



Forward Lending

Full Doc, Alt Doc & DSCR Closed End Second Matrix

Concurrent Close & Standalone Eligibility Matrix												Effective Date: 10/02/23 Revised: 10/02/23				
Loan Programs																
Loan Amount		Occupancy	Property ²	Full Doc					Alt Doc & DSCR					Fixed Fully Amortized	• 10-Year Fixed (120 Months) • 20-Year Fixed (240 Months) • 30-Year Fixed (360 Months)	
				740+	720+	700+	680+	660+	740+	720+	700+	680+	660+			
\$ 350,000		Primary Residence	SFR/PUD/ 2-4 Unit/Condo	90%	90%	85%	80%	75%	85%	85%	80%	75%	70%			
\$ 500,000				80%	80%	80%	75%	70%	75%	70%	70%	65%	60%			
\$ 350,000		Investment	SFR/PUD/ 2-4 Unit/Condo	80%	80%	80%	75%	70%	75%	75%	70%	65%	60%			
\$ 500,000				75%	75%	70%	65%	60%	65%	65%	60%	55%	50%			
\$ 350,000		Second Home	SFR/PUD/Condo	80%	80%	80%	75%	60%	75%	75%	70%	65%	60%			
\$ 500,000				70%	70%	70%	65%	60%	65%	65%	60%	55%	50%			
			¹ 5% CLTV reduction for declining market ² 75% max CLTV on 2-4 Unit													
Details		Concurrent Close					Standalone Close									
Max LTV/CLTV/HCLTV		More restrictive of 1st lien program or Eligibility Matrix					Refer to Eligibility Matrix									
Property Type		2-4 Unit - 75% max CLTV (Second Home ineligible) Condo - 75% max CLTV Non-Warrantable Condo - 75% max CLTV														
Alt Doc - One Yr Self Employed,WVOE Only, 1099 Only		5% CLTV reduction														
ITIN		75% max CLTV														
DACA		75% max CLTV														
Foreign National		700 min FICO 70% max CLTV														
Eligible 1st liens		OCMBC products					Refer to Ineligible 1st Liens - Standalone Close									
Minimum Loan Amount		\$100,000														
Max Combined Liens		\$2.5MM 1st lien must be \$1 higher than 2nd lien														
DTI		• ≤ 80%: More restrictive of 1st lien requirement or 50% max DTI • > 80%: More restrictive of 1st lien requirement or 45% max DTI					• ≤ 80%: 50% max DTI • > 80%: 45% max DTI									
DSCR		• More restrictive of 1st lien requirement or ≥ 1.00 DSCR • > 80% CLTV - 1.25 min DSCR					• ≥ 1.00 DSCR • > 80% CLTV - 1.25 min DSCR									
Vacant/Unleased (DSCR)		Ineligible (refis only)														
STR (DSCR)		5% CLTV reduction														
Credit Event (BK,SS,FC,DIL)		48 Months Multiple credit events ineligible														
Housing History		0 X 30 X 12														
Seasoning		Seasoning not required					6 mos seasoning required on existing first mortgage									
Recently Listed Properties		Properties listed for sale ≤ 6 mos ineligible (refis only)														
Appraisal		1st lien appraisal used					• ≤ \$250,000 - AVM allowed w/≥ .90 Score & FSD ≤ .10 (DSCR, Condos, FEMA declared areas require full appraisal) • > \$250,000 - Full appraisal required • Transferred appraisals allowed									
Secondary Valuation		Required on all loans, acceptable product options: • AVM w/ ≥ .90 Score & FSD ≤ .10 • Desk Review • Field Review • Exterior-only Appraisal • Full Appraisal														
Compliance		• Allowable points and fees not to exceed the more restrictive of state law or 5.000%, State and Federal High-Cost loans not allowed • Higher Priced Mortgage Loans (HPML) allowed, must comply with all applicable regulatory requirements • All closed end seconds follow TRID disclosing and wait period requirements														
Qualifying Payment - Sr Liens		• TRID ARMs: Greater of fully indexed rate or Note rate • TRID Fixed: Note rate • TRID I/O: Fully amort payment over term after IO • Non-TRID ARMs: Note rate • Non-TRID Fixed: Note rate Non-TRID IO: IO payment based on Note rate w/ 120 IO term														
Reserves		Follow 1st lien program requirements					None required									
Title		Full Title policy covering both liens					• ≤ \$250,000: O & E Property Report • > \$250,000: Full Title Policy									
Underwriting		More restrictive of 1st lien requirements or product guidelines					Follow Full Doc, Alt Doc & DSCR program guidelines									
Additional Product Details																
Eligible Borrowers		US Citizens Permanent Resident Aliens Non-Permanent Resident Aliens ITIN Foreign Nationals First time Homebuyers														
Geographic Restrictions		US Territories & following states ineligible: AL, AK, CO, NY, TX, VT, WV, WY														
Licensing		Closed end seconds may only be originated by a Broker and/or Loan Officer that is licensed in the state where the subject property is located														
Min Square Footage		SFR: 600 sq ft Condo: 500 sq ft 2-4 Unit: 400 sq ft														
Product Features																
Closed End Second (CES)		• Fixed term loan • Fully disbursed at closing, no draw feature • Eligible as 2nd lien only • Must subordinate to OCMBC 1st mortgage when concurrent close • Qualifying rate is note rate • Qualifying payment is fully amortized payment														
Product Restrictions (Not Permitted)																
Borrowers																
• Land Trusts • Less than 18 years old			• Life estates • Party to a lawsuit			• Irrevocable Trusts • With diplomatic immunity										
Transactions																
• Assumable loans • Community Seconds • Concurrent close with a lender other than OCMBC			• Escrow holdbacks • High Cost Loans • Income produced, or in relation to, cannabis, hemp			• Property listed for sale within the last 6 months (refinance transactions only)										
1st Liens - Concurrent Close																
• Agency and Non-Agency fixed rate and ARMs with initial fixed term < 5 years • FHA, VA or USDA mortgages			• High-LTV Refinance • HomeOne • HomePath			• HomeReady with Reduced Mortgage Insurance Option • HomeStyle										
1st Liens - Standalone Close																
• Balloon notes or features • Construction or renovation loans • Home equity line of credit			• Land Trusts • Loans in active forbearance			• Negative amortization • Renovation loans • Reverse mortgages										
Property Types																
• Agricultural zoned properties • Bed and Breakfast • Churches • Commercial and mixed-use • Condo hotels and condotels • Co-Ops • Domes or geodesic domes • Dwelling w/more than 4 units • Fractional ownership • Hawaii properties in lava zones 1 or 2 • Hotel or motel conversions			• Houseboats • Leasehold properties • Log homes • Manufactured or mobile homes • Projects that offer unit rentals daily, weekly or monthly • Properties > 25 acres • Property not accessible by roads			• Properties not suitable for year-round occupancy • Properties with PACE obligations • Properties with zoning violations • Rural properties • Solar Panels that affect first lien position • Vacant land or land development properties										