Property has not been listed for sale during the six-month period preceding the Date of the Loan</li> </ul> <p>No seasoning is required subject to the following (Primary &amp; Secondary Residences):</p> <ul style="list-style-type: none"> <li>• Seasoning 0-6 Months – Must use the lower of the purchase price or appraised value.</li> <li>• Seasoning &gt; 6 Months – May use appraised value.</li> </ul> <p>Six Month Seasoning is required for all Investment Products</p>
Refinance Transactions Cash Out LTV/CLTV/HCLTV Calculation	<p>Calculation of the LTV/CLTV/HCLTV depends on the time between the application date of the new loan, and the Note date of the prior mortgage or the date of initial purchase of the subject.</p> <ul style="list-style-type: none"> <li>• For properties owned for six (6) months or more, the LTV is calculated by utilizing the current appraised value.</li> </ul>
Rent Loss Coverage	Not required
Reserves	<ul style="list-style-type: none"> <li>• See front matrix</li> <li>• Cash out can be used for reserves.</li> </ul>
Residual Income	Required when DTI is greater than 45%

Vesting	<p>Ownership must be fee simple or leasehold</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in Common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul>
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SECOND LIENS: CES & HELOCs • STAND-ALONE • FULL DOCUMENTATION • 95% CLTV/HCLTV • LOAN AMOUNTS UP TO \$650,000

Primary Residence										
Purpose	Credit Score	CLTV/HCLTV	Max. Loan Amount	Reserves						
Purchase, R&T & Cash Out	740 +	95%	\$350,000	3 Months						
	720 +	90%								
	680 +	80%								
	660 +	70%								
	720 +	90%	\$500,000	3 Months						
	680 +	80%								
	720 +	65%	\$650,000	4 Months						
Second Home										
Purchase, R&T & Cash Out	700 +	85%	\$350,000	4 Months						
	680 +	75%								
	720 +	80%	\$500,000	4 Months						
	700 +	75%								
Non Owner										
Purchase, R&T & Cash Out	740 +	80%	\$500,000	4 Months						
	700 +	75%								
	680 +	70%								
Other Restrictions										
Condo – Non Warrantable	Not available									
Condo – Warrantable	Max. CLTV/HCLTV 80%									
2-4 Units	Max. CLTV/HCLTV 75%									
Texas & Utah	Not available									
CT, IL, NJ	CLTV/HCLTV 80% & Min FICO 720									
HELOC	Must be full draw									
HELOC: 5 Yr Draw, 5 Yr Interest Only & 25 Yr Repayment										
CES Term: 30 Year Fixed										

Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing  Income and Asset Documentation: Dated within 60 days of closing  Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p><b>Appraisal Options</b>  <u>All Occupancies:</u></p> <ul style="list-style-type: none"> <li>• A new Residential Appraisal plus an AVM supporting value within 10%. If the AVM variance is greater than 10%, the lower of the two is used to calculate CLTV/HCLTV.</li> </ul> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>Any property located in a declining market as reported by the appraiser requires a 5%-10% CLTV/HCLTV reduction.</p> <p><b>Minimum Standards</b>  Minimum Square Footage 750 Sq. Feet.  Properties located in a declining market as designated by the appraiser are not permitted  Property constructed for year-round use  Permanently affixed continuous heat source  Maximum deferred maintenance cannot exceed \$2,000  No health or safety issues both internal or external  Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven  Bedroom required</p>
Appraisal Accessory Dwelling Units (ADU)	<ul style="list-style-type: none"> <li>• Property must conform to the neighborhood.</li> <li>• Comparable properties must include accessory dwelling unit.</li> <li>• Rental income cannot be used to qualify the borrower.</li> </ul>

Appraisal  
Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either: <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion. <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> </ul> </li> <li>○ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is not available</li> </ul> <p><u>In-Eligible:</u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>
Calculation of the CLTV/HCLTV Ratio	<p>The CLTV/HCLTV ratio is determined by dividing the sum of the items listed below by the appraised value of the property.</p> <ul style="list-style-type: none"> <li>• The unpaid principal balance of the first mortgage, as verified from credit and/or VOM.</li> <li>• The original loan/line amount of the second mortgage</li> <li>• Negative amortization first liens not allowed</li> </ul>

Combined Loan Balance Caps	<p>The CLTV/HCLTV of the combined 1st and 2nd lien loan/line balances are restricted as follows:</p> <ul style="list-style-type: none"> <li>• Total lien balance &lt;= \$2,000,000 – maximum CLTV/HCLTV 95%</li> <li>• Total lien balance &gt; \$2,000,000 to \$5,000,000 – maximum CLTV/HCLTV 80%</li> <li>• Total lien balance &gt; \$5,000,000 – Not available</li> </ul>																
Continuity of Obligation	<ul style="list-style-type: none"> <li>• Continuity of obligation occurs on a transaction when at least one of the borrower(s) on the existing first or second mortgage is also a borrower/member on the new transaction secured by the subject property. When an existing Mortgage will be satisfied as a result of a refinance transaction, the following requirement must be met: <ul style="list-style-type: none"> <li>○ At least one borrower on the stand-alone refinance mortgage has held title for the most recent 12-month period or since purchase, and the mortgage file contains documentation evidencing that the borrower has been making timely mortgage payments, including the payments for any secondary financing, for the most recent 12-month period</li> </ul> </li> </ul>																
Credit	<ul style="list-style-type: none"> <li>• All borrowers contributing income must meet the minimum tradeline requirements listed below: <ul style="list-style-type: none"> <li>○ A minimum of three (3) tradelines, one currently open and active for at least 24-months based upon the credit report pull date. The other two (2) must have been reported for a minimum of 12-months but can be open or closed.</li> </ul> </li> <li>• Valid tradelines have the below characteristics <ul style="list-style-type: none"> <li>○ The credit line must be reflected on the borrower's credit report</li> <li>○ The account must have activity in the last 12 months but may be open or closed.</li> </ul> </li> <li>• The following are not acceptable to be counted as valid tradelines: Liabilities in deferment status, Accounts discharged through bankruptcy , Authorized user accounts, Charge-offs, Collection accounts, Foreclosures, Deed-in-lieu foreclosures, Short sales, Pre-foreclosure sales</li> <li>• Borrower explanations are to be provided for any Disputed Tradelines with derogatory information reported in the last two years.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #008000; color: white;"> <th colspan="2">Matrix 5000-CES &amp; HELOCs</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td style="text-align: center;">660</td></tr> <tr> <td>Housing</td><td style="text-align: center;">0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>BK (Other)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td style="text-align: center;">60 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td colspan="2" style="text-align: center;">No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.</td></tr> </tbody> </table>	Matrix 5000-CES & HELOCs		Minimum FICO	660	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	60 Mo	Short Sale / DIL / Loan Mod.	48 Mo	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.	
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Credit Credit Events	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.
Credit Consumer Credit	<p>Consumer Credit History Applicants with current credit delinquencies are ineligible.</p> <p>Consumer Credit Charge-offs and Collections Charge-offs or collections paid off over 12 months ago are acceptable. Open medical collections less than \$1,000 per occurrence ok to be left open.</p> <p>Consumer Credit Counseling Services Borrowers enrolled in credit counseling are ineligible.</p> <p>Judgment or Liens All judgements, garnishments and all outstanding liens must be paid off prior to or at loan closing.</p> <p>Income Tax Liens All income tax liens (federal, state, local) must be paid off prior to or at loan closing</p>
Credit Forbearance / Deferment	The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented
Credit Housing History	<p>Borrowers must have satisfactory consecutive 12 or 24 month mortgage and/or rent payment history in the three (3) years prior to loan application. Mortgage and rental payments not reflected on the credit report must be documented via an institutional Verification of Rent or Verification of Mortgage (VOR/VOM), or with alternative documentation. Alternative documentation must show the most recent 12 or 24 month history, and may be in the form of cancelled checks or bank statements, mortgage/rental statements including payment history, etc. Payments to private lenders require support with cancelled checks. Alternative documentation is ineligible for FTHB.</p> <p>No mortgage lates in the last 12 months inclusive of all mortgages and all REO for all borrowers on the transaction.</p> <ul style="list-style-type: none"> <li>• Borrowers who live rent-free or without a complete 12 or 24 month housing history are in-eligible, except for the following:           <ul style="list-style-type: none"> <li>◦ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free. The underwriter must obtain an acceptable 12 or 24 months housing/rental history (based on specific requirements) for the time-frame immediately prior to the rent-free period and provide a LOE.</li> </ul> </li> </ul>

Credit Inquiries	For all inquiries within the most recent 90 days of the credit report date, a signed letter of explanation from the borrower or creditor is required to determine whether additional credit was granted as a result of the borrower's request. If new credit was extended, borrower must provide documentation on the current balance and payment; based on the verification of all new debt/liabilities, the borrower should be qualified with the additional monthly payment. If no credit was extended, borrower must state the purpose of the inquiry
Credit Liabilities	<ul style="list-style-type: none"> <li>• Installment Debt – Must be included in the DTI calculation if 10 or more payments remain. The monthly payment may be excluded from the DTI calculation if there are 9 or fewer monthly payments remaining, and the payment is not substantial. Substantial is defined as the payment equaling or exceeding 5% of the qualifying income. A substantial payment must be included in the DTI.</li> <li>• Deferred installment debts including student loans must be included in the DTI ratio.</li> <li>• Delinquent federal income taxes paid on a monthly basis to the IRS under an approved plan must be paid in full at or prior to closing.</li> <li>• All balloon payment notes</li> <li>• If the application, title, or credit documents indicate the borrower is involved in a lawsuit or litigation, the borrower is not eligible.</li> <li>• Paying off debt to qualify is permitted (Paying down debt to qualify is not permitted)</li> </ul>
Credit Past Due	<ul style="list-style-type: none"> <li>• Past due consumer debts can be no more than 30 days past due at time of closing.</li> </ul>

Credit Obligations / Liabilities not appearing on Credit Report	<p><u>Housing and Mortgage Related Obligations</u>          All properties owned by the borrower must be fully documented. These obligations must be verified using reasonably reliable records such as taxing authority or local government records, homeowner's association billing statements, information obtained from a valid and legally executed contract.</p> <p>The monthly mortgage payment (PITIA) used for qualification consists of the following:</p> <ul style="list-style-type: none"> <li>• Principal and Interest</li> <li>• Hazard and flood and insurance premiums</li> <li>• Real Estate Taxes</li> <li>• Special Assessments</li> <li>• Association Dues</li> <li>• Any subordinate financing payments.</li> <li>• Premiums and similar charges that are required by the creditor (i.e., mortgage insurance)</li> </ul> <p><u>Current Debt Obligations, Child Support, Alimony or Maintenance Obligations</u>          GBL may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed.</p> <p>Monthly alimony, child support or separate maintenance fees should be current at time of application and must be included in the borrower's DTI ratio. The file should contain supporting documentation as evidence of the obligation, such as a final divorce decree, property settlement agreement, signed legal separation agreement, or court order. If payments are past due, the borrower is ineligible,</p>
Credit Report Gap	<p>Underwriter should confirm there are no new borrower debt obligations. A gap credit report or soft-pull is required if Note date is greater than 30 days after the date of the credit report relied upon for underwriting. The gap credit report or soft-pull is to be dated within 15 days of the Note date.</p> <p>When a gap report or soft-pull is required, it becomes part of the Mortgage File and all payments/balances and DTI are to be updated.</p>
Credit Scores	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 660 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<ul style="list-style-type: none"> <li>• <a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></li> <li>• Texas &amp; Utah: in-eligible CES &amp; HELOCs</li> <li>• HELOC not available in AK, HI, and NY</li> <li>• CT, IL, NJ: Max LTV/CLTV/HCLTV 80% &amp; Min FICO 720</li> </ul>
Escrow Account	<ul style="list-style-type: none"> <li>• Not required for second liens.</li> </ul>
First Time Homebuyers	<p>GBL defines a First Time Home Buyer as a borrower who has no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the subject property.</p> <p>A First Time Home Buyer is required to have a documented 0x30x12 month housing/rental history. Private party housing histories are ineligible.</p>
Gift Funds	Not Allowed

<p>HELOC ARM Information</p>	<ul style="list-style-type: none"> <li>• Index: Prime Rate as published in the WSJ on the 1st of the month, if there is a range published the highest rate will be used</li> <li>• Lifetime Cap: 18.000% or as allowable</li> <li>• Floor Rate: 4.00% or margin, whichever is greater.</li> <li>• Margin: will vary, see rate sheet</li> <li>• Assumable: No</li> <li>• Daily Periodic Interest Rate: Index plus Margin</li> <li>• Finance Charges: Interest accrues on the day of an advance and continues until the outstanding balance is paid in full. Interest is calculated daily based upon the Daily Periodic Rate and the daily balance.</li> <li>• Initial Advance: 100% of the line amount</li> <li>• Advances: After closing, no advances for the first 90 days for servicing transfer. Minimum subsequent draws are \$1,000, not to exceed the loan amount limit</li> <li>• Minimum Payment: <ul style="list-style-type: none"> <li>◦ Draw Period: Interest only calculation, greater of accrued interest or \$100.</li> <li>◦ Repayment Period: Amortizing principal and interest payment based upon the total line amount, repayment term, current rate (Index plus Margin).</li> </ul> </li> <li>• Maturity Date: 1st of the Month/Year based on total loan term.</li> <li>• Qualifying Rate The greater of the fully indexed rate +2.0% or note rate +2.0%.</li> <li>• Qualifying Payment: Qualifying payment is based on the qualifying rate and the total credit limit during repayment period.</li> <li>• HELOC Agreement Fees <ul style="list-style-type: none"> <li>◦ Return Check \$25.00</li> <li>◦ Stop Payment \$50.00</li> <li>◦ Annual Fee \$25.00</li> </ul> </li> </ul>
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Income Full Documentation	<ul style="list-style-type: none"> <li>• When tax returns are required, the most recent two years should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior two years of tax returns.</li> </ul> <p><b>Wage or Salaried Borrowers:</b></p> <ul style="list-style-type: none"> <li>• A completed Request for Verification of Employment (Form 1005 or Form 1005(S)), and the borrower's recent paystub (reflecting 30 days of pay and YTD earnings) and IRS W-2 forms covering the most recent two-year period</li> <li>• A verbal VOE from each employer within 10-days of the note date</li> <li>• A completed, signed, and dated IRS Form 4506-C is required for each borrower. The form should be executed and the transcripts for the most recent two-year period included in the credit file. If tax returns included in the credit file, the transcripts and returns should be compared. Any discrepancies between the two documents should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Tax returns are not required if the only income is wages or salary. If any business income present on the transcripts or the borrower owns multiple investment properties, tax returns must be provided. Personal tax returns must be complete with all schedules (W-2 forms, 1099 forms, K-1, and any other forms) and be signed and dated</li> </ul> <p><b>Self Employed Borrowers:</b></p> <ul style="list-style-type: none"> <li>• Most recent two years of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>• A YTD P&amp;L and balance sheet (Borrower prepared acceptable, borrower required to sign and date both the P&amp;L and Balance Sheet),</li> <li>• A complete, signed, and dated IRS Form 4506-C is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Verify the existence of the business within 30-days of funding and ensure the business is active with the following; a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>• Underwriter must consider the financial strength of a self-employed borrower's business</li> <li>• Provide three (3) months business bank statements or the months reflected on the YTD P&amp;L. The 3-months of business bank statements must support the sales reflected on the Profit and Loss Statement. The average deposits from the bank statements must be greater than, or no less than, 10% below the average monthly sales. In the event the 10% tolerance is not met, continuous bank statements may be added to the analysis until the tolerance is met</li> </ul>
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Income Full Doc Documentation of other Sources	<p>The following sources of income must be verified using Fannie Mae requirements.</p> <ul style="list-style-type: none"> <li>• Bonus*</li> <li>• Commission*</li> <li>• Overtime*</li> <li>• Part-time/Variable (uninterrupted and stable for past two years*)</li> <li>• Retirement</li> <li>• Social security</li> <li>• Investment and Trust</li> <li>• Military or government assistance</li> <li>• Child support and alimony</li> </ul> <p>* A period of two years must be used in calculating the average overtime, bonus, and commission income. If either type of income shows a continual decline, written justification on the income worksheet must be provided, or income should not be used. For Part-time employment, a minimum two (2) year history is required however a shorter period, of no less than twelve (12) months, may be considered case-by-case if positive factors are present to offset shorter history.</p>
Income – Supplement Asset Utilization	Not eligible
Interest Only (IO)	Not available on CES HELOC: First 60 months
Leasehold Properties	<p>In areas where leasehold estates are commonly accepted and documented via the Appraisal, loans secured by leasehold estates are eligible. The mortgage must be secured by the property improvements and the borrower's leasehold interest in the land. The leasehold estate and any improvements must constitute real property, be subject to the mortgage lien, and be insured by the lender's title policy.</p> <p>Leaseholds must meet all FNMA eligibility requirements (i.e. term of lease).</p>

