

INVESTOR CONNECT DSCR 1.0+

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE AND TERM	80% ^{1,2,3}	\$1,000,000	640
		\$1,500,000	660
		\$2,000,000	740
	75%	\$1,000,000	620
		\$1,500,000	640
		\$2,000,000	700
	70%	\$1,500,000	620
		\$2,000,000	640
		\$2,500,000	700
	65%	\$2,000,000	620
\$2,500,000		660	
CASH OUT	75%	\$1,500,000	700
	70%	\$1,500,000	660
	65%	\$1,000,000	620
		\$2,000,000	660
	60%	\$2,500,000	700

- Minimum loan amount \$100,000
- Loan amounts \$100k-\$150k – require min DSCR 1.25

¹2-4 Unit Max 75%

²Warrantable Condo– Max 75% LTV/CLTV

³Non-Warrantable Condo – Max 75% LTV/CLTV

Short Term Rental Refinance: Min DSCR 1.50%, Max LTV 65%, Min Score 700, and 1-year experience operating a short-term rental. Purchases not permitted.

INVESTOR PREMIER - DSCR 1.0+

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE AND TERM	70%	\$1,000,000	720
CASH OUT			

- Minimum loan amount \$100,000
- Loan amounts < \$175,000 – require min 1.25 DSCR
- Non-Perm Resident Aliens and Foreign Nationals not permitted
- Minimum 3 Year Prepay Penalty Required. Non-PPP state restrictions apply
- Max financed properties = 15 residential
- 40-Yr Fixed and 40-Yr ARM fully amortizing products not permitted
- All additional overlays of Investor Connect otherwise apply

INVESTOR CONNECT DSCR .85-.99¹

TRANSACTION TYPE	LTV/CLTV	MAX LOAN AMOUNT	FICO
PURCHASE RATE AND TERM	70%	\$1,500,000	680
	65%	\$2,000,000	700

¹ Min \$175k loan amount; 40 yr. IO not permitted

ELIGIBILITY	Financing of the investment property must be solely for commercial / business purposes and is required to sign a Certification of Business Purpose/Non-Owner Occupancy					
PRODUCTS	Product	Term	IO Term	Initial Cap	Periodic Cap	Life Cap
	5/6 ARM	360 mo	NA	2	1	5
	5/6 ARM	480 mo	NA	2	1	5
	5/6 ARM IO	360 mo	120 mo	2	1	5
	5/6 ARM IO	480 mo	120 mo	2	1	5
	7/6 ARM	360 mo	NA	5	1	5
	7/6 ARM	480 mo	NA	5	1	5
	7/6 ARM IO	360 mo	120 mo	5	1	5
	7/6 ARM IO	480 mo	120	5	1	5
	30 Yr Fixed	360 mo	NA	NA	NA	NA
	30 Yr Fixed IO	360 mo	120 mo	NA	NA	NA
	40 Yr Fixed	480 mo	NA	NA	NA	NA
40 Yr Fixed IO	480 mo	120 mo	NA	NA	NA	
MIN LOAN AMOUNT	Investor Connect - \$100,000 - Loan amounts \$100k-\$150k – require min 1.25 DSCR Investor Premier - \$100,000 - Loan amounts < \$175,000 – require min 1.25 DSCR					
INTEREST ONLY	Interest Only Period – 40 Year Interest Only = 10-year IO then 30-year amortization (not permitted on DSCR ≤0.99) 30 Year Interest Only = 10-year IO then 20-year amortization					
QUALIFICATION	Fully amortizing fixed and ARM loans are qualified at the initial P&I (30-yr or 40-yr, as applicable), property taxes, Insurance, HOA. Interest only loans are qualified on the interest only payment, property taxes, insurance, HOA.					
DSCR CALCULATION	Lesser of 1) 1007 market rent or 2) current lease or 12 mo Short-Term Rental statements divided by (P)ITIA. See Rent Qualification in Manual.					
DSCR MAX LTV/CLTV	DSCR .85 – 0.99	Investor Connect DSCR 1.0+	Investor Premier DSCR 1.0+			
	Max 70% LTV/CLTV Min 680 FICO	Max 80% LTV/CLTV	Max 70%			
BORROWERS	US Citizen Non-Permanent Resident Aliens - 1–2-unit properties only First Time Investors (see below for details) Limited Partnerships, General Partnerships, Corporations, Limited Liability Company Inter-vivos Revocable Trust Ineligible: First Time Homebuyer, Foreign Nationals					
FIRST TIME INVESTOR	Eligible with DSCR ≥1.0 Only DSCR <1.0 not permitted for first time investors Motivation letter required if property is purchased out of state from the Borrower’s/guarantor’s residence					
CREDIT EVENTS	4 years seasoning, reduced to minimum 3 years with additional LLPA LOE required for credit event < 4 years seasoned *Housing Event = Foreclosure, Short Sale, Deed in Lieu, Default Modification, Notice of Default or 120+ Delinquent Bankruptcy Ch 7 and 11,–based on discharged or dismissal date and Ch. 13 paid as agreed within 4 years of filed date, or 3 years with LLPA. All bankruptcies must have been discharged/dismissed prior to application. No open bankruptcies allowed.					
HOUSING HISTORY	<ul style="list-style-type: none"> • 1x30x12 (no rolling) • All Borrowers must be current on mortgage, property taxes and HOA dues, or rent at loan application • Housing history required for Primary and subject property refi. Other REO, not reported on credit, no mortgage rating required • Document housing history via 12 months proof of payment via credit report, cancelled checks, bank debits or institutional VOR/VOM. • Rent free or incomplete housing history <ul style="list-style-type: none"> ○ No open and active mortgages reporting on credit will require an exception and is generally limited to max 75% LTV. 					

