Be in Mortgage Platinum Guidelines

Agency Eligible Investor / 2nd Homes & Non-Agency Investor / 2nd Homes Program Guidelines

833-757-7246
info@beinmortage.com
www.BeInMortgage.com
2010 Corporate Ridge Suite 850 Mclean VA 22102

1. General Policy

1.1. Loan Purchase Eligibility Policy

Be In Mortgage Platinum Agency Eligible Investor/2nd Homes and Non-Agency Investor/2nd Home Program Underwriting Guidelines establish the criteria under which a residential mortgage loan will be eligible for purchase by Investor. This investor is a secondary market purchaser of residential whole loans and does not directly originate or extend or deny credit to Borrowers. Investor does not require originators or clients to make any loan simply because it is eligible for purchase by investor, nor does investor prohibit originators or clients from originating a loan that is ineligible for purchase by Investor. Clients should rely on their own underwriting guidelines and any additional industry information they need to determine whether to extend credit to any applicant.

Investor will evaluate many aspects of the loan to make a purchase determination, but primarily relies on evaluation of the Borrower's ability and willingness to repay the loan to predict loan performance. Additional characteristics of the loan will also be examined including credit history, asset position and the property being used for collateral.

Be In Mortgage Platinum has a zero-tolerance policy as it relates to fraud. All clients should follow their own established fraud and identity procedures on every loan to prevent and detect fraud (including, but not limited to, Social Security number verification, verbal verifications of employment, processing of 4506-T, etc.). Loans containing fraudulent documentation or information will immediately be rejected for purchase and forwarded for further review. If there is any determination of client involvement, the client will be made inactive and the appropriate agencies notified. It is the originator's responsibility to ensure that all loans it originates comply with all federal, state, and local laws applicable to the origination and sale of mortgage loans.

Agency Eligible Investor/2nd Home loans that do not conform to the provisions of the Agency or Non-Agency Investor/2nd Home Program Underwriting Guidelines will be comprehensively reviewed on a case-by case basis. All applicable mitigating and compensating factors to a policy exception must be fully documented and will be reviewed and considered prior to granting or denying any request for purchase approval.

1.2. Fair Lending Statement

Be In Mortgage Platinum operates in accordance with the provisions of the Fair Housing Act and Equal Credit Opportunity Act. The Fair Housing Act makes it unlawful to discriminate in housing-related activities against any person because of race, color, religion, national origin, sex, handicap, or familial status. The Equal Credit Opportunity Act prohibits discrimination with respect to any aspect of a credit transaction on the basis of sex, race, color, religion, national origin, marital status, age (provided the borrower has the capacity to enter into a binding contract), receipt of public assistance, or because the borrower has in good faith exercised any right under the Consumer Credit Protection Act. Be In Mortgage Platinum fully supports the letter and spirit of both of these laws and will not condone discrimination in any mortgage transaction.

1.3. Responsible Lending Statement

The primary focus of this lending program is the borrower's ability to repay the mortgage obligation. Mortgage Loans acquired or funded by investor should be affordable to the borrower in his or her pursuit of homeownership.

Under the general Ability to Repay (ATR) standard, at or before consummation of the related Mortgage Loan, lenders must make reasonable, good-faith determination that the consumer has a reasonable

ability to repay the Mortgage Loan. Lenders must verify information using reasonably reliable third-party records that provide evidence of income or assets.
If a Mortgage Loan is subject to the ATR rules under the Federal Truth.in Lending Act ("TILA"), lenders must consider eight underwriting factors to be compliant:

- Current or reasonably expected income or assets (other than the value of the property that secures the loan) that the consumer will rely on to repay the loan.
- Current employment status (if you rely on employment ~ come when assessing the consumer's ability to repay).
- Monthly mortgage payment for this loan. You calculate this using the introductory or fully indexed rate whichever is higher, and monthly, fully amortizing payments that are substantially equal.
- Monthly payment on any simu1taneous loan secured by the same property.
- Monthly payments for property taxes and insurance that you require the consumer to buy, and certain other costs related to the property such as homeowner's association fees or ground rent.
- Debts, alimony, and child support obligations.
- Monthly debt-to-income ratio or residual income, that you calculated using the total of all the mortgage and nonmortgage obligations listed above, as a ratio of gross monthly income.
- Credit history.

Investor will not fund or purchase a loan subject to the ATR requirement under TILA unless it meets the requirements of the rule. Certain loans may be exempt from TILA or otherwise exempt from the ATR rule. In those cases, though Investor may choose to purchase a loan that does not adhere to the formal requirements of the ATR rule, Investor will only fund or purchase loans that the applicant appears able to afford based on application of prudent underwriting standards.

