

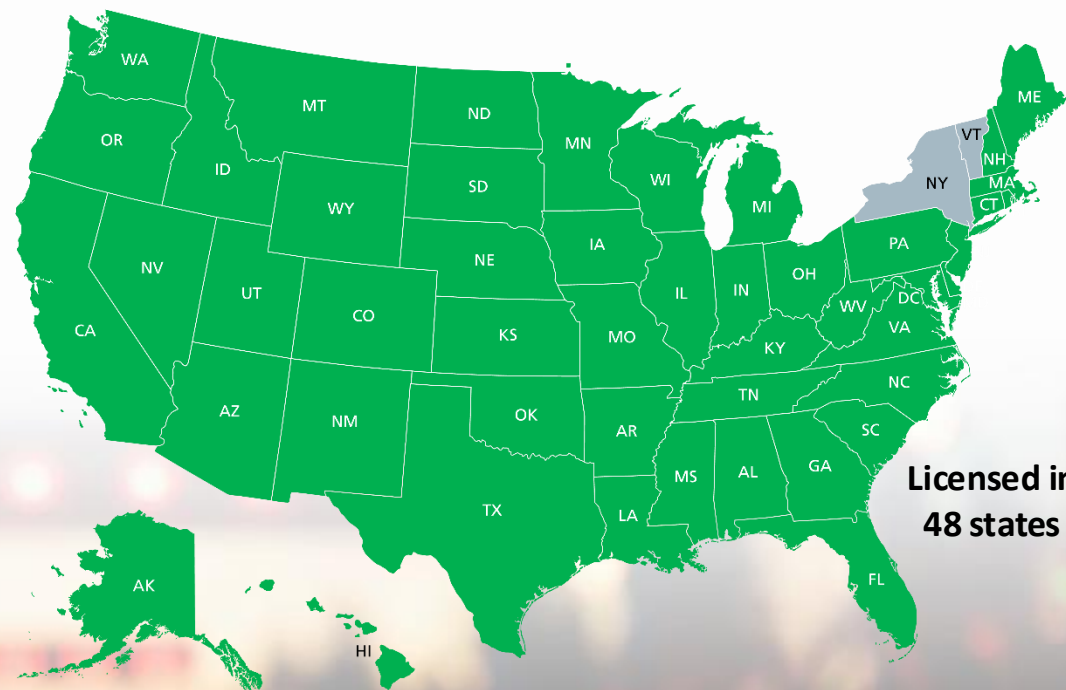


FLEXIBILITY UNLEASHED
WHAT THE NEW GUIDELINES / PRODUCTS MEAN FOR YOU

FORWARD LENDING

Speed, Quality, Service

Forward Lending provides Speed, Quality and Service. Our combination of wholesale loan products and wholesale loan rates in the industry surpass the competition. We understand our clients need loan programs that give you the competitive edge with your customers. With a variety of different home loan products and programs to choose from including unique, Non-QM loan portfolio products, there's no other place to look than *FORWARD*.



Licensed in
48 states



WEBINAR HOSTS



Jenny Beck, Director of Learning and Development



Shaun Dennison, EVP Non-QM Lending

FREE TRAINING FOR TEAMS

THE TRACK



Receive free training on one of the most powerful tools to help you close more loans, The Track.



Learn how to submit, price, disclose your loan in minutes using our new TPO portal.



Get an edge on the competition and expand your business at the same time with The Track.



Schedule training now and reserve a spot for you and your team.



Training available now! <https://forwardlendingmtg.com/the-track/>

SPECIALS FOR JULY

Non-QM & Closed End Seconds July Special

25 BPS Improvement on Non-QM & Closed End Seconds (excludes 5-8 units).

FHA/VA July Special

25 BPS Price Improvement on **ALL** FHA/VA (Excludes CalHFA) can be combined with SELECT.*

* 25 BPS Price Improvement does not require Select and may be used on its own.

Specials apply to all eligible Non-QM, FHA, VA loans, including low/high balance, Closed-End Seconds, and DPA Programs excluding CalHFA DPA programs, HELOCs, DSCR 5-8 and Jumbo Programs. Specials may not be combined with any other price improvement or special unless explicitly stated.

