

# NON-QM SUMMARY



Program Description	KVOE	Reduced Doc/TVOE	ITIN	Foreign National	DSCR
<b>Program Code</b>	KVOE 30, KVOE 7/6	RED/TVOE30 REDI/TVOEI 7/6	ITIN 30	FNF/FNFF/FND/FNDF 30 FNF/FNFI/FND/FNDI/FNDF/FNDFI 7/6	DSCR 30, DSCR 7/6, DSCRI 7/6
<b>Loan Purpose</b>	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out	Purchase, Rate/Term, Cash-out
<b>Max. LTV</b>	75%	80%	80%	75%	80%
<b>Occupancy</b>	Primary, 2 <sup>nd</sup> Home & Investment	Primary, 2 <sup>nd</sup> Home & Investment	Primary	2 <sup>nd</sup> Home & Investment	Investment
<b>Property Type</b>	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo	1-4 Units, PUD Warrantable Condo
<b>Products</b>	30 Year Fixed 7/6 ARM	30 Year Fixed 7/6 ARM Interest Only	30 Year Fixed	30 Year Fixed 7/6 ARM Interest Only	30 Year Fixed 7/6 ARM Interest Only
<b>Index</b>	SOFR 30 Days Average	SOFR 30 Days Average	Not Applicable	SOFR 30 Days Average	SOFR 30 Days Average
<b>Margin</b>	4.500%	4.000%	Not Applicable	4.500%(2 <sup>nd</sup> Home) 6.500%(Investment)	6.000%
<b>CAPS</b>	5/1/5	5/1/5	Not Applicable	5/1/5	5/1/5
<b>First-Time Homebuyer</b>	Allowed	Allowed	Allowed	Allowed	Not Allowed
<b>Non-Occupant Co-Borrowers</b>	Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
<b>Non-Arm's Length Transactions</b>	Allowed	Purchase & Primary only	Allowed: Refer to Guideline	Not Allowed	Not Allowed
<b>Min. Credit Score</b>	640	660	660	660 or Foreign Credit (No FICO)	640
<b>Mortgage History</b>	No VOR required. 1X30 in last 12 months. Private VOM/VOR & Rent Free: Allowed & No additional documents required.	VOM/VOR for last 12 months. 1X30 in last 12 months. Private VOM/VOR & Rent Free: Allowed & No additional documents required.	VOM/VOR for last 12 months. 0X30 last 12 months. Private VOM/VOR & Rent Free: Refer to Note at page 4	VOM/VOR for last 24 months. 0X30 in last 12 months. Private VOM/VOR & Rent Free: Refer to Note at page 4	VOM/VOR for last 24 months. 0X30 in last 12 months. Private VOM/VOR & Rent Free: Refer to Note at page 4

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<b>Tradeline Requirement</b>	Min. 3 open & active ≥12months	Min. 3 open or closed ≥12months	Min. 3 open or closed ≥12months	Min. 3 open or closed ≥12months	Min. 3 open ≥ 12 months Refer to Guideline
<b>Bankruptcy</b>	4 years	4 years	3 years	3 years	3 years
<b>Foreclosure</b>	7 years	7 years	3 years	3 years	3 years
<b>Short Sale, Deed-In-Lieu</b>	4 years	2 years	3 years	3 years	3 years
<b>Loan Modification</b>	2 years	2 years	2 years	2 years	2 years
<b>Charge offs, Collections Judgments, Tax Liens</b>	Must meet FNMA guideline	Accounts do not need to be paid off if the balance of an individual account is less than \$250 or the total balance of all account is \$1000 or less			
<b>Qualifying Rate</b>	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate	Note Rate	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate	Fixed: Qualify at Note Rate 7/6 ARM & I/O: Greater of Fully Indexed Rate or Note Rate
<b>Qualifying Ratio/DSCR</b>	49.99%	49.99%	49.99%	49.99% (Full Doc) Purchase & Rate/Term: 0.75 Cash-Out: 1.00	Purchase & Rate/Term: 0.75 Cash-Out: 1.00
<b>Employment History</b>	Min. 2 years	Min. 2 years	Min. 2 years	Min. 2 years	Min. 2 years
<b>Income Documentation</b>	WVOE	RED: Bank Stmtms or/and P&L TVOE: WVOE	Full Documentation	Full Documentation Or DSCR	DSCR
<b>4506-C</b>	Not Required	Not Required	Required	Not Required	Not Required
<b>Asset</b>	2 Month Banks Statements Must meet FNMA guideline	Most recent 1 month bank statement(s)	Most recent 1 month bank statement(s)	Most recent 1 month bank statement(s)	Most recent 1 month bank statement(s)

