



# New Construction Product Matrix

Revised July 7, 2026



# Product Overview

<b>Loan Purpose</b>	Purchase, limited cash-out (includes delayed financing), or cash-out
<b>Cash-Out Definition</b>	Initial Advance at Closing exceeds the Cost Basis of the Property (Purchase Price + Documented Improvements Since Purchase)
<b>Limited Cash-Out/Delayed Financing Definition</b>	Initial Advance DOES NOT exceed the Cost Basis of the property (Purchase Price + Documented Improvements Since Purchase)
<b>Borrower Type</b>	Entity Only
<b>Permits</b>	1 NC Experience: approved permits required prior to closing 2-4 NC Experience: permits must have been submitted for approval prior to closing 5+ NC Experience: approved permits not required until draw All approved permits must be submitted to lender within 90 days of loan closing
<b>Eligible Properties</b>	Residential, Non-owner occupied, Business-purpose only. Single Family Residences, PUD, Townhomes, & 2-4 unit properties
<b>Eligible Properties with Special Consideration</b>	5% reduction from qualifying LTC with a Max LTC of 85% on vacation properties (typically located at or near beaches, lakes or mountains) that are not supported by larger cities, economies and other industry besides tourism. For example: Myrtle Beach SC, Pigeon Forge TN, Florida Keys FL, Martha's Vineyard MA, etc.)
<b>Ineligible Properties</b>	Multifamily, Condos (case by case), Rural, Mixed-Use, Manufactured, Modular, Log Homes, Farms, Storage Facilities, Commercial Properties, Land, among others as indicated in guidelines
<b>Properties in Declining Markets</b>	Requires 2+ NC Experience and a 5% LTV Reduction
<b>Experience Minimum</b>	1+ New Construction (NC) project(s) completed in the last 3 years. Loans in excess of \$1M require the borrower has specific experience with similar project of equal size in the subject's market.  Zero New Construction Experience borrowers may qualify as 1 New Construction Experience if meets below criteria in the last 36 months: <ul style="list-style-type: none"> <li>• 1+ Rehab Structural Experience OR</li> <li>• home-building experience as a licensed GC</li> </ul>
<b>General Contractor Requirement</b>	Licensed Builder/Contractor Required. (See GC Application for required documents; signed GC application not required for Borrower licensed GC)  For 1 New Construction Experience: <ul style="list-style-type: none"> <li>• GC required. GC must have 3+ new construction experience</li> <li>• Budget and Scope of Work must be completed by the GC</li> </ul>

## Product Overview, continued

<b>LTC Maximum</b>	90%
<b>LTV Maximum ARV</b>	75%
<b>Minimum FICO</b>	2+ New Construction Experience: 660 1 New Construction Experience: 720
<b>Minimum Loan Amount</b>	\$100,000
<b>Maximum Loan Amount</b>	\$3,000,000 (all loans >\$1,000,000 require committee approval)

### Loans >\$1M Requirements

- Subject Property must be typical for the neighborhood and demonstrate proven marketability for the area.
- Subject Property is required to be in a stable or growing neighborhood market area and MSA.
- Appraised Value of Subject Property must be similar to the Comparable Sales range and listings from the neighborhood.
- Appraisal Comparable Sales utilized must be from the neighborhood and within a reasonable proximity to the Subject Property.
- The Comparable Sales shall be similar to the Subject Property (bed and bath room counts, living area, property & site features).
- Borrower must have similar experience with Loan Amt. size and project scope within the subject property market area.

## Loan Details

<b>Term Options</b>	12, 15, 18, 21 or 24 months (terms in excess of 15 months require management approval)
<b>Amortization</b>	Interest Only
<b>Prepayment Penalty</b>	None
<b>Cash-Out Seasoning</b>	None required
<b>Maximum Cash-Out</b>	No limit
<b>Credit Tradeline Requirement</b>	No Minimum Required
<b>Budget Funding</b>	Budget Fully Funded up to 100% of Budget (Equity Up-Front); Soft Costs can be included

# Loan Details, continued

## Initial Disbursement

Amount Remaining After Minimum Borrower Equity Met. See Program Options on page 5 for details.

## City Restrictions

Entity borrowers with an address inside the city of Buffalo, NY are ineligible. Exception Basis Only: Detroit, MI, Indianapolis, IN, Cleveland, OH, Baltimore, MD, Philadelphia, PA

## State Restrictions

Exception Basis Only: AK & HI. Not available in AR, ND, NH, SD, & VT

## Property MSA Restrictions

Top 300 MSA required. For properties outside of the MSA requirement, during the loan application process within 24 hours the credit team will conduct a market area assessment for location, valuation, marketability, can several other factors to expand the lending coverage.

## Valuation Requirement

Internal Valuation

## Valuation/Appraisal

### (2) Options (non-refundable):

#### Option 1: 3rd Party External Valuation - (Hybrid Product)

Cost: \$595

- Not available for: Loans ≥\$1M or 2-4 unit properties
- Not recommended for: Waterfront, Rural/Semi Rural, Acreage, Luxury Features, Conversions, ADUs, Lot Splits

#### Option 2: 3rd Party Full Appraisal - (Includes Inspection)

Cost: Actual Cost

(Transfer Appraisals Not Accepted)

\*Regardless of option above, an Internal Valuation review will be Performed: The Final Valuation for Lending will be determined by Lender based on review of 3rd Party Valuation and most recently available market data.

