Alpha Everest Capital DSCR / Non-QM Lending Guidelines June 12th, 2026

This document is provided for inhouse underwriting team only. All terms herein are subject to change by Alpha Everest Capital without prior notice.

1.Program Overview | Summary and Features

Please see **Program Matrices** for the full eligibility guidelines. The information below is a representative summary of the program

- Alpha Everest Capital DSCR Plus
- Program is for investors seeking a
- business purpose, non-owner-occupied
- loan Borrowers will qualify with
- property income (Debt Service
- Coverage Ratio) Debt Service Coverage
- Ratio = Gross Rent/PITIA DSCR eligible
- at .75x or No Ratio No personal income
- to qualify Personal recourse required
- for all entity members owning 25% or
- more Max Loan Size of $3.0mm No
- more than two (2) loans in the pool
- shall be made to the same

documents must be dated no more than one hundred and twenty (120) days prior to the note date.

2.Product Types & Eligibility

Product	Term	Amort. Term	Index	Caps
5/6 ARM	360	360	30 Day Average SOFR	2/1/5
30 Yr. Fix	360	360		

2.1 Adjustable-Rate Criteria

- Please refer to the respective Program Matrix at the end of the Underwriting Guidelines for

adjustable-rate criteria (caps, floors, margins, etc.)

- ARM floor is the greater of the loan's initial rateor margin
- 30 Day Average SOFR Index as published by the New York

Federal Reserve ▪ Reset Period on ARMs will occur every six months after the initial reset

2.2 Derogatory Housing History ▪ Derogatory Housing Events: – Alpha Everest Capital defines Housing Events as Foreclosures, Short Sale, Deed in Lieu, Default

Modification, Notice of Default, or 120+ Days Delinquent

– Bankruptcies are considered Housing Events, inclusive of Chapter 7, 11, and 13

– Defaulted first and second mortgages on same property are considered one (1) event – Events include all occupancy types

– Seasoning lookback is from the date of discharge/dismissal or property resolution (completion

date), as of the note date

– Modification look back

- Derogatory Housing Event Seasoning:

– Foreclosure: three (3) years

– Short Sale: three (3) years from

- Deed-in-Lieu: three (3) years
- Bankruptcy: four (4) years

Housing History (all occupancy types)

– Twelve (12) month
– mortgage/housing history required
– 0 x 30 in the most recent twelve (12)
– months

2.3 Geography

- The following US commonwealth and territories are not eligible for submitting
  - Puerto Rico, Guam, American Samoa, Northern Marina Islands and the U.S.

Virgin Islands

2.4 Minimum Loan Amount

- $100K

2.5 Cash-Out Limits

- Maximum cash in hand $500,000 if LTV > 65%; unlimited if

LTV ≤ 65%

2.6 Prepayment Penalties

- Prepayment penalties are permitted only where allowed by applicable state and law.

Total points, fees

and APR may not exceed current state and federal high-cost thresholds.

- Permitted PPP term: twelve (12) months to sixty (60) months.
- Available PPP structures: declining, 5% fixed. 3% fixed, or six (6) months' interest.
- No prepayment penalty permitted: Alaska, New Mexico, and Rhode Island.

2.7 Reserves ▪ Alpha Everest Capital does not take loans defined as high-cost mortgages under Federal or state law, regardless

of the basis for the loan's treatment as such

- Reserves are calculated off actual P&I payment
- plus taxes, insurance and HOA fees (PITIA)
  - $100,000–$1,000,000: three (3)
  - $1,000,000–$2,000,000: six (6)
  - $2,000,000 and above: twelve
  - Foreign National: twelve (12)
- Alpha Everest Capital does not require reserves for
- additional financed properties, Subject property only
- Reserves must be documented Cash Out proceeds

3. Borrower Eligibility

3.1 Eligible Borrowers

- U.S. Citizens
- Permanent Resident Aliens
- Non- Permanent Resident Alien (Max
- 75% LTV, No Cash Out)
- Foreign Nationals

Revocable trust

- ITIN Borrowers: entity vesting required; Maximum 70% LTV (Purchase) / 65% (Refinance);

Maximum loan

amount $1,000,000; Minimum FICO 700

3.2 Non-Permanent Resident Aliens

Non-Permanent Resident Aliens must meet the following requirements: ▪ The following Visa classifications are allowed as Non-Permanent Resident Aliens:

