

Min FICO Score	Max Loan Amount	Max LTV/CLTV Purchase	Max LTV/CLTV R/T Refinance	Max LTV/CLTV Cash-Out	Property Type
<b>Primary</b>					
760	\$ 2,000,000	85	85	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,500,000	80	80	75	
	\$ 3,000,000	80	80	70	
	\$ 3,500,000	75	75	70	
740	\$ 2,000,000	85	85	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,500,000	80	80	75	
	\$ 3,000,000	80	80	70	
	\$ 3,500,000	75	75	70	
720	\$ 2,000,000	85	85	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,500,000	80	80	75	
	\$ 3,000,000	80	80	70	
	\$ 3,500,000	75	75	70	
700	\$ 1,500,000	85	85	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,000,000	80	80	75	
	\$ 2,500,000	80	80	75	
	\$ 3,500,000	75	75	70	
680	\$ 2,000,000	80	80	70	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,500,000	75	75	75	
	\$ 3,000,000	70	70	70	
660	\$ 1,000,000	80	80	60	
	\$ 1,500,000	80	80	60	
	\$ 2,500,000	70	70	65	
640	\$ 1,000,000	75	75	60	
<b>Second Home</b>					
760	\$ 2,000,000	85	85	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,500,000	80	80	75	
	\$ 3,000,000	80	80	70	
	\$ 3,500,000	75	75	70	
740	\$ 2,000,000	80	80	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,500,000	80	80	75	
	\$ 3,000,000	80	80	70	
	\$ 3,500,000	75	75	70	
720	\$ 2,000,000	80	80	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,500,000	80	80	75	
	\$ 3,000,000	80	80	70	
	\$ 3,500,000	75	75	70	
700	\$ 1,500,000	80	80	80	Single Family, PUD, 2-4 Units, Warrantable & Non-warrantable Condo
	\$ 2,000,000	80	80	75	
	\$ 2,500,000	80	80	70	
	\$ 3,500,000	75	75	70	

680	\$ 2,000,000	75	75	70	<b>Single Family, PUD, 2-4 Units, Warrantable &amp; Non-warrantable Condo</b>	
	\$ 2,500,000	70	70	65		
	\$ 3,000,000	65	65	60		
660	\$ 1,000,000	75	75	65		
	\$ 1,500,000	70	70	60		
	\$ 2,500,000	65	65	55		
<b>Investment</b>						
760	\$ 2,000,000	85	85	80		
	\$ 2,500,000	80	80	75		
	\$ 3,000,000	80	80	70		
	\$ 3,500,000	75	75	70		
740	\$ 2,000,000	80	80	80		
	\$ 2,500,000	80	80	75		
	\$ 3,000,000	80	80	70		
	\$ 3,500,000	75	75	70		
720	\$ 2,000,000	80	80	80		
	\$ 2,500,000	80	80	75		
	\$ 3,000,000	80	80	70		
	\$ 3,500,000	75	75	70		
700	\$ 1,500,000	80	80	80		
	\$ 2,000,000	80	80	75		
	\$ 2,500,000	80	80	70		
	\$ 3,500,000	75	75	70		
680	\$ 2,000,000	75	75	70		
	\$ 2,500,000	70	70	65		
	\$ 3,000,000	65	65	60		
660	\$ 1,000,000	75	75	65		
	\$ 1,500,000	70	70	60		
	\$ 2,500,000	65	65	55		
<b>Housing History</b>		<b>Housing Event Seasoning</b>				
<b>Category</b>						
BK/FC/SS/DIL/Mod		>= 48 Mo	>= 36 Mo	>= 24 Mo		
Max LTV/CLTV		85	80	70		
Max LTV Cash-out		80	75	70		
Max Loan Amt		\$ 3,500,000	\$ 3,000,000	\$ 2,000,000		
<b>Housing History</b>						
Max 1x30x12 Maximum delinquency permitted per the matrix 3x30x12 will be allowed when the following criteria is met: *Borrower must be 0x30 in the most recent 6 months *LTV Must be 10% Below Matrix maximum						
<b>Notes:</b> Past due balloon: considered a delinquency (1x30) not a housing event, only within 180 days of maturity. Ch. 13: use filing date if discharged; use dismissal date if dismissed.						