Lien Ineligible Senior Lien	<ul style="list-style-type: none"> <li>• Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> <li>◦ Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12- months of the Note date</li> <li>◦ Loans in active forbearance or deferment</li> <li>◦ Negative amortization including loans with Paid-In-Kind (PIK) features</li> <li>◦ Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien</li> <li>◦ Reverse Mortgages</li> <li>◦ First liens for the subject property not reporting on credit report <ul style="list-style-type: none"> <li>▪ e.g., Private party mortgages including any loan not reporting on credit report</li> </ul> </li> <li>◦ Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages</li> <li>◦ Home Equity Line of Credit</li> <li>◦ Note with default interest rate greater than the Note rate</li> </ul> </li> </ul>
Lien Ineligible Senior Lien Loan Features	<ul style="list-style-type: none"> <li>• Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.</li> <li>• Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.</li> <li>• Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.</li> <li>• All existing subordinate liens must be satisfied except for solar panels. <ul style="list-style-type: none"> <li>◦ All Solar Panel loans and leases with PACE/HERO financing must be paid off.</li> </ul> </li> </ul>
Lien Position	<ul style="list-style-type: none"> <li>• Second lien must have a valid second position. <ul style="list-style-type: none"> <li>◦ Other junior liens (For example: HELOCs, contract for deed, home improvement loan) must be paid off</li> </ul> </li> </ul>

Lien Senior/First Lien Documentation Requirements	<p>Stand-Alone CES:</p> <ul style="list-style-type: none"> <li>• Current (within 60 days) first mortgage statement showing, <ul style="list-style-type: none"> <li>◦ Current principal balance.</li> <li>◦ Fully amortized.</li> <li>◦ Term.</li> </ul> </li> <li>• Copy of 1st lien Note</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> </ul> <p>Piggy-Back 2nd:</p> <ul style="list-style-type: none"> <li>• Follow 1st lien income requirements.</li> <li>• 1st mortgage approval reflecting 2nd.</li> <li>• DU/LP Approve/Eligible, or LP Accept or Approve/Accept/Ineligible due to loan size or non-conforming 1st liens (if applicable).</li> <li>• Purchase agreement (if applicable).</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> <li>• Closing instructions reflecting 2nd.</li> </ul>
Lien Senior Lien/First Lien Interest Only or ARM	<ul style="list-style-type: none"> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> </ul>
Limitations on Financed Properties	<p>Primary and Second Homes</p> <ul style="list-style-type: none"> <li>• The maximum number of financed properties to any one borrower is limited to twenty (20) residential properties including subject property.</li> <li>• Commercial properties and residential &gt; 5-units excluded from calculation.</li> </ul> <p>Investor Properties</p> <ul style="list-style-type: none"> <li>• There is no limit on the number of financed properties</li> </ul>
Listing Seasoning	Properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date to application date.

Loan, Line & Draw Amounts	<p>Minimum loan/Line amount: \$150,000</p> <p>HELOC: Minimum initial draw is 100.0% of the line amount.</p> <ul style="list-style-type: none"> <li>• Additional Draws - HELOC <ul style="list-style-type: none"> <li>○ Prohibited during the first 120 days following closing date, after servicing transfer.</li> <li>○ Minimum \$1,000 not to exceed credit limit</li> </ul> </li> </ul>
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u></p> <p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u></p> <p>A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p>Non-arm's length transactions are permitted for a tenant buying the property that they are currently renting; from the landlord/owner of the property. Other Non-Arm's Length transactions are ineligible. Examples of non-arm's length transactions include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Family member sales</li> <li>• Renters purchasing from current landlord</li> <li>• Buyer trading properties with the seller</li> <li>• Property seller foreclosure bailouts</li> <li>• Existing buyer relationship with loan officer, real estate agents, closing agent, appraiser, builder, or developer</li> </ul>

Non-Permanent Resident Alien	Not allowed
Non-Occupant Co-borrowers	Non-Occupant co borrowers are ineligible
Ownership Seasoning	Properties owned less than six (6) months ineligible. Seasoning is not required for properties that are inherited or legally acquired through a divorce, separation, or dissolution of a domestic partnership.
Payment Shock	Not Calculated
Permanent Resident Alien	<p>A permanent resident alien is a non-U.S. citizen authorized to live and work in the U.S. on a permanent basis.</p> <p>Acceptable evidence of lawful permanent residency must be documented and meet one of the following criteria:</p> <ul style="list-style-type: none"> <li>• I-551: Permanent Resident Card (Green Card) issued for 10 years that has not expired</li> <li>• I-551: Conditional Permanent Resident Card (Green Card) issued for 2 years, that has an expiration date, and is accompanied by a copy of USCIS form I-751 requesting removal of the conditions</li> <li>• Un-expired Foreign Passport with an un-expired stamp reading as follows: "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until mm-dd-yy. Employment Authorized."</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	Not available

Product	<p>The following loan products are eligible</p> <ul style="list-style-type: none"> <li>• CES: 30 Year Fixed</li> <li>• HELOC: 30 year variable term (Index plus margin), 5 year interest only, 5 year draw period with a 25 year fully amortizing repayment period.</li> </ul>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.)</li> </ul>
Purchase Transactions	<p>Loan proceeds must be used for the acquisition of the Subject Property; no proceeds may be paid to the Borrowers other than nominal amounts to reimburse the Borrowers for the overpayment of fees; none of the Borrowers may have had an ownership interest in the Subject Property over the past twelve months.</p>
Purchase Transactions LTV/CLTV/HCLTV Calculation	<p>To calculate the loan to value for a purchase transaction, the Lender must divide the loan amount by the lower of the Subject Property's purchase price or appraised value. To calculate the cumulative loan to value for a purchase transaction, the UW must divide the sum of the loan amount plus the principal amount of purchase money subordinate financing by the lower of the Subject Property's purchase price or appraised value.</p>
Property Types	<p><u><b>Eligible:</b></u> Single Family Residences 1 Unit, PUDs, Townhouses, Condominiums: Warrantable Only • 2-4 Units</p> <p><u><b>Ineligible:</b></u> • Non-Warrantable Condos • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Log Homes • Manufactured housing • Mixed use properties • Modular homes • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>

Property Types Warrantable Condos	<ul style="list-style-type: none"> <li>• Fannie Mae eligible condominium projects allowed.</li> <li>• GBL may review and approve FNMA warrantable projects. Follow the review process required by Fannie Mae for Limited Review.</li> <li>• Site Condos meeting the Fannie definition are eligible for single-family dwelling LTV/CLTV/HCLTV</li> </ul>
Qualifying Rate and Ratios	<p>Qualifying Rate / Payment</p> <ul style="list-style-type: none"> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on PITIA payment with the principal and interest payments amortized over the loan term</li> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> <li>• HELOC: Qualify at the greater of the current Prime Rate + margin + 2.0% or Note rate + 2.0%, using the total credit limit, over 25 year fully amortized payment.</li> </ul> <p>DTI Ratio</p> <ul style="list-style-type: none"> <li>• Maximum DTI is 45%</li> <li>• Maximum DTI is 45.01% - 50% with 700 minimum Fico, \$3,500 Residual Monthly Income and loan amount &lt;= \$500,000</li> </ul>
Refinance Transactions Rate and Term	<ul style="list-style-type: none"> <li>• Follow FNMA guidelines with the following exceptions:</li> <li>• At least one of the Borrowers must have been an owner of the Subject Property throughout the three-month period preceding the Date of the Loan – six months required for investment properties;</li> <li>• No portion of the principal due on a mortgage loan encumbering the Subject Property is being forgiven in connection with the refinance;</li> <li>• The Subject Property has not been listed for sale during the six-month period preceding the Date of the Loan -Investor Specific.</li> </ul>
Refinance Transactions Rate and Term LTV/CLTV/HCLTV Calculation	<p>If the property is owned for 6 months or less at the time of application, the LTV/CLTV/HCLTV will be based on the lesser of the original purchase price or current appraised value. The prior closing statement will be required for proof of purchase price.</p> <p>For Properties owned more than six months, LTV/CLTV/HCLTV will be based on the current appraised value.</p>

Refinance Transactions Cash out	<ul style="list-style-type: none"> <li>• At least one of the Borrowers must have been an owner of the Subject Property throughout the six-month period preceding the Date of the Loan, except if the property was inherited;</li> <li>• No portion of the principal due on a mortgage loan encumbering the Subject Property is being forgiven in connection with the refinance;</li> <li>• If the Loan is an investor loan, then the Borrowers must provide a letter of explanation stating how the loan proceeds will be used; uses for other than business purposes are not permitted</li> <li>• The Subject Property has not been listed for sale during the six-month period preceding the Date of the Loan</li> </ul> <p>No seasoning is required subject to the following (Primary &amp; Secondary Residences):</p> <ul style="list-style-type: none"> <li>• Seasoning 0-6 Months – Must use the lower of the purchase price or appraised value.</li> <li>• Seasoning &gt; 6 Months – May use appraised value.</li> </ul> <p>Six Month Seasoning is required for all Investment Products</p>
Refinance Transactions Cash Out LTV/CLTV/HCLTV Calculation	<p>Calculation of the LTV depends on the time between the application date of the new loan, and the Note date of the prior mortgage or the date of initial purchase of the subject.</p> <ul style="list-style-type: none"> <li>• For properties owned for six (6) months or more, the LTV is calculated by utilizing the current appraised value.</li> </ul>
Rent Loss Coverage	Not required
Reserves	<ul style="list-style-type: none"> <li>• See front matrix</li> <li>• Cash out can be used for reserves.</li> </ul>
Residual Income	Required when DTI is greater than 45%

Vesting	<p>Ownership must be fee simple or leasehold</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"><li>• Individuals</li><li>• Joint tenants</li><li>• Tenants in Common</li><li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li></ul>
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**24 MONTH BANK STATEMENTS**

95% CLTV Purchase Simultaneous/Piggyback • Combined Loan Amounts Up To \$1,350,000 • 48 Months from Housing Event

**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
740 +	80% First Lien  15% Second Lien (see second lien programs)  95% CLTV	NA	NA	\$1,000,000 First Lien  \$350,000 Second Lien  \$1,350,000 Combined

Other Restrictions	
Condo - Warrantable	Not allowed
Condo – Non Warrantable	Not allowed
2-4 Units	Not allowed
CT, IL, TX, UT & NJ	Not allowed
Interest Only	Not allowed

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisals	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>Declining Markets are in-eligible.</p>

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Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact;</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u>In-Eligible:</u> • Non-Permanent Resident Aliens • Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>																
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>																
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" data-bbox="361 1155 1199 1437"> <thead> <tr> <th colspan="2">Matrix 5000-ELITE Combo95-24BS</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td> <td>740</td> </tr> <tr> <td>Housing</td> <td>0x30x12</td> </tr> <tr> <td>BK (Chap 13 Discharge)</td> <td>48 Mo</td> </tr> <tr> <td>BK (Other)</td> <td>48 Mo</td> </tr> <tr> <td>Foreclosure / NOD</td> <td>60 Mo</td> </tr> <tr> <td>Short Sale / DIL / Loan Mod.</td> <td>48 Mo</td> </tr> <tr> <td colspan="2">No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.</td></tr> </tbody> </table>	Matrix 5000-ELITE Combo95-24BS		Minimum FICO	740	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	60 Mo	Short Sale / DIL / Loan Mod.	48 Mo	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.	
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Credit Current Debt Obligations, Alimony & Child Support	<p>An underwriter may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed. Obligations that do not appear on the credit report, such as alimony and child support, must be documented through other methods according to Fannie Mae® guidelines.</p> <p>When the borrower is required to pay alimony, child support, or separate maintenance payments under a divorce decree, separation agreement, or any other written legal agreement - and those payments must continue to be made for more than 10 months - the payments must be considered as part of the borrower's recurring monthly debt obligations. However, voluntary payments do not need to be taken into consideration and an exception is allowed for alimony. For alimony obligations, the underwriter has the option to reduce the qualifying income by the amount of the alimony obligation in lieu of including it as a monthly payment in the calculation of the DTI ratio. If the underwriter exercises this option, a copy of the divorce decree, separation agreement, court order, or equivalent documentation confirming the amount of the obligation must be obtained and retained in the loan file.</p>
Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history are in-eligible</li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>

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Credit Scores	The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 680 or greater. To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.
Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<ul style="list-style-type: none"> <li>• <a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></li> <li>• CT, IL, NJ, TX, UT: Not allowed</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Escrows are required

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First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 36%.</li> <li>• A minimum 5% of applicant contribution</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history are ineligible</li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.
Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• Gifts of equity are not allowed.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>

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Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation / Documentation - Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 24 months personal bank statements - Utilize 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingles accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;           <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 24 Month P&amp;L Statement (Option 1)           <ul style="list-style-type: none"> <li>○ 24 Month P&amp;L prepared by CPA, EA, or licensed tax preparer.</li> <li>○ 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>○ P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> <p>Qualifying income</p> </li> </ol>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2)           <ul style="list-style-type: none"> <li>○ An expense statement specifying business expenses (minimum expense ratio is 15%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, EA or licensed tax preparer.</li> <li>○ 24 months of business bank statements covering the most recent time period.</li> <li>○ Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer..</li> <li>○ Expenses must be reasonable for the type of business.</li> <li>○ GBL reserves the right to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>

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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Fixed Expense Ratio Letter: (Option 3)	<p>3. 50% Net Margin (Option 3)</p> <ul style="list-style-type: none"> <li>o A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent</li> <li>o Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation.</li> <li>o 24 months of business bank statements covering the most recent time-period.</li> <li>o The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>o GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> <li>o Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (24) or (b) the income indicated on the initial 1003.           <ul style="list-style-type: none"> <li>▪ Net Income = <math>\frac{\text{Total Eligible Deposits} * \text{Borrower Ownership Percentage} * 50\%}{24 \text{ months}}</math></li> </ul> </li> </ul>
Income Calculation / Documentation - Bank Statements from Business or co-mingled Account Notes	<ul style="list-style-type: none"> <li>• The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>• Expenses must be reasonable for the type of business;</li> <li>• Pattern of deposits and payment should be consistent;</li> <li>• Expectations of changes in deposit pattern must be considered</li> <li>• Income documented separately but co-mingled must be backed out of deposit</li> <li>• Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>• Nonprofit Entity not eligible</li> <li>• Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>

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Income – Misc. Sources	<ul style="list-style-type: none"> <li>• Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>• Applicants who have supplemental income sources may utilize them to qualify provided the history of receipt and continuance requirements under the full documentation guidelines are met. The Applicant utilizing bank statement income must still earn the majority of their income from self-employed activity. The acceptable supplemental income sources are limited to: social security, pension, alimony, child support, asset distribution/utilization, and second job income.</li> </ul>
Income – Misc. Sources Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>• Long Term Rental:       <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>• Short Term Rental (refi only):       <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> <li>○ Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> </ul> </li> <li>• Long Term Rental Departing Residency       <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible.           <ul style="list-style-type: none"> <li>▪ 75% of the verified monthly rental income can be used.</li> <li>▪ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul> </li> </ul>

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Income – Supplement Asset Utilization	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Interest Only	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Minimum Loan Amount	\$150,000
Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>  A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>  A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Permanent Resident Alien (NPRA) Includes Asylum & DACA	Not eligible

