

Bridge Loan Program <sup>1,3</sup>	
Purchase/Rate & Term Transactions – Non-Owner Occupied: 1-4 units	
Borrower/Guarantor Experience in the Past 3 Years	Max LTC
1-2	75%
3-5	75%
6+	75%
Non-Cumulative Adjustments to Max LTC <sup>2</sup>	
Cash-Out Refinance	-5%
Non-Warrantable Condo	Lesser of 10% or 65%
<sup>1</sup> Pro Forma DSCR must be >1.30X <sup>2</sup> Non-cumulative adjustments do not add on top of each other. If multiple adjustments apply, the lowest leverage will be applicable <sup>3</sup> Properties in the following New York counties are subject to a 10% reduction in leverage ratios: Bronx County, Kings County, Nassau County, New York County, Queens County, Richmond County, Suffolk County	
Bridge Loan Program <sup>1,2</sup>	
Purchase/Rate & Term Transactions – Non-Owner Occupied: Multi-Family Residential (5-20 units)	
Borrower/Guarantor Experience in the Past 3 Years	Max LTC
3-5	65%
6+	70%
Adjustments to Max LTC	
Cash-Out Refinance	-5%
<sup>1</sup> Pro Forma DSCR must be >1.30X <sup>2</sup> Properties in the following New York counties are subject to a 10% reduction in leverage ratios: Bronx County, Kings County, Nassau County, New York County, Queens County, Richmond County, Suffolk County	

PRODUCTS	All Products
EXPERIENCE	<p>Eligible Experience:</p> <ul style="list-style-type: none"> <li>Eligible experience includes completed fix and flip projects in which the borrower/guarantor acquired, rehabilitated, and sold a property; completed ground up construction (defined as acquired, built, and sold) and ownership or sale of rental property (residential, commercial, industrial, and mixed-use) within the last 3 years. Borrower must have had minimum 25% ownership in each completed project to qualify</li> </ul> <p>Ineligible Experience:</p> <ul style="list-style-type: none"> <li>Includes in-process fix and flip projects (mid-rehab but not yet been sold), vacant land, primary residence, second/vacation home, recently vacated primary residence (&lt;2 months), and scenarios where the borrower/guarantor was an unvested partner or general contractor on a project and/or had less than 25%</li> </ul>

	<p>ownership as a partner in a project</p> <ul style="list-style-type: none"> <li>Loans to Borrowers with 0 past projects require second level review</li> </ul> <p>CEL Elite = 5 Prior CEL Payoffs 10+ Experience automatically qualifies for CEL Elite Benefits</p>
<b>CEL ELITE BENEFITS</b>	Automatically qualify for maximum leverage on all F&F and Bridge loan projects.

<b>TERM</b>	12 to 18 months
<b>MINIMUM LOAN AMOUNT</b>	\$75,000
<b>MAXIMUM LOAN AMOUNT</b>	\$2MM
<b>AMORTIZATION</b>	Interest Only
<b>INTERESTCHARGE</b>	Full Balance
<b>MINIMUM INTEREST</b>	120 days for 12-month term. No minimum interest charge for 18-month term
<b>PROPERTIES</b>	1-4 Family Real Estate, Condos, Townhomes, 5-20 unit residential multi-family
<b>FOREIGN NATIONALS</b>	Not permitted
<b>MINIMUM FICO</b>	680
<b>CASH-OUT REFINANCE</b>	<ul style="list-style-type: none"> <li>Maximum cash-out amount for each loan: Lesser of 50% of loan amount or \$500,000.</li> <li>Cash-out is defined as the borrower receiving &gt;\$5,000 at closing in cash or to consolidate business related (non-personal) debt</li> <li>Loan-funded interest reserve holdbacks are not included in cash-out amount calculation</li> <li>If property is owned free and clear the max cash out is \$500,000</li> <li>See Delayed Financing section below</li> </ul>
<b>DELAYED FINANCING</b>	<p>Delayed Financing transactions are cash-out refinances coded as Rate &amp; Term Refinance for leverage and pricing purposes. Delayed Financing is a transaction in which a property was purchased within the last 90 days of the original disbursement date and meets the following criteria:</p> <ul style="list-style-type: none"> <li>The original purchase was a non-arm's length transaction</li> <li>The original purchase was documented by a settlement statement confirming that the borrower did not utilize mortgage financing</li> <li>The preliminary title search confirms that there are no existing liens attached to the subject property</li> <li>The source of the funds for the original purchase transaction can be documented</li> <li>Cash-out proceeds can be used to meet reserve requirements, cash to close and budget reserve requirements</li> </ul> <p>Delayed Financing Transactions are used by borrower/investor/sponsor to take equity out of the subject property in the form of cash out proceeds to recoup initial investment funds. Delayed Financing loan amounts are limited to adjusted LTV limits (see above) of the original purchase price documented on the original settlement statement</p>
<b>SECOND LIENS</b>	Any loan where the borrower is paying off a 2 <sup>nd</sup> lien will require 2 <sup>nd</sup> level approval
<b>PROPERTY CONDITION</b>	C4 or better – no mid-rehab properties or incomplete new construction allowed. No prior health or safety issues allowed
<b>REHAB</b>	<p>Rehab is not financed into the loan.</p> <p>Cosmetic rehab is allowed for 0-9 experience (up to 30% of the cost basis) - no structural work allowed.</p> <p>10+ experience or CEL Elite borrowers allow budgets with up to \$150,000 – no structural work allowed. If the borrower is completing a rehab a budget is required</p>
<b>COST BASIS FOR SEASONING</b>	Purchase Price + Cost of Work already completed up to 6 months Appraised as-is value after 6 months
<b>EXIT STRATEGY</b>	<p>Must have a clear exit strategy at origination</p> <p><b>Any 1–4-unit bridge loan must DSCR at 1+ at a 9% interest rate constant at UW. Exceptions will be addressed on a case-by-case basis.</b></p> <p><b>Any Multi-Family bridge loan must DSCR at 1+ at a 9% interest rate constant at UW. Exceptions will be addressed on a case-by-case basis.</b></p>
<b>PRIOR FINANCING</b>	If the borrower is refinancing an existing loan a 12 month pay history will be required to evidence that the current loan is in good standing.

