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REMN WS INVESTOR SOLUTION CONFORMING PRODUCT DESCRIPTION

REMN WS INVESTOR SOLUTION CONFORMING SECOND HOME/INVESTMENT PRODUCT MATRIX						
Primary Residence						
Transaction Type	Units	Loan Amount	Amortization / Product	Maximum LTV/CLTV/HCLTV ³	Credit Score	DTI ² NO exceptions
Not Eligible						
Second Home						
Purchase/ Limited Cash-Out Refinance	1 Unit	See Chart Below	30-year Fixed Rate	80%	680	45%
Cash-Out Refinance ^{1,4}	1 Unit			75% up to \$1.5M 70% over \$1.5M		
Non-Owner Occupied						
Purchase	1 Unit	See Chart Below	30-year Fixed Rate	80%	680	45%
	2-4 Unit			75%		
Limited Cash-Out Refinance	1-4 Unit			75%		
Cash-Out Refinance ^{1,4}	1 Unit			75% up to \$1.5M 70% over \$1.5M		
	2-4 Unit			70%		
Footnotes						
¹ No Texas 50(a)(6) allowed ² No Exceptions to max DTI ³ Secondary Financing is allowed but limited to CLTV/HCLTV of 80% ⁴ Maximum Cash-Out: Unlimited up to 65% LTV \$1M over 65% LTV						

Minimum/Maximum Loan Amounts 2024		
	Contiguous States & District of Columbia	Alaska and Hawaii
Number of Units	Conforming	Conforming
1	\$766,550	\$1,149,825
2	\$981,500	\$1,472,250
3	\$1,186,350	\$1,779,525
4	\$1,474,400	\$2,211,600

Minimum Loan Amount - \$150,000

REM N WS INVESTOR SOLUTION CONFORMING PRODUCT DESCRIPTION

REM N WS INVESTOR SOLUTION CONFORMING SECOND HOME/INVESTMENT PRODUCT OVERVIEW	
Program Overview	» The purpose of the REM N WS Investor Solution product is to offer a Conventional-type product that is eligible to Fannie Mae and/or Freddie Mac underwriting guidelines for Second Home and Investment property transactions. The loans under this program will be delivered post-closing as part of a securitization with an outside investor.
Underwriting	<ul style="list-style-type: none"> » DU Approve/Eligible or LPA Accept Findings » When the guidelines are silent, follow FNMA/FHLMC guides depending on which AUS is used (DU or LPA) » No manual underwriting allowed
Loan Purpose	<ul style="list-style-type: none"> » Purchase » Limited Cash-Out Refinance » Cash-Out Refinance – no Texas 50(a)(6)
Temporary Buydown	» Not Eligible
Property Type	<ul style="list-style-type: none"> » SFR » Warrantable Condos » 2-4 Units » PUDs <p>NOTE: Co-ops and Manufactured Homes are NOT eligible.</p>
Eligible Geographic Locations	<ul style="list-style-type: none"> » Eligible in all states where REM N WS is eligible to lend » No state restrictions
Occupancy	<ul style="list-style-type: none"> » Second Home and Non-Owner Occupied/Investment properties only » Primary Residence is NOT eligible
Multiple Properties Financed	» Standard Fannie Mae/Freddie Mac guidelines apply
Borrowers	<ul style="list-style-type: none"> » US Citizens » Permanent Resident Alien, meeting agency guidelines » Non-Permanent Resident Alien, meeting agency guidelines » First Time Homebuyer » Loans must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings
Credit	<ul style="list-style-type: none"> » Refer to the Product Matrix section for minimum Credit Score » Applicants with no score are not eligible » Use lowest middle score for pricing and guideline purposes » <u>Trade Lines</u> – must meet minimum requirements as per AUS findings » <u>Significant Credit Events</u> – must follow AUS/Agency guidelines. Extenuating circumstances not allowed; must meet standard waiting periods. » Loans must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings
Credit Inquiries	<ul style="list-style-type: none"> » The borrower(s) must address all inquiries listed on their credit report within the past 90 days; <ul style="list-style-type: none"> ○ All inquiries listed on the credit report must be addressed by the borrower, specifically stating the creditor(s) and verifying no extension of credit. ○ Acceptable response: The inquiries by Chase, Wells & Bank of America have not resulted in any extension of credit. ○ Unacceptable response: We have not obtained any additional credit as a result of the inquiries listed on our credit report. (Does not name the creditors - Chase, Wells & Bank of America).
Housing Payment History	<ul style="list-style-type: none"> » 0x30x12 » No Housing History or History Less Than 12 Months » Minimum 6 Months Reserves » 10% Minimum Borrower Contribution » VOR/VOM for all months available reflecting paid as agreed » Note: Borrowers who have owned their Primary Residence free and clear for at least 12 months are acceptable
Income and Asset Documentation	<ul style="list-style-type: none"> » Loan must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings » Follow standard agency guidelines; in instances where COVID overlays apply, follow the more restrictive of standard agency criteria or Fannie/Freddie temporary COVID requirements.
DTI Ratio	<ul style="list-style-type: none"> » Regardless of DU Approve/LPA Accept findings, the maximum DTI ratio is 45%. » Loans must follow and meet all other requirements of the DU Approve/Eligible or LPA Accept findings.