Offers valid for loans locked between 07/01/2025 and 07/31/2025. All offers are subject to change without prior notice. Rate and price improvements are applicable only to qualifying loan programs and borrowers, and not all applicants will qualify. Specials cannot be combined with any other offer or price exception unless explicitly stated. Loans must meet the eligibility criteria outlined in the Prime and Non-QM programs to qualify for 'SELECT' pricing enhancements. Terms, restrictions, and conditions apply. This is not a commitment to lend.

Loans may qualify for additional price improvement with Select Specials as indicated on our Prime and Non-QM Rate sheets. These specials, and their details may change at any time and are subject to the loan qualifying as 'Select'.

Forward Lending is not affiliated with or acting on behalf of or at the direction of the Federal Housing Administration, Veterans Administration, or the Federal Government.

*Closed-End Seconds: Loans originated in US Territories and the following states are ineligible: AK, NY, TN, TX, VT, WV, WY. Restrictions apply, contact your Account Executive for details. Important to note that a Closed-End Second Mortgage may typically have a higher interest rate than the first lien mortgage.





P&L + 3 Months, P&L Only, DSCR No Ratio

Non-QM in a Growing Market!

In 2024, Non-QM loans accounted for around 5% of total mortgage originations, according to CoreLogic, reflecting a steady rise in demand from borrowers who don't fit the mold of traditional financing.

Looking ahead, S&P Global predicts that in 2025, Non-QM loans will make up nearly 30% of non-agency mortgage-backed securities.*



NON-QM P&L+ 3 MONTHS BANK STATMENTS

Profit and Loss Statement (P&L)

Income/Revenue must be supported by the provided bank statements. Total deposits per bank statements, minus any inconsistent deposits, must be no more than 10% below income/revenue reflected on P&L. The bank statements and P&L must cover the same period.

Expenses must be reasonable for type of business

Qualifying income is Net Income indicated on the P&L divided by the number of months it covers

P&L completed by licensed 3rd party tax preparer:

****CPA, EA, CTEC, Tax Attorney, PTIN****

Example:

- ✓ P&L indicates \$316,717 in gross revenue (\$52k per month) – when comparing to bank statement deposits, this is our target
- ✓ Bank statement deposits total \$48k on average over 3 months
- ✓ Calculated deposits are 8% less than P&L revenue
- ✓ **Qualifying Monthly Income in this example = $\$265,942/6 = \$44k$**
- ✓ Why \$44k? Bank statement deposits are within 10% of P&L revenue and qualifying income is **net income** from P&L
- ✓ What happens if the bank statement income exceeds the 10% threshold? Obtain additional bank statements until threshold is met. If 10% variance is never realized, file will come a bank statement loan.

TAYLOR TOBIAS 2021 YTD PROFIT & LOSS JAN 2021 - JUNE 22ND 2021	
INCOME	
COMMISSIONS:	\$316,717
TOTAL INCOME:	\$316,717
EXPENSES:	
ADVERTISING:	\$32,762
CAR AND TRUCK EXPENSES:	\$5,853
RENT:	\$3,450
DEDUCTIBLE MEALS:	\$3,773
UTILITIES:	\$819
PHONE:	\$1,489
OFFICE EXPENSE:	\$1,879
LEGAL FEE'S:	\$750
TOTAL EXPENSES:	\$50,775
NET INCOME:	\$265,942
Taylor Tobias <i>[Signature]</i> 6/22/21	

NON-QM P&L ONLY!

S.Holmes Detective Agency

Profit and Loss

December 2022 - November 2023

	TOTAL
INCOME	
Consulting Services	78,020.00
Product Sales	25,000.00
Total Income	\$103,020.00
COST OF GOODS SOLD	
Purchases	16,000.00
Total Cost of Goods Sold	\$16,000.00
GROSS PROFIT	\$87,020.00
EXPENSES	
Advertising	5,000.00
Bad debts	1,375.00
Bank charges	57.00
Car Expenses	
Gas	132.74
Insurance	425.00
License/Registration	236.00
Repairs	336.28
Total Car Expenses	1,130.02
Direct Labour/Subcontracts	8,765.00
Dues and Subscriptions	615.93
Home Office Expenses	
Insurance	1,580.00
Rent Expense	6,150.00
Total Home Office Expenses	7,730.00
Internet	100.00
Repairs and Maintenance	865.00
Salaries	50,000.00
Telephone	2,589.00
Travel	3,269.00
Total Expenses	\$81,495.95
PROFIT	\$5,524.05

Need to ensure expenses line up with industry

- Min FICO 680
- Max LTV 80%
- \$2.5M Max Loan Amount
- 1x30x12 Allowed
- 36 Month Credit Event Seasoning
- NO Bank Statements Required!
- P&L Prepared by a Licensed Tax Preparer who filed previous tax year (PTIN Not Allowed)

NON-QM MATRIX AT A GLANCE...

