Porto 2nd — Closed End Seconds

PORTO 2ND PROGRAM MATRIX

CLOSED END SECONDS · ELIGIBILITY & CLTV MATRIX · PRODUCTS

Loan Amount $	Max DTI %	Credit Score	OWNER OCCUPIED				SECOND HOME				NON-OWNER OCCUPIED				
			Full Doc	Bank Stmnt 1099	WVOE	P & L Only Asset Depl	Full Doc	Bank Stmnt 1099	WVOE	P & L Only	Full Doc	Bank Stmnt 1099	WVOE	P & L Only	DSCR
			12mo or 24mo	12mo or 24mo			12mo or 24mo	12mo or 24mo			12mo or 24mo	12mo or 24mo			Min 1.00 DSCR
CLTV — MAXIMUM COMBINED LOAN-TO-VALUE			CLTV				CLTV				CLTV				
200,000 To 350,000	50	720	90	90	85	80	80	80	75	70	80	80	75	70	80
		700	90	90	80	75	80	80	70	65	80	80	70	65	75
		680	85	85	75	70	75	75	65	60	75	75	65	60	70
		660	80	80	70	65	70	70	60	55	70	70	60	55	
		640	70												
350,001 To 500,000	50	720	90	90	80	75	80	80	70	65	80	80	70	65	75
		700	85	85	75	70	80	80	65	60	80	80	65	60	70
		680	80	80	70	65	70	70	60	55	70	70	60	55	65
		660	75	75	65	60	65	65	55	50	65	65	55	50	
500,001 To 750,000	50	720	80	80	75	70	75	75	65	60	75	75	65	60	70
		700	80	80	70	65	70	70	60	55	70	70	60	55	65
		680	75	75	65	60	65	65	55	50	65	65	55	50	55
		660	70	70	60	55	60	60	50	45	60	60	50	45	
750,001 To 850,000	50	720	75	75											
		700	70	70											

Max Combined Lien Balance	2,000,000	3,000,000	3,500,000	4,000,000	5,000,000
Max CLTV	90	85	80	75	60

PRODUCTS

			Product Code	Min Amt	Doc Type Option	Qual Rate	IO Period	Amort Term	Balloon Term
		FIXED RATE							
Fixed Rate	Full Am	10yr	PT10F	200k	All	Note Rate	–	10yr	–
		15yr	PT15F	200k			–	15yr	–
		20yr	PT20F	200k			–	20yr	–
		30yr	PT30F	200k			–	30yr	–
	Interest-Only	20yr IO	PT20FIO	200k			3yr	17yr	–
		30yr IO	PT30FIO	200k			3yr	27yr	–
	Balloon	30/15	PT30B	200k			–	30yr	15yr
		40/15	PT40B	200k			–	40yr	15yr

			Product Code	Min Amt	Doc Type Option	Qual Rate	Amort Term	Balloon Term
		FIXED RATE						
Fixed Rate	Full Am	10yr	IT10F	200k	All	Note Rate	10yr	–
		15yr	IT15F	200k			15yr	–
		20yr	IT20F	200k			20yr	–
		30yr	IT30F	200k			30yr	–
	Balloon	30/15	IT30B	200k			30yr	15yr
		40/15	IT40B	200k			40yr	15yr

AQUAM FUNDING A DBA OF JLD CAPITAL · NMLS #2610804 · THE INFORMATION IN THIS DOCUMENT IS INTENDED FOR USE BY LICENSED MORTGAGE BANKERS AND MORTGAGE LOAN OFFICERS AND MAY NOT BE VIEWED, USED, OR RELIED UPON BY CONSUMERS. SUBJECT TO CHANGE WITHOUT NOTICE. NOT AVAILABLE IN ALL STATES.