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Non-Sufficient Funds (NSF) / Overdraft	<p><b>Non-Sufficient Funds</b></p> <ul style="list-style-type: none"> <li>• Non-sufficient funds (NSF) – or negative balances reflected on the bank statement must be considered by the underwriter</li> <li>• Occurrences included in the analysis are subject to the following tolerances:           <ul style="list-style-type: none"> <li>○ An occurrence is defined as one or more checks returned the same day.</li> <li>○ No more than three (3) occurrences are allowed in the most recent 12-month time period.</li> </ul> </li> <li>• Over Drafts not linked to an applicant(s) account and/or funds covered by the banking institute are considered NSF(s)</li> <li>• The underwriter must consider the financial strength of a self-employed borrower's business.</li> </ul> <p>Over Drafts can be excluded and not counted as NSF when</p> <ul style="list-style-type: none"> <li>• Overdraft protection from a depository account: Occurrences may be excluded if statements for the linked account confirm that (a) the linked account balance at the time of the transfer exceeded the amount of the overdraft transfer, (b) the linked account's balance did not report as zero or negative at any point during the statement period of the transfer, and (c) the linked account did not itself receive overdraft protection proceeds during the statement period of the transfer.</li> <li>• Overdraft protection from a line of credit: Occurrences may be excluded if statements for the linked account confirm that (a) the line's credit limit was not exceeded during the statement period of the transfer, and (b) a payment amount which equals or exceeds the sum of all overdraft protection occurrences analyzed in the statement period is made within 30 days after the statement close date.</li> </ul> <p>Still subject to review and consideration by the underwriter</p>
Payment Shock	<ul style="list-style-type: none"> <li>• Primary Residence and LTV/CLTV           <ul style="list-style-type: none"> <li>○ Payment shock should not exceed 300% of the borrower's current housing payment unless DTI is less than or equal to 38%. If payment shock exceeds this limit the underwriter must provide justification of borrower's ability to handle the increased payment. If the loan purpose is debt consolidation, a payment shock calculation is not required.</li> </ul> </li> <li>• Payment Shock = <math>(\text{Proposed Housing Payment} / \text{Present Housing Payment}) * 100</math></li> <li>• Payment shock is not considered for borrowers who own a home free and clear</li> <li>• Not calculated for second homes or investment properties</li> </ul>

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Products Available	<ul style="list-style-type: none"> <li>• 30 Year Fixed</li> </ul>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

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Property Types Single Family Residences, PUDs, Townhouses	<u>Eligible:</u> Single Family Residences, PUDs, Townhouses
Property Types Condominiums: Warrantable • Condominiums: Non-Warrantable • 2-4 Units • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property	<u>Ineligible:</u> • Acreage greater than 10 acres (appraisal must include total acreage) • Condominiums: Warrantable • Condominiums: Non-Warrantable • 2-4 Units • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property
Property Types Warrantable Condos	<ul style="list-style-type: none"> <li>Not eligible</li> </ul>
Property Types Modular Homes	Not eligible
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>Fixed Rate – Qualify at the Note rate</li> <li>Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p>DTI Ratio Standard max is 40%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>
Refinance Delayed Financing	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>No allowed</li> </ul>

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Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• 12 months' PITIA of the first and second lien</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All Interested Party Contributions must be properly disclosed in the sales contract, appraisal, loan estimate and closing disclosure and be compliant with applicable federal, state, and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. A borrower participating in the transaction (i.e., borrower acting as their own agent) may contribute funds (i.e., commission) up to the maximum contribution limits referenced above.</p> <p>Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Secondary financing must be with GBL. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Buydowns	Not allowed
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul> <p>To vest a loan in an Entity, the following apply:</p> <ul style="list-style-type: none"> <li>○ Purpose of the LLC is for the ownership and management of real estate</li> <li>○ Loan must be disclosed to all owners of the LLC (no more than 4)</li> <li>○ Members who own more 10% interest must provide personal guarantees of the Entity in a form satisfactory to GreenBox</li> <li>○ The following LLC documentation must be provided: Articles of Incorporation, Operating Agreement, Tax Identification Number and Certificate of Good Standing</li> </ul>

**SECOND LIEN: CES • Combo w/ 1<sup>st</sup> Lien • 24 Bank Statements • 95% CLTV/HCLTV Purchase • Up To \$350,000**

**Primary Residence**

Purpose	Credit Score	CLTV/HCLTV	Max. Loan Amount	Reserves
Purchase Only	740 +	95%	\$350,000	6 Months

**Other Restrictions**

CLTV > 85%	24mos Bank Statement; 1 Unit; Closed End Second (CES)
Condo – Non Warrantable	Not available
Condo – Warrantable	Not available
2-4 Units	Not available
CT, IL, NJ, TX, UT	Not available
CES Term: 30 Year Fixed	

Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisal	<p><b>Appraisal Options</b></p> <p><u>All Occupancies:</u></p> <ul style="list-style-type: none"> <li>• A new Residential Appraisal plus an AVM supporting value within 10%. If the AVM variance is greater than 10%, the lower of the two is used to calculate CLTV/HCLTV.</li> </ul> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>Any property located in a declining market as reported by the appraiser requires a 5%-10% CLTV/HCLTV reduction.</p> <p><b>Minimum Standards</b></p> <p>Minimum Square Footage 750 Sq. Feet.</p> <p>Properties located in a declining market as designated by the appraiser are not permitted</p> <p>Property constructed for year-round use</p> <p>Permanently affixed continuous heat source</p> <p>Maximum deferred maintenance cannot exceed \$2,000</p> <p>No health or safety issues both internal or external</p> <p>Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven</p> <p>Bedroom required</p>
Appraisal Accessory Dwelling Units (ADU)	<ul style="list-style-type: none"> <li>• Property must conform to the neighborhood.</li> <li>• Comparable properties must include accessory dwelling unit.</li> <li>• Rental income cannot be used to qualify the borrower.</li> </ul>

Appraisal  
Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> </ul> </li> <li>○ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited Power of Attorney (POA) is not available</li> </ul> <p><u>In-Eligible:</u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>
Calculation of the CLTV/HCLTV Ratio	<p>The CLTV/HCLTV ratio is determined by dividing the sum of the items listed below by the appraised value of the property.</p> <ul style="list-style-type: none"> <li>• The unpaid principal balance of the first mortgage, as verified from credit and/or VOM.</li> <li>• The original loan/line amount of the second mortgage</li> <li>• Negative amortization first liens not allowed</li> </ul>

Combined Loan/Line Balance Caps	<p>The CLTV/HCLTV of the combined 1st and 2nd lien loan/line balances are restricted as follows:</p> <ul style="list-style-type: none"> <li>Total lien balance &lt;= \$2,000,000 – maximum CLTV/HCLTV 95%</li> </ul>																
Continuity of Obligation	<ul style="list-style-type: none"> <li>Continuity of obligation occurs on a transaction when at least one of the borrower(s) on the existing first or second mortgage is also a borrower/member on the new transaction secured by the subject property. When an existing Mortgage will be satisfied as a result of a refinance transaction, the following requirement must be met: <ul style="list-style-type: none"> <li>At least one borrower on the stand-alone refinance mortgage has held title for the most recent 12-month period or since purchase, and the mortgage file contains documentation evidencing that the borrower has been making timely mortgage payments, including the payments for any secondary financing, for the most recent 12-month period</li> </ul> </li> </ul>																
Credit	<ul style="list-style-type: none"> <li>All borrowers contributing income must meet the minimum tradeline requirements listed below: <ul style="list-style-type: none"> <li>A minimum of three (3) tradelines, one currently open and active for at least 24-months based upon the credit report pull date. The other two (2) must have been reported for a minimum of 12-months but can be open or closed.</li> </ul> </li> <li>Valid tradelines have the below characteristics <ul style="list-style-type: none"> <li>The credit line must be reflected on the borrower's credit report</li> <li>The account must have activity in the last 12 months but may be open or closed.</li> </ul> </li> <li>The following are not acceptable to be counted as valid tradelines: Liabilities in deferment status, Accounts discharged through bankruptcy , Authorized user accounts, Charge-offs, Collection accounts, Foreclosures, Deed-in-lieu foreclosures, Short sales, Pre-foreclosure sales</li> <li>Borrower explanations are to be provided for any Disputed Tradelines with derogatory information reported in the last two years.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #008000; color: white;"> <th colspan="2">Matrix 5000-Elite ComboCES24BS</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td style="text-align: center;">740</td></tr> <tr> <td>Housing</td><td style="text-align: center;">0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>BK (Other)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td style="text-align: center;">60 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td colspan="2" style="text-align: center;">No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.</td></tr> </tbody> </table>	Matrix 5000-Elite ComboCES24BS		Minimum FICO	740	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	60 Mo	Short Sale / DIL / Loan Mod.	48 Mo	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.	
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Credit Credit Events	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.
Credit Consumer Credit	<p><b>Consumer Credit History</b>  Applicants with current credit delinquencies are ineligible.</p> <p><b>Consumer Credit Charge-offs and Collections</b>  Charge-offs or collections paid off over 12 months ago are acceptable. Open medical collections less than \$1,000 per occurrence ok to be left open.</p> <p><b>Consumer Credit Counseling Services</b>  Borrowers enrolled in credit counseling are ineligible.</p> <p><b>Judgment or Liens</b>  All judgements, garnishments and all outstanding liens must be paid off prior to or at loan closing.</p> <p><b>Income Tax Liens</b>  All income tax liens (federal, state, local) must be paid off prior to or at loan closing</p>
Credit Forbearance / Deferment	The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented
Credit Housing History	<p>Borrowers must have satisfactory consecutive 12 mortgage and/or rent payment history in the three (3) years prior to loan application. Mortgage and rental payments not reflected on the credit report must be documented via an institutional Verification of Rent or Verification of Mortgage (VOR/VOM), or with alternative documentation. Alternative documentation must show the most recent 12 history, and may be in the form of cancelled checks or bank statements, mortgage/rental statements including payment history, etc. Payments to private lenders require support with cancelled checks. Alternative documentation is ineligible for FTHB.</p> <p>No mortgage lates in the last 12 months inclusive of all mortgages and all REO for all borrowers on the transaction.</p> <ul style="list-style-type: none"> <li>• Borrowers who live rent-free or without a complete 12 housing history are in-eligible, except for the following: <ul style="list-style-type: none"> <li>○ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free. The underwriter must obtain an acceptable 12 months housing/rental history (based on specific requirements) for the time-frame immediately prior to the rent-free period and provide a LOE.</li> </ul> </li> </ul>

Credit Inquiries	For all inquiries within the most recent 90 days of the credit report date, a signed letter of explanation from the borrower or creditor is required to determine whether additional credit was granted as a result of the borrower's request. If new credit was extended, borrower must provide documentation on the current balance and payment; based on the verification of all new debt/liabilities, the borrower should be qualified with the additional monthly payment. If no credit was extended, borrower must state the purpose of the inquiry
Credit Liabilities	<ul style="list-style-type: none"> <li>• Installment Debt – Must be included in the DTI calculation if 10 or more payments remain. The monthly payment may be excluded from the DTI calculation if there are 9 or fewer monthly payments remaining, and the payment is not substantial. Substantial is defined as the payment equaling or exceeding 5% of the qualifying income. A substantial payment must be included in the DTI.</li> <li>• Deferred installment debts including student loans must be included in the DTI ratio.</li> <li>• Delinquent federal income taxes paid on a monthly basis to the IRS under an approved plan must be paid in full at or prior to closing.</li> <li>• All balloon payment notes</li> <li>• If the application, title, or credit documents indicate the borrower is involved in a lawsuit or litigation, the borrower is not eligible.</li> <li>• Paying off debt to qualify is permitted (Paying down debt to qualify is not permitted)</li> </ul>
Credit Past Due	<ul style="list-style-type: none"> <li>• Past due consumer debts can be no more than 30 days past due at time of closing.</li> </ul>

<p>Credit Obligations / Liabilities not appearing on Credit Report</p>	<p><u>Housing and Mortgage Related Obligations</u>  All properties owned by the borrower must be fully documented. These obligations must be verified using reasonably reliable records such as taxing authority or local government records, homeowner's association billing statements, information obtained from a valid and legally executed contract.</p> <p>The monthly mortgage payment (PITIA) used for qualification consists of the following:</p> <ul style="list-style-type: none"> <li>• Principal and Interest</li> <li>• Hazard and flood and insurance premiums</li> <li>• Real Estate Taxes</li> <li>• Special Assessments</li> <li>• Association Dues</li> <li>• Any subordinate financing payments.</li> <li>• Premiums and similar charges that are required by the creditor (i.e., mortgage insurance)</li> </ul> <p><u>Current Debt Obligations, Child Support, Alimony or Maintenance Obligations</u>  GBL may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed.</p> <p>Monthly alimony, child support or separate maintenance fees should be current at time of application and must be included in the borrower's DTI ratio. The file should contain supporting documentation as evidence of the obligation, such as a final divorce decree, property settlement agreement, signed legal separation agreement, or court order. If payments are past due, the borrower is ineligible,</p>
<p>Credit Report Gap</p>	<p>Underwriter should confirm there are no new borrower debt obligations. A gap credit report or soft-pull is required if Note date is greater than 30 days after the date of the credit report relied upon for underwriting. The gap credit report or soft-pull is to be dated within 15 days of the Note date.</p> <p>When a gap report or soft-pull is required, it becomes part of the Mortgage File and all payments/balances and DTI are to be updated.</p>
<p>Credit Scores</p>	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 660 or greater.</p> <p>To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<ul style="list-style-type: none"> <li>• <a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></li> <li>• CT, IL, NJ, TX, UT: Not allowed</li> </ul>
Escrow Account	<ul style="list-style-type: none"> <li>• Not required for second liens.</li> </ul>
First Time Homebuyers	<p>GBL defines a First Time Home Buyer as a borrower who has no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the subject property.</p> <p>A First Time Home Buyer is required to have a documented 0x30x12 month housing/rental history. Private party housing histories are ineligible.</p>
Gift Funds	Not Allowed

Income 24 Bank Statements Calculation / Documentation Bank Statements from Personal Account	<p><b><u>BORROWERS MUST BE SELF-EMPLOYED TO QUALIFY FOR THIS PROGRAM.</u></b></p> <p><b><u>Using Personal Bank Statements to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Most recent 24 months personal bank statements - Utilize 24 months average deposits to qualify (minus disqualified/unrelated deposits)</li> <li>• Most recent 3 months business bank statements – Demonstrate transfers from business to personal bank account statements provided</li> <li>• Borrowers must own a minimum of 25% of business to be considered Self-Employed, for use of personal bank statements.</li> <li>• Qualifying income may not exceed the income indicated on the initial 1003.</li> <li>• No more than two personal accounts may be used for income analysis and no business or co-mingles accounts, may be used for income analysis.</li> </ul> <p><b>Personal Bank Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Income should be calculated based on a 24 month average of total deposits minus any unusually large deposits exceeding 50% of the monthly income (as defined by Fannie Mae) into personal accounts must be explained via LOE. If LOE is sufficient, no sourcing required.</li> <li>• Pattern of deposits and payment should be consistent</li> <li>• ATM deposits may be included if a consistent pattern of such deposits is present;</li> <li>• Expectations of changes in deposit pattern must be considered;</li> <li>• Income documented separately but comingled must be backed out of deposits;</li> <li>• Three months business bank statements;       <ul style="list-style-type: none"> <li>○ Must evidence activity to support business operations, and</li> <li>○ Reflect transfers to the personal account</li> </ul> </li> </ul>
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Income Calculation / Documentation - Bank Statements from Business or co-mingled Account	<p><b><u>Using Business Bank Statements / Co-mingled (Business &amp; Personal) to Qualify</u></b></p> <ul style="list-style-type: none"> <li>• Verify within 60-days of the Note date that the business has a minimum two-year operating history with one of the following; a letter from either the businesses tax professional, regulatory agency or licensing bureau, certifying two-years of self-employment in same business. Borrowers utilizing business bank statements that own &gt; 50% but &lt; 100% of a business will be qualified at net income multiplied by their ownership.</li> <li>• Verify within 30 days of funding that the business is active and operating with either a phone listing and/or business address using directory assistance or internet search e.g. Facebook (Independent Contractors with income reported on 1099s exempt from requirement).</li> <li>• Maximum number of businesses is one and up to three business / co-mingled accounts is allowed. Personal account(s) cannot be used.</li> <li>• Business / co-mingled account(s) must be for the same business / company.</li> <li>• Co-mingled account(s) must be in the same name as the borrower or with their non-working spouse, no joint bank account(s), and the borrower must be 100% owner of the business.</li> <li>• Qualifying income is the lower of the documented option or the income indicated on the initial 1003.</li> </ul> <p>Documentation Options: See the following sections</p>
Income 24 Bank Statements Calculation / Documentation Bank Statements from Business or co-mingled Account 24 Month P&L Statement (Option 1)	<ol style="list-style-type: none"> <li>1. 24 Month P&amp;L Statement (Option 1) <ul style="list-style-type: none"> <li>○ 24 Month P&amp;L prepared by CPA, EA, or licensed tax preparer</li> <li>○ 24 Months of business bank statements covering the most recent time period and matching the time period of the P&amp;L.</li> <li>○ P&amp;L Sales/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 15% below revenue reflected on P&amp;L. The bank statements and P&amp;L must cover the same time period.</li> </ul> Qualifying income </li> </ol>
Income 24 Bank Statements Calculation / Documentation Bank Statements from Business or co-mingled Account Business Expense Statement Letter: (Option 2)	<ol style="list-style-type: none"> <li>2. Business Expense Statement Letter: (Option 2) <ul style="list-style-type: none"> <li>○ An expense statement specifying business expenses (minimum expense ratio is 10%) as a percent of the gross annual sales/revenue prepared and signed by a CPA, EA or licensed tax preparer.</li> <li>○ 24 months of business bank statements covering the most recent time period.</li> <li>○ Net Income determined by total deposits per bank statements less total expenses. Total expenses calculated by multiplying total deposits by the expense factor provided by CPA, EA or licensed tax preparer..</li> <li>○ Expenses must be reasonable for the type of business.</li> <li>○ GBL reserves the right, to require additional documentation if the expense ratio appears unreasonable for any business entity.</li> </ul> </li> </ol>

