

DSCR ≥ 1.00 MATRIX					
OCCUPANCY	LOAN PURPOSE	NUMBER OF UNITS	MAX LOAN AMOUNT	MIN CREDIT SCORE	MAX LTV/CLTV
INVESTMENT	Purchase & Rate/Term	1-4 Unit	\$1.0 MM	720	80%
				680	75%
			\$1.5 MM	700	75%
				680	70%
			\$2.0 MM	720	75%
				700	70%
	Cash-Out	1-4 Unit	\$1.0 MM	680	65%
				720	75%
			\$1.5 MM	700	70%
				680	65%
			\$2.0 MM	700	70%
				680	60%

DSCR ≥ 0.75 AND < 1.00 MATRIX					
OCCUPANCY	LOAN PURPOSE	NUMBER OF UNITS	MAX LOAN AMOUNT	MIN CREDIT SCORE	MAX LTV/CLTV
INVESTMENT	Purchase & Rate/Term	1-4 Unit	\$1.0 MM	700	75%
			\$1.5 MM	700	70%
			\$2.0 MM	700	65%

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DSCR PROGRAM DETAIL	
PROGRAM HIGHLIGHTS	<ul style="list-style-type: none"> Professional Investors qualify with subject property cash flow only No DTI calculated May take title in LLC, LP, GP, CORP or S CORP Does not require: Tax Returns or 4506-C
DOCUMENTATION REQUIREMENTS	<ul style="list-style-type: none"> Appraisal with Schedule of Rent Business purpose and occupancy affidavit signed by all borrowers Lease (when applicable) Complete schedule of all real estate owned, indicating financed and free and clear properties Housing history for primary residence and subject property Personal Guaranty Document required when the entity appears on the Note, regardless of if the borrower is signing the Note Letter of Explanation (LOE) by the Borrower / Guarantor is required to detail relevant real estate experience
RESTRICTIONS	<ul style="list-style-type: none"> Investment Property only (business purpose only) No proceeds may be used for personal or consumer purposes Tenants must be unrelated to borrower Arm's Length transactions only
HOUSING HISTORY	<ul style="list-style-type: none"> 12 months housing history required meeting 0x30x12 for subject property and primary residence
FIRST-TIME HOME BUYER RESTRICTIONS	<ul style="list-style-type: none"> First-Time Homebuyers (FTHB) not permitted
EXPERIENCED INVESTOR	<ul style="list-style-type: none"> At least 1 borrower has 1 yr of owning/managing rental real estate in the last 3 yrs First time Investor permitted
FIRST-TIME INVESTOR RESTRICTIONS	<ul style="list-style-type: none"> MIN DSCR of 1.0 MIN FICO 700 Short-Term Rental Income not permitted Exceptions not permitted
SHORT-TERM RENTAL RESTRICTIONS	<ul style="list-style-type: none"> MIN DSCR 1.00 MAX LTV 70%
DSCR 0.75 - 0.99 RESTRICTIONS	<ul style="list-style-type: none"> Cash-Out Refinances, Condotels, First-Time Investors, Gift Funds, Short-Term Rental Income and properties in Declining Markets not permitted
4506-C & TAX TRANSCRIPTS	<ul style="list-style-type: none"> Not required
TERMS & RESTRICTIONS	
AVAILABLE TERMS	Fixed 15 YR, 30 YR Interest-Only: 30 YR, 40 YR ARMs coming 06/26 --30 year amortization: 3/6 ARM 3/6 ARM I/O 5/6 ARM 5/6 ARM I/O 7/6 ARM 7/6 ARM I/O 10/6 ARM 10/6 ARM I/O ARMs coming 06/26 --40 year amortization: 3/6 ARM I/O (40 year) 5/6 ARM I/O (40 year) 7/6 ARM I/O (40 year) 10/6 ARM I/O (40 year)
INTEREST-ONLY	10 YR I/O Period MIN FICO 700
I/O LTV LIMITS	DSCR ≥ 1: MAX LTV/CLTV 75% DSCR ≥ 0.75 and < 1: MAX LTV/CLTV 70%
I/O QUALIFYING	Qualify at interest-only payment
LOAN AMOUNT	MIN \$150K MAX \$2.0MM
TEMPORARY BUYDOWN	Not permitted
SUBORDINATE FINANCING	Primary Residence only Not permitted for I/O products See full guidelines for additional details
UNDERWRITING EXCEPTIONS	Exceptions to LTV/Credit Score not permitted All other Exceptions considered on a case by case basis with strong compensating factors Please allow 3 business days for a decision
UNDERWRITING SPECIFICATIONS	
UNDERWRITING TYPE	Manual UW
RESERVE REQUIREMENTS	Loan Amount ≤ \$500K: 3 months Loan Amount > \$500K: 6 months Cash-out amount may be used to meet reserve requirement No additional reserves required for additional financed properties
CASH-OUT LIMITS	LTV/CLTV ≤ 60%: No limit LTV/CLTV > 60%: \$500K