– E-1, E-2, E-3
– H-1B
– O-1
– EB-5
– L-1
– R-1
– G-1 through G-5
– NATO
– TN (NAFTA)R-1

▪ Copies of the Borrower's passport and unexpired visa must be documentation to verify visa classification is an I-797 form (Notice of Action) with valid extension dates and an I-94 form (Arrival/Departure Record). Borrowers unable to provide evidence of lawful residency status in the U.S. are not eligible for financing

▪ A valid employment authorization document (EAD) must be obtained if the visa is not sponsored by the Borrower's current employer. If the visa will expire within six (6) months of loan application, it is acceptable to obtain a letter from the employer documenting the Borrower's continued employment and continued visa renewal sponsorship (employer on the loan application must be the same as on the unexpired visa)

▪ If a non-U.S. citizen is borrowing with a U.S. citizen, it does not eliminate visa or other residency requirements. Individuals in possession of spouse or family member visas are to qualify as co-Borrowers only. A valid EAD must be provided to use income for qualification

▪ Borrowers who are residents of countries which participate in the Department of Homeland Security's Visa Waiver Program (VWP) will not be required to provide a valid visa. Participating countries can be verified through the U.S. Department of State website: https://

Non-Permanent Resident Alien Program Restrictions

▪ Maximum 75 % LTV/CLTV
▪ Purchase and Rate / Term Refinances only, no cash out refi allowed

3.3 Foreign National

A Foreign National is a non-U.S. Citizen who is not authorized to live or work in the U.S. or holds a work Visa that is indicative of a more temporary residency than those required to meet Non-Permanent Resident Alien requirements. Foreign Nationals are ineligible for primary residence financing.

Verification of Residency Status

▪ The following Visa types are allowed as Foreign Nationals:
– B-1 and B-2
– I
– O-2
– H-2 and H-3
– J-1 and J-2
– P-1 and P-2

▪ Copies of the Borrower's passport and unexpired visa must be documentation to verify visa classification is an I-797 form (Notice of Action) with valid extension dates and an I-94 form (Arrival/Departure Record). Borrowers unable to provide evidence of lawful residency status in the U.S. are not eligible for financing

▪ If the visa will expire within six (6) months of the loan application, it is acceptable to obtain a letter from the employer documenting the Borrower's continued employment and continued visa renewal sponsorship (employer on the loan application must be the same as on the unexpired visa)

- If a non-U.S. citizen is borrowing with a U.S. citizen, it does not eliminate any of the Foreign National requirements set forth in these guides. Individuals in possession of spouse or family member visas are to qualify as Co-Borrowers only.
- Borrowers who are residents of countries which participate in the State Department's Visa Waiver

Program (VWP) will not be required to provide a valid visa. Participating countries can be verified through the U.S. Department of State website at https://travel.state.gov/content/travel/en/us-visas/tourism-visit/visa-waiver-program.html

- Alpha Everest Capital does not take loans originated to citizens of Venezuela or any other country or jurisdiction identified as not being allowed to transact business in the U.S.

Credit Requirements

- A U.S. credit report should be obtained for each Foreign National Borrower with a valid Social Security Number (SSN)
- For Borrowers without a valid Social Security Number, an Individual Taxpayer Identification Number (ITIN) is also allowed. An ITIN is acceptable if the Borrower has the ITIN for the purpose of reporting taxes from passive income sources and is not employed in the US. Foreign Nationals who do not have a valid SSN or ITIN may still proceed under the Foreign National program with all other requirements still applicable

Qualifying U.S. Credit

- Qualifying U.S. Credit refers to non-U.S. citizen Borrowers who meet standard tradeline requirements

Foreign National Program Restrictions

- Must vest through a U.S.-domiciled entity
- Maximum 70% LTV (Purchase) / 65% LTV (Refinance)
- Maximum loan amount $1,000,000
- One (1) month U.S. bank statement required prior to closing

3.4 Entity Vesting for Limited Partnership (LP), Corporations (Corp) and Limited Liability Companies (LLCs), Limited Liability Partnerships (LLPs) and Revocable Trusts

