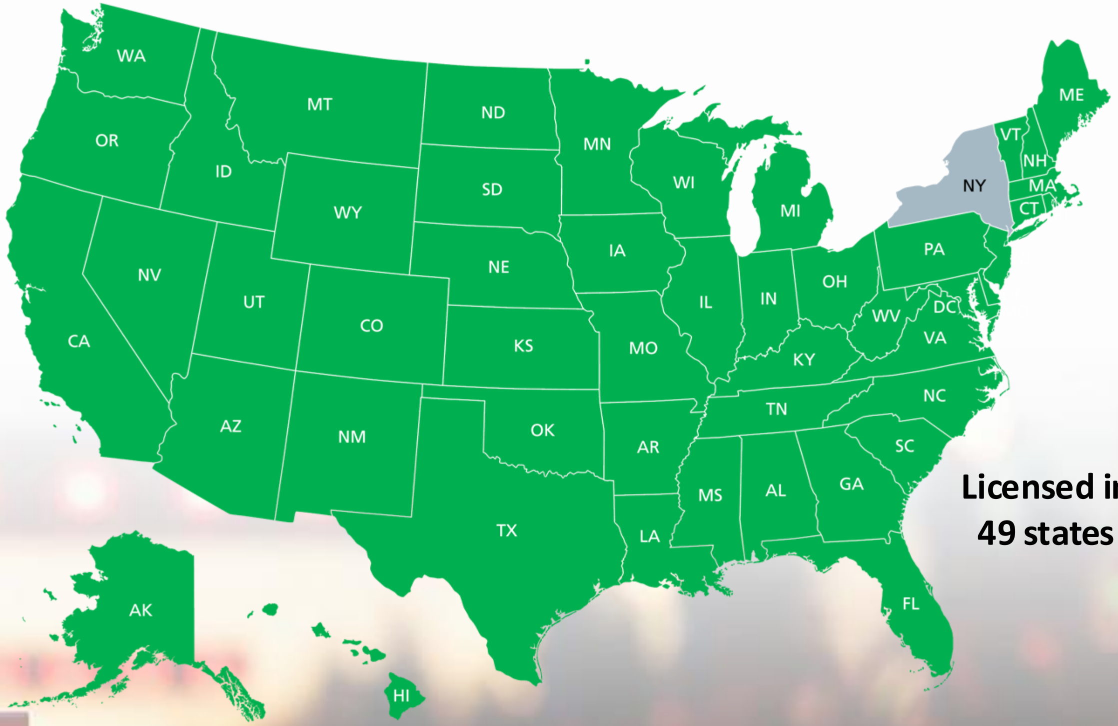

FORWARD
LENDING
NEW DSCR FUSION
AND NON-QM PROFESSIONAL PROGRAMS
WEBINAR

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 49 states

FORWARD LENDING

WEBINAR HOSTS

Jenny Beck, Director of Learning and Development

Shaun Dennison, EVP Non-QM Lending

FORWARD 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 SEPTEMBER

Non-QM Pricing Improvement Specials

- **Special 1:** 37.5 BPS on all Non-QM Purchases
- **Special 2:** 25 BPS on all Cash-Out and R&T Refi's
    - Pricing Special includes DSCR 5-8 units

Prime Pricing Improvement Specials:

- **Special 1:** 12.5 BPS on Conventional (cannot be combined with Select)
- **Special 2:** 12.5 BPS on FHA/VA loans – (can be combined with Select Pricing)
    - Includes High Balance and Fast100/100+ DPA
- **Special 3:** 37.5 BPS on all FHA/VA loans with 600 – 679 FICO's
    - Includes High Balance and Fast 100/100+ DPA

*Prime Specials do not include CalHFA programs

*Non-QM Specials do not include Jumbos, Seconds (Closed End or Stand Alone)

Price Improvements may require Select qualification to be eligible. Select price improvements on their own are noted on the daily rate sheet and are available without this special for qualifying loan submissions.

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

Offers valid for loans locked between 9/1/2025 and 9/30/2025. 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: MI, NJ, NY, TN, TX, WV. 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.

