FUNDLOANS

ARETE

(ah-reh-TAY)

FULL/ALT/DSCR GUIDELINES

Effective 07-10-2026

1.0 OVERVIEW

Arete is a subset of FundLoans Portfolio Guidelines (Apex/Montage/Spectrum).

Except where contradicted below or in the published Arete matrices, this program shall follow FundLoans Portfolio guidelines by doc type.

If a topic is not addressed within these guidelines, or FundLoans Portfolio Guidelines, underwriting will align with Fannie Mae (FNMA) Manual Underwriting guidelines.

These Guidelines provide detailed requirements for eligibility, but FundLoans is not obligated to fund a loan even if it satisfies these requirements. Compliance with these guides does not create a commitment by FundLoans to fund, as FundLoans has sole discretion to fund any loan.

Following are program restrictions:

DOC TYPES ALLOWED:

Full Doc W2/Tax Returns

12mo/24mo Bank Statement

Asset Depletion

1099 Only

WVOE

ELIGIBLE BORROWERS:

FTHB allowed under fully amortizing products only.

Permanent Resident allowed with no restrictions.

Non-Permanent and Foreign National allowed for purchase and rate & term refinance only.

NPRA, DACA, Asylum and TPS status not allowed.

Non-layered entities allowed for vesting of NOO properties.

PROPERTY ELIGIBILITY:

Second Home limited to 1-unit properties only.

Florida Condominiums (warrantable and non-warrantable) purchase only transactions.

All properties/occupancy types are limited to 1 ADU.

No Assisted Living Facilities allowed.

Properties with closing price over 25% higher than listing price within last 12 months are not eligible.

Leasehold interests are not allowed.

Rural properties are not allowed.

<15 acres

CREDIT:

Minimum FICO 660 all borrowers.

No derogatory credit prior 24 months (48 months for DSCR).

Max 1x30x12 housing history.

45% DTI above 85% LTV; 50% DTI all other LTVs

RESERVES:

6 months (DSCR 3 months)

CASH IN HAND LIMITS:

Based on LTV, see matrices

DSCR:

1.00 no restrictions.

>.75 with restrictions.

STR allowed for purchase only and 1.25 DSCR

EXPOSURE:

5 loans or $3.5MM unpaid principal balance.