

ANNALY®

Onslow Bay Financial LLC

October 2023

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This presentation, other written or oral communications, and our public documents to which we refer contain or incorporate by reference certain forward-looking statements which are based on various assumptions (some of which are beyond our control) and may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as "may," "will," "believe," "expect," "anticipate," "continue," or similar terms or variations on those terms or the negative of those terms. Such statements include those relating to the Company's future performance, macro outlook, the interest rate and credit environments, tax reform and future opportunities. Actual results could differ materially from those set forth in forward-looking statements due to a variety of factors, including, but not limited to, changes in interest rates; changes in the yield curve; changes in prepayment rates; the availability of mortgage-backed securities ("MBS") and other securities for purchase; the availability of financing and, if available, the terms of any financing; changes in the market value of the Company's assets; changes in business conditions and the general economy; the Company's ability to grow its residential credit business; the Company's ability to grow its mortgage servicing rights business; credit risks related to the Company's investments in credit risk transfer securities and residential mortgage-backed securities and related residential mortgage credit assets; risks related to investments in mortgage servicing rights; the Company's ability to consummate any contemplated investment opportunities; changes in government regulations or policy affecting the Company's business; the Company's ability to maintain its qualification as a REIT for U.S. federal income tax purposes; the Company's ability to maintain its exemption from registration under the Investment Company Act of 1940; operational risks or risk management failures by us or critical third parties, including cybersecurity incidents; and risks and uncertainties related to the COVID-19 pandemic, including as related to adverse economic conditions on real estate-related assets and financing conditions. For a discussion of the risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q. The Company does not undertake, and specifically disclaims any obligation, to publicly release the result of any revisions which may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements, except as required by law.

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Annaly Capital Management Overview

Annaly Investment Strategies

Total Portfolio: \$78.9 billion⁽¹⁾ | Total Shareholders' Equity: \$11.8 billion



Agency

Invests in Agency MBS collateralized by residential mortgages, which are guaranteed by Fannie Mae, Freddie Mac or Ginnie Mae, and complementary investments within the Agency market

\$71.4bn

Assets⁽¹⁾

\$8.1bn

Capital⁽²⁾



Mortgage Servicing Rights

Invests in Mortgage Servicing Rights, which provide the right to service residential loans in exchange for a portion of the interest payments made on the loans

\$2.2bn

Assets⁽¹⁾

\$1.8bn

Capital⁽²⁾



Residential Credit

Invests in Non-Agency residential mortgage assets within the securitized product and whole loan markets

\$4.9bn

Assets⁽¹⁾

\$1.8bn

Capital⁽²⁾

Source: Company filings. Financial data as of June 30, 2023.

1. Total portfolio represents Annaly's investments that are on-balance sheet as well as investments that are off-balance sheet in which Annaly has economic exposure. Total assets include commercial real estate related assets, which are excluded from capital allocation calculations. Agency assets include TBA purchase contracts (market value) of \$3.6bn. MSR assets include unsettled MSR commitments of \$126mm. MSR commitments represent the market value of deals where Annaly has executed a letter of intent. There can be no assurance whether these deals will close or when they will close. Residential Credit assets exclude assets transferred or pledged to securitization vehicles of \$11.3bn, include \$1.2bn of retained securities that are eliminated in consolidation and are shown net of participations issued totaling \$0.5bn.

2. Capital allocation for each of the investment strategies is calculated as the difference between each investment strategy's allocated assets, which include TBA purchase contracts, and liabilities. Dedicated capital allocations as of June 30, 2023 exclude commercial real estate assets.

Agency | Business Update

Annaly reduced its Agency MBS portfolio early in the second quarter, predominantly through reductions to its TBA position, to proactively manage leverage ahead of expected volatility

Strategic Approach

- Annaly's Agency portfolio is made up of high quality and liquid securities, predominately specified pools, TBAs and derivatives
- Portfolio benefits from in-house proprietary analytics that identify emerging prepayment trends and a focus on durable cash flows
- Diverse set of investment options within Agency market, including Agency CMBS, which provides complementary duration and return profiles to Agency MBS
- Access to deep and varied financing sources, including traditional bilateral repo and proprietary broker-dealer repo

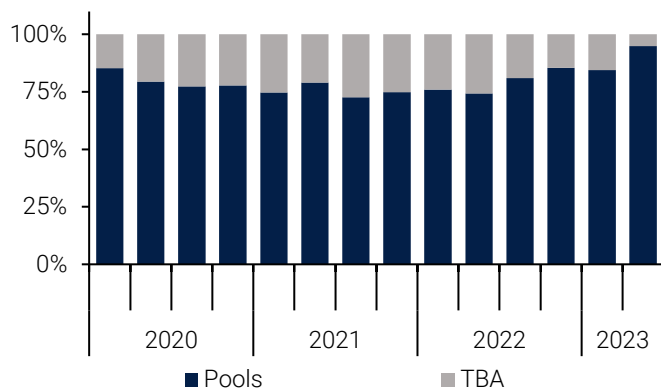
Market Trends

- During the second quarter, Agency MBS spreads were volatile given FDIC sales of regional bank holdings, debt ceiling negotiations and uncertainty around central bank rate hikes
 - Given these headwinds, spreads widened notably in April and May, though tightened sharply in June following the debt ceiling resolution and June FOMC pause in hiking cycle
- Money managers continue to be the primary source of demand considering the absence of buying from banks and the Federal Reserve
- Lower coupons modestly outperformed production coupons during the second quarter given positive supply/demand dynamics

Agency Portfolio Detail

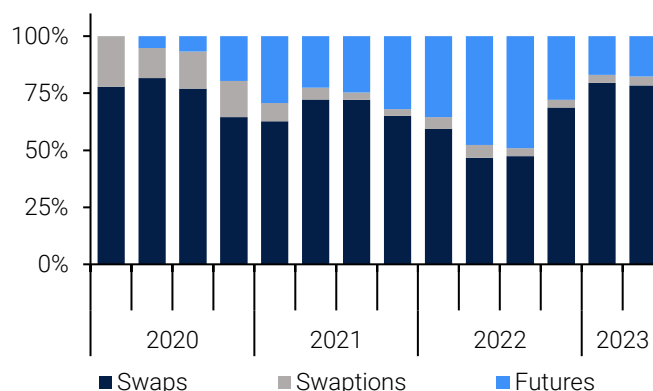
Assets

NLY Specified Pools and TBA Holdings, %



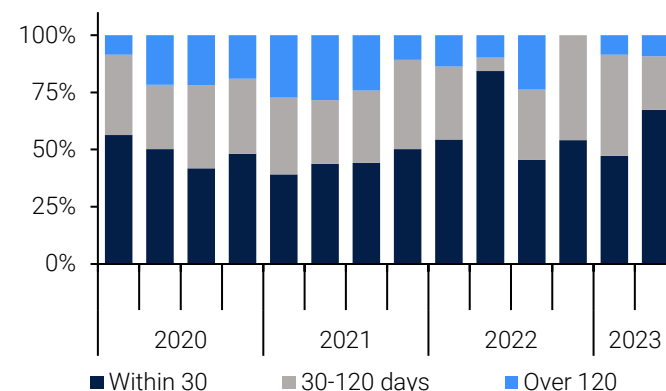
Hedges⁽¹⁾

Agency Hedging Composition, %



Funding⁽²⁾

Agency Funding Composition, %



Source: Company filings. Financial data as of June 30, 2023.

Note: Portfolio data as of quarter end for each respective period.

1. Represents Agency's hedging profile and does not reflect Annaly's full hedging activity.

2. Represents Agency's funding profile and does not reflect Annaly's full funding activity.

Annaly continues to pursue opportunities in the MSR market to grow the business while achieving attractive returns

Strategic Approach

- MSR portfolio complements Annaly's Agency MBS strategy by offering an attractive yield while providing a hedge to mortgage basis volatility and slower discount prepayment speeds
- As an established and scaled servicer, Annaly is positioned for opportunistic and operationally efficient growth in both the bulk and flow MSR markets
- Annaly serves as a complementary strategic partner to originators given certainty of capital and non-competitive business strategy
- Portfolio consists of low coupon, high quality conventional MSR⁽¹⁾

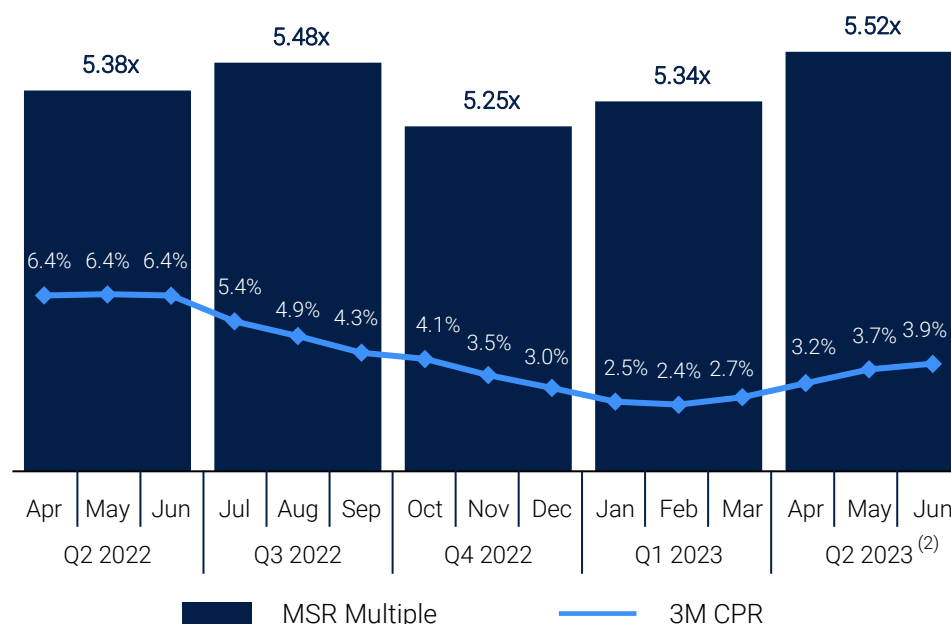
Market Trends

- MSR trading volumes remained robust in the second quarter as high levels of supply were well absorbed by the market
 - We expect the pace of activity to continue as originator profitability remains challenged
- Low WAC MSR valuations improved driven by higher rates and modest spread tightening
- The sector remains attractive to a diversified buyer base (e.g., banks, REITs, non-bank mortgage companies, private equity)

MSR by the Numbers (Excludes Interests in MSR / MSR of LP Interest)

Portfolio Summary	Q1'23	Q2'23 ⁽²⁾
Market Value (\$mm)	\$1,791	\$2,145
UPB (\$bn)	\$129.5	\$151.0
Loan Count ('000)	388	477
Collateral Characteristics		
WAC	2.97%	3.04%
Avg Loan Size	\$333,505	\$316,604
Orig FICO	759	758
Orig LTV	68%	69%
Collateral Performance		
1M CPR	3.4%	4.0%
3M CPR	2.7%	3.9%
D30	0.5%	0.5%
D60+	0.5%	0.4%

Annaly MSR Valuation and Prepayment Speeds (Excludes Interests in MSR / MSR of LP Interest)



Source: Company filings. Financial data as of June 30, 2023.

- Portfolio excludes retained servicing on whole loans within the Residential Credit portfolio.
- Includes unsettled commitments of \$126mm.

Residential Credit | Business Update

Annaly Residential Credit Group expanded its market leadership through strong performance from its correspondent channel and programmatic securitization issuance, while preserving the strong credit profile of the portfolio

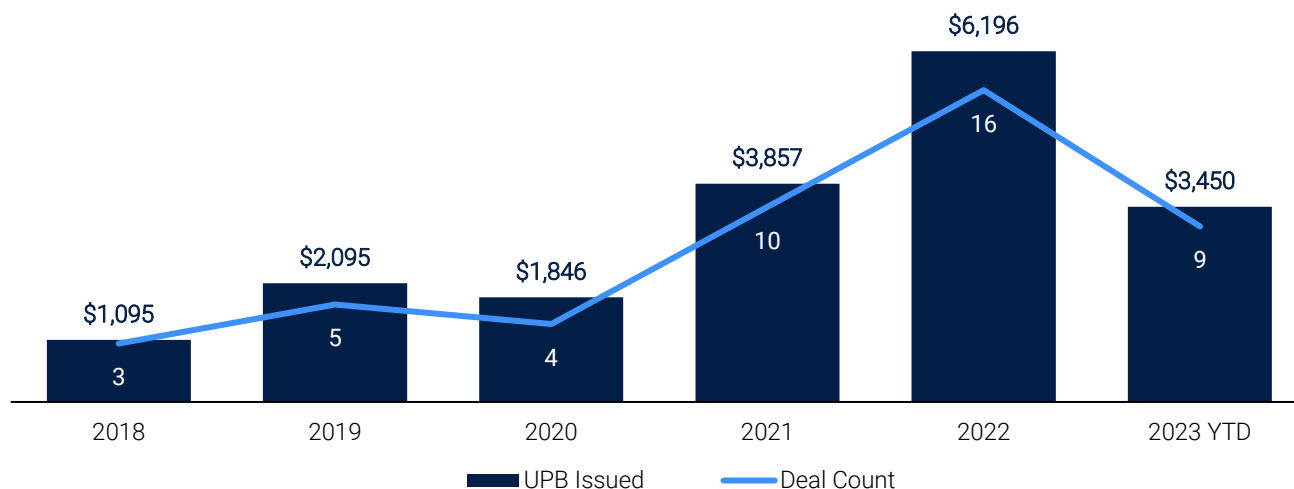
Strategic Approach

- Programmatic securitization sponsor of new origination, residential whole loans with 47 deals comprising over \$18.5 billion of issuance priced since the beginning of 2018⁽¹⁾
- Agile platform that can deploy capital across both the residential whole loan and Non-Agency securities markets
- Continued expansion of whole loan sourcing capabilities through the Onslow Bay correspondent channel
- Whole loan acquisition and securitization program provides the ability to create proprietary investments tailored to desired credit preferences with control over asset selection, counterparties and loss mitigation
- Modest use of balance sheet leverage with most positions term financed through securitization

Market and Credit Trends

- The Non-Agency RMBS market experienced spread tightening in the second quarter as the credit outlook improved, the sector experienced limited net issuance and there was continued strength in the consumer
 - In the second quarter, Non-QM “AAA” spreads were ~50bps tighter and Below Investment Grade CRT M2 spreads were ~95bps tighter
- Home price appreciation has been strong in the second quarter aided by historically low inventory levels and limited new listings, benefiting the underlying borrowers in our whole loan portfolio
 - The Zillow home price index was up 1.4% month-over-month in June and is now up 4.7% year-to-date⁽²⁾
 - Onslow Bay GAAP Whole Loan portfolio mark-to-market LTV of 60% compared to 68% original LTV

OBX Securitization History – UPB Issued (\$mm)⁽¹⁾



Securitizations Since the Beginning of Q2'23

\$408 Million OBX 2023-NQM3 Non-QM Apr 2023	\$394 Million OBX 2023-NQM4 Non-QM May 2023
\$315 Million OBX 2023-INV1 Agency Investor May 2023	\$390 Million OBX 2023-NQM5 Non-QM Jun 2023
\$401 Million OBX 2023-NQM6 Non-QM July 2023	\$411 Million OBX 2023-NQM7 Non-QM Sep 2023

Source: Company filings. Financial data as of June 30, 2023.