<p>Income  24 Bank Statements  Calculation / Documentation  Bank Statements from  Business or co-mingled  Account  Fixed Expense Ratio Letter:  (Option 3)</p>	<p>3. 50% Net Margin (Option 3)</p> <ul style="list-style-type: none"> <li>○ A business narrative provided by the borrower's business which includes details regarding the industry, size, and operating profile of the business, addressing location/rent, number of employees/contractors, COGS, and physical assets such as trucks/equipment (owned or leased). The business narrative form is to be completed by an employee (non-relative) of the borrower's business, with knowledge and information of the operations and finances of the business. Typical positions held by this employee would include: Controller, Treasurer, V.P. Finance, Finance Manager, or Accounting Manager. This form can also be completed by a third-party individual with direct knowledge of the borrower's business, such as Certified Public Accountant or an IRS Enrolled Agent</li> <li>○ Businesses within an industry that experience higher expense ratios are not eligible for this method. Higher expense ratio industries include but are not limited to the following: Construction, Manufacturing, Retail/Wholesale trade, Hospitality, Food and Beverage Services, and Transportation.</li> <li>○ 24 months of business bank statements covering the most recent time-period.</li> <li>○ The deposits from the most recent bank statement must be consistent with the qualifying income.</li> <li>○ GBL reserves the right, at the reviewer's discretion, to require additional documentation if the expense ratio appears unreasonable for any business entity</li> <li>○ Qualifying income is the lower of (a) total deposits per bank statements, minus any inconsistent deposits, multiplied by 50%, divided by number of bank statements (24) or (b) the income indicated on the initial 1003. <ul style="list-style-type: none"> <li>▪ Net Income = <u>Total Eligible Deposits * Borrower Ownership Percentage * 50%</u> 24 months</li> </ul> </li> <li>○ The underwriter may use an expense factor higher than the standard 50% when the analysis of the bank statements reflect higher expenses.</li> </ul>
<p>Income  24 Bank Statements  Calculation / Documentation  Bank Statements from  Business or co-mingled  Account  Notes</p>	<ul style="list-style-type: none"> <li>● The underwriter should provide notes of their analysis on the U/W approval form/1008/or within the bank statement analysis.</li> <li>● Expenses must be reasonable for the type of business;</li> <li>● Pattern of deposits and payment should be consistent;</li> <li>● Expectations of changes in deposit pattern must be considered</li> <li>● Income documented separately but co-mingled must be backed out of deposit</li> <li>● Inconsistent or large deposits should be sourced or excluded from the analysis. The definition of a large deposit is any deposit exceeding 50% of the average monthly sales of the business.</li> <li>● Nonprofit Entity not eligible</li> <li>● Deposits from alternative payment processing applications (i.e., Square, Venmo) are eligible.</li> </ul>

Income 24 Bank Statements Documentation of Rental Income	<p>Rental income may be included in loan qualification for Alt Doc income types, to be considered the following documentation must be provided:</p> <ul style="list-style-type: none"> <li>○ Long Term Rental: <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide two (2) months of proof of the receipt of rental income. The deposits must be to a separate bank account. Any deposits in the business bank statements used in the business income analysis are not eligible.</li> <li>○ 75% of the verified monthly rental income can be used to offset the PITIA of the rental property.</li> <li>○ If the deposits cannot be validated in a separate account, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> <li>○ Short Term Rental (refi only): <ul style="list-style-type: none"> <li>○ Property leased on a short-term basis utilizing an on-line service such as Airbnb gross monthly rents can be determined by using a 12-month look back period to account for seasonality.</li> <li>○ Rents for the look back period must be documented with either 12-monthly statements or an annual statement provided by the on-line service. In the event the borrower owns a single rental property, bank statements with deposits clearly identified/sourced as rental income can be substituted. If two or more rental properties owned, statements from an online service must be provided to associate rents received with the specific property.</li> </ul> </li> <li>○ Long Term Rental Departing Residency <ul style="list-style-type: none"> <li>○ A copy of the lease(s) for the rental property.</li> <li>○ Must provide evidence of one (1) month security/damage deposit and first month rental payment. The deposits must be to a personal or co-mingled bank account, any deposits in the business bank statements used in the business income analysis are not eligible. <ul style="list-style-type: none"> <li>■ 75% of the verified monthly rental income can be used.</li> <li>■ If the deposits cannot be validated, the full PITIA of the rental unit must be included in the qualifying DTI ratio.</li> </ul> </li> </ul> </li> <li>○ Underwriter to ensure deposits are not used for business income calculations</li> </ul>
Income 24 Bank Statements Misc. Sources	<ul style="list-style-type: none"> <li>● Self Employed/Wage Earner Combination - Full documentation from a Co-Applicant who is not self-employed may be used to supplement bank statement. See full documentation guidelines for additional information on acceptable sources. Taxable income is counted on a "gross" amount regardless of the net deposit shown on bank statements.</li> </ul> <p>Other Income Sources</p> <ul style="list-style-type: none"> <li>● Not eligible</li> </ul>
Income – Supplement Asset Utilization	Not eligible
Interest Only (IO)	Not available on CES

Leasehold Properties	<p>In areas where leasehold estates are commonly accepted and documented via the Appraisal, loans secured by leasehold estates are eligible. The mortgage must be secured by the property improvements and the borrower's leasehold interest in the land. The leasehold estate and any improvements must constitute real property, be subject to the mortgage lien, and be insured by the lender's title policy.</p> <p>Leaseholds must meet all FNMA eligibility requirements (i.e. term of lease).</p>
Lien Ineligible Senior Lien	<ul style="list-style-type: none"> <li>• Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> <li>○ Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12- months of the Note date</li> <li>○ Loans in active forbearance or deferment</li> <li>○ Negative amortization including loans with Paid-In-Kind (PIK) features</li> <li>○ Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien</li> <li>○ Reverse Mortgages</li> <li>○ First liens for the subject property not reporting on credit report <ul style="list-style-type: none"> <li>▪ e.g., Private party mortgages including any loan not reporting on credit report</li> </ul> </li> <li>○ Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages</li> <li>○ Home Equity Line of Credit</li> <li>○ Note with default interest rate greater than the Note rate</li> </ul> </li> </ul>
Lien Ineligible Senior Lien Loan Features	<ul style="list-style-type: none"> <li>• Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.</li> <li>• Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.</li> <li>• Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.</li> <li>• All existing subordinate liens must be satisfied except for solar panels. <ul style="list-style-type: none"> <li>○ All Solar Panel loans and leases with PACE/HERO financing must be paid off.</li> </ul> </li> </ul>
Lien Position	<ul style="list-style-type: none"> <li>• Second lien must have a valid second position. <ul style="list-style-type: none"> <li>○ Other junior liens (For example: HELOCs, contract for deed, home improvement loan) must be paid off</li> </ul> </li> </ul>

Lien Senior/First Lien Documentation Requirements	<p>Piggy-Back 2nd:</p> <ul style="list-style-type: none"> <li>• Copy of 1st lien Note</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> <li>• Follow 1st lien income requirements.</li> <li>• 1st mortgage approval reflecting 2nd.</li> <li>• Purchase agreement (if applicable).</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> <li>• Closing instructions reflecting 2nd.</li> </ul>
Lien Senior Lien/First Lien Interest Only or ARM	<ul style="list-style-type: none"> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> </ul>
Limitations on Financed Properties	<p>Primary and Second Homes</p> <ul style="list-style-type: none"> <li>• The maximum number of financed properties to any one borrower is limited to twenty (20) residential properties including subject property.</li> <li>• Commercial properties and residential &gt; 5-units excluded from calculation.</li> </ul> <p>Investor Properties</p> <ul style="list-style-type: none"> <li>• There is no limit on the number of financed properties</li> </ul>
Listing Seasoning	Properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date to application date.
Loan, Line & Draw Amounts	Minimum loan/line amount: \$100,000

Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u></p> <p>A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u></p> <p>A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p>Non-arm's length transactions are permitted for a tenant buying the property that they are currently renting; from the landlord/owner of the property. Other Non-Arm's Length transactions are ineligible. Examples of non-arm's length transactions include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Family member sales</li> <li>• Renters purchasing from current landlord</li> <li>• Buyer trading properties with the seller</li> <li>• Property seller foreclosure bailouts</li> <li>• Existing buyer relationship with loan officer, real estate agents, closing agent, appraiser, builder, or developer</li> </ul>
Non-Permanent Resident Alien	Not allowed
Non-Occupant Co-borrowers	Non-Occupant co borrowers are ineligible

Ownership Seasoning	Properties owned less than six (6) months ineligible. Seasoning is not required for properties that are inherited or legally acquired through a divorce, separation, or dissolution of a domestic partnership.
Payment Shock	Not Calculated
Permanent Resident Alien	<p>A permanent resident alien is a non-U.S. citizen authorized to live and work in the U.S. on a permanent basis.</p> <p>Acceptable evidence of lawful permanent residency must be documented and meet one of the following criteria:</p> <ul style="list-style-type: none"> <li>• I-551: Permanent Resident Card (Green Card) issued for 10 years that has not expired</li> <li>• I-551: Conditional Permanent Resident Card (Green Card) issued for 2 years, that has an expiration date, and is accompanied by a copy of USCIS form I-751 requesting removal of the conditions</li> <li>• Un-expired Foreign Passport with an un-expired stamp reading as follows: "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until mm-dd-yy. Employment Authorized."</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	Not available
Product	<p>The following loan products are eligible</p> <ul style="list-style-type: none"> <li>• CES: 30 Year Fixed</li> </ul>

Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.)</li> </ul>
Purchase Transactions	Loan proceeds must be used for the acquisition of the Subject Property; no proceeds may be paid to the Borrowers other than nominal amounts to reimburse the Borrowers for the overpayment of fees; none of the Borrowers may have had an ownership interest in the Subject Property over the past twelve months.
Purchase Transactions LTV/CLTV/HCLTV Calculation	To calculate the loan to value for a purchase transaction, the Lender must divide the loan amount by the lower of the Subject Property's purchase price or appraised value. To calculate the cumulative loan to value for a purchase transaction, the UW must divide the sum of the loan amount plus the principal amount of purchase money subordinate financing by the lower of the Subject Property's purchase price or appraised value.
Property Types	<p><b><u>Eligible:</u></b> Single Family Residences 1 Unit, PUDs, Townhouses</p> <p><b><u>Ineligible:</u></b> • Condominiums: Warrantable Only • 2-4 • Units Non-Warrantable Condos • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Log Homes • Manufactured housing • Mixed use properties • Modular homes • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
Property Types Warrantable Condos	<ul style="list-style-type: none"> <li>• Not Allowed</li> </ul>

Qualifying Rate and Ratios	<p><b>Qualifying Rate / Payment</b></p> <ul style="list-style-type: none"> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on PITIA payment with the principal and interest payments amortized over the loan term</li> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> </ul> <p><b>DTI Ratio</b></p> <ul style="list-style-type: none"> <li>• Maximum DTI is 45%</li> <li>• Maximum DTI is 45.01% - 50% with 700 minimum Fico, \$3,500 Residual Monthly Income and loan amount &lt;= \$500,000</li> </ul>
Refinance Transactions Rate and Term	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Refinance Transactions Rate and Term LTV/CLTV/HCLTV Calculation	<p>If the property is owned for 6 months or less at the time of application, the LTV/CLTV/HCLTV will be based on the lesser of the original purchase price or current appraised value. The prior closing statement will be required for proof of purchase price.</p> <p>For Properties owned more than six months, LTV/CLTV/HCLTV will be based on the current appraised value.</p>
Refinance Transactions Cash out	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Refinance Transactions Cash Out LTV/CLTV/HCLTV Calculation	<p>Calculation of the LTV/CLTV/HCLTV depends on the time between the application date of the new loan, and the Note date of the prior mortgage or the date of initial purchase of the subject.</p> <ul style="list-style-type: none"> <li>• For properties owned for six (6) months or more, the LTV is calculated by utilizing the current appraised value.</li> </ul>
Rent Loss Coverage	Not required

Reserves	<ul style="list-style-type: none"> <li>• See front matrix</li> </ul>
Residual Income	Required when DTI is greater than 45%
Vesting	<p>Ownership must be fee simple or leasehold</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in Common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul>

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**Full Documentation**
**95% CLTV Purchase Simultaneous/Piggyback • Combined Loan Amounts Up To \$1,350,000**
**Primary Residence**

Credit Score	Purchase	R/T	Cash Out	Maximum Loan Amount
740 +	80% First Lien	NA	NA	\$1,000,000 First Lien
	15% Second Lien (see second lien programs)			\$350,000 Second Lien
	95% CLTV			\$1,350,000 Combined

<b>Other Restrictions</b>	
Condo - Warrantable	Not allowed
Condo – Non Warrantable	Not allowed
2-4 Units	Not allowed
CT, IL, TX, UT & NJ	Not allowed
Interest Only	Not allowed

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Age of Documents	Credit Report/Credit Documentation: 90 days old at the time of closing Income and Asset Documentation: Dated within 60 days of closing Title Report/Title Commitment: Dated no later than 90 days prior to closing
Appraisals	<p>Full Interior / Exterior appraisal required. Fannie Mae/Freddie Mac Forms 1004/70, 1025/72, 1073/465 or 2090 must be used. All Fannie Guidelines apply to appraisal process and value determination, in addition an Appraisal Management Company must be utilized for appraiser selection.</p> <p>The Appraisal should be dated no more than 120 days prior to the Note Date. After a 120 day period, a new appraisal is required. Re-certification of value is not acceptable. Minimum Square Footage 700 Sq. Feet for SFR and 500 Sq. Feet for Condominium.</p> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p>If the appraisals states the subject property is located in declining market, an exception will be required with 5-25% reduction to LTV/CLTV</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>Declining Markets are in-eligible.</p>

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Appraisal Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

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Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• Cash Value of Life Insurance - 100% of the cash surrender value less any loans may be considered for assets.</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either:           <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact;</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets           <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion.               <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> <li>▪ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is acceptable on Purchase or Rate and Term refinances (Not available on C/O) when following requirements are met: POA is specific to the transaction, Recorded with the Mortgage/Deed of Trust, Contains an expiration date, Used only to execute the final loan documents, Borrower who executed the POA signed the initial 1003 and No interested party to the transaction (such as property seller, broker, loan officer, realtor, etc.) may act as Power of Attorney.</li> </ul> <p><u>In-Eligible:</u> • Non-Permanent Resident Aliens • Foreign national • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>