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Residual Income	» \$1,500
Assets	<ul style="list-style-type: none"> » Loans must follow and meet all requirements of the DU Approve/Eligible or LPA Accept findings with the following overlays: <ul style="list-style-type: none"> ○ Marketable Securities: Use 75% of account value ○ Retirement/Keogh/401K: Use 60% of account value ○ Business Funds: 50% ownership required
Reserves	<ul style="list-style-type: none"> » Loans ≤ \$1M: Greater of DU/LP or 3 Months PITIA » Loans ≤ \$1.5M: Greater of DU/LP or 6 Months PITIA » Loans > \$1.5M: Greater of DU/LP or 9 Months PITIA » Rate-Term Refinances ≤65% LTV: Per DU/LP
Appraisal	<ul style="list-style-type: none"> » Loans ≤\$2M: 1 Full Appraisal + CU/LCA Score less than or equal to 2.5 <ul style="list-style-type: none"> ○ If the CU/LCA score is greater than 2.5, a CDA valuation within 10% variance is required. If the variance between the appraisal and CDA is greater than 10%, then a field review or second appraisal is required. » Loans >\$2M: 2 Full Appraisals » No appraisal waivers allowed » Loan must follow and meet all other requirements of the DU Approve/Eligible or LPA Accept findings.
Appraisal Management Companies (AMC)	<p>All appraisal orders must be placed through REM N Wholesale’s approved appraisal management companies:</p> <ul style="list-style-type: none"> » Ascend Appraisal Solutions Group: CO » Class Valuation: AK, AR, AZ, CA, DC, HI, IA, ID, KS, KY, LA, MN, MO, MS, MT, NE, NM, NV, OK, OR, SD, TX, UT, WA, WV, WY » Halo Appraisal Management: NJ, NY, PA » MaxVantage: CT, DE, IL, IN, MA, MD, MI, NH, OH, VA, VT, WI » Nationwide Appraisal Network: AL, FL, GA, NC, SC, TN » Property Val: ME, RI <p>Please refer to the Order an Appraisal page on the Broker Portal or www.remnwholesale.com for further instruction.</p>
Declining Markets	» 5% LTV Reduction for LTVs >65%
Liabilities	<ul style="list-style-type: none"> » Garnishments must be paid off » Collections and Charge-Offs: \$2000 total allowed on Second Homes
Gift Funds	» 10% minimum borrower contribution required on Second Homes
Title Vesting	<ul style="list-style-type: none"> » Individual names as joint tenants, community property or tenants in common » Inter-Vivos Revocable trusts meeting Fannie Mae requirements » Blind Trusts – not allowed » Limited Liability Corporations (LLC’s) – not allowed » Partnerships/Corporations – not allowed
Qualified Mortgage (QM)/Safe Harbor	<ul style="list-style-type: none"> » All loans originated under this program must meet the definition of a Qualified Mortgage (QM), as defined by the CFPB. Non-QM loans are not eligible under this program <ul style="list-style-type: none"> – Borrower’s annual percentage rate (APR) cannot exceed Prime + 1.50%. » All loans originated under this program meet the Safe Harbor designation, meaning it is presumed to comply conclusively with the Ability-to-Repay (ATR) requirements.