

FICO	Max Loan amount	Max LTV/CLTV Purchase	Max LTV/CLTV Rate/Term	Max LTV/CLTV Cash-out Refi	Property Type
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DSCR > 1.0

700	\$2,000,000	80	80	75	Single Family, PUD, 2-4 Units, Warrantable Condos
680	\$2,000,000	75	75	70	
660	\$2,000,000	70	70	65	

DSCR >0.75 and <1.00*

*Minimum DSCR is 0.75

700	\$2,000,000	75	75	75	Single Family, PUD, 2-4 Units, Warrantable Condos
680	\$2,000,000	65	65	60	

Mortgage/Rental History

- Payment history must reflect 0x30x12 for their primary residence, the subject property (if refinancing), and all other financed properties
- Review of the housing history for additional financed properties is limited to the credit report. All reporting mortgages must maintain a 0x30x12 record and be paid through the month of closing
- All mortgages reported on credit will be reviewed to meet requirement

Primary Housing History

- Housing History: Rent Free allowed - rent free letter from owner of the property the borrower is residing rent free required. If borrower resides with spouse and property owned free and clear by spouse, evidence of the same required
- If the housing payments are not listed on the credit report, a 12-month housing payment history is required, which may include: A mortgage payment history from an institutional lender, a Verification of Mortgage (VOM) from an institutional lender, a Verification of Rent (VOR) from a professional management company, or 12 months of cancelled checks/bank statements accompanied by a signed lease agreement.
- Original Application: Must include the borrower's current primary housing and expenses. If the borrower owns their current primary, the property must be included on the Schedule of REO. If a refinance transaction, the only other property to be reflected on the Schedule of REO is the subject property. No employment or income should be reflected

Investor Experience

Borrower must have 12 months ownership and management of income producing residential or commercial real estate within the past 24 months.

Geographical Restrictions

DC: Investment properties are ineligible
FL: Non-Permanent Resident Aliens from the People's Republic of China are ineligible
IL: Cook County: All properties are ineligible
IN: Indianapolis: Investment properties are ineligible
MD: Baltimore City: All properties are ineligible
MS: ARM Products are ineligible
NJ: Patterson: Investment properties are ineligible
NY: No 5/6 ARMs on primary residence below FNMA loan limits;
 Brooklyn: Investment Properties are ineligible;
 NYC (all boroughs): Short Term Rentals(STR) are ineligible;
 Orange County: All occupancies are ineligible
PA: ZIP Codes 19121 and 19132 are suspended at this time; Philadelphia: Investment properties are ineligible
TX: Lubbock: Investment Properties are ineligible, and refinances are ineligible
TN: Memphis TN: Transferred appraisals ineligible. Field reviews are required on all appraisals

General Requirements - Premium DSCR

Product type	<ul style="list-style-type: none"> 30-Year Fixed 30-Year I/O 5yr/6m adjustable with 30-Year amortization 7yr/6m adjustable with 30-Year amortization 10yr/6m adjustable with 30-Year amortization
Interest Only	<p>30-Year term including a 10-year initial I/O period followed by a 20-year fully amortized period. Qualify using I/O; DSCR can be calculated using the ITIA Interest only, Taxes, Insurance, and HOA)</p>
Loan Amount	<p>Min: \$150,000 Max: \$2,000,000</p>
Occupancy	<ul style="list-style-type: none"> Residential Rental investment for business purpose only The property cannot be occupied by the borrower(s), any LLC members, or their family members
Loan Purpose	<ul style="list-style-type: none"> Purchase, Rate/Term, Cash-out (delayed financing allowed)
Cash Out	<ul style="list-style-type: none"> >60% LTV = \$500,000 Max Cash In Hand <=60% LTV = Unlimited Cash In Hand <p>Cash In Hand cannot be used to payoff any other personal liabilities</p> <ul style="list-style-type: none"> At least one borrower must be on title for at least six (6) months prior to the date of disbursement

General Requirements - Premium DSCR Cont.

<p>Property type</p>	<ul style="list-style-type: none"> • Single Family (Attached or Detached) • Single Family with one (1) Accessory Dwelling Unit (ADU) eligible. • PUD • 2-4 unit, residential use only. Mixed use ineligible • FNMA Warrantable Condominium only; • Minimum 400 square footage for all units in a 4-unit residential property
<p>Property restrictions</p>	<ul style="list-style-type: none"> • No Rural zoning, Manufactured homes, log homes, hobby farms, commercial properties, unique properties • Single family with one permissible ADU: Must meet zoning requirements and appraisal must include at least two like properties with an ADU. Refer to MLB Premier Underwriting Guidelines for additional requirements for the ADU. • Texas 50(a)(6): ineligible if title reflects subject to 50(a)(6) requirements <p>Condominiums:</p> <ul style="list-style-type: none"> • FNMA Warrantable Condo only • FNMA CPM approval • FNMA unexpired PERS approval • Acceptable FNMA Limited or Full Review
<p>Appraisal</p>	<ul style="list-style-type: none"> • Interior/exterior appraisal on Form FNMA 1004, 1073 or 1025 required; • Appraiser market rents must be based on an annual market rents and reports on a FNMA 1007 or 1025 • If the FNMA CU score is > 2.5, a Collateral Desktop Analysis (CDA), a third-party appraisal review product, must be ordered from Clear Capital • 2-4 Units also require a Collateral Desktop Analysis (CDA) report
<p>Declining Markets</p>	<p align="center">Reduce max LTV by 10%</p>
<p>Borrower Eligibility</p>	<ul style="list-style-type: none"> • U.S. Citizens and Permanent Resident Aliens only • FTHB are ineligible • Inter vivos (Living) Revocable Trust • Use of a POA is restricted to a limited POA specific to the transaction and additional restrictions will apply • Title must be vested in a single U.S.-based entity, and personal guarantors are required to own at least 51%
<p>Flip property</p>	<p>If the seller has owned the property for 90 days or less, the property value is capped at the lowest of the three options: original acquisition cost, new purchase price, or the current appraisal.</p>
<p>Non-Arms Length</p>	<p>All parties to a transaction should be independent of one another. If a direct relationship between the parties exist, the transaction is a non-arm's length transaction. Please refer to the MLB DSCR Premium Underwriting Guidelines for eligible non-arm's length transactions.</p>