Porto 2nd — Closed End Seconds

PORTO 2ND PROGRAM MATRIX

PROGRAM DETAILS · ELIGIBILITY BY OCCUPANCY

REQUIREMENT	OO / 2nd	NOO	DETAIL
Assets	x	x	• None required on stand-alone CES. Piggyback purchases require copy of assets for 1st lien.
Asset Depletion	x		• Eligible for stand-alone CES as a separate income doc type w/ following restrictions: Owner-occupied only (2nd home & NOO not eligible), min 700 credit score • **OO & NOO:** Eligible to augment qualifying income for all other doc types except DSCR
Appraisal Requirements	x	x	• See the Property Valuation Requirements chart on page 3
Declining Markets	x	x	• Owner Occupied / Second Home — max 75% CLTV · Non-Owner Occupied — max 70% CLTV
Recently Listed Properties	x	x	• **Full Doc ≤ $500K:** properties listed for sale in the last 120 days are not eligible · **Full Doc > $500K / other doc types (all loan amounts):** properties listed for sale in the last 6 months are not eligible
Borrowers — Eligible	x	x	• US Citizen · Permanent Resident Alien · Non-Permanent Resident Alien (with US Credit); not eligible for DSCR transactions
Borrowers — Ineligible	x	x	• Non-occupant co-borrowers; Foreign Nationals; First-Time Homebuyers (except for piggyback CES)
Compliance	x	x	• No Section 32 or state High Cost • Loans must comply with all applicable federal and state regulations • Fully documented Ability to Repay • Higher-Priced Mortgage Loans (HPML) and Higher-Priced Covered Transactions (HPCT) are permitted subject to complying with all applicable regulatory requirements • Loans that do not pass NY Subprime test are ineligible
Prepayment Penalty (NOO business purpose only)		x	• Prepayment penalties eligible on non-owner-occupied business purpose loans where allowed by state. Prepayment penalty must be in compliance with the terms and limitations of the applicable state or federal law • Minimum 1yr prepayment penalty required on DSCR doc type where allowable by state
Credit	x	x	• **Stand-Alone:** 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months. If borrower has 3 credit scores, min tradeline requirements are met • **Piggy-Back:** Default to AUS Approval (if applicable), no minimum tradelines required • **Limited Credit (OO / 2nd only):** Does not meet tradeline requirements. Primary only ok with 0x30x12 mortgage reported on credit (no private party mortgages)
Credit Scores	x	x	• Qualifying score is the lowest of 2 scores or middle of 3 scores from the primary income earner. Asset Depletion loans qualify using the lowest middle score of all borrowers • DSCR loans qualify using the highest middle score of all borrowers • Non-traditional credit ineligible
Credit Event Seasoning	x	x	• 48 months — foreclosure, short-sale, deed in lieu, bankruptcy. No multiple events in last 4 years
Derogatory Credit	x	x	• Open charge-offs or collections < $1,000 per occurrence ok. No delinquent tradelines at closing. Open medical collections < $1,000 per occurrence ok
DSCR Closed-End Second		x	• Stand-alone cash-out transactions only · First-time investors not eligible · Min 1.00 DSCR required · Non-Perm Resident Aliens not eligible
Housing Lates	x	x	• 0x30x12 on all mortgages for all borrowers. Minimum 12 months housing history required
Ineligible Senior Liens	x	x	• Loans in active forbearance or deferment are ineligible. Deferred balance from modifications > 12 mos may remain open • Negative amortization · Reverse mortgages · Balloon loans where the balloon payment comes due during the amortization period of the 2nd lien
Interest-Only CES	x		• Owner-occupied only (2nd home & NOO not allowed); Max 80% CLTV; Min 700 credit score; 20yr Fixed (3yr IO / 17yr amort) & 30yr Fixed (3yr IO / 27yr amort) only • Qualify based on the amortized term after IO period ends · Interest-Only not eligible for Texas Equity Section 50(a)(6) loans
Interest-Only Senior Lien	x	x	• Interest-Only senior liens acceptable when qualified at max 50% DTI • Qualify 1st lien I/O on fully amortized payment on remaining term after I/O period
Lien Position	x	x	• 2nd position only
States	x		• Texas Section 50(a)(6) Equity Cash-Out & Section 50(a)(4) eligible — see guidelines • TX non-business purpose CES w/ APR > 10% not eligible
Senior Lien Payment Calc (ARM)	x	x	• 1st lien ARMs with < 3 years fixed period remaining qualified on fully indexed payment
Property Type	x	x	• SFR max 10 acres · PUD · Modular • **Warrantable Condo —** Full Doc ≤ $500K: max 90% OO, 80% NOO | Full Doc > $500K / other doc types (all loan amounts): max 75% • **2–4 Unit —** Full Doc ≤ $500K: max 85% OO, 80% NOO | Full Doc > $500K / other doc types (all loan amounts): max 75%
Rural Property	x		• Rural primary to 80 CLTV, max 10 acres
Qualifying Payment	x	x	• Qualifying ratios based on full note rate
Title Report	x	x	• Owner & Encumbrance (O&E) Report with a required CPL (stand-alone refinance loans up to $350K max), ALTA, Jr ALTA, ALTA Lite, ALTA Short Form – Lenders Policy
Seasoning	x	x	• **Full Doc ≤ $500K:** no minimum ownership seasoning required | **Full Doc > $500K / other doc types (all loan amounts):** > 6 months ownership seasoning no restrictions. ≤ 6 months ownership seasoning ineligible for refinance • ≤ 6 months seasoning since previous refinance on either 1st lien or 2nd lien max 80 CLTV
Piggyback w/ Porto 1st Mtg	x	x	• CES loans closing concurrently with a Porto 1st Mortgage must qualify to the guideline requirements of both products
Aquam Loan Eligibility Guidelines	x	x	• Refer to the Aquam Funding Loan Eligibility Guidelines for details on topics not covered here