1. Includes a \$401mm whole loan securitization that priced in July 2023 and a \$411mm whole loan securitization that priced in September 2023.

2. Based on data from the Zillow U.S. Home Value Index for the period ended June 30, 2023.

Corporate Responsibility Update | Annaly Publishes Fourth ESG Report

Annaly's 2022 ESG Report highlights its continued focus on developing and executing on its ESG strategy

775,000+

American homes financed⁽¹⁾

25+

Community development projects financed through a joint venture partnership with Capital Impact Partners

100%

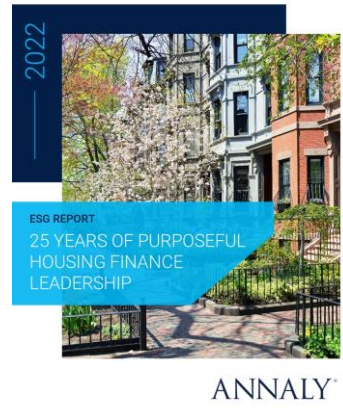
of Scope 1 and 2 GHG emissions offset with Renewable Energy Certificates

53%

of employees identify as women or racially / ethnically diverse

10%

voluntary turnover in 2022, representing less than half of the financial services sector average⁽²⁾



“

In 2022, Annaly celebrated its 25th anniversary as a public company, representing twenty-five years of leading with purpose. Since our founding, Annaly has recognized that a commitment to ESG principles is an important factor in delivering value and superior returns to our shareholders. We are proud of the progress we continue to make on our ESG initiatives and believe that thoughtful integration of ESG priorities into our overall strategy has been both critical to our success and differentiating relative to our peers.”

David Finkelstein

Chief Executive Officer & Chief Investment Officer

Highlights

- ✓ Continued to provide climate-related disclosures following TCFD guidance, including the measurement of our total GHG emissions and energy consumption
- ✓ Introduced ESG disclosures based on SASB recommendations in the private placement memorandum for our residential credit securitizations
- ✓ Provided disclosure on pay equity analysis
- ✓ Enhanced parental leave policy for primary and secondary caregivers and introduced fertility reimbursement benefits to support family planning
- ✓ Supported seven employee-led networks, which collectively led over 20 DEI activities
- ✓ Included black-, women- and veteran-owned broker dealers on equity offerings

Note: Employee statistics as of December 31, 2022. Financial data as of June 30, 2023. To access the full 2022 ESG Report, please visit www.annaly.com/our-responsibility.

1. Represents the estimated number of homes financed by Annaly's holdings of Agency MBS, residential whole loans and securities, as well as multi-family commercial real estate loans, securities and equity investments. The number includes all homes related to securities and loans wholly-owned by Annaly and a pro-rata share of homes in securities or equity investments that are partially owned by Annaly.
2. Financial services 2022 turnover rate estimated based on March 8, 2023 data from the U.S. Bureau of Labor Statistics.

Onslow Bay Financial LLC

Annaly Residential Credit | Onslow Bay Financial LLC

Annaly purchases residential whole loans & mortgage servicing rights through Onslow Bay Financial LLC (“Onslow Bay”)

What is Onslow Bay?

- Onslow Bay Financial LLC (“Onslow Bay”) is a wholly owned subsidiary of Annaly Capital Management Inc (“Annaly”)
- Onslow Bay Financial is the entity through which Annaly purchases loans, issues securitizations (OBX shelf) and owns mortgage servicing rights (“MSR”)
 - Onslow Bay is a [Fannie Mae approved Servicer](#) and a [Freddie Mac approved Seller/Servicer](#) in addition to being a HUD approved Investing Mortgagee. Onslow Bay currently holds the requisite state mortgage finance approvals or exemptions to purchase and own performing residential whole loans (1st and 2nd lien) and/or servicing rights in all 50 states and the District of Columbia
 - With aggregate securitization issuance [over \\$18.5 billion since the beginning of 2018](#), Onslow Bay continues to be a large programmatic issuer in the residential whole loan space
 - As of September 30th, Onslow had closed twenty-eight (28) Expanded Prime (“EXP”) & Non-QM (“NQM”) securitizations with a balance of \$11.6bn
 - As of June 30th, Onslow Bay owned \$12,473mm of mortgage loans (GAAP) & \$151bn in unpaid principal balance of mortgage servicing rights

Annaly’s Securitization Strategy via Onslow Bay

- Onslow Bay’s securitization strategy is driven by Annaly’s desire to fund our whole loan purchases and generate assets for our balance sheet
 - Creates proprietary assets with a high degree of internal control
 - Annaly controls pricing, process, origination partners, servicers, due diligence, loss mitigation and the type of credit we are targeting among other benefits
 - Securitization removes our reliance on recourse leverage via loan warehouse and eliminates daily mark to market risk on the loan portfolio (margin calls)
 - Securitization provides term funding for our whole loan portfolio; longer tenor (> 2 years) financing of whole loans is often limited

Annaly’s Alignment with Securitization Investors

- Annaly utilizes securitization to generate high yielding assets; returns are levered to prepayment and credit performance
- Annaly often retains significantly more than mandated risk retention (5%) given desire to hold incremental residential credit exposure
 - Annaly has never sold below the “BBB” on a Non-QM transaction
- Full alignment with investors regarding credit performance as Annaly historically has retained horizontal risk retention; strong asset management team

Alignment of Interest | Annaly Retention Strategy & Third-Party Asset Management

Permanent REIT capital and third-party funds invest side by side to retain significant risk

- Annaly utilizes the securitization market as an asset generation strategy and to achieve long-term, nonrecourse, non-mark-to-market financing
- The strategy generates investments tailored to our desired credit preferences with control over diligence, origination partners, servicers and loss mitigation
- **In aggregate, retained holdings across Annaly and our third party managed funds represent approximately ~14% of total securitized collateral** (\$12bn market value) predominantly concentrated in the bottom of the capital stack
 - As Controlling Holder in the OBX securitizations, Annaly is highly incentivized to pursue positive NPV outcomes for borrowers
- Annaly and its managed funds have traditionally retained Horizontal Risk Retention. Annaly manages control of the call rights on behalf of the parent and the third-party funds
 - Annaly recently took vertical risk retention on OBX 2023-NQM7 in our inaugural EU/UK compliant transaction
 - Retaining stakes in subordinate and equity classes well exceeding the amount required by risk retention regulations at discount dollar prices has the potential effect of lowering the cost basis of an Optional Redemption

Annaly investment vehicles collectively hold more than \$1.6bn OBX securities

Annaly Capital Management Inc

- REIT vehicle directly holds ~\$915mm market value of OBX securities
- Wholly owns a Registered Investment Advisor that manages third-party funds

Annaly Resi-Credit Fund LP

- Closed-end PE-style fund with \$500mm committed third party capital
- Directly holds ~\$215mm market value OBX securities

OBX MBS Fund LP

- Majority-owned affiliate of Onslow Bay Financial holds all horizontal risk retention bonds in deals with Fund participation
- Joint capitalization and economic ownership by Annaly and Resi-Credit Fund
- Holds ~\$495mm market value of OBX securities subject to horizontal risk retention

Onslow Bay Securitizations | Market Rankings

Onslow Bay was the largest non-bank Prime Jumbo and Expanded Credit issuer over the last two years (2022-2023 YTD)

Top Prime-Jumbo & Expanded-Credit MBS Issuers (\$mm)⁽¹⁾

Rank	Issuer	2022-2023
1	JPMorgan Chase	\$14,417.5
2	Annaly Capital/Onslow Bay	\$10,057.4
3	Invictus Capital Partners	\$9,451.8
4	Goldman Sachs	\$8,942.5
5	Blue River Mortgage/Angelo Gordon	\$5,178.7
6	Angel Oak	\$4,730.8
7	Lone Star Funds	\$4,448.0
8	A&D Mortgage	\$3,808.4
9	MFA Financial	\$3,654.2
10	Credit Suisse	\$3,372.6
11	Bayview	\$3,044.4
12	Change Lending	\$3,029.5
13	PIMCO	\$2,572.2
14	New Residential	\$2,477.4
15	Rocket Mortgage	\$2,231.9

Top Non-Bank Prime-Jumbo & Expanded-Credit MBS Issuers (\$mm)⁽¹⁾

Rank	Issuer	2022-2023
1	Annaly Capital/Onslow Bay	\$10,057.4
2	Invictus Capital Partners	\$9,451.8
3	Blue River Mortgage/Angelo Gordon	\$5,178.7
4	Angel Oak	\$4,730.8
5	Lone Star Funds	\$4,448.0
6	A&D Mortgage	\$3,808.4
7	MFA Financial	\$3,654.2
8	Bayview	\$3,044.4
9	Change Lending	\$3,029.5
10	PIMCO	\$2,572.2
11	New Residential	\$2,477.4
12	Rocket Mortgage	\$2,231.9
13	Starwood Non-Agency Lending	\$1,906.3
14	Ellington Financial REIT	\$1,884.1
15	Park Capital Management	\$1,768.9

1. Source: Inside Nonconforming Markets. Data includes prime jumbo and expanded-credit MBS. Expanded credit includes nonprime, non-QM and loans with alternative documentation. Reflects issuance from 2022 – 2023. October 6, 2023, issue.

Onslow Bay MSR Portfolio | Market Rankings

Onslow Bay was the 15th largest Agency MBS Servicer as of Q2 2023; 9th largest non-bank servicer

Top MBS Servicer(\$bn)⁽¹⁾

Rank	Servicer	Q2 2023
1	Chase	\$951.2
2	Wells Fargo & Company	\$876.1
3	Lakeview Loan Servicing	\$584.8
4	PennyMac Loan Services	\$576.5
5	NewRez/Caliber	\$540.8
6	Rocket Mortgage	\$462.0
7	Freedom Mortgage Corp.	\$459.7
8	Mr. Cooper Group	\$459.5
9	US Bank Home Mortgage	\$369.0
10	Bank of America	\$333.1
11	United Wholesale Mortgage	\$295.0
12	Truist	\$280.1
13	PNC Mortgage	\$238.7
14	Matrix Financial Services Corp.	\$216.1
15	Onslow Bay Financial/Annaly	\$151.0⁽²⁾
16	Citi	\$150.1
17	loanDepot.com	\$142.3
18	Carrington Mortgage Services	\$140.1
19	Citizens Bank	\$124.6
20	Ocwen Financial/PHH Mortgage	\$122.3

Top Non-Bank MBS Servicer(\$bn)⁽¹⁾

Rank	Servicer	Q2 2023
1	Lakeview Loan Servicing	\$584.8
2	PennyMac Loan Services	\$576.5
3	NewRez/Caliber	\$540.8
4	Rocket Mortgage	\$462.0
5	Freedom Mortgage Corp.	\$459.7
6	Mr. Cooper Group	\$459.5
7	United Wholesale Mortgage	\$295.0
8	Matrix Financial Services Corp.	\$216.1
9	Onslow Bay Financial/Annaly	\$151.0⁽²⁾
10	loanDepot.com	\$142.3
11	Carrington Mortgage Services	\$140.1
12	Ocwen Financial/PHH Mortgage	\$122.3
13	CMG Mortgage	\$89.6
14	Planet Home Lending	\$85.0
15	CrossCountry Mortgage	\$84.4
16	Home Point Financial	\$82.4
17	Guild Mortgage Co.	\$82.0
18	New American Funding	\$62.7
19	AmeriHome Mortgage	\$62.5
20	Movement Mortgage	\$55.0

1. Source: Inside Mortgage Finance. Data includes servicing for agency MBS outstanding as of June 30, 2023, based on agency disclosures. September 22, 2023, issue.

2. Value from Annaly Q2 2023 Investor Presentation. All other data is being pulled from Inside Mortgage Finance.

Onslow Bay Financial | Deal Level ESG Disclosures

OBX securitizations disclose ESG metrics as identified by the SASB Mortgage Finance Standard

Deal-Level Disclosures

- Starting in 2022, Onslow Bay started providing ESG disclosures on its securitizations based upon guidance from the Sustainability Accounting Standards Board (“SASB”) Accounting Metrics under the Mortgage Finance Accounting Standard
 - SASB recommends disclosure of financial sustainability information by companies to their investors with the intent of identifying the subset of ESG issues most relevant to financial performance in 77 separate industries
- While the mortgage loans securitized under the OBX shelf may contain aspects of the criteria, the mortgage loans are not originated with the intent to meet the specific criteria or any particular investor expectations concerning the SASB Mortgage Finance Standard nor any other standards established by other organizations
- For additional ESG disclosures on Annaly Capital Management (“Annaly”), Onslow Bay’s parent company, please reference Annaly’s 2022 Corporate Responsibility Report on our parent’s website, www.annaly.com

Example Disclosures from OBX 2023-NQMI

FN-MF-270a.1	Number of Mortgage Loans	Aggregate Stated Principal Balance (\$)	Aggregate Stated Principal Balance (%)
(a) Hybrid or Option Adjustable-rate Mortgages (ARM)			
FICO scores above or equal to 660	7	7,506,288	100.00
FICO scores below 660	0	0	0.00
No FICO score reported	0	0	0.00
Total	7	7,506,288	100.00
(b) Subject to Prepayment Penalty			
FICO scores above or equal to 660	307	115,148,423	97.84
FICO scores below 660	5	985,574	0.84
No FICO score reported	5	1,551,043	1.32
Total	317	117,685,040	100.00
(d) Total FICO score breakout			
FICO scores above or equal to 660	807	390,040,442	96.26
FICO scores below 660	28	13,220,252	3.26
No FICO score reported	7	1,948,602	0.48
Total	842	405,209,296	100.00

FN-MF-270a.2	Number of Mortgage Loans	Aggregate Stated Principal Balance (\$)	Aggregate Stated Principal Balance (%)
(a) Residential Mortgage Modifications			
FICO scores above 660	0	0	0.00
FICO scores below 660	0	0	0.00
No FICO score reported	0	0	0.00
Total	0	0	0.00
(b) Foreclosures			
FICO scores above 660	0	0	0.00
FICO scores below 660	0	0	0.00
No FICO score reported	0	0	0.00
Total	0	0	0.00
(c) Short sales			
FICO scores above 660	0	0	0.00
FICO scores below 660	0	0	0.00
No FICO score reported	0	0	0.00
Total	0	0	0.00

Program Updates & Important Disclosures Often Announced on Onslow Bay LinkedIn

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1,228 followers
2w • Edited •

Effective August 7, Onslow Bay is pleased to announce the addition of our Closed End Second Lien Program ("CES"). Please reach out to sales@onslowbayfinancial.com if there is interest in deliv ...see more

Onslow Bay is pleased to announce the addition of our Closed End Second Lien Program to our existing suite of robust offerings:

Program Highlights:

Owner Occupied			2 nd Home			Investor		
Loan Size	Minimum FICO	Max CLTV	Loan Size	Minimum FICO	Max CLTV	Loan Size	Minimum FICO	Max CLTV
\$70k-\$250k	740	85%	\$70k-\$500k	740	80%	\$70k-\$500k	740	75%
\$70k-\$500k	700	80%		680	75%		700	70%
	680	75%						

General Requirements:

Product Type	10 Year Fixed, 15 Year Fixed, 20 Year Fixed, 30 Year
Loan Amount	\$70k Min, \$500k Max
Occupancy	Primary Residence, 2 nd Home, Investment
Max LTV / Min FICO	85%/680
Max DTI	Max of 50% (Primary), 45% (2 nd /Investor) or Fannie Mae (DU)/Freddie Mac Guide (LP)
Payment History	0x30x12
Housing Event Seasoning	4+ Years
Interest Only	Not Eligible

Please contact your Onslow Bay sales representative with any questions or email sales@onslowbayfinancial.com to reach out to our team.