Select NonQM and Core NonQM									
Income Types Include: Full Doc - 12, 24 months Alt Doc - 1099, WVOE, Asset Utilization, Bank Statements, P&L with 3 mos Bank Stmt, P&L Only, One Yr Self-Employment, Assets as Blended Income									
Select NonQM FICO to Max LTV/CLTV					Core NonQM FICO to Max LTV/CLTV				
Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out	Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
\$ 1,000,000	700+	85%	80%	75%	\$ 1,000,000	700+	90%	85%	80%
	680+	80%	80%	75%		680+	85%	85%	80%
	600+					600+	80%	80%	75%
\$ 1,500,000	720+	85%	80%	75%	\$ 1,500,000	720+	90%	85%	80%
	700+	80%	80%	75%		700+	90%	85%	80%
	680+	75%	75%	70%		680+	85%	85%	80%
	640+					640+	80%	80%	75%
	600+					600+	75%	75%	70%
\$ 2,000,000	740+	85%	80%	75%	\$ 2,000,000	740+	85%	85%	80%
	720+	80%	80%	75%		720+	85%	85%	80%
	700+	75%	75%	70%		700+	85%	85%	80%
	680+	75%	75%	70%		680+	80%	80%	75%
	640+					640+	75%	75%	70%
\$ 2,500,000	740+	80%	80%	75%	\$ 2,500,000	740+	80%	80%	75%
	720+	75%	75%	70%		720+	80%	80%	75%
	700+	75%	75%	70%		700+	80%	80%	75%
	680+	65%	65%	60%		680+	75%	75%	70%
	660+					660+	70%	70%	65%
\$ 3,000,000	720+	75%	75%	70%	\$ 3,000,000	720+	80%	80%	75%
	700+	65%	65%	60%		700+	75%	75%	70%
	680+	60%	60%	55%		680+	70%	70%	65%
660+				660+	60%	60%	55%		
> \$3,000,000	See Guides for Appraisal & Credit Overlay				\$ 3,500,000	740+	70%	70%	65%
				720+		70%	70%	65%	
				680+		60%	60%	55%	
				660+		50%	50%	45%	
				740+		65%	65%	60%	
				720+	60%	60%	55%		
				700+	50%	50%	45%		
LOAN PROGRAMS									
Fixed					ARM				
• 15-Year Fixed • 30-Year Fixed • 40-Year Fixed • Nonstandard Terms Available					• 5/6 SOFR (2/1/5 Cap) • 7/6 SOFR (5/1/5 Cap) • Not Available on Select NonQM				
					Interest Only (IO)				
					• 30-Year Fixed IO (120 mos, IO + 240 mos Amortization) • 40-Year Fixed IO (120 mos, IO + 360 mos Amortization) • 5/6 IO SOFR (2/1/5 Cap) • 7/6 IO SOFR (5/1/5 Cap) Not Available on Select NonQM				
	Select NonQM				Core NonQM				
Max LTV	Non-Owner Occupied - 75% 2nd Home - 75% Condo - 85% (FL Condo - 75%) Condo Non-Warrantable - NA (FL Condo - NA) 2 Unit - 80% 3-4 Unit - 75% Rural - NA				Non-Owner Occupied - 85% 2nd Home - 85% Condo - 85% (FL Condo - 75%) Condo Non-Warrantable - 75% (FL Condo - 65%) 2 Unit - 85% 3-4 Unit - 80% Rural - 70%				
Min Loan Amount	\$150,000				\$125,000				
Interest Only (IO)	Not Allowed				• 640 min FICO • 80% max LTV • Reserves based on IO payment				
Housing History	0 x 30 x 24 Rent free not allowed				0 x 30 x 12 1 x 30 x 12: 5% LTV reduction, > \$2.5M: 10% LTV reduction, \$3.5M max LA 1 x 60 x 12 (must be 0 x 60 in most recent 6): 10% LTV reduction, > \$2.5M: 15% LTV reduction, \$3.0M max LA 1 x 30 x 6: 10% LTV reduction, > \$2.5M: 20% LTV reduction				
Credit Event (BK/SS/FC/DI/CCC)	48 Months Multiple unrelated credit events not allowed				36 Months (12 mos seasoning on discharged BK 13 or CCC w/pay history allowed) 24 Months - 10% LTV reduction, \$3.5 max LA (discharged BK 13 or CCC w/pay history allowed) 12 Months - 15% LTV reduction, \$3.0 max LA (discharged BK 13 or CCC allowed)				
DTI	45% max				• 50% max, 45% max if ≥ 85% LTV (50-55% allowed w/restrictions, see product details below)				
P&L Only	Not Allowed				• 80% max LTV • 660 min FICO • \$2.5M max LA • 1 x 30 x 12 allowed • 36 mos credit event seasoning				
One Year Self-Employed	Not Allowed				• 80% max LTV • 75% max LTV - C/O • 660 min FICO • Income - Bank Statement only • 1 x 30 x 12 allowed				
Asset Utilization	Not Allowed				• 80% max LTV • 75% max LTV - C/O • \$2.0M max LA • 1 x 60 x 12 allowed				
1099 Only	Not Allowed				• \$3.0M max LA • 2 mos recent Bank Stmt • 1 x 60 x 12 allowed				
WVOE Only	Not Allowed				• 620 min FICO • 80% Max LTV • 70% max LTV - C/O & FTHB • 0 x 30 x 12				

