

| PIGGY BACK | | | | | |
|-------------------|-------|-----------|--------|------------------------|---------------------------|
| PURCHASE | | | | | |
| Occupancy | Units | Min. FICO | CLTV | Max. HELOC Loan Amount | Max. Combined Loan Amount |
| Primary Residence | 1 | 680 | 89.99% | \$250,000 | \$1,500,000 |
| | | 700 | 80.00% | \$300,000 | \$1,500,000 |
| | | 700 | 70.00% | \$350,000 | \$1,500,000 |
| Second Home | 1 | 680 | 80.00% | \$250,000 | \$1,500,000 |
| | | 700 | 70.00% | \$300,000 | \$1,500,000. |

| PIGGY BACK | | | | | |
|---------------------|-------|-----------|--------|------------------------|---------------------------|
| RATE/TERM REFINANCE | | | | | |
| Occupancy | Units | Min. FICO | CLTV | Max. HELOC Loan Amount | Max. Combined Loan Amount |
| Primary Residence | 1 | 680 | 85.00% | \$250,000 | \$1,500,000 |
| | | 700 | 80.00% | \$300,000 | \$1,500,000 |
| | | 700 | 70.00% | \$350,000 | \$1,500,000 |
| Second Home | 1 | 680 | 80.00% | \$250,000 | \$1,500,000 |
| | | 700 | 70.00% | \$300,000 | \$1,500,000. |

| PIGGY BACK | | | | | |
|--------------------|-------|-----------|--------|------------------------|---------------------------|
| CASH OUT REFINANCE | | | | | |
| Occupancy | Units | Min. FICO | CLTV | Max. HELOC Loan Amount | Max. Combined Loan Amount |
| Primary Residence | 1 | 680 | 85.00% | \$250,000 | \$1,500,000 |
| | | 700 | 80.00% | \$300,000 | \$1,500,000 |
| | | 700 | 70.00% | \$350,000 | \$1,500,000 |
| Second Home | 1 | 700 | 80.00% | \$300,000 | \$1,500,000 |
| | | 680 | 70.00% | \$250,000 | \$1,500,000. |

Properties located in AK, HI, OH, TX and NY are ineligible.

| Product Guidelines | |
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| Target Market | Home Equity Line of Credit (HELOC) combined with a conventional Agency first mortgage to avoid non-conforming loan amounts or combined with an Agency first mortgage product to reduce down payment below 20%. |
| Pricing | See rate sheets page 10 |
| Term | 30 Year Term, 10 Year Interest Only Draw Period, 20 Year Amortization |
| DU/LPA Eligibility | Piggyback's must have DU/LPA Approve/Eligible/Accept or Approve/Accept/Ineligible due to loan size for non-conforming 1 st liens;. |
| Eligible Transactions | Purchase, Rate/Term or Cash-out. |
| Minimum Loan Amount | \$40,000 |
| Max Credit Limit | Maximum Credit Limit \$250,000 to 89.99% HCLTV, \$300,000 to 80% HCLTV, \$350,000 to 70% HCLTV on owner occupied. Maximum Credit Limit \$250,000 to 80% HCLTV, \$300,000 to 70% HCLTV on second homes |
| Max Combined Liens | \$1.5 MM |
| Max CLTV/HCLTV | Owner Occupied – 89.99% on purchase and rate/term; 85% on cash out Second Home – 80% |
| Minimum Line/Draw | \$25,000; minimum draw the lesser of \$50,000 or 75% of the line |
| Eligible Borrowers | Follow Fannie Mae Seller Guide except: <ul style="list-style-type: none"> - No non-occupant co-borrowers - No E-2 Investor visas - No DACA recipients - No tax IDs in lieu of valid social security numbers |
| Eligible Properties | <ul style="list-style-type: none"> ▪ 1-unit primary residence <ul style="list-style-type: none"> - SFD / PUD / townhouse / rowhome - Low-rise condominium (Fannie/Freddie Approved) - High-rise condominium (Fannie/Freddie Approved) ▪ 1 unit second / vacation home <ul style="list-style-type: none"> - SFD / PUD / townhouse / rowhome |
| Occupancy | <ul style="list-style-type: none"> ▪ Owner Occupied ▪ Second/Vacation homes ▪ Non-owner occupied home are ineligible ▪ Non-occupant co-borrowers are ineligible |
| Eligible First Lien Programs | <ul style="list-style-type: none"> ▪ Agency & Government Fixed Rate and ARM's with initial fixed rate term ≥ 5 years ▪ Non-Conforming Fixed Rate and ARM's with initial fixed rate terms ≥ 5 years ▪ AUS approval required (DU/LPA) for piggyback ▪ Interest Only, Negative Amortization and other High-Risk product features are ineligible |
| Credit | <ul style="list-style-type: none"> • Minimum underwriting credit score is 680 • Credit limits: \$250,001-\$300,000 require minimum score of 700 • Credit limits: \$300,001-\$350,000 require minimum score of 720 • When borrower is not on the Note of the First mortgage of the subject property, the PITI must be included in the DTI calculation. The mortgage payment history must be provided |

