CORRESPONDENT SELLER GUIDE

TABLE OF CONTENTS

1. OVERVIEW 2
1.1 Introduction 2
1.1.1 About the Seller Guide 2
1.1.2 About LoanStream Mortgage 2
1.2 Fair Lending Statement 2
1.3 Terms and Use of the Seller Guide 3
1.4 Updates to the Seller Guide 3
1.5 Announcements 3
1.6 LoanStream Correspondent Website 3
1.7 Customer Support 3
1.8 Hours of Business 4
2. APPROVAL PROCESS 4
2.1 Applicant Eligibility 4
2.1.1 Licensing 4
2.1.2 Net Worth 4
2.1.3 Loan Closing 5
2.1.4 Insurance Requirements 5
2.1.5 Approval Process: Good Standing 5
2.1.6 Principal Officers, Owners, and Partners 5
2.1.7 Exclusionary Lists 5
2.1.8 Seller Quality Control Plan 5
2.2 Application Processing/Required Documentation 6
2.3 Notification of Significant Changes 6
2.4 Recertification 6
2.5 Declination of Application or Suspension or Termination 7
3. REPRESENTATIONS AND WARRANTIES 7
3.1 General Representations and Warranties 7
3.1.1 Organization and Authority 7
3.1.2 Delegated FHA, VA and USDA Approvals 8
3.1.3 Ordinary Course of Business 8
3.1.4 Dodd-Frank Act Compliance 8
3.1.5 No Conflicts 8

3.1.6 SAFE ACT Compliance 9
3.1.7 Applicable Laws and Agency Compliance 9
3.1.8 Securities Act 9
3.1.9 Disclosures and Rescission Materials 9
3.1.10 Ability to Perform 10
3.1.11 Material Adverse Change 10
3.1.12 No Consent Required 10
3.1.13 No Untrue Information 10
3.1.14 Sale Treatment and Selection 10
3.1.15 Unacceptable Mortgage Loans 10
3.1.16 No Commissions to Third Parties 10
3.1.17 Loan Originator Compensation 11
3.1.18 Financial Statements 11
3.1.19 Fair Consideration 11
3.1.20 Notification of Change 11
3.1.21 Seller Acknowledgement 11
3.1.22 Insurance 11
3.1.23 Audits 12
3.1.24 Texas (A)(6) 12
3.1.25 Bankruptcy, Deed in lieu of Foreclosure, Foreclosure 13
3.1.26 Assets, Income, Employment 13
3.1.27 Downpayment Verification 13
3.1.28 Credit Reporting 14
3.1.29 Adverse Selection 14
3.1.30 Prohibited Practices 14
3.1.31 Data Integrity 14
3.1.32 Mortgage Loan File 14
3.1.33 Flood Certification Contract 15
3.1.34 Additional Fees 15
3.2 Individual Loans 15
3.2.1 Mortgage Loans as Described 15
3.2.2 Payments Current 15
3.2.3 No Outstanding Charges 15
3.2.4 Original Terms Unmodified 15

3.2.5 No Defenses ... 16
3.2.6 Hazard and Flood Insurance ... 16
3.2.7 Compliance with Applicable Laws and Requirements ... 17
3.2.8 No Satisfaction of Mortgage ... 17
3.2.9 Valid First and Second Lien ... 17
3.2.10 Validity of Mortgage Documents ... 18
3.2.11 Full Disbursement of Proceeds ... 18
3.2.12 Ownership ... 18
3.2.13 Doing Business ... 18
3.2.14 Mortgage Insurance ... 19
3.2.15 Title Insurance ... 19
3.2.16 No Defaults ... 19
3.2.17 No Mechanics' Liens ... 20
3.2.18 Location of Improvements: No Encroachments ... 20
3.2.19 Origination: Payment Terms ... 20
3.2.20 Customary Provisions ... 20
3.2.21 Conformance with Guidelines ... 21
3.2.22 Mortgaged Property ... 21
3.2.23 No Additional Collateral ... 21
3.2.24 Deed of Trust ... 21
3.2.25 Acceptable Investment ... 21
3.2.26 Delivery of Mortgage Documents ... 21
3.2.27 Condominiums and Planned Unit Developments (PUDs) ... 21
3.2.28 Due on Sale ... 22
3.2.29 Transfer of Mortgage Loans ... 22
3.2.30 No Graduated Payment or Contingent Interest ... 22
3.2.31 Consolidation of Future Advances ... 22
3.2.32 Mortgaged Property Undamaged ... 23
3.2.33 Collection Practices and Escrow Deposits ... 23
3.2.34 Appraisal ... 23
3.2.35 Construction Defects ... 23
3.2.36 Servicemembers' Civil Relief Act ... 24
3.2.37 Environmental Matters ... 24
3.2.38 No Denial of Insurance ... 24

3.2.39 Points and Fees: Mortgagor Acknowledgment ... 24
3.2.40 Single Premium Credit Life Insurance ... 24
3.2.41 MERS ... 25
3.2.42 Predatory Lending Regulations: High-Cost Loans ... 25
3.2.43 Origination ... 25
3.2.44 Compliance with Anti-Money Laundering (AML) Laws ... 26
3.2.45 Underwriting Methodology ... 26
3.2.46 Higher Cost Products ... 26
3.2.47 Arbitration ... 27
3.2.48 Electronic Signatures ... 27
4. EARLY PAYMENT DEFAULT/EARLY PAYOFF/REPURCHASE/INDEMNIFICATION ... 27
4.1 Discovery and/or Notice of Breach ... 28
4.2 Foreclosure of the Mortgaged Property ... 28
4.3 Direct Remittance ... 28
4.4 Underwriting ... 28
4.4.1 Delegated Delivery ... 29
4.4.2 Non-Delegated Delivery ... 29
4.5 Early Payment Default (EPD) ... 29
4.6 Early Payoff (EPO) ... 30
4.7 Repurchase Obligations ... 30
4.8 Repurchase Price Calculation ... 31
4.8.1 For a Mortgage Loan ... 31
4.8.2 For a Mortgaged Property ... 31
4.8.3 Uninsured Mortgage Loan ... 32
4.9 Indemnification in Lieu of Repurchase ... 32
4.9.1 Real Estate Owned ("REO") Indemnification or “Make-Whole” ... 32
4.9.2 Third-Party Claim ... 33
4.9.3 Failure to Perform Remedies and Related Obligations ... 33
4.9.4 Prohibited Activities ... 33
5. PROTECTION OF CONFIDENTIAL INFORMATION ... 33
5.1 Exclusions ... 33
5.2 Holding Confidential Information in Strict Confidence ... 34
5.3 As Pertains to Seller Approval and Purchase of Mortgage Loans ... 34
6. RATE LOCK REQUIREMENTS ... 34

6.1 Rate Locks ... 34
6.1.1 Pricing/Locks ... 34
6.1.2 Lock Option Best Efforts ... 35
6.1.3 Lock and Registration Options ... 35
6.1.4 Lock Periods ... 35
6.1.5 Lock Activity, Times, and Cutoff ... 35
6.2 Rate Lock Confirmation ... 35
6.2.1 Notice of Receipt ... 35
6.2.2 Lock Expiration ... 35
6.2.3 Lock Extension ... 36
6.2.4 Locked Loan File Delivery Policy ... 36
6.2.5 Re-Lock Policy ... 37
6.3 Locked Loan Data Change Request ... 37
6.3.1 Delegated ... 37
6.3.2 Non–Delegated ... 37
6.4 Loan Program Change ... 38
6.4.1 Change in Amortization Type ... 38
6.4.2 Property Change ... 38
6.4.3 Borrower Change ... 38
6.5 Market Improvement Renegotiation ... 38
6.5.1 Renegotiation Criteria ... 38
6.6 Mandatory Commitments ... 38
6.6.1 Hours of Operation ... 38
6.6.2 Eligibility Requirements ... 39
6.6.3 Eligible Products ... 39
6.6.4 Required Bid Tape Components ... 39
6.6.5 Pricing and Delivery ... 39
6.6.6 Pair Outs, Tolerance, Rolls, and Substitutions ... 40
7. CLOSING AND PURCHASE REVIEW ... 41
7.1 Closed Loan Submission ... 41
7.2 Seasoned Loans ... 41
7.3 Appraisal ... 41
7.3.1 Appraiser Exclusionary List ... 41
7.3.2 General Inspection Requirements ... 42

7.3.3 Disaster Inspection Requirements ... 42
7.3.4 UCDP, FHA EAD and SSR Requirements ... 42
7.3.5 Transfer Appraisals for Conventional, USDA, Jumbo, Non-QM and Closed End Second Loans 42
7.4 Home Mortgage Disclosure Act (HMDA) ... 43
7.4.1 ECOA Valuation Rule ... 43
7.5 Closing Documents ... 43
7.5.1 Signature Requirements ... 44
7.5.2 Prepaid Interest ... 44
7.5.3 Maximum Interest Credit (Funding Into the Month) ... 44
7.5.4 Power of Attorney (POA) ... 44
7.5.5 Mortgage Electronic Registration Systems, Inc. (MERS) Requirements ... 46
7.5.6 First Payment Date ... 47
7.5.7 Note Requirements ... 47
7.5.8 Security Instrument Requirements ... 47
7.6 Title Insurance ... 47
7.6.1 Borrower Information ... 48
7.6.2 Title Coverage ... 48
7.6.3 Insured Name ... 48
7.6.4 Age of Report ... 48
7.6.5 Vesting ... 48
7.6.6 Chain of Title ... 48
7.6.7 Title Exceptions ... 48
7.6.8 Properties with PACE or PACE-Like Assessments ... 49
7.6.9 Survey Requirements ... 49
7.6.10 Title Policy Forms ... 49
7.6.11 Endorsements ... 50
7.6.12 ALTA Short Forms ... 50
7.6.13 Ratings Requirements ... 51
7.6.14 Condominium and PUD Title Insurance Policies ... 51
7.7 Wire Instructions ... 52
7.8 Collateral Delivery ... 52
7.8.1 Addressing the Collateral Package ... 52
7.8.2 Recorded Mortgage/Deed of Trust & Final Title Policies ... 53

7.9 Closed Loan Delivery ... 53
7.9.1 Closed Loan Submission Form ... 53
7.9.2 Complete Closed Loan File Submission ... 53
7.9.3 Closed Loan File Review ... 53
7.9.4 Incomplete Closing Package ... 54
7.9.5 Pre-Purchase Review ... 54
7.9.6 Bailee Requirement ... 54
7.9.7 Original Note Endorsement or Allonge ... 55
7.9.8 Post-Purchase ... 55
7.9.9 FHA MIP ... 55
7.9.10 VA Funding Fee ... 55
7.9.11 USDA Upfront Loan Guarantee and Technology Fee ... 55
8. LOAN PURCHASE ... 55
8.1 Closing Disclosure ... 56
8.1.1 Clerical Correction ... 56
8.1.2 TILA/RESPA Tolerance Cure Requiring Refund ... 56
8.1.3 Closing Disclosure: Principal Reduction ... 56
8.2 Seller Servicing of Mortgage Loans ... 56
8.3 Purchaser Servicing of Mortgage Loans ... 59
8.3.1 Delivery of Servicing Records ... 59
8.3.2 Escrow Payments ... 59
8.3.3 Payoffs and Assumptions ... 59
8.3.4 Mortgage Payments Received Prior to Transfer Date ... 59
8.3.5 Mortgage Payments Received After Related Transfer Date ... 60
8.3.6 Misapplied Payments ... 60
8.3.7 Books and Records ... 60
8.3.8 Reconciliation ... 60
8.3.9 IRS Forms ... 60
8.4 Payment Reversal Request ... 61
8.5 Purchase Advice ... 61
8.6 Amortization ... 61
8.7 Wire Transfer ... 61
8.8 Tax Information ... 61
8.9 Post-Closing Trailing Documents ... 62

8.10 Standard Schedule of Fees 62
8.10.1 Right to Collect 63
8.11 Government Insuring Timing and Document Requirements 63
9. MISCELLANEOUS PROVISIONS 63
9.1 Notices 63
9.2 Severability Clause 63
9.3 Further Agreements 64
9.4 Intention of the Parties 64
9.5 General Interpretive Principles 64
9.6 Reproduction of Documents 64
9.7 Recordation of Assignment of Mortgage 65
9.8 No Personal Solicitation 65
9.9 Termination 65
GLOSSARY 66

PREFACE

This LoanStream Correspondent Seller Guide ("Seller Guide") governs certain aspects of the business relationship with LoanStream approved mortgage loan sellers (each a "Seller" and collectively "Sellers"). This Seller Guide provides information to assist a Seller with transacting business with LoanStream from Loan Submission through the purchase of the loan.

The term "Agreement" within the text of this guide refers to a Mortgage Loan Purchase Agreement (MLPA) and any other agreements between LoanStream and the Seller, as well as the provisions of this Correspondent Seller Guide. See additional terms as pertain to this Seller Guide and Agreement in the Seller Guide Glossary.

1. OVERVIEW

1.1 Introduction

1.1.1 About the Seller Guide

This Seller Guide contains requirements for doing business with LoanStream pursuant to a Mortgage Loan Purchase Agreement (MLPA) and any other exhibits and/or agreements between LoanStream and the Seller. By signing the MLPA the Seller is bound by all provisions of this Seller Guide and must adhere to all requirements contained in this Seller Guide as well as all published guidelines.

This Seller Guide provides information that will assist the Seller with transactions from loan submission to the purchase of the loan. This includes how to become an approved Seller, requirements for acceptable loans, the LoanStream lock policy, compliance requirements, delivery requirements, and details of our underwriting policy.

This Seller Guide contains general information, policies, procedures, terms, conditions, and requirements that are applicable to all loan transactions. LoanStream may terminate its relationship with the Seller at any time if the Seller fails to meet its obligations, as outlined in this Seller Guide.

In the event of any conflict, inconsistency or ambiguity between the terms and conditions of …

1.The Mortgage Loan Purchase Agreement, including any exhibits or agreements, and this Seller Guide, the terms of the Seller Guide prevail
2. Exhibits/addendums to the Mortgage Loan Purchase Agreement, and this Seller Guide, the terms of the Mortgage Loan Purchase Agreement addenda will prevail only to the extent there is language in that document specifically addressing future document conflicts and stating that the addendum controls.
3. The Mortgage Loan Purchase Agreement, including exhibits and addenda thereto, the Seller Guide and a Commitment Confirmation, the terms of the Commitment Confirmation will prevail
4. The Commitment Confirmation and the Purchase Advice, the Purchase Advice will prevail

1.1.2 About LoanStream Mortgage

LoanStream's wide program offering includes Fannie Mae, Freddie Mac, FHA, USDA, and VA products, as well as LoanStream's proprietary products, to meet our Sellers' needs.

LoanStream operates in accordance with all provisions of the Fair Housing Act, Equal Credit Opportunity Act (ECOA), and federal and state fair housing and anti-predatory lending laws. In addition, LoanStream will always comply with all state and local laws.

All LoanStream Correspondent Sellers are required to operate in accordance with all provisions of the Fair Housing Act, ECOA, and federal and state fair housing and anti-predatory lending laws.

1.2 Fair Lending Statement

LoanStream is fully committed to the principle that all credit decisions must be made without regard to race, color, religion, national origin, sex, marital status, familial status, military status, disability, age (provided the applicant has the capacity to contract and the applicant is of an age meeting the underwriting requirements for the loan program), or any other basis prohibited by law. LoanStream fulfills this commitment while maintaining prudent credit discipline and sound business practice.

- Seller must strictly comply with all applicable Fair Lending laws and regulations
- All loans must be prudently originated
- Seller must treat each of its borrowers in a fair and consistent manner

LoanStream recognizes that affirmative steps must be taken to ensure this principle is applied consistently and continuously throughout all aspects of its credit operation. This includes product design, sales and marketing, underwriting, training, performance evaluation, and servicing practices. Discrimination based on race, color, sex, sexual orientation, disability, national or ethnic origin, marital or familial status, religion, or age is unlawful and is not tolerated.

If any regulator cites Seller for a Fair Lending violation, LoanStream shall exercise its right to terminate its relationship with Seller.

1.3 Terms and Use of the Seller Guide

This Seller Guide contains confidential information and is the sole property of LoanStream Mortgage (LoanStream). This Seller Guide cannot be reproduced or used for any other reason than conducting business with LoanStream. Unauthorized use of LoanStream's Seller Guide, websites, and systems is strictly prohibited.

1.4 Updates to the Seller Guide

LoanStream reserves the right to amend or supplement this Seller Guide at any time at its sole discretion. All updates to the Seller Guide are effective as of the date stated in the update and/or Announcement.

Seller is responsible for reviewing and complying with any update and/or Announcement issued by LoanStream.

1.5 Announcements

Announcements, revisions, or updates to the Seller Guide are available on the LoanStream Seller website under Resources/Seller Guide at *www.LSCorrespondent.com***.** Seller is responsible for monitoring Seller Alerts, remaining current on all updates and addressing any questions regarding LoanStream policies and guidelines. Changes are effective immediately unless otherwise stated on the Seller Alerts and/or updated material.

1.6 LoanStream Correspondent Website

The LoanStream Correspondent website is online at *www.LSCorrespondent.com***.** Upon approval, the LoanStream Client Administration Department will issue login credentials (username and password) to the approved Seller for access to the secure area of the website. Information contained on the website and the terms and conditions of access to and use of such information and materials are subject to change without notice.

1.7 Customer Support

LoanStream strives to deliver superior customer support to effectively handle all Sellers' needs. Contact your sales and sales support team for assistance with any questions you may have.

1.8 Hours of Business

LoanStream's normal hours of operation are Monday through Friday, 8:00 AM through 6:00 PM PST. LoanStream's Lock Desk normal hours of operation are Monday through Friday, 8:00 AM through 6:00 PM PST.

2. APPROVAL PROCESS

LoanStream offers both delegated and non-delegated underwriting Correspondent programs. For non-delegated, LoanStream completes the underwriting of the credit file prior to closing of the loan. For delegated, Seller completes the underwriting functions of the loan.

2.1 Applicant Eligibility

Sellers must fulfill specific eligibility criteria which are considered when evaluating Seller's application for approval, thus allowing the Seller to conduct business with LoanStream Mortgage.

2.1.1 Licensing

Seller must be properly licensed and authorized to originate and sell loans that meet LoanStream's product line and underwriting requirements.

2.1.2 Net Worth

Seller must have a tangible and verifiable net worth as follows:

PROGRAM APPROVAL LEVEL	MIN. NET WORTH	AUDITED REQUIRED
Emerging Banker	$100,000	No
Non-Delegated Conforming Agency and Government (FNMA/FHLMC/FHA/VA/USDA)	$500,000	Yes[2]
Non-Delegated Non-Conforming (Non-QM/ Jumbo/ Closed End Second)	$1,000,000	Yes[2]
Delegated Retail - Conforming and Government (FNMA/FHLMC/FHA/VA/USDA)	$1,000,000	Yes
Delegated Retail - Non-Conforming (Non-QM/ Jumbo/ Closed End Second)	$2,500,000	Yes
Delegated TPO - Conforming and Government (FNMA/FHLMC/FHA/VA/USDA)	$2,500,000	Yes
Delegated TPO - Non-Conforming (Non-QM/ Jumbo/ Closed End Second)	$5,000,000	Yes
Mandatory Commitments[1]	$1,500,000	Yes

[1] Requires conforming delegated approval.
[2] CPA prepared acceptable with management approval on case by case basis.

2.1.3 Loan Closing

Seller must be able to close loans in its name and have established at least one (1) funding facility with an industry-recognized warehouse lender. Financial institutions subject to oversight by the Comptroller of the Currency, Federal Reserve Bank, FDIC, NCUA, or OTS are allowed to fund loans with their own cash.

2.1.4 Insurance Requirements

Sellers must have a blanket fidelity bond or banker's bond and an errors and omissions (E&O) insurance policy that satisfies current agency guidelines in effect at all times. The policies must insure the Seller against losses resulting from dishonest or fraudulent acts committed by the Seller's personnel, any employees of outside firms that provide data processing services for the Seller, and temporary contract employees or student interns.

The fidelity bond must also protect against dishonest or fraudulent acts by the Seller's principal owner if the insurance underwriter provides such coverage. The Seller must also obtain a direct surety bond to cover any officers, including its principal owner, if not covered by the fidelity bond.

Minimum coverage of $300,000 per occurrence is required for each policy.

2.1.5 Approval Process: Good Standing

Seller must have a "Good Standing" rating with all governmental licensing and revenue collection agencies, including a public record clear of any significant civil or criminal judgments. An applicant whose firm has been suspended, is currently under investigation by governmental agencies or has an open judgment in excess of $25,000 may not be approved.

2.1.6 Principal Officers, Owners, and Partners

Acceptable background review will be completed on all of Seller's principal officers, owners, and/or partners who have ≥ 10% ownership must have an acceptable personal background profile. In the case of Corporations, the entity must have a satisfactory corporate report. If ownership is <10%, background review is not required.

- Past credit difficulties will be reviewed on a case-by-case basis; a letter from the Seller explaining any derogatory item(s) is required
- Financial institutions subject to oversight by the Comptroller of the Currency, Federal Reserve Bank, FDIC, NCUA, or OTS may have this requirement waived

2.1.7 Exclusionary Lists

Seller must ensure that all employees, including management, of Seller or its third party originators involved in managing or performing origination functions on Mortgage Loans are not excluded from participation. If a party appears on any Exclusionary list, the related loan is not eligible for purchase.