NON-QM DSCR HIGHLIGHTS...

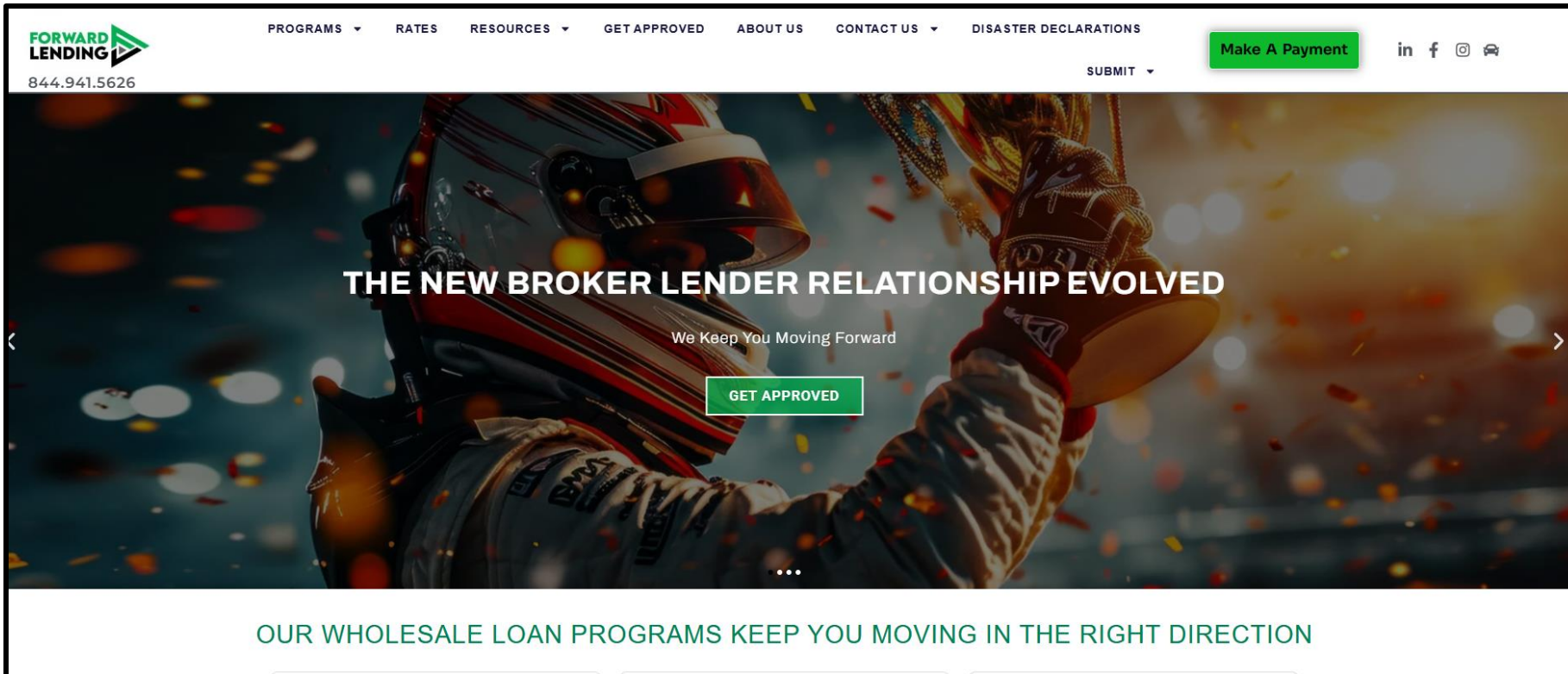
- LTV's Up to 85% on Purchase/R&T
- Less disclosures (NON TRID) – no CD/LE...close with a HUD
- Credit
 - Down to 620 FICO CORE DSCR
 - Down to 640 FICO Sub 1 (aka $\geq .75$)
 - Down to 700 FICO No Ratio (aka $< .75$)
 - 3 FICO scores = tradeline requirement
- Vesting in an Entity - Use the FICO of the largest % owner of the Entity (LLC, Partnership, S-Corp, C-Corp)
- Loan Amounts - \$100k to \$3.5M
- Transaction: Cash-out eligible w/ < 6 -month ownership seasoning
- Mortgage is not reported on credit (just don't default)
- Experienced and Inexperienced (first time investors allowed)
- Unlimited financed properties
- Terms
 - 15, 30 and 40yr Fixed
 - 5/6 SOFR and 7/6 SOFR
 - Non-Standard terms
 - IO Available (not available on 15-year term)
- Brokers do not need to be licensed in states that don't require licensing
- Gift Funds Allow up to 100%
 - This includes Gift of Equity
- Reserves for subject property only
- Interested Party Contribution (IPC) up to 6%
- DSCR 5-8 now available!
 - \$250k - \$2M
 - I/O available