## Geographic Restrictions

~~MEB will not lend on properties in the following:~~

**DC:** Investment properties are ineligible

**FL:** Non-Permanent Resident Aliens from the Peoples Republic of China are Ineligible

**IL:** Cook County (all loans ineligible)

**IN:** Indianapolis: Investment properties are Ineligible

**MD:** Baltimore City, All properties are Ineligible

**NJ:** Patterson: Investment properties are Ineligible

**NY:** Brooklyn: Investment Properties are ineligible

Orange County: All occupancies are ineligible

No 5/6 ARMs on properties below FNMA loan limits

Short Term Rentals(STR) are ineligible in the five New York City Boroughs

**PA:** Lending is suspended in 19121 and 19132

**TX:** Lubbock: Investment Properties are ineligible

Refinances are not premitted

## General Requirements - Investor DSCR

<b>Product Type</b>	40-Yr Fixed, 30-Yr Fixed, 15-Yr Fixed 40-Yr Fixed I/O (10-year I/O then fully amortizing) 5/6 SOFR ARM 30-Yr Term (Fully Amortizing and I/O options incl. 40-Yr I/O) Interest Only must qualify on fully amortizing ARMs not available in NY on OO loans below FNMA limit; not available in MS.		
<b>Interest Only</b>	Minimum Credit Score: 680. Max LTV: 80% Max DTI 50% Not premitted on Manufactured Housing		
<b>Loan Amounts</b>	Min: \$125,000 Max: \$3,500,000 Loan Amount \$125,000 - \$149,999 require a 5% reduction in LTV		
<b>Max DTI</b>	Max 50% DTI Will consider up to 55% with Restrictions (\$3,500 residual) P&L: (Max DTI 50%)		
<b>Occupancy</b>	Primary, Second Home, Investment property (Business Purpose)		
<b>Loan Purpose</b>	Purchase, Rate/Term and Cash out		
<b>2-1 Temporary Buydown</b>	Purchase only Min. Fico 680 Max LTV 80% Max DTI 50%	30 Year Fixed Only Qualify using Note Rate O/O, 2nd Home and Investment	Seller or Builder Funded Only
<b>Cash Out</b>	Minimum of (6) months Seasoning from most recent transaction Max Cash-Out (defined as cash in hand) If LTV <= 60% = unlimited If LTV >60% = Max \$1,000,000 or unlimited with 18 months reserves exclusive of cash back Condo: Max 75% LTV		
<b>Borrower Eligibility</b>	US Citizen Permanent Resident Alien Non-Permanent Resident Alien	Ineligible: ITINs Foreign Nationals DACA recipients	
<b>Appraisals</b>	FNMA Form 1004, 1025, 1073 with interior/exterior inspection 2nd Appraisal required for loans > 1,500,000 Appraisal Review Product (CDA) is ordered on all Non-QM products		

<b>Declining Markets</b>	As identified by the appraiser, requiers a 5% LTV reduction off the above matrix when >65% LTV
	SFR with 1 or more ADU's or 2-4 units with 1 ADU premitted if subject property is in a municipality that allows. The appraiser must specifically confirm compliance with local regulations.
	Condos - Warrantable/NON-Warrantable Purchase & Rate/Term: Max 85% LTV Cash-out 75% LTV
	Limited Review Established Condos outside of Florida (Warrantable) LTV/CLTV Limits: Primary & R/T Refinance: 85% LTV Cash Out: 75% LTV
	Limited Review Established condos in Florida (Warrantable) LTV/CLTV Limits: Primary: 85 LTV, SH 75LYV NOO 75% LTV
<b>Property Type</b>	
	Manufactured Housing - Min 20' wide, Min 750+ sq ft "HUD code" including: Be built on a perm chassis, installed on a perm foundation, and title as real estate Ineligible Transactions: Cash-Out nor premitted, No Investment properties, Min <b>680</b> Fico, Max 80% LTV May not be older than 15 Years or if in need of repairs(as per 1007) of more than 5% of the property value NOO and Interest Only Loans are not Permitted
<b>Full doc - Income Requirements</b>	
<b>Wage/Salary</b>	Paystubs, W-2 or e-VOE, 2 years or 1 year of Tax Returns, IRS Form 4506C, Plus verbal VOE Required within 10 Days of Note Date for wage earners: 30 Days for Self-Employed Borrowers
<b>Self-Employed</b>	2 years of 1 Year of Personal Business Tax Returns, YTD P&L, IRS Form 4506C, 2 Months of most recent bank statements Verbal BOE required within 30 Days for self-employed Borrowers

