

# NON-QM - Bank Statement Program Guide

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v1.0



## 24 MONTHS PERSONAL BANK STATEMENTS

- 24 months personal bank statements (**Cannot be Co-Mingled**)
- 2 months business bank statements covering the most recent period as the personal account
- Minimum 25% Ownership
- P&L/Expense Statements are not required
- Business Narrative is not required
- 100% of personal bank account deposits are used
- Proof of business existence for at least 2 years
- Declining income: Last 12 months bank deposits will be used
- Qualifying income: Lower of the A) Initial 1003; B) Or net personal bank account deposits

## 12 MONTHS PERSONAL BANK STATEMENTS

- 24 months personal bank statements (**Cannot be Co-Mingled**)
- 2 months business bank statements covering the most recent period as the personal account
- Minimum 25% Ownership
- P&L/Expense Statements are not required
- Business Narrative is not required
- 100% of personal bank account deposits are used
- Proof of business existence for at least 2 years
- Declining Income: **NOT PERMITTED**
- Qualifying income: Lower of the A) Initial 1003; B) Or net personal bank account deposits

## 24 MONTHS BUSINESS BANK STATEMENTS

### OPTION 1 (Profit & Loss):

- 24 months business bank statements required
- 24 months P&L from a verified tax preparer
- Co-Mingled Bank Statements: **Minimum 100% Ownership**
- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
- Business Narrative from the Brw (or verified Tax Preparer)
- Proof of business existence for at least 2 years
- Declining income: Last 12 months bank deposits will be used
- Qualifying income: Lower of the A) Initial 1003; B) Net bank account deposits; C) Or the net Profit & Loss

### OPTION 2 (Expense Statement Letter):

- 24 months business bank statements required
- Co-mingled bank statements: **NOT PERMITTED**
- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
- "Expense Letter" (**minimum 10% expenses**) from Tax Preparer confirming the percent of 24 months business expenses
- Business Narrative from the Brw (or verified Tax Preparer)
- Proof of business existence for at least 2 years
- Declining income: Last 12 months bank deposits will be used
- Qualifying income: Lower of the A) Initial 1003; B) Or net bank deposits multiplied by the Expense Percentage

### OPTION 3 (Fixed Expense Ratio - Business Narrative Only):

- 24 months business bank statements required
- Co-mingled bank statements: **NOT PERMITTED**
- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
- Business Narrative from one of the following:
  - A) Verified Tax Preparer (**must have knowledge of the business**);
  - B) Controller, CFO, Finance/Accounting Manager of Business
  - C) The Borrower (**only permitted for 50% or greater Expense Ratio**).**If less than 50%: A verified tax preparer to 2nd sign the Narrative**
- Proof of business existence for at least 2 years
- Declining income: Last 12 months bank deposits will be used
- Qualifying income: Lower of the A) Initial 1003; B) Or net bank deposits multiplied by the Fixed Expense Ratios based on "Service or Product type" and "Employee Count".

## 12 MONTHS BUSINESS BANK STATEMENTS

### OPTION 1 (Profit & Loss):

- 12 months business bank statements required
- 12 months P&L from a verified tax preparer
- Co-Mingled Bank Statements: **Minimum 100% Ownership**
- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
- Business Narrative from the Brw (or verified Tax Preparer)
- Proof of business existence for at least 2 years
- Declining Income: **NOT PERMITTED**
- Qualifying income: Lower of the A) Initial 1003; B) Net bank account deposits; C) Or the net Profit & Loss

### OPTION 2 (Expense Statement Letter):

- 12 months business bank statements required
- Co-mingled bank statements: **NOT PERMITTED**
- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
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- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
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- Proof of business existence for at least 2 years
- Declining Income: **NOT PERMITTED**
- Qualifying income: Lower of the A) Initial 1003; B) Or net bank deposits multiplied by the Fixed Expense Ratios based on "Service or Product type" and "Employee Count".

## 2 MONTHS BUSINESS BANK STATEMENTS & 24 MONTHS P&L

- 2 months business bank statements within 20% tolerance of the Profit-and-Loss  
**NOTE: Additional Consecutive Bank Statements may be added if the tolerance is not met.**
- 24 months P&L from a verified tax preparer
- Co-Mingled Bank Statements: **Minimum 100% Ownership**
- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
- Business Narrative from the Brw (or Tax Preparer)
- Proof of business existence for at least 2 years
- Qualifying income: Lower of the A) Initial 1003; B) Net bank account deposits; C) Or the net Profit & Loss

## 2 MONTHS BUSINESS BANK STATEMENTS & 12 MONTHS P&L

- 2 months business bank statements within 20% tolerance of the Profit-and-Loss  
**NOTE: Additional Consecutive Bank Statements may be added if the tolerance is not met.**
- 12 months P&L from a verified tax preparer
- Co-Mingled Bank Statements: **Minimum 100% Ownership**
- Minimum 25% Ownership  
**NOTE: For less than 50%, all non-borrowing owners to provide letter acknowledging the transaction & brws access to the income account**
- Business Narrative from the Brw (or Tax Preparer)
- Proof of business existence for at least 2 years
- Qualifying income: Lower of the A) Initial 1003; B) Net bank account deposits; C) Or the net Profit & Loss

## PROFIT-AND-LOSS ONLY

- Bank Statements are not required
- P&L from a verified tax preparer for the most recent 12 months
- Minimum Expense Ratio of 15% required**
- Business Narrative from a verified Tax Preparer only
- Proof of business existence for at least 2 years
- Minimum 50% Ownership** verified by one of the following: A) Tax prepared letter; B) Operating Agreement or equivalent
- Tax preparer to verify they have prepared or reviewed the most recent 2 years business tax filing for the brw/business
- Qualifying income: Lower of the A) Initial 1003; B) Or the net Profit & Loss

**DISCLAIMER: Excelerate Capital reserves the right, at Underwriter's discretion, to require additional information. Documents provided from this form is not a commitment to lend. Loans are subject to Underwriting Approval.**