



New Construction Product Matrix

Revised October 5, 2026



Product Overview

Loan Purpose	Purchase, limited cash-out (includes delayed financing), or cash-out
Cash-Out Definition	Initial Advance at Closing exceeds the Cost Basis of the Property (Purchase Price + Documented Improvements Since Purchase)
Limited Cash-Out/Delayed Financing Definition	Initial Advance DOES NOT exceed the Cost Basis of the property (Purchase Price + Documented Improvements Since Purchase)
Borrower Type	Entity Only
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
Weather Tight Mid-Construction	Refinances of Mid-Construction projects that are Weather Tight (roof, windows, siding, etc.) with all structural work and major systems (rough electrical, rough plumbing, HVAC) completed are eligible for Rehab Cosmetic and should be submitted under that product.
Eligible Properties	Single Family Residences, PUD, Townhomes, & 2-4 unit properties
Eligible Properties with Special Consideration	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.)
Ineligible Properties	Multifamily, Condos (case by case), Rural, Mixed-Use, Manufactured, Modular, Log Homes, Farms, Storage Facilities, Commercial Properties, Land, among others as indicated in guidelines
Declining Markets	Requires 2+ NC Experience and a 5% LTV Reduction
Experience Minimum	1+ New Construction project(s) completed and either sold or stabilized in the last 3 years - Loans >\$1M: must have specific experience with similar projects of equal size in the subject's market
Experience Calculation	- Project Experience: Combined number of New Construction properties built and either sold or stabilized across all Qualifying Guarantors in the last 36 months (individual properties owned by multiple guarantors count as 1) AND - General Contractor Experience: Number of additional New Construction properties completed while serving as the GC (not already counted above, must be Qualifying Guarantor). Counted at 50% (i.e. 4 New Construction projects = 2 experience)

Product Overview, continued

General Contractor Requirement

Licensed Builder/Contractor Required. (See GC Application for required documents; signed GC application not required for Borrower licensed GC)

For 1 New Construction Experience:

- GC required. GC must have 3+ new construction experience
- Budget and Scope of Work must be completed by the GC

LTC Maximum	95%
LTV ARV Maximum	75%
FICO Minimum	2+ New Construction Experience: 660 1 New Construction Experience: 700
Loan Amount	\$100,000 Minimum to \$3,000,000 Maximum (all loans >\$1M require committee approval)

Loans >\$1M

- Requires ownership in at least one completed New Construction project
- Borrower must have similar experience with Loan Amt. size and project scope within the subject property market area
- 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)

Loan Details

Term Options	12, 15, 18, 21 or 24 months (terms in excess of 15 months require management approval)
Amortization	Interest Only
Prepayment Penalty	None
Cash-Out Seasoning	None required
Maximum Cash-Out	No limit
Credit Tradeline Requirement	No Minimum Required
Budget Funding	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	7+ NC Experience (Last 3 Years)		4+ NC Experience (Last 3 Years)		2+ NC Experience (Last 3 Years)		1 NC Experience (Last 3 Years)
Min FICO	700	660	700	660	700	660	700
Max LTC if Land Value <15% of ARV	95%	93%	93%	90%	90%	85%	85%
Max LTC if Land Value ≥15% of ARV	90%	88%	88%	83%	83%	78%	78%
Max LTV ARV	75%	72.5%	72.5%	70%	70%	65%	65%
Initial Advance	Up to 75%	Up to 70%	Up to 70%	Up to 70%	Up to 70%	Up to 65%	Up to 65%
Land Value or Purchase Price >\$200k	Eligible	Eligible	Eligible	Ineligible	Ineligible	Ineligible	Ineligible
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)		12, 15, 18, 21 or 24 months (terms in excess of 15 months require management approval)
Holdback Options	Up to 100% of Budget		Up to 100% of Budget		Up to 100% of Budget		Up to 100% of Budget
Soft Costs	Included		Included		Included		Included
Contingency	10% Contingency Required		10% Contingency Required		10% Contingency Required		10% Contingency Required
Vacation Properties	5% Reduction in LTC with a maximum of 85% LTC		5% Reduction in LTC with a maximum of 85% LTC		5% Reduction in LTC with a maximum of 85% LTC		5% Reduction in LTC with a maximum of 85% LTC
Declining Markets	5% Reduction in LTV		5% Reduction in LTV		Not Eligible		Not Eligible
Foreign National	Not Eligible		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)		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)		\$3,000,000 (all loans >\$1M require committee approval)

LTC Cost Basis Determination

Purchase

Lesser of Purchase Price of Lot OR As-Is Value of Lot

Unseasoned Refinance (<270 Days Ownership)

Lesser of Purchase Price of Lot OR As-Is Value of Lot

Seasoned Refinance (270+ Days Ownership)

As-Is Value of the Lot

Loan Count Maximums

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

Borrower & Guarantor Eligibility

Eligible Entities

- 1) Limited Liability Company (LLC)
- 2) Limited Liability Partnership (LLP)
- 3) Limited Partnership (LP)
- 4) Corporation

Entity Guarantor Requirements

All entity members with ownership are required to sign a personal guarantee; At least one individual with ownership is required as a Qualifying Guarantor.

Eligible Guarantor

- 1) US Citizen
- 2) Permanent Resident Alien
- 3) Non-Permanent Resident Alien

Ineligible Borrowers

- 1) Trusts
- 2) Sole Proprietorships
- 3) General Partnership

Individual Borrower

Ineligible

Foreign National

Ineligible

Felony Convictions

See Borrower/Guarantor Guidelines

Credit Requirements

Single Qualified Guarantor

3 FICO Scores = Use Middle Score;
2 FICO Scores = Use Lowest

Multiple Qualified Guarantors

Use Highest Middle

Bankruptcy / Foreclosure

4+ Years Seasoning

Short Sale/DIL/Modification

4+ Years Seasoning

Mortgage Lates

No 30 day late payments in the last 12 months and no 60 day late payments in the last 48 months

Required Documents Upfront

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

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
Valuation/Appraisal (2) Options, non-refundable:		
Option 1: 3rd Party External Valuation – (Hybrid Product) - 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 1: \$595	Collected prior to Submission
Option 2: 3rd Party Full Appraisal – (Includes Inspection) (Transfer Appraisals Not Accepted)	Option 2: 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.		
Diligence Fee		
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 rd 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