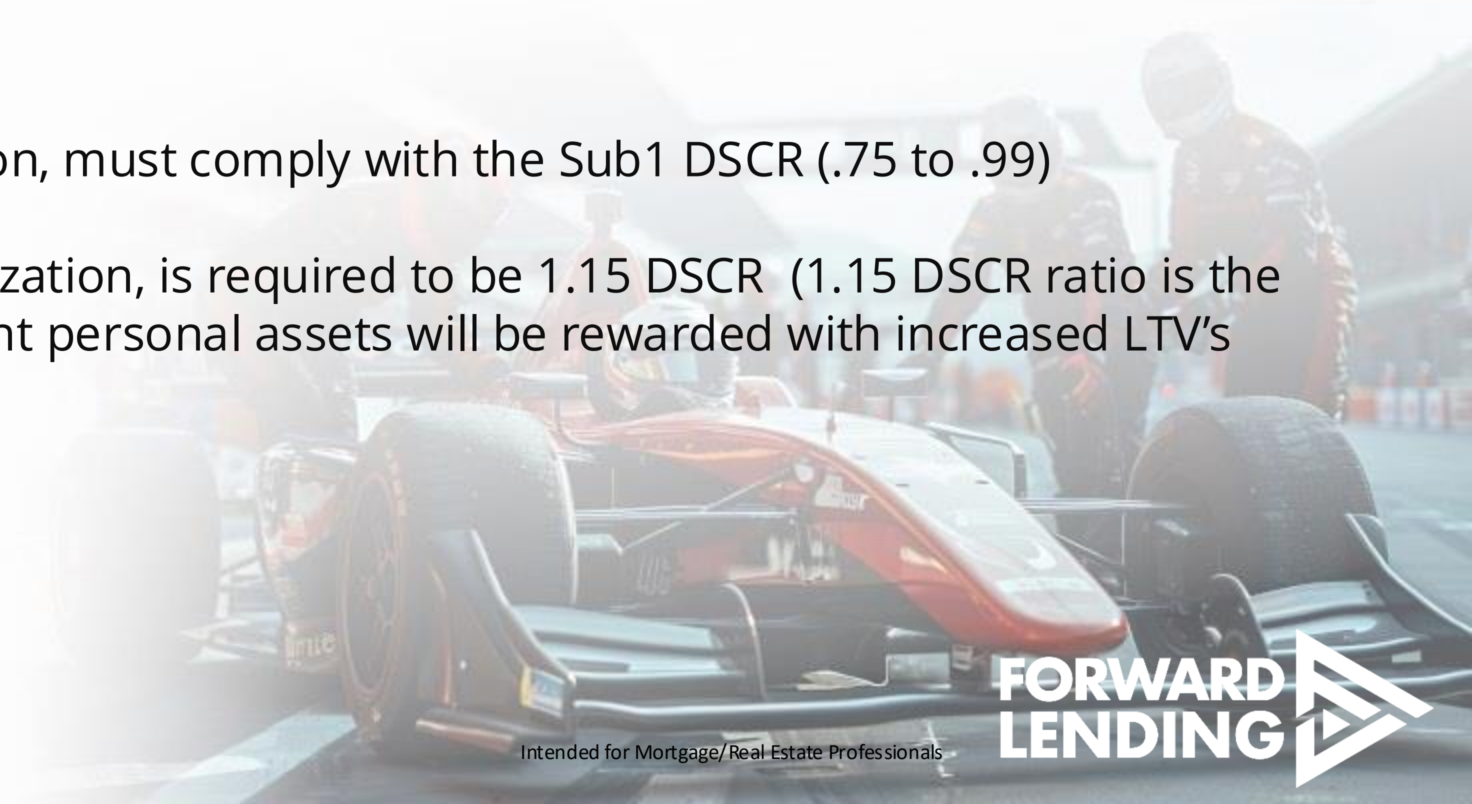
FORWARD LENDING

DSCR FUSION (DSCR + ASSET UTILIZATION)

Give your Sub1 DSCR LTV's a boost by fusing rental income with Asset Utilization!

The DSCR ratio is integrated with Asset Utilization, providing investors with the ability to leverage assets for investment property purchases or refinances.

- **The following DSCR criteria applies**:
    - The initial DSCR, without Asset Utilization, must comply with the Sub1 DSCR (.75 to .99) requirements
    - The final DSCR, blended with Asset Utilization, is required to be 1.15 DSCR (1.15 DSCR ratio is the minimum target). Borrower w/ sufficient personal assets will be rewarded with increased LTV's



DSCR FUSION (DSCR + ASSET UTILIZATION)

The following Asset Utilization criteria applies:

Asset Utilization Calculation Policy:

- Qualified monthly Asset Utilization is the total balance of eligible assets minus all funds used for down payment, closing costs and reserves divided by 60-months irrespective of the amortized term of the loan.

