

FORTRESS DD DSCR				
Max LTV / CLTV's		> = 1.15 DSCR		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700+	<= \$1,000,000	80	75	75
	1,000,001 - 1,500,000	75	75	70
	1,500,001 - 2,000,000	70	70	65
660 - 699	<= \$1,000,000	75	75	65
	1,000,001 - 1,500,000	65	65	65
	1,500,001 - 2,000,000	65	65	60
Max LTV / CLTV's		1.00 - 1.14 DSCR		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700+	<= \$1,000,000	80	75	75
	1,000,001 - 1,500,000	75	75	70
	1,500,001 - 2,000,000	70	70	65
660 - 699	<= \$1,000,000	75	75	65
	1,000,001 - 1,500,000	65	65	65
	1,500,001 - 2,000,000	65	65	60
Max LTV / CLTV's		< 1.00 DSCR		
Credit Score	Loan Amount	Purchase	R/T Refinance	Cash-Out Refinance
700+	<= \$1,000,000	75	70	70
	1,000,001 - 1,500,000	70	70	65
	1,500,001 - 2,000,000	70	70	65
660 - 699	<= \$1,000,000	75	70	65
	1,000,001 - 1,500,000	65	65	65
	1,500,001 - 2,000,000	65	65	60

Property Type Restrictions
Max LTV/CLTV - 70% Condo & 2-4 Units
State Restrictions
Max LTV/CLTV - 70% IL & NJ

General Requirements							
Product Type	Product	Qualifying Rate	Term	I.O. Term	Amort Term	Index	Caps
Product Type	5/6 ARM	Greater of Fully Indexed or Note Rate	360	N/A	360	30-day avg SOFR	2/1/5
	5/6 ARM I.O.	Greater of Fully Indexed or Note Rate	360	120	240	30-day avg SOFR	2/1/5
	7/6 ARM	Greater of Fully Indexed or Note Rate	360	N/A	360	30-day avg SOFR	5/1/5
	7/6 ARM I.O.	Greater of Fully Indexed or Note Rate	360	120	240	30-day avg SOFR	5/1/5
	15 Year Fixed	Note Rate	180	N/A	180	N/A	N/A
	30 Year Fixed	Note Rate	360	N/A	360	N/A	N/A
	30 Year Fixed I.O.	Note Rate	360	120	240	N/A	N/A
Interest Only	Minimum 680 FICO, MAX 70% LTV/CLTV						
Loan Amounts	Minimum \$100,000 - Max \$2,000,000						
Loan Purpose	Purchase, Rate / Term, Cash-Out						
Occupancy	Investment						
Eligible Property Types	Single Family Dwellings 2-4 Units FNMA Warrantable Condos Non-Warrantable Condos			PUD's Modular Homes Properties w/ <= 5 acres Leaseholds (in areas where leaseholds are common)			
Ineligible Property Types	Mixed Use Properties Vacant land or land development properties Properties not readily accessible by roads Properties not suitable for year-round occupancy Agricultural properties: Farms, Ranches, Orchards Rural Properties Manufactured or Mobile Homes Condo-hotels or co-op/timeshare hotels Fractional Ownership			Boarding houses or bed / breakfast properties Properties with zoning violations Dome or geodesic homes Assisted living facilities Homes on Native American land (reservations) Log Homes Houseboats Properties used for cultivation, distribution, manufacture or sale of marijuana			
Appraisals	Appraisals should be dated no more than 120 days prior to the note date Properties with condition ratings of C5 and C6 and/or a quality rating of Q6 are not allowed 2nd Appraisal: A second appraisal is required when the loan amount is greater than \$1.5MM and/or the transaction is a flip When a 2nd appraisal is required, value is based on the lower of the two (2) values. 2nd appraisal must be from a different company and appraiser than the first appraisal.						