- Properties vested in any of these manners are limited to Investment and Business Purpose and the following requirements must be met:
  - Entities must be formed for the purpose of the ownership and management of Real Estate
  - Max of four (4) entity owners allowed on the transaction
- All Borrower(s) must execute the Occupancy Certification or similar form
- For DSCR Borrower(s) obtaining a Rate/Term or Cash Out Refinance loan, the Borrower must execute the Business Purpose & Occupancy Affidavit
- Guarantor(s) must be a manager or majority owner (25% or greater) of the business entity and is subject to the same underwriting requirements as an individual Borrower
- Personal Guaranty (s) required if Note is not being signed individually and must sign all closing documents and disclosures. Limited or non-recourse loans are available case-by-case for experienced sponsors at a 5% LTV reduction.Consent of Spouse Form will be required in Community Property States when loan is signed with a Personal Guaranty and Spouse is not included on the loan and form must be executed at loan closing and dated the same date as the Note
  - The following LLC documents are required:

    1.Articles of Incorporation
    2.Operating Agreement
    3.Tax Identification Number
    4.Certificate of Good Standing – must be dated within 60 days of closing

3.5 First time home buyer

- First time home buyers (FTHB) are individuals that have not owned a home or had a residential mortgage in the last (3) years.
  - Please note: A borrower is not considered as a FTHB if they are vested on any property title within the past (3) years. Borrowers vested on title to their primary residence but not on the note will still require a 12-month housing history
- The following are required for FTHB:
  - Maximum payment shock of 250%

Minimum FICO of 700 Maximum LTV of 70% Twelve (12) month verified housing payment history Twelve (12) months reserves Minimum 1.1x DSCR Rent-free FTHB are not permitted Please refer to the respective Alpha restrictions.

3.6 Ineligible Borrowers

- Alpha Everest Capital will not close loans that have been made
  – Irrevocable trusts
  – Land Trusts (revocable trusts
  – Borrowers with diplomatic
  – DACA & asylum applicants
  – Borrowers(s) with residence of as determined by U.S. government authority
  – Borrowers not on title (refinances)
  – Borrowers from OFAC-sanctioned countries
  – Any party listed on exclusionary lists such as HUD's LDP, GSA Excluded Party List, or similar – Borrowers under 18 years old

Exclusionary List | OFAC | Diplomatic Immunity

– All parties involved in the transaction must be screened against the required exclusionary lists.

Lenders must apply their exclusionary list policy to all loans originated under these guidelines – All parties must be cleared through OFAC's Specially Designated Nationals (SDN) List:

https://sanctionssearch.ofac.treas.gov/

– Borrowers from OFAC-sanctioned countries are ineligible. A list of sanctioned countries is available

at: http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx – Individuals with diplomatic immunity are ineligible due to the inability to enforce repayment.

Verification may be obtained using the borrower's visa, passport, or the U.S. Department of State's Diplomatic List

4. Occupancy Eligibility

4.1 Non-Owner Occupied:

- Occupancy designation for an income producing property where the Borrower does not occupy the Subject property
- All Borrower(s) must execute the Occupancy Certification or similar form
- For DSCR Borrower(s) obtaining a Rate/Term or Cash Out Refinance loan, the Borrower must execute the Business Purpose & Occupancy Affidavit
- For non-owner-occupied loans with a Guarantor, the Borrower(s) providing the guarantee must execute the Personal Guaranty Agreement

5. Transaction Eligibility

5.1 Eligible Transactions

5.1.1 Purchase

- A purchase transaction is one which allows a buyer to acquire a property from a seller where the proceeds of the transaction are used to finance the acquisition of the Subject property

- The lesser of the purchase price or appraised

5.1.2 Rate/Term Refinance

- A Rate / Term Refinance transaction is when the new loan amount is limited to the payoff of a present mortgage for the purpose of changing the interest rate and/or term of mortgage only with no additional cash or advancing of new money on the loan unless it is below the limited cashout amount.
- The seasoned non-first lien mortgage is (1) a purchase money mortgage or (2) a closed end mortgage or HELOC mortgage not having any draws greater than $5,000 in the past twelve (12) months –Withdrawal activity must be documented with a transaction history from the HELOC
- Limited cash to the Borrower must not exceed the lesser of $5,000 or 2% of the principal amount of the new mortgage to be considered a Rate / Term refinance
- The LTV / CLTV will be based on the appraised value. Loan must be used to pay off existing lien on the Subject mortgage and cash to the Borrower must not exceed the lesser of $5,000 or 2% of the principal amount of the new mortgage
- Properties that have been listed for sale by the Borrower within the past six (6) months from the Note Date may not be currently listed at the time of Loan Application and will require a Borrower LOE and Listing Cancellation – Multiple listings in the past twelve (12) months will not be eligible for closing by Alpha Everest Capital