## Property Inspection Options when choosing 3rd Party External Valuations

### (2) Options:

#### Option 1: If Property Access Contact (PAC) is completing the inspection:

- No additional action required by Sales
- The inspection vendor Proxy Pics will send a text to the Property Access Contact with instructions when PAC is completing the Inspection

#### Option 2: If the Borrower chooses the Lender to order & complete the 3rd party inspection:

- Sales shall notate "Please Send Inspector" in the Appraisal Notes spot within the Loan Application
- The 3rd party inspection company will contact the PAC and schedule the inspection date

\*For both options, the cost is included in the External Valuation charge

# Program Options

Experience	6+ NC Experience (Last 3 Years)	2+ NC Experience (Last 3 Years)	1 NC Experience (Last 3 Years)
Min FICO	660	660	720
Terms	12, 15, 18, 21 or 24 months (terms in excess of 15 months require management approval)	12, 15, 18, 21 or 24 months (terms in excess of 15 months require management approval)	12, 15, 18, 21 or 24 months (terms in excess of 15 months require management approval)
LTC	90%	85%	80%
LTV	75%	70%	65%
Initial Advance	Up to 70% of Land Cost-Basis/Value	Up to 65% of Land Cost- Basis/Value	Up to 50% of Land Cost-Basis/Value
Holdback Options	Up to 100% of Budget	Up to 100% of Budget	Up to 100% of Budget
Soft Costs	Included	Included	Included
Contingency	10% Contingency Required	10% Contingency Required	10% Contingency Required
Declining Markets	5% Reduction in LTV	5% Reduction in LTV	Not Eligible
Foreign National	Not Eligible	Not Eligible	Not Eligible
Reserves Required	5% of the holdback + Borrower Funded Portion of the Budget (Equity Shortage)	5% of the holdback + Borrower Funded Portion of the Budget (Equity Shortage)	5% of the holdback + Borrower Funded Portion of the Budget (Equity Shortage)
Max Loan Amount	\$3,000,000 (all loans >\$1M require committee approval)	\$3,000,000 (all loans >\$1M require committee approval)	\$3,000,000 (all loans >\$1M require committee approval)

## LTC Cost Basis Determination

<b>Purchase</b>	Lesser of Purchase Price of Lot OR As-Is Value of Lot
<b>Unseasoned Refinance (&lt;270 Days Ownership)</b>	Lesser of Purchase Price of Lot OR As-Is Value of Lot
<b>Seasoned Refinance (270+ Days Ownership)</b>	As-Is Value of the Lot

## Loan Count Maximums

	<b>6+ NC Experience</b>	<b>2+ NC Experience</b>	<b>1 NC Experience</b>
<b>All Outstanding New Construction Loans, All Property Types</b>	\$5M (anything over \$5M requires management approval)	Lesser of 3 or \$3M	1

## Borrower & Guarantor Eligibility

<b>Eligible Entities</b>	<ol style="list-style-type: none"> <li>1) Limited Liability Company (LLC)</li> <li>2) Limited Liability Partnership (LLP)</li> <li>3) Limited Partnership (LP)</li> <li>4) Corporation</li> </ol>
<b>Entity Guarantor Requirements</b>	All entity members with ownership are required to sign a personal guarantee; At least one individual with ownership is required as a Qualifying Guarantor.
<b>Eligible Guarantor</b>	<ol style="list-style-type: none"> <li>1) US Citizen</li> <li>2) Permanent Resident Alien</li> <li>3) Non-Permanent Resident Alien</li> </ol>
<b>Ineligible Borrowers</b>	<ol style="list-style-type: none"> <li>1) Trusts</li> <li>2) Sole Proprietorships</li> <li>3) General Partnership</li> </ol>
<b>Individual Borrower</b>	Ineligible
<b>Foreign National</b>	Ineligible
<b>Felony Convictions</b>	See Borrower/Guarantor Guidelines

## Credit Requirements

<b>Single Qualified Guarantor</b>	<ol style="list-style-type: none"> <li>3 FICO Scores = Use Middle Score;</li> <li>2 FICO Scores = Use Lowest</li> </ol>
<b>Multiple Qualified Guarantors</b>	Use Highest Middle
<b>Bankruptcy / Foreclosure</b>	4+ Years Seasoning
<b>Short Sale/DIL/Modification</b>	4+ Years Seasoning
<b>Mortgage Lates</b>	No 30 day late payments in the last 12 months and no 60 day late payments in the last 48 months