2.1.8 Seller Quality Control Plan

Loanstream will apply its own quality control plan and procedures to Mortgage Loans originated by Seller and will report findings to Seller, at LoanStream's sole discretion, for the Seller's use in prevention of similar occurrences. Sellers are required to respond to any significant material findings of which they are notified. Sellers should research and respond with their results, supporting

documentation and specification of the actions that were or are being taken to remedy the situation. Responses must be submitted within the time frame set forth in the notice provided.

In addition, Seller is responsible for reporting fraud and material defects discovered because of their quality control process or otherwise to LoanStream and to other investors, insurers, guarantors and government or regulatory bodies as required by regulations or contractual agreements between the Seller and those parties.

Mortgage Loan level information and findings provided by LoanStream are confidential and should be maintained as such and used only in compliance with Applicable Laws and regulations.

Serious issues with Mortgage Loan quality and/or material findings trends, failure to report incidents of fraud or serious material defects to LoanStream, or failure to respond to findings can result in corrective action up to and including termination of the Seller's Agreement. LoanStream, at its own discretion or in fulfillment of Applicable Laws or investor guidelines, may report its quality control findings regarding Seller's Mortgage Loans to governmental or regulatory bodies, investors, insurers, or guarantors.

2.2 Application Processing/Required Documentation

Applicants interested in obtaining approval to become a LoanStream Seller can visit the LoanStream Seller website at *www.lscorrespondent.com* and complete the Contact Us form or contact LoanStream at (833) 311-0126 or *LSMCorrespondent@lsmortgage.com*.

2.3 Notification of Significant Changes

Seller must notify LoanStream in writing at lsmcorrepondent@lsmortgage.com of any contemplated major changes in its organization, including with its notice copies of any filing with or approvals from its regulators. Significant changes where notification is required include but are not limited to:

- Merger, consolidation, or reorganization
- Material changes in ownership (10% share or more)—direct or indirect—including any change in ownership of Seller's parent company, any owner of the parent, or any beneficial owner of the Seller that does not have a direct interest in the Seller
- Change in corporate name
- Change from federal charter to state charter (or vice versa) when Seller is a savings and loan association or bank
- Material adverse change in financial condition
- Sale of a substantial portion of the Seller's assets or a line of business
- Warehouse changes or disruptions

2.4 Recertification

Sellers are subject to ongoing monitoring and annual renewal. Seller will be notified annually by email that they must submit to recertification and renew their approval with LoanStream. Completion of the recertification process is required if Seller wishes to continue doing business with LoanStream. If the Seller is non-responsive to the notification and request for renewal, LoanStream will send a second notification with a final due date for recertification documentation.

Failure to recertify will result in suspension of Seller's access to the LoanStream Seller portal and prevent further access to LoanStream products and the ability to submit, lock, and/or fund loans.

Required documentation for the recertification process includes:

- LoanStream Correspondent Recertification Form, completed, signed, and dated
- Last annual Financial Statements (Balance Sheets and Income Statements)
- Semi-annually provides most recent quarterly interim Financial Statements (Balance Sheet Income Statement)
- List of principal officers and senior management (including the underwriting manager) hired during the prior twelve (12) months
- Evidence of Fidelity Bond and Mortgage Errors & Omissions Insurance with minimum coverage of $300,000 per occurrence

2.5 Declination of Application or Suspension or Termination

If a Seller application or recertification is declined, the Seller will be notified and the Seller's application is closed or MLPA terminated, as applicable.
Seller application or renewal may be suspended and/or declined at LoanStream's sole discretion.
Suspension and/or declination reasons might include, but are not limited to, any of the following:

- Criminal convictions or pending criminal charges of any owners with ownership interest of at least 5%
- Pending or previous regulatory or enforcement actions against the Seller or its management
- Adverse findings from industry references or previous deactivations by investors or insurers
- Unacceptable credit performance of Mortgage Loans
- Civil penalties or pending litigation that could result in civil penalties against any of the owners or management of Seller, especially those involving financial services industry participation, fraud or dishonesty
- Pending litigation that is considered serious in nature
- Unacceptable history of financial management
- Breach of Representations and Warranties
- Sanctions, withdrawal of authority, suspension, debarment, or limited denial of participation, by any Agency
- Any other reason as determined by LoanStream at its sole discretion.

3. REPRESENTATIONS AND WARRANTIES

Seller, as a condition to consummation of a transaction contemplated herein, hereby makes the following representations and warranties to Purchaser as of each Purchase Date. The term "Agreement" refers to the Mortgage Loan Purchase Agreement (MLPA) and any other agreements between LoanStream and the Seller as well as the provisions of this Correspondent Seller Guide.

3.1 General Representations and Warranties

3.1.1 Organization and Authority

Seller is duly organized, validly existing, and in good standing under the laws of the state of its formation and has all licenses necessary to carry on its business as now being conducted and is licensed, qualified, and in good standing in each state where a Mortgaged Property is located if the laws of such state require licensing or qualification in order to conduct business of the type conducted by Seller, and, in any event, Seller is in compliance with laws of any such state to the extent necessary to ensure the enforceability of the related Mortgage Loan in accordance with the terms of this Guide.

Seller has the full corporate power and authority to execute and deliver an Agreement with LoanStream and to perform in accordance therewith. Execution, delivery, and performance of an Agreement (including all instruments of transfer to be delivered pursuant to the Agreement) by Seller and the consummation of transactions contemplated thereby have been duly and validly authorized. The Agreement evidences the valid, binding, and enforceable obligation of Seller. All requisite corporate action has been taken by Seller to make the Agreement valid and binding upon Seller in accordance with its items. Seller is and has been at all material times in compliance with the LoanStream Correspondent Seller Guide.

3.1.2 Delegated FHA, VA and USDA Approvals

For any FHA Mortgage Loan submitted, the Seller is fully approved by the FHA to participate in its "direct endorsement" mortgage insurance program. For any VA Mortgage Loan submitted, the Seller is authorized to originate and submit Mortgage Loans to the VA for approval or to underwrite Mortgage Loans with "automatic authority." Regarding any USDA Mortgage Loan submitted, the Seller is approved to originate and submit Mortgage Loans for a USDA guarantee. The Seller is not currently, and has not been within the past year, subject to any administrative sanctions imposed by the FHA, VA, or USDA.

3.1.3 Ordinary Course of Business

Consummation of the transactions contemplated herein is in Seller's ordinary course of business. The transfer, assignment, and conveyance of Mortgage Notes and Mortgages by Seller pursuant to the Agreement are not subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction.

3.1.4 Dodd-Frank Act Compliance

The Seller complies with Dodd-Frank and has established sufficient policies and procedures to ensure adherence to all related rules and regulations. If the Seller is a Credit Union or Small Creditor (as defined by Dodd-Frank), the Seller has met the higher or general standard for any applicable law, rule, or regulation, without relying on any relief or lower standard available to Credit Unions, Small Creditors, or other defined groups, for any Mortgage Loan delivered to LoanStream for purchase.

When a lower regulatory standard might apply to a transaction involving a creditor primarily operating in, or a property located in, a county designated by the CFPB as "rural or underserved" or "rural," the higher or general standard for any law, rule, or regulation will apply. The Seller cannot rely on any relief or lower standard provided for transactions within such counties.

3.1.5 No Conflicts

Neither execution and delivery of the Agreement, origination of Mortgage Loans by Seller, the sale of Mortgage Loans to Purchaser, other transactions contemplated, or fulfillment of or compliance with terms and conditions of the Agreement will (i) conflict with or result in a breach of any of the terms, conditions, or provisions of Seller's charter or bylaws, any legal restriction, agreement, or instrument to which Seller is now a party or by which it is bound, or constitute a default or result in acceleration under any of the foregoing, or (ii) result in violation of any law, rule, regulation, order, judgment, or decree to which Seller or its property is subject, or (iii) impair the ability of Purchaser to realize on Mortgage Loans or impair the value of such Mortgage Loans.

3.1.6 SAFE ACT Compliance

Seller, its agents, and any Third-Party Originators are in compliance with all applicable state and federal licensing and registration requirements enacted pursuant to the SAFE Act or other regulations. This includes, without limitations, adoption of the necessary policies and procedures to ensure that the Seller, its agents, any Third-Party Originators, and each of their respective employees who meet the definition of "mortgage loan originator" under such laws are appropriately licensed and registered, as applicable.

3.1.7 Applicable Laws and Agency Compliance

Any and all requirements of any applicable laws, all requirements, directions or guidance of the Agencies or LoanStream applicable to the Mortgage Loans or to the origination, sale or sourcing of the loans have been complied with. The consummation of the transactions considered herewith will not involve violation of any such applicable laws. Seller maintains, and shall continue to maintain, evidence of such compliance as required by applicable law, regulation, or Agency requirements, and shall make available such evidence for review at Seller's office during normal business hours upon reasonable advance notice.

For all Mortgage Loans originated under Fannie Mae or Freddie Mac conventional mortgage programs, all warranties, representations and obligations required under the Agencies' respective selling programs, including but not limited to rules enacted by the Federal Housing Finance Agency (FHFA), are hereby referenced, made a part of, and incorporated in their entirety into the Agreement. For all Mortgage Loans underwritten to Fannie Mae or Freddie Mac guidelines, the Mortgage Loan was underwritten in accordance with either Fannie Mae's Selling Guide or Freddie Mac's Seller/Servicer Guide, as applicable, and is otherwise eligible for sale or securitization to one or more GSEs.

For all Mortgage Loans underwritten to FHA, VA, or USDA guidelines, were underwritten in agreement with FHA, VA, or USDA guidelines. The representations, warranties, covenants and other obligations under FHA, VA, or USDA guidelines are incorporated by reference in their entirety into the Guide. For all Mortgage Loans underwritten to FHA, VA, or USDA guidelines, the mortgage loan was underwritten in accordance with FHA, VA, or USDA guidelines, as applicable. Seller further warrants that each such insurable or guarantee-able Mortgage Loan is eligible for inclusion and securitization in a Ginnie Mae pool.

3.1.8 Securities Act

Neither the Seller nor anyone acting on its behalf has offered, transferred, pledged, sold, or otherwise disposed of the Mortgage Loan or any interest in it. They have not solicited any offers to buy or accept a transfer, pledge, or other disposition of the Mortgage Loan. Additionally, they have not approached or negotiated with anyone regarding the Mortgage Loan or any similar security.

The Seller has not made any general solicitation through general advertising or any other means or taken any other action that would constitute a distribution of the Mortgage Loans under the Securities Act of 1933(the "Securities Act") or would violate Section 5 of the Securities Act or require registration. The Seller will not act in such a manner and has not authorized and will not authorize anyone to do so with respect to the Mortgage Loans.

3.1.9 Disclosures and Rescission Materials

The Mortgagor has received all disclosure and materials required by Applicable Law regarding the production of Mortgage Loans of the same type as the Mortgage Loan including in relation to limited

documentation programs, prepayment penalties, fees and charges, receipt of appraisal copy, and total loan compensation received by mortgage brokers, as applicable. Mortgagor has received in writing all rescission materials as required by Applicable Law, and acknowledged receipt of such materials and such acknowledgement will be retained in the Mortgage Loan file.

3.1.10 Ability to Perform

Seller does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant required of Seller under the Agreement. Seller is solvent, and the sale of Mortgage Loans will not cause Seller to become insolvent. The sale of mortgage loans is not undertaken with the intent to hinder, delay, or defraud any of Seller's creditors.

3.1.11 Material Adverse Change

Seller has not experienced a material adverse change, and there is no action, suit, proceeding, or investigation pending or, to Seller's knowledge, threatened against Seller that, either in any one instance or in aggregate, is likely to result in any material adverse change to Seller.

3.1.12 No Consent Required

No consent, approval, authorization, or order of any court or governmental agency or body is required for (i) execution, delivery, and performance by Seller of or compliance by Seller with the Agreement or the Mortgage Loans, (ii) delivery of or any portion of Mortgage Files to Purchaser or Purchaser's designee, (iii) sale of Mortgage Loans to Purchaser or consummation of transactions contemplated by the Agreement, or if required, such approval has been obtained prior to the initial Purchase Date.

3.1.13 No Untrue Information

Neither the Agreement nor any information, statement, report, data, tape, or other document furnished or to be furnished pursuant to the Agreement or in connection with transactions contemplated therein contains any untrue statement or material fact or omits to state a fact necessary to make the statements contained therein not materially misleading.

3.1.14 Sale Treatment and Selection

Seller declares that the disposition of the Mortgage Loans pursuant to the Agreement will be afforded sale treatment for accounting and tax purposes. Seller did not employ any adverse selection processes or procedures when choosing the Mortgage Loans to be sold to LoanStream.

3.1.15 Unacceptable Mortgage Loans

There are no circumstances or conditions related to the Mortgage, the Mortgaged Property, the Mortgagor, or the Mortgagor's creditworthiness that would reasonably lead investors to consider the Mortgage Loan unacceptable, likely to become delinquent, or likely to lose value or marketability

3.1.16 No Commissions to Third Parties

Seller has not dealt with and does not currently deal with any broker, agent, or anyone else who might be entitled to a fee or commission in connection with the sale of any Mortgage Loan to Purchaser.

3.1.17 Loan Originator Compensation

Neither the Seller nor any other party has provided compensation to a loan originator based on any term or condition of the Mortgage Loan. If the Seller acted as the loan originator, it did not receive compensation tied to any such terms or conditions. Additionally, the compensation structures and business practices of the Seller and its Third Party Originators do not allow for variations in loan originator compensation based on loan or product type, except as required by law.

3.1.18 Financial Statements

All financial statements delivered to Purchaser fairly present the results of operations and changes in financial position at the end of each such period of Seller and its subsidiaries and have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as set forth in notes thereto. There has been no change in the business, operations, financial condition, properties, or assets of Seller since the last financial statement was delivered to Purchaser that would have a material adverse effect on Seller's ability to perform its obligations under the Agreement. Seller has fully and truthfully completed any forms requested by Purchaser in a timely manner and in accordance with the provided instructions.

3.1.19 Fair Consideration

Consideration received by Seller upon the sale of Mortgage Loans under the Agreement constitutes fair consideration and reasonably equivalent value for such Mortgage Loans.

3.1.20 Notification of Change

Seller will give written notification to Purchaser within ten (10) days of the occurrence of any event that would cause Seller to be unable to make any of the representations and warranties specified herein.

3.1.21 Seller Acknowledgement

Seller's representations, warranties, and covenants will remain fully effective as long as any Mortgage Loan purchased from the Seller is outstanding. Additionally, they will continue to be in effect as long as LoanStream faces any risk of loss or liability related to any Mortgage Loan purchased from the Seller, regardless of whether the Mortgage Loan is still outstanding.

LoanStream's rights concerning the Seller's representations, warranties, and covenants will persist beyond the Purchase Date of any specific Mortgage Loan and any termination of all or part of the Agreement. These rights are unaffected by any investigation or review conducted by or on behalf of LoanStream and will benefit LoanStream's affiliates, successors, and assigns.

3.1.22 Insurance

The Seller has complied with all material obligations under all applicable insurance agreements, including those with the FHA, and guaranty agreements with the VA and USDA, as well as hazard, flood, and private mortgage insurance (PMI) policies, in relation to any of the Mortgage Loans or Servicing Rights. The Seller has not engaged in any act or omission that could lead to the cancellation of, or otherwise adversely impact, any applicable insurance or guaranty agreements

3.1.23 Audits

To the extent permitted by Applicable Law, Seller has disclosed to LoanStream all actions and sanctions of all federal and state agency and instrumentality reviews, investigations, examinations, audits, actions and sanctions undertaken or imposed within two (2) years prior to the Agreement's effective date. Except as Seller has disclosed to LoanStream and LoanStream has approved in writing, Seller is not operating under any type of agreement or order (including, without limitation, a supervisory agreement, memorandum of understanding, cease and desist order, capital directive, supervisory directive, and consent decree) with or by any federal or state government agency, licensing, banking or regulatory authority, and Seller is in compliance with any and all capital, leverage or other financial or regulatory standards imposed by any applicable regulatory authority.

3.1.24 Texas (A)(6)

The Seller meets the eligibility criteria specified in the Texas Constitution. If the Seller intends to sell Texas (a)(6) Mortgage Loans originated by a Third-Party Originator, Seller has ensured that the originating lender is lawfully authorized to make Texas (a)(6) loans under Texas Constitution Section 50(a)(6)(P).
The Seller has a specific process in place for the receipt, handling, and monitoring of notices from borrowers that Seller or the mortgage originator failed to comply with the provisions of the law applicable to Texas Section 50(a)(6) mortgages. Such process is sufficient to ensure that the Seller would be able to correct the failure to comply by one of the authorized means no later than the 60th calendar day after the date the Seller is notified of the failure to comply by the borrower.

If Seller sells Texas Section 50(a)(6) Mortgage Loans originated by a third-party originator, Seller represents and warrants that the originating lender is lawfully authorized to make Texas (a)(6) loans under Texas Constitution Section 50(a)(6)(P) and that the originator has in place processes for the receipt, handling and monitoring of notices from borrowers as described above. To ensure ongoing compliance with the law applicable to mortgage loans authorized by Section 50(a)(6), Article XVI of the Texas Constitution, the processes and procedures used for the origination of the Texas Section 50(a)(6) mortgages are reviewed by the Seller regularly and will be updated and revised, as appropriate pursuant to clarifications of the law, on a regular, continual basis. The matters certified herein are representations and warranties of the Seller in relation with each Texas Section 50(a)(6) mortgage.

3.1.24.1 Texas Refinance

All Texas Refinance Mortgage Loan have been originated in compliance with the provisions of the applicable section of Article XVI, Section 50 of the Texas Constitution, the Texas Civil Statutes, the Texas Finance Code and all Applicable Laws.

If the Texas Refinance Mortgage Loan is a home equity Loan under Section 50(a)(6), then the loan complies with Article XVI, Section 50(a)(6) of the Texas Constitution, this Seller Guide, applicable product guides, and all applicable Agency requirements including, but not limited to:

- First payment is due no later than two months after closing.
- Seller has provided the title company with a detailed closing instruction letter requiring the title company to conduct the closing in compliance with all applicable provisions of Section 50(a)(6) of the Texas Constitution and requiring acknowledgement of its receipt
- For purposes of compliance with the acknowledgment of the "fair market" value of the homestead property requirement, the "fair market" value was based on an appraisal or evaluation prepared "in accordance with a state or federal requirement applicable to the

extension of credit" and the appraisal attached to a written Borrower acknowledgment.

- The proceeds from the Texas Section 50(a)(6) mortgage were not used to acquire or improve the homestead if a mortgage for that purpose could have been made under a different provision of the Texas Constitution.
- At least 12 months have passed since any previous Section 50(a)(6) Mortgage Loan secured by the homestead property was closed, unless the new Mortgage Loan was originated in order to cure a failure in the original mortgage to comply with section 50(a)(6).
  - The Seller has notified LoanStream of same prior to purchase of the Mortgage Loan if the new Mortgage Loan was originated in order to cure a failure in the original mortgage to comply with section 50(a)(6).
- The Mortgage Loan Documents state that the Mortgagor may prepay such Texas Refinance Mortgage Loan in whole or in part to any Texas Refinance Mortgage Loan.

The Mortgage Loan does not have an open consumer complaint or consumer notification, verbal or written, at the time of or prior to purchase. The Seller reps and warrants that, at LoanStream's request, it will process any Texas (a)(6) complaint within the guidelines and timelines provided by the Texas Constitution, under the supervision of the LoanStream Compliance Department.

3.1.25 Bankruptcy, Deed in lieu of Foreclosure, Foreclosure

The Mortgagor was not the subject of any bankruptcy proceeding that was dismissed or discharged during the period prior to the origination of the Mortgage Loan, as defined in the applicable Product Guides. At the time of origination—and through the Purchase Date—the Mortgagor was not a debtor in any state or federal bankruptcy or insolvency proceeding, nor are any such proceedings currently pending.

Additionally, the Mortgagor has not previously owned a property that was sold through foreclosure, conveyed to the originator through a deed in lieu of foreclosure, or otherwise transferred due to foreclosure, within the time frame specified by applicable law in the state where the property is located and, where applicable, in accordance with the Product Guides.

The Mortgaged Property is not currently subject to any bankruptcy or foreclosure proceedings. In cases where the Mortgagor was previously a debtor in a state or federal bankruptcy or insolvency proceeding and the Mortgage Loan being offered for purchase is a refinance of debt included in that proceeding, the underlying debt was reaffirmed as required by applicable state law and the United States Bankruptcy Code during the course of those proceedings.

3.1.26 Assets, Income, Employment

The originator thoroughly verified the Mortgagor's income, employment, and assets following the Product Guides and implemented procedures to authenticate the supporting documentation. An appropriate assessment and documentation of the Mortgagor's ability to repay the Mortgage Loan was conducted in compliance with Regulation Z. For Mortgage Loans not covered by Regulation Z, the assessment was performed in accordance with other applicable state and federal laws, rules, and regulations, as well as the standards used by mortgage loan underwriters.

3.1.27 Downpayment Verification

The Mortgagor has made the required down payment for the Mortgage Loan without receiving any concessions from the Seller, the property seller, or any other third party, as applicable by law and pursuant to Product Guides. The Mortgagor has contributed at least the specified percentage of the

purchase price of the Mortgaged Property using their own funds, as outlined in the Product Guides. The Seller has fully verified the source of the down payment.

3.1.28 Credit Reporting

Credit reporting company, Seller, or any predecessor and/or servicer, as applicable, has ensured that accurate and complete information (both favorable and unfavorable) on its Mortgagor credit files is fully furnished to the three credit repositories, Equifax, Experian, and TransUnion, on a monthly basis, as required by the Fair Credit Reporting Act and other applicable regulations, and as permissible.

