

# Non-Agency & Non-Agency Expanded

DEFY TPO

## Defy TPO Matrix Card: Non-Agency & Non-Agency Expanded

PROGRAM NAME: NON-AGENCY & NON- AGENCY EXPANDED	Occupancy Type	Min Credit Score Bucket	Max Loan Amount Bucket	Income Doc Types	MAX LTV/CLTV: Purchase	MAX LTV/CLTV: Rate & Term Refinance	MAX LTV/CLTV: Cash Out Refinance
NON-AGENCY	Primary Residence	720	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	90%	90%	80%
NON-AGENCY / EXPANDED	Primary Residence	680	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	90% <sup>1</sup>	90% <sup>1</sup>	85% <sup>1</sup>
NON-AGENCY	Primary Residence	660	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	80%	80%	75%
NON-AGENCY	Primary Residence	640	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	75%	75%	70%
NON-AGENCY	Primary Residence	700	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	85%	85%	80%
NON-AGENCY / EXPANDED	Primary Residence	680	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	90% <sup>1</sup>	90% <sup>1</sup>	85% <sup>1</sup>
NON-AGENCY	Primary Residence	660	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	80%	80%	75%
NON-AGENCY	Primary Residence	620	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	70%	70%	70%
NON-AGENCY / EXPANDED	Primary Residence	660	≥ \$2,000,001 - \$2,500,000	Full Doc & Alt-Doc	85% <sup>1</sup>	85% <sup>1</sup>	80% <sup>1</sup>
NON-AGENCY	Primary Residence	620	≥ \$2,000,001 - \$2,500,000	Full Doc & Alt-Doc	75%	75%	70%
NON-AGENCY / EXPANDED	Primary Residence	680	≥ \$2,500,001 - \$3,000,000	Full Doc & Alt-Doc	90% <sup>1</sup>	90% <sup>1</sup>	85% <sup>1</sup>
NON-AGENCY / EXPANDED	Primary Residence	640	≥ \$2,500,001 - \$3,000,000	Full Doc & Alt-Doc	85% <sup>1</sup>	85% <sup>1</sup>	80% <sup>1</sup>
NON-AGENCY	Primary Residence	760	≥ \$3,000,001 - \$3,500,000	Full Doc & Alt-Doc	75%	75%	Contact Sales for Pricing
NON-AGENCY	Primary Residence	760	\$3,500,001 - \$4,000,000	Full Doc & Alt-Doc	70%	70%	Contact Sales for Pricing
NON-AGENCY	Second Home & Investor	720	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	85%	85%	80%
NON-AGENCY / EXPANDED	Second Home & Investor	680	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	80%	80%	75%
NON-AGENCY	Second Home & Investor	660	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	75%	75%	70%
NON-AGENCY	Second Home & Investor	640	≥ \$100,000 - \$150,000	Full Doc & Alt-Doc	75%	75%	70%
NON-AGENCY	Second Home & Investor	700	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	75%	75%	75%
NON-AGENCY / EXPANDED	Second Home & Investor	680	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	80% <sup>1</sup>	80% <sup>1</sup>	75% <sup>1</sup>
NON-AGENCY	Second Home & Investor	660	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	70%	70%	70%
NON-AGENCY	Second Home & Investor	620	≥ \$1,500,001 - \$2,000,000	Full Doc & Alt-Doc	70%	70%	70%
NON-AGENCY / EXPANDED	Second Home & Investor	660	≥ \$2,000,001 - \$2,500,000	Full Doc & Alt-Doc	80% <sup>1</sup>	80% <sup>1</sup>	75% <sup>1</sup>
NON-AGENCY	Second Home & Investor	620	≥ \$2,000,001 - \$2,500,000	Full Doc & Alt-Doc	70%	70%	65%
NON-AGENCY / EXPANDED	Second Home & Investor	680	≥ \$2,500,001 - \$3,000,000	Full Doc & Alt-Doc	65%	65%	60%
NON-AGENCY / EXPANDED	Second Home & Investor	640	≥ \$2,500,001 - \$3,000,000	Full Doc & Alt-Doc	75% <sup>1</sup>	75% <sup>1</sup>	65% <sup>1</sup>