2. Agency Eligible Investor/2nd homes & Non Agency Investor/2nd Homes Underwriting Guidelines

The Be In Mortgage
Platinum overlays identified in this document are intended to reference and supplement the Fannie Mae or Freddie Mac Seller Guides. Originators should refer to the Fannie Mae or Freddie Mac Seller Guide for specific information concerning qualification requirements that are not referenced in our overlays. To the extent there is a difference in standards between Be In Mortgage Platinum overlays and the Fannie Mae or Freddie Mac Guides, originators may rely on Be In Mortgage Platinum Overlays.

3. Program Summaries

- Agency Eligible Investor/2nd Home loans must meet the below criteria:
    - Loan attributes must meet the Agency Eligible Investor Product Matrices in section 5.2
    - Loan attributes must meet the Agency Eligible 2nd Home Product Matrices in section 5.4

- File must contain a DU “Approve/Eligible” or LP “Accept/Eligible” result for the Agency Investor/2nd Home Program (Conforming Balance & Agency Jumbo)

- Non-Agency Investor/2nd Home loans must meet the below criteria:
  - Loan attributes must meet the Non-Agency Investor Product Matrices in sections 5.3
  - Loan attributes must meet the Non-Agency 2nd Home Product Matrices in sections 5.5
  - File must contain a DU “Approve/Ineligible” (due to loan balance only) or LP “Accept/Ineligible” (due to loan balance only) for the Non-Agency Investor/2nd Home Program
- Loan files utilizing DU will be reviewed to Fannie Seller Guides
- Loan files utilizing LP will be reviewed to Freddie Seller Guides

4. Product Eligibility

4.1. Available Products

30 Yr Fixed Only

5. Product Matrices

5.1. Conforming Balance & Agency Jumbo Loan Limits

2025 Conforming Balances	
Contiguous States, DC	Loan Size
1 Unit	806,500
2 Unit	1,032,650
3 Unit	1,248,150
4 Unit	1,551,250

2025 Conforming Balances	
Alaska & Hawaii	Loan Size
1 Unit	1,209,750
2 Unit	1,548,975
3 Unit	1,872,225
4 Unit	2,326,875
2025 Agency Jumbo Balances	
Contiguous States, DC	Loan Size
1 Unit	1,209,750
2 Unit	1,548,975
3 Unit	1,872,225
4 Unit	2,326,875

5.2. Agency Eligible Investor Program Matrix (Conforming Balance & Agency Jumbo)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV/CLTV	Max DTI
Purchase/Rate Term	1 Unit	$150,000	Agency Limit	700	80	50%
				680	75	50%
				660	70	50%
Purchase/Rate Term	2-4 Unit	$150,000	Agency Limit	700	75	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	$150,000	Agency Limit	700	75	50%
Cash Out	2-4 Unit	$150,000	Agency Limit	700	70	50%

5.3. Non-Agency Investor Matrix (Exceeds Agency Limit)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV/CLTV	Max DTI
Purchase/Rate Term	1 Unit	$1 Above Agency Jumbo Balance	$2,250,000	700	80	50%
				680	75	50%
Purchase/Rate Term	2-4 Unit	$1 Above Agency Jumbo Balance	$2,250,000	700	75	50%
				680	70	50%
Cash Out	1 Unit	$1 Above Agency Jumbo Balance	$2,250,000	700	70	50%
Cash Out	2-4 Unit	$1 Above Agency Jumbo Balance	$2,250,000	700	65	50%

5.4. Agency Eligible 2nd Home Program Matrix (Conforming Balance & Agency Jumbo)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV/CLTV	Max DTI
Purchase/Rate Term	1 Unit	$150,000	Agency Limit	700	80	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	$150,000	Agency Limit	700	75	50%

5.5. Non-Agency 2nd Home Matrix (Exceeds Agency Limit)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV/CLTV	Max DTI
Purchase/Rate Term	1 Unit	$1 Above Agency Jumbo Balance	$2,250,000	700	80	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	$1 Above Agency Jumbo Balance	$2,250,000	700	75	50%

6. Geography

All states where Be In Mortgage is licensed are allowed for this program excluding: Puerto Rico, Guam, American Samoa, Northern Marina Islands and the U.S. Virgin Islands

7. Property Requirements

7.1. Appraisal

- All appraisals must comply with and conform to USPAP and the Appraisal Independence Requirements, and any
- requirement for HPMLs, if applicable
- All appraisals must comply with any and all agency guideline requirements
- Two appraisals are required to be delivered for loan amounts > $2,000,000 and HPML flip transactions as defined by
- the CFPB
- Any loan qualifying as a Non-Agency Investor/2nd Home must have an appraisal (PIWs are not accepted)
  Appraisals with condition or quality ratings of C5 or C6 will not be eligible for purchase.