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Cash Out Amount Limit	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>																
Collections And Charge-Offs	<ul style="list-style-type: none"> <li>• Individual collection and non-mortgage charge-off accounts equal to or greater than \$250 and accounts that total more than \$1,000 must be paid in full prior to or at closing.</li> <li>• Medical collections may remain open with a max cumulative balance of \$10,000</li> <li>• Collections and charge-offs that have expired under the state statute of limitations on debts may be excluded. Evidence of expiration must be documented.</li> <li>• All open judgments, garnishments, and all outstanding liens must be paid off prior to or at loan closing.</li> <li>• Disputed accounts are treated as collections</li> </ul> <p>Charge-offs and collections not excluded by the above bullet points must be paid or may stay open if using one or a combination of both of the following:</p> <ul style="list-style-type: none"> <li>○ Payments for open charge-offs or collections are included in the DTI (Subject to program DTI restrictions). If no payment plan, payment calculated at 5% of balance of remaining unpaid collections and charge-offs.</li> <li>○ Reserves are sufficient to cover the balance of the charge-offs or collections and meet reserve requirements.</li> </ul>																
Credit	<ul style="list-style-type: none"> <li>• Each Applicant must have three trade lines and a credit history covering 24 months. One trade line must have been active within the last 6 months. At least one trade line must be seasoned 24 months. The same trade line may be used to cover both the 24 month history and active requirement. The trade lines do not need to be open. If an Applicant's spouse is the only Co-Applicant listed, only one Applicant is required to meet the guidelines.</li> <li>• Credit lines on which the borrower is not obligated to make payments are not acceptable for establishing a minimum history. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy, and authorized user accounts. Student loans can be counted as tradelines as long as they are in repayment and are not deferred.</li> <li>• Any active non-mortgage account can be no more than 30-days delinquent at time of application. Any delinquent account must either be brought current or paid off at closing.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #006400; color: white;"> <th colspan="2">Matrix 5000-ELITE Combo95-FD</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td> <td>740</td> </tr> <tr> <td>Housing</td> <td>0x30x12</td> </tr> <tr> <td>BK (Chap 13 Discharge)</td> <td>72 Mo</td> </tr> <tr> <td>BK (Other)</td> <td>72 Mo</td> </tr> <tr> <td>Foreclosure / NOD</td> <td>72 Mo</td> </tr> <tr> <td>Short Sale / DIL / Loan Mod.</td> <td>72 Mo</td> </tr> <tr> <td colspan="2">Not allowed (FC, BK, SS/DIL) in the last seven (7) years.</td></tr> </tbody> </table>	Matrix 5000-ELITE Combo95-FD		Minimum FICO	740	Housing	0x30x12	BK (Chap 13 Discharge)	72 Mo	BK (Other)	72 Mo	Foreclosure / NOD	72 Mo	Short Sale / DIL / Loan Mod.	72 Mo	Not allowed (FC, BK, SS/DIL) in the last seven (7) years.	
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Credit Housing History	<ul style="list-style-type: none"> <li>• 12 months housing history is required.</li> <li>• If a borrower's mortgage or rental history is not reported on the credit report, a VOM/VOR must be provided. Any VOM/VOR completed by a private-party Seller or any non-institutional lender must be supported by alternative documentation showing the most recent 12-month history (cancelled checks, mortgage/rental statements including payment history, etc.) must be provided. In addition, if the subject transaction is secured by a non-institutional lender, the mortgage payoff statement should be reviewed to determine that no late fees or delinquent interest is included in the payoff amount. A borrower's combined mortgage/rental history is used for program or grade eligibility. For properties owned free and clear, a property profile report or similar document showing no lien against the property should be provided in the credit file.</li> <li>• Any VOM/VOR completed by an institutional servicer or property management company does not require cancelled checks. An institutional servicer/lender must be servicing a minimum of 100 accounts.</li> <li>• Private party promissory notes must be provided.</li> <li>• Borrowers who live rent-free or without a complete 12-month housing history are in-eligible</li> </ul>
Credit Installment Debt	<p>Installment debt is a monthly obligation with fixed payments and terms. Payments on installments must be included in the borrower's debt-to-income (DTI) ratio.</p> <p>Payments can be excluded if there are 10 or fewer monthly payments remaining to pay the debt in full. If the payment is substantial and exceeds 5% of the borrower's qualifying income, the overall transaction should be reviewed to ensure the remaining payments will not impact the borrower's ability to handle the new mortgage payment.</p> <p>Installment debt paid in full or prior to closing can be excluded from the debt-to-income ratio. Supporting documentation, such as a credit supplement or direct verification from the creditor, must be obtained as evidence the debt has been paid in full.</p>
Credit Scores	<p>Use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 680 or greater.</p> <p>To determine the Representative Credit Score, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>
Credit Scores – Rapid Rescores	<p>Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.</p>

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Eligible States	<ul style="list-style-type: none"> <li>• <a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></li> <li>• CT, IL, NJ, TX, UT: Not allowed</li> </ul>
Escrow Holdbacks	Escrow holdbacks are not permitted.
Escrow Waivers	Escrows are required
First Time Home Buyers	<p>An individual is to be considered a first-time home buyer who has not owned and occupied their own home in the last three years.</p> <p>The following requirements apply to first-time homebuyer transactions:</p> <ul style="list-style-type: none"> <li>• Primary residence only.</li> <li>• DTI may not exceed 36%.</li> <li>• A minimum 5% of applicant contribution</li> <li>• 12-month rental history is required, reflecting 0x30,           <ul style="list-style-type: none"> <li>◦ No rental history or less than 12 months rental history are ineligible</li> </ul> </li> </ul> <p>Underwriter should use prudent judgment in evaluating any payment shock implications and the ability of the borrower to repay the new mortgage loan. Payment shock exceeding acceptable limits will be reviewed case by case and must be accompanied by a documented history of saving which supports the borrower's ability to handle the increased payment.</p>
Forbearance	Forbearance, loan modifications, or deferrals (including COVID-19 related events) are treated as a short sale / deed-in-lieu for eligibility and pricing purposes. Any loan payment history that appears to reflect the above may require additional documentation, such as canceled checks or bank statements to show payments were made.

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Gift Funds	<ul style="list-style-type: none"> <li>• Gift funds are allowed for funds to close. A 5% contribution of down payment and closing costs from Applicant's own funds is required.</li> <li>• Gifts of equity are not allowed.</li> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>
Gift Funds Eligible Donors	<p>A gift can be provided by:</p> <ul style="list-style-type: none"> <li>• a relative, defined as the borrower's spouse, child, or other dependent, or by any other individual who is related to the borrower by blood, marriage, adoption, or legal guardianship; or</li> <li>• a fiancé, fiancée, or domestic partner.</li> </ul> <p>The donor may not be, or have any affiliation with, the builder, the developer, the real estate agent, or any other interested party to the transaction.</p>
Gift Funds Documentation	<p>Gifts must be evidenced by a letter signed by the donor, called a gift letter. The gift letter must:</p> <ul style="list-style-type: none"> <li>• specify the dollar amount of the gift;</li> <li>• specify the date the funds were transferred;</li> <li>• include the donor's statement that no repayment is expected; and</li> <li>• indicate the donor's name, address, telephone number, and relationship to the borrower.</li> </ul>
Gift Funds Verifying Donor Availability of Funds & Transfers of Gift Funds	<p>GBL must verify that sufficient funds to cover the gift are either in the donor's account or have been transferred to the borrower's account and reflected on the most recent bank statement. Acceptable documentation includes the following:</p> <ul style="list-style-type: none"> <li>• a copy of the donor's check and the borrower's deposit slip,</li> <li>• a copy of the donor's withdrawal slip and the borrower's deposit slip,</li> <li>• a copy of the donor's check to the closing agent, or</li> <li>• a settlement statement showing receipt of the donor's check.</li> </ul> <p>When the funds are not transferred prior to settlement, GBL must document that the donor gave the closing agent the gift funds in the form of an electronic transfer, certified check, a cashier's check, or other official check.</p> <ul style="list-style-type: none"> <li>• Gift funds may not be used to meet reserve requirements.</li> </ul>

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Income Calculation /  
Documentation -

Refer to Fannie Mae guidelines for specific standards which are not addressed below:

Full Income Documentation:

- Paystubs-a minimum of a full 30 calendar days of paystubs dated no earlier than 30 calendar days prior to the initial loan application date must be included in the file for non-self-employed borrowers. See Fannie Mae standards for acceptable paystub documentation.
- W2s-two years of W2 statements must be provided for all non-Schedule C self-employed borrowers (if applicable). All salaried employees must also provide two years W2 statements, unless a written verification of employment (WVOE) and YTD paystub are being provided.
- W2 transcripts-W2 transcripts may be used in lieu of W2s when necessary. A written explanation should be included in the closed loan package as to why the borrower's W2 statement was unavailable.
- K1's-All K-1's must be obtained regardless of the percentage of ownership. Losses must be considered in the qualifying income calculation.
- Verbal Verifications of Employment-must be completed within ten business days of the consummation date.
- Verbal Verifications of Prior Employment-must be completed within 120 days prior to the consummation date.
- Non-Arm's Length Verbal Verifications of Employment-are ineligible.
- Third Party Verification of Employment-a verbal verification of employment when provided by a third party and dated within ten business days of the date of consummation is acceptable. If the "information current as-of" date on the verification is older than 35 calendar days, updated verification documentation must be provided. Fannie Mae DU Validation Service (DVS) or Freddie Mac LPA Asset and Income Modeler (AIM) documentation is acceptable, in conjunction with any additional documentation required in these Guidelines.
- Written Verification of Employment-written verification of employment forms are acceptable provided they are accompanied by a minimum of one pay stub dated within 30 calendar days of the application date. The paystub must include year to date earnings for the borrower. Written VOEs are not acceptable for a borrower employed by family or self-employed. Fannie Mae DU Validation Service (DVS) or Freddie Mac LPA Asset and Income Modeler (AIM) documentation as applicable are acceptable, in conjunction with any additional documentation required in these Guidelines.
- Employment Gaps and New Employment- must be documented prior to consummation and meet the requirements below.
  - Borrowers with an absence or gap in employment which exceeds 120 days must provide evidence of return to work for a minimum 30 days.
  - Borrower's new employment must be documented with a paystub(s) covering the 30 day period or Written Verification of Employment.
  - Verbal verification of employment dated within ten business days of the consummation date.
  - The borrower must document a 2- year work history prior to the absence or gap from employment.
  - It is acceptable to measure the length of employment from the date a borrower began or returned to work to the date of closing or loan consummation.

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Income Calculation / Documentation - Tax Transcripts and Tax Returns	<ul style="list-style-type: none"> <li>• Personal Tax Transcripts (1040)-most recent two years 1040 transcripts for each borrower.</li> <li>• Personal Tax Returns (1040)-most recent two years 1040 returns signed and dated prior to date of consummation are required. Borrowers whose income is reported solely from W2, salaried, non-self-employed sources are not required to provide tax returns unless deemed necessary due to additional factors such as Unreimbursed Business Expenses, secondary income from self-employment or rental income; however, tax transcripts must be included for all borrowers.</li> <li>• Transactions Originated and/or Closed from January through mid-April-of any given year, AMG will consider using the most current year's tax returns for borrowers for which tax transcripts are not yet available. AMG would require a copy of the returns as well as confirmation of receipt from the IRS—either in the form of an e-file acceptance or stamp from the IRS and verification that any amount due has been remitted to the IRS and sourced in the file. Any significant increase or decrease in income from the prior year's returns must be satisfactorily explained.</li> <li>• Extension of Time to File-Borrowers filing tax extensions for personal tax returns must provide all of the following:           <ol style="list-style-type: none"> <li>1. The filed IRS Application for Extension of Time to File</li> <li>2. The request for the tax transcript verifying "no record of return filed"; and</li> <li>3. The prior most recent two years of tax transcripts.</li> <li>4. Year-to-date Profit and Loss and Balance Sheets for the year of returns on extension.</li> <li>5. Document any amount due that has been remitted to the IRS with Extension and provide source of funds in file. Significant variances in the tax liability from previous years compared to the estimated current year must be fully explained.</li> </ol>           Additional documentation may be required.         </li> <li>• Transactions Closed on or after October 15-of any given year (where the borrower had filed an extension for their previous year's return), we would require a copy of the returns as well as confirmation of receipt from the IRS—either in the form of an e-file acceptance or stamp from the IRS and verification that any amount due has been remitted to the IRS, and sourced in the file. Any significant increase or decrease in income from the prior year's return must be satisfactorily explained.</li> <li>• Tax Transcripts and IRS Rejection Code-If a request for tax transcripts (personal or business) has been rejected by the IRS by means of a rejection code, Fannie Mae guidelines should be followed. In addition, the Seller should obtain documentation which includes but is not limited to the following:           <ol style="list-style-type: none"> <li>1. IRS rejection documentation.</li> <li>2. Letter of explanation from the borrower.</li> <li>3. Transcripts obtained directly from the borrower.</li> <li>4. Form 14039 (IRS Identity Theft Affidavit) if applicable.</li> </ol> </li> </ul>
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Income Calculation / Documentation - Tax Transcripts and Tax Returns Self-Employment	<ul style="list-style-type: none"> <li>Business Tax Returns-most recent two years returns for all businesses signed prior to the date of consummation, including all schedules and K-1s. All business losses must be considered in the qualifying income calculation.</li> <li>Business Tax Transcripts-optional.</li> <li>Profit and Loss Statements and Balance Sheets-for the prior tax year are required for all businesses considered in qualifying when the IRS Form 1040 has not yet been filed (e.g., prior to the tax filing deadline or an "Extension of Time to File" has been filed).</li> <li>Year-to-Date Profit and Loss Statement-required for all self-employed borrowers when a borrower's business income is being considered for qualifying. Income from a Year-to-Date Profit and Loss should not be considered in the income calculation. Year-to-date profit and loss statements are not required if and when the borrower has a small business loss equal to 5% or less of the total qualifying income. Profit and Loss Statements are not required to be signed.</li> <li>Year-to-Date Balance Sheet-required for all self-employed borrowers when a borrower's business income is being considered for qualifying (See Sole Proprietorship Section for exceptions). Balance sheets are not required if and when the borrower has a small business loss equal to 5% or less of the total qualifying income. Balance Sheets are not required to be signed.</li> <li>Third-party verification of self-employment-must be completed within ten business days of consummation and include the name and phone number of the employee verifying the information. Examples of acceptable verification include CPA letters, Regulatory Agency verification, verification from the applicable licensing bureau, and website documentation.</li> </ul>
Income Calculation / Documentation - General Requirements	<ul style="list-style-type: none"> <li>All income documentation-must be obtained prior to funding.</li> <li>4506C-required for all borrowers.</li> <li>Income Analysis-underwriter must provide a written income analysis and detailed calculations for each type of income used in qualifying borrower(s).</li> </ul>
Interest Only	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>
Minimum Loan Amount	\$150,000

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Non-Arm's Length  
&  
Interested Party  
Transactions

Non-Arm's Length Transactions

A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.

When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.

A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).

Interested Party Transactions

A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.

In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.

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Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p><u>Eligible Non Arm's Length &amp; Interested Party Transactions</u></p> <ul style="list-style-type: none"> <li>• Buyer(s)/Borrower(s) representing themselves as agent in real estate transaction.</li> <li>• Commission earned by buyer/borrower cannot be used for down payment, closing costs, or monthly PITIA reserves.</li> <li>• Seller(s) representing themselves as agent in real estate transaction.</li> <li>• Renter(s) purchasing from landlord.           <ul style="list-style-type: none"> <li>◦ 24 months of cancelled checks to prove timely payments are required.</li> <li>◦ A verification of rent (VOR) is not acceptable.</li> </ul> </li> <li>• Purchase between family members.           <ul style="list-style-type: none"> <li>◦ 15% reduction to maximum LTV/CLTV.</li> <li>◦ Gift of Equity requires a gift letter, and the equity gift credit is to be shown on the CD.</li> <li>◦ Must provide a 12-month mortgage history on the existing mortgage securing the subject property, confirming the Family Sale is not a foreclosure bailout.</li> </ul> </li> </ul> <p><u>Non Arm's Length &amp; Interested Party Restrictions</u></p> <ul style="list-style-type: none"> <li>• Primary residences only.</li> <li>• Borrower to provide a cancelled check verifying the earnest money deposit.</li> <li>• Maximum LTV/CLTV of 80%.</li> <li>• For-Sale-By-Owner (FSBO) transactions must be arm's-length.</li> <li>• Employer to employee sales or transfers are not allowed.</li> <li>• Property trades between buyer and Seller are not allowed.</li> </ul>
Non-Permanent Resident Alien (NPRA) Includes Asylum & DACA	Not eligible

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Permanent Resident Alien	<p>An alien admitted to the United States as a lawful permanent resident. Lawful permanent residents are legally accorded the privilege of residing permanently in the United States.</p> <ul style="list-style-type: none"> <li>• Acceptable evidence of permanent residency include the following:</li> <li>• Alien Registration Receipt Card I-151 (referred to as a green card).           <ul style="list-style-type: none"> <li>◦ Alien Registration Receipt Card I-551 (Resident Alien Card) that does not have an expiration date on the back (also known as a green card).</li> <li>◦ Alien Registration Receipt Card I-551 (Conditional Resident Alien Card) that has an expiration date on the back, and is accompanied by a copy of the filed INS Form I-751 (petition to remove conditions).</li> <li>◦ Non-expired foreign passport that contains a non-expired stamp (valid for a minimum of three years) reading "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until [mm-dd-yy]. Employment Authorized."</li> </ul> </li> <li>• Eligible without guideline restrictions.</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	<p>Investment Properties may have a prepayment penalty. Prepayment penalties on primary residence and second home transactions are prohibited.</p> <p>Where permitted by applicable laws and regulations, a prepayment charge may be assessed. The prepayment charge will be 5.0% and applied to any curtailment or the entire outstanding principal balance during the prepay period. The charge applies to loans that pay off due to sale or refinance.</p>
Products Available	<ul style="list-style-type: none"> <li>• 30 Year Fixed</li> </ul>
Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.) OR the two appraisals must list the improvements with the value added to the acquisition cost to support the higher value.</li> </ul>