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| | <ul style="list-style-type: none"> Underwriting score is determined as the middle of three indicator scores or the lower of two. For multiple borrowers, the lowest middle score for all borrowers is used. Non-traditional credit scoring is not eligible. Credit documents must be no older than 60 days old on the note date For piggybacks, credit document age must follow the AUS requirements No mortgage delinquency (0x30) in the last 24 months No judgements, repossessions or charge offs in the past 60 months The following are considered severe delinquency, regardless of AUS feedback; <i>Borrowers with these profiles are ineligible until a period of 7 years has passed since occurrence and credit has been re-established.</i> <ul style="list-style-type: none"> Bankruptcy / Foreclosure / Deed in Lieu of Foreclosures Short Sale or Short Payoff History of mortgage modification Borrowers with extenuating, isolated, one-time circumstances may be considered on a case-by-case basis, as determined by underwriting. |
| Qualifying Ratios | <ul style="list-style-type: none"> 45.00% DTI maximum on credit limits <= \$250,000 36.00% DTI maximum on credit limits > \$250,000 |
| Self Employed Borrowers | <ul style="list-style-type: none"> Minimum income documentation: <ol style="list-style-type: none"> 2 years tax returns (business and personal) with all schedules Audited Year to Date P&L or Unaudited Year to Date P&L with three business depository account statements For businesses impacted by pandemic, follow FNMA seller guide, including Lender Letters and all updates Maximum Credit Limit \$200,000 to Maximum HCLTV 85% Minimum underwriting credit score is 720 Primary Residence only |
| Qualifying Factor | Note Rate + 2% P&I over 30 year amortization |
| Funds to Close / Reserves | Piggybacks: Follow first lien requirements (otherwise provide at least one month liquid asset statements showing funds to close) |
| Appraisal Requirements | <p>Piggybacks: follow FNMA/FHLMC guidelines (based upon the applicable AUS feedback type provided) except GBC no longer accepts appraisal waivers. If AUS permits an appraisal waiver, then instead provide: 1) AVM with exterior minimum property inspection report (including photos) dated within 120 days of the note date or 2) an appraisal (can be a desktop, exterior inspection and/or interior inspection) completed by a licensed/state certified appraiser dated within one year of note date.</p> <p>For credit limits > \$250,000, full FNMA 1004 or FHLMC 70 with interior & exterior inspection containing color photos required</p> <p>Transferred appraisal is not allowed</p> |

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| Geographic Restrictions | Properties located in AK, HI, OH, TX and NY are ineligible. |
| Ineligible Properties | <ul style="list-style-type: none"> ▪ Condotels ▪ Non-warrantable condos ▪ Manufactured ▪ Co-Ops ▪ Multi-Unit (2-4) ▪ Unique properties ▪ Log Homes ▪ Working or Hobby Farms ▪ Tracts greater than 5 acres |
| Property Insurance | Follow FNMA Selling Guide |
| Disasters | For properties located in individual assistance designated areas that have been declared a major disaster by FEMA after a full appraisal has been completed, then a re-inspection including a post-disaster photo dated after the disaster declaration date with confirmation that the property has not been adversely affected by the disaster is required |
| Contributions | See first lien eligibility |
| Conversion | Non-convertible |
| Assumability | Not assumable |
| Amortization | 10 Year Interest Only / Draw Period, 20 Year Amortization |
| High Cost Loans | May not be defined as High Cost by any applicable agency |
| Prepayment Penalty | None |
| Leasehold | Not eligible |
| Payment Date | Payment will be due on the 1st of each respective month |
| Late Charges | 5% or the highest amount allowed by state law and will be assessed on the payment date + 15 days |
| Annual Fee | \$75 Annual Fee |
| Minimum Payment | Greater of I/O payment or \$100 |
| Lifetime Max Rate | 18% or state maximum |
| Lifetime Rate Floor | 2.500% |
| Loan Disclosures | HELOC loan disclosures, follow state requirements |
| Title Policy | Full ALTA, Junior ALTA or ALTA lite required. Lender's title insurance in the amount of the credit limit is required (final policy must be separate from 1st lien title policy). Both short form and long form policies are acceptable. ALTA Endorsements are not required. Closing protection letters are not required.) |
| Other Guidelines | If not addressed, follow FNMA selling guide. Additional documentation may be required in addition to AUS required documentation. |
| Underwriting | Investor approval is required prior to doc |
| Locks | 45 days |
| Extensions | Will be assessed by Secondary Marketing as needed No limit to the number of extensions; 30-day maximum extension period |
| Vesting | Title may not be held in the name of a trust. |