Alt Doc- Income Requirements	
VVOE/Business Verification	VVOE within 10 days wage earners; 30 days self-employed; Evidence within 30 days of Note that business active/operating, min 2-year history (with options for 1 year).
Personal Bank Statements	24 or 12 months personal + 2 months business statements; Qualifying income = eligible deposits / number of statements; Business statements must show activity and transfers to personal.
Business/Co-Mingled Bank Statements	24 or 12 months business statements. Qualify via: Fixed Expense Ratio (50%) OR 3rd-party expense ratio (CPA/EA) min 10% OR 3rd-party prepared P&L (CPA/EA).
P&L and 2 Months Bank Statements	<ul style="list-style-type: none"> <li>• Max 80% LTV</li> <li>• 12 or 24 months P&amp;L; prepared by CPA/EA or PTIN tax preparer</li> <li>• CPA/EA or PTIN tax preparer must also attest to having prepared the borrower's most recent tax returns</li> <li>• Qualifying income is the monthly net income from the P&amp;L divided by the number of months covered by the P&amp;L.</li> <li>• When evaluating the P&amp;L, the expenses are expected to be at least 20% of gross revenue. In the event less than 20% is reflected in expenses, the net income will be adjusted to reflect a 20% expense level when qualifying.</li> <li>• Depreciation, depletion and amortization/casualty losses listed on the P&amp;L may be added back to the applicant's income</li> <li>• Minimum of 2 months business bank statements</li> <li>• The monthly gross revenue on the P&amp;L must be supported by the bank statements</li> </ul>
P&L Only	<ul style="list-style-type: none"> <li>• Exceptions are ineligible.</li> <li>• Ineligible for borrowers with less than 2 years in the current business <ul style="list-style-type: none"> <li>• Max Loan Amount \$1,500,000</li> <li>• 700+ credit score required for all borrowers</li> <li>• Max LTV is the lesser of the LTV on the Program Matrix or: <ul style="list-style-type: none"> <li>Page 25 of 194</li> <li>NQM Funding, LLC Underwriting Guidelines Effective 10/06/2025</li> <li>o 80% Primary Residence</li> <li>o 75% Second Home and Investment Properties</li> </ul> </li> </ul> </li> <li>• 12 or 24 months P&amp;L prepared by CPA/EA or PTIN tax preparer.</li> <li>• CPA/EA or PTIN tax preparer must also attest to having prepared the borrower's most recent tax returns. When evaluating the P&amp;L, the expenses are expected to be at least 20% of gross revenue. In the event less than 20% is reflected in expenses, the net income will be adjusted to reflect a 20% expense level when qualifying.</li> <li>• Qualifying income is the monthly net income from the P&amp;L divided by the number of months covered by the P&amp;L.</li> <li>• Depreciation, depletion and amortization/casualty losses listed on the P&amp;L may be added back to the applicant's income</li> <li>• Verbal verification of P&amp;L is required on wholesale transactions.</li> </ul>
IRS Form 1099	2 yrs or 1 yr 1099; Fixed Expense Ratio 10%; YTD documentation required only if most recent 1099 > 90 days from note date.

<b>Tip Income</b>	<p>Sample borrower: server, bartender, cabdriver;      Must have at least 1 full year history without gaps in employment.  <b>WVOE with 2+ Months Bank Statements</b>  <b>680+ Fico to 80 LTV MAX</b></p>
<b>WVOE</b>	<p>WVOE - FNMA 1005 completed with the past 2 years of income/employment, form must be completed by human resources, Payroll, or an officer of the company      Two most recent months of bank statements supporting at least 65% of the gross wages reflected in the WVOE      Verification of delivery and receipt of the FNMA Form 1005 required      One-year history with the same employer with a minimum of two years in the same line of work      One-Year 0x30 housing history is required; borrowers without a housing history are not premitted      Borrowers may not be employed by family members or related individuals      w2s Tax returns, Paystubs, 4506-C are not required      Borrower can have no other active source of income; passive income such as rental income may be included      Min 680 FICO score; OO Max 80% LTV; SH and NOO Max 75% LTV      Maximum loan amount \$1,500,000</p>
<b>Asset Utilization</b>	<p>Eligible assets devided by 60 to determine a monthly income stream; or if DTI&lt;60% without using assets for income, divide eligible assets by 36 months to determine qualifying income(sourced and 3 months seasoning requiered) Purchase/Rate/Term: 85% LTV MAX Cash-out: 80% LTV Max</p>
<b>Less than 2 years Self-Employment Options</b>	<p>Option 1: S/E 18+ months with 3+ prior yesars in the same line of work      Option 2: Licensed Professional (medical, legal, accounting, ect.) with 12+ months in business provided 3+ prior years in the same line of work or evidence of formal education in the field      For Both options the following applies:      Min 700 Fico      Max LTV: OO 80%LTV/ SH: 75% LTV / NOO: 70% LTV      Not available for P&amp;L only documentation type      Not available for Select Prime Express (DU)</p>
<b>Underwriting Requirements</b>	
<b>DTI Requirements</b>	<p>Max 50%      40 Yr Fixed must qualify as a 30yr at &lt;55% DTI      55% DTI with the following restrictions      Min Fico 680 and Max 80% LTV      Minimum \$3,500 residual incoem requiered      Max \$2,500,000 loan ammount      48 months housing event seasoning      40yr term of Buydowns not premitted      4 years seasoning forhousing events required      2-1 Temporary Buydowns are not premitted</p>