3.1.29 Adverse Selection

Seller did not utilize selection practices that identified the Mortgage Loan as being less desirable or valuable than other comparable mortgage loans in Seller's portfolio.

3.1.30 Prohibited Practices

Seller and its Third Party Originators have not:

- Induced or encouraged the Mortgagor to default on an existing loan for the purpose of refinancing all or part of that loan.
- Disbursed Mortgage Loan proceeds directly to a home improvement contractor, except by a check made payable to the Mortgagor, jointly to the Mortgagor and the contractor, or through a neutral third-party escrow agent
- Used any portion of the loan proceeds to prepay future Mortgage Loan payments
- Applied an interest rate increase triggered by Mortgage Loan default that is not reasonably related to risk mitigation.

3.1.31 Data Integrity

The information in each electronic data file delivered by Seller to LoanStream is accurate, complete, and true. The provided information, documents, and data align with Seller's records, the Mortgage Loan File, and the servicing file. Any seller or builder concessions exceeding allowable limits by the Agencies or applicable Product Guides at the time of origination have been deducted from the Appraised Value of the Mortgaged Property to determine the loan to value ratio (LTV) and combined loan to value ratio (CLTV) at origination. The documents and data required in the Mortgage Loan file and electronic record contain the most current information retained by Seller.

3.1.32 Mortgage Loan File

For each Mortgage Loan, Seller possesses a complete Mortgage Loan File, except for documents already delivered to LoanStream or the Custodian, or those submitted for recording and not yet returned. The Mortgage Note, Mortgage, Assignment of Mortgage, and other required Mortgage Loan Documents have been delivered in accordance with the Agreement's specific requirements by the Purchase Date. Each document and instrument in the Mortgage Loan File is properly executed, in due and proper form, and acceptable to the applicable federal or state regulatory agency at the time of the Mortgage Loan's origination. All documents necessary to foreclose on the related Mortgaged Property are included in the Mortgage Loan File delivered to LoanStream or the Custodian.

3.1.33 Flood Certification Contract

Each Mortgage Loans is covered by a paid in full, life of loan, flood certification contract. Each of these contracts is fully assignable to LoanStream and its assigns.

3.1.34 Additional Fees

Any broker fees collected and paid on the Mortgage Loan and origination have been correctly assessed to the Mortgagor and fully paid. There will be no claims for double-charged broker fees that would entitle the Mortgagor to reimbursement.

3.2 Individual Loans

As to each Mortgage Loan, Seller hereby represents and warrants to Purchaser that as of the Mortgage Loan's respective Purchase Date, the following are true.

3.2.1 Mortgage Loans as Described

The information regarding the Mortgage Loan disclosed to Purchaser is complete, true, and accurate in all material respects.

3.2.2 Payments Current

The Mortgagor has made, and Seller has credited, all payments required to be made under the terms of the Mortgage Note through the Purchase Date. No payment required under the Mortgage Loan is currently fifteen (15) days or more delinquent on the Purchase Date and no payment under the Mortgage Loan has been thirty (30) days or more delinquent at any time since the origination of the Mortgage Loan.

3.2.3 No Outstanding Charges

There are no defaults in complying with the terms of the Mortgage, and all taxes, government assessments, insurance premiums, water, sewer, and municipal charges, leasehold payments, or ground rents that previously became due and owing have been paid, or an escrow of funds has been established in an amount sufficient to pay for every such item that remains unpaid and that has been assessed but is not yet due and payable. Seller has not advanced funds or induced, solicited, or knowingly received any advance of funds by a party other than the Mortgagor, directly or indirectly, for the payment of any amount required under the Mortgage Loan.

3.2.4 Original Terms Unmodified

The terms of each Mortgage Loan and Mortgage have not been impaired, waived, altered, or modified in any respect, except by a written instrument that has been recorded, if necessary to protect the interests of Purchaser and that has been delivered to Purchaser and is part of the Mortgage File.

The substance of any such waiver, alteration, or modification has been approved by all applicable Persons to the extent required. No Mortgagor has been released, in whole or in part, except in connection with an assumption agreement approved by all applicable persons, to the extent required, and which assumption agreement is part of the Mortgage Loan File delivered to Purchaser.

3.2.5 No Defenses

No Mortgage Loan is subject to any right of rescission, set-off, counterclaim, or defense, nor will the operation of any of the terms of the Mortgage Note or the Mortgage or the exercise of any right thereunder render either the Mortgage Note or the Mortgage unenforceable, in whole or in part, or subject to any right of rescission, set-off, counterclaim, or defense, and no such right of rescission, set-off, counterclaim, or defense has been asserted with respect thereto, and no Mortgagor was a debtor in any state or federal bankruptcy or insolvency proceeding from the time the Mortgage Loan was originated through the Purchase Date.

3.2.6 Hazard and Flood Insurance

Pursuant to the terms of the Mortgage, all buildings or other improvements upon the Mortgaged Property are insured by a generally acceptable insurer against loss by fire, hazards of extended coverage, and such other hazards as are customary in the area where the Mortgaged Property is located pursuant to insurance policies conforming to all applicable requirements. If upon origination of the Mortgage Loan, the Mortgaged Property was in an area identified in the Federal Register by the Federal Emergency Management Agency (FEMA) as having special flood hazards, a life-of-loan flood insurance policy meeting the requirements of the current guidelines of the Federal Flood Insurance Administration is in effect that conforms to all applicable requirements. Such flood insurance shall be with a nationally recognized flood insurer approved by the Agencies or other insurer as may be approved by Purchaser.

All individual insurance policies contain a standard mortgagee clause naming Seller and its successors and assigns as mortgagee, and all premiums thereon have been paid. The mortgage obligates the Mortgagor thereunder to maintain the hazard insurance policy at the Mortgagor's cost and expense and, on the Mortgagor's failure to do so, authorizes the holder of the Mortgage to obtain and maintain such insurance at such Mortgagor's cost and expense and to seek reimbursement therefore from the Mortgagor. Where required by state law or regulation, the Mortgagor has been given an opportunity to choose the carrier of the required hazard insurance, provided the policy is not a "master" or "blanket" hazard insurance policy covering the common facilities of a planned unit development (PUD).

The hazard insurance policy is the valid and binding obligation of the insurer, is in full force and effect, and will be in full force and effect and inure to the benefit of Purchaser upon consummation of the transactions contemplated by the Agreement. Seller has not engaged in and has no knowledge of the Mortgagor or any sub-servicer engaging in any act or omission that would impair the coverage of any such policy, the benefits of the endorsement provided for herein, or the validity and binding effect of either, including without limitation, no unlawful fee, commission, kickback, or other unlawful compensation or value of any kind has been or will be received, retained, or realized by any attorney, firm, or other Person, and no such unlawful items have been received, retained, or realized by Seller.

3.2.6.1 Escrow/Impounds for Flood Insurance

- Flood insurance premiums must be escrowed
- No Waivers: Escrow/impounds for flood insurance premiums may not be waived, regardless of LTV, on loans secured by 1- to 4-unit properties (including PUDs and site condos).
- Condominium Flood Premiums: If flood insurance in the required amount is paid by a condominium association, homeowner's association, or other applicable group as a common expense, no escrow is required.

- Evidence of Flood Insurance Escrows**:** Sellers will be required to provide evidence that flood insurance premiums have been escrowed prior to loan purchase, regardless of whether any other funds associated with the loan are escrowed (i.e., taxes, insurance premiums, or any other fees or charges). These requirements will apply to all loans in mandatory flood zones.

3.2.7 Compliance with Applicable Laws and Requirements

Each Mortgage Loan complies with (i) all applicable local, state, and federal laws, rules, regulations, and ordinances, (ii) the requirements and guidelines of any applicable governmental Agency, board, commission, instrumentality, or other governmental or quasi-governmental body or office, (iii) all judicial and administrative judgments, orders, stipulations, and injunctions applicable to Seller or the Mortgage Loans, and (iv) all applicable provisions of this Seller Guide.

All loans subject to the general ability-to-repay (ATR) underwriting standards (12 C.F.R 1026.43(c)) require the Seller to make a reasonable, good-faith determination that the consumer has a reasonable ability to repay the loan prior to or at consummation. A reasonable, good-faith ATR evaluation must consider the following eight underwriting factors based on available information in the mortgage loan file using reliable third-party records:

I. Current or reasonably expected income or assets
II. Current employment status
III. The monthly payment on the covered transaction (fulling indexed, fully amortizing)
IV. The monthly payment on any simultaneous loan secured by the subject property
V. The monthly payment for mortgage-related obligations
VI. Current debt obligations (reported by a credit report or disclosed by the consumer), alimony and child support
VII. The monthly debt-to-income ratio or residual income
VIII. Credit history

3.2.8 No Satisfaction of Mortgage

Each Mortgage has not been satisfied, canceled, subordinated, or rescinded, in whole or in part, and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would affect any such release, cancellation, subordination, or rescission. Seller has not waived the performance by the Mortgagor of any action if the Mortgagor's failure to perform such action would cause the Mortgage Loan to be in default, nor has Seller waived any default resulting from any action or inaction by the Mortgagor.

3.2.9 Valid First and Second Lien

For all first and second lien mortgages, each Mortgage is a valid, subsisting, enforceable, and perfected lien and correct first or second priority security interest in the Mortgaged Property, including all buildings on the Mortgaged Property and all installations and mechanical, electrical, plumbing, heating, and air conditioning systems located in or annexed to such buildings and all additions, alterations, and replacements made at any time with respect to the foregoing. The lien of each Mortgage is subject only to (1) the lien of current real property taxes and assessments not yet due and payable; (2) covenants, conditions, restrictions, rights of way, easements, and other matters of public record as of the date of recording acceptable to mortgage lending institutions generally and specifically referred to in the Lender's title insurance policy delivered to the originator of the Mortgage Loan; (3) first lien applicable only to second lien mortgages and (i) referred to or otherwise considered

in the appraisal made for the originator of the Mortgage Loan or (ii) which do not adversely affect the Appraised Value of the Mortgaged Property; and (4) other matters to which similar properties are commonly subject that do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value, or marketability of the related Mortgaged Property.

Any security agreement, chattel mortgage, or equivalent document related to and delivered in connection with the Mortgage Loan establishes and creates a valid, subsisting, and enforceable lien and priority security interest in the property described therein, and Seller has full right to sell and assign the same to Purchaser. The Mortgaged Property was not, as of the date of origination of the Mortgage Loan, subject to a mortgage, deed of trust, deed to secure debt, or other security instrument creating an undisclosed lien subordinate to the lien of the Mortgage.

3.2.10 Validity of Mortgage Documents

Each Mortgage Note and Mortgage are genuine, and each is the legal, valid, and binding obligation of the maker thereof, enforceable in accordance with its terms. All parties to the Mortgage Note and the Mortgage and any other related agreement had legal capacity to enter into the Mortgage Loan and to execute and deliver the Mortgage Note, and the Mortgage and any other related agreement have been duly and properly executed by such parties. None of the documents, instruments, and agreements submitted, reviewed, or used in connection with the origination of the Mortgage Loan were falsified or contain any untrue statements of material fact and do not omit to state a material fact required to be stated therein or necessary to make the information and statements therein not misleading. No fraud was committed in connection with the origination of the Mortgage Loan. Seller has reviewed all of the documents constituting the Mortgage File and the Servicing File for each Mortgage Loan and has made such inquiries as it deems necessary or as may be required by applicable law to make and confirm the accuracy of the representations set forth herein.

3.2.11 Full Disbursement of Proceeds

Each Mortgage Loan has been closed, and the proceeds of the Mortgage Loan have been fully disbursed, and there is no requirement for future advances thereunder, and any and all requirements as to completion of any on-site or off-site improvement and as to disbursements of any escrow funds, therefore, have been complied with unless a minor withhold of funds has been approved by the Purchaser. All costs, fees, and expenses incurred in making or closing the Mortgage Loan and the recording of the Mortgage were paid, and the Mortgagor is not entitled to any refund of any amounts paid or due under the Mortgage Note or Mortgage.

3.2.12 Ownership

Seller is the sole owner of record and holder of the Mortgage Loan. The Mortgage Loan is not assigned or pledged, and Seller has good and marketable title thereto, and has full right to transfer and sell the Mortgage Loan therein to Purchaser free and clear of any encumbrance, equity, participation interest, lien, pledge, charge, claim, or security interest and has full right and authority subject to no interest or participation of or agreement with other party to sell and assign each Mortgage Loan pursuant to the Agreement.

3.2.13 Doing Business

All parties that have had any interest in the Mortgage Loan, whether as mortgagee, assignee, pledgee, or otherwise, are (or, during the period in which they held and disposed of such interest, were) (i) in

compliance with any and all applicable licensing requirements of the laws of the state wherein the Mortgaged Property is located, and (ii) organized under the laws of such state, or (iii) qualified to do business in such state, or (iv) federal and loan associations or national banks having principal offices in such state, or (v) not doing business in such state.

3.2.14 Mortgage Insurance

If a Mortgage Loan is required to have mortgage insurance as provided in the Seller Guide, then a private mortgage insurance policy has been obtained from a qualified private mortgage insurance company that is acceptable to Fannie Mae and/or Freddie Mac, unless otherwise specified, and no action, inaction, or event has occurred, and no state of facts exists that has or will result in the exclusion from, denial of, defense to, or rescission of coverage.

Neither the Seller, the related originator (if different from the Seller), any servicer or any other party has done, by any act or omission, anything which would compromise the coverage of such private mortgage insurance (PMI) policy, its endorsements, or the validity and enforceability. No action, inaction, omission or event has occurred, and no circumstances exist that has, or will, result in the exclusion from, denial of, or defense to coverage under the PMI policy. Any Mortgage Loan subject to a Mortgagor paid PMI Policy requires Mortgagor to maintain the PMI Policy and to pay all associated premiums and charges until cancelled according to Applicable Law. No Mortgage Loan requires payment of such premiums, as a whole or in part, by LoanStream.

3.2.15 Title Insurance

The Mortgage Loan is covered by an American Land Title Association (or any successor thereto) lender's title insurance policy of other generally acceptable form of policy of insurance acceptable to the Agencies, issued by a title insurer acceptable to the Agencies and qualified to do business in the jurisdiction where the Mortgaged Property is located, insuring Seller, its successors and assigns, as to the first priority lien, as applicable, of the Mortgage in the original principal amount of the Mortgage Loan subject to the exceptions contained herein. Where required by state law or regulation, the Mortgagor has been given the opportunity to choose the carrier of the required mortgage title insurance. Additionally, such lender's title insurance policy affirmatively insures ingress and egress, and against encroachments by or upon the Mortgaged Property or any interest therein.

Seller is the sole insured of such lender's title insurance policy, and such lender's title insurance policy is in full force and effect and will be in force and effect upon the consummation of the transactions contemplated in the Agreement. No claims have been made under such lender's title insurance policy, and no prior holder of the Mortgage, including Seller, has done, by act or omission, anything that would impair the coverage of such lender's title insurance policy, including, without limitation, no unlawful fee, commission, kickback, or other unlawful compensation or value of any kind has been or will be received, retained or realized by any attorney, firm, or other Person and no such unlawful items have been received, retained or realized by Seller.

3.2.16 No Defaults

There is no default, breach, violation, or event of acceleration existing under the Mortgage or the Mortgage Note and no event which, with the passage of time or with notice and the expiration of any grace or cure period, would constitute a default, breach, violation, or event of acceleration and neither Seller nor its predecessors have waived any default, breach, violation, or event of acceleration.

3.2.17 No Mechanics' Liens

There are no mechanics' or similar liens or claims that have been filed for work, labor, or material (and no rights are outstanding that under the law could give rise to such liens) affecting the related Mortgaged Property that are or may be liens prior to, equal with, or coordinate with the lien of the related Mortgage.

3.2.18 Location of Improvements: No Encroachments

All improvements that were considered in determining the Appraised Value of the Mortgaged Property lie wholly within the boundaries and building restriction lines of the Mortgaged Property and no improvements on adjoining properties encroach upon the Mortgaged Property. No improvement located on or being part of the Mortgaged Property is in violation of any appliable zoning law or regulation. Applicable Laws, regulations or building codes and standards, and the improvements comply with the laws, regulations, or building codes and standards as of the Purchase Date.

3.2.19 Origination: Payment Terms

At the time each Mortgage Loan was purchased, the lender identified on the Mortgage Note was (i) licensed to originate Mortgage Loans in the state in which the Mortgaged Property is located, and (ii) a mortgagee approved by the Secretary of Housing and Urban Development pursuant to sections 203 and 211 of the National Housing Act or a savings and loan association, a savings bank, a commercial bank, or similar banking institution that is supervised and examined by a Federal or State authority.

Unless otherwise required by Applicable Law, the first payment on Mortgage Loans was due no more than 62 days after the closing disbursement date and on the first calendar day of the month. The Mortgage Interest Rate is the interest rate set forth in the Mortgage Note. The Mortgage Note is payable in monthly installments of principal and interest, or interest only with interest calculated and payable in arrears, sufficient to amortize the Mortgage Loan fully by the stated maturity date, over an original term or not more than forty years from commencement of amortization.

All terms of the related Mortgage Note regarding interest rate adjustments, payment adjustments and adjustments of the outstanding principal balance, if any, are enforceable and such adjustments will not affect the priority of the lien of the related Mortgage. All such adjustments have been executed correctly and with terms of the Mortgage Loan and Applicable Law.

3.2.20 Customary Provisions

Each Mortgage contains customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby, including (i) in the case of a Mortgage designated as a deed of trust, by trustee's sale, and (ii) otherwise by judicial foreclosure.

Upon default by a Mortgagor on a Mortgage Loan and foreclosure on or trustee's sale of the Mortgaged Property, pursuant to the proper procedures, the holder of the Mortgage Loan will be able to deliver good and merchantable title to the Mortgaged Property. There is no homestead or other exemption available to the Mortgagor that could interfere with the right to sell the Mortgaged Property at a trustee's sale or the right to foreclose the Mortgage subject to applicable federal and state laws and judicial precedent with respect to bankruptcy and right of redemption.

3.2.21 Conformance with Guidelines

Each Mortgage Loan conforms to Purchaser's underwriting guidelines and, as applicable, Agency guidelines at time of Purchase without regard to any underwriter discretion, unless exception was granted in writing by LoanStream. The Mortgage Note and Mortgage are on forms acceptable to the Agencies and Purchaser, as applicable. The Mortgage Loan complies with all requirements of the Seller Guide, and to the extent, the Seller Guide requires the Mortgagor to undertake certain actions after the Purchase Date, all such actions will be performed in the timeframes prescribed.

3.2.22 Mortgaged Property

All inspections, licenses, and certificates required to be made or issued with respect to all occupied portions of the Mortgaged Property and, with respect to the use and occupancy of the same, including but not limited to certificates of occupancy and fire underwriting certificates, have been made or obtained from the appropriate authorities.

3.2.23 No Additional Collateral

Each Mortgage Note is not and has not been secured by any collateral except the lien of the corresponding Mortgage and the security interest of any applicable security agreement or chattel mortgage referred to under Validity of Mortgage Documents above.

3.2.24 Deed of Trust

In the event a Mortgage constitutes a deed of trust, a trustee, duly qualified under applicable law to serve as such, has been properly designated and currently so serves and is named in the Mortgage and no fees or expenses are or will become payable by Purchaser to the trustee under the deed of trust, except in connection with a trustee's sale after default by the Mortgagor.

3.2.25 Acceptable Investment

There are no circumstances or conditions with respect to the Mortgage, the Mortgaged Property, the Mortgagor, or the Mortgagor's credit standing that can reasonably be expected to cause private institutional investors to regard the Mortgage Loan as an unacceptable investment, cause the Mortgage Loan to become delinquent, or adversely affect the value or marketability of the Mortgage Loan. Each Mortgage Loan is of investment quality and able to be included in a securitized pool of mortgage loans. If Seller attempted to sell any Mortgage Loan to another entity prior to selling it to Purchaser, Seller has notified Purchaser in writing and provided Purchaser with any and all reasons why the other Person did not purchase the Mortgage Loan.

3.2.26 Delivery of Mortgage Documents

Any document or information required to be delivered by Seller to Purchaser under the Agreement or the Seller Guide has been delivered to Purchaser or its designee. To the extent any such document is required to be delivered after the Purchase Date, such document will be delivered as required by the Seller Guide. Seller is in possession of a complete, true, and accurate Mortgage File, except for such documents, the originals of which have been delivered to Purchaser.

3.2.27 Condominiums and Planned Unit Developments (PUDs)

If the Mortgaged Property is a condominium or PUD (other than a de minimus planned unit development), such condominium or PUD project meets all applicable Agency eligibility requirements,

except as allowed under the Seller Guide for the LoanStream Non-QM program as non-warrantable, or is located in a condominium or PUD project that has received all applicable project approvals, and the representations and warranties required by the Agencies, as applicable, with respect to such condominium or PUD have been made and remain true and correct in all respects.

3.2.28 Due on Sale

Each Mortgage contains an enforceable provision for the acceleration of the payment of the unpaid principal balance of the Mortgage Loan in the event the Mortgaged Property is sold or transferred without the prior written consent of the Mortgagee thereunder.

3.2.28.1 Costs

All costs and expenses incurred by Seller in connection with or related to setup, transfer, and/or delivery of any Mortgage Loan submitted to Purchaser for purchase, regardless of whether the Mortgage Loan is ultimately purchased by Purchaser, including but not limited to loan sale fees, servicing fees, any fees due to MERS, fees for title policy endorsements and continuations, fees for tax contracts of flood insurance contracts and the transfer thereof to any servicer, and Seller's attorney's fees shall be paid by Seller.