PROPERTY TYPES	
ELIGIBLE PROPERTY TYPES	Condos (Warrantable & Non-Warrantable) PUD SFR 1 Unit with ADU 2-4 Unit
INELIGIBLE PROPERTY TYPES	Agricultural zoned properties Assisted Living / Continuing Care Facilities Barndominiums Boarding Houses Builder Model Leaseback C5 or C6 Property Condition Grades Condominium projects with registration services or restrictions on owner's ability to occupy Condotel Earth Berm Homes Fractional Ownership / Timeshares Geodesic Domes Group Homes Hawaii properties located in lava zones 1 and/or 2 Houseboats Homes on Native American Land (Reservations) Illegally Zoned Properties Live / Work Condos Log Homes (including Faux Log) Homes Mandatory Country Club Memberships Manufactured Homes Mixed Use Properties Multiple dwellings on same lot (legal ADU acceptable, limited to one) Properties under Construction Properties used for the cultivation, distribution, manufacture, or sale of Marijuana Residential units with ≥ 5 units Q5 or Q6 Quality Rating Tenants in Common Properties Theme Park Resort Properties Unique Properties Unpermitted additions Working Farms
ACCESSORY DWELLING UNIT (ADU)	MAX of 1 ADU unit per property 2-4 Unit properties with ADUs are not permitted Appraisal must show ADU as legal and provide comparables with ADUs
RURAL	Primary Residence & Second Home: MAX LTV/CLTV 75% Investment Property not permitted 3 comps within 10 miles required
MAX ACREAGE	10 acres
HERO/PACE/SOLAR PANELS	Any energy efficient liens like HERO or PACE must be paid off, subordination not permitted Solar must meet FNMA requirements
CONDO - WARRANTABLE	MAX LTV/CLTV 75% Must meet FNMA full review requirements See guidelines for additional requirements
CONDO - NON-WARRANTABLE	MAX LTV/CLTV 75% Must be assessed against FNMA full review requirements See guidelines for additional requirements and allowable deviations
CONDOTEL	Not permitted
2-4 UNIT	MAX LTV/CLTV 75%
APPRAISAL REQUIREMENTS	
LOAN AMOUNT (≤ \$2MM)	1 Full Appraisal and a secondary valuation (CU/LCA Score or CDA/ARR) 3 comps within 10 miles required
LOAN AMOUNT (> \$2MM)	2 Full Appraisals, use the lower value for qualifying 3 comps within 10 miles required
SECONDARY VALUATION	Files without 2 appraisals must contain a CU or LCA Score of 2.5 or less, or a Collateral Desktop Analysis (CDA) or Appraisal Risk review (ARR) is required
COLLATERAL DESKTOP ANALYSIS (CDA REPORT)	When CDA/LCA is required, it must support appraisal within 10% CDA/LCAs outside of allowable limit require two Full Appraisals CDA/LCA with "High Risk" score may not be used and file must contain two Full Appraisals
DECLINING MARKETS	5% LTV/CLTV reduction from the product matrices
TRANSFERRED APPRAISAL	Permitted (with an exception from UW manager)
UNDERWRITING	
QUALIFYING FICO SCORE	Minimum of 2 scores is required Lowest of all borrower mid-scores Rescores after lock not permitted
TRADELINES	Each Borrower must have a minimum of 2 trade lines within the last 24 months that show a 12 month history See guidelines for additional requirements
DOCUMENT AGE	Credit, Income, Assets & Appraisal: 120 days
ASSET STATEMENTS	1 Month
ELIGIBLE BORROWERS	U.S. Citizen Permanent Resident Non-Permanent Resident
INELIGIBLE BORROWERS	Foreign National JTIN First-Time Homebuyers (FTHB) Irrevocable or Blind Trusts See guidelines for full list
BORROWER RESTRICTIONS	Non Permanent Resident: MAX LTV/CLTV 75% Cash-Out Refi not permitted
BORROWER INCOME	Do not list borrower employment, income sources, or income amount on loan application
CREDIT EVENTS	48 months from discharge or dismissal date for all credit events 120 day mortgage late is considered a Foreclosure
< 12 MONTHS HOUSING HISTORY OR RENT-FREE	Not permitted
UNPAID COLLECTIONS/CHARGE-OFFS	Non-medical collections or charged-off accounts occurring in the most recent 36 months with a total > \$5,000 must be paid off Medical collections > \$15,000 must be paid off
INTERESTED PARTY CONTRIBUTIONS (IPC)	MAX 6%
GIFT FUNDS	When LTV/CLTV ≥ 75%, bwr must contribute 5% own funds Gift funds not permitted for reserves
BUSINESS ASSETS	Permitted 25% Business Ownership required See full guidelines for additional requirements/restrictions
LISTED FOR SALE	Removed from market Prior to Note Date LOE required UW Manager approval required
CASH-OUT SEASONING	6 months seasoning required
RATE-TERM SEASONING	No seasoning requirement
PREPAYMENT PENALTY	Permitted See program summary for additional details
ESCROW HOLDBACK	Not permitted
NON-ARM'S LENGTH	Not Permitted
TEXAS 50(a)(6)	N/A
INELIGIBLE STATES	AK AR HI MO ND NM NY OK SD WY U.S. Possessions or Territories
TEMP GEOGRAPHIC RESTRICTIONS	Philadelphia County in Pennsylvania and the Baltimore Metro Area in Maryland are not permitted
ENTITY VESTING	May be vested in LLC, LP, GP, CORP or S CORP
TRUSTS	Inter Vivos Revocable Trusts permitted Mortgage and Trust documents must meet FNMA eligibility criteria including title and title insurance requirements and applicable state laws that regulate the loan origination of inter vivos revocable trusts
MORTGAGE INSURANCE	Not required
E-NOTES/E-MORTGAGE CLOSINGS	Not permitted
ESCROW ACCOUNTS	Required for the following: LTV > 80% (90% for Primary Residence in California) Properties in Flood Zones Higher Priced Mortgage Loans (HPML)