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Property Types	<p><u>Eligible:</u> Single Family Residences, PUDs, Townhouses</p> <p><u>Ineligible:</u> • Acreage greater than 10 acres (appraisal must include total acreage) • Condominiums: Warrantable • Condominiums: Non-Warrantable • 2-4 Units • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Leaseholds • Log Homes • Manufactured housing • Mixed use properties • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
Property Types Warrantable Condos	<ul style="list-style-type: none"> <li>• Not eligible</li> </ul>
Property Types Modular Homes	Not eligible
Qualifying Rate and Ratios	<p>Qualifying Rate and Ratios</p> <ul style="list-style-type: none"> <li>• ARMs – Qualify at the greater of the fully-indexed rate or Note rate</li> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on a fully amortizing principal and interest payment</li> <li>• Interest Only loans qualify at the greater of the fully-indexed rate or note rate based on the scheduled remaining loan term (240 or 360 Months) at the time of recast after the interest only period has expired. The interest-only option is a 10-year initial interest-only period followed by 20 or 30-year full amortization.</li> </ul> <p>DTI Ratio Standard max is 40%</p>
Refinance Cash Out	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Refinance Delayed Financing	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Refinance Rate & Term	<ul style="list-style-type: none"> <li>• No allowed</li> </ul>

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Rent Loss Coverage	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>• 12 months' PITIA of the first and second lien</li> </ul>
Residual Income	<ul style="list-style-type: none"> <li>• Not required</li> </ul>
Seller Concessions & Interested Party Contributions	<p>Seller Concessions</p> <ul style="list-style-type: none"> <li>• O/O, 2nd home: LTV/CLTV greater than 85%: max 2%</li> <li>• O/O, 2nd home: LTV/CLTV equal to or greater than 80%: max 4%</li> <li>• O/O, 2nd home: LTV/CLTV less than 80%: max 6%</li> <li>• NOO: LTV/CLTV equal to or less than 75%: Max is 3%</li> <li>• NOO: LTV/CLTV greater than 75%: Max is 2%</li> </ul> <p>All Interested Party Contributions must be properly disclosed in the sales contract, appraisal, loan estimate and closing disclosure and be compliant with applicable federal, state, and local law.</p> <p>Interested Party Contributions can only be for non-recurring closing cost.</p> <p>Interested party contributions include funds contributed by the property seller, builder, real estate agent/broker, mortgage lender, or their affiliates, or any other party with an interest in the real estate transaction. A borrower participating in the transaction (i.e., borrower acting as their own agent) may contribute funds (i.e., commission) up to the maximum contribution limits referenced above.</p> <p>Interested party contributions may only be used for closing costs and prepaid expenses (Financing Concessions) and may never be applied to any portion of the down payment or contributed to the borrower's financial reserve requirements. If an Interested Party Contribution is present, both the appraised value and sales price must be reduced by the concession amount that exceeds the limits referenced above.</p>
Subordinate Financing	Secondary financing must be with GBL. HELOC CLTV must be calculated at the maximum available line amount unless the borrower can provide documentation the line of credit is past its draw period.

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Tax Liens	<p>All tax liens (federal, state, and local) must be paid off prior to or at loan closing unless the requirements listed below are met:</p> <ul style="list-style-type: none"> <li>• The file must contain a copy of the approved IRS installment agreement with the terms of repayment, including the monthly payment amount and total amount due (Only one plan allowed).</li> <li>• A minimum of two (2) payments has been made under the plan with all payments made on time and the account is current. Acceptable evidence includes the most recent payment reminder from the IRS, reflecting the last payment amount and date and the next payment amount owed and due date.</li> <li>• The maximum payment required under the plan is included in the DTI calculation.</li> <li>• The balance of the lien, or repayment plan, must be included when determining the maximum CLTV for the program.</li> <li>• Refinance transactions require a subordination agreement from the taxing authority for liens against the subject property.</li> </ul>
Temporary Buydowns	Not allowed

SECOND LIEN: CES • Combo w/ 1<sup>st</sup> Lien • Full Documentation • 95% CLTV/HCLTV Purchase • Up To \$350,000

### Primary Residence

Purpose	Credit Score	CLTV/HCLTV	Max. Loan Amount	Reserves
Purchase	740 +	95%	\$350,000	6 Months

### Other Restrictions

CLTV > 85%	Full Documentation; 1 Unit; Closed End Second (CES)
Condo – Non Warrantable	Not available
Condo – Warrantable	Not available
2-4 Units	Not available
Texas & Utah	Not available
CT, IL, NJ, TX, UT	Not available
CES Term: 30 Year Fixed	

Age of Documents	<p>Credit Report/Credit Documentation: 90 days old at the time of closing  Income and Asset Documentation: Dated within 60 days of closing  Title Report/Title Commitment: Dated no later than 90 days prior to closing</p>
Appraisal	<p><b>Appraisal Options</b>  <u>All Occupancies:</u></p> <ul style="list-style-type: none"> <li>• A new Residential Appraisal plus an AVM supporting value within 10%. If the AVM variance is greater than 10%, the lower of the two is used to calculate CLTV/HCLTV.</li> </ul> <p>Not eligible: Properties for which the appraisal indicates condition ratings of C5 or C6 or a quality rating of Q6, each as determined under the Uniform Appraisal Dataset (UAD) guidelines. GreenBox will consider if issue has been corrected prior to loan funding with proper documentation.</p> <p><b>APPRAISAL REVIEW PRODUCTS:</b> An enhanced desk review product, (such as an ARR from ProTeck or CDA from Clear Capital), from a GreenBox Approved AMC is required on all transactions.</p> <p>In lieu of an enhanced desk review product, a field review or second appraisal from a GreenBox's AMC is acceptable.</p> <p>If the Appraisal Review Product value is more than 10% below the appraised value a second appraisal is required. When a second appraisal is provided, the transactions "Appraised Value" will be the lower of the two appraisals.</p> <p>Any property located in a declining market as reported by the appraiser requires a 5%-10% CLTV/HCLTV reduction.</p> <p><b>Minimum Standards</b>  Minimum Square Footage 750 Sq. Feet.  Properties located in a declining market as designated by the appraiser are not permitted  Property constructed for year-round use  Permanently affixed continuous heat source  Maximum deferred maintenance cannot exceed \$2,000  No health or safety issues both internal or external  Fully functioning kitchen – define as full-size appliances including a refrigerator and stove/oven  Bedroom required</p>
Appraisal Accessory Dwelling Units (ADU)	<ul style="list-style-type: none"> <li>• Property must conform to the neighborhood.</li> <li>• Comparable properties must include accessory dwelling unit.</li> <li>• Rental income cannot be used to qualify the borrower.</li> </ul>

Appraisal  
Transfers

Allowed with GBL review and approval. Missing documents and information will disallow transfer of appraisal.

To transfer an appraisal, a transfer letter must be executed by the original Lender that ordered the appraisal and must be signed by an authorized member of the company. Appraisal transfer letters signed by loan officers or loan processors will not be acceptable. The letter must include the following:

- Prepared on Letterhead of the original Lender
- Current Date
- Borrower Name
- Property Address
- Statement that the appraisal was prepared in compliance of Appraisal Independence Requirements
- Signed by an Authorized Representative
- Appraisal must be dated within 45 days of submission to GBL

The following documents are required with a transfer:

- Executed Appraisal Transfer Letter
- First generation appraisal report
- "Subject to ...." are in-eligible
- Copy of the invoice submitted to the original lender
- Proof that the original report was provided to the borrower

Assets	<p>Down payment funds should be documented for 60 days per the Fannie Mae Verification of Deposits and Assets guidelines with the documentation included in the loan file.</p> <p>In addition to documenting the down payment, closing costs, and minimum PITIA reserve requirements, all borrowers must disclose and verify all other liquid assets.</p> <ul style="list-style-type: none"> <li>• Use 100% of cash and cash equivalents</li> <li>• Use 80% of face value of non-retirement asset accounts</li> <li>• Use 70% of retirement assets if Applicant is under 59.5, 80% if over</li> <li>• If Applicant is liquidating funds from non-retirement sources, document liquidation. If Applicant is liquidating from retirement accounts, document the liquidation</li> <li>• 1031 exchanges eligible but cannot be used for the reserve requirements.</li> <li>• Business funds may be used provided the Applicant(s) own(s) a minimum of 51% combined ownership of the business. The amount of funds that may be utilized is based on the Applicant's percentage of ownership. Applicant(s) must provide either: <ul style="list-style-type: none"> <li>○ A letter from CPA or EA stating that the Applicant(s) may access the business funds and that the withdrawal will have no adverse impact; or</li> <li>○ A letter from the Applicant(s) stating that they may access the business funds and Cash Flow Analysis to document that the withdrawal will have no adverse impact.</li> </ul> </li> <li>• Non-regulated Financial Assets <ul style="list-style-type: none"> <li>○ Crypto Currency – Bitcoin and Ethereum are eligible sources of funds for the down payment, closing costs and reserves. Crypto is not an eligible liquid asset for asset utilization/depletion. <ul style="list-style-type: none"> <li>▪ Down payment and closing costs: currency must be liquidated and deposited into an established US bank account.</li> </ul> </li> <li>○ Reserves: Loan file must include a statement meeting the requirements under account statements to document ownership of the crypto holdings. Current valuation, within 30-days of the loan Note date, can only be determined from the Coinbase exchange. 60% of the current valuation will be considered eligible funds.</li> </ul> </li> </ul>
Borrower Eligibility	<p><u>Eligible:</u> U.S. Citizen • Permanent Resident Alien</p> <ul style="list-style-type: none"> <li>• A Limited <i>Power of Attorney (POA)</i> is not available</li> </ul> <p><u>In-Eligible:</u> Foreign national • Non-Permanent Resident Aliens • Non-Occupant Co-Borrowers • Co-Signers • Guarantors • Any forms of a Trust</p>
Calculation of the CLTV/HCLTV Ratio	<p>The CLTV/HCLTV ratio is determined by dividing the sum of the items listed below by the appraised value of the property.</p> <ul style="list-style-type: none"> <li>• The unpaid principal balance of the first mortgage, as verified from credit and/or VOM.</li> <li>• The original loan/line amount of the second mortgage</li> <li>• Negative amortization first liens not allowed</li> </ul>

Combined Loan Balance Caps	<p>The CLTV/HCLTV of the combined 1st and 2nd lien loan/line balances are restricted as follows:</p> <ul style="list-style-type: none"> <li>Total lien balance &lt;= \$2,000,000 – maximum CLTV/HCLTV 95%</li> </ul>																
Continuity of Obligation	<ul style="list-style-type: none"> <li>Continuity of obligation occurs on a transaction when at least one of the borrower(s) on the existing first or second mortgage is also a borrower/member on the new transaction secured by the subject property. When an existing Mortgage will be satisfied as a result of a refinance transaction, the following requirement must be met: <ul style="list-style-type: none"> <li>At least one borrower on the stand-alone refinance mortgage has held title for the most recent 12-month period or since purchase, and the mortgage file contains documentation evidencing that the borrower has been making timely mortgage payments, including the payments for any secondary financing, for the most recent 12-month period</li> </ul> </li> </ul>																
Credit	<ul style="list-style-type: none"> <li>All borrowers contributing income must meet the minimum tradeline requirements listed below: <ul style="list-style-type: none"> <li>A minimum of three (3) tradelines, one currently open and active for at least 24-months based upon the credit report pull date. The other two (2) must have been reported for a minimum of 12-months but can be open or closed.</li> </ul> </li> <li>Valid tradelines have the below characteristics <ul style="list-style-type: none"> <li>The credit line must be reflected on the borrower's credit report</li> <li>The account must have activity in the last 12 months but may be open or closed.</li> </ul> </li> <li>The following are not acceptable to be counted as valid tradelines: Liabilities in deferment status, Accounts discharged through bankruptcy , Authorized user accounts, Charge-offs, Collection accounts, Foreclosures, Deed-in-lieu foreclosures, Short sales, Pre-foreclosure sales</li> <li>Borrower explanations are to be provided for any Disputed Tradelines with derogatory information reported in the last two years.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #008000; color: white;"> <th colspan="2">Matrix 5000-Elite Combo95 CES FD</th> </tr> </thead> <tbody> <tr> <td>Minimum FICO</td><td style="text-align: center;">740</td></tr> <tr> <td>Housing</td><td style="text-align: center;">0x30x12</td></tr> <tr> <td>BK (Chap 13 Discharge)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>BK (Other)</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td>Foreclosure / NOD</td><td style="text-align: center;">60 Mo</td></tr> <tr> <td>Short Sale / DIL / Loan Mod.</td><td style="text-align: center;">48 Mo</td></tr> <tr> <td colspan="2" style="text-align: center;">No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.</td></tr> </tbody> </table>	Matrix 5000-Elite Combo95 CES FD		Minimum FICO	740	Housing	0x30x12	BK (Chap 13 Discharge)	48 Mo	BK (Other)	48 Mo	Foreclosure / NOD	60 Mo	Short Sale / DIL / Loan Mod.	48 Mo	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.	
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Credit Credit Events	No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.
Credit Consumer Credit	<p>Consumer Credit History Applicants with current credit delinquencies are ineligible.</p> <p>Consumer Credit Charge-offs and Collections Charge-offs or collections paid off over 12 months ago are acceptable. Open medical collections less than \$1,000 per occurrence ok to be left open.</p> <p>Consumer Credit Counseling Services Borrowers enrolled in credit counseling are ineligible.</p> <p>Judgment or Liens All judgements, garnishments and all outstanding liens must be paid off prior to or at loan closing.</p> <p>Income Tax Liens All income tax liens (federal, state, local) must be paid off prior to or at loan closing</p>
Credit Forbearance / Deferment	The first mortgage loan cannot be in any active deferment or forbearance period. Once the deferment or forbearance period has expired, a minimum of three-monthly payments at the current payment must be documented
Credit Housing History	<p>Borrowers must have satisfactory consecutive 12 month mortgage and/or rent payment history in the three (3) years prior to loan application. Mortgage and rental payments not reflected on the credit report must be documented via an institutional Verification of Rent or Verification of Mortgage (VOR/VOM), or with alternative documentation. Alternative documentation must show the most recent 12 month history, and may be in the form of cancelled checks or bank statements, mortgage/rental statements including payment history, etc. Payments to private lenders require support with cancelled checks. Alternative documentation is ineligible for FTHB.</p> <p>No mortgage lates in the last 12 months inclusive of all mortgages and all REO for all borrowers on the transaction.</p> <ul style="list-style-type: none"> <li>• Borrowers who live rent-free or without a complete 12 month housing history are in-eligible, except for the following: <ul style="list-style-type: none"> <li>◦ Borrower(s) who sold a primary residence within the past six (6) months and are currently residing rent-free until subject transaction closes are not considered living rent-free. The underwriter must obtain an acceptable 12 months housing/rental history (based on specific requirements) for the time-frame immediately prior to the rent-free period and provide a LOE.</li> </ul> </li> </ul>

Credit Inquiries	For all inquiries within the most recent 90 days of the credit report date, a signed letter of explanation from the borrower or creditor is required to determine whether additional credit was granted as a result of the borrower's request. If new credit was extended, borrower must provide documentation on the current balance and payment; based on the verification of all new debt/liabilities, the borrower should be qualified with the additional monthly payment. If no credit was extended, borrower must state the purpose of the inquiry
Credit Liabilities	<ul style="list-style-type: none"> <li>• Installment Debt – Must be included in the DTI calculation if 10 or more payments remain. The monthly payment may be excluded from the DTI calculation if there are 9 or fewer monthly payments remaining, and the payment is not substantial. Substantial is defined as the payment equaling or exceeding 5% of the qualifying income. A substantial payment must be included in the DTI.</li> <li>• Deferred installment debts including student loans must be included in the DTI ratio.</li> <li>• Delinquent federal income taxes paid on a monthly basis to the IRS under an approved plan must be paid in full at or prior to closing.</li> <li>• All balloon payment notes</li> <li>• If the application, title, or credit documents indicate the borrower is involved in a lawsuit or litigation, the borrower is not eligible.</li> <li>• Paying off debt to qualify is permitted (Paying down debt to qualify is not permitted)</li> </ul>
Credit Past Due	<ul style="list-style-type: none"> <li>• Past due consumer debts can be no more than 30 days past due at time of closing.</li> </ul>

