



FCL - Profit and Loss Program

Maximum LTV/CLTV – Primary Residence				
Minimum Credit Score	Maximum Loan Amount	P&L Statement Only, P&L Statement with 2 Mo Bank St		
		Purchase	Rate/Term	Cash-Out
720	1,000,000	80	75	70
	1,500,000	80	75	70
	2,000,000	80	75	70
	2,500,000	75	70	70
	3,000,000	70	NA	NA
	3,500,000	NA	NA	NA
	4,000,000	NA	NA	NA
700	1,000,000	80	75	70
	1,500,000	80	75	70
	2,000,000	80	75	70
	2,500,000	75	70	65
	3,000,000	70	NA	NA
680	1,000,000	80	75	70
	1,500,000	80	75	70
	2,000,000	75	70	65
	2,500,000	70	65	60
	3,000,000	NA	NA	NA

Maximum LTV/CLTV – Second Home / Investment				
Minimum Credit Score	Maximum Loan Amount	P&L Statement Only, P&L Statement with 2 Mo Bank St		
		Purchase	Rate/Term	Cash-Out
720	1,000,000	80	75	70
	1,500,000	80	75	70
	2,000,000	80	75	70
	2,500,000	75	70	70
	3,000,000	NA	NA	NA
	3,500,000	NA	NA	NA
	4,000,000	NA	NA	NA
700	1,000,000	80	75	70
	1,500,000	80	75	70
	2,000,000	80	75	70
	2,500,000	75	70	65
	3,000,000	NA	NA	NA
680	1,000,000	80	75	70
	1,500,000	80	75	70
	2,000,000	75	70	65
	2,500,000	70	65	60
	3,000,000	NA	NA	NA

Property Type

- Single Family: Attached, Detached
- 2-4 Unit and Condominium: Max LTV/CLTV 85%
- Condo Hotel (Condotel): Max LTV/CLTV 85%, Max Loan Amount \$2,500,000 Rural: Max LTV/CLTV 80% Purchase, 75% Refinance

Housing History

Housing History:	1x30x12	0x60x12	0x90x12
Max LTV/CLTV: Purchase	See matrix above	80	70
Max LTV/CLTV: Refinance	See matrix above	75	NA
Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000

Credit Event Seasoning

BK/FC/SS/DIL/PreFC/MC:	>= 36 Mo	>= 24 Mo	>= 12 Mo
Max LTV/CLTV: Purchase	See matrix above	80	70
Max LTV/CLTV: Refinance	See matrix above	75	NA
Max Loan Amt:	See matrix above	\$1,500,000	\$1,000,000

Forbearance, Modification, or Deferral: <= 12 Mo to be treated as 0x90x12

State Eligibility

- Ineligible Locations:
 - o Investor occupancy in Baltimore City, MD, and Philadelphia County, PA
 - o Puerto Rico, Guam, & the US Virgin Islands
- State Overlays for CT, FL, IL, NJ, NY: Max LTV/CLTV limited to 85% for purchase and 80% for refinance, max loan amount limited to \$2.0MM

Declining Market

If appraisal report identifies the property in declining market, max LTV/CLTV is limited to 85% for purchase and 80% for refinance, max loan amount limited to \$2.0MM

General Requirements

Product Type	<ul style="list-style-type: none"> • Fixed Rate Terms: 15, 30, 40 years • 5/6 ARM, 7/6 ARM, 10/6 ARM with 30 and 40-year terms; ARM 40-year term must be combined with interest only feature
Interest Only	<ul style="list-style-type: none"> • Min Credit Score: 660 • Max LTV: 90% • 30 and 40-year total loan terms, qualification based upon remaining term (amortized) after expiration of interest only period
Loan Amounts	<ul style="list-style-type: none"> • Min: 150,000 • Max: 4,000,000
Loan Purpose	<ul style="list-style-type: none"> • Purchase, Rate/Term, and Cash-Out
Occupancy	<ul style="list-style-type: none"> • Primary, Second Home, Investment
Eligible Borrower	<ul style="list-style-type: none"> • U.S. Citizen • Permanent Resident Alien • Non-Permanent Resident Alien: Max LTV/CLTV 80%
Acreage	<ul style="list-style-type: none"> • Property up to 20-acres
Cash-In-Hand	<ul style="list-style-type: none"> • Max: Unlimited
Appraisals	<ul style="list-style-type: none"> • FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained. • \$2,000,000. <p style="text-align: right;">2nd Appraisal required for loans ></p>