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1mo •

Onslow Bay is pleased to announce that we are broadening our credit box for our DSCR Plus Program, effective July 5th. Please reach out to sales@onslowbayfinancial.com with any questions and find additional details on our programs at <https://lnkd.in/ejY8kwHe>.
#onslowbay #mortgage lending

Effective July 5th, Onslow Bay has broadened our credit box for our DSCR Plus Program

Changes Include:

- Onslow Bay will now accept locks **up to 80% LTV** for loans with a **DSCR value >= 1.00**
- For **"No Ratio DSCR"** loans, Onslow Bay will now accept locks **up to 70% LTV**

Please contact your Onslow Bay sales representative with any questions or email sales@onslowbayfinancial.com to reach out to our team.

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Onslow Bay Website

www.onslowbayfinancial.com

- The Onslow Bay website provides an overview of the whole loan programs offered, as well as a matrix comparing underwriting criteria
 - A quick quote tool allows users to input terms of a loan and receive indicative guidance on what programs the loan would fit
- Visit the 'About Us' tab for additional background on Onslow Bay, as well as our parent company Annaly Capital Management, Inc.
- Key Onslow Bay employees are listed on the website

Expanded Prime Plus	Expanded Prime Plus
Sharp A+	<ul style="list-style-type: none"> • Opportunity to qualify through full documentation (W2, tax returns, asset depletion, 1099), streamlined verification (1 year full documentation) or alternative documentation (Personal or Business Bank Statements, 12 Month Profit & Loss (PnL) and Written Verification of Employment (WVOE)) • Product types: 3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fixed, 30 Year Fixed, 40 Year Fixed • Minimum FICO of 660; Maximum LTVs of 90% • Owner occupied, investment properties and second homes available • Maximum DTI of 55% • Maximum loan sizes of \$3.5 million • 4+ years housing event seasoning • Payment history: 0x30x12 • Interest only products available
Sharp A-	
Foreign National Plus	
Agency Investor	
Non-Agency Investor (AUS)	
DSCR Plus	
Cross Collateralized	
Agency Second Home	
Non-Agency Second Home (AUS)	
Jumbo (AUS)	
Closed End Seconds	

Onslow Bay LinkedIn

www.linkedin.com/company/onslow-bay-financial/

- Onslow Bay posts valuable program information on LinkedIn, including changes to underwriting guidelines, securitization program updates, conference attendance, etc.
- Follow Onslow Bay Financial on LinkedIn to keep abreast of these changes

OB Onslow Bay Financial
761 followers
1mo •

Onslow Bay has lowered reserve requirements across the majority of our programs! Changes go live on May 2nd, 2022. For additional information, please reach out to your sales representative or email sales@onslowbayfinancial.com. #OnslowBay #mortgages

Loan Size	Updates to Reserve Requirements			
	Expanded Prime Plus	Sharp (A+)	Sharp (A-)	DSCR Plus
\$500,001-\$1,000,000	6 Months vs. 9 Months	3 Months vs. 6 Months	3 Months vs. 6 Months	6 Months (Unchanged)
\$1,000,001-\$2,000,000	9 Months vs. 12 Months	6 Months vs. 9 Months	3 Months vs. 9 Months	6 Months vs. 9 Months
\$2,000,001-\$3,000,000	12 Months vs. 15 Months	9 Months vs. 12 Months	N/A	N/A
Cash Out Used as Reserves	Allowed vs. <=65% LTV/CLTV	Allowed vs. <=65% LTV/CLTV	Allowed vs. <=65% LTV/CLTV	Allowed vs. <=65% LTV

Note: Reserves for loans \$500k or less across all programs are unchanged, and there are no changes to the Foreign National Plus Program.

Contact Us

We encourage everyone interested in Onslow Bay to reach out with any questions. For capital markets inquiries, please reach out to OBX@annaly.com.

Onslow Bay Strategy & Performance (“OBX”)

Onslow Bay Financial | Scaled Correspondent Platform

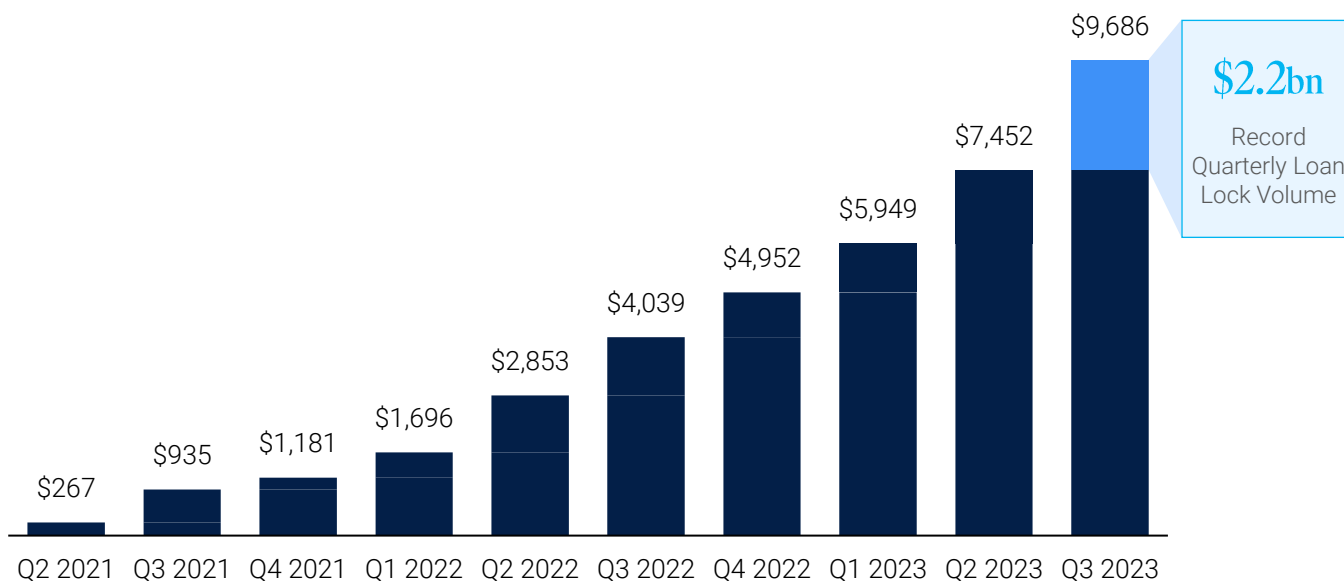
Annaly's correspondent channel has seen record volume, driving whole loan purchase activity and securitization issuance

Summary

- Annaly Residential Credit Group's correspondent channel, launched in April 2021, has achieved scale with 180+ counterparties onboarded
- Correspondent channel volumes remain robust with \$4.7 billion of locks in YTD 2023
 - Q3 2023 represented the highest quarterly lock volume since inception, contributing to whole loan purchase activity
- Annaly Residential Credit Group remains the largest non-bank issuer and is the second largest overall issuer of Prime Jumbo and Expanded Credit MBS over the last two years⁽³⁾
- Annaly Residential Credit Group has realized growth without sacrificing the strong credit profile of the portfolio
 - Annaly has the second lowest D60+ among competitors (see slide 23 for more detail)

Cumulative Loan Locks Since Inception⁽¹⁾

(\$ in millions)



Onslow Bay GAAP Whole Loan Portfolio⁽²⁾

758

Original FICO

0.8%

D60+ Delinquencies

68%

Original LTV

60%

Mark-to-Market LTV

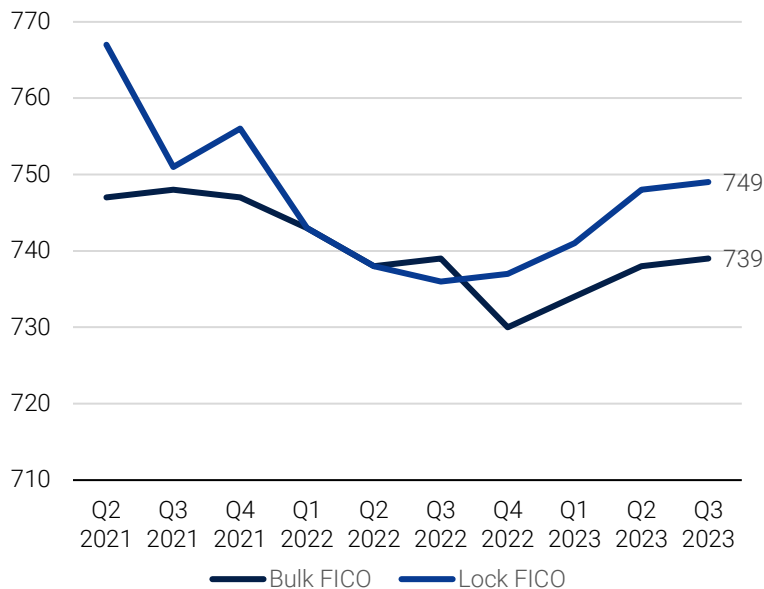
1. Q3 2023 QTD lock data through 9/26/2023.
 2. Company filings. Financial data as of June 30, 2023.
 3. Inside Nonconforming Markets. Reflects issuance from 2022 – 2023. October 6, 2023, issue.

Onslow Bay Financial | Advantages of Correspondent Platform

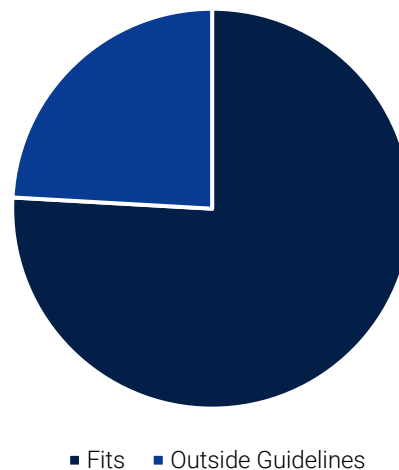
Diversified Correspondent Channel Controls Credit Quality, Provides Reliable Access to New Origination Loans

- Onslow Bay proactively sources loans that meet our desired credit preferences through multiple levers: guidelines, pricing, risk tolerance and the type of originators we onboard
- Onslow Bay, despite industry wide declining mortgage origination volumes, has been able to maintain both volumes and credit throughout 2023 given the depth of our correspondent channel
- Onslow Bay has significant diversification in our seller network with over 180+ approved correspondents. This diversification mitigates reliance on any single counterparty, eliminating originator leverage
 - No single counterparty contributes more than 15% of volume
- In August 2023, approximately 25% of the loans transacted in the bulk market did not fit Onslow Bay's hard program matrices (LTV/FICO/UPB/Reserves/Occupancy, etc.) reflecting tiering in credit views across the industry
 - Loans in the bulk market typically trade in an "all or none" process with limited ability for potential buyers to kick loans for credit preferences
 - Volumes in the bulk market are often sporadic predominantly due to market conditions

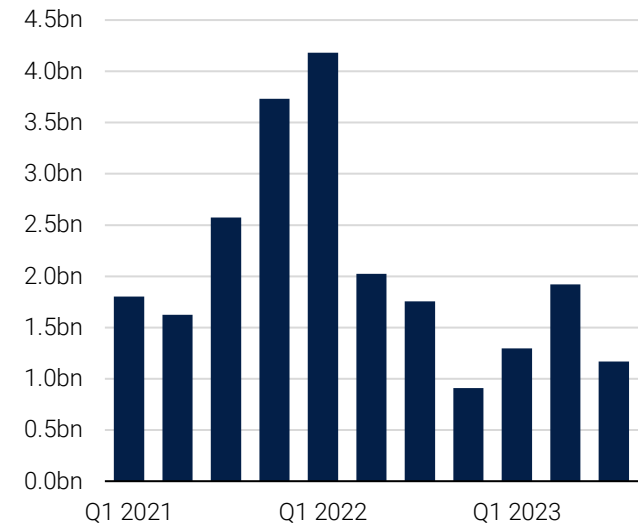
Onslow's Current Pipeline FICO is 10pts Higher Than Bulk Market



~25% of Bulk Market Outside OBX Matrices (August 2023)



Volatile Bulk Transaction Volume



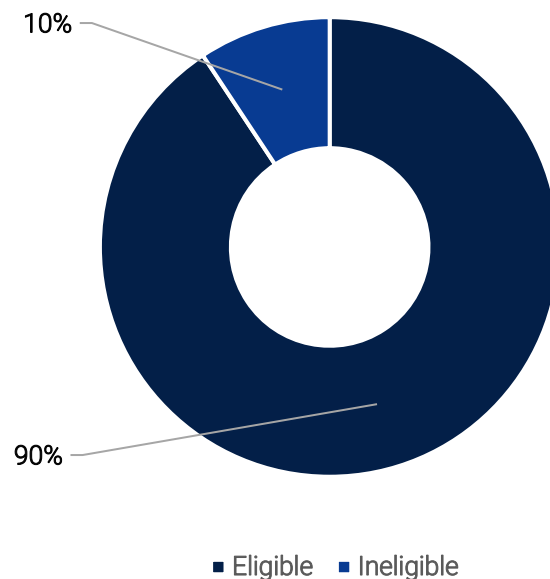
Onslow Bay Financial | Credit Tightening

Approximately -10% of Q1 2022 Correspondent Locks are No Longer Eligible under Current Guidelines