AQUAM FUNDING A DBA OF JLD CAPITAL · NMLS #2610804 · THE INFORMATION IN THIS DOCUMENT IS INTENDED FOR USE BY LICENSED MORTGAGE BANKERS AND MORTGAGE LOAN OFFICERS AND MAY NOT BE VIEWED, USED, OR RELIED UPON BY CONSUMERS. SUBJECT TO CHANGE WITHOUT NOTICE. NOT AVAILABLE IN ALL STATES.

Porto 2nd — Closed End Seconds

PORTO 2ND PROGRAM MATRIX

DOCUMENTATION OPTIONS · PROPERTY VALUATION REQUIREMENTS

DOCUMENTATION OPTION	#	DOCUMENTS	ADDITIONAL PROGRAM REQUIREMENTS
Full Doc 2Yr	**1**	**Standard FNMA Documentation**	• NonQM and Agency eligible • **Salaried:** 2 years W2 and YTD paystub reflecting minimum 30 days earnings • **Self-Employed:** 2 years tax returns, all schedules. YTD P&L or 3 months business bank statements to support continuance of tax return income
Full Doc 1Yr	**2**	**W-2 (12mo)** **Tax Returns (12mo)**	• NonQM and Agency eligible • **Salaried:** 1 year most recent W2 and YTD paystub reflecting minimum 30 days earnings • **Self-Employed:** 1 year tax returns, all schedules. YTD P&L or 3 months business bank statements to support continuance of tax return income
Bank Statement	**3**	**Bank Statement** **(24mo, 12mo)**	• **Personal & Business — Combined or Business (12mo or 24mo):** at least one borrower must be self-employed for at least 2 years (25% or greater ownership); standard expense factors apply — 50% expense factor or follow the Expense Factor Table in the guidelines; if business operates < standard expense factor, P&L or expense letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) required — expense factor per the CPA/CTEC/EA letter must be reasonable • **Personal & Business Separated (12mo or 24mo):** at least one borrower must be self-employed for at least 2 years (25% or greater ownership); personal used to qualify, **2 months business** to show business cash flows in order to utilize 100% of business-related deposits in personal account (no expense factor)
P & L Only	**7**	**P & L (12 mo)** **[CPA, CTEC, EA]**	• Self-employed (2 yrs — 25% or greater ownership) P&L prepared by CPA, CTEC or EA — see guidelines for additional requirements • Qualifying income based on the net income reflected on P&L statement (multiplied by borrower's ownership percentage) / 12 months
1099	**14**	**1099 (12mo, 24mo)**	• 1099 plus either: current check/check stub or bank statement showing deposits from each 1099 payor (10% expense factor applied) • Qualifying income = 1099 gross − 10% expense factor. Current check stub or bank statement deposits must support amounts consistent with 1099 levels
WVOE	**15**	**FNMA Form 1005**	• WVOE FNMA Form 1005 completed by HR, Payroll, Company Officer plus 2 mos personal bank statements supporting wages, or WVOE from online data source (Work Number, etc.) • Borrowers employed by a family-owned or managed business are ineligible for the WVOE documentation program