5.1.3 Cash-Out Refinance

- **A Cash-Out Refinance transaction allows the Borrower to pay off the existing mortgage by obtaining new financing secured by the same property or allows the property owner to obtain a mortgage on a property that is currently owned free and clear. The Borrower can receive funds at closing if they do not exceed the program requirements**
- **To be eligible for a Cash-Out Refinance the Borrower must have owned the property for a minimum of six (6) months prior to the application date (Note Date or Deed Date)**
- **Properties that have been listed for sale by the Borrower within the past six (6) months from the Note Date may not be currently listed at the time of Loan Application and will require a Borrower LOE and Listing Cancellation – Multiple listings in the past twelve (12) months will not be eligible for closing by Alpha Everest Capital**
- **If the property is owned less than twelve (12) months but greater than six (6) months at the time of application, the LTV / CLTV will be based on the lesser of the original purchase price plus documented improvements, or current appraised value. The prior settlement statement will be required for proof of purchase price**
- **Refinance of a previous Cash-Out seasoned < 1 year will be considered Cash-Out refinance**

5.2 Ineligible Transactions

- C
- o
- n
- st
- r
- u
- If there are no fees involved,

6. Credit Eligibility

6.1 Credit Report Detail

- A tri-merged in file credit report from
- all three repositories is required
- A written explanation for all inquiries

soft-pull or gap report
  - Any new credit scores must be reviewed for qualifications

6.2 Housing History

- Any additional housing history included in the loan file that reflects delinquencies will be subject to review and must adhere to loan program matrix
- All mortgages and rental payments should be current at time of closing. If the credit report or VOR/VOM reflects a past- due status, updated documentation is required to verify the account is current
  - This includes loans qualifying through DSCR Plus even if the account showing the delinquency is not the subject or primary residence
- Housing history evidenced by twelve (12) months proof of payment via cancelled checks, bank debits or institutional VOR
- LOE or rent-free letter is required when a twelve (12) month housing history is not applicable.
- Past due balloon will be considered a delinquency (1x30) and not a housing event, but only within one hundred eighty (180) days of maturity

6.3 Credit Scores

- To determine the Representative Credit Score, select the middle score when three (3) agency scores are provided and the lower score when only two (2) agency scores are provided
- Representative Credit Score of the Borrower is used to qualify
  - In the event there are multiple Borrowers, the Representative Credit Score will be the lower of the two Borrowers' middle scores
- Borrower must have a valid score from at least two (2) of the following three (3) agencies: Experian, Trans Union and Equifax
- Credit rescores are not allowed except in the event of a disputed item or valid error. Documentation must be provided to support the reason that a credit rescore was performed

6.4 Credit Report Requirements

6.4.1 Tradelines:

- Each Borrower's credit profile must include a minimum of two (2) trade lines within the last twenty-four (24) months that show a twelve (12) month history, or a combined credit profile between Borrower and co-Borrower with a minimum of three (3) tradelines
- Tradeline activity is not required. Eligible tradelines cannot have any derogatory history in previous twelve (12) months. Examples of unacceptable tradelines include loans in a deferment period, collection or charged-off accounts, accounts discharged through bankruptcy and authorized user accounts
- Current housing not reporting on credit can be considered an open trade if supported by12 months bank records (cancelled checks/debits)
- Non-traditional tradelines are not allowed

6.4.2 Credit Events:

- Prior Bankruptcies (Chapter 7, 11, 13) are permitted based upon respective Alpha Everest Capital Program

  Matrix. Multiple bankruptcies are not permitted
- Prior Foreclosure, Short Sale, Deed-in-Lieu, and Modification (due to default), Notice of Default, Lis Pendens, and 120+ days delinquency is permitted based upon respective Alpha Everest Capital Program Matrix
- Borrowers currently enrolled in credit counseling or debt management plans are not permitted
- All Judgments or liens affecting title must be satisfied or subordinated at closing
- Non-title charge-offs and collections within three (3) years and exceeding $2,000 (individually or aggregate) must be paid
- Medical collections less than $15,000 are not required to be paid
- All past due accounts must be brought current prior to closing
- Disputed accounts may require a LOE
- IRS tax payment plans approved by the IRS are permitted if current and do not carry a lien on any

property

- All Borrowers must be current on
- mortgage or rent at loan application

a full explanation

- Delinquent credit belonging to ex-spouse can be excluded if late payments occurred after the divorce / separation, and divorce decree / separation agreement indicates derogatory accounts belong solely to the ex-spouse
- Security freeze – Credit reports may not contain a security freeze and should be resolved prior to an underwriting decision. Unfrozen reports after the date of the original credit report require a new tri-merged report
- Defaulted timeshares – Timeshares including delinquencies are treated as installment loans and not a housing event