2023 Guideline Changes

- Onslow Bay credit remains strong as a result of credit tightening throughout 2022 and 2023
- After a series of guideline credit restrictions, Onslow Bay recently allowed for modest expansions to better align with the market
- Despite the recent guideline expansion, approximately ~10% of loans locked in Q1 2022 remain ineligible today
- Some of the more expansive guideline changes recently implemented include:
 - Expanded Prime Plus:**
 - Increasing the max loan size to \$3.5mm across Owner Occupied & Second Home
 - Increasing Cash Out LTV to 80% (740 FICO, Owner Occupied, <\$1mm)
 - Sharp (A+ & A-):**
 - Increasing max LTV on 2nd Homes and Investor to 85%
 - Allowing Cash Out on \$3mm loan balances
 - DSCR Plus:**
 - Increasing max LTV to 80% at 720 FICO
 - Increasing max LTV on "No Ratio" to 75%
 - Increasing LTV on 660 & 680 FICO buckets in select areas

Percent Q1 2022 Locks that are Eligible Based on Current Guidelines⁽¹⁾



Onslow Bay Whole Loan Portfolio has Limited Layered Risk & Significant Equity

Layered Risk ⁽²⁾	0 to 60	60.01 to 65	65.01 to 70	70.01 to 75	75.01 to 80	80.01 to 85	85.01 to 90	Total
761 to 850	8.3%	3.0%	5.0%	8.6%	10.9%	3.7%	2.4%	41.8%
741 to 760	4.1%	1.7%	3.3%	4.1%	5.8%	1.5%	1.6%	22.1%
721 to 740	3.2%	0.6%	3.2%	2.8%	4.1%	0.9%	0.0%	14.9%
701 to 720	1.9%	1.0%	1.4%	2.0%	3.1%	1.0%	0.0%	10.4%
681 to 700	1.3%	0.6%	1.0%	1.2%	2.1%	0.1%	0.1%	6.3%
661 to 680	1.1%	0.4%	0.7%	0.2%	1.5%	0.0%	0.0%	3.9%
0 to 660	0.4%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.6%
Total	20.2%	7.3%	14.6%	19.0%	27.6%	7.1%	4.2%	100.0%

1. Q1 2022 Locks via the Onslow Bay Correspondent Channel, internal data.

2. Original LTV and Original FICO as of 9/19/2023, internal data.

Onslow Bay Financial | Market Leading Credit Strategy & Performance

Onslow Bay's transactions are structured with limited layered risk translating to industry leading performance

OBX displays strong credit metrics and limited layered risk

	OBX	VERUS	AOMT	COLT	BRAVO
Issuance	7,680	12,973	7,233	6,405	2,332
WA FICO	747	735	737	740	729
WA LTV	70.2	71.0	72.3	72.1	70.3
FICO < 700	13.5%	21.7%	21.1%	18.4%	24.9%
FICO < 680	6.4%	13.0%	12.4%	8.3%	15.1%
LTV > 85	6.2%	6.2%	11.1%	7.9%	6.6%
LTV > 80 & FICO <700	2.0%	2.7%	6.1%	2.9%	2.5%

OBX has the second lowest delinquencies among major competitors

Shelf	# of Deals	Total UPB (\$mn)	Reported D60+%
PRKCM	5	1,618	1.07%
OBX	17	5,959	1.11%
EFMT	11	2,477	1.35%
NRZT	12	2,066	1.39%
ARRW	7	1,605	1.61%
GCAT	18	4,454	1.61%
SGR	6	1,063	1.61%
MFRA	16	3,697	1.83%
BARC	4	1,036	2.10%
IMPRL	13	3,738	2.10%
VERUS	34	11,832	2.29%
CSMC	23	5,611	2.36%
BRAVO	12	2,617	2.49%
COLT	23	5,529	2.65%
AOMT	29	6,438	2.75%
STAR	15	3,822	3.09%
CHNGE	7	1,844	3.30%
DRMT	8	1,660	3.67%

Source: Intex, Annaly calculations.
Includes Non-QM and DSCR deals issued 2021-present. Excludes seasoned loan deals.

Source: BofA Securities Non-QM Shelf and Deal Report, July 2023.
Excludes issuers With Total UPB < \$1bn.

Onslow Bay Financial | Correspondent Lock Production & Strats

Type	%	GWAC	FICO	LTV	% Investor	% Cashout	% CA	% <680 FICO	% <700 FICO	% > 80 LTV	% > 85 LTV	% <700 FICO, >80 LTV
Expanded Prime	78.0%	8.35	749	73	19.3%	15.9%	30.3%	4.5%	10.3%	14.4%	5.3%	0.2%
DSCR	22.0%	8.45	752	64	100.0%	33.5%	19.1%	3.3%	7.6%	0.0%	0.0%	0.0%
Agency	0.0%	7.21	779	53	100.0%	9.9%	90.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	8.37	750	71	36.9%	19.7%	28.0%	4.3%	9.7%	11.3%	4.2%	0.2%

Occupancy	%	GWAC	FICO	LTV	% Investor	% Cashout	% CA	% <680 FICO	% <700 FICO	% > 80 LTV	% > 85 LTV	% <700 FICO, >80 LTV
Primary Residence	59.0%	8.34	748	73	0.0%	16.2%	30.6%	5.1%	11.2%	17.0%	7.1%	0.1%
Second Home	4.0%	8.42	765	73	0.0%	4.4%	35.6%	3.6%	5.0%	8.6%	0.0%	0.0%
Investment Property	37.0%	8.42	751	67	100.0%	27.2%	22.9%	3.0%	7.8%	2.5%	0.0%	0.2%
Total	100.0%	8.37	750	71	36.9%	19.7%	28.0%	4.3%	9.7%	11.3%	4.2%	0.2%

Purpose	%	GWAC	FICO	LTV	% Investor	% Cashout	% CA	% <680 FICO	% <700 FICO	% > 80 LTV	% > 85 LTV	% <700 FICO, >80 LTV
Purchase	70.0%	8.43	755	75	29.4%	0.0%	28.7%	3.1%	7.4%	15.7%	5.9%	0.2%
CashOutRefi	20.0%	8.28	737	59	50.8%	100.0%	26.3%	8.8%	19.0%	0.0%	0.0%	0.0%
RateTermRefi	10.0%	8.17	742	65	61.4%	0.0%	26.1%	3.5%	7.1%	2.9%	0.5%	0.0%
Total	100.0%	8.37	750	71	36.9%	19.7%	28.0%	4.3%	9.7%	11.3%	4.2%	0.2%

Purpose	%	GWAC	FICO	LTV	% Investor	% Cashout	% CA	% <680 FICO	% <700 FICO	% > 80 LTV	% > 85 LTV	% <700 FICO, >80 LTV
Bank Statement	48.0%	8.37	746	74	21.2%	15.8%	24.6%	5.1%	10.7%	21.0%	8.8%	0.3%
DSCR	22.0%	8.45	752	64	100.0%	33.5%	19.1%	3.3%	7.6%	0.0%	0.0%	0.0%
PnL	12.0%	8.49	746	71	14.0%	21.3%	53.9%	6.4%	12.5%	0.0%	0.0%	0.0%
Full Doc	11.0%	8.18	761	73	27.0%	12.3%	21.0%	1.8%	7.8%	11.5%	0.0%	0.0%
WVOE	7.0%	8.21	756	70	6.5%	12.3%	49.6%	2.2%	8.9%	0.0%	0.0%	0.0%
Asset	1.0%	8.29	762	59	0.0%	0.0%	12.6%	0.0%	0.0%	0.0%	0.0%	0.0%
1099	0.0%	8.18	765	68	14.2%	57.8%	0.0%	4.8%	4.8%	0.0%	0.0%	0.0%
Total	100.0%	8.37	750	71	36.9%	19.7%	28.0%	4.3%	9.7%	11.3%	4.2%	0.2%

1. August 2023 Locks as of 9/19/2023.

Onslow Bay Financial | OBX Outstanding Issuance

Onslow Bay does not have any outstanding deals eligible to be called

Deal Name	Closing Date	Orig Collat Bal	Curr Collat Bal	Collateral Factor	Call Language
OBX 2018-1	3/29/2018	\$326,553,472	\$61,682,163	0.1889	10% Clean Up
OBX 2018-EXP1	8/1/2018	\$383,451,234	\$62,386,228	0.1627	10% Call, 5% Call
OBX 2018-EXP2	10/31/2018	\$384,027,255	\$71,600,407	0.1864	10% Call, 5% Call
OBX 2019-INV1	1/31/2019	\$393,961,409	\$71,648,330	0.1819	10% Call, 5% Call
OBX 2019-EXP1	4/24/2019	\$388,155,948	\$60,389,497	0.1556	10% Call, 5% Call
OBX 2019-INV2	6/27/2019	\$383,759,828	\$65,519,581	0.1707	10% Call, 5% Call
OBX 2019-EXP2	7/30/2019	\$463,404,935	\$93,928,838	0.2027	10% Call, 5% Call
OBX 2019-EXP3	10/25/2019	\$465,491,918	\$100,267,828	0.2154	10% Call, 5% Call
OBX 2020-INV1	1/30/2020	\$374,608,743	\$88,551,208	0.2364	10% Call, 5% Call
OBX 2020-EXP1	2/28/2020	\$467,510,916	\$141,870,406	0.3035	10% Call, 5% Call
OBX 2020-EXP2	7/30/2020	\$489,351,663	\$169,435,489	0.3462	10% Call, 5% Call
OBX 2020-EXP3	9/24/2020	\$514,609,134	\$185,593,192	0.3606	10% Call, 5% Call
OBX 2021-NQM1	3/25/2021	\$257,135,339	\$119,505,838	0.4648	30% or 3 Years
OBX 2021-J1	4/30/2021	\$353,840,244	\$284,381,955	0.8037	10% Call, 5% Call
OBX 2021-NQM2	6/30/2021	\$376,003,964	\$231,551,866	0.6158	30% or 3 Years
OBX 2021-J2	7/29/2021	\$382,482,549	\$323,425,975	0.8456	10% Call, 5% Call
OBX 2021-NQM3	8/20/2021	\$356,474,395	\$255,201,156	0.7159	30% or 3 Years
OBX 2021-INV1	9/29/2021	\$320,199,498	\$270,217,702	0.8439	10% Call, 5% Call
OBX 2021-J3	10/8/2021	\$453,649,616	\$380,148,345	0.838	10% Call, 5% Call
OBX 2021-INV2	10/28/2021	\$343,571,140	\$298,336,272	0.8683	10% Call, 5% Call
OBX 2021-INV3	11/22/2021	\$470,576,068	\$404,811,113	0.8602	10% Call, 5% Call
OBX 2021-NQM4	11/23/2021	\$542,835,601	\$435,128,153	0.8016	30% or 3 Years
OBX 2022-NQM1	1/21/2022	\$556,695,549	\$464,229,027	0.8339	30% or 3 Years
OBX 2022-INV1	1/26/2022	\$377,275,348	\$334,486,354	0.8866	10% Call, 5% Call
OBX 2022-INV2	2/11/2022	\$466,686,480	\$417,394,313	0.8944	10% Call, 5% Call
OBX 2022-NQM2	2/25/2022	\$439,421,072	\$393,879,883	0.8964	30% or 3 Years
OBX 2022-INV3	3/16/2022	\$330,822,750	\$296,965,773	0.8977	10% Call, 5% Call
OBX 2022-NQM3	3/24/2022	\$315,842,910	\$292,000,160	0.9245	30% or 3 Years
OBX 2022-J1	5/6/2022	\$389,334,473	\$362,152,392	0.9302	10% Call, 5% Call
OBX 2022-NQM4	5/10/2022	\$457,285,349	\$418,830,405	0.9159	30% or 3 Years
OBX 2022-NQM5	6/3/2022	\$390,775,427	\$354,244,169	0.9065	30% or 3 Years
OBX 2022-INV4	6/9/2022	\$335,900,306	\$308,997,027	0.9199	10% Call, 5% Call
OBX 2022-NQM6	6/28/2022	\$387,913,263	\$359,911,959	0.9278	30% or 3 Years
OBX 2022-J2	8/5/2022	\$305,968,890	\$284,909,323	0.9312	10% Call, 5% Call
OBX 2022-NQM7	8/23/2022	\$358,930,774	\$321,198,002	0.8949	30% or 3 Years
OBX 2022-NQM8	9/28/2022	\$397,469,670	\$356,803,106	0.8977	30% or 3 Years
OBX 2022-INV5	11/22/2022	\$326,225,895	\$313,297,452	0.9604	10% Call, 5% Call
OBX 2022-NQM9	12/8/2022	\$359,379,724	\$333,109,525	0.9269	30% or 3 Years
OBX 2023-NQM1	1/13/2023	\$405,209,296	\$374,334,485	0.9238	30% or 3 Years
OBX 2023-J1	2/23/2023	\$305,754,704	\$288,560,584	0.9438	10% Call, 5% Call
OBX 2023-NQM2	2/27/2023	\$420,650,123	\$392,413,215	0.9329	30% or 3 Years
OBX 2023-NQM3	4/27/2023	\$407,525,331	\$387,182,056	0.9501	30% or 3 Years
OBX 2023-NQM4	5/25/2023	\$394,290,923	\$364,101,112	0.9234	30% or 3 Years
OBX 2023-INV1	5/30/2023	\$314,839,007	\$309,022,613	0.9815	10% Call, 5% Call
OBX 2023-NQM5	6/29/2023	\$390,271,425	\$375,308,917	0.9617	30% or 3 Years
OBX 2023-NQM6	7/27/2023	\$400,530,315	\$392,166,735	0.9791	30% or 3 Years
OBX 2023-NQM7	9/25/2023	\$411,133,470	\$411,133,470	1.0000	30% or 3 Years

1. As of September 30, 2023.
2. Remittance data as of September 25, 2023.
3. OBX 2023-NQM7 as of closing date.

Onslow Bay Financial | Asset Management

Experienced and “best in class” asset management platform, full alignment with investors

- Onslow Bay’s whole loan acquisition strategy and proactive portfolio management is guided by strong internal governance processes and credit discipline through meticulous asset selection, surveillance, oversight and risk management
- Onslow Bay & Annaly, as Sponsor and risk retainer respectively, are fully aligned with our securitization investors regarding prepayment and credit performance

Expansive Whole Loan Management Platform

Asset Selection

- Onslow Bay purchases closed, funded, performing residential loans made to mortgagors with stable incomes and employment histories with a focus on limiting borrower layered risk
- Onslow Bay performs full securitization diligence⁽¹⁾ across Credit, Compliance (RMBS 3.0 TRID Compliance Review) and Valuation prior to securitization for Non-QM new origination loans. Onslow Bay performs modified Compliance Diligence, but full Credit and Valuation diligence for Agency Investor loans, which may be done on a sample basis.