	<ul style="list-style-type: none"> ○ Open and active mortgage(s) reporting on initial credit for minimum 12 months is permitted to satisfy housing history. ○ With minimum 12 months previous mortgage history reporting on initial credit within the last 12 months is permitted to satisfy housing history. ○ No private VOMs or credit supplements permitted. ● Rent free from spouse is not permitted <ul style="list-style-type: none"> ○ Institutional VOM or bank records are required to satisfy primary housing history 	
QUALIFYING FICO	Highest Mid FICO score *Use highest mid FICO of any guarantor if more than 1 guarantor. No Borrower can have less than a 620 mid FICO	
TRADELINES	<ul style="list-style-type: none"> ● Each Borrower must have 2 tradelines, rated at least 12 months, with activity in the last 24 months. ● Tradeline may be opened or closed ● Eligible tradelines cannot have any derogatory history in previous 24 months ● Current housing not reporting on credit can be considered an open trade if supported by bank records ● Borrower(s) not using income to qualify are not required to meet the minimum tradeline requirements listed above. ● No authorized user accounts may be used to satisfy minimum tradelines. ● Non-traditional credit is not allowed as an eligible tradeline 	
RESERVES	<p>DSCR 1.0+ - Purchase/Rate Term \$1,500,000 – No reserves \leq 70%, 6 months > 70% \$2,500,000 – 9 months Cash-out – 6 months</p> <p>DSCR .85-.99 \$1,500,000 – 3 months \$2,000,000 – 9 months</p> <p>Investor Premier Purchase/Rate Term – No Reserves Cash-out – 6 months No additional reserves needed for additional financed properties Cash out may be used as reserves</p>	
ASSETS	Most recent 2 months Asset Statements for Purchase, 1 month for Rate and Term, not required for Cash Out transactions which satisfy reserves. Quarterly Statement or FNMA approved third party direct pull services 100% value of Bank Accounts, Stocks, Bonds, Mutual Funds. Retirement Accounts at vesting percentage	
PROPERTY	<p>Rural Properties not eligible Warrantable and Non-Warrantable Condos – Max 75% Investor Connect</p> <ul style="list-style-type: none"> ● Max Financed Properties - No limit to the number of financed properties ● SGCP exposure to a single Borrower/guarantor cannot exceed \$5MM UPB or 10 loans <p>Investor Premier</p> <ul style="list-style-type: none"> ● The max financed properties = 15 residential <p>Declining Markets requires a 5% LTV reduction; max 80% LTV/CLTV Max 2 Acres Minimum square footage required 500 sq ft. per unit – Kitchenettes ineligible SFR/PUDs – Max 6 Bedrooms</p>	
NON-WARRANTABLE CONDOS	Non-Warrantable Condos - Limited to Two	
	Max LTV	Max 75% LTV/CLTV
	Presale	At least 30% of the units must be sold or under bona fide contract
	Investor Concentration	Up to 55% of units can be tenant occupied
	Single Entity Ownership	A single entity can own up to 30% of units
	Insurance Coverage	Exceptions to Fannie Mae minimum coverage requirements
	Reserves	<10% replacement, maintenance, and/or deductible