7.2. Property Inspection Waivers (PIW's)

- Investor will accept loans with Property Inspection Waivers (PIWs) in lieu of an Appraisal provided the loan meets all Fannie Mae/DU or Freddie Mac/LP requirements for qualification
    - Loans using a PIW will need an AVM as a third-party valuation.
- Loans qualifying as a Non-Agency Investor/2nd Home will be ineligible for PIWs
- Loans >75% CLTV/LTV will be ineligible for PIWs
- Loans qualifying with a PIW that are >75% LTV/CLTV will require a 2055 Exterior Only Residential Appraisal
- Freddie Mac/LP currently does not accept Property Inspection Waivers (PIWs) on Investment properties

7.3. Third Party Appraisal Review

- All other loans should be submitted to investor's fulfillment vendor with completed third-party review that validates the origination appraisal. Either a Clear Capital – Collateral Desktop Analysis "CDA" or a Protek Valuation – Appraisal Risk Review "ARR" are acceptable. Loans delivered without a third-party valuation report will have one performed by Investor.

  Loans using a PIW will need an AVM as a third-party valuation. If an AVM comes back outside of tolerance, the next option would be a Brokers Price Opinion "BPO"

  An AVM will be permitted with the following conditions:
  ▪ Must be submitted with a property condition report detailing exterior photos. Property condition report to show the underlying property to be in adequate condition
  ▪ AVM must be dated within 60 days of the Note Date
  ▪ AVM must have an acceptable confidence score ▪ AVM must be provided by an acceptable Rating Agency or Be In Mortgage approved provider (see below for partial list)

Approved AVM Vendors	Minimum Confidence Score
Clear Capital	>=80
Collateral Analytics	>=82
House Canary	>=80
Red Bell Real Estate LLC	>=80
Veros	>=80

- The Vendor Appraisal/Value Review final opinion of value must be within -10% of the origination appraisal(s) or sales price
- The Seller may utilize Collateral Underwriter (CU) as a secondary valuation if the score is <=2.5.
  - File must include a copy of the Submission Summary Report that coincides with the corresponding AUS utilized to underwrite the file
- Desk review is not required for loans with two (2) appraisals

7.4. FEMA Disaster Areas

- Sellers are responsible for identifying areas impacted by disasters and ensuring that that subject property has not
- been adversely impacted
- A list of federally declared disaster areas may be found on the FEMA website at www.fema.gov.disasters.
- In addition, when there is knowledge of an adverse event occurring near or around the subject property, including but not limited to earthquakes, floods, tornadoes, or wildfires, additional due diligence is required to determine when the disaster area guidelines must be followed
- Guidelines for disaster areas should be followed ninety (90) days from the incident period ending date or the date the adverse event occurred, whichever is greater

7.4.1. Appraisal Completed prior to disaster

- Interior and exterior inspection of the subject property is required
- Appraisal update or final inspection from the appraiser must be obtained
- Damage that impacts the safety or habitability of the property or damage in excess of $2000 will not be allowed.

7.4.2. Appraised after disaster incident

- Appraiser must comment on the adverse event and any effect on marketability or value
- Damage that impacts the safety or habitability of the property or damage in excess of $2000 will not be allowed.

7.4.3. Disaster Incident occurs after closing, prior to funding

- A Post Disaster Inspection (PDI) Report from Clear Capital or Damage Assessment Report (DAR) from
- Pro Teck will need to be provided to Investor
- Any indication of damage reflected on the report will require a re-inspection by the appraiser
- Damage that impacts the safety or habitability of the property or damage in excess of $2000 will not be allowed.

7.4.4. Verbal Verification of Employment

- Seller must obtain a new Verbal Verification of Employment (VVOE) if the disaster event occurs after the original VVOE was completed
- Borrower should still be employed at the same employer listed on the initial 1003 and continuing to receive the same amount of income

7.4.5. Ineligible Property Types

- Manufactured Homes
- Log Homes
- Condotels
- Non-Warrantable Condominiums
- Unique Properties
- Unpermitted Additions

- Mixed Use properties
- Builder Model Leaseback
- Boarding Houses
- Live/Work Condos
- Fractional Ownership/Time Shares
- Assisted Living/Continuing Care Facilities
- Mandatory Country Club Memberships
- Zoning violations
- Properties under construction
- Working Farms
- C5 or C6 property condition grades
- Geodesic Domes
- Houseboats
- Homes on Native American Land (Reservations)
- Properties used for the cultivation, distribution, manufacture, or sale of marijuana.
- Theme park resort properties

8. Reserve Requirements

- Reserves for the Agency Eligible Investor/2nd Home Program per DU/LP
- Reserves for the Non-Agency Investor/2nd Home Program per DU/LP requirements with a minimum of six (6) months PITIA

9. Mortgage

Loans with mortgage insurance will not be accepted by investor.