Surveillance and Analysis

- Real time loan performance is monitored and analyzed through a proprietary loan management system based on daily sub-servicer data feeds
- Onslow Bay utilizes both internal and externally developed models / infrastructure to project loan level pre-payments and defaults based on the esoteric collateral of non-agency loans

Servicing & Oversight

- Onslow Bay utilizes best in class specialized sub-servicers that are rated as “strong” or “above average” for loans purchased with MSR (Select Portfolio Servicing, Specialized Loan Servicing, Shellpoint Mortgage Servicing)
- Onslow Bay engages in continuous dialogue with our sub-servicers regarding loss mitigation, borrower contact strategies, servicing transfers, servicing oversight and monitors disposition timelines

Risk Management

- New counterparties and underwriting guidelines are approved by various committees of senior management
- Portfolio Key Risk Indicators (“KRIs”) are monitored daily by an independent risk team
- Counterparty risk is continuously monitored based on both contractual exposure to Onslow Bay and counterparty financial condition

1. Onslow Bay utilizes full securitization diligence (Credit, Compliance, Valuation) for new origination Non-QM whole loan purchases. For seasoned whole loan purchases, Onslow Bay may diligence Title / Tax / Lien, servicing comments, pay history and updated FICOs / valuations. For Agency Investor purchases, Onslow Bay performs modified Compliance Diligence, but full Credit and Valuation diligence, which may be done on a sample basis.

Onslow Bay Financial | Counterparty Oversight

Comprehensive oversight of correspondent originators & partners

Whole Loan Acquisitions

Description	Correspondent ("Best Efforts")	Bulk and Mini-Bulk Partners
Acquisition Channels	<ul style="list-style-type: none"> Originators lock loans "best efforts" in accordance with Onslow Bay's published guidelines and pricing. Loans with delivered credit files become "mandatory" 	<ul style="list-style-type: none"> Origination partners offer Onslow Bay a pool of closed, funded whole loans underwritten to their own underwriting guidelines. Onslow Bay may place credit or income verification overlays on the pool

Counterparty Oversight / Management

Eligibility Standards	<ul style="list-style-type: none"> Sellers are generally required to have and maintain a minimum net worth (\$2.5mm), liquidity (3.5bps of MSR), and leverage ratios (Adjusted Net Worth / Total Assets >=6%) that meet Fannie Mae Standards. Counterparties generally must have experienced management (5+ years mortgage experience) with a minimum of two (2) years originating Non-Agency mortgages and acceptable controls and stability
Counterparty Review	<ul style="list-style-type: none"> Onslow Bay utilizes Comergence by Optimal Blue to manage the counterparty approval and re-certification process. Counterparties are required to provide documents to the Comergence platform including two (2) years of audited financials + latest interim financials, Policies & Procedures, Investor Scorecards, Warehouse Facilities, Org. Charts, Business Plans, Insurance, Quality Control reports, etc
Counterparty Committee	<ul style="list-style-type: none"> All counterparties must be approved by Onslow Bay's Counterparty Committee, which includes senior members of the Risk, Servicing Oversight, and Credit teams. A comprehensive counterparty memo is presented to the Committee on each originator, including a summary of the Comergence application and questionnaire, financial condition, management overview, origination volumes, performance history, regulatory findings and any other material information
Annual Recertification	<ul style="list-style-type: none"> On an annual basis, originators must undergo a recertification process. The counterparty must provide updated financials, licensing information, and Quality Control results among other material information. Counterparty will also be required to complete a recertification questionnaire
Counterparty Surveillance	<ul style="list-style-type: none"> Onslow Bay utilizes the Comergence system to monitor NMLS findings, regulatory actions or financial deterioration of counterparties. Onslow Bay monitors outstanding whole loan commitments, EPO / EPD requests, repurchase requests and financial liquidity / solvency of all their counterparties

Onslow Bay Securitization Program

Onslow Bay Securitizations | Program Comparison

Onslow Bay securitizes under three separate collateral structures: Non-QM, Agency Investor and Prime Jumbo

- Onslow is a programmatic issuer of Non-QM/Expanded Prime Securities while also being opportunistic in the Agency Eligible Investor market
- Onslow issues Prime Jumbo securitizations through proprietary partnerships
- Onslow Bay has historically securitized using either the Modified Sequential or Straight Sequential structures under the NQM shelf

OBX Program	Non-QM	Agency Investor	Prime Jumbo
Shelf Sponsor	Onslow Bay Financial LLC ("OBX")		
Collateral Type	<ul style="list-style-type: none"> Fixed and adjustable rate, first-lien, Non-QM and Expanded Prime loans 	<ul style="list-style-type: none"> Fixed Rate mortgage loans secured by first-lien, Agency Eligible investor property loans 	<ul style="list-style-type: none"> Fixed rate mortgage loans secured by first liens on Prime Jumbo loans
Aggregation Methodology	Onslow Bay aggregates collateral through bulk, mini bulk and best-efforts flow relationships		
Pay Structure	Modified Sequential (Pro Rata) or Straight Sequential	Shifting Interest	
P&I Advancing	D120 Stop Advancing. Onslow Bay is responsible for funding P&I advances up until a mortgage loan becomes 120 or more days DQ		Full Advancing. Servicer is generally obligated to advance delinquent payments (to the extent such advances are deemed recoverable)
Payment Waterfall Triggers	<ul style="list-style-type: none"> For Modified Sequential (Pro Rata) deals, payment priority (A1-A3) shifts to full sequential (A1, A2, A3) if trigger fails 	<ul style="list-style-type: none"> Cumulative loss and Delinquency triggers 	<ul style="list-style-type: none"> Unscheduled principal will be re-directed to senior bonds
R&W Review	<ul style="list-style-type: none"> Automatic review of ATR Notice loan that suffers realized loss 	<ul style="list-style-type: none"> Controlling Holder may review loan based on Review Event (\geqD120, loan liquidated with a loss, advances deemed non recoverable etc.) 	
R&W Reviewer	<ul style="list-style-type: none"> The majority holder of the class XS has Controlling Holder rights. Controlling Holder has the right but not obligation to review 	<ul style="list-style-type: none"> Independent Reviewer 	
Senior Bondholder Review	<ul style="list-style-type: none"> Holders comprising \geq 25% (Review Triggering Noteholders) can review an ATR Notice Loan or Optional Review Loan 	<ul style="list-style-type: none"> $>$50% of Aggregate Voting Interests (all outstanding Notes) 	
Rep Provider	Onslow Bay ⁽¹⁾		Originators

1. Rocket Mortgage, LLC for OBX 2021-INV2.

Onslow Bay Securitizations | Expanded Prime / Non-QM

	OBX 2023-NQM8	OBX 2023-NQM7	OBX 2023-NQM6	OBX 2023-NQM5	OBX 2023-NQM4	OBX 2023-NQM3	OBX 2023-NQM2	OBX 2023-NQM1
Issue Date	Oct-23	Sep-23	Jul-23	Jun-23	May-23	Apr-23	Feb-23	Jan-23
Collateral Type	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM
Sponsor	Onslow Bay Financial LLC							
% of Collateral Sourced from Partnerships	0%	0%	0%	0%	0%	0%	0%	0%
Rating Agencies	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch	Fitch /KBRA
R&W Framework	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse
R&W Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review
Risk Retention	Vertical (US/EU)	Vertical (US/EU)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)
Structure Type	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata
Original Attachment to "AAA"	28.30%	27.90%	27.10%	26.70%	27.10%	25.80%	25.50%	27.85%
Deal Balance	\$406,663,214	\$411,133,469	\$400,530,315	\$390,271,425	\$394,290,923	\$407,525,331	\$420,650,123	\$405,209,296
Pool Factor (9/25 Remit)	1.00	1.00	0.99	0.98	0.96	0.96	0.94	0.94
Average Loan Size	436,334	468,261	\$475,689	\$470,207	\$438,101	\$504,988	\$462,253	\$481,246
Number of Loans	932	878	842	830	900	807	910	842
WA Gross Coupon	8.06	8.02	8.12%	8.01%	7.82%	7.19%	7.13%	6.92%
WA Orig CLTV	68%	70%	70%	70%	70%	71%	72%	73%
WA Original FICO	746	747	747	744	746	742	743	741
WA DTI	37%	33%	34%	34%	33%	33%	33%	34%
ARM	17%	17%	15%	12%	20%	10%	7%	14%
IO	8%	11%	10%	8%	10%	12%	18%	7%
Investor	49%	45%	41%	37%	39%	28%	38%	37%
WA Margin	4.67%	4.51%	4.63%	4.61%	4.23%	4.17%	4.39%	3.86%
WALA	4	4	5	5	6	8	5	5
Top State	CA 27%	CA 38%	CA 35%	CA 29%	CA 33%	CA 38%	CA 34%	CA 39%
QM	0%	0%	0%	0%	0%	< 1%	0%	< 1%
Non-QM/ATR Exempt	100%	100%	100%	100%	100%	> 99%	100%	> 99%
Full Doc ⁽¹⁾	9%	2%	7%	7%	5%	10%	8%	8%
Alt-Doc	91%	98%	93%	93%	95%	90%	92%	92%
3M VPR	N/A	N/A	11%	14%	21%	8%	11%	10%
6M VPR	N/A	N/A	11%	14%	21%	11%	11%	10%
12M VPR	N/A	N/A	11%	14%	21%	11%	10%	9%
60+ DQ (incl. FC/REO/BK)	0.00%	0.00%	0.09%	1.58%	0.35%	0.15%	2.82%	1.62%
Cumulative Losses	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Voluntary Prepayment Rates (VPRs), 60+ DQ (incl. FC/REO/BK) and cumulative losses as of the September 25, 2023, remittance period (Source: Intex).

1. Full documentation includes all GSE eligible loans.

Onslow Bay Securitizations | Expanded Prime / Non-QM

	OBX 2022-NQM9	OBX 2022-NQM8	OBX 2022-NQM7	OBX 2022-NQM6	OBX 2022-NQM5	OBX 2022-NQM4	OBX 2022-NQM3	OBX 2022-NQM2	OBX 2022-NQM1
Issue Date	Dec-22	Sep-22	Aug-22	Jun-22	Jun-22	May-22	Mar-22	Feb-22	Jan-22
Collateral Type	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/ Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM
Sponsor	Onslow Bay Financial LLC								
% of Collateral Sourced from Partnerships	0%	0%	0%	0%	0%	0%	0%	0%	0%
Rating Agencies	Fitch	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	S&P/KBRA	S&P/KBRA	S&P/KBRA	S&P/KBRA
R&W Framework	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse	Material Adverse
R&W Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review
Risk Retention	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)	Horizontal (US)
Structure Type	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Sequential	Sequential	Sequential	Sequential	Sequential	Sequential
Original Attachment to "AAA"	31.25%	30.95%	24.60%	24.45%	27.10%	25.70%	21.80%	17.90%	20.05%
Deal Balance	\$359,379,724	\$397,469,670	\$358,930,774	\$387,913,263	\$390,775,426	\$457,285,349	\$315,842,909	\$439,421,072	\$556,695,549
Pool Factor (9/25 Remit)	0.93	0.91	0.90	0.93	0.91	0.92	0.93	0.90	0.84
Average Loan Size	\$558,910	\$519,568	\$527,064	\$622,653	\$523,126	\$649,553	\$609,735	\$677,074	\$708,264
Number of Loans	643	765	681	623	745	704	518	649	786
WA Gross Coupon	6.83%	6.45%	6.06%	5.03%	4.59%	4.25%	4.24%	4.11%	4.32%
WA Orig CLTV	73%	72%	71%	69%	72%	70%	69%	68%	68%
WA Original FICO	740	745	742	742	745	745	752	755	749
WA DTI	35%	35%	35%	36%	36%	37%	37%	36%	35%
ARM	4%	17%	7%	6%	8%	5%	12%	15%	12%
IO	15%	10%	17%	26%	22%	10%	14%	11%	23%
Investor	35%	39%	37%	34%	47.25%	29%	39%	30%	30%
WA Margin	4.12%	3.87%	3.54%	4.06%	3.91%	3.86%	3.75%	3.68%	N/A
WALA	4	5	5	4	4	3	3	4	6
Top State	CA 44%	CA 50%	CA 48%	CA 47%	CA 44%	CA 53%	CA 63%	CA 66%	CA 53%
QM	< 1%	2%	1%	0%	2%	< 1%	3%	< 1%	< 1%
Non-QM/ATR Exempt	> 99%	98%	99%	100%	98%	> 99%	97%	> 99%	> 99%
Full Doc ⁽¹⁾	13%	4%	11%	12%	15%	16%	12%	27%	21%
Alt-Doc	87%	96%	89%	88%	85%	84%	88%	73%	79%
3M VPR	7%	10%	11%	6%	6%	2%	5%	5%	8%
6M VPR	8%	11%	8%	6%	7%	3%	3%	6%	5%
12M VPR	8%	9%	9%	5%	5%	3%	2%	5%	5%
60+ DQ (incl. FC/REO/BK)	4.27%	3.65%	1.58%	1.51%	1.30%	0.64%	0.98%	0.12%	1.62%
Cumulative Losses	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%

Note: Voluntary Prepayment Rates (VPRs), 60+ DQ (incl. FC/REO/BK) and cumulative losses as of the September 25, 2023, remittance period (Source: Intex).