## General Requirements & Quick Reference

MATRIX TOPIC	NON-AGENCY & NON-AGENCY EXPANDED: QUICK REFERENCE GENERAL REQUIREMENTS
<sup>1</sup> Expanded Program Overlays	<sup>1</sup> Expanded Program: First Time Home Buyers Not Allowed, Min 6 Months PITI Reserves, Min 10% Borrowers own funds into the transaction, Property Types: SFR, Single Family
Full Doc (Description and definitions)	1 or 2 Years W-2s or Tax Returns, Follow standard Income Rules
Alt-Doc (Description and definitions)	Self Employed borrowers 12 Months Personal (or) Business Bank Statements, 12 Months 1099 Income + WVOE or Last 2 Months of Bank Statements, 12 Month CPA or Licensed Accountant Prepared P&L (Profit and Loss) + Last 2 Months of Bank Statements, 12 Month CPA or Licensed Accountant Prepared P&L ONV (NO Bank Statements), Asset Depletion or Utilization
Reserves Table (Based on Loan Amount)	≥ \$100,000 - \$500,000: 3 Months   ≥ \$500,001 - \$1,500,000: 6 Months or Interest Only (I/O) product types   ≥ \$1,500,001 - \$2,500,000: 9 Months and *I2 on <sup>1</sup> Expanded   ≥ \$2,500,001 - \$3,000,000: 12 Months or Second Home Occupancy Types   ≥ \$3,000,001 - \$4,000,000: 18 Months
Loan Products/Terms	15 Year, 30 Year, 40 Year, Fixed Rate   Interest Only (I/O) First 10 Years I/O Period - 30yr/40yr Term
Credit Events & Mtg History	FC/DIL/SS Seasoning >48 Months / BK Ch 13: 36 Months form filing Date / BK Ch 7: 48 Months form Discharge / Mortgage History: Max 1 X 30 X 12
Debt to Income (DTI) % Requirements	Standard DTI: 50%   DTI >50.0% - 55%: allowed for Primary Residences only Occupancy
Occupancy Types (ALL)	Primary, Second Homes, Investor (Income Qualifying)
*First Time Home Buyers (FTHB)	*First Time Home Buyers Not Allowed on Second Home or Investment Property
General Property Types (Check Defy Program Playbook for more Details)	SFR, PUD, Townhome, Condos, non-warrantable condos, 2-4 Unit, Rural
Income Type Overlay, LTV CAPS	Condo: Purchase Max LTV 90%, Rate & Term Refinance Max LTV 85%, Cash Out Refinance Max LTV 80%   Non-Warrantable Condo and, 2-4 Unit: Purchase or Rate and Term Refinance Max LTV 80%, Cash Out Refinance Max LTV 75%   Rural Properties allowed on Primary Occupancy Only: 75% Purchase or Rate and Term Refinance, 70% Cash Out Refinance
Cash in Hand Limits	Max Cash-Out ≤ 65% LTV is Unlimited. Max Cash Out > 65% LTV (or) Investment Property: \$1,000,000 / Cash-Out Proceeds may be used for reserve requirements / Cash-Out using Current Appraised Value with < 6 Month ownership Seasoning allowed. Max 75% LTV and CDA or SSR of 2.5 or less required
Citizenship	US Citizens; Permanent Resident Aliens; Non-Permanent Resident Aliens (w/o US Credit) *See DSCR Program for Foreign Nationals
Appraisals	Standard FNMA Forms (Non-Owners Must have a 1007 and 216 / AVM or like product required on all transactions > 80% LTV - CDA, Field Review, or FNMA Collateral Underwriter Review w/ SRR and score of 2.5 or less required / 2 Full Appraisals required for Loan Amounts > \$2,000,000)
Assets	Sourced or seasoned for 30 days; Gift Funds allowed after 5% of the Borrowers Own Funds for Primary and 10% for Secondary and Investment Property
Credit - Standard Tradeline Requirements Rules for all Programs	Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months or one mortgage or installment tradeline for 36+ months with 12 months activity in the last 12 months. Max 0x60x12 reporting on acceptable tradelines. Qualifying FICO: The middle score of 3 or lower score when only 2 agency scores are provided; of primary wage earner / Tradeline requirement can be waived when the primary wage earner credit report reflects 700+ scores from all (3) credit bureaus
Escrow Accounts	Escrows required for LTV > 80.0% (State of CA Exceptions are allowed to 89.99% LTV) and/or for all Loans classified as High Priced Mortgage Loans (HPML) Per RESPA & TILA / Follow: Compliance with all applicable federal and state regulations; No Section 32 or state high cost
Prepayment Penalty	Prepayment Penalties are allowed on Investment Property: Standard = 5% of Current Balance / Step Down 5/4/3-year penalty with 5%, 4%, 3%, 2%, 1% / 2 & 1yr 5% Standard or 6 Months Interest
Seller Concessions	Up to 6% towards closing for all occupancies
Eligible States	CAGAFLTXALCOTN
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## Defy TPO Matrix Card: DSCR ProfitPro

