

Fix & Flip Loan Program				
Max Leverage: NOO/1-4 units				
TRANSACTION TYPE	EXPERIENCE <sup>1</sup>	MAX LTC – Purchase/R&T Refinance	Max LTC – Cash out Refinance	MAX LTV
STANDARD REHAB	0	80%	70%	70%
	1-2	85%	80%	70%
	3-6	90%	85%	75%
	7-9	92.5% <sup>2</sup>	85%	75%
	CEL Elite or 10+	92.5% <sup>2</sup>	90%	75%
HEAVY REHAB	0	TBA	TBA	TBA
	1-2	TBA	TBA	TBA
	3-6	TBA	TBA	TBA
	7-9	TBA	TBA	TBA
	CEL Elite or 10+	TBA	TBA	TBA
<b>Footnote:</b> <sup>1</sup> Experience - # of projects successfully flipped or stabilized within the last 36 months <sup>2</sup> Initial advance limited to 90% LTC <ul style="list-style-type: none"> <li>• \$1MM - \$2MM limited to 85% LTC. Borrower must have 3+ experience</li> <li>• Borrower must have 3+ experience for \$850k+ loan amount</li> <li>• 10% budget contingency required for all projects</li> <li>• <b>100% of all rehab costs must be financed</b></li> </ul>				

Fix & Flip Loan Program				
Max Leverage: NOO/Multi-Family 5-30 Unit Residential				
TRANSACTION TYPE	EXPERIENCE <sup>1</sup>	MAX LTC Purchase/R&T Refinance	Max LTC – Cash out Refinance	MAX LTV
STANDARD REHAB	0	N/A	N/A	N/A
	1-2	70%	65%	65%
	3-6	75%	70%	70%
	7-9	75%	75%	75%
	CEL Elite or 10+	75%	75%	75%
HEAVY REHAB	0	N/A	N/A	N/A
	1-2	N/A	N/A	N/A
	3-6	N/A	N/A	N/A
	7-9	N/A	N/A	N/A
	CEL Elite or 10+	N/A	N/A	N/A
<b>Footnote:</b> <sup>1</sup> Experience - # of projects successfully flipped or stabilized within the last 36 months <ul style="list-style-type: none"> <li>• \$1MM - \$2MM limited to 75% LTC. Borrower must have 3+ experience</li> <li>• Borrower must have 3+ experience for \$850k+ loan amount</li> <li>• 10% budget contingency required for all loans</li> <li>• Prior multi-family investment experience is required</li> <li>• Properties must have a pro-forma DSCR of &gt;1.30X</li> <li>• 100% of all rehab costs must be financed</li> </ul>				