Example of Qualifying Asset Utilization for a 30-year loan:

- ➢ Savings Account balance is $80,000 ($80,000 useable toward the calculation)
- ➢ Stock Fund balance is $20,000 ($18,000 usable toward the calculation – 10% haircut for investment account)
- ➢ Usable asset total is $98,000 divided by 60 = $1,633 available for asset utilization in conjunction with rental income to drive a higher DSCR ratio (1.15 is target).
- ➢ We will use this $1633 in an example calculation on the following slide

DSCR CALCULATION

DSCR Fusion is calculated by adding gross rents and Asset Utilization, then dividing by qualifying PITIA/ITIA (yes, if I/O, we will use the I/O payment in the DSCR calculation)

Example:

- Purchase Money Transaction
- Monthly PITIA = $7,650
- Estimated Monthly Market Rent (Form 1007) = $7,500
- Existing Lease Monthly Rent = Not available
- Usable Assets = $1,633

Ratio Calculation:
Gross rental income + Qualifying Asset Utilization / PITIA (or ITIA) = Fusion DSCR (Ratio)

****Initial DSCR: $7,500/$7,650 = .980 DSCR****

****Final FUSION DSCR: $7,500 + $1,633 = $9,133/$7,650 = 1.19 DSCR****

MATRIX AT A GLANCE...

NonQM Investor Programs

Non-Owner Occupied Investment Properties, 1-4 Units only

Select DSCR - Ratio 1.25

FICO to Max LTV/CLTV

Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
$ 1,000,000	720+	75%	75%	70%
	700+	75%	75%	70%
	680+			
	640+			
	620+			
$ 1,500,000	720+	75%	75%	70%
	700+	75%	75%	70%
	680+			
	640+			
	620+			
$ 2,000,000	740+	75%	75%	70%
	720+	70%	70%	65%
	700+	70%	70%	65%
	680+			
	640+			
	620+			
$ 2,500,000	740+	75%	75%	70%
	720+	70%	70%	65%
	700+	70%	70%	65%
	680+			
	640+			
	620+			
$ 3,000,000	740+	65%	65%	60%
	720+	60%	60%	55%
	700+	60%	60%	55%
	680+			
	640+			
	620+			
$ 3,500,000	740+			
	720+			
	680+			
	660+			

Core DSCR - Ratio 1.0

FICO to Max LTV/CLTV

Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
$ 1,000,000	720+	85%	85%	75%
	700+	80%	80%	75%
	680+	80%	80%	75%
	640+	75%	75%	70%
	620+	70%	70%	65%
$ 1,500,000	720+	85%	85%	75%
	700+	80%	80%	75%
	680+	80%	80%	75%
	640+	70%	70%	65%
	620+	65%	65%	60%
$ 2,000,000	740+	80%	80%	75%
	720+	80%	80%	75%
	700+	75%	75%	70%
	680+	75%	75%	70%
	640+	70%	70%	65%
	620+	60%	60%	55%
$ 2,500,000	740+	80%	80%	75%
	720+	80%	80%	75%
	700+	75%	75%	70%
	680+	75%	75%	70%
	640+	70%	70%	65%
	620+	60%	60%	55%
$ 3,000,000	740+	75%	75%	70%
	720+	75%	75%	70%
	700+	70%	70%	65%
	680+	70%	70%	65%
	640+	65%	65%	60%
	620+	55%	55%	50%
$ 3,500,000	740+	65%	65%	60%
	720+	65%	65%	60%
	680+			
	660+			

DSCR Fusion - DSCR + Asset Utilization

FICO to Max LTV/CLTV

Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
$ 1,000,000	720+	80%	75%	70%
	700+	75%	75%	70%
	680+	75%	75%	70%
	640+			
	620+			
$ 1,500,000	720+	70%	70%	65%
	700+	70%	70%	65%
	680+	70%	70%	65%
	640+			
	620+			
$ 2,000,000	740+	65%	65%	60%
	720+	65%	65%	60%
	700+	65%	65%	60%
	680+	65%	65%	60%
	640+			
	620+			
$ 2,500,000	740+	60%	60%	55%
	720+	60%	60%	55%
	700+	60%	60%	55%
	680+	60%	60%	55%
	640+			
	620+			
$ 3,000,000	740+			
	720+			
	700+			
	680+			
	640+			
	620+			
$ 3,500,000	740+			
	720+			
	680+			
	660+			