PROGRAM NAME: DSCR ProfitPro	Occupancy Type	Min Credit Score Bucket	Max Loan Amount Bucket	Income Doc Type: DSCR Minimum	MAX LTV/CLTV: Purchase	MAX LTV/CLTV: Rate & Term Refinance	MAX LTV/CLTV: Cash Out Refinance	
DSCR PROFITPRO	Investor / Non-Owner	740	>\$200,000 - \$1,000,000	≥ 1150%	85%	85%	80%	
DSCR PROFITPRO	Investor / Non-Owner	720	≥ \$100,000 - \$1,500,000	≥ 1000% - 11499%	80%	80%	80%	
DSCR PROFITPRO	Investor / Non-Owner	700	≥ \$100,000 - \$1,500,000	≥ 1000% - 11499%	80%	80%	75%	
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$100,000 - \$1,500,000	≥ 1000% - 11499%	75%	75%	75%	
DSCR PROFITPRO	Investor / Non-Owner	640	≥ \$100,000 - \$1,500,000	≥ 1000% - 11499%	75% <sup>1</sup>	75% <sup>1</sup>	70%	
DSCR PROFITPRO	Investor / Non-Owner	600	Foreign National - No score	≥ \$100,000 - \$1,500,000	≥ 1000% - 11499%	70%	70%	60%
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$1500,001 - ≤\$2000,000	≥ 1000% - 11499%	80%	80%	75% <sup>1</sup>	
DSCR PROFITPRO	Investor / Non-Owner	660	≥ \$1500,001 - ≤\$2000,000	≥ 1000% - 11499%	65%	65%	65%	
DSCR PROFITPRO	Investor / Non-Owner	700	≥ \$2,000,001 - ≤\$2,500,000	≥ 1000% - 11499%	70%	70%	70%	
DSCR PROFITPRO	Investor / Non-Owner	660	≥ \$2,000,001 - ≤\$2,500,000	≥ 1000% - 11499%	65%	65%	65%	
DSCR PROFITPRO	Investor / Non-Owner	720	>\$2,500,001 - ≤\$3,000,000	≥ 1000% - 11499%	70%	70%	65%	
DSCR PROFITPRO	Investor / Non-Owner	720	≥ \$150,000 - \$1,500,000	>0.750% - 0.999%	75%	75%	70%	
DSCR PROFITPRO	Investor / Non-Owner	700	≥ \$150,000 - \$1,500,000	>0.750% - 0.999%	75%	75%	65%	
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$150,000 - \$1,500,000	>0.750% - 0.999%	70%	70%	60%	
DSCR PROFITPRO	Investor / Non-Owner	660	≥ \$150,000 - \$1,500,000	>0.750% - 0.999%	60%	60%	55%	
DSCR PROFITPRO	Investor / Non-Owner	700	≥ \$1500,001 - ≤\$2000,000	>0.750% - 0.999%	70%	70%	65%	
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$1500,001 - ≤\$2000,000	>0.750% - 0.999%	65%	65%	65%	
DSCR PROFITPRO	Investor / Non-Owner	660	≥ \$1500,001 - ≤\$2000,000	>0.750% - 0.999%	65%	65%	55%	
DSCR PROFITPRO	Investor / Non-Owner	700	≥ \$2,000,001 - ≤\$2,500,000	>0.750% - 0.999%	60%	60%	60%	
DSCR PROFITPRO	Investor / Non-Owner	740	≥ \$200,000 - \$1,000,000	>0.500% - 0.749%	75%	75%	65%	
DSCR PROFITPRO	Investor / Non-Owner	700	≥ \$200,000 - \$1,000,000	>0.500% - 0.749%	75%	75%	65%	
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$200,000 - \$1,000,000	>0.500% - 0.749%	65%	65%	60%	
DSCR PROFITPRO	Investor / Non-Owner	720	≥ \$1,000,001 - \$1,500,000	>0.500% - 0.749%	70%	70%	65%	
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$1,000,001 - \$1,500,000	>0.500% - 0.749%	65%	65%	60%	
DSCR PROFITPRO	Investor / Non-Owner	700	≥ \$1,500,001 - ≤\$2,000,000	>0.500% - 0.749%	60%	60%	60%	
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$1,500,001 - ≤\$2,000,000	>0.500% - 0.749%	65%	65%	60%	
DSCR PROFITPRO	Investor / Non-Owner	660	≥ \$1,500,001 - ≤\$2,000,000	>0.500% - 0.749%	60%	60%	50%	
DSCR PROFITPRO	Investor / Non-Owner	720	≥ \$200,000 - \$1,500,000	0.000% - 0.499% / No Ratio	70%	70%	65%	
DSCR PROFITPRO	Investor / Non-Owner	680	≥ \$200,000 - \$1,500,000	0.000% - 0.499% / No Ratio	65%	65%	60%	
DSCR PROFITPRO	Investor / Non-Owner	720	≥ \$1500,001 - ≤\$2000,000	0.000% - 0.499% / No Ratio	60%	60%	55%	

