

WHOLESALE DIVISION

17802 Sky Park Circle, Ste 100, Irvine, CA 92614

www.EC-TPO.com

rev. November 28, 2017

PRODUCT DESCRIPTION
<ul style="list-style-type: none"> Available for Self-Employed, W-2 borrowers, and Fixed Income Borrowers Program intended for "Business Purpose - Outside of Dodd-Frank" Minimum loan amount \$75,000 INVESTMENT PROPERTY - BUSINESS PURPOSE ONLY

GEOGRAPHIC RESTRICTIONS
Available in CA, CO, OR and TX

PROGRAMS
3/1, 5/1, 7/1 ARM, 15YR and 30YR Fixed
I/O feature for 3/1, 5/1, 7/1 ARM & 30YR Fixed

	MIN FICO	Reserves	Reserves			Maximum Loan
			Purchase	Rate/Term	Cash Out	
DSCR > 1.15%	700+	6	80	75	70	<=1,000,000
		0	75	75	70	
		6	75	75	70	1,000,001 - 1,500,000
		0	70	70	65	
		6	70	70	65	1,500,001 - 2,000,000
	640-699	6	75	70	65	<=1,000,000
		0	75	70	65	
		6	65	65	65	1,000,001 - 1,500,000
		0	65	65	60	
		12	65	65	60	1,500,001 - 2,000,000
	620-639	12	65	65	60	<= 500,000
	NO RATIO	700+	6	75	75	70
0			75	75	70	
6			70	70	65	1,000,001 - 1,500,000
0			70	70	65	
12			70	70	65	1,500,001 - 2,000,000
640-699		6	75	70	65	<=1,000,000
		0	75	70	65	
		6	65	65	65	1,000,001 - 1,500,000
		0	65	65	60	
		12	65	65	60	1,500,001 - 2,000,000

ARMS CAPS & MARGINS	<ul style="list-style-type: none"> 3/1 ARM & 5/1 ARM <ul style="list-style-type: none"> 12 Months LIBOR; 2/2/5 caps - Qualify @ greater of Fully-Indexed rate or Note Rate 7/1 ARM <ul style="list-style-type: none"> 12 Months LIBOR; 5/2/5 caps - Qualify @ greater of Fully-Indexed rate or Note Rate Margins = 7.00%
APPRAISAL REQUIREMENT	<ul style="list-style-type: none"> Required one appraisal for all loan amounts up to \$1,500,000 - 3 sold comps < 12 months old Appraisal with condition rating of =>C4 OR quality rate of Q6 - Not Eligible 2nd appraisal required for transactions: <ul style="list-style-type: none"> Loan > \$1,500,000 For Sale By Owner (FSBO) Flipped within 120 days; 10% or more increased in value in the past 12 months 5 sold comps < 12 months old Appraisal must be dated no later than 120 days at time of funding Appraisal transfer acceptable with the following conditions: <ol style="list-style-type: none"> From recognized AMC/institutions Appraisals in Excelebrate Capital name

ASSETS	<ul style="list-style-type: none"> Standard 60 days source and season 		
BORROWERS	ELIGIBLE		INELIGIBLE
	<ul style="list-style-type: none"> Experienced Investors (owned 2+ properties last 12 months w/ 1 having 12 months rent history) First time investor *Purchases only* (must have owned 1 property for at least 12 months and Max LTV 65%) US Citizen Permanent Residents Non-permanent Residents LLC/Partnerships/Corporation 		<ul style="list-style-type: none"> First Time Home Buyers Tenants buying from Landlord Employees of originating entity Borrowers with diplomatic immunity Borrowers from OFAC sanctioned countries
	VESTING IN LLC/PARTNERSHIP/CORPORATION		
	<ul style="list-style-type: none"> Required personal guarantee from major shareholder with at least 25% or more of interest Documents required: <ol style="list-style-type: none"> (Corps) Articles of Incorporation/Cert of Formation & Bylaws (LLC) Articles or Organization/Cert of Formation & Operating Agreement Tax identification number Certificate of Good Standing CPA letter and/or Certificate of authorization for the signer to execute on behalf of company Internet Reverse Lookup for company 		
CASHOUT	<ul style="list-style-type: none"> Debt Consolidation not permitted. Payoffs must be related to the subject property or borrower's business If borrower acquired subject in the last 12 months, loan amount will not exceed the lower of the purchase price or appraised value. (delayed financing exception rules may apply if < 6 months) 		
	CASH IN HAND LIMITS		
	Single Family Residence	Condo/2-4 Unit	
65% LTV	60% LTV		
CERTIFICATION	<ul style="list-style-type: none"> Borrowers must execute Certificate of Non-Owner Occupied and Certificate of Business Purpose at time of application 		
CONDOMINIUMS	ELIGIBLE		INELIGIBLE
	<ul style="list-style-type: none"> Fannie Mae warrantable Max LTV = 70% 		<ul style="list-style-type: none"> Condo - Hotel Resort style projects Non-warrantable Less than 500 square feet Condo conversion less than 2 years old
CREDIT REQUIREMENT	US. BORROWERS		
	<ul style="list-style-type: none"> Bankruptcy (Chapter 7) - >36 months from discharged Bankruptcy (Chapter 13) - >12 months from discharged Foreclosures - >36 months from discharged SS/Deed in Lieu/Loan Mod - >24 months from discharged 		
	Tradelines:	# of Tradelines	24 Month Rating
		3	1 - Active
			12 Month Rating
		2 - Reported	
	<ul style="list-style-type: none"> Mortgage Rating: 0X30X12 Consumer Debts: 1X60X12 Collection and charge-off accounts > \$250 each and total of \$2,000 must be paid at closing Medical collections may remain unpaid for total up to \$10,000 Collection and charge-off accounts may remain open IF: <ol style="list-style-type: none"> Payments are included in DTI calculation AND Reserves are sufficient to cover balance of account(s) Consumer Credit Counseling (CCC) acceptable with 12 months rating Tax lien(s) and judgements must be paid at closing (Cashout only) 		
DEB SERVICE (DSCR)	CALCULATION		<ul style="list-style-type: none"> Gross rent used is the lower of market rent (form 1007) or lease agreement If the borrower provides 2 months rent receipts the lease amount may be used in lieu of the market rent
	$100\% \text{ of Monthly Gross Rent} \div \text{Proposed Subject PITIA} = \text{DSCR}$		
ESCROW ACCOUNT	<ul style="list-style-type: none"> Required 		
FIRST TIME HOME BUYERS	<ul style="list-style-type: none"> Ineligible 		