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<b>Business Assets</b>	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline
<b>Min. Borrower Contribution</b>	<ul style="list-style-type: none"> <li>Primary &amp; 2<sup>nd</sup> Home: None</li> <li>Investment: 10%</li> </ul>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: None</li> <li>Investment: 10%</li> </ul>	None	<ul style="list-style-type: none"> <li>2nd Home: None</li> <li>Investment: 10%</li> </ul>	100%
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: 100% Gift Allowed</li> <li>Investment: Not Allowed</li> </ul>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: 100% Gift Allowed</li> <li>Investment: Not Allowed</li> </ul>	100% Gift Allowed	<ul style="list-style-type: none"> <li>2nd Home: 100% Gift Allowed</li> <li>Investment: Not Allowed</li> </ul>	Not Allowed
<b>Reserves</b>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: 4 months</li> <li>Investment: 6 months</li> </ul>	<ul style="list-style-type: none"> <li>Primary &amp; 2nd Home: LTV &lt;=70% &amp; &lt;= \$1M: 4 months LTV &gt; 70% or &gt; \$1M: 6 months</li> <li>Investment: &lt;= \$1MM: 6 months &gt;\$1MM &lt;=\$2MM: 9 months &gt;\$2MM: 12 months 1 months for each additional financed property.</li> </ul> <p>*Cash out net proceeds can be used for reserve requirement</p>	<p>LTV ≤ 70%: 3 months LTV &gt; 70%: 6 months 2 months for each additional financed property.</p> <p>*Cash out net proceeds can be used for reserve requirement</p>	<p>&lt;= \$1 MM: 6 months &gt;\$1MM &lt;=\$2MM: 9 months &gt;\$2 MM: 12 months 2 months for each additional financed property.</p> <p>* Cash out net proceeds can be used for reserve requirement</p>	<p>&lt;= \$1 MM: 6 months &gt;\$1MM &lt;=\$2MM: 9 months &gt;\$2 MM: 12 months 2 months for each additional financed property.</p> <p>* Cash out net proceeds can be used for reserve requirement</p>
<b>Max. Seller Contribution</b>	Primary & 2nd Home: 6 % Investment: 3%	Primary & 2nd Home: 6 % Investment: 3%	6%	Second Home: 6 % Investment: 3%	3%
<b>Max. Cash back to borrower</b>	Unlimited	Unlimited	Limited to 50% of property value	Limited to 50% of property value	Limited to 50% of property value
<b>Value Seasoning</b>	Rate & Term: No Seasoning Cash Out: 6 Months	12 Months	12 Months	12 Months	12 Months
<b>Listed Properties</b>	Cash Out: 6 Months	Cash Out: 6 Months	Cash Out: 6 Months	Cash Out: 6 Months	Cash Out: 6 Months
<b>Departing properties</b>	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline

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<b>Appraisal</b>	1 Appraisal	1 Appraisal: <= \$1.5 MM 2 Appraisals: > \$1.5 MM	1 Appraisal	Purchase: <= \$1.5 MM: 1 Appraisal > \$1.5 MM: 2 Appraisals Refinance: <= \$1 MM: 1 Appraisal > \$1 MM: 2 Appraisals	Purchase: <= \$1.5 MM: 1 Appraisal > \$1.5 MM: 2 Appraisals Refinance: <= \$1 MM: 1 Appraisal > \$1 MM: 2 Appraisals
<b>Transferred Appraisal</b>	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
<b>Desk Review</b>	Required	<ul style="list-style-type: none"> <li>▪ Internal Review: Loan Amount =&lt; \$1.5MM</li> <li>▪ Required: Loan Amount &gt;\$1.5MM</li> </ul>	Internal Review	<ul style="list-style-type: none"> <li>▪ Internal Review: Loan Amount =&lt; \$1.5MM</li> <li>▪ Required: Loan Amount &gt;\$1.5MM</li> </ul>	<ul style="list-style-type: none"> <li>▪ Internal Review: Loan Amount =&lt; \$1.5MM</li> <li>▪ Required: Loan Amount &gt;\$1.5MM</li> </ul>
<b>Number of Financed Properties</b>	Max. 4 financed properties & Max. \$2MM combined	Max. 4 financed properties & Max. \$4MM combined	Max. 4 financed properties & Max. \$4MM combined	Max. 4 financed properties & Max. \$4MM combined	Max. 4 financed properties & Max. \$4MM combined
<b>Subordinate Financing</b>	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed
<b>Prepayment Penalty</b>	None	Primary, 2 <sup>nd</sup> Home: None Investment: 2 Years or None	None	2 <sup>nd</sup> Home: None Investment: 2 Years or None	2 Years or None
<b>Payment Shock</b>	Not Applicable	Not Applicable	300%	300%	300%
<b>Escrow Waiver</b>	Eligible for non-HPML files	Eligible for non-HPML files	Not Eligible	Not Eligible	Not Eligible
<b>Closing In Trust</b>	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline	Must meet FNMA guideline
<b>Power of Attorney</b>	Not allowed for Investment & Cash-Out	Not allowed for Investment & Cash-Out	Not Allowed for Cash Out	Not Allowed	Not Allowed
<b>Note</b>	Conforming Loan Limit. Private VOR & Rent Free: Allowed	Private VOR & Rent Free: Allowed	Private VOR: 12 months cancelled checks or Rent Free: add 4 months reserves & DTI< 36%	DSCR: Monthly Gross Income divided by the PITIA. Private VOR: 12 months cancelled checks or Rent Free: add 4 months reserves & DTI< 36% (Full Doc)	DSCR: Monthly Gross Income divided by the PITIA. Private VOR: 12 months cancelled checks or Rent Free: add 4 months reserves