Appraisal Review Product	<p>CDA from Clear Capital A field review or a second appraisal is also acceptable Appraisal must be submitted to Collateral Underwriter (CU); an eligible score of 2.5 or less is required If the CDA reflects a value of more than 10% below the appraised value, if CDA does not provide a value or the CU score exceeds 2.5 - A field review or a second appraisal is required.</p>
Financed Properties	<p>Max of 20-financed properties including subject property 2-months reserves added for each financed property, total reserve requirement capped at 12 months Newfi exposure to a single borrower shall not exceed \$5MM or six (6) properties</p>
Cash-Out	<p>Max Cash-Out: - LTV >= 70% = \$250,000 - LTV > 50% - < 70% = \$500,000 - LTV <= 50% = \$1,000,000 Condos in Florida - Max LTV 65% IL, NJ - Max LTV 65%</p>
Investor Experience	<p>Experienced Investor: A borrower who has owned two (2) or more properties for at least twelve (12) months during the most recent thirty-six (36) month period. One (1) property must be an income producing property (residential or commercial). First Time Investor: A borrower that does not meet the Experienced Investor criteria. First time investors must have owned a property for twelve (12) months anytime during the past thirty-six (36) months. - Minimum FICO = 680 - Max LTV/CLTV = 75% - No mortgage late payments, >= 36 months from any credit event, no cash-out</p>
Escrows	Taxes and insurance escrows are required for all loans
Loan Amount < 150k	Max LTV: 70% Purchase, 65% any refinance

Income Requirements	
Income	<p>Use the lower of Estimated market rent from 1007 or lease agreement Two (2) months proof of receipt of existing lease amount required All refinance transactions require the property to be leased. Vacant property not eligible. Short term rental income permitted with use of a 12-month look back period to determine average monthly rents. Annual or monthly statements from Airbnb or similar service required. 5% LTV reduction required when using short term rental income to qualify.</p>

Underwriting Requirements	
Credit Score	Middle of 3 scores of lower of 2
Housing History	0x30x12 - No LTV reduction 1x30x12 - Max 75% LTV for Purchase & Max 70% LTV R/T and Cash-Out
Credit History	Foreclosure, Short Sale, Deed in Lieu, Any BK, Modification: >= 36 Months - No LTV reduction >= 24 Months - Max 75% LTV for Purchase & Max 70% LTV R/T and Cash-Out
Tradelines	3 tradelines reporting for a minimum of 12-months, with activity in the last 12-months, or 2 tradelines reporting for a minimum of 24-months, with activity in the last 12-months
DSCR	Gross income/PITIA (PI using the note rate rather than fully indexed. Use ITIA for I.O. loans) Gross Income: Lower of estimated market rent from form 1007 and monthly rent from an existing lease (If lease amount is higher, may be utilized with 2-months proof of receipt) All refinance transactions require property to be leased

Assets	
Reserves	6-months PITIA Loan Amounts > \$1.5MM = 9 months PITIA 2-months additional for each financed property, total reserve requirement capped at 12-months PITIA Cash-Out proceeds allowed to satisfy reserve requirement for LTV's <= 65%
Funds to Close / Assets	Account Statements should cover most recent 60-day period VOD should be dated within 30 days of loan application date Stocks/Bond/Mutual Funds - 100% of stock accounts can be considered Vested Retirement Account funds - 60% may be considered Non-vested or restricted stock accounts are not eligible
Gift Funds	Allowed after minimum 10% borrower contribution
Document Age	60-days

Prepayment Penalty	
Prepayment Penalty	Prepayment Periods Up to 5-Years Allowed
	PPP not allowed in AK, KS, MI, MN, NM, OH, and RI
	PPP not allowed on loans vested to individuals in IL and NJ
	PPP not allowed on loan amounts less than \$260,404 in PA
	Only declining prepayment penalty structures allowed in MS

COVID	
PPP Loan	A business that has obtained a PPP loan is not prohibited from loan program. An analysis of the most recent bank statements, both standard doc and bank statement doc types, must support ongoing sales activity. The sales activity, deposits, must support the qualifying income.