Sub1 DSCR - Ratio ≥ .75 - < 1.0

FICO to Max LTV/CLTV

Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
$ 1,000,000	720+	75%	70%	65%
	700+	70%	70%	65%
	680+	70%	70%	65%
	640+	70%	70%	65%
	620+			
$ 1,500,000	720+	65%	65%	60%
	700+	65%	65%	60%
	680+	65%	65%	60%
	640+	65%	65%	60%
	620+			
$ 2,000,000	740+	60%	60%	55%
	720+	60%	60%	55%
	700+	60%	60%	55%
	680+	60%	60%	55%
	640+	60%	60%	55%
	620+			
$ 2,500,000	740+	55%	55%	50%
	720+	55%	55%	50%
	700+	55%	55%	50%
	680+	55%	55%	50%
	640+	55%	55%	50%
	620+			
$ 3,000,000	740+	50%	50%	45%
	720+	50%	50%	45%
	700+	50%	50%	45%
	680+	50%	50%	45%
	640+	50%	50%	45%
	620+			
$ 3,500,000	740+			
	720+			
	680+			
	660+			

No Ratio DSCR - Ratio < .75

FICO to Max LTV/CLTV

Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
$ 1,000,000	720+	70%	65%	60%
	700+	65%	65%	60%
	680+			
	660+			
	640+			
$ 1,500,000	720+	65%	65%	55%
	700+	60%	60%	55%
	680+			
	660+			
	640+			
$ 2,000,000	740+	60%	60%	55%
	720+	60%	60%	55%
	700+	55%	55%	50%
	680+			
	660+			
	640+			
$ 2,500,000	740+	55%	55%	
	720+	55%	55%	
	700+	55%	55%	
	680+			
	660+			
	640+			
$ 3,000,000	740+			
	720+			
	700+			
	680+			
	660+			
	650+			
$ 3,500,000	740+			
	720+			
	680+			
	660+			

	Select DSCR	Core DSCR	DSCR Fusion	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	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	$100,000
DSCR	1.25 min ratio	1.00 min ratio | > 80% 1.20 min ratio	Initial DSCR w/out Asset Utilization: ≥ 0.75 - ≤ 0.99 ratio Final DSCR w/Asset Utilization: ≥ 1.15	0.75 min ratio	No min ratio

GOOD TO KNOW! ADDITIONAL TID-BITS!

Good To Know!

- 3 Months Bank Statements required for qualifying assets used in Fusion

- Standard Asset Utilization "haircuts" apply to asset balances
  - Remember - Personal Assess only
  - Yes, we can use 401k/IRA @ 80%

- One borrower must be an EXPERIENCED investor
  - Own/manage rental property for 12 months in last 3 years
  - Remaining borrowers can be inexperienced/FTHB

- Short-term rentals NOT allowed

- Priced same as "Sub 1" but with increased LTV's

- Foreign National / ITIN / DACA are ineligible

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FORWARD LENDING

NQM PROFESSIONAL PRODUCT

NON-QM PROFESSIONAL- ELIGIBILITY

For those Borrowers who have an Advanced Degree = Non-QM <u>Full & Alt Doc</u> price improvement
+25bps Price Improvement (including "SELECT") for Qualified Loans!

- Primary Residence Only
- Purchase, Rate/Term and Cash-Out Refinance Allowed
- 680 Min FICO
- Borrower must be **<u>currently practicing full-time</u>** in their profession
- Copy of active license and/or degree required

<u>Doctors</u>

At least one borrower must possess one of the following **<u>active licenses and be currently practicing in their field</u>**:

Medical Doctor (MD)
Medical Fellos
Medical Resident (Educational License)
Doctor of Dental Medicine (DMD)
Doctor of Dental Surgery (DDS)
Doctor of Ophthalmology (MD)
Doctor of Optometry (OD)
Doctor of Osteopathy (DO)
Doctor of Pharmacy (PharmD)
Doctor of Podiatric Medicine (DPM)
Doctor of Veterinary Medicine (DVM)

<u>Professionals</u>

At least one borrower must possess a **<u>postgraduate degree</u>** in one of the following fields and have at least two years of current employment in that discipline:

Accounting
Architecture
Engineering
Finance
Legal

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

Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
$ 1,000,000	700+	85%	80%	75%
	680+	80%	80%	75%
	600+			
$ 1,500,000	720+	85%	80%	75%
	700+	80%	80%	75%
	680+	75%	75%	70%
	640+			
	600+			
$ 2,000,000	740+	85%	80%	75%
	720+	80%	80%	75%
	700+	75%	75%	70%
	680+	75%	75%	70%
	640+			
$ 2,500,000	740+	80%	80%	75%
	720+	75%	75%	70%
	700+	75%	75%	70%
	680+	65%	65%	60%
	660+			
$ 3,000,000	720+	75%	75%	70%
	700+	65%	65%	60%
	680+	60%	60%	55%
	660+			
> $3,000,000	See Guides for Appraisal & Credit Overlay			

