MLBWHOLESALE
Making Lives Better

Closed End Second 5/1/26

Full Doc

Min FICO Score	Max Loan Amount	Primary	Second	Investment	Property Type
720	$ 350,000	85	80	80	SFR, PUD, Warrantable condo
	$ 500,000	85	80	80	
	$ 750,000	80	75	75	
700	$ 350,000	85	80	80	
	$ 500,000	85	80	80	
	$ 750,000	80	70	70	
680	$ 350,000	80	-	-	
	$ 500,000	75	-	-	
	$ 750,000	75			

Bank Statement or 1099

Min FICO Score	Max Loan Amount	Primary	Second	Investment	Property Type
720	$ 350,000	85	80	80	SFR, PUD, Warrantable condo
	$ 500,000	85	75	75	
	$ 750,000	80	70	70	
700	$ 350,000	80	75	75	
	$ 500,000	80	70	70	
	$ 750,000	75	65	65	
680	$ 350,000	75	-	-	
	$ 500,000	75	-	-	

DSCR

Min FICO Score	Max Loan Amount	DSCR>1			Property Type
720	$ 350,000	75			SFR, PUD, Warrantable condo
	$ 500,000	75			
	$ 750,000	70			
700	$ 350,000	75			
	$ 500,000	70			
	$ 750,000	65			

Combined Lien Balances

$3,000,000 Max 85 CLTV
$3,500,000 Max 80 CLTV
$4,000,000 Max 75 CLTV
$5,000,000 Max 60 CLTV

Housing History
0x30x12 required for all mortgages Borrowers must have satisfactory mortgage and/or rent payment history in the three (3) years prior to loan application. All files must be documented with one of the following: • Purchase – 12-month housing history consisting of mortgage reported on credit or VOR from management company. Combination of mortgage and rent history covering 12 months acceptable. • Cash-out - 6 months current senior lien reporting on credit report, OR one of the following: o VOM from an institutional lender. o Legally inherited property supported by cancelled checks to senior lien

Geographic Restrictions
IL: Cook County: All properties are ineligible MD: Baltimore City: Investment properties are ineligible PA: Philadelphia: Investment properties, and row homes are ineligible TN: Memphis: Transferred appraisals are ineligible, Field review required on all appraisals TX: A6 Refinances are not permitted, Rate and term permitted

General Requirements			
Eligible Product Type	**Fully Amortizing Fixed:** 15-Year, 30-Year **Fixed, Interest Only:** 30-Year or 40-Year term, including 10-Year I/O Term **Hybrid ARMs:** **Fully Amortizing Hybrid ARMs:** • 5/6 30-Year 2-1-5, • 7/6 30-Year 5-1-5, • 10/6 30-Year 5-1-5 **Interest Only ARMs:** 30-Year (with 10-Year I/O and 20-Year Amort Term): • 5/6 2-1-5, • 7/6 5-1-5, • 10/6 5-1-5 Index: 30 Day Average SOFR Index as published by the New York Federal Reserve Adjustment Reset Period: 6 months ARM Floor = ARM Margin Lookback Period: 45 days ARM Margin: 4.00% Fully Indexed Rate is the sum of the index plus margin, rounded to the nearest 0.125%		
Interest Only	Min 680 fico	Max LTV: 80%	Max DTI 50%
Loan Amounts	Min: $125,000		Max: $750,000
Occupancy	Primary, Second Home, Investment property		
Loan Purpose	Rate/Term and Cash out		
Cash-Out	Equity Solutions stand-alone loans are available for cash-out on Primary, Second Home or investor property. A letter of explanation regarding the use of loan funds must be provided for cash-out refinance transactions.		