Income Requirements

Profit & Loss Statement Only	<ul style="list-style-type: none"> • 12- or 24-months CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement • CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent business tax return • Min 36 months credit event seasoning <p style="text-align: right;">Max 1x30x12 housing</p>
P&L Statement with Two Months Bank Statements	<ul style="list-style-type: none"> • 12- or 24-months CPA/EA/CTEC/Tax Attorney prepared Profit & Loss Statement • CPA/EA/CTEC/Tax Attorney must attest they have completed or filed the borrower's most recent business tax return • statements for the most recent two (2) months reflected on the P&L Statement • Max 1x30x12 housing • Min 36 months credit event seasoning <p style="text-align: right;">Two (2) months business bank</p>

Underwriting Requirements

Credit Score	<ul style="list-style-type: none"> • Use representative credit score of the borrower with the highest qualifying income o Representative score for each borrower is the lower of two (2) or middle of three (3) credit scores 	Tradelines	<ul style="list-style-type: none"> • Min: 2 reporting 24-months w/activity in last 12-months or 3 reporting 12-months w/recent activity. • If the primary borrower has three (3) credit scores, the minimum tradeline requirement is waived
Assets	<ul style="list-style-type: none"> • Min of 30-days asset verification required; any large deposit must be sourced 	Reserves	<ul style="list-style-type: none"> • LTV <= 80%: 3-months of PITIA • LTV 80.01 to 85%: 6-months of PITIA LTV > 85%: 12-months of PITIA • Loan Amount > \$1.5M: 9-months of PITIA • Loan Amount > \$2.5M: 12-months of PITIA Cash-out may be used to satisfy requirement
Gift Funds	<ul style="list-style-type: none"> • Min contribution: 5% primary/second home, 10% investment Primary/Second Home Only: <ul style="list-style-type: none"> o 100% gift funds allowed when using Standard Doc 12- or 24- months and Alt Doc Bank Statement 12- or 24- months o Max 80% LTV/CLTV o Borrowers must meet reserve and residual income requirements 	DTI Requirements	<ul style="list-style-type: none"> • Max: 50% <ul style="list-style-type: none"> o See FTHB guidelines for DTI restrictions • Up to 55% allowed: <ul style="list-style-type: none"> o Min residual income of \$3,500 o Max LTV/CLTV <= 80% o Standard Doc 2-years o Minimum 6- months reserves o First time homebuyer not eligible o Min credit score: 660 <p style="text-align: right;">Primary Residence -</p>
		Document Age	120-days



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Prepayment Penalty – Investment Only		
Prepayment Penalty – Investment Only	<ul style="list-style-type: none"> Acceptable structures include the following: <ul style="list-style-type: none"> Fixed percentage of no less than 3% Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years Example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%) 12-month time period 	<ul style="list-style-type: none"> AK, KS, MI, MN, NM, OH, RI: Penalties not allowed Penalties not allowed on loans vested to individuals prepayment penalty structures are allowed 2 unit loans with a loan amount less than or equal to the base figure (\$329,411 for 2026; adjusted annually). This restriction applies to business purpose loans whether vested to an individual or an entity. 3+ unit loans, or with a loan amount greater than \$329,411 are not subject to prepayment restrictions.
Escrows	<ul style="list-style-type: none"> HPML loans require escrows for property taxes, hazard insurance, and flood insurance (if applicable) Purpose loans 	