## General Requirements &amp; Quick Reference

MATRIX TOPIC	DSCR PROFITPRO: QUICK REFERENCE GENERAL REQUIREMENTS
Symbol Key	<sup>1</sup> Expanded Program
Property Types	SFR/Single Family, PUD, Townhome, 2-4 Units, Condos. (No LTV Adjustments) / Non-Warrantable Condos: Max LTV 75%   Rural Properties: Purchase Only, Max LTV 65%, Min DSCR >1.000, Short Term Rentals (STR) Not Allowed on rural
Income Type Overlay, LTV CAPS	Non-Warrantable Condos: Max LTV 75%   Rural Properties: Max LTV 65% Purchase Only, Min DSCR >1.000   Short Term Rentals (STR) Not Allowed on Rural
Loan Products & Terms	15/30 Year Fixed   30Y Fixed-IO First 10 Years I/O then Converts to a 20yr Fixed *Qualify DSCR % off of I/O Payment (+TIA)   Interest Only: Max LTV 80%; Min DSCR >1.000
Short Term Rentals (STR)	Purchase: Max lev 75%   Cash-Out: Max LTV 70% / No First Time Investor, 2+ Unit, Rural, Unique Properties.   Refinance only eligible with documented 12mo history of short term rental income. / AirDNA to be used for monthly rental income. Min 60% Occupancy Rate. Property income for qualifying: 80% of annual revenue divided by 12. Must be able to document STR rental operator experience in last 12 months.
Reserves	Standard: 3 Months PITIA (Loan Amount ≤ \$1mm)   6 Months PITIA (Loan Amount > \$1mm) / DSCR < 1.00x - 6 Months PITIA   Foreign Nationals - 6 Months PITIA w/Min > 1.00 DSCR   Cash out can be used for reserves
Cash In Hand	Max cash in hand: \$1,000,000   >\$1.0M Cash in Hand Requests and <50% LTV Contact Sales for Details
DSCR < 100.00% OVERLAYS	Vacant / Unleashed properties ineligible for rate/term or cash-out refinances / Declining market as indicated by the appraisal, Reduced LTV 5% / No Rural Properties / Use this Lookup Tool: <a href="https://www.consumerfinance.gov/rural-or-underserved-tool">https://www.consumerfinance.gov/rural-or-underserved-tool</a>
Lease / Gross Income	Lesser of Estimated Market Rent from Form 1007 or monthly rent from existing lease - higher lease rent allowed with (3) months receipt/Unleashed Properties: Max LTV 70% on Refinances; no LTV reduction for Purchase transactions & for 2 Unit Max 1 vacant unit on Refinances
Citizenship	US Citizens, Permanent Resident Aliens, Non-Permanent Resident Aliens (w/ US Credit) / Foreign Nationals: Min DSCR >1.000
Seller Concessions & Assets	6% Seller Paid Closing Costs Allowed / All Assets must be Sourced or seasonal for 30 days; Gift Funds Allowed
Appraisal Requirements	One (1) full appraisal and a CDA is required on all properties; If CDA variance is > 10%, a second full appraisal is required; Properties with a condition rating of C5 or C6 are not acceptable
First-Time Investor & First Time Home Buyers (FTHB)	Min DSCR >1.000, Min Score 700, Short term Rentals Not Allowed / First-Time Homebuyers: * Contact Sales for a Exception.
Eligible Borrowers	Standard: Defined as borrowers with 12-month history of investment property ownership in the most recent 12 months, LLC Borrowing Entities: Domestic LLC required; US Citizen / Perm Resident / Non-Perm / Foreign National guarantors allowed - see guidelines for details
Credit / Tradelines	Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months or one mortgage or installment tradeline for 36+ months with 12 months activity in the last 12 months. Acceptable tradelines must show 6x60 in most recent 12 months from application date / Qualifying FICO: The higher middle score when 3 agency scores are provided or the lower score when only 2 agency scores are provided. **Tradeline requirement is waived if the borrower's credit report reflects scores from all (3) bureaus & qualifying FICO score is 700+.
Credit Event/Mtg History	Max Mtg History 1x30x12 / BK / FC / SS / DIL Seasoning: >36 Months
Prepayment Penalty	Investment Only; Standard = 5% of the loan balance/ 5-year penalty with 5%, 4%, 3%, 2%, 1% stepdown fee structure Min 3yr / 2 & 1yr 5% or 6 Month Interest Payments
Refinance Ownership Seasoning	Rate/Term & Cash Out: > 6 Months Use Current Appraised Value / < 6 Months Use Purchase Price Plus Documented Improvements / < 6 Months - RTL / Renovation Loan Payoff- Cash Out: Must show Renovation Details Per Appraisal w/ SSR of 2.5 & below and you can Use Current Appraised Value
Eligible States for DSCR	AR, CT, CO, DC, DE, HI, IL, IN, KS, KY, LA, MA, MD, ME, MI, MO, MS, MT, NE, NH, NJ, NY, OH, OK, PA, RI, SC, VA, VT, WA, WI, WI, WI, GA, FL, TX, AL, OR, TN

