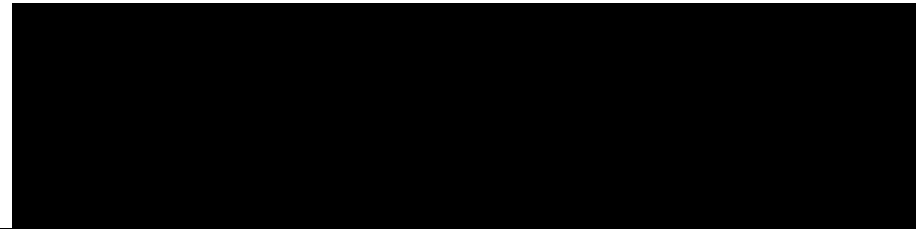




G-Pa525 Matrix

Effective Date: 04.12.24

12 & 24 Month I/O			Stabilized-No DSCR Min		
FICO	Loan Amount	Debt Yield	Purchase	R/T	Cash-Out
680	\$3,000,000	See chart below	75%	70%	65%
650	\$3,000,000		70%	65%	60%
620	\$3,000,000		65%	60%	55%



Property Restrictions		Program Parameters	
Per unit value of \$50k-\$35k	-5% LTV	Non-Perm Res Alien	-5% LTV
Per unit value < \$35k	Not Allowed	Minimum Loan Amount	\$250,000
Mixed Use Properties	-5% LTV	Maximum Loan Amount	\$3,000,000
Rural Properties	Not Allowed		
Vacant Properties (Refinance only)	10% LTV Reduction	Origination Charge	2 Points Origination Fee
Property Type	5-25 units		

Geographic Restrictions	
Cities: San Francisco Peninsula, Manhattan NY, Greater Newark NJ, Patterson NJ, Baltimore MD	10% LTV Reduction
** Baltimore, Philadelphia, and Chicago require at least 1 borrower or guarantor (with min 10% interest) to have at least 3 documented real estate sales, completed rehab, on rental properties or equivalent experience in the past 3 years within that specific city to be eligible	

Quick Guidelines	
Mortgage History BK/FC/SS/DIL/MOD	<ul style="list-style-type: none"> 120+ lates must be >24 months >36 Months – No Restriction
Terms	<ul style="list-style-type: none"> 12 Month I/O 24 Month IO w/ 1 year extension possible
Qualifying Rate	<ul style="list-style-type: none"> Note Rate
Qualifying Payment	<ul style="list-style-type: none"> I/O: Initial ITIA based on note rate
Assets	<ul style="list-style-type: none"> Sourced or seasoned 30 days (1 mos most recent bank statements req.)
Cash-Out	<ul style="list-style-type: none"> Business purpose use ONLY
Impounds	<ul style="list-style-type: none"> Not Required
Appraisal	<ul style="list-style-type: none"> MAI/Narrative > \$1M & Mixed Use MAI/Narrative or 71A ≤ \$1M No C5 or C6
Appraisal Vendors	<ul style="list-style-type: none"> BBG, CBRE, Colliers, Cushman & Wakefield, Integra (IRR), Newmark/JLL or Bowery Valuation
Appraisal Review	<ul style="list-style-type: none"> All loans require a broker provided appraisal review from Situs AMC - https://www.situsamc.com/
Min Sq Footage	<ul style="list-style-type: none"> 500 Sq Ft per Unit



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Inspections	<ul style="list-style-type: none"> An Environmental Screen Assessment or a Phase 1 assessment performed by EDR, Partners ESI or Salem Environmental is required on loans > \$1M or if there are environmental concerns Copy of the COO is required
Eligible Properties	<ul style="list-style-type: none"> 5-25 units 5-25 units w/ mixed use (70% residential)
Credit Score	<ul style="list-style-type: none"> Median FICO below 620 (the lower score shall be used in the event only two credit scores are obtained) All borrowers must have a minimum of 2 FICO scores Minimum FICO is 620
Tradelines	<ul style="list-style-type: none"> No Minimum Tradelines required
Compliance	<ul style="list-style-type: none"> Points & Fees man not exceed 5%
Citizenship	<ul style="list-style-type: none"> US Citizen, Perm/ Non-Perm Res. Alien
Foreign Nationals	<ul style="list-style-type: none"> Not allowed
Properties Acquired within last 2 years	<ul style="list-style-type: none"> Final HUD from purchase is required
Seller Concessions	<ul style="list-style-type: none"> Max 6%
Max Acreage	<ul style="list-style-type: none"> 2 Acres
Max # if Financed Properties	<ul style="list-style-type: none"> Committee Review if over 4
Loan Amounts over \$1,000,000	<ul style="list-style-type: none"> A Certificate of Occupancy is required
Gift Funds	<ul style="list-style-type: none"> Not Allowed
Non-Arm's Length Transactions	<ul style="list-style-type: none"> Not Allowed
First Time Home Buyers	<ul style="list-style-type: none"> Allowed Must be a local borrower with financial strength Property should have a strong operating history with high occupancy in a good market
First Time Investor	<ul style="list-style-type: none"> Allowed Must be a local borrower with financial strength Property should have a strong operating history with high occupancy in a good market
ACH	<ul style="list-style-type: none"> Required on All transactions
LLC's	<ul style="list-style-type: none"> All members must be individual
Declining Markets	<ul style="list-style-type: none"> Subject to LTV reduction and management review
State Restrictions	<ul style="list-style-type: none"> Properties in Alaska, North Dakota and South Dakota are not permitted
Reserves	<ul style="list-style-type: none"> 6 months of debt service (I/O) payments based on the max loan amount 3 months additional for any REO in forbearance
Prepayment Penalty	
<ul style="list-style-type: none"> A 6 month prepay will only apply if there is an approved exception on the loan 	



G-Pa525 Matrix

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- PA- Loan amounts < \$301,022 cannot have a prepayment penalty
- PA- Loan amounts < \$301,022 must be vested in a Corp, LLC, Partnership or Trust
 - IL - Loan with a rate ≥ 8% must close in the name of an entity
 - IL & NJ - Prepayment penalty not allowed if vesting as an individual

Eligible States

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

Net Cash Flow & Debt Yield

Determining a sustainable and reasonable Underwritten Net Cashflow (NCF) is a critical component in determining loan risk when evaluating multifamily and mixed-use properties. A property's NCF will be used in the Debt Yield calculation

- Net Cash Flow =
 - Gross Potential Revenues (GPR)
 - Less Operating Expenses and Vacancy (% of GPR)
 - Less Property Taxes Greater of current annual property taxes or appraiser confirmed
 - Less Insurance Property insurance premiums based on the in-place policy at loan
 - Less Replacement Reserves
- The Debt Yield =
 - Net Cashflow divided by the Maximum Loan Amount

Operating Expense/Vacancy and Debt Yield Table

ARV per unit (Rehab Loans) or As-Is Value Per Unit (Stabilized)		Operating Exp	Debt Yield
Min	Max	%	%
\$30,000	\$99,999	35%	8.50%
\$100,000	\$250,000	25%	7.50%
\$250,000		15%	7%