1. Full documentation includes all GSE eligible loans.

Onslow Bay Securitizations | Expanded Prime / Non-QM

	OBX 2021-NQM4	OBX 2021-NQM3	OBX 2021-NQM2	OBX 2021-NQM1	OBX 2020-EXP3	OBX 2020-EXP2	OBX 2020-EXP1	OBX 2019-EXP3	OBX 2019-EXP2	OBX 2019-EXP1	OBX 2018-EXP2	OBX 2018-EXP1
Issue Date	Nov-21	Aug-21	Jun-21	Mar-21	Sep-20	Jul-20	Feb-20	Oct-19	Jul-19	Apr-19	Oct-18	Aug-18
Collateral Type	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM	Expanded Prime/Non-QM
Sponsor	Onslow Bay Financial LLC											
% of Collateral Sourced from Partnerships	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Rating Agencies	Fitch/KBRA	S&P/KBRA	S&P/KBRA	S&P/KBRA	Fitch/DBRS	Fitch	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch/KBRA	Fitch/DBRS	Fitch/KBRA
R&W Framework	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse
R&W Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Realized Loss with ATR Notice/ Optional Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review
Risk Retention	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal	Horizontal
Structure Type	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Modified Pro-Rata	Shifting Interest	Shifting Interest	Shifting Interest	Shifting Interest	Shifting Interest	Shifting Interest	Shifting Interest	Shifting Interest
Original Attachment to "AAA"	18.75%	19.60%	19.85%	27.40%	16.50%	12.70%	11.50%	12.60%	11.00%	11.30%	12.85%	12.65%
Deal Balance	\$542,835,601	\$356,474,395	\$376,003,964	\$257,135,339	\$514,609,143	\$489,351,663	\$467,510,916	\$465,491,918	\$463,404,935	\$388,155,948	\$384,027,255	\$383,451,233
Pool Factor (9/25 Remit)	0.80	0.72	0.62	0.46	0.36	0.35	0.30	0.22	0.20	0.16	0.19	0.16
Average Loan Size	\$691,510	\$661,363	\$607,438	\$600,783	\$490,104	\$509,211	\$649,522	\$633,322	\$628,772	\$648,007	\$636,861	\$664,560
Number of Loans	785	539	619	428	1,050	961	722	735	737	599	603	577
WA Gross Coupon	4.35%	4.51%	4.79%	5.30%	4.74%	4.74%	4.86%	5.18%	5.30%	5.40%	5.07%	4.87%
WA Orig CLTV	69%	71%	69%	69%	68%	67%	68%	65%	65%	66%	67%	67% ⁽¹⁾
WA Original FICO	756	754	753	740	749	760	756	758	752	753	753	751
WA DTI	34%	35%	38%	36%	37%	38%	38%	37%	35%	36%	36%	35%
ARM	12%	29%	45%	51%	45%	0%	48%	61%	51%	50%	48%	50%
IO	17%	12%	10%	24%	17%	12%	12%	12%	12%	14%	12%	6%
Investor	24%	22%	20%	21%	38%	42%	20%	31%	23%	12%	31%	26%
WA Margin	3.83%	3.71%	3.82%	3.79%	3.17%	N/A	3.15%	3.44%	3.35%	3.05%	3.19%	3.12%
WALA	4	3	4	9	27	7	7	13	20	13	12	17
Top State	CA 55%	CA 69%	CA 72%	CA 34%	CA 52%	CA 52%	CA 55%	CA 49%	CA 53%	CA 60%	CA 62%	CA 64%
QM	0%	0%	1%	4%	8%	0%	9%	7%	7%	7%	15%	29%
Non-QM/ATR Exempt	100%	100%	99%	96%	92%	100%	91%	93%	93%	93%	85%	71%
Full Doc ⁽²⁾	17%	18%	7%	26%	51%	69%	44%	41%	47%	40%	29%	68%
Alt-Doc	83%	82%	93%	77%	49%	31%	56%	59%	53%	60%	71%	32%
3M VPR	5.43%	6.26%	11.27%	5.04%	9.40%	5.00%	4.27%	10.25%	7.79%	7.41%	6.60%	4.71%
6M VPR	6.65%	8.75%	8.82%	5.23%	9.55%	5.20%	7.71%	9.66%	6.81%	7.57%	6.76%	8.62%
12M VPR	6.08%	6.88%	8.19%	6.18%	7.36%	5.64%	7.60%	10.55%	11.27%	16.58%	7.89%	9.12%
60+ Delinquencies	1.59%	0.75%	1.59%	2.28%	1.15%	1.02%	3.94%	2.76%	1.54%	3.80%	3.85%	2.13%
Cumulative Losses	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.02%	0.02%	0.01%	0.02%	0.01%

Note: Voluntary Prepayment Rates (VPRs), 60+ delinquencies and cumulative losses as of the September 25, 2023, remittance period.

1. Represents updated CLTV.
2. Full documentation includes all GSE eligible loans.

Onslow Bay Securitizations | Prime Jumbo, Agency Investor & Other

	OBX 2023-INV1	OBX 2023-J1	OBX 2022-INV5	OBX 2022-J2	OBX 2022-INV4	OBX 2022-J1	OBX 2022-INV3	OBX 2022-INV2	OBX 2022-INV1
Issue Date	May-23	Feb-23	Nov-22	Jul-22	May-22	May-22	Mar-22	Feb-22	Jan-22
Collateral Type	Agency Investor	Prime Jumbo	Agency Investor	Prime Jumbo	Agency Investor	Prime Jumbo	Agency Investor	Agency Investor	Agency Investor
Sponsor	Onslow Bay Financial LLC								
% of Collateral Sourced from Partnerships	100%	100%	100%	100%	100%	100%	50%	100%	0%
Rating Agencies	Fitch / KBRA	Moody's / KBRA	Moody's / KBRA	Fitch / Moody's	Moody's / KBRA	Fitch / Moody's	Moody's / KBRA	Moody's / KBRA	Moody's / KBRA
R&W Framework	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse
R&W Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review	Delinquency/ Realized Loss Trigger Review
Risk Retention	Horizontal	N/A	Horizontal	N/A	Horizontal	N/A	Horizontal	Horizontal	Horizontal
Original Attachment to "AAA"	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Deal Balance	\$314,839,007	\$305,754,703	\$326,225,894	\$305,968,889	\$335,900,306	\$389,334,473	\$330,822,750	\$466,686,480	\$377,275,347
Pool Factor (9/25 Remit)	0.99	0.95	0.96	0.93	0.93	0.93	0.90	0.90	0.89
Average Loan Size	\$345,977	\$964,526	\$334,248	\$899,909	\$328,991	\$863,269	\$314,172	\$294,811	\$305,239
Number of Loans	910	317	976	340	1,021	451	1,053	1,583	1,236
WA Gross Coupon	3.43%	5.147%	4.542%	3.619%	3.657%	3.027%	3.468%	3.593%	3.565%
WA Orig CLTV	62%	72%	70%	68%	66%	65%	64%	66%	64%
WA Original FICO	768	772	765	765	766	771	768	769	766
WA DTI	34%	34%	34%	31%	33%	31%	34%	32%	36%
ARM	0%	0%	0%	0%	0%	0%	0%	0%	0%
IO	0%	0%	0%	0%	0%	0%	0%	0%	0%
Investor	99.9%	0.00%	100.00%	0.00%	100.00%	0.00%	99.78%	100.00%	99.27%
WA Margin	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WALA	20	7	7	6	5	6	5	6	5
Top State	CA 40%	CA 28%	CA 26%	CA 28%	CA 36%	CA 41%	CA 36%	CA 29%	CA 37%
QM	100%	100%	0%	100%	0%	100%	0%	0%	0%
Non-QM/ATR Exempt	0%	0%	100%	0%	100%	0%	100%	100%	100%
Full Doc ⁽¹⁾	100%	100%	100%	100%	100%	100%	100%	100%	100%
Alt-Doc	0%	0%	0%	0%	0%	0%	0%	0%	0%
3M VPR	4%	5%	4%	5%	8%	3%	4%	3%	7%
6M VPR	3%	7%	4%	4%	5%	2%	5%	3%	6%
12M VPR	3%	8%	3%	4%	4%	2%	4%	3%	4%
60+ DQ (incl. FC/REO/BK)	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	0.00%	0.20%
Cumulative Losses	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Voluntary Prepayment Rates (VPRs), 60+ DQ (incl. FC/REO/BK) and cumulative losses as of the September 25, 2023, remittance period (Source: Intex).

1. Full documentation includes all GSE eligible loans.

Onslow Bay Securitizations | Prime Jumbo, Agency Investor & Other

	OBX 2021-INV3	OBX 2021-INV2	OBX 2021-J3	OBX 2021-INV1	OBX 2021-J2	OBX 2021-J1	OBX 2020-INV1	OBX 2019-INV2	OBX 2019-INV1
Issue Date	Nov-21	Oct-21	Oct-21	Sep-21	Jul-21	Apr-21	Jan-20	Jun-19	Jan-19
Collateral Type	Agency Investor	Agency Investor	Prime Jumbo	Agency Investor	Prime Jumbo	Prime Jumbo	Agency Investor	Agency Investor	Agency Investor
Sponsor	Onslow Bay Financial LLC								
% of Collateral Sourced from Partnerships	0%	100%	0%	0%	100%	Prime Jumbo	Whole Loan Purchases	Whole Loan Purchases	Whole Loan Purchases
Rating Agencies	Moody's / DBRS	Moody's / KBRA	Moody's / DBRS	Moody's / KBRA	Moody's / DBRS	Fitch / Moody's	Moody's / KBRA	Moody's / DBRS	Moody's / KBRA
R&W Framework	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse	Material and Adverse
R&W Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review	Delinquency/Realized Loss Trigger Review
Risk Retention	Horizontal	Horizontal	N/A	Horizontal	N/A	N/A	Horizontal	Horizontal	Horizontal
Original Attachment to "AAA"	15.00%	15.00%	4.50%	15.00%	3.50%	4.55%	10.00%	10.00%	13.00%
Deal Balance	\$470,576,067	\$343,571,140	\$453,649,616	\$320,199,498	\$382,482,548	\$353,840,243	\$374,608,743	\$383,759,828	\$393,961,409
Pool Factor (9/25 Remit)	0.87	0.87	0.84	0.85	0.85	0.80	0.24	0.17	0.18
Average Loan Size	\$361,703	\$368,639	\$975,591	\$327,068	\$1,014,543	\$964,142	\$355,079	\$353,045	\$336,145
Number of Loans	1,301	932	465	979	377	367	1,055	1,087	1,172
WA Gross Coupon	3.524%	3.342%	3.049%	3.367%	2.86%	2.87%	4.76%	5.15%	5.09%
WA Orig CLTV	64%	66%	64%	63%	63%	63%	67%	65%	67%
WA Original FICO	767	769	776	768	778	776	764	765	758
WA DTI	37%	37%	30%	35%	31%	31%	36%	37%	38%
ARM	0%	0%	0%	0%	0%	0%	0%	0%	0%
IO	0%	0%	0%	0%	0%	0%	0%	0%	0%
Investor	99.85%	100.00%	0.00%	100.00%	0.00%	0%	100%	100%	100%
WA Margin	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WALA	5	2	3	5	3	2	5	6	7
Top State	CA 51%	CA 48%	CA 37%	CA 42%	CA 46%	CA 44%	CA 52%	CA 59%	CA 56%
QM	0%	0%	100%	0%	100%	100%	0%	0%	0%
Non-QM/ATR Exempt	100%	100%	0%	100%	0%	0%	100%	100%	100%
Full Doc ⁽¹⁾	100%	100%	100%	100%	100%	100%	100%	100%	100%
Alt-Doc	0%	0%	0%	0%	0%	0%	0%	0%	0%
3M VPR	6%	2%	2%	4%	4.16%	5.91%	1.29%	5.74%	6.98%
6M VPR	5%	3%	4%	3%	3.25%	4.56%	9.86%	5.68%	7.22%
12M VPR	4%	3%	3%	3%	3.38%	3.36%	6.99%	5.71%	10.62%
60+ DQ (incl. FC/REO/BK)	0.08%	0.24%	0.00%	0.20%	0.00%	0.00%	0.00%	2.12%	0.00%
Cumulative Losses	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.03%	0.02%

Note: Voluntary Prepayment Rates (VPRs), 60+ DQ (incl. FC/REO/BK) and cumulative losses as of the September 25, 2023, remittance period (Source: Intex).

1. Full documentation includes all GSE eligible loans.

Onslow Bay Acquisitions: Correspondent Channel

Onslow Bay Correspondent | Program Comparison

Loans purchased through the correspondent channel are underwritten to the Onslow Bay guidelines summarized below

Onslow Bay Correspondent Seller Program Summary

Description	Expanded Prime Plus	Sharp (A+ and A-)	DSCR Plus	Cross Collateralized	Foreign National	Closed-End Seconds	Agency Eligible
Min Loan Amt	\$150k	\$150k	\$125k	\$250k	\$150k	\$70k	\$150k
Max Loan Amt	\$3.5mm	\$3.0mm	\$2.0mm	\$2.0mm	\$1.0mm	\$500k	\$2.25mm
Housing Event	>=4+ Years	>=2+ Years Housing Event	3+ Years	4+ Years	4+ Years	4+ Years	Per FNMA/FHMLC
Mortgage History	0x30x12	2x30x12, 1x60x24	0x30x12	0x30x12	0x30x12	0X30X12	Per FNMA/FHMLC
Product Type	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fix, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fix, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fix, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fixed, 30 Year Fixed	10 Year Fixed, 15 Year Fixed, 20 Year Fixed, 30 Year Fixed	30 Year Fix
Max LTV	90	90	80	75	65	85	80
Min FICO	660	620	660	680	680 or N/A	680	660
Interest Only Restrictions	Min 700 FICO, Max 85% LTV	Min 700 FICO, Max 80% LTV	Min 700 FICO. (DSCR >=1.00, Max 75% LTV, DSCR >=.75x, Max 70% LTV, No Ratio Not Permissible)	Min 700 FICO, Max 75% LTV	N/A	N/A	N/A
Max DTI/Min DSCR	55%	45%	.75x or No Ratio	1.10x Min Property	45%	50%	50%
2-4 Units	Max 85% LTV/CLTV	Max 80% LTV	Max 75% LTV	No Restrictions	Max 60% LTV	Not Eligible	Max 75% LTV
Warrantable Condos/Cooperatives	Max 85% LTV/CLTV	Max 80% LTV	Max 75% LTV	No Restrictions	Max 60% LTV	Max 80% LTV (no coops)	Max 80% LTV
Non-Warrantable Condos	Max 80% LTV/CLTV	Max 75% LTV	Max 75% LTV	Not Eligible	Not Eligible	Not Eligible	N/A
Rural Properties	Owner Occupied ("OO") Only, No Cash Out, Max 75% LTV/CLTV	Owner Occupied ("OO") Only, No Cash Out, Max 75% LTV/CLTV	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible
Full Doc and Bank Statements	Max 90% LTV	Max 90% LTV	N/A	N/A	Full Documentation	Full Documentation	N/A
Asset Depletion	Max 85% LTV, Min 700 FICO, No Cash Out, OO Only	Max 85% LTV, Min 700 FICO, No Cash Out, OO Only	N/A	N/A	N/A	Not Eligible	N/A
WVOE	Max 80% LTV, Min 660 FICO	Max 75% LTV, Min 680 FICO (A+ only)	N/A	N/A	N/A	Not Eligible	N/A
12M PnL	Max 80% LTV, Min 660 FICO	Max 75% LTV, Min 680 FICO (A+ only)	N/A	N/A	N/A	Not Eligible	N/A

Documentation Type

Income Requirements

Full Documentation (Salaried & Self Employed)	2 Yrs. W2s or 1040 Tax Returns, YTD Paystub, VVOE or 2yrs 1099. For self-employed borrowers: 2 Yrs. Tax Returns (Business, Personal), K1s, YTD P&L or 1099 Qualification
Streamlined Documentation (Salaried & Self Employed)	1 Yr. W2 or 1040 Tax Return, W2 Transcript, YTD Paystub, VVOE or 1099 Qualification. For Self-Employed borrowers, 1 Yr. Tax Return (Business, Personal), K1s, YTD P&L
Asset Depletion/ Asset Qualifier (High Net Worth Borrowers)	Qualifying Assets, 84 Month Amortization for DTI if applicable
12M/24M Bank Statement (Self Employed)	Personal – 12/24 months consecutive bank statements Business – 3 Options to qualify: Expense Ratio (Fixed), Expense Ratio (3 rd party), 3rd Party Prepared P&L
12M P&L (Self Employed)	CPA/EA/CTEC Prepared (12M P&L)
WVOE (Salaried)	FNMA Form 1005

Note: Onslow Bay does allow for exceptions to underwriting guidelines as long as the exception is based upon reasonable and documented compensating factors.