<b>PRODUCTS</b>	<b>All Products</b>		
<b>EXPERIENCE</b>	Based on the total number of investment properties sold or stabilized in the prior 36 months CEL Elite = 5 Prior Successful CEL Payoffs 10+ Experience automatically qualifies for CEL Elite Benefits		
<b>CEL Elite Benefits</b>	<ul style="list-style-type: none"> <li>Automatically qualify for maximum leverage on all F&amp;F and Bridge loan projects.</li> <li>No GC approval needed for Heavy Rehab</li> <li>No budget feasibility study needed for standard rehab loans</li> <li>Borrowers that are CE Elite with no prior multi-family experience can qualify to finance a multi-family property at 75% LTC / 70% LTV.</li> <li>Eligible for advance draws on certain building materials with paid invoices prior to installation</li> </ul>		
<b>TERM</b>	12 or 18 months 3-month extensions available on a case-by-case basis		
<b>MINIMUM LOAN AMOUNT</b>	\$75,000		
<b>MAXIMUM LOAN AMOUNT</b>	\$2MM		
<b>AMORTIZATION</b>	Interest Only, Fixed Rate		
<b>INTEREST CHARGE</b>	Full or Drawn Balance		
<b>MINIMUM INTEREST</b>	120 days minimum interest for 12-month terms.		
<b>PROPERTIES</b>	1-4 units, Condos, Townhomes, 5–30-unit multi-family residential		
<b>MINIMUM FICO</b>	640		
<b>HEAVY REHAB</b>	Budget is >100% of the cost basis		
<b>INELIGIBLE PROJECTS</b>	<b>Ineligible Projects</b>	<b>Exception Only Projects</b>	
	Tear Down	Adding additional stories	
	Modular Homes	Adding additional units	
	New Construction or New Construction Like Scopes of Work	Additions >800 sq ft	
	Adding a detached ADU	Removal of multiple exterior walls	
	Manufactured Housing	Conversions of Use	
	Unique Properties		
	Properties with illegal zoning or use		
<b>COST BASIS FOR SEASONING</b>	<6 months less of purchase price + work already completed or As-Is Value >6 months – As-Is Value		
<b>MID-REHAB PROJECTS</b>	Case-by-case – no prior construction financing allowed for refinances		
<b>MAX LOAN AMOUNT</b>	Lesser of: Max loan amount based on Cost = Total project cost*approved LTC Max loan amount based on Value = After Repaired Value		
<b>RESERVES REQUIREMENTS</b>	<b>Experience 0-2</b>	<b>Experience 3-9</b>	<b>Experience 10+/CEL Elite</b>
	12 months	6 months	3 months
	Reserves = down payment + closing costs + 10% of holdback + any equity shortage + required reserves		
<b>INTEREST RESERVES</b>	6 or 12 months optional		
<b>VALUATION REQUIREMENTS</b>	<b>Standard Rehab</b>	<b>Heavy Rehab</b>	
	Hybrid Valuation with as-is/ARV	Full 1004 appraisal with as-is/ARV	
	*Full 1004 appraisal required on any \$1MM+ loans *Full commercial narrative appraisal required on all 5+ unit multi-family loans. * BPO valuations available for borrowers with 3+ experience for SFR standard rehabs		
	<u>Declining Market</u> - If the appraisal designates that the property is in a declining market, there is a 5% reduction to LTC/LTV.		
<b>BANK STATEMENT</b>	Most recent 30-day statement from a liquid account (Checking, Savings, Brokerage, Money Market, etc.)		
<b>EQUITY SHORTAGE</b>	If the loan structure does not support funding 100% of the budget the borrower will self-fund the equity shortage before CEL will disburse any draw funds		
<b>INSURANCE REQUIREMENTS</b>	Builders Risk coverage required on all transactions		

	Must cover total insurable value of the property and be written on a replacement cost basis – coverage must cover 100% of the budgeted rehab
<b>LIABILITY INSURANCE</b>	Premises Liability on all standard rehab loans, Commercial General Liability on all heavy rehab loans. Coverage of at least \$500,000 is required in the name of the borrowing entity on all transactions
<b>FLOOD INSURANCE</b>	Must carry flood insurance, if applicable Same requirements as the NFIP
<b>STANDARD REHAB PROJECT REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>• Permits are required prior to the first draw for any projects requiring permits</li> <li>• 100% of all rehab costs must be financed into the loan.</li> <li>• A budget feasibility study is required for any project where the budget exceeds the greater of \$50,000 or 25% of the cost basis. Borrowers with 10+ experience do not require a budget feasibility study unless the project is a Heavy Rehab</li> <li>• Title date down for any mechanic liens will be performed after 6 months or when 50% of the budget has been disbursed, whichever comes first</li> <li>• Final draw for any amounts completed over 90% of the rehab budget require a title date down for any mechanics liens, certificate of occupancy/proof of completion, and a final unconditional lien waiver</li> <li>• 10% budget contingency must be included in all budgets</li> </ul>
<b>HEAVY REHAB PROJECT REQUIREMENTS</b>	<p>All Standard requirements plus:</p> <ul style="list-style-type: none"> <li>• Licensed GC Required unless the borrower is acting as the GC Copy of current valid GC license required</li> <li>• Signed Construction Contracts must match final budget and be assignable to CEL</li> <li>• Detailed plans and specs required if the borrower is adding or subtracting any livable square footage</li> <li>• Invoices prior to draw required for any line-item request exceeding \$20,000, and lien waivers for those same items prior to next draw before any additional draws will be released. Lien waivers are required for any line item above \$5,000</li> <li>• GC Approval required for borrowers with &lt;10 experience</li> </ul>
<b>ELIGIBLE PROJECT SOFT COSTS</b>	<ul style="list-style-type: none"> <li>• Permit fees</li> <li>• Contractor's fee (20% max)</li> <li>• Surveys</li> <li>• Contingency (10% max)</li> <li>• Tap fees</li> <li>• Utility Connection Fees</li> <li>• Architect or Engineering Fees- up to 5% of budget up to \$20,000</li> </ul>