

BANK STATEMENT

June 22, 2020

BROKER RATE SHEET

| LENDER PAID COMPENSATION | |
|--------------------------|-----|
| Rate Add | YSP |
| N/A | N/A |

RATES QUOTED – 30 YEAR FIXED

| FICO x LTV | ≤ 50% | 55% | 60% | 65% | 70% | 75% | 80% | 85% |
|-----------------------|--------|--------|--------|--------|--------|-------|-------|-------|
| 760 | 5.625 | 5.625 | 5.750 | 5.875 | 6.000 | 6.125 | 6.250 | 6.375 |
| 740 | 5.625 | 5.750 | 5.875 | 6.000 | 6.125 | 6.250 | 6.375 | |
| 720 | 5.750 | 5.875 | 6.000 | 6.125 | 6.250 | 6.375 | 6.500 | |
| 700 | 5.875 | 6.000 | 6.125 | 6.250 | 6.375 | 6.500 | 6.750 | |
| 680 | 6.000 | 6.125 | 6.250 | 6.375 | 6.500 | 6.750 | | |
| 660 | 6.125 | 6.250 | 6.375 | 6.500 | 6.750 | 7.000 | | |
| RATE ADJUSTMENTS | | | | | | | | |
| Loan Amounts >\$1.5MM | + .125 | + .125 | + .125 | + .125 | + .125 | | | |
| Cash-Out Refinance | + .500 | + .500 | + .500 | + .500 | + .500 | | | |
| Second Home/NOO | + .250 | + .250 | + .250 | + .250 | | | | |

| RATE BUYDOWN | |
|-----------------------|----------------|
| PRICE | RATE REDUCTION |
| .500% | .250% |
| 1.00% | .500% |
| Buydown Floor = 5.75% | |

GENERAL REQUIREMENTS

| | |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Product Type | <ul style="list-style-type: none"> 30-YR Fixed |
| Loan Amounts | <ul style="list-style-type: none"> MIN \$150,000 MAX \$3.0MM Loan Amounts >\$1.5MM MIN 740 Credit Score MAX 70% LTV |
| Loan Purpose | <ul style="list-style-type: none"> Purchase, Rate/Term Refinance, and Cash-Out Refinance |
| Occupancy | <ul style="list-style-type: none"> Primary, Second Home, Investment |
| Second Home/NOO | <ul style="list-style-type: none"> MIN 700 FICO MAX 65% LTV |
| Prepayment Penalty NOO Only | <ul style="list-style-type: none"> 2 years – 6 months' interest on excess of 20% of the original principal balance (unless otherwise restricted by law) Cost Buyout – .75% fee for 1 year; 1.50% fee for no PPP; Rate Buyout – 1 year PPP .25% adjustment to rate, no PPP .500% adjustment to rate |
| Property Type | <ul style="list-style-type: none"> Single Family, PUD's, Townhouses and Warrantable Condos |
| Cash-Out | <ul style="list-style-type: none"> MIN FICO 700 MAX 70% LTV Second Home/NOO MAX 65% LTV MAX Cash-Out \$500k Cash-Out > \$300k Min 760 FICO 12 months seasoning required |
| Appraisals | <ul style="list-style-type: none"> Loan amounts ≥\$1.5MM a borrower paid second appraisal must be obtained |

UNDERWRITING REQUIREMENTS

| | |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Documentation | <ul style="list-style-type: none"> Business Bank Statements: 24 months Personal Bank Statements: 24 months |
| Credit Score | <ul style="list-style-type: none"> Lower of 2 middle scores |
| Housing History | <ul style="list-style-type: none"> Residential pay history 0 x 30 x 12 Rent free not allowed |
| Credit History | <ul style="list-style-type: none"> No 60 Day consumer late payments in last 12 Mo No Collections/Charge offs/Judgments in last 24 months |
| Trade lines | <ul style="list-style-type: none"> 3 trade lines reporting for ≥ 12 months; or 2 trade lines reporting for ≥ 24 months with activity in the past 12 months |
| DTI Requirements | <ul style="list-style-type: none"> Max 40%/50% |
| Qualifying Income | <ul style="list-style-type: none"> Business Bank Statements Total deposits, less business expense ratio, annualized, multiplied by the % of ownership Personal Bank Statements Total deposits, less business expense ratio, annualized. The lower of income stated on the 1003, 24 month or most recent 12 month's average will be used for qualifying. The most recent full month statement plus month to date average must be consistent with income calculated from the bank statements. CPA letter confirming percentage of ownership. <ul style="list-style-type: none"> MIN 50% ownership required for Business Bank Statements. MIN 25% ownership for Personal Bank Statements. Business Questionnaire Business Expense Ratio 90%, 70%, 50% or 30% (Determined by AOMS based on Company & Business Questionnaire) W-2 income from a Co-Borrower may be used if not associated with the Borrowers business Rental income paid in to a separate account can be used to qualify with the following documentation <ul style="list-style-type: none"> Copy of lease (75% of lease can be used) 3 month's bank statement clearly showing receipt of rental income Rent is not associated with the subject property Real Estate Agents are not eligible for the Bank Statement program |
| Residual Income | <ul style="list-style-type: none"> MIN required \$2,500 |
| Payment Shock | <ul style="list-style-type: none"> MAX 350% FTHB 250% |
| Seasoning Requirements | <ul style="list-style-type: none"> Foreclosure, Deed-in-Lieu or Short Sale – 48 months from deed date / 48 months from Forbearance request Bankruptcy Chapter 7 & 11 <ul style="list-style-type: none"> 48 months from discharge date Bankruptcy Chapter 13 <ul style="list-style-type: none"> 48 months from filing date (if paid as agreed and discharged prior to application) |
| Reserves | <ul style="list-style-type: none"> 6 Months when LTV ≤ 70% 9 months when LTV > 70% & LTV ≤ 75% 12 months when LTV > 75% 12 months when FICO < 700 12 Months for Cash-Out Refinance Transactions Cash-Out may not be used to satisfy reserve requirements Loan Amounts > \$1.5MM - 18 months Loan Amounts > \$2.5MM - 24 months |
| Assets | <ul style="list-style-type: none"> Business funds may be used to satisfy reserves at - the lesser of 100% of the ending balance; or the percent of ownership Must be sourced or seasoned for 60 days |
| Gift Funds | <ul style="list-style-type: none"> 5% of the required cash to close plus reserves must come from the borrowers own funds. |