<b>Credit Score</b>	Middle of 3 scores or lower of 2 scores for Primary Income - Earner Additional borrowers must have a minimum score of 600
<b>Tradelines</b>	Primary wage Earner has 3 scores: OR 2 open and reporting 24 month: OR 3 open and reporting 12 months: OR 24-Months mortgage rating and reporting on credit
<b>FTHB</b>	Permitted to a maximum loan size of \$1,5M on O/O, S/H and NOO
<b>Reserves</b>	<p>Loan amount &lt;= \$500,000 = .3 months PITIA w/LTV &lt;= 80%</p> <p>Loan amount &gt;= \$500,000 = 6 Months PITIA w/LTV &gt;80%</p> <p>Loan amount &gt; \$500,000 -\$1,500,000 = 6 months PITIA</p> <p>Loan Amount &gt; \$1,500,000 -\$2,500,000 = 9 Months PITIA</p> <p>Loan amount &gt; \$2,500,000 - \$3,000,000 = 12 months PITIA</p> <p>Cash-out proceeds may be used to satisfy reserves</p>
<b>Gift Funds</b>	<p>Gift funds premitted provided borrower meets minimum contributions:</p> <p>5% Primary</p> <p>10% Second/Home &amp; Investment</p> <p>Gift funds are not premitted to be used towards reserves: 100%</p> <p>of down payment and closing cost may come from gifted funds for OO and SH to a max of 80% LTV</p>
<b>Assets</b>	<p>30-day asset verificatoion requiered</p> <p>Deposits &gt; 50% of gross income must be documented on purchases</p>
<b>Residual OO and 2nd Home Only</b>	<p>Defined as Gross Monhly Income - Total Monthly Obligations</p> <p>Requierment based on # in household</p> <p>Applies to HPML loans of when the DTI&gt;43% on OO and 2nd homes only:</p> <p>1 person = \$1,500</p> <p>2 person \$2,500</p> <p>add \$150 per additional household member</p>
<b>Age of Documentation</b>	<p>Credit: 120 Days</p> <p>Income and Assets - 90 Days</p> <p>Appraisal: 90 Days at time of submission or transfer. 120 days by closing</p>
<b>Prepayment Penalty</b>	<p>Required on investment properties where premitted:</p> <p>Restrictions in the Business purpose &amp; PPP Guide</p>
<b>Intrested Party Contributions</b>	<p>Primary and 2nd Homes:</p> <p>&lt; 75% LTV =9%</p> <p>&gt;75% LTV = 6%</p> <p>Investment</p> <p>All LTV = 6%</p>

<b>Escrow Waiver</b>	<p>Waving escrows for taxes and insurance is allowed on non-HPML loans if housing/rental history is 0x30x12 up to 80%LTV</p> <p>CA: Minimum score 700, up to 90% LTV</p> <p>Waiver of excrows is not premitted on the following:</p> <p>flood insurance premiums for properties located in zone A or V</p> <p>Note however that taxes and hazard escrows can be waived provided and the esrow waiver requierments are met and the loan is priced and an escrow waiver</p> <p>elective flood insurance policies for properties not located within a flood map/zane which dose not require flood insurance coverage, are not required to be escrowed</p>
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