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## Defy TPO Matrix Card: 2-8 Units &amp; Mixed Use

PROGRAM NAME: DSCR 2-8 Units & Mixed Use	Occupancy Type:	Credit Score Bucket	Max Loan Amount Bucket	Income Doc Type: DSCR Minimum	MAX LTV/CLTV: Purchase	MAX LTV/CLTV: Rate & Term Refinance	MAX LTV/CLTV: Cash Out Refinance
2-8 Units & Mixed Use	Investor / Non-Owner	720	≥ \$400,000 - ≤ \$1500,000	≥ 110%	75%	75%	70%
2-8 Units & Mixed Use	Investor / Non-Owner	720	≥ \$150,001 - ≤ \$2,000,000	≥ 110%	70%	70%	65%
2-8 Units & Mixed Use	Investor / Non-Owner	720	≥ \$2,000,001 - ≤ \$2,500,000	≥ 110%	70%	70%	65%
2-8 Units & Mixed Use	Investor / Non-Owner	720	≥ \$2,500,001 - ≤ \$3,000,000	≥ 110%	70%	70%	N/A
2-8 Units & Mixed Use	Investor / Non-Owner	700	≥ \$400,000 - ≤ \$1500,000	≥ 110%	75%	70%	65%
2-8 Units & Mixed Use	Investor / Non-Owner	700	≥ \$150,001 - ≤ \$2,000,000	≥ 110%	70%	65%	65%
9-10 UNITS & MIXED USE NOT ALLOWED / MIN 3yr Prepay	Investor / Non-Owner	720	≥ \$400,000 - ≤ \$1500,000	≥ 110%	75%	75%	70%
9-10 UNITS & MIXED USE NOT ALLOWED / MIN 3yr Prepay	Investor / Non-Owner	720	≥ \$150,001 - ≤ \$2,000,000	≥ 110%	70%	70%	65%
9-10 UNITS & MIXED USE NOT ALLOWED / MIN 3yr Prepay	Investor / Non-Owner	720	≥ \$2,000,001 - ≤ \$2,500,000	≥ 110%	70%	70%	65%
9-10 UNITS & MIXED USE NOT ALLOWED / MIN 3yr Prepay	Investor / Non-Owner	720	≥ \$2,500,001 - ≤ \$3,000,000	≥ 110%	70%	70%	N/A