Asset Depletion	**13**	**Asset Statements (6 mos)**	• Most recent 6 months asset documentation verified by: cash-in-bank (100%); stocks, bonds and/or mutual funds (90%); IRAs, 401K and/or retirement accounts (80%) • Allowable assets divided by 60 months = qualifying income • Owner-occupied only (2nd home & Non-Owner Occupied not allowed); min 700 credit score
DSCR	**9**	**Debt Service Coverage**	• Qualifying DSCR ratio based on note rate (PITIA) • Short-Term Rental income accepted with 3rd party documentation of 12 months rents • Long-Term Rental income qualifies using the lower of the lease agreement or the 1007 (if available). Lease agreement required for all LTR transactions • Minimum 1yr prepayment penalty required where allowable by state. Prepayment penalty must be in compliance with the terms and limitations of the applicable state or federal law

PROPERTY VALUATION REQUIREMENTS	OO / 2nd	NOO	LOAN AMOUNT	REQUIREMENT
HPML / QM Safe Harbor or QM Rebuttable Presumption (Full Doc only)	**x**		**Loan amounts up to $400,000**	• AVM with a 90% Confidence Factor **AND** Property Condition Inspection from one of the following: Clear Capital, Collateral Analytics, CoreLogic, HouseCanary, Homegenius, Quantarium, Veros ◦ In cases where the AVM Confidence Factor is < 90%, a Full Appraisal (1004, 1025, 1073) is required (secondary valuation product not required) • 2–4 Unit — Full Appraisal (1004, 1025, 1073) is required (secondary valuation product not required)
			Loan amounts > $400,000	• Full Appraisal (1004, 1025, 1073) is required (secondary valuation product not required)
Non-HPML (QM or Non-QM)	**x**	**x**	**Loan amounts up to $400,000**	• AVM with a 90% Confidence Factor **AND** Property Condition Inspection from one of the following: Clear Capital, Collateral Analytics, CoreLogic, HouseCanary, Homegenius, Quantarium, Veros ◦ In cases where the AVM Confidence Factor is < 90%, a Full Appraisal (1004, 1025, 1073) is required (secondary valuation product not required) • 2–4 Unit — Full Appraisal (1004, 1025, 1073) is required (secondary valuation product not required)
			Loan amounts > $400,000	• Full Appraisal (1004, 1025, 1073) is required (secondary valuation product not required)
HPML / Non-QM	**x**		**All loan amounts**	• Full Appraisal (1004, 1025, 1073) is required (secondary valuation product not required)
Declining Markets	**x**	**x**	**All loan amounts**	• Owner Occupied / Second Home — max 75% CLTV · Non-Owner Occupied — max 70% CLTV

AQUAM FUNDING A DBA OF JLD CAPITAL · NMLS #2610804 · THE INFORMATION IN THIS DOCUMENT IS INTENDED FOR USE BY LICENSED MORTGAGE BANKERS AND MORTGAGE LOAN OFFICERS AND MAY NOT BE VIEWED, USED, OR RELIED UPON BY CONSUMERS. SUBJECT TO CHANGE WITHOUT NOTICE. NOT AVAILABLE IN ALL STATES.