

TIER LEVELS	FICO	RATE	POINTS	RESERVES
TIER I	720+	12.0%	2.0	Stated
TIER II	680-719	13.0%	3.0	Stated
TIER III	620-679	14.0%	4.0	Verified
TIER IV	< 620	15.0%	5.0	Verified

PRODUCT ADD-ONS / DEDUCTIONS

RATE REDUCTIONS	RATE ADDITIONS
TOTAL PAID OFF COGO LOANS	DEFAULTED COGO LOANS
TOTAL PERFORMING LOANS	EXTENDED TERMS

**REPUTATIONAL CAPITAL IS REWARDED
AT COGO CAPITAL!
IT ALL STARTS WITH YOUR FIRST LOAN!**

DEFAULTED COGO LOANS	RATE	POINTS	TIER
DEFAULTED COGO LOANS > 0	15.0%	5.0	TIER IV
TOTAL PAID OFF COGO LOANS	TIER CREDIT		
2 PAID OFF COGO LOANS	+1 TIER		
4 PAID OFF COGO LOANS	+2 TIERS		
10 PAID OFF COGO LOANS	+3 TIERS		
TOTAL PERFORMING LOANS	TIER CREDIT		
2 PERFORMING COGO LOANS	+0.5 TIER		
4 PERFORMING COGO LOANS	+1 TIER		
10 PERFORMING COGO LOANS	+2 TIER		
LOAN TERMS	TIER CREDIT		
6 MONTHS	-0 TIER		
12 MONTHS	-0.5 TIER		
18 MONTHS	-1 TIER		
24 MONTHS	-1.5 TIER		

PROPERTY REQUIREMENTS

- Non-Owner Occupancy only
- Property Types:
SFR, Duplexes, Triplexes, 4-plexes, Condos, Townhomes and MFH
- Clear title required
- 1 year hazard insurance premium paid at closing
- 3rd party independent appraisals by approved national company ordered internally - "As-Is" values accepted only no older than 120 days.
- Purchase Loan to Value cannot exceed the lessor of 65% or 80% of the purchase price (LTV lowered to 50% if loan amount is less than \$25,000)
- Refinance Loan to Value cannot exceed 65% - LTV lowered to 50% if more than 10% of loan amount is received by borrower at closing
- No seasoning requirements on refinances, unless acquired by gift or Quit Claim in the last 12 months – then Max LTV is 50%
- Cross-collateralization – LTV remains the same when all properties are the same transaction type, Multiple transaction types require LTV to be calculated separately for each property type

Cogo Capital provides TIER BASED PRICING based on reputational capital and credit score.

PERFORMANCE BASED PRICING

Performance Based Pricing does not require a credit check. The pricing will begin at TIER IV and the product add-ons / deductions will apply.

CREDIT BASED PRICING MODEL

Credit Based Pricing begins with a credit check. FICO score will determine the pricing TIER. Product add-ons / deduction will apply.

Determining Factors:

- Credit Score
- Number of previous Cogo loans paid off
- Number of performing Cogo Loans
- Terms
- Defaulted Cogo Loans

TIER BASED PRICING MODEL

- Internally pulled Credit Report required.
- Rate, Points, and Reserves Verification is set up on a 4 Tier Model.
- Credit score based (Tri merge -Mid score of 3, low score of 2, Min of 2 scores required)
- Reputational Capital Based (Current performing loans, Paid off loans, Loans in default)
- Loan terms

CREDIT SCORE: Based on credit check, number of previous loans paid off through Cogo Capital, number of performing loans previously financed through Cogo Capital, number of loans in default, and the length of term requested. A credit score of 720 or higher will put the borrower in Tier 1. A credit score of 680 to 719 will put the borrower in Tier 2. A credit score of 620 to 679 will put the borrower in Tier 3. A credit score of 619 or less will put the borrower into Tier 4.

NUMBER OF LOANS PAID OFF: A borrower that has paid off previous loans can receive credit up to a level of three (3) tiers. For two (2) loans paid off the borrower will move up one (1) tier. For four (4) loans paid off the borrower will move up two (2) tiers. For ten (10) loans paid off the borrower will move up three (3) tiers.

NUMBER OF PERFORMING LOANS: A borrower that has performing loans through Cogo Capital will receive a half (0.5) tier increase for two (2) performing loans. For four (4) performing loans the borrower will receive a one (1) tier increase and for ten (10) performing loans the borrower will receive a two (2) tier increase.

DEFAULTED LOANS: If any loans are in default the borrower automatically moves to Tier 4. It does not matter the credit score nor the number of other loans closed through Cogo Capital.

TERMS: For a term of six (6) months the borrower receives zero (0) TIER adjustments. For terms of 12 months the borrower will move down one half (0.5) TIER (for example from TIER I to TIER II). Terms of 18 months the borrower will move down one (1) TIER. Terms of 24 months the borrower will move down one and a half (1.5) TIERS.

BASIC LOANS

- 1st Turst Deed lending only
- Credit Score used only to utilize a rate reduction
- Interest Only
- Minimum Loan Amount = \$15,000
- 3 to 24 Month Terms
- No Pre-Payment Penalty
- Verified Assets Requirement: Down Payment, Construction/Rehab Costs, Closing Costs, and 3 Month Reserves
- Cross-Collateralization Allowed