3.2.29 Transfer of Mortgage Loans

Each original Mortgage was recorded and, except for those Mortgage Loans subject to the MERS® System, all subsequent assignments of the original Mortgage (other than the assignment to LoanStream) have been recorded in the appropriate jurisdictions wherein such recordation is necessary to perfect the lien thereof as against creditors of Seller or is in the process of being recorded. If the Mortgage is not subject to the MERS® System, the Assignment of Mortgage is in recordable form (other than that name of assignee, if blank) and is acceptable for recording under the laws of the jurisdiction in which the Mortgaged Property is located.

3.2.30 No Graduated Payment or Contingent Interest

Each Mortgage Loan does not contain provisions pursuant to which monthly payments are paid or partially paid with funds deposited in any separate account established by Seller, the Mortgagor, or anyone on behalf of the Mortgagor or paid by any source other than the Mortgagor. The Mortgage Loan is not a graduated-payment mortgage, simple interest or negative amortization. The Mortgage Loan does not have a shared appreciation or other contingent interest features. No Mortgage Loan is a balloon mortgage loan or Reverse Mortgage Loan.

3.2.31 Consolidation of Future Advances

Any future advances made prior to the related Closing Date have been consolidated with the outstanding principal amount secured by the Mortgage, and the secured principal amount, as consolidated, bears a single interest rate and single repayment term. The lien of the Mortgage securing the consolidated principal amount is expressly insured as having first lien priority by a title insurance policy, an endorsement to the policy insuring the mortgagee's consolidated interest, or by other title evidence acceptable to the Agencies, as applicable. The consolidated principal amount does not exceed the original principal amount of the Mortgage Loan.

3.2.32 Mortgaged Property Undamaged

For each Mortgage Loan, there is no proceeding pending or, to Seller's knowledge, threatened for the total or partial condemnation of the Mortgaged Property. The Mortgaged Property is undamaged by waste, fire, earthquake, earth movement, windstorm, flood, tornado, or other casualty so as to adversely affect the Mortgaged Property's value as security for the Mortgage Loan for the use for which the premises were intended. There are no condemnation proceedings by any federal, state, or local authority pending or threatened against the Mortgaged Property.

3.2.33 Collection Practices and Escrow Deposits

The origination and collection practices used with respect to the Mortgage Loan have been in accordance with Accepted Servicing Practices, in all respects in compliance with all applicable laws and regulations, and in all material respects proper and prudent in the mortgage origination and servicing business. With respect to escrow deposits and Escrow Payments, all such payments are in the possession of Seller, and there exist no deficiencies in connection therewith for which customary arrangements for repayment thereof have not been made. All Escrow Payments have been collected in full compliance with state and federal law. An escrow of funds is not prohibited by applicable law and has been established in an amount sufficient to pay for every item that remains unpaid, and which has been assessed but is not yet due and payable. No escrow deposits or Escrow Payments, or other charges or payments due Seller have been capitalized under the Mortgage or the Mortgage Note. All Mortgage Interest Rate adjustments have been made in strict compliance with state and federal law and the terms of the related Mortgage Note. Any interest required to be paid pursuant to state and local law has been properly paid and credited. The Mortgage Loan is not subject to outstanding escrow holdbacks.

3.2.34 Appraisal

If required by the applicable Product Guides, the Mortgage Loan file includes an appraisal or property valuation relating to the Mortgaged Property, in a form acceptable to the Agencies. Any appraisal or property valuation prepared for a Mortgaged Property (i) meets the requirements of FIRREA, provides an accurate estimate of the genuine market value of the Mortgaged Property at the time of origination, and, when an appraisal is required, was conducted by a Qualified Appraiser, (ii) fully complies with all applicable appraiser independence requirements, restrictions and guidelines including those in the Appraiser Independence Requirements adopted by Fannie Mae or Freddie Mac and the Appraisal Independence Requirements outlined in Title XIV, Subtitle F, Section 1472 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (adding Section 129E to the Truth in Lending Act 15 U.S.C. 1631 et seq.) and any regulations promulgated pursuant thereto, and (iii) adheres to the applicable requirements, restrictions, and guidelines specified in the Agreement.

3.2.35 Construction Defects

Any home or improvement included as part of the Mortgaged Property was constructed in a workmanlike manner, accepted by the Mortgagor in good and habitable condition, and complies all applicable warranties, representations, legal obligations, and local, state, and federal codes and related to its condition, construction, and location.

3.2.36 Servicemembers' Civil Relief Act

No Mortgagor has notified Seller, and Seller has no knowledge of any relief requested or allowed to the Mortgagor under the Servicemembers' Civil Relief Act of 2003, as amended, or any successor legislation thereto.

3.2.37 Environmental Matters

The Mortgage Loan meets the applicable Agency requirements for properties affected by environmental hazards. Except as otherwise stated in the applicable Product Guides, Non-Conforming loan transactions meet the Fannie Mae standards.

Each Mortgaged Property is free from any and all toxic or hazardous substances, and there exists no violation of any local, state, or federal environmental law, rule, or regulation. There is no pending action or proceeding directly involving any Mortgaged Property of which Seller is aware in which compliance with any environmental law, rule, or regulation is an issue, and nothing further remains to be done to satisfy in full all requirements of each such law, rule, or regulation constituting a prerequisite to the use and enjoyment of said property.

3.2.38 No Denial of Insurance

Seller has caused or will cause to be performed any and all acts required to preserve the rights and remedies of Purchaser in any insurance policies applicable to the Mortgage Loans including, without limitation, any necessary notifications of insurers, assignments of policies or interests therein, and establishments of coinsured, joint loss payee and mortgagee rights in favor of Purchaser. No action, inaction, or event has occurred, and no state of fact exists or has existed that has resulted or will result in the exclusion from, denial of, or defense to cover under any applicable pool insurance policy, special hazard insurance policy, mortgage insurance certificate, bankruptcy bond, irrespective of cause of such failure of coverage. In connection with the placement of any such insurance, no commission, fee, or other compensation has been or will be received by Seller or any designee of Seller or any corporation in which Seller or any officer, director, or employee had a financial interest at the time of placement of such insurance.

3.2.39 Points and Fees: Mortgagor Acknowledgment

All points, fees, and charges (including finance charges), whether or not financed, assessed, collected, or to be collected in connection with the origination and servicing of each Mortgage Loan, complied with all applicable guidelines and have been disclosed in writing to the Mortgagor in accordance with applicable state and federal law and regulation.

On all loans covered under the Ability-to-Repay Standards, the Mortgagor was not charged "points and fees" (whether or not financed) in an amount greater than (i) $1,000, or (ii) 5% of the principal amount of the Mortgage Loan, whichever is greater, as calculated per the provisions of 12CFR 1026.32(b)(1), For Qualified Mortgage (QM), points and fees are capped at 3% of the loan amount (with adjustments for smaller loans) updated on an annual basis.

3.2.40 Single Premium Credit Life Insurance

No Mortgagor was required to purchase any single premium credit insurance policy (e.g., life, disability, accident, unemployment, or health insurance product) or debt cancellation agreement as a condition of obtaining the extension of credit. No Mortgagor obtained a prepaid single premium credit

insurance policy in connection with origination of the Mortgage Loan. No proceeds from any Mortgage Loan were used to purchase single premium credit insurance policies or debt cancellation agreements as part of the origination of, or as a condition to closing, such Mortgage Loan. No Mortgagor has a debt cancellation agreement with respect to the related Mortgage Loan.

3.2.41 MERS

Seller is approved MERS® member in good standing and will comply in all material respects with MERS® rules and procedures in connection with origination, transfer, and servicing of any MERS Mortgage Loans for as long as such Mortgage Loans are registered with MERS®.

With respect to each MERS® Designated Mortgage Loan, Seller has not received any notice of liens or legal actions with respect to such Mortgage Loan and no such notices have been electronically posted by MERS®. With respect to each MERS® Designated Mortgage Loan, a MIN has been assigned by MERS® and such MIN has been accurately provided to LoanStream in the Mortgage Loan File. The related assignment of Mortgage to MERS® has been duly and properly recorded. With respect to each MERS® Designated Mortgage Loan, Seller has or will within the timeline required in the Agreement, designated LoanStream as the MERS® Investor and no Person is listed as interim funder on the MERS® System.

3.2.42 Predatory Lending Regulations: High-Cost Loans

The Mortgage Loan is not categorized as a High Cost Mortgage Loan. The Mortgage Loan does not have an “annual percentage rate” or total “points and fees” payable by the related Mortgagor (as each such term is calculated under HOEPA) that equal or exceed the thresholds set forth by HOEPA and its regulations, including 12 C.F.R. § 226.32(a)(1)(i). No predatory or deceptive lending practices were exercised in the origination of the Mortgage Loan. The Mortgage Loan has passed the High Cost Mortgage Test, whether or not they are covered by high cost mortgage regulation, HOEPA (Section 226.32 of Regulation Z), or any state or local high cost, covered or predatory lending law or ordinance. The Mortgage Loan is in compliance with the anti-predatory lending eligibility for purchase requirements in the Agency Guides.

3.2.43 Origination

No error, omission, misrepresentation, negligence, fraud, or similar occurrence with respect to a Mortgage Loan has taken place on the part of any person including, without limitation, the Mortgagor, Mortgage Loan Originator, appraiser, builder, developer, or any other party involved in the origination of the Mortgage Loan or in the application of any insurance in relation to such Mortgage Loan.

The documents, instruments and agreements submitted for loan underwriting were not falsified and contain no untrue statement of material fact. They do not omit any material fact required to be stated or necessary to make the information and statements not misleading. Seller has reviewed all the documents constituting the Mortgage Loan and has made necessary inquiries to confirm the accuracy of the representations set forth herein.

The Mortgage Loan was originated by a Mortgagee approved by the Secretary of Housing and Urban Development pursuant to Sections 203 and 211 of the National Housing Act, a savings and loan association, a savings bank, a commercial bank, credit union or other entity which is supervised and examined by a federal or state authority. Seller and all other parties which have had any interest in the Mortgage Loan on or before the Purchase Date, whether as mortgagee, assignee, pledgee or otherwise, are (and, during the period in which they held and disposed of such interest, were) in

compliance with any and all applicable "doing business," licensing or other requirements of the laws of the state wherein the Mortgaged Property is located.

3.2.44 Compliance with Anti-Money Laundering (AML) Laws

Seller has complied with all applicable anti-money laundering laws and regulations, including without limitation the USA Patriot Act of 2001 (collectively, the Anti-Money Laundering Laws), Seller has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws and the regulations promulgated by the Office of Foreign Assets Control (OFAC) of the United States Department of Treasury, has conducted the requisite due diligence in connection with the origination of each Mortgage Loan for purposes of the Anti-Money Laundering Laws that also requires regular checks of the Specially Designated Nationals (SDN) list issued by OFAC, including with respect to the legitimacy of the appliable Mortgagor and the origin of assets used by said Mortgagor to purchase the property in question, and maintains, and will maintain, sufficient information to identify the applicable Mortgagor for purposes of the Anti-Money Laundering Laws.

3.2.45 Underwriting Methodology

The methodology used in underwriting the extension of credit for each Mortgage Loan employs objective mathematical principles that relate to Mortgagor's income, assets, and liabilities to the proposed payment, and such underwriting methodology does not rely on the extent of the Mortgagor's equity in the collateral as the principal determining factor in approving such credit extension. Such underwriting methodology confirmed that at the time of origination (application/approval), the Mortgagor had a reasonable ability to make timely payments on the Mortgage Loan.

3.2.45.1 Desktop Originator® Sponsorship

If LoanStream agrees to purchase a Loan from Seller where the observations section of the DU Underwriting Findings shows a lender other than LoanStream as the submitting entity the Seller agrees, represents, and warrants that as of the Purchase Date the latest available DU Underwriting Findings report for the Loan has been delivered to LoanStream as part of the purchased Mortgage Loan file. Seller also confirms that the data in the DU casefile is true, correct, and consistent with the latest DU Underwriting Findings report that was delivered.

Additionally, Seller agrees that if Seller, its non-LoanStream Sponsoring Lender or others change, modify or delete the DU casefile on or after the Purchase Date, Seller will, at LoanStream's sole option repurchase the Loan and/or provide LoanStream with an indemnification against any losses and/or the impairment of its rights in relation to third parties or the salability of the Loan, under the terms of the Guide.

3.2.46 Higher Cost Products

No Mortgagor was encouraged or required to select a Mortgage Loan product offered by the Mortgage Loan's originator, which is a higher cost product designed for less creditworthy borrowers unless at the time of the Mortgage Loan's origination, such Mortgagor did not qualify taking into account credit history and debt-to-income ratios for a lower cost credit product then offered by the Mortgage Loan's originator or any affiliate of the Mortgage Loan's originator. If at the time of loan application, the Mortgagor may have qualified for a lower-cost credit product than offered by any mortgage lending affiliate of the Mortgage Loan's originator, the Mortgage Loan's originator referred the Mortgagor's application to such affiliate for underwriting consideration.

3.2.47 Arbitration

None of the Mortgage Loan Documents or other documents evidencing or securing the Mortgage Loan provide for or contain an arbitration clause of any kind or require any other non-judicial procedure to resolve any controversy or settle any claims arising out of the Mortgage Loan.

3.2.48 Electronic Signatures

With respect to any documents or records executed using an Electronic Signature, and subject to the terms of the Agreement: (i) all Electronic Signatures comply with the applicable standards and requirements under the Electronic Signatures in Global and National Commerce Act ("ESIGN") and, where applicable, the Uniform Electronic Transactions Act ("UETA") as adopted by the relevant state, or any other Applicable Law; and (ii) any system modifications will not cause the electronically signed documents to become non-compliant with ESIGN, UETA, or other Applicable Law.

Furthermore, all documents bearing Electronic Signatures are legally valid, binding, and enforceable in accordance with their terms against the Mortgagor or any other signatory. Such documents are fully transferable or assignable without requiring additional documentation and may be enforced by any third party to whom they are transferred or assigned. These documents and records are properly executed and, where required, attested to in full compliance with all Applicable Laws and regulations—including those imposed by any relevant Agency or private investor—and meet all industry-accepted standards for electronically executed documents in accordance with Agency or private investor requirements.

4. EARLY PAYMENT DEFAULT/EARLY PAYOFF/REPURCHASE/INDEMNIFICATION

Seller and Purchaser understand and agree that provisions of the Agreement shall survive the sale of the Mortgage Loans and delivery of the Mortgage File to Purchaser and shall inure to the benefit of Purchaser, notwithstanding any restrictive or qualified endorsement on any Mortgage Note or Assignment of Mortgage or the examination or failure to examine any Mortgage File. Upon discovery by either Seller or Purchaser of any breach of the Agreement, the party discovering such breach shall give prompt written notice to the other. Absent clear and convincing evidence of actual and material prejudice to Seller, Purchaser's failure to provide timely notice to Seller under this Section shall not relieve Seller of any of its duties or obligations.

The remedies available may vary based on the Mortgage Loan type and the applicable representations, warranties or covenants breached and are in addition to any other remedies LoanStream may have at law or in equity. These remedies include, but are not limited to:

- Repurchase
- Indemnification
- EPD Fee Payment
- EPO Fee Payment
- General Indemnification
- Reasonable Assurances
- Possession of Mortgage Loan Files and Mortgage Loan Documents
- Suspension
- Termination
- Right of Setoff
- Withholding of Mortgage Loan Purchase Funding

The events of default for which LoanStream is entitled to remedies include, but are not limited to:

- Early Payment Default (delinquency or foreclosure)
- Breach of Representation or Warranty
- Uninsured Mortgage Loan
- Unmarketable Mortgage Loan
- Fraud and/or Misrepresentation
- Early Payoff
- Adverse Financial Condition of Seller
- Regulation AB-specific Remedies

4.1 Discovery and/or Notice of Breach

Within fifteen (15) days after the earlier of either discovery by or notice to Seller of any breach, Seller shall cure such breach or, if such breach cannot be cured, Seller shall, at Purchaser's option, and in addition to the indemnification obligations of Seller under the Agreement, repurchase any affected Mortgage Loan at the Repurchase Price. In the event a breach involves any representation or warranty set forth under Representations and Warranties above, and such breach cannot be cured within fifteen (15) days after the earlier of either discovery by or notice to Seller of such breach, all of the Mortgage Loans materially affected thereby shall, at Purchaser's option, and in addition to the indemnification obligations of Seller under the Agreement, be repurchased by Seller at the Repurchase Price.

4.2 Foreclosure of the Mortgaged Property

Seller's repurchase obligation with respect to a Mortgage Loan shall not be eliminated by the fact the Mortgaged Property has been foreclosed upon and acquired by Purchaser, its assigns, or a third party. Seller's repurchase obligations hereunder include the purchase of the Mortgaged Property from Purchaser at the applicable Repurchase Price (if Purchaser has acquired the Mortgaged Property) or, if a third party has acquired the Mortgaged Property, paying Purchaser the applicable Repurchase Price. Upon Purchaser's demand to Seller for any payment due hereunder, Purchaser shall have the absolute right to withhold or offset any monies otherwise due Seller, including but not limited to monies that may be due Seller associated with other Mortgage Loans purchased or subject to purchase by Purchaser.

4.3 Direct Remittance

Any repurchase of a Mortgage Loan or purchase of a Mortgaged Property shall be accomplished by direct remittance of the Repurchase Price to Purchaser in accordance with Purchaser's instructions. Upon Seller remitting the Repurchase Price to Purchaser, Purchaser shall assign the repurchased Mortgage Loan or deed title to the Mortgaged Property, as applicable, to Seller and deliver to Seller any documents held by Purchaser relating to the repurchased Mortgage Loan at Seller's cost, in each case without representation or warranty from, or recourse to, Purchaser.

4.4 Underwriting

Purchaser may underwrite certain Mortgage Loans sold to Purchaser (i.e., review the full credit package for compliance with applicable guidelines, including but not limited to employment, income, assets, collateral, and verifications). Seller acknowledges that (i) any underwriting undertaken by Purchaser does not include determining a Mortgage Loan's compliance with applicable federal, state, or local laws or regulations, which remains Seller's obligation, and (ii) in underwriting the Mortgage Loan, Purchaser relies upon the information and data supplied by Seller as being truthful, accurate, and complete in all material respects.

For any Mortgage Loan underwritten by Purchaser, notwithstanding the above, if the information Seller provided to Purchaser, which Purchaser relied upon to underwrite the Mortgage Loan, was true, accurate, and complete in material respects, this Subsection shall not apply to a Mortgagor's assertion that Seller or Purchaser failed to determine the Mortgagor's Ability to Repay the loan as required under regulation 12 CFR Part 1026.43 (c) and (e). Seller shall not make the representation and warranty under Underwriting Methodology above.

4.4.1 Delegated Delivery

All loan programs are subject to additional LoanStream Mortgage requirements and terms of the Seller Guide.

Delegated Loan Type	Loan Program Types Included
Conforming	Fannie Mae (FNMA) and Freddie Mac (FHLMC) eligible loans
Government	FHA, USDA/GRH/RD, and VA
Non-conforming	LoanStream Mortgage Jumbo, Non-QM, Alt Agency and Closed End Seconds

4.4.2 Non-Delegated Delivery

In the event Seller requests and LoanStream (1) completes a Non-Delegated credit review, (2) concludes the Mortgage Loan is "Clear to Close" and (3) purchases the Mortgage Loan from Seller, so long as there are no material changes in the purchased Mortgage Loan as compared to the file presented in the Non-Delegated credit Review, Seller shall be relieved of repurchase, EPD Fee, or Remedy or other contract liability with respect to its requirements to determine borrower creditworthiness, property type eligibility, property value, and other features of the Credit File. Seller continues to make all other Representations and Warranties to LoanStream and is responsible for all other requirements of the Seller Guide, and Correspondent Mortgage Loan Purchase Agreement between LoanStream and Seller, and LoanStream retains all of its Remedies for any breaches, without limitation.

4.5 Early Payment Default (EPD)

A Mortgage Loan is considered an EPD if any monthly payments due to LoanStream or its assigns in the initial time period as indicated in the EPD table below becomes sixty (60) days or more delinquent. For purposes of this section, a Mortgage Loan is considered delinquent if payment is not received on or before its designated due date.

Sellers, brokers, or third parties involved in the origination and/or closing of a Mortgage Loan or the sale of such Loan to LoanStream may not make a payment on behalf of the Mortgagor or contribute to a Mortgagor's mortgage payment when the Mortgagor has not made the payment. Doing so is considered a form of fraud or misrepresentation and will subject Seller to the available actions and Remedies set forth in this Seller Guide.

If any Monthly Payment (indicated below) becomes the Days Delinquent (indicated below) for the Loan and Underwriting Type (indicated below) after the related Purchase Date, then the Purchaser shall provide notice of such occurrence to the Seller and Seller shall repurchase the related Mortgage Loan from the Purchaser in accordance with the procedures set forth in Section 4 hereof unless a different remedy is indicated below in which case Purchaser shall do so within 10 business days.

An Early Payment Default (EPD) is defined differently by Loan Type and underwriting designation of the Mortgage Loan. This policy above and the table below applies to payments due to LoanStream Mortgage and/or its assignees.