General Requirements

Cash Out Seasoning	Properties owned for 6 months or greater, no restrictions. Properties owned less than 6 months ineligible.	
Borrower Eligibility	US Citizen Permanent Resident Alien	Ineligible: ITINs, Foreign Nationals, DACA recipients, On-Permanent Resident Alie
General Requirements Cont.		
Appraisals	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	
Declining Markets	Max 75 CLTV when noted on appraisal as a declining Market	
Property Type	Single Family Detached Single Family Attached/Townhomes/Row Homes PUDs 2-4 unit properties/warrantable Condos	
	Rural Properties	Max CLTV: 80% Max 10 acers Primary and Second Home Only

Full doc - Income Requirements	
Wage/Salary	• W-2s for most recent 1 or 2-years and current paystubs reflecting 30 days earnings • W-2 transcripts.
Self-Employed	• 1 or 2 years tax returns (business and personal) including all schedules. • Current YTD P&L (borrower prepared ok), or 3 months bank statements. • Qualifying income based on tax returns. P&L or bank statement to support tax return income. • Tax transcripts.
Bank Statement- Income Requirements	
Bank Statement Overview	For self-employed borrowers. Bank statements (personal and/or business) may be used as an alternative to tax returns to document a self-employed borrower's income over 12 or 24 months. The Primary Borrower (greater than 50% of income) should be self-employed for at least 2 years (25% or greater ownership) to qualify for this program. If there is less than 2 years but more than 1 year of self-employment with the same business, the borrower may qualify if they can evidence at least: • 2 years of previous employment in the same industry/line-of-work of the current business, OR • 1 year previous employment in the same industry/line-of-work and 1 year of formal education or training in the same industry/line-of-work. No 4506-C/tax transcripts/Tax Returns (4506-C required for salaried co-borrowers)
Documentation	• Borrower must document two years current continuous self-employment with business license or statement from corporate accountant/CPA confirming the same. o Other documentation from third parties may be acceptable on a case by case basis (e.g., letter from an attorney) o Acceptable business license must be verified by third party (e.g., government entity, borrower's business attorney). Borrowers whose self-employment cannot be independently verified are not eligible. o In instances where a license is not required (e.g., choreographer), a letter from a CPA confirming employment may be accepted in lieu of a license.

NSF	Excessive NSFs on the bank statements may cause the loan to be ineligible. Business bank statements must be operating account(s) reflecting normal business expenses. • If the bank account has overdraft protection that is linked to another account with the same financial institution, an overdraft would not be considered as an NSF so long as the account does not reflect a negative balance at day’s end & shows the transfer from the linked account.

Bank Statement- Income Requirements Cont.	
Employment History	2 years as owner of the business required. No exceptions available
Expense Ratio	Standard 50% Expense Ratio Applies: The underwriter may use an expense factor higher than the standard 50% when the analysis of the bank statements reflect higher expenses.
1099- Income Requirements	
1099 Overview	This program is designed for borrowers who are paid on a 1099 basis and would benefit from alternative loan qualification methods. Most recent 1 year or 2 years IRS Form 1099(s) may be used as an alternative to tax returns to document the borrower's income.
Documentation	The following is required: • Most recent 1 year or 2 years IRS Form 1099(s) from employer(s). Borrower must have 2year history of 1099 employment. • Current paystub or bank statement deposit for each 1099 source utilized for qualification (e.g. if borrower provided 1099 forms from five (5) separate sources, then a separate paystub/bank statement deposit must be provided from each of the five (5) 1099 sources to support current receipt) • Third party documentation (CPA/CTEC/EA) supporting a 2 year employment history when 1 year 1099 used. • Tax transcripts are required for each 1099 provided • 1099 income minus 10% expense factor / 12 months = Qualifying Income.
Restrictions	• Borrower cannot have any ownership interest in the company(s) providing 1099 income • 1099 statements must be payable to the individual borrower(s). 1099 statements payable to a business entity owned by the borrower(s) are not eligible. • 1099 Income that is not supported by documentation of current receipt cannot be used for qualification.