NON-QM DSCR MATRIX AT A GLANCE...

NonQM Investor Programs*																			
Non-Owner Occupied Investment Properties, 1-4 Units only																			
*Subject properties located in Essex County, NJ and Baltimore City, MD are temporarily ineligible (Subject properties in Baltimore County, MD remain eligible)																			
Select DSCR - Ratio 1.25					Core DSCR - Ratio 1.0					Sub1 DSCR - Ratio ≥ .75 - < 1.0					No Ratio DSCR - Ratio < .75				
FICO to Max LTV/CLTV					FICO to Max LTV/CLTV					FICO to Max LTV/CLTV					FICO to Max LTV/CLTV				
Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out	Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out	Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out	Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
\$ 1,000,000	720+	75%	75%	70%	\$ 1,000,000	720+	85%	85%	75%	\$ 1,000,000	720+	75%	70%	65%	\$ 1,000,000	720+	70%	65%	60%
	700+	75%	75%	70%		700+	80%	80%	75%		700+	70%	70%	65%		700+	65%	65%	60%
	680+					680+	80%	80%	75%		680+	70%	70%	65%		680+			
	640+					640+	75%	75%	70%		640+	70%	70%	65%		660+			
	620+					620+	70%	70%	65%		620+					640+			
\$ 1,500,000	720+	75%	75%	70%	\$ 1,500,000	720+	85%	85%	75%	\$ 1,500,000	720+	65%	65%	60%	\$ 1,500,000	720+	65%	65%	55%
	700+	75%	75%	70%		700+	80%	80%	75%		700+	65%	65%	60%		700+	60%	60%	55%
	680+					680+	80%	80%	75%		680+	65%	65%	60%		680+			
	640+					640+	70%	70%	65%		640+	65%	65%	60%		660+			
	620+					620+	65%	65%	60%		620+					640+			
\$ 2,000,000	740+	75%	75%	70%	\$ 2,000,000	740+	80%	80%	75%	\$ 2,000,000	740+	60%	60%	55%	\$ 2,000,000	740+	60%	60%	55%
	720+	70%	70%	65%		720+	80%	80%	75%		720+	60%	60%	55%		720+	60%	60%	55%
	700+	70%	70%	65%		700+	75%	75%	70%		700+	60%	60%	55%		700+	55%	55%	50%
	680+					680+	75%	75%	70%		680+	60%	60%	55%		680+			
	640+					640+	70%	70%	65%		640+	60%	60%	55%		660+			
\$ 2,500,000	620+				\$ 2,500,000	620+	60%	60%	55%	\$ 2,500,000	620+				\$ 2,500,000	640+			
	740+	75%	75%	70%		740+	80%	80%	75%		740+	55%	55%	50%		740+	55%	55%	
	720+	70%	70%	65%		720+	80%	80%	75%		720+	55%	55%	50%		720+	55%	55%	
	700+	70%	70%	65%		700+	75%	75%	70%		700+	55%	55%	50%		700+	55%	55%	
	680+					680+	75%	75%	70%		680+	55%	55%	50%		680+			
\$ 3,000,000	640+				\$ 3,000,000	640+	70%	70%	65%	\$ 3,000,000	640+	55%	55%	50%	\$ 3,000,000	660+			
	620+					620+	60%	60%	55%		620+					640+			