Onslow Bay Correspondent | Expanded Prime Plus Matrix

Onslow Bay's Expanded Prime Plus Correspondent Program targets high credit borrowers who fall just outside of traditional Prime Jumbo underwrites or qualify with Alternative Documentation

FICO & LTV / CLTV Grids		Purchase & Rate / Term Refinance			Cash Out Refinance		
		Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
FICO	Loan Size						
740	<= \$1.0mm	90	85	85	80	80	75
	<= \$1.5mm	85	85 ⁽¹⁾	85 ⁽¹⁾	75	75	75
	<= \$2.0mm	85	80	80	75	70	70
	<= \$2.5mm	80	75	75	70	65	65
	<= \$3.0mm	75	70	70	65	60	60
	<= \$3.5mm	65	60	N/A	N/A	N/A	N/A
720	<= \$1.0mm	85	85	85	75	75	75
	<= \$1.5mm	85	85 ⁽¹⁾	85 ⁽¹⁾	75	75	75
	<= \$2.0mm	80	80	80	70	70	70
	<= \$2.5mm	80	75	75	70	65	65
	<= \$3.0mm	75	70	70	65	60	60
	<= \$3.5mm	60	60	N/A	N/A	N/A	N/A
700	<= \$1.0mm	85	85	85	75	75	75
	<= \$1.5mm	85	85 ⁽¹⁾	85 ⁽¹⁾	75	70	70
	<= \$2.0mm	80	80	80	70	70	70
	<= \$2.5mm	75	75	75	65	65	65
	<= \$3.0mm	70	70	70	60	60	60
	<= \$3.5mm	60	60	N/A	N/A	N/A	N/A
680	<= \$1.0mm	80	80	80	70	70	70
	<= \$1.5mm	80	80	80	70	70	70
	<= \$2.0mm	75	75	75	65	65	65
	<= \$2.5mm	70	70	70	60	N/A	N/A
660	<= \$1.0mm	80	80	80	70	70	70
	<= \$1.5mm	75	75	75	70	70	70
	<= \$2.0mm	75	70	70	60	60	60
	<= \$2.5mm	70	65	65	N/A	N/A	N/A

Reserves

\$150,000 – \$500,000	6 Months
\$500,001 – \$1,000,000	6 Months
\$1,000,001 – \$2,000,000	9 Months
\$2,000,001 – \$3,000,000	12 Months
Additional Financed Properties	(2) Months Incremental PITIA/ITIA Per Financed Property
Cash Out Used as Reserves	Allowable

Housing History

Payment History	0x30x12
Housing Event Seasoning	4+ Years

Note: Onslow Bay does allow for exceptions to underwriting guidelines as long as the exception is based upon reasonable and documented compensating factors.

1. 80 LTV for Alt Doc loans in this box.

Onslow Bay Correspondent | Sharp Matrix

Onslow Bay's Sharp Correspondent Program (Credit Grades A+ & A-) is tailored for borrowers qualifying with lower reserves, FICO scores or more recent derogatory housing events or delinquencies

Sharp A+

FICO & LTV / CLTV Grids		Purchase & Rate / Term Refinance			Cash Out Refinance		
		Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
FICO	Loan Size						
740	<= \$1.0mm	90	85	85	75	75	75
	<= \$1.5mm	85	80	80	75	70	70
	<= \$2.0mm	80	75	75	70	70	70
	<= \$2.5mm	75	75	75	65	65	65
	<= \$3.0mm	70	70	70	60	60	60
720	<= \$1.0mm	85	80	80	75	75	75
	<= \$1.5mm	85	80	80	75	70	70
	<= \$2.0mm	80	75	75	70	70	70
	<= \$2.5mm	75	75	75	65	65	65
	<= \$3.0mm	70	70	70	N/A	N/A	N/A
700	<= \$1.0mm	85	80	80	75	70	70
	<= \$1.5mm	80	80	80	75	70	70
	<= \$2.0mm	80	75	75	70	65	65
	<= \$2.5mm	75	70	70	65	N/A	N/A
	<= \$3.0mm	70	N/A	N/A	N/A	N/A	N/A
680	<= \$1.0mm	80	80	80	75	70	70
	<= \$1.5mm	80	75	75	70	65	65
	<= \$2.0mm	75	70	70	65	N/A	N/A
	<= \$2.5mm	70	70	70	60	N/A	N/A
660	<= \$1.0mm	80	75	75	70	65	65
	<= \$1.5mm	75	75	75	65	60	60
	<= \$2.0mm	70	70	70	60	N/A	N/A
640	<= \$1.0mm	75	70	65	65	60	60
	<= \$1.5mm	70	65	65	N/A	N/A	N/A
620	<= \$1.0mm	70	65	60	N/A	N/A	N/A

Sharp A-

FICO & LTV / CLTV Grids		Purchase & Rate / Term Refinance			Cash Out Refinance		
		Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
FICO	Loan Size						
740	<= \$1.0mm	85	80	80	75	70	70
	<= \$1.5mm	80	75	75	70	65	65
	<= \$2.0mm	75	N/A	N/A	N/A	N/A	N/A
720	<= \$1.0mm	85	80	80	75	70	70
	<= \$1.5mm	80	75	75	70	65	65
	<= \$2.0mm	75	N/A	N/A	N/A	N/A	N/A
700	<= \$1.0mm	80	80	80	70	70	70
	<= \$1.5mm	75	75	75	70	65	65
	<= \$2.0mm	70	N/A	N/A	N/A	N/A	N/A
680	<= \$1.0mm	75	75	75	70	65	65
	<= \$1.5mm	75	70	70	65	65	65
660	<= \$1.0mm	75	75	75	65	65	65
	<= \$1.5mm	70	70	70	60	N/A	N/A
640	<= \$1.0mm	70	65	65	60	60	60
	<= \$1.5mm	65	60	60	N/A	N/A	N/A
620	<= \$1.0mm	65	60	60	N/A	N/A	N/A

Reserves

\$150,000 – \$500,000	A+ 3 Months / A- 3 Months
\$500,001 – \$1,000,000	A+ 3 Months / A- 3 Months
\$1,000,001 – \$2,000,000	A+ 6 Months / A- 3 Months
\$2,000,001 – \$3,000,000	A+ 9 Months / A- N/A
Additional Financed Properties	(2) Months Incremental PITIA/ITIA Per Financed Property
Cash Out Used as Reserves	Allowable

Housing History

Payment History	1x30x12, 0x60x24
Housing Event Seasoning (A+)	3+ Years
Housing Event Seasoning (A-)	2+ Years

Onslow Bay Correspondent | DSCR Plus Matrix

Onslow Bay DSCR Plus Correspondent Program is designed for professional real estate investors utilizing property cashflow to qualify

FICO & LTV / CLTV Grids		DSCR >= 1.00			DSCR >= 0.75			No Ratio DSCR		
		Purchase	Rate / Term Refi	Cash Out	Purchase	Rate / Term Refi	Cash Out	Purchase	Rate / Term Refi	Cash Out
FICO	Loan Size									
740	<= \$1.0mm	80	80	75	75	75	70	75	75	65
	<= \$1.5mm	75	75	70	70	70	65	70	70	60
	<= \$2.0mm	75	75	60	65	65	60	65	65	60
720	<= \$1.0mm	80	80	75	75	75	70	70	70	60
	<= \$1.5mm	75	75	70	70	70	65	65	65	60
	<= \$2.0mm	75	75	60	65	65	N/A	N/A	N/A	N/A
700	<= \$1.0mm	75	75	70	75	75	65	65	65	60
	<= \$1.5mm	75	75	70	70	70	65	65	65	60
	<= \$2.0mm	70	70	60	65	65	N/A	N/A	N/A	N/A
680	<= \$1.0mm	75	75	65	70	70	60	65	60	60
	<= \$1.5mm	70	70	60	N/A	N/A	N/A	N/A	N/A	N/A
	<= \$2.0mm	65	65	N/A	N/A	N/A	N/A	N/A	N/A	N/A
660	<= \$1.0mm	70	70	65	60	60	60	60	60	60
	<= \$1.5mm	65	65	60	N/A	N/A	N/A	N/A	N/A	N/A
	<= \$2.0mm	60	60	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Reserves

\$150,000 – \$500,000	3 Months
\$500,001 – \$1,000,000	6 Months
\$1,000,001 – \$2,000,000	6 Months
Additional Financed Properties	None
Cash Out Used as Reserves	Allowable

Housing History

Payment History	0x30x12
Housing Event Seasoning	3+ Years

Onslow Bay Correspondent | Cross Collateralized DSCR Matrix

Onslow Bay Cross Collateralized Correspondent Program is designed for professional real estate investors seeking a business purpose, non-owner-occupied loan collateralized with multiple properties

FICO & LTV/CLTV Grids		CROSS COLLATERALIZED LOAN DSCR & PROPERTY DSCR >= 1.10		
		Purchase	Rate / Term Refi	Cash Out
FICO	Loan Size			
740	<= \$1.0mm	75	75	70
	<= \$1.5mm	75	75	70
	<= \$2.0mm	75	75	60
720	<= \$1.0mm	75	75	70
	<= \$1.5mm	75	75	70
	<= \$2.0mm	75	75	60
700	<= \$1.0mm	75	75	70
	<= \$1.5mm	75	75	70
	<= \$2.0mm	70	70	60
680	<= \$1.0mm	75	75	65
	<= \$1.5mm	70	70	60
	<= \$2.0mm	65	65	N/A

Reserves	
\$250,000 – \$2,000,000	6 Months
Additional Financed Properties	None
Cash Out Used as Reserves	Allowable

Housing History	
Payment History	0x30x12
Housing Event Seasoning	4+ Years

Onslow Bay Correspondent | Foreign National Plus Matrix

Onslow Bay Foreign National Plus Correspondent Program is designed for foreign national investors utilizing property cashflow or foreign income to qualify

FICO & LTV/CLTV Grids		QUALIFYING INCOME			FOREIGN NATIONAL (DSCR >1.00)		
		Purchase	Rate / Term Refi	Cash Out	Purchase	Rate / Term Refi	Cash Out
FICO	Loan Size						
680+ FICO	<= \$1.0mm	65	65	60	65	65	60
Foreign Credit	<= \$1.0mm	65	65	60	65	65	60

General Requirements

Product Type	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Yr. Fixed, 30 Yr. Fixed
Loan Amount	\$1.0mm max; \$150k min
Occupancy	2nd Home & Investment
Max DTI	45%
DSCR Calculation	Gross Rent/PITIA
Min DSCR	1.00
Housing Event Seasoning	4+ Years
Interest Only	Not Eligible
Max Cash Out	\$250k
Florida Condo Cash Out	Max 50% LTV
Minimum Reserves	12 Months PITIA
Personal Guarantee (DSCR Only)	Required
Prepay Penalties (Investment Only)	Permissible by Law

Onslow Bay Correspondent | Closed End Seconds (“CES”) Matrix

Onslow Bay CES Correspondent Program is intended to reference and supplement Fannie/Freddie Guides to provide secondary liens to a borrower

FICO/LTV Grids		PURCHASE, RATE/TERM, & CASHOUT	
		Minimum FICO	Max CLTV
Occupancy	Loan Size		
Owner Occupied	\$70–\$250k	740	85
	\$70–\$500k	700	80
		680	75
2 nd Home	\$70–\$500k	740	80
		680	75
Investor	\$70–\$500k	740	75
		700	70

General Requirements

Product Type	10 Year Fixed, 15 Year Fixed, 20 Year Fixed, 30 Year
Loan Amount	\$70k Min, \$500k Max
Occupancy	Primary Residence, 2nd Home, Investment
Max LTV/Min FICO	85%/680
Max DTI ⁽¹⁾	Max of 50% (Primary), 45% (2 nd /Investor) or Fannie Mae/Freddie Mac Guide
Payment History	0x30x12
Housing Event Seasoning	4+ Years
Interest Only	Not Eligible

Cash-Out Requirements

Eligibility	Unlimited Cash Out
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Reserve Requirements

\$70,000 – \$500,000	Not Required
Additional Financed Properties	Not Required

Onslow Bay Correspondent | Agency & Non-Agency Investor Matrices

Onslow Bay Agency & Non-Agency Investor Program targets Conforming loans, Agency Jumbo loans and loans exceeding the Agency Limit

Agency Investor Program Matrix (Conforming Balance & Agency Jumbo)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$150,000	Agency Limit (#Units / State)	700	80	50%
				680	75	50%
				660	70	50%
Purchase / Rate Term	2-4 Unit	\$150,000	Agency Limit (#Units / State)	700	75	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	\$150,000	Agency Limit (#Units / State)	700	75	50%
Cash Out	2-4 Unit	\$150,000	Agency Limit (#Units / State)	700	70	50%

Non-Agency Investor Matrix (Exceeds Agency Limit)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	80	50%
				680	75	50%
Purchase / Rate Term	2-4 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	75	50%
				680	70	50%
Cash Out	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	70	50%
Cash Out	2-4 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	680	65	50%

Onslow Bay Correspondent | Agency & Non-Agency 2nd Home Matrices

Onslow Bay Agency & Non-Agency Investor Program targets Conforming loans, Agency Jumbo loans and loans exceeding the Agency Limit

Non-Agency 2nd Home Program Matrix (Conforming Balance & Agency Jumbo)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$150,000	Agency Limit (#Units / State)	700	80	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	\$150,000	Agency Limit (#Units / State)	700	75	50%

Non-Agency 2nd Home Matrix (Exceeds Agency Limit)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	80	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	75	50%

Onslow Bay Acquisitions: Bulk Purchases

Onslow Bay Bulk Purchases | Seller Program Comparison

Loans purchased in bulk are typically underwritten to the Sellers' underwriting guidelines. The comparison below is meant to represent the target credit profile of Onslow Bay's bulk purchases.

