

NON-QM LENDING



CALYX SOFTWARE®

 LOANSCORECARD™
SOLUTIONS FOR INTELLIGENT LENDING

dh·mtg
DEEPHAVEN MORTGAGE

NON-QM LENDING



dh·mtg
DEEPHAVEN MORTGAGE

LEGAL DISCLAIMER



The information presented is confidential and proprietary to Deephaven Mortgage and Calyx Technology, Inc., dba Calyx Software (“Calyx”), and may not be disclosed without the permission of Deephaven Mortgage and Calyx. The purpose of this presentation is to provide information, rather than advice or opinion. It is accurate to the best of the speaker’s knowledge as of the date of the presentation. To the extent that this presentation contains any examples, please note that they are for illustrative purposes only and any similarity to actual individuals, entities, places or situations is unintentional and purely coincidental. In addition, any examples are not intended to serve as legal advice. No part of this presentation may be modified, printed, or presented without the permission of Deephaven Mortgage and Calyx.

© Calyx Technology, Inc. 2019. Calyx and Calyx Software are registered trademarks of Calyx Technology, Inc. All rights reserved



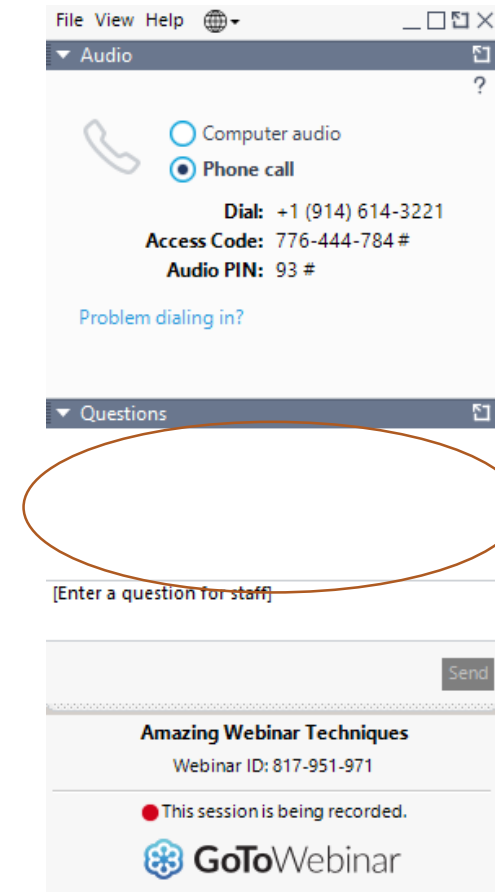
Type questions into the Questions box

Handouts are available for download

Technical Difficulties

GoToMeeting Support Line

888-259-8414





MIKE BRENNING

CHIEF PRODUCTION OFFICER

Brenning is the Chief Production Officer of Deephaven Mortgage where he oversees sales and client development. Prior to Deephaven, Mike held many senior leadership roles in correspondent & wholesale sales, capital markets, and marketing. Most recently, he was the VP of Correspondent/Wholesale & Strategic Partnerships at Quicken Loans. Prior to Quicken Loans, Mike was on the Executive Team at HSBC Mortgage Services as SVP of National Sales & Marketing. Mike also spent seven years at GMAC-RFC in both a sales and capital markets capacity. He holds an M.B.A. in Finance from Montreal College and a B.A. from Hamline University where he studied economics.



BACKGROUND



RAJ PAREKH **DIRECTOR OF BUSINESS DEVELOPMENT**

Raj is the Director of Business Development for LoanScorecard where he oversees sales and client development. Prior to LoanScorecard, Raj was the Vice President of Business Development for Insellerate, one of the leading mortgage CRM solutions in the market today. Raj has a J.D. From the University of Tulsa and a B.A. from the University of Kansas where he studied political science.





NON-QM “Fact vs. Fiction”





Agenda

- **Current State of the Non-QM Market**
- **What makes a loan Non-QM/Non-Agency...**
- **Key Facts about Non-QM**
- **Key Myths surrounding Non-QM**
- **Making Technology a part of Non-QM origination**