	740+	65%	65%	60%		740+	75%	75%	70%		740+	50%	50%	45%		740+			
	720+	60%	60%	55%		720+	75%	75%	70%		720+	50%	50%	45%		720+			
	700+	60%	60%	55%		700+	70%	70%	65%		700+	50%	50%	45%		700+			
\$ 3,500,000	680+				\$ 3,500,000	680+	70%	70%	65%	\$ 3,500,000	680+	50%	50%	45%	\$ 3,500,000	680+			
	640+					640+	65%	65%	60%		640+	50%	50%	45%		660+			
	620+					620+	55%	55%	50%		620+					650+			
	740+					740+	65%	65%	60%		740+					740+			
	720+					720+	65%	65%	60%		720+					720+			
	Select DSCR				Core DSCR					Sub1 DSCR					No Ratio DSCR				
Max LTV	Condo - 75% (FL Condo - 70%) NW Condo -NA 2-4 Unit - NA Rural - NA				Condo - 80% (FL Condo - 70%) NW Condo (Max \$3.0M) - 75% (FL Condo - 65%) 2-4 Unit - 80% Rural - 65%					Condo - 60% (FL Condo - 50%) NW Condo - 60% (FL Condo - 50%) 2-4 Unit - 60% Rural - NA					Condo - 60% (FL Condo - 50%) NW Condo - 60% (FL Condo - 50%) 2-4 Unit - 60% Rural - NA				
Min Loan Amount	\$250,000				\$100,000					\$100,000					\$100,000				
DSCR	1.25 min ratio				1.00 min ratio > 80% 1.20 min ratio					0.75 min ratio					No min ratio				
Interest Only (IO)	• Qualify on IO Payment ALL States • Reserves based on IO Payment • 640 min FICO • 80% max LTV																		
Housing History	0 x 30 x 12				1 x 30 x 12 Inexperienced Investors: 0 x 30 x 12					0 x 30 x 12					0 x 30 x 12				
Credit Event (BK,SS,FC,DIL,CCC)	48 months				36 months - FC/CCC 12 months - BK Ch 13 w/pay history 24 months - SS/DIL/BK Ch 7					36 months					36 months				
Short Term Rentals	Not allowed				• 5% reduction • 80% max LTV • 70% max LTV - C/O					Not allowed					Not allowed				
Reserves	3 mos, cash-out cannot be utilized				> 65% LTV: 3 mos, cash-out can be utilized					6 mos, cash-out cannot be utilized					6 mos, cash-out cannot be utilized				
	Inexperienced Investors: 3 mos, cash-out cannot be utilized Loan Amt: > \$3.0M, 12 mos, > \$2.0M, 6 mos, cash-out cannot be utilized Additional financed properties - Not applicable																		

Resources on our Website



Resources on our website!

- Matrices
- Rate Sheets
- Price your Non-QM
- EZCalc/EZStructure
- Webinar Recordings/Decks
- Marketing Material
- Get Approved
- Access to Portal

CONTACT US

Juju McIntire
EVP | Co-Founder

Chris Calderon
EVP | Co-Founder

FORWARD
LENDING

WE KEEP YOU MOVING FORWARD

844.941.5626