7. Debt Service Coverage Ratio ("DSCR")

7.1 DSCR Calculation

- A Debt Service Coverage Ratio (DSCR) ratio is required. DSCR = Gross Rental Income/ PITIA
- DSCR loans will be qualified at original Note Rate, regardless of ARM or Fixed
- Gross Income will be calculated using the lower of the A) executed lease agreement or B) market rent from applicable Appraisal
- If executed lease agreement reflects a higher monthly rent than Appraisal, it may be used in the calculation with sufficient evidence of receipt. Three (3) most recent, consecutive months should be provided (for refinance only)
- Short Term Rental Income/AirBnB Income will be eligible for
  – Max 75% LTV Purchase / 70%
  – Gross rent to be determined by projection, with an 80% haircut applied
  – Short term rental history to be verified from a third-party property management provider. Information must contain property address/ID specific to subject

7.2 Rent Loss Insurance

- Rent loss insurance for the subject property is required and must equal at least six (6) months of local average monthly rents
- Blanket policies covering the subject property are permitted for condo and PUD only

8. Asset

8.1 Documentation

- Full Asset Documentation is required for both funds to close and reserves. For most asset types, this would include all pages of the most recent one-month (1) statement, the most recent quarterly statement, or FNMA approved third party direct pull services
- Business accounts may only be used to meet down payment and/or reserve requirements if the Borrower(s) are 100% owners of the business and requires:
  – A letter from the accountant for business OR
  – An underwriter cash flow analysis of the business balance sheet to confirm that the withdrawal will not negatively impact the business

- Publicly traded Stocks / Bonds / Mutual Funds – 70% may be used for reserves
- Vested Retirement Accounts – 60% may be considered for reserves

- Maximum Interested
- Party Contributions
- permitted up to 6%

8.2 Gift Funds

- Gifts from family
- members, as defined
- by FNMA, are
- allowed Gift funds
  - – Gift funds are acceptable as
  - – Gift funds are acceptable for

contribute at least 5% of the transaction (lower of Purchase Price or appraised Value) from their own funds

8.3 Other Asset Sources

8.3.1 Foreign Assets

- Foreign assets are acceptable for foreign applicants only and must be sixty (60) days seasoned with two (2) most recent bank statements
- Assets from countries under OFAC sanctions are not permitted

8.3.2 Joint accounts / access letters

- Allowable with relationship letter. Joint account holder authorization letter is required

8.3.3 Restricted Stock

- Restricted stock is ineligible for to be used for reserves

8.3.4 1031 Assets

- Funds held by a 1031 administrator / agent are permitted for down payment and closing costs

9. Property

9.1 Appraisal

- All appraisals must comply with and conform to USPAP and the Appraisal Independence Requirements, and any requirement for HPMLs, if applicable
- The appraiser must not have a direct or indirect interest, financial or otherwise, in the property or in the transaction
- Alpha Everest Capital maintains an ineligible appraiser and borrower list; any loan involving a listed appraiser or borrower is an automatic kick.
- Two appraisals are required for loan amounts > $2,000,000. Interior photos are required
- Appraisals are good for one hundred twenty (120) days. Any appraisal seasoned greater than one hundred twenty (120) days will require a recertification of value completed by the original licensed appraiser. A recertification of value will be permitted up to one hundred twenty (120) days
- Form 1007 Schedule of Rents is required for all Non-Owner-Occupied loans on Single Family residences
- For 2–4 units properties, a FNMA 1025 Small Residential Income Property Appraisal Report is required

9.2 FEMA Disaster Area

- Alpha Everest Capital will be 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
- 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 one hundred and twenty (120) days from the incident

period ending date or the date the adverse event occurred, whichever is greater
- Interior and exterior inspection of the subject property is required

9.2.1 Appraisal Completed Prior to Disaster

- 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 accepted

9.2.2Disaster Incident Occurs After Closing, Prior to Funding

- A Post Disaster Inspection (PDI) Report from Clear Capital will need to be provided at seller/originator expense
- Any indication of damage reflected on the report will require a re-inspection by the appraiser