Core NonQM

FICO to Max LTV/CLTV

Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
$ 1,000,000	700+	90%	85%	80%
	680+	85%	85%	80%
	600+	80%	80%	75%
$ 1,500,000	720+	90%	85%	80%
	700+	90%	85%	80%
	680+	85%	85%	80%
	640+	80%	80%	75%
	600+	75%	75%	70%
$ 2,000,000	740+	85%	85%	80%
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	640+	75%	75%	70%
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	720+	80%	80%	75%
	700+	80%	80%	75%
	680+	75%	75%	70%
	660+	70%	70%	65%
$ 3,000,000	720+	80%	80%	75%
	700+	75%	75%	70%
	680+	70%	70%	65%
	660+	60%	60%	55%
$ 3,500,000	740+	75%	75%	65%
	720+	70%	70%	65%
	680+	60%	60%	55%
	660+	50%	50%	45%
$ 4,000,000	740+	65%	65%	60%
	720+	60%	60%	55%
	700+	50%	50%	45%

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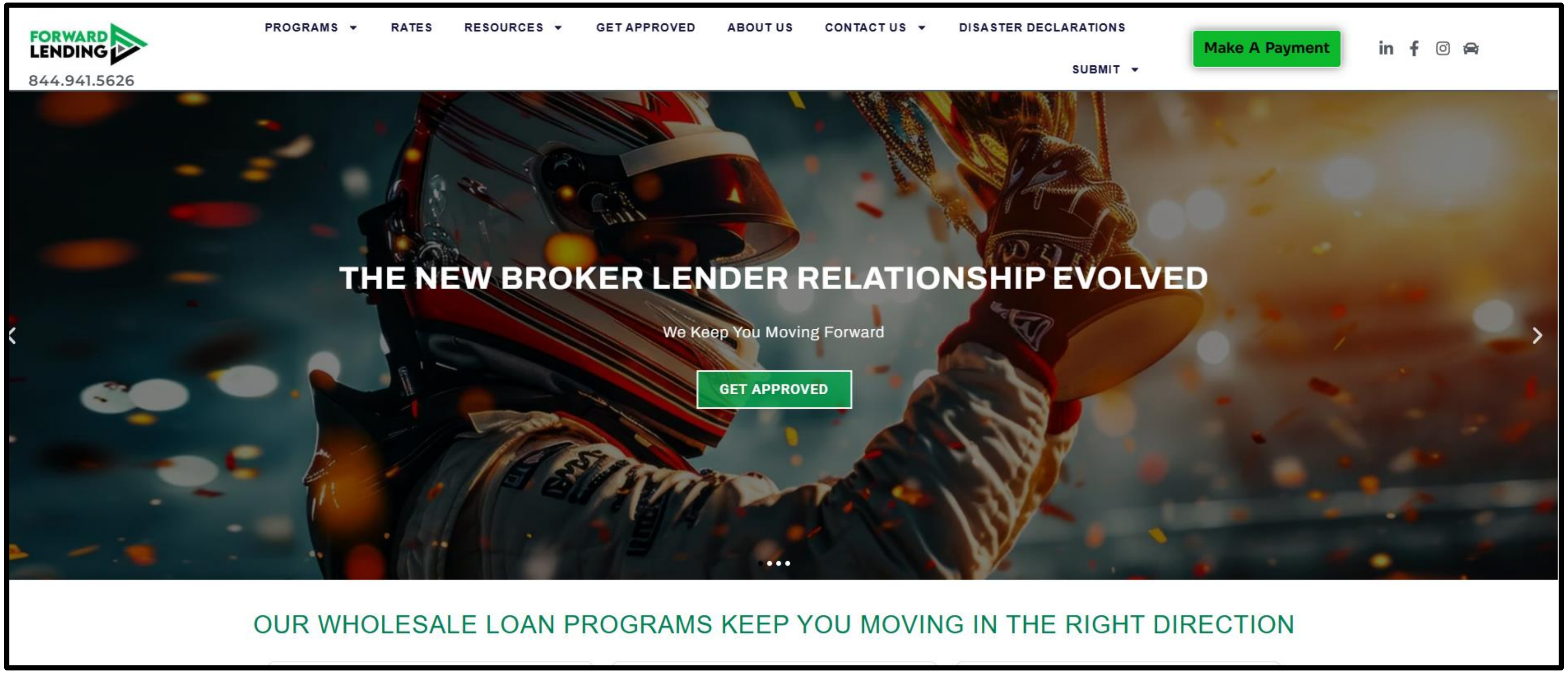
RESOURCES ON OUR WEBSITE



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

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WE KEEP YOU MOVING FORWARD

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