	Material Litigation – Structural/Functional litigation against developer	Ineligible				
	Delinquent HOA – in excess of Fannie Mae 15% limit	Ineligible				
	Newly Converted – Non-full gut rehabs	Ineligible				
APPRAISAL REQUIREMENTS	1 Full appraisal required for all transactions Hybrid appraisals on SFRs and Condos allowed with min 680 FICO, Max Loan Amount \$1,500,000 based on the below chart:					
	Transaction Type	Max LTV/CLTV				
	Purchase	Max 70% LTV/CLTV				
	Rate & Term	Max 65% LTV/CLTV				
	Cash Out	Max 60% LTV/CLTV				
	All appraisals require a third-party valuation by an SGCP approved vendor: Contact SGCP for a list of approved desk review vendors.					
	CU score of 2.5 or below, no further review required per chart					
	Transaction Type	LTV/CLTV				
	Purchase/Rate & Term	≤70% LTV/CLTV				
	Cash Out	≤60% LTV/CLTV				
CASH-OUT	LTV/CLTV	Maximum Cash Out				
	70.01 -75.00%	\$300k				
	65.01 – 70.00%	\$500k				
	≤65%	\$750k				
	Ownership Seasoning	0-6 Months	6.1-12 Months			
	Rate/Term	Lesser of (PP + Improvements*) -or- Appraisal	Appraisal			
	Cash Out	Not permitted	Appraisal – Max 70%			
	*Purchase appraisal or original listing photos required along with schedule of improvements					
GIFT FUNDS	<ul style="list-style-type: none"> Eligible for purchase transactions Max gift is 10% of purchase price 					
INSURANCE	Commercial, Landlord or rental dwelling policy with rent loss coverage required.					
PREPAYMENT PENALTY	<ul style="list-style-type: none"> Standard Prepayment Penalty Term – 1, 2, 3, 4 or 5-year (see rate sheet for details) Tiered structure as indicated below: 					
		5 Year PPP	4 Year PPP	3 Year PPP	2 Year PPP	1 Year PPP
	Payoff Year 1	5%	5%	5%	3%	3%
	Payoff Year 2	4%	4%	4%	3%	
	Payoff Year 3	3%	3%	3%		
	Payoff Year 4	2%	2%			
	Payoff Year 5	1%				
	<ul style="list-style-type: none"> Flat structure - 3- or 5-year prepayment term can be selected at a 5% flat rate instead of a tiered structure. 					
PROPERTIES LISTED FOR SALE	Transaction Type	PPP Term/ LTV	0-6 months	6.1-12 months		
	Rate/Term no Penalty	N/A	Not Permitted	By exception only		
	Rate/Term Penalty	Min 2 yr penalty	Permitted	Permitted		
	Cash Out no Penalty	Max LTV 70%	Not Permitted	By exception only		
	Cash Out w/ Penalty	Min 2 yrs and max LTV 70%	Permitted	Permitted		