<b>LIQUIDITY/RESERVE REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>• 6 months of payments</li> <li>• The liquidity required is based on post-closing liquidity (net of down payment or similar closing costs)</li> <li>• Liquid assets must be sourced or seasoned for 60 days. Most recent 2 months consecutive statements, quarterly statements or similar documentation is required to evidence seasoning and sourcing</li> <li>• Total Reserves = down payment + closing costs + required reserves</li> </ul>
<b>INTEREST RESERVES</b>	6 or 12 months optional
<b>VALUATION REQUIREMENTS</b>	<p>Full 1004 report BPO valuations available for borrowers with &gt; 3 experience on SFR properties. Loans amounts &lt;\$400k. Multifamily</p> <ul style="list-style-type: none"> <li>• Full Narrative Commercial appraisal required</li> </ul> <p><u>Declining Markets</u>: 5% reduction in LTV for any loan with properties located in markets identified in the CEL guides. The reduction in leverage is applied at origination. If the appraiser designates the property as being in a declining market the total leverage reduction remains 5%.</p> <p>Transfer appraisals are not permitted</p>
<b>TENANCY IN COMMON</b>	Ineligible
<b>CREDIT EVENT SEASONING (MEASURING FROM DATE OF EVENT COMPLETION TO NOTE DATE)</b>	<ul style="list-style-type: none"> <li>• At least 3 years must have elapsed since any of the following derogatory credit events <ul style="list-style-type: none"> <li>○ Foreclosure</li> <li>○ Deed-in-lieu</li> <li>○ Short sale</li> <li>○ Modification (excluding extensions)</li> <li>○ 2x30 real estate delinquencies</li> <li>○ 1x60 real estate delinquencies</li> <li>○ Bankruptcy</li> <li>○ Notice of Default (NOD)</li> </ul> </li> <li>• Borrowers/Guarantors with 2 or more derogatory events within the last 10 years are ineligible</li> </ul>
<b>VERIFICATION OF MORTGAGE (VOM) FOR REFINANCE TRANSACTIONS</b>	<ul style="list-style-type: none"> <li>• Verification of mortgage (VOM) is required for refinance transactions. The following restrictions apply: <ul style="list-style-type: none"> <li>○ 2x30 delinquencies not permitted</li> <li>○ 1x60 delinquencies not permitted</li> <li>○ Modification (excluding extensions) not permitted</li> <li>○ Notice of Default (NOD) not permitted</li> <li>○ Refinance of distressed mortgage not permitted</li> </ul> </li> <li>• In lieu of VOM, a 12 month payment history require a second level review</li> <li>• Maturity defaults require a second level review</li> </ul>
<b>ASSIGNMENT FEES</b>	<ul style="list-style-type: none"> <li>• Third party/arms-length assignment fees are permitted subject to the following: <ul style="list-style-type: none"> <li>○ Assignment fee may not exceed lesser of 10% of purchase price or \$40,000</li> <li>○ Assignment fee is included in cost basis</li> </ul> </li> </ul>
<b>BANK STATEMENT</b>	One quarterly or two months most recent bank statements from a liquid account (Checking, Savings, Brokerage, Money Market, etc.)
<b>PROPERTY INSURANCE</b>	Hazard Insurance covering the total insurable value of the property – property must be insured on a replacement cost basis
<b>LIABILITY INSURANCE</b>	Premises liability of at least \$500,000
<b>FLOOD INSURANCE</b>	Must carry flood insurance if applicable Same requirements as the NFIP