## Required Documents Upfront

<b>Identification</b>		Copy of currently valid, government issued, photo ID
<b>Borrower &amp; Business Application</b>	<b>[Lend Provided]</b>	This application is good for 12 months, and can be used for subsequent loans if the entity and guarantor structure is unchanged
<b>Guarantor Application</b>	<b>[Lend Provided]</b>	Each Guarantor is required to complete their own personal Guarantor application. This application is good for 12 months, and can be used for subsequent loans if the entity and guarantor structure is unchanged
<b>Short-Term Application</b>	<b>[Lend Provided]</b>	One application per property
<b>Purchase Contract or HUD Statement</b>		Contract required for all purchase loans. Refinances of properties owned fewer than six (6) months require either the Contract or HUD Statement
<b>Broker Authorization Form</b>	<b>[Lend Provided]</b>	If Applicable: Brokered loans only
<b>Budget &amp; Project Scope</b>		Line item budget of planned costs including an overall description of the project scope. (Any format accepted; Lend form available upon request.)
<b>Plans &amp; Specs</b>		Any format accepted; Lend form available upon request

# Required Documents in Processing

## Liquidity Verification

- Two most recent statements for any account needed to meet the requirement. Acceptable accounts include: checking, savings, money market accounts, CDs, 401k, IRA, brokerage accounts (see program guidelines for a full list of eligible accounts and applicable requirements). Must be complete statement - no online screen shots.
- Sourcing for large deposits will be required in these instances:
  1. Any deposit over 30% of the property loan amount.
  2. Any deposit over 50% of the cumulative amount of documented liquid assets excluding cash-out from subject or other CLS INVESTORS CAPITAL transactions.
  3. All non-depository accounts with large increases in balances (more than 25%) since the previous statement balance.

## Insurance Declarations Page or Acord Forms

Required on all loans

## Permits

1 NC Experience: approved permits required prior to closing  
 2-4 NC Experience: permits must have been submitted for approval prior to closing  
 5+ NC Experience: approved permits not required until draw  
 All approved permits must be submitted to lender within 90 days of loan closing

## Entity Documents

Varies based on entity type. Please see chart below

### Required Entity Documents\*

LLC	LP / LLP	C-Corp / S-Corp
Articles of Organization	Partnership Agreement	Articles of Incorporation
Operating Agreement	Certificate of Partnership	Stock Certificates or Shareholder's Ledger
IRS SS-4 Letter	IRS SS-4 Letter	Corporate bylaws
W9	W9	Director & Officer Appointments
		IRS SS-4 Letter
		W9

\* Lend Investors Capital will pull a Certificate of Good Standing on all entities. If subject property is located in a state other than the entity's registered state, Foreign Qualification is required.

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## Required Documents in Pre-Closing

### Attorney's Opinion Letter Required on Loan Amounts >\$1MM in NY

[Sample Letter Available Upon Request]

An attorney's opinion letter is essential for a mortgage loan as it safeguards both the lender and the borrower. It verifies the borrower's legal capacity, ensures the loan agreement is enforceable, and helps mitigate legal risks. For the borrower, it provides expert legal guidance and can streamline the loan process.

## Insurance Requirements

- 3-month policies required on purchases and refinances where existing policy expires within 30 days of closing
- Hazard coverage equal to the lesser of 100% of the insurable value as established by the property insurer or the loan amount so long as it is not less than 80% of the insurable value
- Commercial General Liability on an "occurrence" basis with coverage of no less than \$500,000
- Builder's Risk coverage of no less than the amount of remaining project costs to be completed
- Condo master policy must cover 100% of the insurable replacement cost of the project improvements and HO-6 coverage sufficient to repair the condo to current condition if the master policy doesn't cover interior improvements
- Flood insurance equal to the lesser of the total amount of the mortgage, 100% of the insurable value of the improvements, or the maximum insurance available from the NFIP

## Property Fees

Service	Cost	Payment Timing
<b>Valuation/Appraisal</b> (2) Options, non-refundable:		
<b>Option 1:</b> 3rd Party External Valuation - (Hybrid Product) <ul style="list-style-type: none"> <li>Not available for: Loans ≥\$1M or 2-4 unit properties</li> <li>Not recommended for: Waterfront, Rural/Semi Rural, Acreage, Luxury Features, Conversions, ADUs, Lot Splits</li> </ul>	<b>Option 1:</b> \$595	Collected prior to Submission
<b>Option 2:</b> 3rd Party Full Appraisal - (Includes Inspection) (Transfer Appraisals Not Accepted)	<b>Option 2:</b> Actual Cost	
*Regardless of option above, an Internal Valuation review will be Performed: The Final Valuation for Lending will be determined by Lender based on review of 3rd Party Valuation and most recently available market data.		
<b>Diligence Fee</b>		
<b>Cost:</b> \$0 Project feasibility & GC Review (if applicable), Borrower & Guarantor Background / Credit (non Foreign Nat'l); Entity Review (Simple Entity Structure)	\$0	N/A
Entity Review Fee	\$0 for entities with simple structure, except Trusts; \$995 for Complex or Layered Entities	Billed in Processing for Complex/ Layered Entities
Lender Processing Fee	\$1,595	Paid at Closing
Origination Fee	See Conditional Quote	Paid at Closing
3 <sup>rd</sup> Party Settlement Charges	Actual Cost	Paid at Closing
Draw Fee (includes any inspection and wire fee)	\$175	Subtracted From Wire
Title Date Downs & Searches (based on state requirements and lender discretion)	Actual Cost	Subtracted From Wire