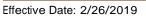
## **Residential Transitional Loans- Bridge**





For purchase and refinance transactions		LTV: With Rental Requirements*		
Exit Strategy	Credit Score	Total Loan Amount	Purchase	Refinance
Refinance to Term Rental Loan	660+	<= 1,000,000	80.0	70.0
		1,000,001 - 2,000,000	75.0	65.0
		2,000,001 - 3,000,000	70.0	60.0
		3,000,001 - 4,000,000	65.0	55.0
	600 - 659	<= 1,000,000	75.0	65.0
		1,000,001 - 2,000,000	75.0	60.0
		2,000,001 - 3,000,000	65.0	55.0

*Refinance to Term Rental Loan: Rental Requirements				
Rental Income	Purchase: Estimated Market Rent (Form 1007)			
Determination	Refinance: Lower of Estimated Market Rent from Form 1007 and monthly rent from existing lease. If there is no lease in place, the DSCR is calculated as 0.0x			
DSCR Calculation	Rental Income / PITIA			
DSCR < 1.25x	Reduce 5% LTV if calculated DSCR is less than 1.25x			
Rental Reconciliation	Required from Verus-approved vendor. Greater than 10% variance may be ineligible / subject to LTV			

For refinance transactions of a Renovation loan			LTV/LTC: With Documentation Requirements**		
Credit Score	Total Loan Amount	LTV	LTC		
660+	<= 2,000,000	70.0	95.0		
	2,000,001 - 4,000,000	65.0	90.0		
600 - 659	<= 1,000,000	67.5	90.0		
	1,000,001 - 2,000,000	65.0	87.5		
	2,000,001 - 3,000,000	62.5	85.0		
**Bridge to Sale: Documentation Requirements					
	Credit Score 660+ 600 - 659	Credit ScoreTotal Loan Amount $660+$ <= 2,000,000	$\begin{array}{c c} \mbox{Credit Score} & \mbox{Total Loan Amount} & \mbox{LTV} \\ \hline \mbox{660+} & <= 2,000,000 & 70.0 \\ 2,000,001 - 4,000,000 & 65.0 \\ \hline \mbox{660-659} & <= 1,000,000 & 67.5 \\ 1,000,001 - 2,000,000 & 65.0 \\ 2,000,001 - 3,000,000 & 62.5 \\ \hline \end{array}$		

Eligible Costs	Purchase price of property plus documented improvements including value-added soft costs
LTC Calculation	LTC = Total Loan Amount / Eligible Costs
Lien Waivers	Required to substantiate Eligible Costs and confirm no mechanic's liens against subject property
Certificate of Occupancy	Required

## Criteria / Requirements for All Bridge Loans

Other		Credit Requirements		
Loan Status	Performing loans only	Guarantor Housing	0x30x12	
Amortization	Interest Only Loans	Bankruptcy	24 months	
Minimum Loan Amount	Minimum \$75,000; loan amounts less than \$125,000 will have a pricing hit (see rate	FCL/DIL/SS	24 months	
Occupancy	Non-Owner Occupied Only			
Term	6 - 12 months	Area Conformity L	TV/ARV Adjustor	
Extensions	Granted at note holder's discretion	150% - 200%	5% reduction	
Minimum Equity	\$20,000	200% - 300%	10% reduction	
Foreign National	By exception only	300%+	By exception only	
Interest Reserves	Verified minimum 3 months assets covering interest payments; Loan amounts 2m or greater 6 months; may finance below ratio	Max Contribution from Sellers: 3%		
Borrower Type	Business Entity/Trusts. Individuals by exception	Declining Market L	TV/ARV Adjustor	
Property Type	SFR, Condo, PUD, 2-4 Units (5+ case-by-case)	ZHVI: 2-5% decline	5% reduction	
Reserves	Minimum 3 months payments	ZHVI: 5%+ decline	Ineligible	
Condition Quality	C4 or Better	On Appraisal	Ineligible	
Construction Quality	Q5 or Better			
Personal Guaranty	Required of the Sponsor and individuals with ownership of at least 25% in the borrowing entity. All loans must have guarantees from enough members such that at least 51% ownership in the entity is represented.			
As Is Appraisal	BPO and/or appraisal form that will be acceptable to the rating agencies or warehouse lender and FIRREA compliant for valuations >\$250k. Loans more than \$1.5m for refinance \$1.5m and \$2m require 2 appraisals. Appraisals will be reviewed by an MCM approved third party with an acceptable variance that does not exceed -10%			