

## Forward Lending

## Full Doc & Alt Doc Closed End Second Matrix

													Eff	ective Date: 11/16/23   Revise	d: 11/16/23	
Concurrent Close & Standalone Eligibility Matrix												Loan Programs				
Loan Amount	Occupancy	Property <sup>2</sup>	<b>740+</b> 85%	<b>720+</b> 85%	Full Doc 700+ 85%	<b>680+</b> 80%	<b>660+</b> 75%	<b>740+</b> 85%	<b>720+</b> 85%	Alt Doc 700+ 80%	<b>680+</b> 75%	<b>660+</b> 70%	Fixed Fully Amortized	<ul><li>10-Year Fixed (120 Month</li><li>20-Year Fixed (240 Month</li><li>30-Year Fixed (360 Month</li></ul>	s)	
\$ 500,000 \$ 350,000 \$ 500,000	Primary Residence Investment	SFR/PUD/ 2-4 Unit/Condo SFR/PUD/ 2-4 Unit/Condo	80% 80% 75%	80% 80% 75%	80% 80% 70%	75% 75% 65%	70% 70% 60%	75% 75% 65%	70% 75% 65%	70% 70% 60%	65% 65% 55%	60% 60% 50%		Program Codes		
\$ 350,000 \$ 500,000 Second Home		SFR/PUD/Condo         80%         80%         80%         75%           70%         70%         70%         65%    **Solution**  **CLTV reduction for declining market**						75% 65%	75% 65%	70% 60%	65% 55%	60% 50%	Non-QM / TRID – 30 Yr Fixed – Concurrent Non-QM Concurrent Closed End Second 30 yr fixed Non-QM/TRID – 30 Yr Fixed – Standalone Non-QM Standalone Closed End Second 30 yr fixed			
<b>Details</b> Max LTV/CLTV/HCLTV								Standalone Close  Refer to Eligibility Matrix  75% max CLTV (Second Home ineligible)					Non-QM / TRID – 20 Yr Fixed – Concurrent  Non-QM Concurrent Closed End Second 20 yr fixed  Non-QM / TRID – 20 Yr Fixed – Standalone  Non-QM Standalone Closed End Second 20 yr fixed  Non-QM TRID – 10 Yr Fixed – Concurrent  Non-QM Concurrent Closed End Second 10 yr fixed  Non-QM / TRID – 10 Yr Fixed – Standalone  Non-QM Standalone Closed End Second 10 yr fixed			
Property Type		Condo - 75% max CLTV Non-Warrantable Condo - 75% max CLTV											Product Features			
Alt Doc - Asset Utilization One Yr Self Employed,WVOE Only, 1099 Only ITIN DACA Foreign National Eligible 1st liens		10% CLTV reduction  75% max CLTV  75% max CLTV  700 min FICO   70% max CLTV										• 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		gage when concurrent close		
Minimum Loan Amount		OCMBC products Refer to Ineligible 1st Liens - Standalone Close \$100,000											Product Restrictions (Not Permitted)			
Max Combined Liens  DTI		\$2.5MM   1st lien must be \$1 higher than 2nd lien  • ≤ 80%: More restrictive of 1st lien requirement or 50% max DTI  • > 80%: More restrictive of 1st lien requirement or 45% max DTI  • > 80%: 45% max DTI											Borrowers	<u> </u>		
Credit Event (BK,SS,FC,DIL)		48 Months   Multiple credit events ineligible											Land Trusts     Less than 18 years old	<ul><li>Life estates</li><li>Party to a lawsuit</li></ul>	<ul><li>Irrevocable Trusts</li><li>With diplomatic immunity</li></ul>	
Housing History Seasoning Recently Listed Properties		0 X 30 X 12  Seasoning not required 6 mos seasoning required on existing first mortgage  Properties listed for sale ≤ 6 mos ineligible (refis only)									Assumable loans     Community Seconds     Concurrent close with a ler	Transactions  • Escrow holdbacks  • High Cost Loans  der  • Income produced,	<ul> <li>Property listed for sale within the last 6 months (refinance transactions</li> </ul>			
Appraisal		1st lien appraisal used  Required on all loans, accep						Full appraisal required     Transferred appraisals allowed					other than OCMBC	or in relation to, cannabis, hemp  1st Liens - Concurrent Clos	only)	
Secondary Valuation  Compliance		• ≤ 2.5 CU • AVM w/ ≥ .90 Score & FSD ≤ .10 • Desk Review • Field Review • Exterior-only Appraisal • Full Appraisal  • 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											<ul> <li>Agency and Non-Agency fix rate and ARMs with initial fixed term &lt; 5 years</li> <li>FHA, VA or USDA mortgage</li> </ul>	eed • High-LTV Refinance • HomeOne • HomePath	<ul> <li>HomeReady with Reduced Mortgage Insurance Option</li> <li>HomeStyle</li> </ul>	
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											Balloon notes or features     Construction or renovation		<ul><li>Negative amortization</li><li>Renovation loans</li></ul>	
Reserves		Follow 1st lien program requirements							None r	equired			loans forbearance • Reverse mortgages • Home equity line of credit			
Title Underwriting		Full Title policy covering both liens  More restrictive of 1st lien requirements or product guidelines						50,000: O & E Follow F		ort   • > \$250 Doc program g		e Policy	Agricultural zoned properties     Bed and Breakfast	<ul> <li>Leasehold properties</li> </ul>	Properties not suitable for year-round occupancy	
Additional Product Details											<ul> <li>Churches</li> <li>Commercial and mixed-use</li> <li>Condo hotels and condote</li> </ul>		<ul> <li>Properties with PACE obligations</li> </ul>			
Eligible Borrowers		·	US Citizens   Permanent Resident Aliens   Non-Permanent Resident Aliens   ITIN   Foreign Nationals   First time Homebuyers											s mobile homes • Projects that offer	<ul> <li>Properties with zoning violations</li> </ul>	
Geographic Restriction Licensing	ns	_	US Territories & following states ineligible: AK, CO, NY, TX, VT, WV, WY  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											unit rentals daily, its weekly or monthly	<ul><li>Rural properties</li><li>Solar Panels that affect first</li></ul>	
Min Square Footage		SFR: 600 sq ft   Condo: 500 sq	SFR: 600 sq ft   Condo: 500 sq ft   2-4 Unit: 400 sq ft											<ul> <li>Properties &gt; 25 acres</li> <li>Property not accessible by roads</li> </ul>	• Property not accessible • Vacant land or land	