9.3 Eligible Property Types

- One Unit Single Family Residences
- (Attached, Detached and Modular)
- Single Family properties with ADU
- (Accessory Unit Dwelling) follow FNMA
- requirements and restrictions 2-4 Unit

Ineligible Property Types

- Manufactured (MFG) homes Mixed-
- use properties Properties with five
- (5) or more units Properties greater
- than ten (10) acres Rural properties
- Unique properties (at Alpha
- Everest Capital's discretion)

9.4Condominium Projects

- **Warrantable Condo project must follow FNMA selling guidelines, unless additional criteria are specified, and non-warrantable review must follow Full review and non-warrantable condo criteria.**
- **HOA Condominium Questionnaire is required for all units in a condo project. A new review is required for each transaction**
  - Full review or similar
  - Limited review or similar
- **Condominium project certification or similar certification must be provided with loan package on all projects**
- **Master insurance & Ho6,**
- **along with all required**
- **coverage (all projects)**
-
  - Attached Condo Unit in a New
  - Projects that are deemed
  - Non-warrantable condos
  - Full review for established

questionnaire is required for each loan transaction as well as condo project certification – Full review for new condo must be completed within 180 days prior to the note date. A new

questionnaire is required for each loan transaction as well as condominium project certification

- **Limited Project Review**
  - To be eligible, the unit securing the mortgage must be an attached unit in an established condo project
  - Attached unit in established project located in Florida may be subject to more restrictive LTV ratio requirement under the limited review process

– Seller must ensure the project and
– unit meet the follow eligibility
– requirements:
– The project meets the general

the project ineligible under a limited review, they must use full review

– The project does not exhibit any characteristic that would classify it as an ineligible condominium

project under FNMA guidelines including but not limited to:

1.Condotels, including project with registration service and/or projects that operates as

motel/hotel

2.Project subject to split ownership arrangements
3.Projects that contain multi-dwelling unit condos
4.Projects with property that is no real property
5.Projects that operate as a continuing care community or facility
6.Non-incidental business arrangements
7.Commercial space and mixed-use allocation
8.Recreational leases and mandatory memberships
9.Live-work projects
10. Litigation or pre-ligation activities
11. Single-entity ownership
12. Projects in need of critical repairs
13. Projects terminating or involved in insolvency proceedings

– Limited review must be completed within 1 year of note date – A new questionnaire is required for

each loan transaction as well as condo project certification

- **Restrictions to Non-Warrantable Condos include:**

Risk Stacking of non-warrantable features are not permitted

A single owner/entity may not own more than 30% of the units

Commercial space must be typical to the market, have no negative impact and comprise 49% or less

of project space

Investor concentration up to 70%

No more than 25% of the total units in the project may be 60 days or more past due on their

condo/HOA dues

Properties with significant deferred maintenance or critical repairs must adhere to FNMA criteria Borrower must carry HO-6 coverage covering the replacement of items inside the unit.

If the project is in a flood zone requiring insurance (per FNMA), both the subject property and

complex must have adequate flood insurance Alpha Everest Capital will confirm that the project documents do not give a unit owner or any other party

priority over the rights of the first mortgagee, such as right of first refusal.

Mandatory dues are not allowed

All common areas must be 100% complete

HOA should be in control by unit owners

HOA reserves must demonstrate a minimum of 10% of the budget.

Projects involved in litigation are acceptable if the pending lawsuit(s) are not

a. structural in nature

b. do not affect marketability of the units

c. Potential for damages do not exceed 25% of the HOA reserves OR with documentation from the insurance carrier and attorney representing the HOA or insurance carrier that the insurance carrier has agreed to provide the defense and the association's insurance is sufficient to cover the litigation

10. Additional Guideline Requirements

10.1 High Cost

- Federal, State, and Local High-Cost Loans are not permitted. Cured High-Cost loans are also not eligible

10.2 Fraud ▪ Alpha Everest Capital has a zero-tolerance policy as it related to fraud. A fraud prevention pull is required from Xactus

10.3 Escrows

- Mandatory escrows for taxes and insurance must be required for all loans with LTV of 80% or greater; borrowers with LTV below 80% may elect to waive escrows

10.4 Assumability

- No assumable loans are accepted

10.5 Power of Attorney

- A limited Power of Attorney is acceptable when all the
  Specific to the transaction
  Recorded with the Mortgage /
  Contains an expiration date
  Used to execute final loan
- Interested parties (seller, broker, loan officer, realtor,
- partner, etc.) may not act as power of attorney Not
- eligible for cash-out transactions