<p>Credit Obligations / Liabilities not appearing on Credit Report</p>	<p><u>Housing and Mortgage Related Obligations</u> All properties owned by the borrower must be fully documented. These obligations must be verified using reasonably reliable records such as taxing authority or local government records, homeowner's association billing statements, information obtained from a valid and legally executed contract.</p> <p>The monthly mortgage payment (PITIA) used for qualification consists of the following:</p> <ul style="list-style-type: none"> <li>• Principal and Interest</li> <li>• Hazard and flood and insurance premiums</li> <li>• Real Estate Taxes</li> <li>• Special Assessments</li> <li>• Association Dues</li> <li>• Any subordinate financing payments.</li> <li>• Premiums and similar charges that are required by the creditor (i.e., mortgage insurance)</li> </ul> <p><u>Current Debt Obligations, Child Support, Alimony or Maintenance Obligations</u> GBL may use a credit report to verify a borrower's current debt obligations, unless the underwriter has reason to know that the information on the report is inaccurate or disputed.</p> <p>Monthly alimony, child support or separate maintenance fees should be current at time of application and must be included in the borrower's DTI ratio. The file should contain supporting documentation as evidence of the obligation, such as a final divorce decree, property settlement agreement, signed legal separation agreement, or court order. If payments are past due, the borrower is ineligible,</p>
<p>Credit Report Gap</p>	<p>Underwriter should confirm there are no new borrower debt obligations. A gap credit report or soft-pull is required if Note date is greater than 30 days after the date of the credit report relied upon for underwriting. The gap credit report or soft-pull is to be dated within 15 days of the Note date.</p> <p>When a gap report or soft-pull is required, it becomes part of the Mortgage File and all payments/balances and DTI are to be updated.</p>
<p>Credit Scores</p>	<p>The primary wage-earner score is used as the Representative Credit Score, if no primary wage earner, use the lowest representative score of all the borrowers. Additional borrowers on the loan must have a representative score of 660 or greater. To determine the Representative Credit Score for the primary wage-earner, select the middle score when 3 agency scores are provided and the lower score when only 2 agency scores are provided.</p>

Credit Scores – Rapid Rescores	Allowed; Broker has 7 days to update the applicant(s) credit when notified of a credit error and/or negative information, otherwise loan is subject to change of program or cancelation. It is the broker's responsibility to process the credit update and to notify the GreenBox operation team when to re-score the applicant(s) credit report.
Eligible States	<ul style="list-style-type: none"> <li>• <a href="#">See GreenBox Loans, Inc.'s "Location" on web page;</a></li> <li>• Texas &amp; Utah: in-eligible CES</li> <li>• CT, IL, NJ: Not allowed</li> </ul>
Escrow Account	<ul style="list-style-type: none"> <li>• Not required for second liens.</li> </ul>
First Time Homebuyers	<p>GBL defines a First Time Home Buyer as a borrower who has no ownership interest (sole or joint) in a residential property during the three-year period preceding the date of the purchase of the subject property.</p> <p>A First Time Home Buyer is required to have a documented 0x30x12 month housing/rental history. Private party housing histories are ineligible.</p>
Gift Funds	Not Allowed

Income Full Documentation	<ul style="list-style-type: none"> <li>• When tax returns are required, the most recent two years should be provided. The definition of most recent is the last return scheduled to have been filed with the IRS. Any Borrower that applied for a tax return extension must provide a copy of the extension in the credit file along with the prior two years of tax returns.</li> </ul> <p><b>Wage or Salaried Borrowers:</b></p> <ul style="list-style-type: none"> <li>• A completed Request for Verification of Employment (Form 1005 or Form 1005(S)), and the borrower's recent paystub (reflecting 30 days of pay and YTD earnings) and IRS W-2 forms covering the most recent two-year period</li> <li>• A verbal VOE from each employer within 10-days of the note date</li> <li>• A completed, signed, and dated IRS Form 4506-C is required for each borrower. The form should be executed and the transcripts for the most recent two-year period included in the credit file. If tax returns included in the credit file, the transcripts and returns should be compared. Any discrepancies between the two documents should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Tax returns are not required if the only income is wages or salary. If any business income present on the transcripts or the borrower owns multiple investment properties, tax returns must be provided. Personal tax returns must be complete with all schedules (W-2 forms, 1099 forms, K-1, and any other forms) and be signed and dated</li> </ul> <p><b>Self Employed Borrowers:</b></p> <ul style="list-style-type: none"> <li>• Most recent two years of tax returns, personal and business if applicable (including all schedules), signed and dated by each borrower.</li> <li>• A YTD P&amp;L and balance sheet (Borrower prepared acceptable, borrower required to sign and date both the P&amp;L and Balance Sheet),</li> <li>• A complete, signed, and dated IRS Form 4506-C is required for each borrower and any business entity filing a separate return, the forms should be executed and the transcripts included in the credit file. The tax returns and transcripts should be compared; any discrepancies should be explained and if necessary additional documentation obtained to satisfactorily address.</li> <li>• Verify the existence of the business within 30-days of funding and ensure the business is active with the following; a letter from either the businesses tax professional certifying 2 years of self-employment in same business, or regulatory agency or licensing Bureau; or with either a phone listing and/or business address using directory assistance or internet search</li> <li>• Underwriter must consider the financial strength of a self-employed borrower's business</li> <li>• Provide three (3) months business bank statements or the months reflected on the YTD P&amp;L. The 3-months of business bank statements must support the sales reflected on the Profit and Loss Statement. The average deposits from the bank statements must be greater than, or no less than, 10% below the average monthly sales. In the event the 10% tolerance is not met, continuous bank statements may be added to the analysis until the tolerance is met</li> </ul>
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Income Full Doc Documentation of other Sources	<p>The following sources of income must be verified using Fannie Mae requirements.</p> <ul style="list-style-type: none"> <li>• Bonus*</li> <li>• Commission*</li> <li>• Overtime*</li> <li>• Part-time/Variable (uninterrupted and stable for past two years*)</li> <li>• Retirement</li> <li>• Social security</li> <li>• Investment and Trust</li> <li>• Military or government assistance</li> <li>• Child support and alimony</li> </ul> <p>* A period of two years must be used in calculating the average overtime, bonus, and commission income. If either type of income shows a continual decline, written justification on the income worksheet must be provided, or income should not be used. For Part-time employment, a minimum two (2) year history is required however a shorter period, of no less than twelve (12) months, may be considered case-by-case if positive factors are present to offset shorter history.</p>
Income – Supplement Asset Utilization	Not eligible
Interest Only (IO)	Not available on CES
Leasehold Properties	<p>In areas where leasehold estates are commonly accepted and documented via the Appraisal, loans secured by leasehold estates are eligible. The mortgage must be secured by the property improvements and the borrower's leasehold interest in the land. The leasehold estate and any improvements must constitute real property, be subject to the mortgage lien, and be insured by the lender's title policy.</p> <p>Leaseholds must meet all FNMA eligibility requirements (i.e. term of lease).</p>

Lien Ineligible Senior Lien	<ul style="list-style-type: none"> <li>• Ineligible First liens with high-risk features which can include, but are not limited to: <ul style="list-style-type: none"> <li>◦ Forbearance, modifications, or deferrals (including COVID-19 related events) completed or reinstated within 12- months of the Note date</li> <li>◦ Loans in active forbearance or deferment</li> <li>◦ Negative amortization including loans with Paid-In-Kind (PIK) features</li> <li>◦ Balloon, if the balloon payment becomes due during the amortization period of the new 2nd lien</li> <li>◦ Reverse Mortgages</li> <li>◦ First liens for the subject property not reporting on credit report <ul style="list-style-type: none"> <li>▪ e.g., Private party mortgages including any loan not reporting on credit report</li> </ul> </li> <li>◦ Loans secured by more than one underlying property, including cross collateralized loans or blanket mortgages</li> <li>◦ Home Equity Line of Credit</li> <li>◦ Note with default interest rate greater than the Note rate</li> </ul> </li> </ul>
Lien Ineligible Senior Lien Loan Features	<ul style="list-style-type: none"> <li>• Lien Free Properties – if the subject property is lien free, including delayed financing, ineligible.</li> <li>• Unseasoned cash-out – if the existing lien is a cash-out, measured within six (6) months of the note date to note date.</li> <li>• Frequent Refinances – Two (2) or more cash-out refinances in the past twelve (12) months.</li> <li>• All existing subordinate liens must be satisfied except for solar panels. <ul style="list-style-type: none"> <li>◦ All Solar Panel loans and leases with PACE/HERO financing must be paid off.</li> </ul> </li> </ul>
Lien Position	<ul style="list-style-type: none"> <li>• Second lien must have a valid second position. <ul style="list-style-type: none"> <li>◦ Other junior liens (For example: HELOCs, contract for deed, home improvement loan) must be paid off</li> </ul> </li> </ul>

Lien Senior/First Lien Documentation Requirements	<p>Piggy-Back 2nd:</p> <ul style="list-style-type: none"> <li>• Copy of 1st lien Note</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> <li>• Follow 1st lien income requirements.</li> <li>• 1st mortgage approval reflecting 2nd.</li> <li>• DU/LP Approve/Eligible, or LP Accept or Approve/Accept/Ineligible due to loan size or non-conforming 1st liens (if applicable).</li> <li>• Purchase agreement (if applicable).</li> <li>• HOA statement (if applicable).</li> <li>• HOI, flood insurance (if applicable), flood cert.</li> <li>• Closing instructions reflecting 2nd.</li> </ul>
Lien Senior Lien/First Lien Interest Only or ARM	<ul style="list-style-type: none"> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> </ul>
Limitations on Financed Properties	<p>Primary and Second Homes</p> <ul style="list-style-type: none"> <li>• The maximum number of financed properties to any one borrower is limited to twenty (20) residential properties including subject property.</li> <li>• Commercial properties and residential &gt; 5-units excluded from calculation.</li> </ul> <p>Investor Properties</p> <ul style="list-style-type: none"> <li>• There is no limit on the number of financed properties</li> </ul>
Listing Seasoning	Properties previously listed for sale should be seasoned at least 6 months from the listing contract expiration date to application date.
Loan, Line & Draw Amounts	Minimum loan/line amount: \$100,000

Non-Arm's Length & Interested Party Transactions	<p><u>Non-Arm's Length Transactions</u>            A non-arm's length transaction occurs when the borrower has a direct relationship or business affiliation with subject property builder, developer, or seller. Examples of non-arm's length transactions include family sales, property in an estate, employer/employee sales, and flip transactions.</p> <p>When the property seller is a corporation, partnership, or any other business entity, it must be ensured that the borrower is not an owner of the business entity selling the property.</p> <p>A non-arm's length transaction is not intended to bail out a family member who has had difficulties making their mortgage payment. A thorough review of the title report in these cases is required, as well as the payment history pattern (verification of the Seller's mortgage (VOM)).</p> <p><u>Interested Party Transactions</u>            A Conflict-Of-Interest Transaction occurs when the borrower has an affiliation or relationship with the Mortgage Broker, Loan Officer, Real Estate Broker or Agent, or any other interested party to the transaction.</p> <p>In the case of the Mortgage Broker, Loan Officer, or Real Estate Broker/Agent, extra due diligence must be exercised. For example, the Seller's real estate agent for the subject property may not act as the loan officer for the borrower(s) purchasing the same subject property. An examination of the relationship among the Mortgage Broker, Title/Escrow Companies, Appraiser and any other party to the transaction must be closely examined. A Letter of Explanation regarding the relationship between the parties is required.</p>
Non-Arm's Length & Interested Party Transactions Eligibility & Restrictions	<p>Non-arm's length transactions are permitted for a tenant buying the property that they are currently renting; from the landlord/owner of the property. Other Non-Arm's Length transactions are ineligible. Examples of non-arm's length transactions include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Family member sales</li> <li>• Renters purchasing from current landlord</li> <li>• Buyer trading properties with the seller</li> <li>• Property seller foreclosure bailouts</li> <li>• Existing buyer relationship with loan officer, real estate agents, closing agent, appraiser, builder, or developer</li> </ul>
Non-Permanent Resident Alien	Not allowed
Non-Occupant Co-borrowers	Non-Occupant co borrowers are ineligible

Ownership Seasoning	Properties owned less than six (6) months ineligible. Seasoning is not required for properties that are inherited or legally acquired through a divorce, separation, or dissolution of a domestic partnership.
Payment Shock	Not Calculated
Permanent Resident Alien	<p>A permanent resident alien is a non-U.S. citizen authorized to live and work in the U.S. on a permanent basis.</p> <p>Acceptable evidence of lawful permanent residency must be documented and meet one of the following criteria:</p> <ul style="list-style-type: none"> <li>• I-551: Permanent Resident Card (Green Card) issued for 10 years that has not expired</li> <li>• I-551: Conditional Permanent Resident Card (Green Card) issued for 2 years, that has an expiration date, and is accompanied by a copy of USCIS form I-751 requesting removal of the conditions</li> <li>• Un-expired Foreign Passport with an un-expired stamp reading as follows: "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence. Valid until mm-dd-yy. Employment Authorized."</li> </ul>
Points and Fees	Total points and fees must be less than 5%
Prepayment Penalty	Not available
Product	<p>The following loan products are eligible</p> <ul style="list-style-type: none"> <li>• CES: 30 Year Fixed</li> </ul>

Property Flipping	<p>For properties acquired by the seller of the property within 6 months of application date where the contract price exceeds the sellers acquisition price by the following:</p> <ul style="list-style-type: none"> <li>• More than a 10% price increase if the seller acquired the property in the past 90-days;</li> <li>• More than a 20% price increase if the seller acquired the property in the past 91-180 days</li> </ul> <p>The Following additional requirements apply:</p> <ul style="list-style-type: none"> <li>• Second appraisal required from GreenBox Loan's AMC, (The second appraisal must be provided to the borrower in accordance with either the ECOA or HPML requirements, whichever applies)</li> <li>• Second appraisal must be dated/delivered prior to the loan consummation/note date;</li> <li>• Property seller on the purchase contract must be the owner of record;</li> <li>• Increases in value should be documented with commentary from the appraiser and recent comparable sales.</li> <li>• Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and specifications, receipts, invoices, lien waivers, etc.)</li> </ul>
Purchase Transactions	Loan proceeds must be used for the acquisition of the Subject Property; no proceeds may be paid to the Borrowers other than nominal amounts to reimburse the Borrowers for the overpayment of fees; none of the Borrowers may have had an ownership interest in the Subject Property over the past twelve months.
Purchase Transactions LTV/CLTV/HCLTV Calculation	To calculate the loan to value for a purchase transaction, the Lender must divide the loan amount by the lower of the Subject Property's purchase price or appraised value. To calculate the cumulative loan to value for a purchase transaction, the UW must divide the sum of the loan amount plus the principal amount of purchase money subordinate financing by the lower of the Subject Property's purchase price or appraised value.
Property Types	<p><u>Eligible:</u> Single Family Residences 1 Unit, PUDs, Townhouses,</p> <p><u>Ineligible:</u> • Condominiums: Warrantable Only • 2-4 Units • Non-Warrantable Condos • Acreage greater than 10 acres (appraisal must include total acreage) • Agricultural zoned property • Condo hotel • Co-ops • Hobby Farms • Income producing properties with acreage • Log Homes • Manufactured housing • Mixed use properties • Modular homes • Unique properties • Working farms, ranches or orchards • Rural zoned property</p>
Property Types Warrantable Condos	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>

Qualifying Rate and Ratios	<p>Qualifying Rate / Payment</p> <ul style="list-style-type: none"> <li>• Fixed Rate – Qualify at the Note rate</li> <li>• Qualifying ratios are based on PITIA payment with the principal and interest payments amortized over the loan term</li> <li>• Interest only senior liens are acceptable when qualified at a maximum DTI of 45%. The current I/O payment on the senior lien is used to calculate DTI.</li> <li>• 1st lien ARMS with &lt; 3 years fixed period remaining qualified on fully indexed payment</li> <li>• HELOC: Qualify at the greater of the current Prime Rate + margin + 2.0% or Note rate + 2.0%, using the total credit limit, over 25 year fully amortized payment.</li> </ul> <p>DTI Ratio</p> <ul style="list-style-type: none"> <li>• Maximum DTI is 45%</li> <li>• Maximum DTI is 45.01% - 50% with 700 minimum Fico, \$3,500 Residual Monthly Income and loan amount &lt;= \$500,000</li> </ul>
Refinance Transactions Rate and Term	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Refinance Transactions Rate and Term LTV/CLTV/HCLTV Calculation	<p>If the property is owned for 6 months or less at the time of application, the LTV/CLTV/HCLTV will be based on the lesser of the original purchase price or current appraised value. The prior closing statement will be required for proof of purchase price.</p> <p>For Properties owned more than six months, LTV/CLTV/HCLTV will be based on the current appraised value.</p>
Refinance Transactions Cash out	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
Refinance Transactions Cash Out LTV/CLTV/HCLTV Calculation	<p>Calculation of the LTV depends on the time between the application date of the new loan, and the Note date of the prior mortgage or the date of initial purchase of the subject.</p> <ul style="list-style-type: none"> <li>• For properties owned for six (6) months or more, the LTV is calculated by utilizing the current appraised value.</li> </ul>
Rent Loss Coverage	Not required

Reserves	<ul style="list-style-type: none"> <li>• See front matrix</li> </ul>
Residual Income	Required when DTI is greater than 45%
Vesting	<p>Ownership must be fee simple or leasehold</p> <p>Acceptable forms of vesting are:</p> <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Joint tenants</li> <li>• Tenants in Common</li> <li>• Limited Liability Companies, Partnerships, Corporations, and S Corporations</li> </ul>



## Accessory Dwellings Units (ADU)

### **HELOCs & CES**

Allowed under the following conditions:

- Property must conform to the neighborhood.
- Comparable properties must include accessory dwelling unit.
- Rental income cannot be used to qualify the borrower.