DSCR Income Requirements	
DSCR Overview	This program is designed for experienced real estate investors and qualifies borrowers based on cash-flows solely from the subject property. Only stand-alone cash-out transactions are eligible for this program.
Investor Experience	The borrower must have a history of owning and managing commercial or residential investment real estate for a period of at least 12 months within the most recent 36 months
Business Purpose	The loan must be fore Business Purpose. Business purpose use and occupancy affidavit required
Pre-Payment Penalty	Required on investment properties where not restricted. Restrictions are listed in the PPP and Business Purpose guide
DSCR calculation	Form 1007 or 1025 required to calculate rental income. Dscr will be calculated on the lower of rent survey or current lease. If existing lease agreement(s) show a higher rental amount than the market rent, the higher rents may be used with receipt of most recent three (3) months payments (e.g. cancelled checks, bank statements, etc.), or as per the terms on the lease agreement for new leases. If the market rent on Form 1007 is greater than the existing lease, the higher market rents may be used as listed not exceeding 120% of the lease amount to qualify (e.g. lease is $1,400 and Form 1007 is $1,800, then $1,680 may be used to qualify. A copy of the lease is not required if the appraiser lists the rent amount for the subject on Form 1007. Otherwise, a copy of the lease is required.
Short term rental	Not permitted
Vacancy	Refinance vacant single unit property: • Utilize rent survey (Form 1007) to calculate DSCR. Refinance 2-4 unit with a vacancy: Eligible with maximum of 1 vacant unit. Use lower of lease agreements or market survey for leased units. Use market survey for vacant unit to calculate DSCR.
Seasoning	6 months seasoning required
Housing History DSCR	A satisfactory housing payment history for the previous twelve (12) months is required for the borrower's primary residence, as well as the subject property. If housing payment history(s) are verified using a VOM or VOR (private mortgage, landlord, etc.), no additional documentation (e.g. cancelled checks) is required. Any housing event or mortgage tradeline delinquency reported on the credit report for any property owned by the borrower needs to be included in the housing history eligibility. For any non-subject property, non-primary mortgages not reporting to the credit bureau, additional housing history is not required. • If a borrower has less than 12-months primary housing history verified, a 12-month satisfactory mortgage history from another REO owned by the borrower may be utilized.

DSCR Income Requirements Cont.	
Professional Investor	Provides reduced documentation on non-subject properties for the borrower who has a strong investor track record exhibited by the following
Underwriting Requirements	
Credit Score	A tri-merge credit report is required on all borrowers Middle of three (3) scores or lower of two (2) scores for primary income earner If multiple borrowers have same qualifying income, use lower score of the two (2) All borrowers must have a 500 FICO minimum • Current enrollment in credit counseling or debt management plans are ineligible • Credit Rescores are ineligible, except in the event of a dispute removal or valid error
Credit Event seasoning	No foreclosure actions (NOI, NOD), short-sale, deed in lieu, bankruptcies in last 48 months. No multiple credit/housing events (FC, BK, SS/DIL) in the last seven (7) years.

Underwriting Requirements	
Tradelines	The primary wage-earner must meet either of the minimum tradeline requirements listed below: • At least three (3) tradelines reporting for a minimum of twelve (12) months with activity in the last 12 months; or, • At least two (2) tradelines reporting for a minimum of twenty-four (24) months with activity in the last 12 months On Primary residence only, borrowers who do not have the minimum tradelines are acceptable with a current mortgage history on their credit report reporting 0x30x12 (no private party mortgages). Borrowers that have three (3) credit scores satisfy the minimum tradeline requirements. Valid tradelines have the below characteristics: • The credit line must be reflected on the borrower's credit report • The account must have activity in the last 12 months but may be open or closed • Student loans may be counted as tradelines as long as they are in repayment and are not deferred • An acceptable 12 or 24-month housing history not reporting on credit may also be used as a tradeline (VOR from professional management company). 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
Senior Lien Documentation	Current (within 90 days) first mortgage statement showing, o Current principal balance. o Fully amortized. o Term. • HOA statement (if applicable). • HOI, flood insurance (if applicable), flood cert.
Non-Occupant Co-Borrower	Not Permitted
Reserves	Not Required
Age of Documentation	Credit: 120 Days Income and Assets: 90 Days Appraisal: Must be less than 90 days at time of submission or transfer, expires in 120 days