11. Closing Timeline & Process

Day	Milestone	Responsible Party
Day 1	Application submission and	Borrower / Lender
Day 1–2	Term sheet executed; appraisal	Lender
Day 2	Borrower submits	Borrower
Day 2–4	Underwriting review and	Lender
Day 5–8	Appraisal and title received;	Lender / AMC
Day 8-9	Closing documents prepared	Lender / Counsel
Day 10	Closing, funding, and recording	Title / Settlement

12. DSCR Matrix

The matrices below must be read in conjunction with program restrictions stated elsewhere in these guidelines — e.g., ITIN Borrowers (Max 70% LTV Purchase / 65% Refinance; Max loan $1,000,000; Min FICO 700), Foreign Nationals (Max 70% / 65% LTV; Max loan $1,000,000), Non-Permanent Resident Aliens (Max 75% LTV, No Cash-Out).

Loan ≤ $1,000,000

FICO	≥1.0 Purchase	≥1.0 R&T	≥1.0 C/O	0.99-0.75 Purchase	0.99-0.75 R&T	0.99-0.75 C/O	No-Ratio Purchase	No-Ratio R&T	No-Ratio C/O
700+	80%	80%	75%	75%	75%	75%	75%	75%	70%
680	75%	75%	70%	75%	75%	70%	75%	75%	70%
660	75%	75%	70%	75%	75%	70%	65%	65%	60%

640	75%	75%	60%	75%	75%	60%	60%	60%	60%

FICO	≥1.0 Purchase	≥1.0 R&T	≥1.0 C/O	0.99-0.75 Purchase	0.99-0.75 R&T	0.99-0.75 C/O	No-Ratio Purchase	No-Ratio R&T	No-Ratio C/O
620	65%	65%	55%	65%	65%	55%	N/A	N/A	N/A
600	60%	60%	55%	60%	60%	55%	N/A	N/A	N/A

Loan $1,000,001 – $1,500,000

FICO	≥1.0 Purchase	≥1.0 R&T	≥1.0 C/O	0.99-0.75 Purchase	0.99-0.75 R&T	0.99-0.75 C/O	No-Ratio Purchase	No-Ratio R&T	No-Ratio C/O
700+	80%	80%	75%	75%	75%	75%	70%	70%	65%
680	75%	75%	70%	75%	75%	70%	N/A	N/A	N/A
660	75%	75%	70%	75%	75%	70%	N/A	N/A	N/A
640	65%	65%	55%	65%	65%	55%	N/A	N/A	N/A
620	50%	50%	50%	50%	50%	50%	N/A	N/A	N/A
600	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Loan $1,500,001 – $2,000,000

FICO	≥1.0 Purchase	≥1.0 R&T	≥1.0 C/O	0.99-0.75 Purchase	0.99-0.75 R&T	0.99-0.75 C/O	No-Ratio Purchase	No-Ratio R&T	No-Ratio C/O
720+	75%	75%	70%	75%	75%	70%	65%	65%	60%
700	75%	75%	65%	75%	75%	60%	65%	65%	60%
680	70%	70%	65%	70%	70%	60%	N/A	N/A	N/A
660	70%	70%	65%	70%	70%	60%	N/A	N/A	N/A
640	60%	60%	N/A	60%	60%	N/A	N/A	N/A	N/A
620	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
600	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Loan $2,000,001 – $3,000,000

FICO	≥1.0 Purchase	≥1.0 R&T	≥1.0 C/O	0.99-0.75 Purchase	0.99-0.75 R&T	0.99-0.75 C/O	No-Ratio Purchase	No-Ratio R&T	No-Ratio C/O
700+	70%	70%	65%	60%	60%	N/A	N/A	N/A	N/A

Property Type LTV Summary

Property Type	Max LTV
1–4 Units Residential	80% (Purchase) / 80% (RT) / 75% (Cash-Out)
Declining Markets	5% LTV reduction (as identified by appraiser)
Non-Warrantable Condo	Max LTV 75%
Florida Condos	5% LTV reduction

Reserve Requirements

Reserve Type	Reserve Month
$100,000 – $1,000,000	3 Months
$1,000,001 – $2,000,000	6 Months
$2,000,000+	12 Months
Foreign National	12 Months
Additional Financed Properties Reserves	None
Cash Out Used as Reserves	Allowable