## General Requirements &amp; Quick Reference

MATRIX TOPIC	DSCR 2-8 UNITS & MIXED USE AND DSCR 9-10 UNITS: QUICK REFERENCE GENERAL REQUIREMENTS						
Property Types Allowed	5 - 10 Units Attached, 2-8 Units Mixed Use with Max 25% Commercial Space						
Occupancy Type	Investor/ Business Purpose Only & Must have Owned Property for at least 1 full year in the last 3 years						
Minimum Credit Score	≥ 700, ≥ 720 Required for a ≥ 5-10 Unit Properties and Loans in these States: NJ, NY, RI, MD, IL, DC						
Prepay Periods	2-8 UNITS & MIXED USE MIN 1yr Prepay (PPP), 9-10 UNITS MIN 3yr Prepay (PPP), Prepay Amounts: Standard Prepay 5% of UPB						
Citizenship	US Citizen, Permanent Resident (All others Case by Case - Contact Sales)						
Loan Programs / Terms	15/30 Year Fixed Rate, 30yr I/O (Interest Only Period 1st 10 years)						
Cash in Hand Limits	1000000						
Mortgage History / Credit Event Seasoning	Must be 0X30X12 on Mortgages, Credit Event (FC / SS / DIL/BK) > 60 Months Seasoned						
PITIA (IO Payment) Reserves	≤ \$1500,000 - 6 Months, ≥ \$1500,000 - 9 Months, NOTE: Cash Out Can NOT be used for reserves on 2-8 UNITS & MIXED USE, 9-10 UNITS						
Refinance Ownership Seasoning	Rate/Term & Cash Out: > 6 Months Use Current Appraised Value / < 6 Months Use Purchase Price Plus Documented Improvements / < 6 Months - RFL / Renovation Loan Payoff- Cash Out: Must show Renovation Details Per Appraisal w/ SSR of 2.5% & below and you can Use Current Appraised Value						
2-8 Units & Mixed Use / 9-10 UNIT: Eligible States	AR, CT, CO, DC, DE, HI, IA, IN, KS, KY, LA, MA, MD, ME, MI, MO, MS, MT, NE, NH, ND, OH, OK, PA, RI, SC, VA, VT, WA, WI, WY, CA, GA, FL, TX, AL, OR, TN.						

## Defy TPO Matrix Card: Blanket Loans / Cross Collateral

PROGRAM NAME: BLANKET LOANS / CROSS COLLATERAL	Occupancy Type:	Credit Score Bucket	Max Loan Amount Bucket	Income Doc Type: DSCR Minimum	MAX LTV/CLTV: Purchase	MAX LTV/CLTV: Rate & Term Refinance	MAX LTV/CLTV: Cash Out Refinance
BLANKET LOANS / CROSS COLLATERAL	Investor / Non-Owner	700	≥ \$400,000 - ≤ \$3,000,000	≥ 120%	70%	65%	65%
BLANKET LOANS / CROSS COLLATERAL	Investor / Non-Owner	680 - 719 / *Foreign Nationals No Score	≥ \$400,000 - ≤ \$3,000,001	≥ 120%	65%	65%	Contact Sales for Pricing