GIFT FUNDS	<ul style="list-style-type: none"> • Not Permitted 				
GIFTS OF EQUITY	<ul style="list-style-type: none"> • Not Permitted 				
INELIGIBLE TRANSACTIONS	<ul style="list-style-type: none"> • Employee of originating company • Flipped property with less than 120 seasoning EXCEPT bank REO's • Employer / Employee Sales • Borrowers with diplomatic immunity • Borrower affiliated with builder/developer or seller 				
LEASE REQUIREMENTS	<ul style="list-style-type: none"> • Purchases: Fully executed lease OR form 1007 for subject property • Refinances: Vacant properties' LTV restriction applied. See LTV Restrictions section 				
LISTED PROPERTIES	<ul style="list-style-type: none"> • Must be removed from MLS & LOE from borrowers • R/T - No LTV restriction • Cashout: < 6 months from listing cancellation limits to 65% LTV. PPP REQUIRED 				
LOAN TO VALUE RESTRICTIONS	<ul style="list-style-type: none"> • Condo/2-4 Unit - 70% LTV max • First Time Investor = 65% • Vacant Property/Unleased (REFI) - 65% LTV (<= \$1.00M); 60% LTV (> \$1.00M) • If loan balance < 150k = 70% Max LTV 				
MAXIMUM FEES	<ul style="list-style-type: none"> • Maximum loan points & fees = 5% 				
MULTIPLE FINANCED	<ul style="list-style-type: none"> • Unlimited • Maximum 6 loans and/or \$3,000,000 for 1 borrower 				
POWER OF ATTORNEY	<ul style="list-style-type: none"> • Not Permitted • Loan docs may be executed in foreign countries. Must be notarize at a U.S. Embassy 				
PROPERTY TYPE	<table border="1"> <thead> <tr> <th>ELIGIBLE</th> <th>INELIGIBLE PROPERTIES:</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • SFR/PUD • 2 - 4 Units • Warrantable Condominiums • Leasehold properties - Refer to Fannie Mae </td> <td> <ul style="list-style-type: none"> • Properties with > 10 acres • See condo eligibility section • Agricultural properties • SFR < 700 square feet • 2-4 unit with each unit < 400 square feet </td> </tr> </tbody> </table>	ELIGIBLE	INELIGIBLE PROPERTIES:	<ul style="list-style-type: none"> • SFR/PUD • 2 - 4 Units • Warrantable Condominiums • Leasehold properties - Refer to Fannie Mae 	<ul style="list-style-type: none"> • Properties with > 10 acres • See condo eligibility section • Agricultural properties • SFR < 700 square feet • 2-4 unit with each unit < 400 square feet
ELIGIBLE	INELIGIBLE PROPERTIES:				
<ul style="list-style-type: none"> • SFR/PUD • 2 - 4 Units • Warrantable Condominiums • Leasehold properties - Refer to Fannie Mae 	<ul style="list-style-type: none"> • Properties with > 10 acres • See condo eligibility section • Agricultural properties • SFR < 700 square feet • 2-4 unit with each unit < 400 square feet 				
QUALIFYING RATE	<ul style="list-style-type: none"> • N/A 				
QUALIFYING RATIOS	<ul style="list-style-type: none"> • No Ratio/DSCR = N/A 				
PREPAYMENT PENALTY	<ul style="list-style-type: none"> • Opts for 12, 24, or the standard 36 months • Prepayment Penalty = 6 months interest of 80% of outstanding principal balance or 3% of the outstanding principle balance 				
RENT LOSS INSURANCE	<ul style="list-style-type: none"> • Required with coverage of at least 6 months of local average for rent 				
RESERVES	<ul style="list-style-type: none"> • See matrix 				
SECONDARY FINANCING	<ul style="list-style-type: none"> • Not Permitted 				
SELLER'S CONCESSION	<ul style="list-style-type: none"> • Max 3% of sales price 				
STATE SPECIFIC RESTRICTION(S)	<ul style="list-style-type: none"> • N/A 				
SUBORDINATION	<ul style="list-style-type: none"> • Not Permitted 				

RESERVED FOR FUTURE USE