Early Payment Default (EPD)				
Loan Products	**Underwriting**	**# of Payments**	**Days Delinquent**	**Remedy**
Agency	Non-delegated	N/A	N/A	▪ N/A
Agency	Delegated	Four (4)	60+	▪ SRP, and ▪ Premium[1], and ▪ $3,000 Fee
Government[2]	Non-delegated	N/A	N/A	▪ N/A
Government[2]	Delegated	Four (4)	60+	▪ SRP, and ▪ Premium[1]and ▪ $5,000 Fee
Jumbo, Non-QM, Alt Agency & Closed End Second	Non-delegated	Three (3)	60+	▪ Premium[1], and ▪ $3,000 Fee
Jumbo, Non-QM, Alt Agency & Closed End Second	Delegated	Four (4)	60+	▪ Repurchase[3]
[1]Any over par premium pricing paid to Seller for the purchase of the Mortgage Loan or 100 basis points, whichever is greater [2] Includes FHA, USDA, and VA loans [3] See Section 4.8 for Repurchase Price Calculation				

4.6 Early Payoff (EPO)

With respect to any Mortgage Loan that pays off in full within the specified number of days shown below of purchase of the Mortgage Loan, Seller will be billed for recapture of all over par premium pricing paid to Seller for the purchase of the Mortgage Loan.

Agency/Government	One hundred twenty (120) days
Jumbo/Non-QM/Alt Agency/Closed End Second	One hundred twenty (120) days

4.7 Repurchase Obligations

As further provided below, Seller shall have a Repurchase Obligation with respect to any Mortgage Loan upon the occurrence of one or more of the following breaches affecting such Mortgage Loan:

(a) Upon the discovery by either the Seller or the Purchaser of a breach of any representation, warranty or covenant referenced in the MLPA or seller guide.

(b) Where the Seller fails to deliver, or fails to cause to be delivered, one or more original Mortgage Loan Documents with respect to the Mortgage Loan as required and specified in the Guide within the maximum delivery time permitted in the Guide for such original document, or, if no time is specified, within one hundred and twenty (120) days after the related Purchase Date

(c) For Agency and Government mortgage loans where an Early Payment Default has occurred with respect to the Mortgage Loan; **and**

(d) Upon the occurrence of any other event or circumstance giving rise to a Repurchase Obligation, as the same may be identified in the Guide as it exists on the related Purchase Date of such Mortgage Loan.

At the time of repurchase, the Purchaser and the Seller shall arrange for the reassignment of the repurchased Mortgage Loan to the Seller and the delivery to the Seller of any documents held by the Purchaser or its custodian relating to such Mortgage Loan.

4.8 Repurchase Price Calculation

4.8.1 For a Mortgage Loan

The Repurchase Price shall include:

1. The unpaid principal balance of such Mortgage Loan, plus
2. Any Premium, plus
3. All costs and expenses actually incurred through the repurchase date, including but not limited to reasonable fees and expenses of counsel associated with enforcing Seller's repurchase obligations hereunder, plus
4. All interest associated with the Mortgage Loan that has accrued but been unpaid from the "paid-to-date" of the Mortgage Loan through and including the last day of the month in which the repurchase is made, plus
5. Any advances made by Purchaser or any successor holder of the Mortgage Loan, less
6. Any proceeds of mortgage insurance with respect to the Mortgage Loan actually collected by Purchaser or any successor holder of the Mortgage Loan.
7. A one-time early payment default fee, refer to the Early Default Payment Table for specific fee amount.

4.8.2 For a Mortgaged Property

For any Mortgaged Property that has been foreclosed upon (or otherwise subject to similar process) and title obtained by Purchaser, any successor holder, or third party, then Seller shall be obligated to pay Purchaser a Repurchase Price as follows:

1. The unpaid principal balance of such Mortgage Loan at the time of foreclosure, plus
2. Any Premium, plus
3. All costs and expenses, including but not limited to fees and expenses of counsel incurred by Purchaser or any successor holder in connection with the foreclosure and management/care of the property and enforcing Seller's repurchase obligations hereunder, plus
4. All accrued but unpaid interest on the unpaid principal balance of the Mortgage Loan from the "paid-to-date" of the Mortgage Loan through and including the last day of the month in which the foreclosure occurs, plus
5. Any advances made by Purchaser or any successor holder of the Mortgage Loan, less
6. Any proceeds of mortgage insurance with respect to the Mortgage Loan actually collected by Purchaser or any successor holder of the Mortgage Loan, less
7. The net proceeds actually received by Purchaser associated with the sale of the property to a third-party purchaser.

4.8.3 Uninsured Mortgage Loan

- Certificate of Insurance or Guaranty: The certificate of insurance, guaranty, or similar document evidencing the required amount of coverage has not been issued by a Mortgage Insurer or Guarantor acceptable to LoanStream for the relevant Loan Product that the Mortgage Loan was purchased under, and (i) the Mortgage Loan becomes 30 days or more delinquent, or (ii) 60 days or more have passed since the Closing Date of the Mortgage Loan, or (iii) the insurer or guarantor has declined the request for insurance or guarantee.
- Insurance Premium FHA, VA, or USDA: The upfront mortgage insurance premium or guaranty fee was not paid prior to Mortgage Loan Purchase.
- Insurance Premium Fannie Mae, Freddie Mac, or Alt Agency: The Seller did not collect and pay private mortgage insurance premiums due as required per the terms of the Mortgage Insurance Certificate (MIC), or within 30 days after the Purchase Date, whichever is sooner.
- Insurance Rescission, Cancellation, or Denial: The Mortgage Insurer cancels coverage and/or denies a claim under such coverage, or a guarantor cancels or rescinds its guaranty due to fraud, misrepresentation or omission of a material fact or for any other reason related to the eligibility of the Mortgage Loan for Mortgage Insurance or guaranty.
- Indemnification Requirement by Insurer or Guarantor: The Mortgage Insurer or guarantor requires that Seller or LoanStream indemnify it against loss due to origination or underwriting-related defects or issues, or any defects or issues other than those occurring after the servicing transfer date and the responsibility of LoanStream, its agents or assigns.

4.9 Indemnification in Lieu of Repurchase

At the sole discretion of LoanStream, the remedy of indemnification against loss may apply to a Mortgage Loan that is otherwise subject to a repurchase remedy upon the occurrence of a repurchase event of Default per the terms of the agreement. The terms and conditions of the indemnification may vary with circumstances relevant to each Mortgage Loan but will include a return to LoanStream by Seller of the amount of the purchase price that exceeds par, which includes without limitation any SRP and pricing premium paid to the Seller. Par is 100% of the unpaid principal balance.

In addition, the indemnification may require payment of the estimated loss LoanStream reasonably believes it may incur or actual loss it has incurred as a result of the event of default that gave rise to the Indemnification remedy, including without limitation any marketing loss upon sale of an impaired Mortgage Loan at a reduced market price, loss due to indemnification, repurchase or make-whole required of LoanStream by its insurers or investors, loss upon liquidation of the property securing the Mortgage Loan, and reasonable attorney's fees.

4.9.1 Real Estate Owned ("REO") Indemnification or "Make-Whole"

For any Mortgage Loan subject to a default remedy, if LoanStream (or its agent, Control Affiliate, or any subsequent owner or their agent or Control Affiliate) acquires title to the related Mortgaged Property—whether through foreclosure, deed-in-lieu, abandonment, or recovery from bankruptcy—the Seller shall, upon request and at LoanStream's option:

- Repurchase the Mortgaged Property from LoanStream at a price equal to the repurchase price; or
- If the property has already been sold or otherwise disposed of, indemnify LoanStream and hold it harmless against any resulting loss, including but not limited to any portion of the Purchase Price paid above par (such as the SRP and pricing premium paid to the Seller).

4.9.2 Third-Party Claim

Seller shall immediately notify Purchaser if a claim is made by a third party with respect to the Mortgage Loans or the Agreement. Purchaser shall control the defense of any such claim, and Seller shall pay all expenses in connection therewith, including counsel fees, costs, and expenses, and promptly pay, discharge, and satisfy any judgment or decree that may be entered against it or Purchaser in respect of such claim.

In addition to Seller obligations set forth in this section, Purchaser may pursue any and all remedies otherwise available under the Agreement, at law, or in equity, including but not limited to the right to seek damages and the right to demand repurchase under the Agreement. Seller indemnification obligation set forth herein shall survive termination of the Agreement notwithstanding any applicable statute of limitations, which Seller hereby expressly waives.

Notwithstanding anything in the Agreement to the contrary, neither party shall be liable to the other for any punitive damages.

4.9.3 Failure to Perform Remedies and Related Obligations

In the event that Seller fails to timely make payments required or timely perform other actions required under this *Early Payment Default* section of the Guide, LoanStream may at its sole discretion invoke other remedies described in the MLPA or available at law or in equity, including without limitation its right of offset in the form of net funding the amount due from future purchases or otherwise retaining amounts due Seller.

4.9.4 Prohibited Activities

From and after the Purchase Date, Seller agrees that it will not take any action or permit or cause any action to be taken by any of its agents or Control Affiliates, or by any independent contractors or independent mortgage brokerage companies on Seller's behalf, to personally, by telephone, mail or electronic mail or otherwise, solicit the Mortgagor under any Mortgage Loan for the purpose of refinancing such Mortgage Loan.

5. PROTECTION OF CONFIDENTIAL INFORMATION

"Confidential Information" means any nonpublic information disclosed by either party to the other, whether prior to or after signing the Agreement, directly or indirectly, in writing, orally, or by inspection of tangible objects.

5.1 Exclusions

Confidential Information does not include any information that (i) is publicly known prior to the time of disclosure to the receiving party, (ii) becomes publicly known after disclosure to the receiving party through no action or inaction of the receiving party or its attorneys, accountants, agents, officers, directors, consultants, and employees (collectively "Representatives"), (iii) is already in possession of the receiving party without restriction on use or disclosure at the time of disclosure by the disclosing party, (iv) becomes available to the receiving party without restriction on use or disclosure from a third party without a breach of such third party's obligations of confidentiality, or (v) is independently developed by the receiving party without use of or reference to the disclosing party's Confidential Information.

5.2 Holding Confidential Information in Strict Confidence

Each party agrees to (i) hold the other party's Confidential Information in strict confidence and to take reasonable precautions to protect such Confidential Information (which precautions shall be no less than those employed to preserve the secrecy of its own confidential materials), (ii) comply with all applicable federal and state laws regarding privacy and confidentiality of nonpublic customer or consumer information, including but not limited to the adherence to the Gramm-Leach-Bliley Act and its implementing regulations, (iii) not make any use of or act on the other party's Confidential Information whatsoever at any time, except to fulfill its obligations under the Agreement, (iv) not reverse engineer or disassemble any products, technology, or tangible objects that utilize such Confidential Information, and (v) not disclose any such Confidential Information or any information derived therefrom to any third party or contact any third party regarding the Confidential Information or information derived therefrom, except to enforce provisions herein or to those of the receiving party's Representatives who have a legitimate "need to know" and are bound in writing to restrictions substantially similar to those herein.

The receiving party shall promptly notify the disclosing party upon discovery of any unauthorized use or disclosure of Confidential Information or any other breach of the Agreement and will cooperate with the disclosing party in every reasonable way to help regain possession of such Confidential Information and prevent its future unauthorized use. The receiving party shall be responsible for any breach of the Agreement by its Representatives as if such Representatives were a party hereto.

5.3 As Pertains to Seller Approval and Purchase of Mortgage Loans

Seller authorizes Purchaser—in connection with any sale of any Mortgage Loan from Seller to Purchaser, Seller's request to become an approved seller of Mortgage Loans to Purchaser or Purchaser's recertification of Seller as an approved seller of Mortgage Loans to Purchaser—to (i) verify any information Seller provides to Purchaser, whether pertaining to any Mortgage Loan, Seller, or any officer, director, or employee of Seller and (ii) obtain business credit and reference reports and any other information that is of concern to Purchaser. Seller agrees that such reports, information, and verifications may be disclosed to potential purchasers of the Mortgage Loans from Purchaser; however, Purchaser shall not use such reports, information, or verifications for any consumer credit purpose.

6. RATE LOCK REQUIREMENTS

LoanStream has developed the following rate lock requirements and policies to minimize LoanStream's interest rate exposure for loans we purchase. The LoanStream Secondary Marketing Department will handle any circumstance not covered specifically in this document on a case-by-case basis.

6.1 Rate Locks

6.1.1 Pricing/Locks

Secondary Marketing is responsible for establishing pricing for loans purchased by LoanStream. The daily published rate sheets are only indications. Market conditions are volatile and may cause intraday rate/price changes. Pricing is subject to change without notice due to market conditions or technical issues. No promises or guarantees concerning pricing and rates shall be communicated to Seller prior to a Rate Lock Confirmation received from the Lock Desk or Secondary Marketing.

A lock is an agreement between Seller and Purchaser that stipulates the specific number of days LoanStream guarantees the rate/price. If interest rates rise during the stipulated lock period,

LoanStream is committed to honoring the original rate/price. Although a loan may be locked, there is no guarantee that the borrower will be qualified for the loan; that is, the loan is subject to LoanStream underwriting approval, where applicable, purchase review and other eligibility requirements not assessed at the time of lock.

6.1.2 Lock Option Best Efforts

A Best Effort Lock Commitment is a commitment whereby the Seller locks a single loan with a pledge of best efforts to sell that loan to Purchaser. The Best Effort Lock Commitment is a lock for a specific borrower, subject property, program, and price. Purchaser reserves the right to enforce a pair-off fee for Best Effort locks on loans that close, and for which Seller fails to deliver the loan to LoanStream.

The pair-off amount will be calculated by comparing the original Best Efforts locked price to current market on the same lock term as the original lock. Any positive market movement will be the pair-off figure to be billed to the Seller by LoanStream.

6.1.3 Lock and Registration Options

Sellers may lock loans online via LoanStream's Seller Connect Portal. When experiencing technical difficulties, please reach out to the lock desk at corrlocks@lsmortgage.com.

6.1.4 Lock Periods

Lock periods may vary by loan product and the stage the loan is in at the time of the lock. LoanStream lock periods begin the day a loan is locked. For example, a 15-day lock issued on August 1st will expire on August 15th. Generally, LoanStream offers the following lock periods.

- 15-day lock
- 30-day lock
- 45-day lock

6.1.5 Lock Activity, Times, and Cutoff

LoanStream Lock Desk hours are Monday through Friday, 8:00 AM to 6:00 PM PST. The Lock Desk adheres to LoanStream's posted holiday schedule. Pricing and lock capabilities are also available via LoanStream's Seller Connect Portal Monday through Friday, 8:00 AM to 8:59 PM PST.

6.2 Rate Lock Confirmation

6.2.1 Notice of Receipt

LoanStream Secondary Marketing will reply to a lock request once the lock is completed (or before completion in the event additional information is needed to complete the lock). Seller will receive confirmation when the lock is completed. Submission of a lock request does not guarantee the loan will be locked. When the lock is completed, Seller will receive a confirmation email. A copy of the lock confirmation will also be available on the LoanStream Seller portal.

6.2.2 Lock Expiration

The lock expiration date, as listed on the Rate Lock Confirmation, is the date LoanStream's commitment to honor a locked loan rate expires. It is also the date by which the Seller is to deliver the loan for purchase. If Seller requires additional time for loan delivery and a lock extension was not

requested prior to lock expiration, the loan is subject to late delivery fees. A lock expiring on a weekend or holiday is automatically extended to the next business day.

The late delivery fee is calculated as a 0.125 late delivery fee plus two basis points (0.02) per day the file is late up to five (5) business days. After five (5) business days, the lock is subject to re-lock and worst case pricing.

Example:

- Lock expiration date is September 20th
- Loan delivery date is September 22nd (2 days late)
- Late delivery fee is calculated as:
  - 0.125 late delivery penalty
  - 2 (days) x .02 = .04
  - 0.125 + .04 = 0.165 total late delivery charge

6.2.3 Lock Extension

It is Seller's responsibility to monitor its locked loan pipeline and request extensions as needed. To avoid the added cost of a lock extension, all measures should be taken to close and deliver loans within the original lock period. When an extension is required, it must be requested before 5:00 PM PST on the lock expiration date; a lock extension is only available if the expiring lock is still active.

See rate sheet for current extension requirements and current per-day cost. Maximum lock extension is the more restrictive of 30 days or current rate sheet allowance. On 45-day lock- refer to current rate sheet; extensions may be limited and worse-case pricing may apply.

6.2.4 Locked Loan File Delivery Policy

Files must be delivered electronically via LoanStream's Seller Connect Portal. This is a secure website accessible only to LoanStream and its approved Sellers. Underwriting and purchasing conditions can also be viewed and uploaded via this secure portal.

Loans locked under **Best Efforts** must be received on or before 5:00 PM PST on the lock expiration date. After file review is completed, LoanStream will issue Purchase Conditions to notify the Seller of certain conditions that must be met, including but not limited to underwriting and purchasing conditions. This will include a "Conditions Cleared By Date" (the greater of seven (7) calendar days from the date of the disposition or the lock expiration date). If the "Conditions Cleared by Date" falls on a holiday or weekend, it will roll over to the next business day. If conditions are not cleared by this date, suspense fees may be charged to the Seller. All conditions must be cleared within 30 days of notification, or the file will be subject to return.

Suspense fees accrue at a rate of two basis points (0.02) per day, starting on day eight, if not cleared during the seven calendar day grace period. For example, if conditions are cleared on day nine in suspense, the Seller will be charged two days of suspense fees, nine.

The pricing provided on the lock confirmation may be subject to change. Changes, including but not limited to changes in loan characteristics, program eligibility, commitment terms and late fees will affect the final loan price. LoanStream reserves the right to modify and/or revise its lock confirmation should any of the information submitted in the final Closed Mortgage Loan differ from the information provided

at time of lock or if the delivered loan does not meet LoanStream guidelines. A lock confirmation does not constitute a loan decision/approval or a commitment to purchase a Loan.

6.2.5 Re-Lock Policy

A seller may re-lock loans that have not closed prior to the lock expiration date. The re-lock price will be determined based on the date of the re-lock in relation to the original lock expiration date, including any applicable lock extensions that occurred.

- Re-lock occurs ≤ 30 days after lock expiration:
  - Worse case pricing (WCP) of:
    - Original net price
    - Current market net price
  - New lock term may be selected by the Seller although it may not be greater than the original lock term
  - 25 basis points (0.25) relock fee will be applied

NOTE: In addition to the requirements above, Non-QM relocks will also incur all extension costs from the time of expiration until the re-lock day if requested 15 days or more past expiration. Standard re-lock policy is allowed only with loan resubmission under a new loan number.

- Re-lock occurs > 30 days after lock expiration
  - New lock at current market net price

NOTE: In addition to the requirements above, Non-QM re-locks will also incur all extension costs from the time of expiration until the re-lock day. Standard re-lock policy is allowed only with loan resubmission under a new loan number.

LoanStream will allow up to two re-locks for no greater than a total of 60 days, never to exceed the original lock term.

6.3 Locked Loan Data Change Request

6.3.1 Delegated

Change requests are required by contacting the lock desk at corrlocks@lsmortgage.com

6.3.2 Non–Delegated

Requirements for changing a locked rate on a non-delegated, underwritten loan:

- Loans not yet delivered can be changed by the Seller
- Loans delivered but not yet decisioned by LoanStream Underwriting can be changed by the Seller
- Loans delivered for which an initial underwriting decision has been issued must be changed by the LoanStream Underwriter
  - Seller must submit applicable documentation that reflects the change (1003, 1008, AUS, Credit Report, etc.) to the LoanStream Underwriter when requesting a change

NOTE: Loans submitted to LoanStream with delegated underwriting (underwritten by Seller) are not subject to this policy. Changes to a locked delegated underwriting loan can be made at any time at the Seller's discretion.

6.4 Loan Program Change

Loan program changes may require a re-lock with LoanStream Secondary Marketing. Email all changes to the LoanStream Lock Desk (*corrlocks@lsmortgage.com*) with subject line: Loan Program Change Request for Borrower Last Name – Last 6 digits of Loan Number
Example: Loan Program Change Request for Brown – #456789

6.4.1 Change in Amortization Type

If the program change includes Fixed to ARM, or vice versa, or amortization term changes, Worse Case pricing for the date of the original commitment or the date of the change will apply.

6.4.2 Property Change

Rate locks are tied to the property. If the property changes, a new rate lock is required at current available pricing.

6.4.3 Borrower Change

A change of borrower is acceptable as long as one of the original borrowers remains the same.

6.5 Market Improvement Renegotiation

An improving market may create circumstances where borrowers request a better rate/price than was originally locked. Renegotiations to prevent loan fallout are considered on a case-by-case basis.

6.5.1 Renegotiation Criteria

Renegotiation requests are reviewed on a case-by-case basis if the current market base price at the locked rate has moved by 100 basis points or more. Renegotiation must be initiated by the Seller by emailing the lock desk at corrlocks@lsmortgage.com. The renegotiation price is determined as follows:

- Difference between original net price and current net price of -.500
- New lock term on current market must be no less than original lock term
- Must lower the locked rate by at least 0.125%
- Seller pricing can be worsened by the renegotiation but cannot be improved
- LoanStream allows for a one-time renegotiation on a lock. Any additional renegotiations require LoanStream approval.

6.6 Mandatory Commitments

LoanStream offers a mandatory commitment option to approved Sellers. Mandatory commitments are done through a specified loan bidding process, commonly referred to as a “bid tape.” Consult your LoanStream Correspondent sales team for approval requirements.

6.6.1 Hours of Operation

LoanStream mandatory commitment hours follow standard U.S. securities trading market hours. LoanStream follows the Securities Industry and Financial Markets Association (SIFMA) Holiday Schedule, which is subject to change.