## General Requirements &amp; Quick Reference

MATRIX TOPIC	DSCR BLANKET LOANS / CROSS COLLATERAL: QUICK REFERENCE GENERAL REQUIREMENTS						
Property Types Allowed	Investment Property: Standard Single Family (SFR, PUD), 2-4 Units-Detached						
Property Count for BLANKET	Min 3, Max 25, Each Property must have a minimum value of \$50,000 and the Max Single Property allocation is \$1,000,000 regardless of current value						
Occupancy Type	Investor/ Business Purpose Only & Must have Owned Property for at least 1 full year in the last 3 years						
Minimum Credit Score	≥ 660, ≥ 720 Required for Loans in these States: NJ, NY, RI, MD, IL, DC						
Prepay Periods	Min 1 Year - Standard Prepay 5% of UPB						
Citizenship	US Citizen, Permanent Resident, Foreign National Max 65% All Transactions Types, Others types Case by Case - Contact Sales						
Loan Programs / Terms	15/30 Year Fixed Rate, 30yr I/O (Interest Only Period 1st 10 years)						
Income Doc Type - DSCR ONLY with Calc Details for Blanketed Transactions	BLANKET / CROSS COLLATERAL: Debt Service Coverage Ratio - Minimum DSCR ≥ 1250% *Total gross rental income for all properties is divided by the total loan PITIA (or ITIA for interest-only loans) to determine the Global DSCR. Property DSCR is calculated by dividing the rental income for each property by its allocated loan amount PITIA (or ITIA for interest-only loans). This applies to both interest-only and amortizing payment structures.						
Cash in Hand Limit	Unlimited						
Mortgage History / Credit Event Seasoning	Must be 0X30X12 on Mortgages, Credit Event (FC / SS / DIL/BK) > 60 Months Seasoned						
PITIA (IO Payment) Reserves	≤ \$1500,000 - 6 Months, ≥ \$1500,000 - 9 Months, ≥ \$1500,001 - \$3,000,000. NOTE: Cash Out Can NOT be used for reserves on 5 - 10 Unit Program						
BLANKET LOANS / CROSS COLLATERAL: Eligible States	AR, CT, CO, DC, DE, HI, IA, IN, KS, KY, LA, MA, MD, ME, MI, MO, MS, MT, NE, NH, NJ, OH, OK, PA, RI, SC, VA, VT, WA, WI, WY, CA, GA, FL, TX, AL, OR, TN.						

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## Defy TPO Matrix Card: Smart Equity

DEFY PROGRAM NAME: SMART EQUITY (CLOSED END FIXED RATE SECOND MORTGAGE)	Occupancy Type	Qualifying Income Doctype	Loan Amount Bucket	Credit Score Bucket	MAX CLTV: Cash-Out Refinance Only
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,000	700	90%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,001	700	85%
Smart Equity	Investment	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,002	700	80%
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,000	680	85%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,001	680	80%
Smart Equity	Investment	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,002	680	80%
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,000	660	80%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,001	660	70%
Smart Equity	Investment	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$350,002	660	70%
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$50,000 - ≤ \$500,000	720	90%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,001	720	80%
Smart Equity	Investment	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,002	720	80%
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,000	700	85%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,001	700	80%
Smart Equity	Investment	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,002	700	80%
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,000	660	75%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,001	660	70%
Smart Equity	Investment	Full-Doc & Alt-Doc	> \$350,001 - ≤ \$500,002	660	70%
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$500,001 - ≤ \$750,000	720	80%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$500,001 - ≤ \$750,001	720	75%
Smart Equity	Primary Residence	Full-Doc & Alt-Doc	> \$500,001 - ≤ \$750,000	700	75%
Smart Equity	Second Home	Full-Doc & Alt-Doc	> \$500,001 - ≤ \$750,001	700	70%
Smart Equity DSCR	Investment-DSCR	SMART EQUITY (DSCR >1000%)	> \$75,000 - ≤ \$500,000	720	80%
Smart Equity DSCR	Investment-DSCR	SMART EQUITY (DSCR >1000%)	> \$75,000 - ≤ \$500,000	700	75%
Smart Equity DSCR	Investment-DSCR	SMART EQUITY (DSCR >1000%)	> \$75,000 - ≤ \$500,000	680	70%