Seller Program Summary

Description	Expanded Prime	Non-QM	DSCR	Cross Collateralized	Foreign National	Closed-End Seconds	Agency Eligible
Max Loan Amt	\$3.5mm	\$3.0mm	\$2.0mm	\$2.0mm	\$1.0mm	\$500k	\$2.0mm
Housing Event	>=4+ Years	>=2+ Years Housing Event	3+ Years	4+ Years	4+ Years	4+ Years	Per FNMA/FHMLC
Mortgage History	0x30x12	2x30x12, 1x60x24	0x30x12	0x30x12	0x30x12	0X30X12	Per FNMA/FHMLC
Product Type	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fix, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fix, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fix, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 30 Year Fix, 40 Year Fix (IO)	3/6 ARM, 5/6 ARM, 7/6 ARM, 10/6 ARM, 15 Year Fixed, 30 Year Fixed	10 Year Fixed, 15 Year Fixed, 20 Year Fixed, 30 Year Fixed	30 Year Fix
Max LTV	90	90	85	80	65	85	80
Min FICO	660	620	660	680	680 or N/A	680	660
Interest Only Restrictions	Min 700 FICO, Max 85% LTV	Min 700 FICO, Max 80% LTV, max 1x30x12, 0x60x24	Min 700 FICO. (DSCR >=1.00, Max 75% LTV, DSCR >=.75x, Max 70% LTV, No Ratio Not Permissible)	Min 700 FICO, Max 75% LTV	N/A	N/A	N/A
Max DTI/Min DSCR	55%	50%	.75x or No Ratio	1.10x Min Property	45%	50%	50%
2-4 Units	Max 90% LTV/CLTV	Max 85% LTV	Max 80% LTV	No Restrictions	Max 60% LTV	Not Eligible	Max 75% LTV
Warrantable Condos/Cooperatives	Max 90% LTV/CLTV	Max 85% LTV	Max 80% LTV	No Restrictions	Max 60% LTV	Max 80% LTV (no coops)	Max 80% LTV
Non-Warrantable Condos	Max 85% LTV/CLTV	Max 80% LTV	Max 80% LTV	Not Eligible	Not Eligible	Not Eligible	N/A
Full Doc and Bank Statements	Max 90% LTV	Max 90% LTV	N/A	N/A	Full Documentation	Full Documentation	Not Eligible
Asset Depletion	Max 90% LTV, Min 700 FICO, No Cash Out, 00 Only	Max 90% LTV, Min 700 FICO, No Cash Out, 00 Only	N/A	N/A	N/A	Not Eligible	N/A
WVOE	Max 85% LTV, Min 660 FICO	Max 80% LTV, Min 680 FICO (A+ only)	N/A	N/A	N/A	Not Eligible	N/A
12M PnL	Max 85% LTV, Min 660 FICO	Max 80% LTV, Min 680 FICO (A+ only)	N/A	N/A	N/A	Not Eligible	N/A

Documentation Type

Representative Income Requirements

Full Documentation (Salaried & Self Employed)	2 Yrs. W2s or 1040 Tax Returns, YTD Paystub, VVOE or 2yrs 1099. For self-employed borrowers: 2 Yrs. Tax Returns (Business, Personal), K1s, YTD P&L or 1099 Qualification
Streamlined Documentation (Salaried & Self Employed)	1 Yr. W2 or 1040 Tax Return, W2 Transcript, YTD Paystub, VVOE or 1099 Qualification. For Self-Employed borrowers, 1 Yr. Tax Return (Business, Personal), K1s, YTD P&L
Asset Depletion/ Asset Qualifier (High Net Worth Borrowers)	Qualifying Assets
12M/24M Bank Statement (Self Employed)	Personal – 12/24 months consecutive bank statements Business – 3 Options to qualify: Expense Ratio (Fixed), Expense Ratio (3 rd party), 3rd Party Prepared P&L
12M P&L (Self Employed)	CPA/EA/CTEC Prepared (12M P&L)
VVOE (Salaried)	FNMA Form 1005

Note: Onslow Bay does allow for exceptions to underwriting guidelines as long as the exception is based upon reasonable and documented compensating factors.

Onslow Bay Bulk Purchases | Expanded Prime Matrix

Expanded Prime loans purchased in bulk generally allow for loans with up to 5% higher LTV than those acquired through Onslow Bay's Expanded Prime Plus Program, up to a maximum LTV of 90%

FICO & LTV / CLTV Grids		Purchase & Rate / Term Refinance			Cash Out Refinance		
		Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
FICO	Loan Size						
740	<= \$1.0mm	90	90	90	85	85	80
	<= \$1.5mm	90	90	90	80	80	80
	<= \$2.0mm	90	85 ⁽¹⁾	85 ⁽¹⁾	80	75	75
	<= \$2.5mm	85	80	80	75	70	70
	<= \$3.0mm	80	75	75	70	65	65
	<= \$3.5mm	70	65	N/A	N/A	N/A	N/A
720	<= \$1.0mm	70	65	N/A	N/A	N/A	N/A
	<= \$1.5mm	90	90 ⁽¹⁾	90 ⁽¹⁾	80	80	80
	<= \$2.0mm	90	90	90	80	80	80
	<= \$2.5mm	85	85	85	75	75	75
	<= \$3.0mm	85	80	80	75	70	70
	<= \$3.5mm	65	65	N/A	N/A	N/A	N/A
700	<= \$1.0mm	80	75	75	70	65	65
	<= \$1.5mm	65	65	N/A	N/A	N/A	N/A
	<= \$2.0mm	90	90 ⁽¹⁾	90 ⁽¹⁾	80	80	80
	<= \$2.5mm	90	90	90	80	75	75
	<= \$3.0mm	85	85	85	75	75	75
	<= \$3.5mm	85	85	85	75	75	75
680	<= \$1.0mm	80	80	80	70	70	70
	<= \$1.5mm	75	75	75	65	65	65
	<= \$2.0mm	85	85	85	75	75	75
	<= \$2.5mm	85	85	85	75	75	75
660	<= \$1.0mm	80	80	80	70	70	70
	<= \$1.5mm	75	75	75	65	N/A	N/A
	<= \$2.0mm	85	85	85	75	75	75
	<= \$2.5mm	80	80	80	75	75	75

Housing History

Payment History

0x30x12

Housing Event Seasoning

4+ Years

Note: Onslow Bay does allow for exceptions to underwriting guidelines as long as the exception is based upon reasonable and documented compensating factors.

1. 85 for Alt Doc loan in this box.

Onslow Bay Bulk Purchases | Non-QM Matrix

Non-QM purchased in bulk (Credit Grades A+ & A-) generally allow for loans with up to 5% higher LTV than those acquired through Onslow Bay's Sharp Correspondent Program, up to a maximum LTV of 90%

Non-QM A+							
FICO & LTV / CLTV Grids		Purchase & Rate / Term Refinance			Cash Out Refinance		
		Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
FICO	Loan Size						
740	<= \$1.0mm	90	90	90	80	80	80
	<= \$1.5mm	90	85	85	80	75	75
	<= \$2.0mm	85	80	80	75	75	75
	<= \$2.5mm	80	80	80	70	70	70
	<= \$3.0mm	75	75	75	65	65	65
720	<= \$1.0mm	90	85	85	80	80	80
	<= \$1.5mm	90	85	85	80	75	75
	<= \$2.0mm	85	80	80	75	75	75
	<= \$2.5mm	80	80	80	70	70	70
	<= \$3.0mm	75	75	75	N/A	N/A	N/A
700	<= \$1.0mm	90	85	85	80	75	75
	<= \$1.5mm	85	85	85	80	75	75
	<= \$2.0mm	85	80	80	75	70	70
	<= \$2.5mm	80	75	75	70	N/A	N/A
	<= \$3.0mm	75	N/A	N/A	N/A	N/A	N/A
680	<= \$1.0mm	85	85	85	80	75	75
	<= \$1.5mm	85	80	80	75	70	70
	<= \$2.0mm	80	75	75	70	N/A	N/A
	<= \$2.5mm	75	75	75	65	N/A	N/A
	<= \$3.0mm	75	75	75	65	N/A	N/A
660	<= \$1.0mm	85	80	80	75	70	70
	<= \$1.5mm	80	80	80	70	65	65
	<= \$2.0mm	75	75	75	65	N/A	N/A
640	<= \$1.0mm	80	75	70	70	65	65
	<= \$1.5mm	75	70	70	N/A	N/A	N/A
620	<= \$1.0mm	75	70	65	N/A	N/A	N/A

Non-QM A-							
FICO & LTV / CLTV Grids		Purchase & Rate / Term Refinance			Cash Out Refinance		
		Owner Occupied	Second Home	Investment	Owner Occupied	Second Home	Investment
FICO	Loan Size						
740	<= \$1.0mm	90	85	85	80	75	75
	<= \$1.5mm	85	80	80	75	70	70
	<= \$2.0mm	80	N/A	N/A	N/A	N/A	N/A
720	<= \$1.0mm	90	85	85	80	75	75
	<= \$1.5mm	85	80	80	75	70	70
	<= \$2.0mm	80	N/A	N/A	N/A	N/A	N/A
700	<= \$1.0mm	85	85	85	75	75	75
	<= \$1.5mm	80	80	80	75	70	70
	<= \$2.0mm	75	N/A	N/A	N/A	N/A	N/A
680	<= \$1.0mm	80	80	80	75	70	70
	<= \$1.5mm	80	75	75	70	70	70
660	<= \$1.0mm	80	80	80	70	70	70
	<= \$1.5mm	75	75	75	65	N/A	N/A
640	<= \$1.0mm	75	70	70	65	65	65
	<= \$1.5mm	70	65	65	N/A	N/A	N/A
620	<= \$1.0mm	70	65	65	N/A	N/A	N/A

Housing History	
Payment History	1x30x12, 0x60x24
Housing Event Seasoning (A+)	3+ Years
Housing Event Seasoning (A-)	2+ Years

Onslow Bay Bulk Purchases | DSCR Matrix

DSCR loans purchased in bulk generally allow for loans with up to 5% higher LTV than those acquired through the Onslow Bay DSCR Plus Program, up to a maximum LTV of 85%

FICO & LTV / CLTV Grids		DSCR >= 1.00			DSCR >= 0.75			No Ratio DSCR		
		Purchase	Rate / Term Refi	Cash Out	Purchase	Rate / Term Refi	Cash Out	Purchase	Rate / Term Refi	Cash Out
FICO	Loan Size									
740	<= \$1.0mm	85	85	80	80	80	75	80	80	70
	<= \$1.5mm	80	80	75	75	75	70	75	75	65
	<= \$2.0mm	80	80	65	70	70	65	70	70	65
720	<= \$1.0mm	85	85	80	80	80	75	75	75	65
	<= \$1.5mm	80	80	75	75	75	70	70	70	65
	<= \$2.0mm	80	80	65	70	70	N/A	N/A	N/A	N/A
700	<= \$1.0mm	80	80	75	80	80	70	70	70	65
	<= \$1.5mm	80	80	75	75	75	70	70	70	65
	<= \$2.0mm	75	75	65	70	70	N/A	N/A	N/A	N/A
680	<= \$1.0mm	80	80	70	75	75	65	70	65	65
	<= \$1.5mm	75	75	65	N/A	N/A	N/A	N/A	N/A	N/A
	<= \$2.0mm	70	70	N/A	N/A	N/A	N/A	N/A	N/A	N/A
660	<= \$1.0mm	75	75	70	65	65	65	65	65	65
	<= \$1.5mm	70	70	65	N/A	N/A	N/A	N/A	N/A	N/A
	<= \$2.0mm	65	65	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Housing History

Payment History

0x30x12

Housing Event Seasoning

3+ Years

Onslow Bay Correspondent | Cross Collateralized DSCR Matrix

Cross Collateralized loans purchased in bulk generally allow for loans with up to 5% higher LTV than those acquired through the Onslow Bay DSCR Plus Program, up to a maximum LTV of 80%

FICO & LTV/CLTV Grids		CROSS COLLATERALIZED LOAN DSCR & PROPERTY DSCR >= 1.10		
		Purchase	Rate / Term Refi	Cash Out
FICO	Loan Size			
740	<= \$1.0mm	80	80	75
	<= \$1.5mm	80	80	75
	<= \$2.0mm	80	80	65
720	<= \$1.0mm	80	80	75
	<= \$1.5mm	80	80	75
	<= \$2.0mm	80	80	65
700	<= \$1.0mm	80	80	75
	<= \$1.5mm	80	80	75
	<= \$2.0mm	75	75	65
680	<= \$1.0mm	80	80	70
	<= \$1.5mm	75	75	65
	<= \$2.0mm	70	70	N/A

Housing History

Payment History

0x30x12

Housing Event Seasoning

4+ Years

Onslow Bay Bulk Purchases | Foreign National Plus Matrix

Foreign National loans purchased in bulk generally allow for loans with up to 5% higher LTV than those acquired through the Onslow Bay Foreign National Plus Program, up to a maximum LTV of 70%

FICO & LTV/CLTV Grids		QUALIFYING INCOME			FOREIGN NATIONAL (DSCR >1.00)		
		Purchase	Rate / Term Refi	Cash Out	Purchase	Rate / Term Refi	Cash Out
FICO	Loan Size						
680+ FICO	<= \$1.0mm	65	65	65	65	65	65
Foreign Credit	<= \$1.0mm	65	65	65	65	65	65

Housing History

Housing Event Seasoning

4+ Years

Onslow Bay Bulk Purchases | Closed End Seconds (“CES”) Matrix

CES loans purchased in bulk generally allow for loans with up to 5% higher LTV than those acquired through the Onslow Bay CES Program, up to a maximum LTV of 85%

FICO/LTV Grids		PURCHASE, RATE/TERM, & CASHOUT	
		Minimum FICO	Max CLTV
Occupancy	Loan Size		
Owner Occupied	\$70-\$250k	740	85
	\$70-\$500k	700	85
2 nd Home	\$70-\$500k	680	80
		740	85
Investor	\$70-\$500k	680	80
		740	80
		700	75

Reserves		Housing History	
\$70,000 - \$500,000	Not Required	Payment History	0x30x12
Additional Financed Properties	Not Required	Housing Event Seasoning	4+ Years

Onslow Bay Bulk Purchases | Agency & Non-Agency Investor Matrices

Agency & Non-Agency Investor loans purchased in bulk adhere to the same guidelines as the Correspondent program

Agency Investor Program Matrix (Conforming Balance & Agency Jumbo)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$150,000	Agency Limit (#Units / State)	700	80	50%
				680	75	50%
				660	70	50%
Purchase / Rate Term	2-4 Unit	\$150,000	Agency Limit (#Units / State)	700	75	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	\$150,000	Agency Limit (#Units / State)	700	75	50%
Cash Out	2-4 Unit	\$150,000	Agency Limit (#Units / State)	700	70	50%

Non-Agency Investor Matrix (Exceeds Agency Limit)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	80	50%
				680	75	50%
				700	75	50%
Purchase / Rate Term	2-4 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	680	70	50%
				700	70	50%
				700	65	50%
Cash Out	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	80	50%
Cash Out	2-4 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	680	75	50%

Onslow Bay Bulk Purchases | Agency & Non-Agency 2nd Home Matrices

Agency & Non-Agency Investor loans purchased in bulk adhere to the same guidelines as the Correspondent program

Non-Agency 2nd Home Program Matrix (Conforming Balance & Agency Jumbo)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$150,000	Agency Limit (#Units / State)	700	80	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	\$150,000	Agency Limit (#Units / State)	700	75	50%

Non-Agency 2nd Home Matrix (Exceeds Agency Limit)

Purpose	Property Type	Minimum Loan Amount	Maximum Loan Amount	FICO	LTV / CLTV	Max DTI
Purchase / Rate Term	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	80	50%
				680	75	50%
				660	70	50%
Cash Out	1 Unit	\$1 Above Agency Jumbo Balance	\$2,250,000	700	75	50%