All bid tapes must be submitted to mandatory@lsmortgage.com. All bid tapes must be received no later than 12:00 PM PST to ensure sufficient time for return bids and applicable commitments. LoanStream cannot assure a same day bid for bid tapes submitted after this designated time.

6.6.2 Eligibility Requirements

All Correspondent Sellers must be approved to lock and deliver through mandatory commitments.

Minimum Eligibility Requirements:

- Seller must be approved for delegated underwriting on programs for which they will have mandatory commitments
- Seller must maintain a minimum company net worth of $1,500,000
- Seller must demonstrate experience with mandatory commitments and/or actively working with a vendor with mandatory experience

Please consult your Correspondent sales team for further direction on mandatory approvals.

6.6.3 Eligible Products

The following programs are eligible for mandatory commitments:

- **Conforming**: FNMA and FHLMC eligible fixed rate and adjustable rate products, as applicable, including high-balance eligible loans
- **Government**: FHA, VA, and USDA eligible fixed rate and adjustable rate products, as applicable, including high-balance eligible loans
- **Non-Conforming**: Jumbo, Non-QM and Closed End Second eligible fixed rate, interest only, and adjustable rate products, as applicable
- **Underwriting Options Permitted:**
  - Delegated
  - Non-Delegated

6.6.4 Required Bid Tape Components

LoanStream requires minimum loan details on bid tapes to ensure an accurate price. Please reach out to Sales or mandatory@lsmortgage.com for the required minimum data tape template.

NOTE: LoanStream's mandatory bid is in no way an approval of loan eligibility. All loans committed to LoanStream are subject to the Seller Guide. Any loans that do not meet underwriting guidelines and all terms of the Seller Guide will either be suspended or rejected for loan purchase.

6.6.5 Pricing and Delivery

Pricing of loans on a bid tape is based on live market conditions and an estimated delivery date of the loans as provided by the Seller. Sellers will receive their mandatory commitment from LoanStream by the end of the business day the loans were committed.

The LoanStream commitment confirmation will detail the following components:

- Mandatory Commitment Date
- Seller Loan Number
- LoanStream Loan Number
- All-in Price
- Commitment Expiration Date

Loans delivered under mandatory commitments must be received by LoanStream no later than 5:00 PM PST on the commitment expiration date. Loans delivered after the commitment expiration date are subject to a late delivery charge of 12.5 basis points (.125%) plus two basis points (.02) per day the file is delivered late. Delivering loans prior to the commitment expiration date will have no impact on the price.

Loans delivered but suspended for loan purchase will be given seven (7) calendar days from the date of the suspense notification to submit documentation to clear conditions. On day eight, the Correspondent will begin incurring suspense penalties at a rate of two basis points (.02) per day commencing on day eight (8). All conditions must be cleared within 30 days of notification or the file will be subject to return and pair out.

6.6.6 Pair Outs, Tolerance, Rolls, and Substitutions

Pair Outs

For mandatory commitments, Seller is required to fill said commitments with loans eligible for purchase. Commitments not fulfilled by Seller are subject to a pair-out fee. Pair out fees, when applicable, are calculated based on market movement between the original commitment and current market.

Tolerance

LoanStream will allow for a two percent (2%) tolerance above or below the original mandatory commitment. Delivery of more than 2% under the commitment amount will be subject to a pair out fee. Delivery of more than 2% above the commitment amount will be subject to current market pricing.

Rolls

For commitments not ready for delivery by the commitment expiration date, Correspondent may request a roll on the commitment. Roll requests must be initiated by the Seller via email (mandatory@lsmortgage.com). The roll charge, when applicable, is determined by market movement. LoanStream reserves the right to deny any roll request at their sole discretion.

Substitutions

If a loan substitution is needed, the Seller is responsible for initiating a request for the substitution with the LoanStream mandatory desk via email (mandatory@lsmortgage.com). Loan substitutions must be the same product and must be able to slot into the same security coupon with similar loan characteristics. All substitutions require LoanStream approval.

7. CLOSING AND PURCHASE REVIEW

7.1 Closed Loan Submission

All mortgage loans submitted by Seller must meet LoanStream eligibility requirements, as set forth in the Mortgage Loan Purchase Agreement (MLPA), Seller Guide, Underwriting Guidelines, Program Overlays, and other related documents. In addition, all loans submitted must comply with all federal, state, and local laws and regulations.

Seller must submit complete and accurate closed mortgage loan files only, on or before the lock expiration date (all loans must be locked prior to purchase). All loans will be audited for completeness and quality prior to purchase.

7.2 Seasoned Loans

Loan seasoning is measured from the Note date to the date LoanStream purchases the loan.

Conforming and government closed loans must be delivered no later than 30 days from the Note date. A recertification of value supporting the original appraised value will be required for loans purchased more than 60 days from the Note date.

MAXIMUM LOAN AGE BY PROGRAM	
Conforming Conventional	45 Days
FHA/VA/USDA	45 Days
Jumbo/Non-QM/Closed End Second	60 Days

A printout of the payment history must be included in the loan package for all seasoned loans. Payment histories must include the following:

- Borrower name
- Property address
- Payment due date
- Payment received date
- Payment amount
- Principal applied
- Interest applied
- Principal balance after payment application
- Escrow balance after payment application
- Any curtailments
- All escrow, fee disbursements, or payments made from the escrow account

7.3 Appraisal

7.3.1 Appraiser Exclusionary List

Seller must check every appraisal against the LoanStream Appraiser and all other applicable Exclusionary Lists. If there is a match, the appraisal will be deemed unacceptable and the loan will not be eligible for purchase.

7.3.2 General Inspection Requirements

Only appraisals from certified residential or general appraisers are accepted (trainees are not acceptable).

Appraisal alternative eligibility:

Appraisal Alternative Type	Delegated	Non-Delegated
1. Fannie Mae 1004D Alternatives	No	No
2. Fannie Mae Hybrid Appraisal	No	No
3. Fannie Mae PIW / Value Acceptance	Yes	Yes
4. Fannie Mae Value Acceptance + Property Data	No	No
5. Freddie Mac ACE	Yes	Yes
6. Freddie Mac ACE + PDR	No	No

7.3.3 Disaster Inspection Requirements

The Disaster Policy listed under Resources at *www.LSCorrespondent.com* provides the requirements that must be adhered to.

7.3.4 UCDP, FHA EAD and SSR Requirements

Seller is required to upload appraisals for all Conventional Fannie Mae/Freddie Mac loans to the Uniform Collateral Data Portal (UCDP) along with the meeting the following requirements:

- Seller must receive a “Successful” status on both Fannie Mae and Freddie Mac Submission Summary Reports (SSRs) prior to submission of the loan to LoanStream for purchase. Any fatal or hard-stop messages on the SSR must be cleared by the Seller prior to purchase.
- The Fannie Mae SSR must include a Collateral Underwriter (CU) score
- Both Fannie Mae and Freddie SSRs are to be included in the closed mortgage loan file
- If the SSR indicates that the work of the appraiser (or supervisory appraiser) is not eligible for sale to Fannie Mae, or is subject to 100% review, then the loan is not eligible for purchase
- For all FHA loans LoanStream requires for all Mortgage Loans with appraisal, the appraisal must have been submitted to the FHA Electronic Appraisal Delivery (EAD) portal.
- **Non-Delegated:** Seller must add LoanStream as a Lender Seller/Aggregator User (or Lender Corr Agg User) in the UCDP, which permits sharing of appraisal data with LoanStream (see the ***Fannie Mae/Freddie Mac UCDP Appraisal Sharing User Guide*** for more information)

7.3.5 Transfer Appraisals for Conventional, USDA, Jumbo, Non-QM and Closed End Second Loans

LoanStream Mortgage allows transferred appraisals on Conventional, USDA, Jumbo, and Non-QM loans when the following requirements are met:

- Appraisal was ordered through an AIR-compliant AMC; and
- Appraisal Transfer Letter is provided that includes, at a minimum, the following:
  - Clearly identify the subject loan transaction (i.e. property address, borrower names, etc.).
  - Clearly identify the original institution that ordered the appraisal.
  - Clearly identify the lender the appraisal is being transferred to.
  - Certification from the original institution transferring the appraisal that the appraisal was ordered/prepared in accordance with and is fully compliant with Appraisal Independence Requirements (AIR), Truth-in-Lending Act (TILA), and all applicable laws and regulations.

- Ineligible attributes for an appraisal transfer:
  - Appraiser, appraisal company, and/or Appraisal Management Company (AMC) that is on the LoanStream Mortgage exclusionary list
  - Exterior-only Inspection or Desktop Appraisal
  - Appraisals that were previously transferred (2+ transfers of the same appraisal)
  - Appraisals that are “Subject to” or “Recertification of Value” assignments

LoanStream has discretion to reject any transferred appraisal for any reason at any time regardless of whether the appraisal complies with the foregoing requirements.

FHA and VA loans must follow respective guidelines for transferred appraisals.

7.4 Home Mortgage Disclosure Act (HMDA)

The Home Mortgage Disclosure Act, Regulation C, requires a Type of Purchaser Code to be identified on any Originated or Purchased loan. LoanStream’s Type of Purchaser Code is 71 (credit union, mortgage company, or finance company).

Seller must provide the HMDA Universal Loan Identifier (ULI) and Legal Entity Identifier (LEI) for each loan at the time of submission and include the Uniform Residential Loan Application (URLA/1003) *Demographic Information Addendum* for each.

7.4.1 ECOA Valuation Rule

The ECOA Valuation Rule applies for any application for credit secured by a first lien on a dwelling. This includes individual condominiums or cooperative units, mobile homes, and other manufactured homes.

“Business credit,” including investment properties, are subject to the requirements of the ECOA Valuation Rule, as there is no exemption for non-owner-occupied Mortgage Loans.

To comply with the ECOA Valuation Rule, the Closed Loan file must include documentation demonstrating:

- The lender notified the applicant, within three business days of receiving the credit application, of their right to receive copies of appraisals.
- The lender provided copies of all appraisals and other written valuations to at least one applicant promptly upon completion and no later than three business days before loan consummation.
- If the applicant waived the right to receive copies in advance of closing, the lender still delivered the materials at or before consummation.
  - Note: For non-QM Mortgage Loans subject to the TILA HPML Appraisal Rule, LoanStream’s policy does not permit the borrower to waive the three-day advance delivery requirement, even though such a waiver is permitted under ECOA.

Sellers may not charge applicants for copies of appraisals or other written valuations. However, a reasonable fee may be charged to recover the cost of preparing these documents—unless prohibited or restricted by Applicable Law. Lenders must not add markups or additional charges beyond the actual cost of preparation.

7.5 Closing Documents

All Seller closing documents must meet requirements set forth in Fannie Mae, Freddie Mac, FHA, and VA guidelines, as applicable or as otherwise specified by LoanStream.

7.5.1 Signature Requirements

Each signature must exactly match the name as it appears below the signature line. Borrowers must not *undersign* documents—for example, by omitting a middle initial when one is typed beneath the signature line. However, it is acceptable for Borrowers to *over-sign*, such as including a middle initial even if one is not shown beneath the signature line.

Stamped signature dates on closing documents are permitted, provided they align with hand-signed and dated documents and match the date on the Notary's acknowledgment. If there is any uncertainty regarding a stamped date, it is the Seller's responsibility to provide supporting evidence that the Borrower(s) executed the documents on that date. Failure to do so may result in the loan being subject to repurchase.

Mortgage loans containing closing documents signed *prior to* the document date are ineligible for purchase.

If document corrections are necessary, strikethroughs can be initiated by LoanStream and or the borrower. Stike-through are to be initialed by each Borrower - Such corrections must not interfere with the recordability of the Mortgage or Deed of Trust. The use of corrective materials like white-out is strictly prohibited. Any strikethroughs will require review and approval by LoanStream.

7.5.2 Prepaid Interest

Prepaid interest may not be charged to the borrower prior to the funding date. Interest must be collected from the date of the disbursement (unless otherwise restricted), including the day of disbursement, through the last day of the month. State specific disbursement regulations may apply. Sellers are responsible for ensuring compliance with all applicable laws.

- Per Diem Interest calculations are based on: where is this captured
  - 365 days/year for FHA and VA products
  - 360 days/year for all other products, although loans closed using 360 days/year or 365 days/year are allowed

7.5.3 Maximum Interest Credit (Funding Into the Month)

LOAN TYPE	DAYS INTO THE MONTH ALLOWED
Fannie/Freddie, Jumbo, Non-QM, Closed End Seconds	7 Calendar Days
FHA/VA Standard	4 Calendar Days
FHA Streamline/VA IRRRL	Not Allowed

7.5.4 Power of Attorney (POA)

Power of Attorney is defined as a legal binding document that allows one person (Principal) to designate another person (the agent or attorney-in-fact) to act on their behalf in various matters, such as financial, medical, or legal affairs. They authority granted can be narrow or broad, but should be specific, depending on the terms that are outlined in the document.

A power of attorney may go into effect immediately or at a designated future time, and it is commonly used to ensure that decisions can be made on behalf of the principal if they become incapacitated.

Loans closing with a POA are acceptable.

LoanStream will permit the use of a person acting as Attorney-in-Fact pursuant to authority granted by a borrower under a Power of Attorney (POA). The person acting as Attorney-in-Fact should have a familial, personal or fiduciary relationship with the borrower.

The Power of Attorney may be utilized for executions on loan documents in accordance to applicable state and/or federal laws and product specific guidelines.

General Requirements

The following requirements must be met:

- POA is to be specific to the transaction
- Indicate clearly that the mortgagor is appointing an attorney in fact
- Specifically identify who is being appointed
- The appointed Attorney-in-Fact must be the same person signing the note and/or security instrument on behalf of the Principal
- The Principal name must match the name on the note and/or security instrument
- Signed and dated by the borrower
- Notarized in person
- Be effective prior to, or concurrent with the document date of the note
- The Attorney-in-Fact may not be the lender, affiliate of the lender, employee of the lender or the lender's affiliates, originator, employer or employee of the employer of the originator, title company or any affiliate of such title company, real estate agent with a financial interest in the transaction or any person affiliated with such real estate agent
- Contain a statement of the grantor's (borrower's) name exactly as it will appear on all closing documents
- Contain a recorder's stamp if previously recorded
- A separate, executed POA must exist for each borrower not present at closing

Types of Acceptable POA Documents

Durable Power of Attorney

- The following requirements must be met:
  - Must survive the disability or incapacity of the principal
  - Must contain language stating that the authority given remains in effect if the principal/grantor becomes incapacitated
  - Includes a list of what is or is not included in the services

Military Power of Attorney

- The following requirements must be met:
  - Must survive the disability or incapacity of the principal.
  - Includes a list of what is or is not included in the services

Specific, Special or Limited Power of Attorney

- *A specific, special or limited Power of Attorney is required on Conventional FNMA loans.* The following requirements must be met:
  - Contains authorization for the attorney-in-fact to perform specific functions related to the real estate financing and is specific to the subject property (references the subject via property address or legal description)
  - Includes a list of what is or is not included in the service

General Power of Attorney

- A general Power of Attorney is only acceptable on Conventional FHLMC loans, USDA loans, FHA loans, and VA loans. The following requirements must be met:
  - Must contain powers to enter in real-estate transactions with specific ability to mortgage, encumber and execute loan documents
  - Must survive the disability or incapacity of the principal
  - Must contain language stating that the authority given remains in effect if the principal/grantor becomes incapacitated
  - Includes a list of what is or is not included in the services

If a POA is used, then the original POA is to be delivered to the Document Custodian with the Mortgage Note, unless it is recorded with the Mortgage. If the original POA is sent for recordation with the Mortgage, a copy of the POA must be delivered with the Mortgage Note. When the POA is returned from the recording office, either the original or a copy with recording information must be delivered to the Document Custodian and filed with the original Mortgage Note.

Conservatorship

Conservatorship, under US law, referring to the legal responsibilities of the conservator (appointed guardian or protector) over the affairs of an adult person who has been deemed gravely disabled by the court and unable to meet their basic needs of food, clothing, and shelter. Conservatorship can only be created by a court order and is handled in probate court in the county where the adult in question resides.

General conservatorships, limited conservatorships, and mental health (LPS) conservatorship are accepted on a case-by-case basis, with prior approval and must include a list of what is or is not included in the services.

7.5.5 Mortgage Electronic Registration Systems, Inc. (MERS) Requirements

Seller must use Mortgage Electronic Registration Systems, Inc. (MERS) and assign a Mortgage Identification Number (MIN) to all loans delivered. All loans delivered for purchase must be registered by the Seller with MERS at time of delivery.

- Seller agrees to maintain an active MERS account and execute all closing documents with a valid MIN.
- The Mortgage Instrument must contain the MIN obtained when registering the loan in MERS. The MERS® Transfer of Beneficial Rights (TOB) and Transfer of Servicing Rights (TOS) to LoanStream MERS ORG ID #1004455 must be completed within 24 hours after loan purchase by LoanStream
- Any previous MERS MIN must reflect as inactive prior to purchase.

7.5.6 First Payment Date

The first payment date must fall on the first day of the month and must be no earlier than thirty (30) days from the Note Date. Additionally, the first payment date must be no later than two months from the final disbursement date of the loan proceeds.

7.5.7 Note Requirements

The Note must contain all original signatures on the same original document and may not be executed in counterpart. The Note must include all borrowers listed on the URLA.

7.5.7.1 Endorsement Requirements:

• Signed in the name of Seller by an authorized officer
• Original, Endorsed and showing MERS® Min
• Include any/all intervening endorsements showing a complete chain from the originator to Seller.
• Notes should be endorsed as instructed above. Notes received endorsed in blank will be endorsed by the time of Loan Purchase.
• LoanStream purchases only Mortgage Loans closed in the name of the Seller.

If the Mortgage Loan was acquired by the Seller in a merger, the endorsement must be by *"[Seller], successor by merger to the [name of predecessor]"* and Seller must notify LoanStream of this variation and obtain written approval.
If the Mortgage Loan was acquired or originated by the Seller while doing business under another name, the endorsement must be by *"[Seller] formerly known as [previous name]"* and Seller must notify LoanStream of this variation and obtain written approval.

Notes with bi-weekly payment riders are not eligible. Additionally, Lost Note Affidavit and Note replacement in full (new Notes) or in part (page replacement) is not acceptable.

7.5.8 Security Instrument Requirements

7.5.8.1 Late Fees

The Mortgage or Security Instrument must include a late charge of no less than 4 percent on Government or no less than 5 percent on Conventional Mortgage Loans. The late charge is to be assessed no later than 15 days from the due date or in accordance with Applicable Law.

7.6 Title Insurance

All loans must be covered by a Title Insurance Policy that has been paid in full and is valid, binding, and remains in full force and effect.

- The title insurer must be qualified to do business in the jurisdiction where the subject property is located
- The title insurer and title policy must conform to Agencies requirements. For Non-QM and Closed End Secord programs, the title policy must conform Fannie Mae requirements.
- The preliminary title report must indicate that the final title policy will be issued after funding
- The Title Insurance Policy must indicate the title is acceptable and the mortgage constitutes a lien of the required priority on a fee simple or leasehold estate
- An ALTA Leasehold Policy is required on all leasehold estates Policy effective date must be on or after the security instrument recording date

  - In the event the security instrument is re-recorded, the effective date must be amended to the date of re-recording or after
- An Attorney Opinion of Title in lieu of title insurance, is not permitted

7.6.1 Borrower Information

All borrower names must be indicated on the title commitment. If a borrower's marital status appears to be different on the Loan Application/1003, the discrepancy must be addressed. The property seller's name must be cross-referenced to the Purchase Agreement and valuation chain of title.

7.6.2 Title Coverage

Minimum coverage must be at least equal to the original principal amount of the mortgage loan(s)

7.6.3 Insured Name

Seller must be named as the insured on the title policy with the included language of "Its Successors and Assigns as Their Interest May Appear."

7.6.4 Age of Report

The preliminary title report/title commitment must be dated no later than 120 days prior to closing. Any requirements by Title, such as Statement of Information, must be cleared prior to closing.

7.6.5 Vesting

Final title policy vesting must reflect the name(s) of the individual borrower(s) as they appear on the Mortgage/Deed of Trust

For business purpose loans vesting in an entity refer to the Non-QM guidelines for holding title in the name of a business.

7.6.6 Chain of Title

All non-delegated underwritten files must contain a 24-month title history from an acceptable source. The transfer date, price, buyer, and property seller names on any title transfer that occurred within the previous 24 months must be provided. Vesting history must be reviewed for inconsistencies or indications of flipping activity.

For delegated underwritten files, Seller is to follow applicable Agency guidelines. LoanStream recommends diligence on review of title history to assess the overall risk of the transaction and potential title or lien perfection issues on all Mortgage Loans sold to LoanStream.

7.6.7 Title Exceptions

LoanStream allows the following title exceptions.

- **Public Utility Subsurface Easement** – Location must be fixed and verified. Exercise of Rights of Easement must not interfere with use and enjoyment of the property or proposed improvements upon which the appraisal or loan is based or extend under any buildings on the subject property
- **Public Utility Above Surface Easement** – Allowed if easement extends along one or more property lines for distribution purposes or along the rear property line for drainage, provided they do not extend more than twelve (12) feet from the subject property lines and do not interfere with

any of the buildings, improvements, or with use of the subject property. Also allowed, public utility restrictions, provided their violation will not result in forfeiture or reversion of title or a lien of any kind for damages or have an adverse effect on the fair market value of the subject property.