## General Requirements &amp; Quick Reference

MATRIX TOPIC	SMART EQUITY: QUICK REFERENCE GENERAL REQUIREMENTS
Loan Product/Terms	10,20, 30 Year Fixed Rate / Interest Only (I/O) 25/30 Year - First 5 Years I/O then Converts to a fixed rate payment at the remaining Amortization Term (e.g., 25yr I/O after 5yrs goes to a 20 year fixed Rate)
Occupancy	Primary, Second Home, Investor (Income Qualifying), Investor DSCR (Business Purpose)
Smart Equity: Income Types Allowed (Full Doc, Alt-Doc, DSCR)	<b>Full Doc:</b> Standard 1 or 2 Years w/2 or Tax Returns   <b>Alt-Doc:</b> Self-Employed Borrowers 12 Months Personal (or) Business Bank Statements, 12 Months 1099 Income + WOE or Last 2 Months of Bank Statements, 12 Month CPA or Licensed Accountant Prepared P&L (Profit and Loss) / Last 2 Months of Bank Statements, 12 Month CPA or Licensed Accountant Prepared P&L (NO Bank Statements), Asset Depletion or Utilization   <b>DSCR</b> (Debt Service Coverage Ratio)
Property Types	Eligible: SPR, PUD, Townhome, 2-4 Units, Non-Warrantable Condos (Not Allowed on SE DSCR)   <b>Ineligible:</b> Condoms, Commercial/Agricultural, Leasehold Properties, Land Trusts, Rural, Age-Restricted Communities, Hobby Farms, Modular, Land Contract & Log Homes, Leasehold estates are not eligible
Credit Event Seasoning / Mtg History	<b>BK / FC / SS / DIL Seasoning:</b> > 48 Months / <b>Mortgage History:</b> 0X30X12
Prior Mortgage / Ownership Seasoning Requirements	No Ownership seasoning is required for Primary Residence. If less < 6 months seasoning, 10% CLTV reduction. / Ownership seasoning of 6 months is required for Second Home & Investment. / The appraised value may be used to determine loan-to-value as established by the required appraisal product. The signed NOTE Date is used to calculate the 6 months. / On Primary Residence, if less < 6 months seasoning - 10% CLTV reduction from matrix applies / Min 6 months required since the most recent mortgage transaction on 2nd Homes & Investment (either the original purchase transaction or subsequent refinance)
Citizenship Eligibility	US Citizens; Permanent Resident Aliens; Non-Permanent Resident Aliens (w/ a SSN)
Title Policy Requirements	Loan Amounts ≤ \$400,000 - <b>Short Form Report</b>   Loan Amounts > \$400,000 - <b>Full Title Policy</b>
Smart Equity Interest Only Criteria	Min 700 Score; Primary Only, Current 1st Lien Must Be Fully Amortizing, Max LTV 75%
Credit / Tradelines	<b>Qualifying Score:</b> Mid score of primary wage earner   <b>Standard:</b> 2 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months with activity in the last 12 months or 1 tradeline reporting for 36+ months with activity in the last 12 months (36+ month tradeline must be a mortgage or installment account). Acceptable tradelines must show 0x60 in most recent 12 months from application date. / <b>Limited Tradelines Allowed:</b> Primary Occupancy Only
Appraisal Requirements	<b>Loan Amount ≤ \$400,000:</b> AVM (see requirements below) + Property Condition Report (or) Full Interior appraisal (Fannie Mae Form 1004, 1073 or 1025)   <b>Loan Amount &gt; \$400,000:</b> Full Interior appraisal (Fannie Mae Form 1004, 1073 or 1025)   <b>Other Requirements:</b> Appraisal Waivers are not allowed. High Priced Mortgage Loans (HPML) require full interior appraisal. <b>Solar Panels:</b> Solar panel agreements are allowed with adherence to FNMA guidelines; properties where solar panels carry a lien against the subject are not eligible for financing
Listed Properties	Properties listed for sale in prior 6 months from application are ineligible
Hazard Coverage	100% replacement cost or updated coverage to cover both the 1st and 2nd lien required
Eligible States: Income Qualifying	CA, GA, FL, AL, OR, - NOTE: TN, & TX Only Allowed on DSCR / (MORE STATES COMING SOON)
Eligible States: DSCR ONLY	AR, CT, CO, DC, DE, HI, IL, IN, KS, KY, LA, MA, ME, MI, MO, MS, MT, NE, NH, NJ, OH, OK, PA, RI, SC, VA, VT, WA, WI, WY, CA, GA, FL, TX, AL, OR, TN
Ineligible States	MD, NY, HI (In Lava Zones)

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