Income Requirements	
DSCR Calculation method	<ul style="list-style-type: none"> DSCR is Monthly Gross Income divided by the PITIA of the subject property (or ITIA for Interest/Only terms) DSCR Calculator also available on https://www.mlbwholesale.com/non-qm
Long Term Rental	<ul style="list-style-type: none"> For a refinance transaction, gross monthly rent is the lower of the actual monthly rent on the lease agreement OR the monthly market rent (Form 1007 or Form 1025) from the subject property appraisal. If the lease agreement reflects higher monthly rent than the appraisal, the lease amount may be used for monthly gross income with two months proof of receipt. For purchase transactions without an existing lease, the market rent from the appraisal will be used.
Short Term Rental	<ul style="list-style-type: none"> Not allowed on purchase transactions. For refinances, minimum 12 months rental history required and the monthly gross rental income for the most recent 12 months based on statements from an online service (i.e. Airbnb, VRBO. Use of borrower personal statements are not acceptable. Must be from an online service.)
Underwriting Requirements	
Asset docs.	<p>Two (2) Months asset statements Deposits exceeding 5% of the loan amount must be sourced</p>
Gift Funds	No gift funds or gift of equity may be used as any part of the transaction
Reserves	<p>Loan amount \leq \$1,000,000 = 3 Months of PITIA Loan amount $>$ \$1,000,000 = 6 Months of PITIA</p>
Credit	<ul style="list-style-type: none"> All borrowers must have three (3) scores; and Minimum of two (2) tradelines, of which <ul style="list-style-type: none"> At least one (1) tradeline must be open for 24 months and active within the past six (6) months, AND At least one (1) tradeline must be rated for 12 months (may be open or closed) Lowest middle of all borrowers will be used No borrower in the transaction may have frozen credit A credit rescore is only allowed for correcting erroneous line items or disputed accounts
Pre-Payment Penalty	<ul style="list-style-type: none"> Six (6) months interest, fixed 5%, Declining Terms of 1-5 years Restrictions are listed in the PPP and Business Purpose guide
Interested Party Contributions	<ul style="list-style-type: none"> Max of 3% IPCs above 3% will be deducted from the sales price to determine LTV
Underwriting Requirements	

Insurance	Full replacement cost insurance with 6 month rent loss coverage required. Max deductible is the lessor of 5% or \$10,000.
LLC Vesting	<ul style="list-style-type: none"> • Guarantor Requirement: Members holding at least 51% ownership must personally guarantee the transaction. • Ownership Cap: Maximum of 4 individual owners allowed. • Structure: No nested LLCs allowed; ownership must be held by individuals
Compliance	TRID not applicable Must meet all federal and state high cost requirements
<p>MLB Residential Lending, LLC, located at 841 Mountain Ave, Suite 400, Springfield, NJ 07081. Phone 732-243-0140. MLB Residential Lending, LLC., NMLS 1101220, is a residential lender licensed by NJ Department of Banking and Insurance, AL State Banking Department, AK Division of Banking & Securities, AR Combination Mortgage Banker-Broker-Servicer, AZ Department of Insurance and Financial Institutions, CA Department of Financial Protection and Innovation, CO Division of Real Estate, CT Department of Banking, DC Department of Insurance, Securities, and Banking, DE Office of the State Bank Commissioner, FL Office of Financial Regulation, GA Department of Banking and Finance, IA Division of Banking Finance Bureau, ID Mortgage Broker Lender License, IL Department of Financial & Professional Regulation, IN Department of Financial Institutions, KS Office of the State Bank Commissioner, KY Department of Financial Institutions, LA Office of Financial Institutions, MD Office of the Commissioner of Financial Regulation, ME Bureau of Consumer Credit Protection, MI Department of Insurance and Financial Services, MN Department of Commerce, MS Department of Banking and Consumer Finance, MT Division of Banking & Financial Institutions, NE Department of Banking and Finance, NH Banking Department, NC Commission of Banks Office, ND Department of Financial Institutions, NM Mortgage Loan Company License, NY Department of Financial Services, OH Division of Financial Institutions, OK Department of Consumer Credit, OR Department of Consumer and Business Services, PA Department of Banking and Securities, Rhode Island Department of Business Regulation, SC Board of Financial Institutions, SD Division on Banking, TN Department of Financial Institutions, TX Department of Savings and Mortgage Lending, UT Department of Financial Institutions, VT Department of Financial Regulation, VA Bureau of Financial Institutions, WA Department of Financial Institutions, WI Department of Financial Institutions, WV Division of Financial Institutions, WY Division of Banking. All Rates subject to change without notice. MLB, in no way, claims to represent or to conduct business on behalf of HUD or the Federal Government. EQUAL HOUSING LENDER</p>	