- **Customary Easements and Rights of Way –** Allowed for public roads, water lines and sewers, and for private wells, driveways and party walls situated partly on the subject property and partly on adjoining property.
- **Mutual Easement Agreement –** Agreement that establishes joint driveways or party walls constructed on the subject property and an adjoining property allowed, provided all future owners have unlimited and unrestricted use of them.
- **Encroachments –** Allowed under the following circumstances:
  - Encroachment of one foot or less on adjoining property by eaves or other overhanging projections or by driveways provided there is at least a 10-foot clearance between the buildings on the subject property and the property line affected by the encroachment
  - Encroachment on the subject property by improvements on adjoining property provided these encroachments extend one foot or less over the property line of the subject property, have a total area of 50 square feet or less, do not touch any buildings, and do not interfere with the use of any improvements on the subject property or the use of the subject property not occupied by improvements
  - Encroachment on adjoining property by hedges or removable fences
- **Lien for Real Estate or Ad Valor Taxes and Assessments** – Allowed if not yet due and payable.
- **Oil, Water, or Mineral Rights** – Allowed as long as they do not materially alter the contour of the property or impair its value or usefulness for its intended purposes.

7.6.8 Properties with PACE or PACE-Like Assessments

Loans secured by properties with Property Assessed Clean Energy (PACE) obligations or PACE-like clean energy program assessments are not eligible under any Product guide. The loan is not eligible if there is an obligation or assessment for a clean energy loan or similar assessment that will not be paid in full and released at or prior to close of the subject transaction.

7.6.9 Survey Requirements

If the title company or jurisdiction where the property is located requires a survey or plat map due to an exception noted on the title policy, a copy must be submitted with the loan file. Surveys must be certified, dated, and signed by the licensed civil engineer or registered surveyor performing the survey. Unimproved land surveys are not acceptable. Surveys must be reviewed for easements, encroachments, flood zone impacts, and possible boundary violations, taking into account the location of the dwelling on the property.

7.6.10 Title Policy Forms

The final title policy must be written on an ***American Land Title Association (ALTA) form***:

- ALTA Short Form title policy, Residential Loan Certificate, or ATI Title Opinion Plus (American Land Title, d/b/a/ ATI Land Title Company) covering the Mortgage Loan are also acceptable (provided those amendments are acceptable to Fannie Mae/Freddie Mac)

7.6.11 Endorsements

- Regardless of the title insurance policy form used, the following endorsements must be attached to, or if a short form is used, incorporated into the policy
  - Condominium - ALTA Form #4
  - Environmental Lien Protection - ALTA Form #8.1
  - Manufactured Home - ALTA Form #7, 7.1, 7.2 (or equivalent)
  - PUD - ALTA Form #5
  - ARM (Variable Rate) - ALTA Form #6
  - "Off Record" Endorsement Extension of Coverage) – CLTA 100
  - Surface Rights Waiver (Minerals) – CLTA 100.24 (or equivalent)
  - Un-located Easement – CLTA 103.1
  - Other – Additional state-specific Endorsements, as applicable
  - A leasehold lender's endorsement or its equivalent for all leasehold mortgages.

In addition, and unless prohibited by applicable state title industry regulations, all Title Policies must include the ALTA 100 form (or its equivalent) with respect to affirmative coverage over violation of building and use restrictions, covenants and conditions, encroachments, etc., or other specific affirmative language insuring that there has been no violation of any such matters, which violation would result in a forfeiture or reversion of title. LoanStream may require additional endorsements as it deems appropriate to provide full title insurance protection.

7.6.12 ALTA Short Forms

LoanStream will also accept the following ALTA Short Forms of Title:

- The Short Form Residential Loan Policy providing coverage equivalent to the most recent ALTA Standard form and does not materially impair protection to LoanStream, its successor or assigns, or
- In states in which standard ALTA forms coverage are, by law or regulation, not used, the state-promulgated standard or short form which provides same coverage as the equivalent ALTA form, provided that those forms do not materially impair protection to LoanStream, its successors or assigns, or
- The Residential Loan Certificate to a Master Policy, subject to the following:
  - Must be acceptable for residential one-to-two family dwellings.
  - If the Residential Loan Certificate is used, the Mortgage Loan File contains copies of the Seller's master policy with any and all addenda or endorsements.
  - If the short form Residential Loan policy is used, the Mortgage Loan contains a copy of a warranty deed.
  - The forms are from Fannie Mae approved title insurers.
  - The policy contains evidence of current vesting in the property.
  - Any short forms of title policies have the applicable ALTA endorsements.
  - The Seller and LoanStream have addressed any exception other than the standard exceptions prior to funding (LoanStream will apply the same standards and procedures regarding title exceptions as with full title policies).

7.6.13 Ratings Requirements

Title insurance policies must be written by a title insurance company that held at least one of the required ratings at the time the Mortgage Loan closed:

- Demotech, Inc. Financial Stability Rating of “S” or better or Statutory Accounting Rating of A”, A’, A, (Average) or better
- Duff and Phelps Credit Rating Company rating of “BBB” or better
- Fitch Ratings Inc. rating of “BBB” or better
- LACE Financial Corporation rating of “C” or better
- Moody’s Investor Service rating of “Baa” or better
- Morningstar Ratings, Inc. Rate of “BBB” or better
- Standard and Poor’s Ratings Group rating of “BBB” or better

7.6.14 Condominium and PUD Title Insurance Policies

Title insurance policies for mortgage loans secured by units in a condominium or PUD project just meet the following requirements:

- The legal description for the PUD or Condo must encompass all the unit estate including:
  - Name of the project
  - The specific unit
  - The undivided interest in the common elements (for condominium units)
  - The non-exclusive easement to use the common areas and facilities (for a PUD unit or other kind of project unit that has separately owned common elements or facilities) and
  - Any significant limited common elements or exclusive easements over the common areas.

Ownership must be reflected in the policy if the unit owners possess the common areas of the project as tenants. The policy may explain limited common elements or exclusive easements specifically or by reference to the constituent documents.

The Title Insurance policy for Condos and Planned Unit Developments (PUDs) must include coverage that provides protection by:

- Lien Priority: Insurance that the mortgage lien has priority over any unpaid common expense assessments. In jurisdictions where assessments may have priority, the policy must confirm that such assessments are paid through the effective date of the policy.
- CCR Violation Coverage: Protection against loss or impairment of the first lien due to past, present, or future violations of covenants, conditions, or restrictions (CCRs) in the master deed, including coverage for violations existing as of the policy date.
- Encroachment Protection: Insurance that the unit does not encroach upon another unit or common elements and that no encroachments onto the unit exist from other units or common elements.
- Statutory Compliance: Assurance that the condominium unit was created in accordance with applicable enabling statutes.
- Tax Liability Limitation: Coverage confirming that real estate taxes are assessed and lienable only against the individual unit and its proportional interest in the common elements, not the project as a whole.
- Association Membership: Insurance confirming that the PUD unit owner is a member of the homeowners' association and that the membership transfers with the sale of the unit.

If the homeowners' association holds title to the common areas (or a leasehold interest), the policy must include insurance confirming this ownership.

The title must be free from objectionable liens and encumbrances, including statutory or mechanics' liens for work on common areas that began prior to the effective date of the title policy.

7.7 Wire Instructions

For each mortgage loan, Seller must provide wiring instructions that include:

- Warehouse bank name, street address, city, state, and zip code
- Bank contact name and phone number
- Name on the account
- Account number
- ABA routing number (9 digits)

7.8 Collateral Delivery

Seller must ensure collateral documents are delivered in a manner that allows LoanStream sufficient time to review and purchase the loans without delay.

The Collateral Package, on all Mortgage Loans, must be received in conjunction with the closed Mortgage Loan package. The collateral is to comprise of the following original Collateral Documents:

- Certified copy of Mortgage/Deed of Trust, along with any applicable riders
- A MERS MIN must be included on the Note and Mortgage/Deed of Trust
- Certified copy of Note, any applicable addendums w/endorsement or Allonge to OCMBC, Inc.

Sellers are also required to provide certified copies of any instruments (such as powers of attorney or assignments) that are pending recordation.

Collateral Documents, including the Note, are reviewed by the Collateral Custodian prior to the Mortgage Loan being approved for Purchase:

- Any deficiencies are noted as Suspense Disposition
- The corrected or additional original Collateral Document must be shipped to the Collateral Custodian, and a copy of the collateral Documents are also to be included in the closed loan package.

Seller must retain collateral shipping and tracking information for all delivered packages and include this information with loan delivery to LoanStream.

7.8.1 Addressing the Collateral Package

Unless otherwise instructed, the collateral package is to be delivered to LoanStream's Mortgage custodian.

Attn: Data Entry/LoanStream Correspondent
Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, CA 92705

7.8.2 Recorded Mortgage/Deed of Trust & Final Title Policies

The following shipping address is to be used for shipping the recorded Mortgage/Deed of Trust:

OCMBC, Inc., C/O DocProbe
1133 Ocean Avenue Mailstop Code DP1949
Lakewood, NJ 08701

All Final Title Policies are to be uploaded via the DocProbe portal* (www.docprobe.net).
* To register for access to the DocProbe portal, please email DocProbe support (portalsupport@docprobe.net).

7.9 Closed Loan Delivery

7.9.1 Closed Loan Submission Form

LoanStream provides a Closed Loan Submission Form to assist Sellers in providing a complete loan package for closed loan review. This form is available on the Correspondent website. This form is not required, but highly recommended.

7.9.2 Complete Closed Loan File Submission

For successful Loan submission in LoanStream's portal, Seller Connect. A complete closed loan file must be delivered and is comprised of:

- Loan Data (typically the MISMO 3.4 file), and
- Complete Closed Loan Package (scanned documents)

Closed loan file should include the following collateral documents in the imaged file:

- Note with intervening endorsements, endorsed "Pay to the order of OCMBC, Inc., without recourse."
- Copy of the original Mortgage/Deed of Trust, and any riders as indicated on the Mortgage/Deed of Trust. Deed of Trust copy must be stamped as a certified true copy of the original and include a signature along with the name of the company making the certification.
- Copy of the original Title Insurance Policy or if the original policy has not been issued, the Preliminary Title Commitment to issue the same.
- Copy of the Power of Attorney, if used to execute Note or Mortgage/Deed of Trust. Power of Attorney copy must be stamped as a certified true copy of the original and include a signature along with the name of the company making the certification.
- Copy of the Private Mortgage Insurance Certificate, if required by program guidelines.
- Evidence of adherence to all applicable local, state and federal regulations as well as compliance with all FNMA, FHLMC, FHA, VA and USDA specific disclosures and forms.
- Credit Package upload must NOT contain any password protections or security permissions that will prevent LoanStream from opening or extracting documents.

Note: An audit trail must be included in closed loan file when eDelivery and/or eSignature are utilized

7.9.3 Closed Loan File Review

The closed loan file and collateral package are reviewed to confirm:

- Accuracy and completeness
  - All required documents must be included
- Proper execution per lock commitment, subject to repricing

7.9.4 Incomplete Closing Package

Upon review of the closing package, LoanStream will issue a Purchasing Disposition, including any outstanding conditions.
All conditions must be delivered and cleared within seven (7) calendar days following the Purchasing Disposition or Lock Expiration Date, whichever is greater. If the conditions are not cleared within this time period, Seller will be assessed a suspense fee starting on day eight. All conditions must be cleared within 30 days of notification or the file will be subject to reprice and/or return, as these files have not yest been purchased.

7.9.5 Pre-Purchase Review

Closed loan files are reviewed to determine whether Mortgage Loan delivery and eligibility requirements have been met.

Pre-purchase audit review involves several separate review processes. Not all Mortgage Loan files go through the same review process, however, the following five (5) review processes typically apply:

1. Review of Mortgage Loan document images
2. Data entry review, for accuracy and sufficiency of Mortgage Loan data uploaded or input by the Seller
3. Regulatory Compliance review
4. Underwriting review
5. Collateral Package review

Although LoanStream may conduct a Regulatory Compliance review and an Underwriting review of some Mortgage Loans prior to Mortgage Loan purchase, Sellers remain fully responsible for their obligation to determine that each Mortgage Loan is eligible for the program and product it was submitted under, and that the Mortgage Loan complies with all Applicable Laws, rules and regulations.

Notwithstanding any type of review of the Mortgage Loan, Seller makes all of the Representations and Warranties set forth in the Agreement and agrees to the terms and conditions of its Agreement with LoanStream.

7.9.6 Bailee Requirement

LoanStream requires a Bailment or Bailee Letter from the Warehouse Bank when a loan is pledged to secure a warehouse line of credit. When the Note is delivered, the Bailee Letter must be included. LoanStream Mortgage does not accept a Lost Note Affidavit (LNA).

The Bailee Letter must include:

- Seller Name
- LoanStream Loan Number
- Principal Balance
- Wire Instructions

7.9.7 Original Note Endorsement or Allonge

The Allonge to the Note endorsing the Note in Blank must be completed and executed by an authorized Seller employee. If an Allonge is not provided, an authorized Seller employee must endorse the Note itself.

Note to be endorsed as follows:

PAY TO THE ORDER OF
OCMBC, INC. A CALIFORNIA CORPORATION
WITHOUT RECOURSE

Send the Original Note, Bailee Letter, and Allonge to the Note to:

Attn: Data Entry/LoanStream Correspondent
Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, CA 92705

7.9.8 Post-Purchase

Purchased Mortgage Loans that have outstanding issues must be satisfied by the Seller.

Examples of issues may include, but are not limited to:

- Additional pay history needed
- QC documentation deficiencies identified post-purchase

Outstanding Final (Trailing) Documents report is provided monthly by Post Closing

7.9.9 FHA MIP

The upfront Mortgage Insurance Premium (MIP) must be paid by the Seller within 10 calendar days of disbursement date (loan closing date) and must be paid prior to the loan purchase.

7.9.10 VA Funding Fee

The VA funding is to be electronically remitted to VA through the VA Funding Fee Payment System (VA FFPS) within 15 calendar days of loan closing and must be paid prior to loan purchase

7.9.11 USDA Upfront Loan Guarantee and Technology Fee

Seller must remit the remit the upfront loan guarantee fee and the technology fee to USDA within 30 calendar days of closing the loan and provide evidence of payment prior to loan purchase

8. LOAN PURCHASE

Sellers are responsible for ensuring that the HUD-1 Settlement Statements adhere with all RESPA requirements and guidelines.

For all mortgage loans that are subject to TRID, Sellers are responsible for ensuring that the Loan Estimate (LE) and Closing Disclosure (CD) adheres with all related requirements and guidelines.

For all mortgage loans that are not subject to TRID, the final Truth-In-Lending disclosure and HUD-1 is to be signed by the Borrower at closing and included in the Closed Mortgage Loan Package submitted for purchase.

8.1 Closing Disclosure

A fully completed Closing Disclosure (CD) that shows all fees, funds, and costs involved with the loan transaction is required for each loan. On Purchase Transactions, the settlement agent must provide a copy of the settlement breakdown from the property seller's side, signed by the settlement agent/attorney and Seller.

8.1.1 Clerical Correction

When clerical corrections are applied, Seller must provide LoanStream a copy of the corrected CD and the letter of explanation to the borrower regarding the correction. Corrections must be made in compliance with applicable requirements for the mortgage loan to be eligible for purchase.

8.1.2 TILA/RESPA Tolerance Cure Requiring Refund

When a cure requiring a refund to the borrower is required, Seller must provide LoanStream a copy of the post-closing CD(s) and a copy of the refund check to the borrower. All CD corrections must be made in compliance with applicable TILA/RESPA requirements in order for the mortgage loan to be eligible for purchase.

8.1.3 Closing Disclosure: Principal Reduction

LoanStream allows principal reductions that are documented on the CD with the reason provided to be applied at closing. If a principal reduction is applied after closing, the file must include documentation that indicates the amount of the principal reduction and the reason or source of the reduction.
If Seller receives funds from the borrower for principal reduction after LoanStream's purchase of the loan, but prior to the first payment date due to LoanStream, Seller must forward the funds to LoanStream within five (5) days of receipt.

8.2 Seller Servicing of Mortgage Loans

Mortgage Loans shall be sold on a servicing released basis. Seller shall service the Mortgage Loans through the applicable Transfer Date for no additional consideration and in accordance with Accepted Servicing Practices and applicable law. The contents of each Servicing File required to be retained by Seller to service the Mortgage Loans shall be held in trust by Seller for the benefit of Purchaser as the owner thereof. Seller's possession of any portion of the Servicing File is at the will of Purchaser for the sole purpose of facilitating servicing of the related Mortgage Loan prior to the Transfer Date, and such retention and possession by Seller shall be in a custodial capacity only. Ownership of each Mortgage Note, Mortgage File, and Servicing File related to any Mortgage Loan sold to Purchaser is vested in Purchaser and the ownership of all records and documents with respect to the related Mortgage Loan prepared by or which come into the possession of Seller at the will of Purchaser in such custodial capacity only. The Servicing File to be retained by Seller prior to the Transfer Date shall be appropriately marked to clearly reflect the sale of the related Mortgage Loan to Purchaser.

Refer to the servicing transfer table below for additional requirements and appropriate servicer, based on loan product.

Servicing Transfer Table	
Requirement	**Action Required**
Goodbye Letters	• Goodbye letters are to be provided to Borrowers at least 15 days prior to the first payment due to LoanStream • Goodbye letters must be sent in accordance to regulatory requirements, must reference the correct servicer and list the payment address, Seller's address, phone number, and hours of operation. • Goodbye letters must contain the 60 day Safe Harbor under RESPA • **Reminder:** Do not deliver any notification of Mortgage Loan sale and change of servicer until receipt of the Mortgage Loan Purchase wire transfer from LoanStream. • **Servicing Loan Number:** If the Seller is able to include a loan number in the goodbye letter, the *Servicing Loan #* provided on the *Purchase Advice* should be used.
FHA Loans - HUD Notification	• Aa *HUD 92080 Mortgage Record Change* notification must be sent to HUD within 15 days of Purchase with copy sent to LoanStream at insuring@lsmortgage.com.
USDA - Notification	• Seller must provide USDA with a *Lender Record Change*, Notice of Sale*, Form RD 3555-11* within 15 days of Loan sale,) naming the new Holding Lender and Servicer. A copy is to be sent to LoanStream at insuring@lsmortgage.com.

Insurance Companies and Taxing Authorities Notifications	• Seller shall transmit to the applicable tax services, tax authorities, and insurance companies (including primary mortgage insurance policy insurers and flood insurance insurers, if applicable_ and/or agents notification of the transfer of servicing to Purchase or its designee, and instructions to deliver all notices, tax bills, and insurance statements to Purchaser or its designee from and after the related Transfer Date.
	• As the apply provide a change or notification letter to the following:
	  ○ Hazard Insurance provider
	  ○ Flood Insurance provider
	  ○ Life of Loan Determination provider
	• Seller shall provide Purchaser with copies of all such notices no later than 15 days prior to the related Transfer Date.
	• For all loans, the loss payee clause must read
	OCMBC, Inc.
	ISAOA/ATIMA
	19000 MacArthur Blvd., Suite 200
	Irvine, CA 92612

Private Mortgage Insurance Company	• For Loans requiring mortgage insurance, Sellers must transmit notification of the transfer of servicing to the applicable mortgage insurance company when Loans are being sold to LoanStream Mortgage. • **NOTE:** The Seller must not deliver any notification of Loan sale and change of servicer until receipt of the wire transfer from LoanStream Mortgage. • Sellers are required to instruct the applicable mortgage insurance company to deliver all notices, billings, and/or insurance statements to LoanStream Mortgage as follows: OCMBC, Inc. 19000 Mac Arthur Blvd., Suite 200 Irvine, CA 92612	
Payment History	Payment histories are due to LoanStream when the first payment is due to Seller and/or any payment is due to and/or received by the Seller after Purchase. Payment histories must include all payments that have been due or made over the life of the loan and include: • Borrower Name • Property Address • Payment due date • Payment received date • Payment amount • Principal applied • Interest applied • Principal balance after payment application • Escrow balance after payment application • Any curtailments • Any escrow or fee disbursements or payments made from the escrow account.	
Notice of Non-Sufficient Funds	LoanStream is to be notified of any non-sufficient funds payments received by Seller from borrower and amended pay history.	
Consumer Complaints	General consumer complaints and comments may be directed to LoanStream at customercare@ocmbc.com or mailed to: OCMBC, Inc. 19000 Mac Arthur Blvd., Suite 200 Irvine, CA 92612	
Payment Address (to be used on Servicing Transfer letter)	FNMA, FHLMC, FHA, VA, USDA **OCMBC, Inc**	Non-QM, Jumbo, Alt Agency and Closed End Second loans **Shellpoint Mortgage Servicing**
	Attn: Payment Processing OCMBC, Inc. P.O. Box 103750 Pasadena, CA 91189-3750	Shellpoint Mortgage Servicing P.O. Box 60535 City of Industry, CA 91716-0535

	FNMA, FHLMC, FHA, VA, USDA **OCMBC, Inc**	Non-QM, Jumbo, Alt Agency and Closed End Second loans **Shellpoint Mortgage Servicing**
Written Correspondence Address	OCMBC, Inc. 19000 MacArthur Blvd, Ste 200 Irvine, CA 92612	Shellpoint Mortgage Servicing Attn: Cash Control 75 Beattie Place Suite LL202, MS# 525 Greenville, SC 29601
Borrower Customer Service Number	FNMA, FHLMC, FHA, VA, USDA **OCMBC, Inc**	Non-QM, Jumbo, Alt Agency and Closed End Second loans **Shellpoint Mortgage Servicing**
	Toll-free Phone: (800) 760-1833, option 1	Toll-free Phone: (800) 365-7107

8.3 Purchaser Servicing of Mortgage Loans

With respect to each Mortgage Loan, on the applicable Transfer Date, the Purchaser or its designee shall assume all servicing obligations, and the Seller shall cease all servicing activities. The Transfer Date shall be designated by the Purchaser and shall occur no later than sixty (60) days following the Closing Date. On or prior to the Transfer Date, the Seller, at its sole expense, shall take all actions necessary to effectuate and evidence the transfer of the Mortgage Loans to the Purchaser or its designee.