### **Other programs**

GBL will fund a one-unit property with an accessory dwelling unit (ADU). An accessory unit is typically an additional living area independent of the primary dwelling unit and includes a fully functioning kitchen and bathroom. Some examples may include a living area over a garage and basement units. Whether a property is defined as a one-unit property with an accessory unit or a two-unit property will be based on the characteristics of the property, which may include, but are not limited to, the existence of separate utilities, a unique postal address, and whether the unit is rented. The appraiser is required to provide a description of the accessory unit and analyze any effect it has on the value or marketability of the subject property.

If the property contains an accessory unit, the property is eligible under the following conditions:

- The property is defined as a one-unit property with an accessory unit
  - Multiple accessory units are not permitted
- The appraisal report demonstrates that the improvements are typical for the market through an analysis of at least one comparable property with the same use
- Rental income may be used for the accessory unit subject to the following:
  - Appraisal to reflect zoning compliance is legal
    - Permit is not required to establish zoning compliance
  - Appraisal to include at least one comparable with an accessory unit
  - Refinance – The market rent for the accessory unit should be documented on FNMA Form 1007 and the file must include a copy of the current lease agreement with two (2) months proof of current receipt.
  - Purchase
    - Owner-Occupied/2nd Home: Income from the accessory unit may not be used as qualifying income
    - Non Owner-Occupied: Use the lower of the market rent on FNMA Form 1007 or actual rent.

**Borrower Information**

The Loan will be closed in the name of a	<input type="radio"/> Natural Person	<input type="radio"/> Business Entity	
Borrower Name		Borrower SSN	Borrower Date of Birth
Current Address	<b>Citizenship</b>		
City	State	Zip Code	<input type="radio"/> US Citizen <input type="radio"/> Permanent Resident Alien <input type="radio"/> Non-Permanent Resident Alien <input type="radio"/> Foreign National
How long at your current address?	Years	Months	<b>Current Residence</b>
Primary Telephone	<input type="radio"/> Own <input type="radio"/> Rent <input type="radio"/> Living Rent Free Email Address		

<b>Co-Borrower Information*</b>			
Co-Borrower Name		Co-Borrower SSN	Co-Borrower Date of Birth
Current Address	<b>Citizenship</b>		
City	State	Zip Code	<input type="radio"/> US Citizen <input type="radio"/> Permanent Resident Alien <input type="radio"/> Non-Permanent Resident Alien <input type="radio"/> Foreign National
How long at your current address?	Years	Months	<b>Current Residence</b>
Primary Telephone	Email Address	<input type="radio"/> Own <input type="radio"/> Rent <input type="radio"/> Living Rent Free <b>Relationship to Borrower</b> <input type="radio"/> Spouse <input type="radio"/> Business Partner/Other	

\* If there are additional co-borrowers, please provide an attachment with the above information for each additional co-borrower.

**Business Entity Information**

Legal Name of Business Entity			EIN
Entity Type	<input type="radio"/> Limited Liability Company	<input type="radio"/> Partnership	<input type="radio"/> Corporation
Borrower's Ownership Percentage	%	Co-Borrower's Ownership Percentage	%

**Asset Information\*\***

Date Opened	Bank Name	Account Balance \$	<input type="radio"/> Personal Acct. <input type="radio"/> Business Acct.
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\*\* If there are additional assets, please provide an attachment with the above information.

**Loan Type and Terms**

<b>Transaction Purpose</b>	<input type="radio"/> Purchase Target Closing Date	<b>Refinance</b>	<input type="radio"/> Rate/Term <input type="radio"/> Cash Out				
Mortgage Loan Information	Loan Amount \$	Note Rate %	Loan Term Mos.	Amortization Type	<input type="radio"/> Fixed <input type="radio"/> ARM	Interest Only	<input type="radio"/> Yes <input type="radio"/> No

**Property Information**

Subject Property Address		County		
City		State	Zip Code	
Property Type	<input type="radio"/> Single Family (1 unit)	<input type="radio"/> 2-4 Units Residential	<input type="radio"/> Condo (1 unit)	<input type="radio"/> 5-8 Units Residential
Purchase Price	Date Acquired		Current Market Value	
Annual Property Taxes	Annual Property Insurance		Monthly HOA Dues (If applicable)	
Is the property currently tenant occupied?	<input type="radio"/> No	<input type="radio"/> Yes - Provide gross monthly rental income		<b>Rental Type</b>
				<input type="radio"/> Long-Term Rental <input type="radio"/> Short-Term Rental

**Complete Information for Additional Property**

<b>Property Address (Primary)</b> (full address)			Date Acquired	
Property Value	Status (Sold, Pending Sale, or Retained)	Intended Occupancy (Investment, Primary Residence, Second Home, Other)	Monthly Mortgage Payment	Monthly Rental Income
<b>Property Address</b> (full address)			Date Acquired	
Property Value	Status (Sold, Pending Sale, or Retained)	Intended Occupancy (Investment, Primary Residence, Second Home, Other)	Monthly Mortgage Payment	Monthly Rental Income
<b>Property Address</b> (full address)			Date Acquired	
Property Value	Status (Sold, Pending Sale, or Retained)	Intended Occupancy (Investment, Primary Residence, Second Home, Other)	Monthly Mortgage Payment	Monthly Rental Income

**Signature(s)**

Borrower/Guarantor Name (Printed)	Borrower/Guarantor Signature	Date (mm/dd/yyyy)
Co-Borrower/Guarantor Name (Printed)	Co-Borrower/Guarantor Signature	Date (mm/dd/yyyy)
Co-Borrower/Guarantor Name (Printed)	Co-Borrower/Guarantor Signature	Date (mm/dd/yyyy)
Co-Borrower/Guarantor Name (Printed)	Co-Borrower/Guarantor Signature	Date (mm/dd/yyyy)



## Borrower's Certification and Authorization

**Privacy Act Notice:** This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not, your application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37 (if VA); by 12 USC, Section 1701 et. Seq. (if HUD/FHA); by 42 USC, Section 1452b (if HUD/CPD); and Title 42 USC, et. Seq., or 7 USC, 1921 et. Seq. (if USDA/FmHA).

### **CERTIFICATION**

The Undersigned certify the following:

1. I/We have applied for a mortgage loan from **GREENBOX LOANS, INC.**, and/or broker. In applying for the loan, I/We completed a loan application containing various information on the purpose of the loan, the amount and source of the down payment, employment and income information, and the assets and liabilities. I/We certify that all of the information is true and complete. I/We made no misrepresentations in the loan application or other documents, nor did I/We omit any pertinent information.
2. I/We understand and agree that **GREENBOX LOANS, INC.** reserves the right to change the mortgage loan review processes to a full documentation program. This may include verifying the information provided on the application with the employer and/or the financial institution.
3. I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements when applying for this mortgage, as applicable under the provisions of Title 18, United States Code, Section 1014.

### **AUTHORIZATION TO RELEASE INFORMATION**

To Whom It May Concern:

1. I/We have applied for a mortgage loan from **GREENBOX LOANS, INC.**, and/or broker. As part of the application process, **GREENBOX LOANS, INC.** and/or broker and the mortgage guaranty insurer (if any), may verify information contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of its quality control program.
2. I/We authorize you to provide to **GREENBOX LOANS, INC.** and/or investor to whom **GREENBOX LOANS, INC.** may sell my mortgage, any and all information and documentation that they request. Such information includes, but is not limited to, employment history and income; bank, money market and similar account balances; credit history; and copies of income tax returns.
3. **GREENBOX LOANS, INC.**, broker or any investor that purchases the mortgage may address this authorization to any party named in the loan application.
4. A copy of this authorization may be accepted as an original.

Borrower Signature \_\_\_\_\_

Co-Borrower Signature \_\_\_\_\_

SSN: \_\_\_\_\_ Date: \_\_\_\_\_

SSN: \_\_\_\_\_ Date: \_\_\_\_\_



## SOLAR PANELS

### PROPERTIES WITH SOLAR PANELS

The ownership and debt financing structures commonly found with solar panels are key to determining whether the panels are third-party owned, personal property of the homeowner, or a fixture to the real estate. Common ownership or financing structures include:

- borrower-owned panels,
- leasing agreements,
- separately financed solar panels (where the panels serve as collateral for debt distinct from any existing mortgage); or
- power purchase agreements

Property with solar panels are eligible for purchase. If the borrower is, or will be, the owner of the solar panels (meaning the panels were a cash purchase, were included in the home purchase price, were otherwise financed and repaid in full, or are secured by the existing first mortgage), our standard requirements apply (for example, appraisal, insurance, and title).

GBL is responsible for determining the ownership and any financing structure of the subject property's solar panels in order to properly underwrite the loan and maintain first lien position of the mortgage. When financing is involved, GBL may be able to make this determination by evaluating the borrower's credit report for solar-related debt and by asking the borrower for a copy of all related documentation for the loan. The GBL must also review the title report to determine if the related debt is reflected in the land records associated with the subject property. If insufficient documentation is available and the ownership status of the panels is unclear, no value for the panels may be attributed to the property value on the appraisal unless GBL obtains a UCC "personal property" search that confirms the solar panels are not claimed as collateral by any non-mortgage lender.

A Uniform Commercial Code (UCC) financing statement that covers personal property and is not intended as a "fixture filing" must be filed in the office identified in the relevant state's adopted version of the UCC.

GBL is responsible for ensuring the appraiser has accurate information about the ownership structure of the solar panels and that the appraisal appropriately addresses any impact to the property's value. Separately financed solar panels must not contribute to the value of the property unless the related documents indicate the panels cannot be repossessed in the event of default



on the associated financing. Any contributory value for owned or financed solar panels must be noted in the Improvements Section of the Appraisal Report.

## REQUIREMENTS FOR PROPERTIES WITH SOLAR PANELS THAT ARE OWNED

Solar panels purchased through financing may or may not include the real estate as collateral.

### Financed and collateralized (UCC on title)

The solar panels are collateral for the separate debt used to purchase the panels, but they are a fixture to the real estate because a UCC fixture filing\* has been filed for the panels in the real estate records (on title report).

Note: A Notice of Independent Solar Energy Producer Contract on title is not to be treated as a UCC fixture filing\*.

- Obtain and review the credit report, title report, appraisal, and/or UCC fixture filing\*, related promissory note and related security agreement that reflect the terms of the secured loan
  - Include the debt obligation in the debt-to-income ratio
- Provided that the panels cannot be repossessed for default on the financing terms, instruct the appraiser to consider the solar panels in the value of the property (based on standard appraisal requirements)
- Include the solar panels financing balance in the LTV/CLTV ratio calculation (if unable to obtain, utilize original balance). The UCC fixture filing\* must be subordinated with one of the following.
  - Subordination Agreement
  - UCC Termination
    - Debt obligation is to be included in debt-to-income ratio and LTV/CLTV unless proof is provided verifying the debt has been paid down to zero (UCC termination does not automatically verify the debt is paid off).
- CLTA Endorsement 150-06 is not eligible to be used in lieu of a Subordination agreement or UCC Termination.

\*A fixture filing is a UCC-1 financing statement authorized and made in accordance with the UCC adopted in the state in which the related real property is located. It covers property that is, or will be, affixed to improvements to such real property. It contains both a description of the collateral that is, or is to be, affixed to that such property, and a description of such real property. It is filed in the same office that mortgages are recorded under the law of the state in which the real property is located. Filing in the land records provides notice to third parties, including title insurance



companies, of the existence and perfection of a security interest in the fixture. If properly filed, the security interest in the described fixture has priority over the lien of a subsequently recorded mortgage.

### **Financed and collateralized (UCC not on title)**

The solar panels are reported to be collateral for separate (non-mortgage) debt used to purchase the panels, but do not appear on the title report.

Note: A Notice of Independent Solar Energy Producer Contract on title is not to be treated as a UCC fixture filing.

- Obtain and review the credit report, title report, appraisal, related promissory note and related security agreement that reflect the terms of the secured loan
  - Include the debt obligation in the debt-to-income ratio
- Instruct the appraiser not to provide contributory value of the solar panels towards the appraised value because the panels are collateral for another debt
- Do not include the panels in the LTV/CLTV ratio calculation
- If a previously filed UCC was temporarily removed from title through a UCC termination, evidence must be provided that the UCC was paid in full otherwise the financed balance must be included in LTV/CLTV

### **PACE (Property Assessed Clean Energy)**

PACE allows homeowners to finance energy improvements through an assessment in their annual property tax bills.

- Properties with solar panels and other energy efficient items financed with a PACE loan are not eligible if the PACE loan is not paid in full prior to or at closing.
  - PACE loans, in some cases, are also referred to as HERO loans.
  - Any property tax statement that reflects PACE, HERO, or equivalent will require proof of payoff.
    - If loan proceeds are used to pay off the PACE loan, transaction will be considered cash out.



## REQUIREMENTS FOR PROPERTIES WITH SOLAR PANELS THAT ARE LEASED OR COVERED BY A POWER PURCHASE AGREEMENT

If the solar panels are leased from or owned by a third party under a power purchase agreement or other similar lease arrangement, the following requirements apply (whether to the original agreement or as subsequently amended).

- GBL must obtain and review copies of the lease or power purchase agreement.
- The monthly lease payment must be included in the DTI ratio calculation unless the lease is structured to:
  - Provide delivery of a specific amount of energy at a fixed payment during a given period, and
  - Have a production guarantee that compensates the borrower on a prorated basis in the event the solar panels fail to meet the energy output required for in the lease for that period.
- Payments under power purchase agreements where the payment is calculated solely based on the energy produced may be excluded from the DTI ratio.
- The value of the solar panels cannot be included in the appraised value of the property.
- The value of the solar panels must not be included in the LTV/CLTV ratio calculation, even if a precautionary UCC filing is recorded because the documented lease or power purchase agreement status takes priority.
  - A “precautionary” UCC filing is one that lessors often file to put third parties on notice of their claimed ownership interest in the property described in it.
  - When the only property described in the UCC filing as collateral is the solar equipment covered by the lease or power purchase agreement, and not the home or underlying land, such a precautionary UCC filing is acceptable (and a minor impediment to title), as long as the loan is underwritten in accordance with this topic.
- The value of the solar panels must not be included in other debt secured by real estate in the CLTV ratio calculation because the documented lease or power purchase agreement status takes priority.
- The property must maintain access to an alternate source of electric power that meets community standards.
- The lease or power purchase agreement must indicate that:
  - Any damage that occurs as a result of installation, malfunction, manufacturing defect, or the removal of the solar panels is the responsibility of the owner of the equipment and the owner must be obligated to repair the damage and return the improvements to their original or prior condition (for example, sound and watertight conditions that are architecturally consistent with the home);



- The owner of the solar panels agrees not to be named loss payee (or named insured) on the property owner's property insurance policy covering the residential structure on which the panels are attached. As an alternative to this requirement, GBL may verify that the owner of the solar panels is not a named loss payee (or named insured) on the property owner's property insurance policy; and
- In the event of foreclosure, the GBL or assignee has the discretion to:
  - Terminate the lease/agreement and require the third-party owner to remove the equipment;
  - Become, without payment of any transfer or similar fee, the beneficiary of the borrower's lease/agreement with the third party; or
  - Enter into a new lease/agreement with the third party, under terms no less favorable than the prior owner.