NON-QM TODAY

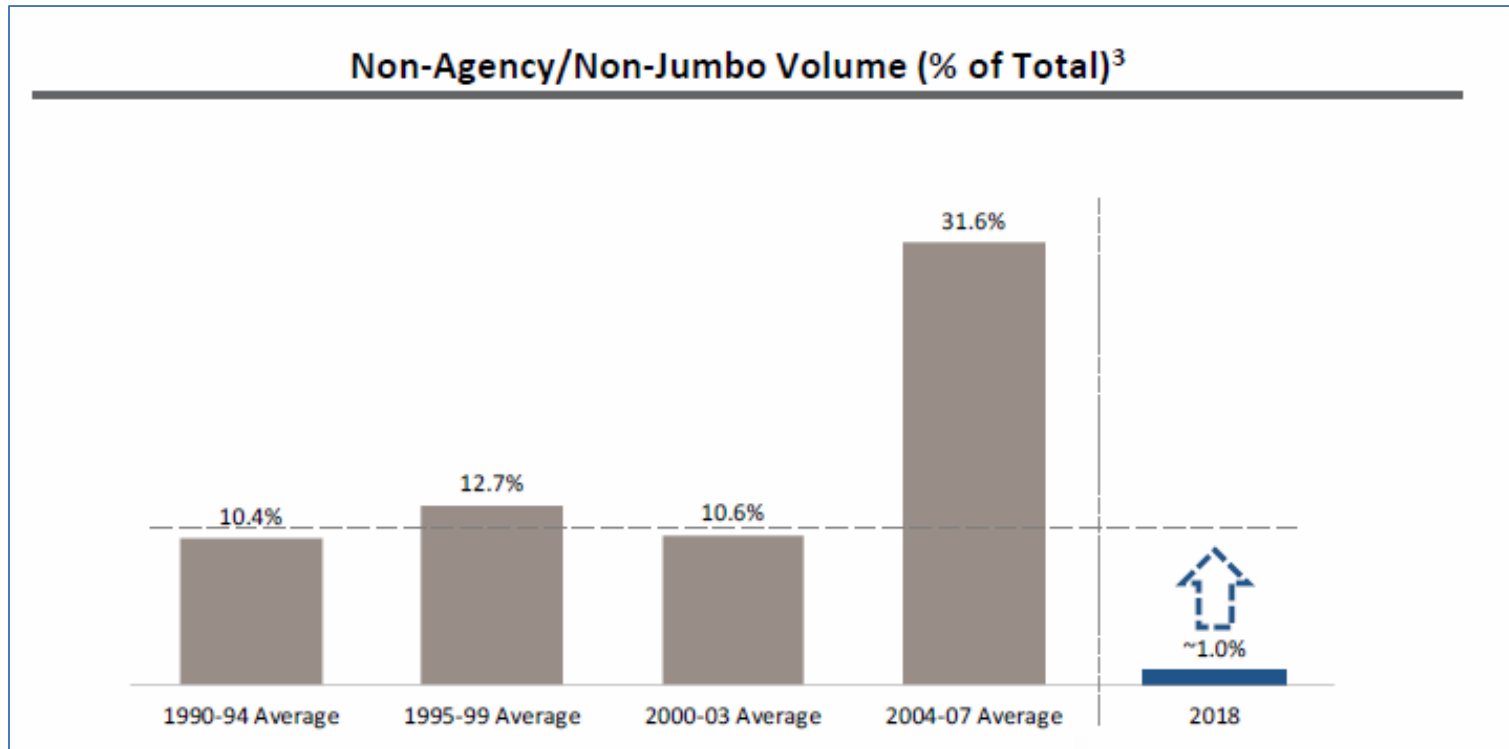
- Significant flow of new entrants to the market in all facets
 - Brokers
 - Lenders
 - Investors
 - Bond Investors
 - Rating Agencies
- “End Game” money has become interested in the product line – “Where money flows, business grows”...
- Various research papers peg the total mortgage market at \$1.6 Trillion in 2019 (Essentially flat to 18’)
- These same research papers peg Non-QM somewhere in the \$40BB range for 2019 (Up >200%)
- New technology is entering the market to help streamline Non-QM origination



NON-QM TODAY



NON-QM HISTORY



WHAT IS NON-QM?

- Bank Statements for Self-Employed Clients
- Asset Qualification/Depletion for Income
- Interest Only & 40 Year Terms
- ATR Compliant
- Flexible & Innovative Investment Property Loans
- Large Loan Amounts
- DTI's to 55%, Foreign Nationals, Non-Warrantable Condos
- Full Doc, 1 Year Alt Doc, & Bank Statements
- No Doc Business Purpose Investment Property Loans
- High Performing and Safe
- Large Cash-Out Amounts up to \$1MM
- An alternative origination strategy for loan officers looking to diversify!



WHAT NON-QM ISN'T...

- No Stated Doc, NINA, SISA, etc.
- Not Predatory
- Not Negative Amortization
- Not Low Credit Score
- No Prepays on Consumer Purpose Loans
- Super high rate & unattractive for your client
- Reputation damaging Subprime 2.0
- Difficult





WHAT DO NON-QM CLIENTS LOOK LIKE?

- **JUST** like every other client you've dealt with over your career with one exception... (They are looking for alternative financing solutions!) (And none of them will ask for "Non QM")
- Standard LE/CD process, FNMA/Freddie Docs, Different Guidelines
- Don't make this out to be more than it is. These are every day Americans, Resident Aliens, & Foreign Nationals looking for mortgage products to help solve their refinancing needs or to put them in the home of their dreams.

THE OPPORTUNITIES



Taking the historically manual Non-QM industry and making it efficient. Point of Sale tool..

- Identi-FI AUS
- Integrated in Calyx Point
- Integrated in Encompass
- Web Based Version available at www.identifiaus.com

DEMO



Who is Deephaven Mortgage?

- End game securitizer
- Leading issuer of Non-QM MBS
- First Entrant into the Non QM Market in 2012
- Wholesale & Correspondent Channels
- Leading Non-QM Technology provider with an online Scenario Tool, Live Scenario Desk, & Non-QM AUS
- We are here to help with resources, knowledge, relationship, and service

Deephaven Products

- Expanded Prime
- Near Prime
- Non Prime
- Foreign National
- Investor Advantage





QUESTIONS?

Deephaven Mortgage

Wholesale 844.DHM.WHSL (844.346.9475)
brokerinfo@deephavenmortgage.com

Correspondent 800.983.0457
sales@deephavenmortgage.com