8.3.1 Delivery of Servicing Records

Delivery of Servicing Records Seller shall forward to Purchaser or its designee, at Seller's cost, all servicing records and the Servicing File relating to each Mortgage Loan.

8.3.2 Escrow Payments

Seller shall provide Purchaser with an accounting statement of Escrow Payments and suspense balances and loss draft balances sufficient to enable Purchaser to reconcile the amount of such payment with the accounts of the Mortgage Loans. The Purchase Price paid by Purchaser to Seller for each Mortgage Loan shall be net of the amount of the Escrow Payments and suspense balances and loss draft balances associated with each such Mortgage Loan. Additionally, Seller shall wire transfer to Purchaser all other amounts received or held by Seller in connection with the Mortgage Loans.

8.3.3 Payoffs and Assumptions

Seller shall provide to Purchaser or its designee copies of all assumption and payoff statements generated by Seller on the Mortgage Loans prior to the related Transfer Date.

8.3.4 Mortgage Payments Received Prior to Transfer Date

Prior to the related Transfer Date, all payments received by Seller on each Mortgage Loan shall be properly applied by Seller to the account of the Mortgagor.

8.3.5 Mortgage Payments Received After Related Transfer Date

The amount of any Monthly Payments received by Seller during the first sixty (60) days after the related Transfer Date shall be forwarded to Purchaser within one (1) Business Day following the date of receipt by either wire transfer or overnight mail to the address specified for notices in the Agreement. Seller shall notify Purchaser of the particulars of the payment, which notification requirement shall be satisfied if Seller forwards with its payment sufficient information to permit appropriate processing of the payment by Purchaser. Seller shall assume full responsibility for the necessary and appropriate legal application of Monthly Payments received by Seller after the related Transfer Date with respect to Mortgage Loans then in foreclosure or bankruptcy; provided, for purposes of the Agreement, necessary and appropriate legal application of such Monthly Payments shall include but not be limited to endorsement of a Monthly Payment to Purchaser with the particulars of the payment such as the account number, dollar amount, date received, and any special Mortgagor application instructions.

8.3.6 Misapplied Payments

Misapplied payments shall be processed as follows:

a. All parties shall cooperate in correcting misapplication errors.
b. The party discovering a misapplied payment occurring prior to the related Transfer Date shall immediately notify the other party.
c. If a misapplied payment that occurred prior to the related Transfer Date cannot be identified and resulted in a shortage in a custodial account or escrow account, Seller shall be liable for the amount of such shortage. Seller shall reimburse Purchaser for the amount of such shortage within thirty (30) days after receipt of a written demand from Purchaser. If a misapplied payment that occurred prior to the related Transfer Date has created an improper Purchase Price as the result of an inaccurate outstanding principal balance, payment shall be made to the party shorted by the improper payment application within five (5) Business Days after notice thereof by the other party.
d. Any payment issued under this Section shall be accompanied by a statement indicating the corresponding Seller and/or Purchaser Mortgage Loan identification number and an explanation of the allocation of any such payments.

8.3.7 Books and Records

On the related Transfer Date, Seller's books, records, and accounts with respect to the Mortgage Loans shall comply with all applicable laws and Accepted Servicing Practices.

8.3.8 Reconciliation

Seller shall, on or before the related Transfer Date, reconcile principal balances and make any appropriate monetary adjustments as may be reasonably required by Purchaser. Any such monetary adjustments will be transferred between Seller and Purchaser as appropriate.

8.3.9 IRS Forms

Seller shall prepare and file all IRS forms 1098, 1099, and other applicable forms and reports that are required to be filed with respect to the period prior to the related Transfer Date in relation to the servicing and ownership of the Mortgage Loans. Seller shall provide copies of such forms to Purchaser upon request and shall reimburse Purchaser for any costs or penalties incurred by Purchaser due to Seller's failure to comply with this paragraph. Purchaser or Purchaser's designee shall prepare and file all such reports with respect to any period commencing on or after the related Transfer Date.

8.4 Payment Reversal Request

If Seller believes that a payment received by LoanStream after purchase and transfer was remitted to LoanStream in error, Seller must submit Payment Reversal Request as follows:

- Address an email to servicing@ocmbc.com with the Subject line Payment Reversal Request for borrower's last name - LoanStream loan number
  Example: Payment Reversal Request for Brown - 123456789
- In the body of the email, explain why the request is being made and indicate the payment amount and date payment made by the borrower
- Attach this documentation to the email:
  - Seller's loan history, prepared by Seller's loan servicer
  - Copy of Purchase Advice
  - Servicing Transfer Letter
- Send the email and allow five (5) business days for investigation and a response
- All requests must be submitted within sixty (60) days of the payment due date

8.5 Purchase Advice

When LoanStream approves a loan for purchase, we will notify Seller of the scheduled purchase date via Purchase Advice posted in the Seller Portal. The Purchase Advice will detail the total amount to be transmitted via wire transfer.

LoanStream will use amortization cutoffs as determined with minimum servicing transfer timelines to be compliant with all applicable regulations. Your purchase advice from LoanStream will always detail when the first payment will be due to LoanStream Mortgage.

8.6 Amortization

For servicing-released Mortgage Loans purchased between the 1st and 13th calendar day of any given month, such Loans shall not be amortized. Accordingly, the effective servicing transfer date—i.e., the date on which payment is due to LoanStream—shall be the first calendar day of the month immediately following the month of purchase.
For servicing-released Mortgage Loans purchased on or after the 14th calendar day of any month, such Loans shall be deemed 'amortized.' In such cases, servicing shall not transfer to LoanStream with the next scheduled payment, and the Seller shall remain responsible for collecting that payment. Settlement of the Loan purchase shall reflect this obligation.
For Loans purchased on the first calendar day of any month, LoanStream shall net-fund any mortgage insurance premiums or the monthly portion of the USDA Guaranteed Annual Fee associated with the Mortgage Loan payment due for that month.

8.7 Wire Transfer

On the scheduled date, LoanStream will wire transfer loan funds due to the depository institution identified on the Wire Transfer Instructions or Bailee Letter. Funds will include the principal balance adjusted for interest, premiums, escrow balances, and any other applicable fees.

8.8 Tax Information

Seller must provide LoanStream with accurate and complete tax information. This information is crucial to the proper administration of the tax escrow account for servicing. If any tax penalty is assessed due to incorrect transmission of information, Seller is responsible for payment of such penalties.

Seller is responsible for any escrowed tax disbursements due within forty-five (45) days of LoanStream's purchase of the mortgage loan. Seller is also liable for any tax penalties incurred by LoanStream resulting from unpaid or delinquent real estate taxes due prior to the purchase date, including any escrowed tax disbursements due within the forty-five (45) day period following purchase.

8.9 Post-Closing Trailing Documents

Seller must submit **Final Post-Closing Trailing Documents** to DocProbe within 120 days of the LoanStream Mortgage purchase date. Documents not received within the allotted 120-day timeframe will incur a $200 procurement fee per missing document.

Final Post-Closing Trailing Documents include but are not limited to:

- Original Recorded Security Instrument
- Original Recorded Assignment (to LoanStream)
- Original Final Title Policy
- Any additional documentation specified by LoanStream

Prior to delivery, Seller must review all post-closing trailing documents for completion and accuracy.

Post-Closing Trailing Document Delivery Instructions:

Final Title Policies	Upload all final title policies via the DocProbe portal* (www.docprobe.net) * To register for access to the title portal, please email support (portalsupport@docprobe.net).
Original Recorded Documents (Wet-signed, Originals Required)	OCMBC, Inc., C/O DocProbe 1133 Ocean Avenue Mailstop Code DP1949 Lakewood, NJ 08701

8.10 Standard Schedule of Fees

Fees associated with Mortgage Loans purchased by LoanStream, when applicable:

Fee Type	Fee Amount	Stipulations
Underwriting – Jumbo & Non-QM	$725.00	Non-delegated only
Underwriting – Closed End Seconds	$500.00	Non-delegated only
Loan Purchase Fee: All Programs	$725.00	Applicable to Jumbo, Non-QM, & Closed End Second Loans
Business Entity Review	$395.00	Non-QM Loans vested in an entity will require additional review on Non-delegated UW loans
Final Doc Procurement Fee	$200.00	Reference Section 8 for complete details

8.10.1 Right to Collect

LoanStream reserves the right to collect any outstanding fees from Seller, including pair-off fees, early payoff premiums, repurchases, outstanding final closing documents, attorney's fees, and any other fees or expenses identified by LoanStream.

LoanStream reserves the right to collect monies in a lawful manner, including but not limited to deducting the amount from the purchase or other payment due to Seller. LoanStream will give Seller thirty (30) days from the date of a billing invoice to pay the balance due. After 30 days, amounts unpaid are considered past due, and LoanStream may begin to net the balance due from outgoing loan purchase wires until unpaid amounts due are paid in full.

8.11 Government Insuring Timing and Document Requirements

The Seller is responsible for ensuring that all FHA, VA, and USDA Loans are insured, and evidence of insuring is delivered to LoanStream Mortgage within 60 days from Closing with delivery of insuring evidence not to precede the date of Loan purchase by LoanStream Mortgage. Evidence of insuring for all FHA, VA, and USDA loans should be emailed to insuring@lsmortgage.com.

9. MISCELLANEOUS PROVISIONS

As is true throughout this Seller Guide, the term "Agreement" refers to the Mortgage Loan Purchase Agreement (MLPA) and any other agreements between LoanStream and the Seller as well as the provisions of this Correspondent Seller Guide.

9.1 Notices

All demands, notices, and communications hereunder shall be in writing and shall be deemed to have been duly given if mailed by registered or certified mail, return receipt requested, or, if by other means, when received by the other party at the address shown below or such other address or email address as may hereafter be furnished to the other party by like notice. Any such demand, notice, or communication hereunder shall be deemed to have been received on the date delivered to or received at the premises of the addressee (as evidenced, in the case of registered or certified mail, by the date noted on the return receipt as the accepted or refused date).
If to Purchaser:

Attn: Chairs/Senior Management
OCMBC, INC. A California Corporation
19000 MacArthur Blvd., Suite 200
Irvine, CA 92612

9.2 Severability Clause

If anything in the Agreement is prohibited or held to be void or unenforceable, it shall be ineffective only to the extent of such prohibition or unenforceability in that specific jurisdiction, without invalidating or rendering unenforceable anything else in the Agreement. To the extent permitted by applicable law, the parties waive any provision of law that prohibits or renders void or unenforceable any provision hereof. If the invalidity of any part, provision, or section of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate, in good faith, to develop

a structure, the economic effect of which is as close as possible to the economic effect of the Agreement, without regard to such invalidity.

9.3 Further Agreements

Purchaser and Seller each agree to execute and deliver to the other such additional documents, instruments, or agreements as may be necessary or appropriate to effectuate the purposes of the Agreement. Seller also agrees to comply with all provisions of the Seller Guide.

9.4 Intention of the Parties

The parties intend that Purchaser is purchasing and Seller is selling 100% ownership interest in the Mortgage Loans sold hereunder and not a debt instrument of Seller or another security. Accordingly, the parties each intend to treat each transaction for accounting and federal income tax purposes as a sale by Seller and a purchase by Purchaser of the Mortgage Loans. Moreover, the arrangement under which the Mortgage Loans are held shall be consistent with classification of such arrangement as a grantor trust in the event it is not found to represent direct ownership of the Mortgage Loans.

Moreover, the arrangement under which the Mortgage Loans are held shall be consistent with classification of such arrangement as a grantor trust in the event it is not found to represent direct ownership of the Mortgage Loans. Purchaser shall have the right to review the Mortgage Loans and the related Mortgage Loan Files to determine the characteristics of the Mortgage Loans which shall affect the federal income tax consequences of owning the Mortgage Loans, and the Seller shall cooperate with all reasonable requests made by Purchaser in the course of such review.

9.5 General Interpretive Principles

Except as otherwise expressly provided in the Agreement or unless the context otherwise requires (i) the terms in the Agreement have the meaning assigned to them in the Agreement, Seller Guide, and Seller Guide Glossary, and include the plural as well as the singular and the use of any gender herein shall be deemed to include any other gender, (ii) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles, (iii) references herein to “Articles,” “Sections,” “Subsections,” “Paragraphs,” and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, Paragraphs, and other subdivisions of the Seller Guide, (iv) a reference to a Subsection without further reference to a Section is a reference to such Subsection as contained in the same Section in which the reference appears, and this rule shall also apply to Paragraphs and other subdivisions, and (v) should any part of the Agreement conflict with a provision of the Seller Guide, the provisions of the Seller Guide shall prevail.

9.6 Reproduction of Documents

The Agreement and all documents relating thereto, including without limitation (i) consents, waivers, and modifications that may hereafter be executed, (ii) documents received by any party at the closing, and (iii) financial statements, certificates, and other information previously or hereafter furnished, may be reproduced by any photographic, photostatic, microfilm, micro-card, miniature photographic, or other similar process.

The parties agree that any such reproduction shall be as admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile, or further reproduction of such reproduction shall likewise be admissible in evidence.

9.7 Recordation of Assignment of Mortgage

To the extent permitted by applicable law, each Assignment of Mortgage is subject to recordation in all appropriate public offices for real property records in all the counties or their comparable jurisdictions in which any (or all) Mortgaged Property is situated, and in any other appropriate public recording office or elsewhere, such recordation to be effected at Seller's expense in the event recordation is either necessary under applicable law or requested by Purchaser at its sole option.

9.8 No Personal Solicitation

From and after each Closing Date, for up to one calendar year, Seller shall not take any action or permit or cause any action to be taken by any of its agents, affiliates, or any independent contractors on Seller's behalf, to personally, by telephone, mail, or electronic means, solicit the borrower or obligor under any Mortgage Loan for the purpose of refinancing the subject loan without the prior written consent of Purchaser.

It is understood and agreed that all rights and benefits relating to the solicitation of any Mortgagors and the attendant rights, title, and interest in and to the list of such Mortgagors and data relating to their Mortgage Loans (including insurance renewal dates) shall be transferred to Purchaser on the related Closing Date and Seller shall take no action to undermine these rights and benefits. Notwithstanding the foregoing, it is understood and agreed that promotions undertaken by Seller or any affiliate of Seller that are directed to the general public at large, including without limitation mass mailing based on commercially acquired mailing lists, newspaper, radio, internet, and television advertisements shall not constitute solicitation under this Section.

9.9 Termination

The Agreement may be terminated by either party upon thirty (30) days prior written notice to the other party. Upon such notification, Purchaser shall cease accepting Mortgage Loans for credit approval as of the effective date of termination but shall purchase pursuant to the terms of the Agreement any Mortgage Loan locked with Purchaser as of the termination date. Notwithstanding termination of the Agreement, the provisions of the Agreement shall survive and continue to apply to any Mortgage Loan purchased by Purchaser.

GLOSSARY

Capitalized terms in this Guide shall have the meanings below or as otherwise defined within the Guide.

Accepted Servicing Practices: Mortgage servicing practices of prudent mortgage lending institutions that service mortgage loans of the same type as the related Mortgage Loan in the jurisdiction where the related Mortgage Property is located.

Agency or Agencies: Fannie Mae/FNMA, Freddie Mac/FHLMC, FHA/HUD, Ginnie Mae/GNMA, USDA/Rural Development, VA, as applicable.

Appraised Value: The value set forth in an appraisal made by a Qualified Appraiser in connection with the origination of the related Mortgage Loan as the value of the Mortgaged Property.

Assignment of Mortgage: An Assignment of Mortgage, Notice of Transfer, or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located to reflect the sale of the Mortgage to the Purchaser.

Business Day: Any day other than (i) a Saturday or Sunday, or (ii) a day on which banking and savings and loan institutions in the State of California are authorized or obligated by law or executive order to be closed.

Escrow Payments: With respect to any Mortgage Loan, the amounts constituting ground rents, taxes, assessments, water rates, sewer rents, municipal charges, mortgage insurance premiums, fire and hazard insurance premiums, condominium charges, ad any other payments required to be escrowed by the Mortgagor with the mortgagee pursuant to the Mortgage or any other document.

Fannie Mae: The Federal National Mortgage Association (FNMA), or any successor thereto.

FHA: The Federal Housing Administration, or any successor thereto.

Freddie Mac: The Federal Home Loan Mortgage Corporation (FHLMC), or any successor thereto.

Ginnie Mae: The Government National Mortgage Association (GNMA), or any successor thereto.

HUD: The U.S. Department of Housing and Urban Development, or any successor thereto.

Material Adverse Change: May be any of the following: (i) a material adverse change in or a material adverse effect upon the operations, business, properties, condition (financial or otherwise), assets, or prospects of Seller, (ii) a material impairment of Seller's ability to perform under an Agreement with LoanStream or any related agreement, (iii) a material adverse effect upon the legality, validity, binding effect, or enforceability of an Agreement with LoanStream, the Mortgage Loans sold thereunder, or any related agreement with Seller, or (iv) any material adverse change in any of Seller's warehouse agreements, including but not limited to the termination or cancellation of any agreement with a warehouse lender.

MERS: Mortgage Electronic Registration Systems, Inc., or any successor thereto.

MERS Mortgage Loan: Any Mortgage Loan registered with MERS and on the MERS system of recording transfers of mortgages.

Mortgage: The mortgage, Deed of trust or other instrument that creates a first or second lien, as applicable, on an unsubordinated estate in fee simple on the Mortgaged Property.

Mortgage File: With respect to each Mortgage Loan, all documents involved in the origination, underwriting (including documented compensating factors pertaining to exceptions), and servicing of the Mortgage Loan,

including but not limited to any additional documents required to be therein pursuant to requirements of this Seller Guide.

Mortgage Interest Rate: The annual rate of interest borne on the Mortgage Note.

Mortgage Loan: An individual mortgage loan that is the subject of an Agreement with LoanStream, including without limitation the Mortgage, Mortgage Note, and all Servicing Rights and all other rights, benefits, proceeds, and obligations arising from or in connection with such mortgage loan.

Mortgage Note: The Note or other evidence of the indebtedness of the Mortgagor.

Mortgaged Property: The real property securing repayment of the debt evidenced by a Mortgage Note.

Mortgagor: The obligor on a Mortgage Note or other evidence of indebtedness applicable to a Mortgage Loan.

Person: Any individual, corporation, limited liability company, limited liability partnership, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government, or any agency or political subdivision thereof.

Premium: The amount Purchaser paid to Seller to purchase a particular Mortgage Loan in excess of the unpaid principal balance of such Mortgage Loan on the Closing Date.

Purchase Advice: With respect to those Mortgage Loans purchased on a flow basis, the document from Purchaser describing the financial terms of the transaction.

Purchased Date: The relevant date from time to time on which Purchaser shall purchase and Seller shall sell the Mortgage Loans identified on the Purchase Advice or Trade Confirmation, as applicable.

Purchase Price: The total amount Purchaser pays to Seller to purchase a Mortgage Loan. The Purchase Price for each loan shall be stated on the Purchase Advice.

Qualified Appraiser: An appraiser who had no interest, direct or indirect, in the Mortgaged Property or in any loan made on the security thereof, and whose compensation is not affected by the approval or disapproval of the Mortgage Loan, and such appraiser and the appraisal made by such appraiser both satisfy the requirements of Title XI of the Federal Institutions Reform, Recovery and Enforcement Act of 1989 and the regulations promulgated thereunder, all as in effect on the date the Mortgage Loan was originated.

Seller: The Seller Lender that is selling loans to LoanStream Mortgage pursuant to the LoanStream Mortgage Correspondent Seller Guide and the Mortgage Loan Purchase and Sale Agreement.

Seller Guide: Purchase guidelines, policies, procedures, and requirements, as may be developed, revised, supplemented, or replaced from time to time in Purchaser's sole discretion and any additional guidelines, policies, procedures, requirements, or other documents incorporated therein. Any change to the Seller Guide applies to any Mortgage Loan locked with Purchaser after Seller is notified of such change. The Seller Guide is incorporated herein by this reference.

Servicing File: With respect to each Mortgage Loan, the file retained by Seller until the applicable Transfer Date, consisting of originals of all documents in the Mortgage File that are not delivered to Purchaser or Purchaser's designee on or before the Closing Date, and copies of any other documents in the Mortgage File.

Servicing Rights: Any and all of the following: (i) any and all rights to service a Mortgage Loan, (ii) any payments to or monies received by Seller for servicing a Mortgage Loan, (iii) any late fees, penalties, or similar payments with respect to a Mortgage Loan, (iv) all agreements or documents creating, defining, or evidencing any such servicing rights to the extent they relate to such servicing rights and all rights of Seller thereunder, (v) Escrow Payments or other similar payments with respect to a Mortgage Loan and

any amounts actually collected by Seller with respect thereto, (vi) all accounts and other rights to payment related to any of the property described in this paragraph, and (vii) any and all documents, files, records, servicing files, servicing documents, servicing records, data tapes, computer records, or other information pertaining to a Mortgage Loan or to the past present or prospective servicing of a Mortgage Loan.

Transfer Date: The date on which Purchaser or its designee shall receive the transfer of servicing responsibilities and begin to perform the servicing of the related Mortgage Loans, and Seller shall cease all servicing responsibilities. Such date shall be the date specified by Purchaser in its sole and absolute discretion