

		the <b>NONI</b>		
		Investor Option 1		
		DSCR ≥ 1.00		
FICO	Min Loan Amount 100K Loan Amount	Reserves	Purchase or R/T	Cash-Out
720	\$2,000,000	2 Months- Purchase & R/T	80%	75%
	\$3,000,000	6 Months- C/O	75%	60%
680+	\$2,000,000	2 Months- Purchase & R/T	80%	70%
	\$3,000,000	6 Months- C/O	70%	60%
660-679	\$1,500,000	2 Months- Purchase & R/T	75%	70%
	\$2,500,000	6 Months- C/O	70%	65%
640-659	\$1,500,000	2 Months- Purchase & R/T	70%	65%
	\$2,500,000	6 Months- C/O	60%	60%
620-639	\$1,000,000	6 Months	65%	65%
	\$2,000,000		60%	60%

		the <b>DSCR &lt; 1.00</b>		
		Investor Option 2		
		DSCR < 1.00		
FICO	Loan Amount	Reserves	Purchase or R/T	Cash-Out
680+	\$1,500,000	6 months	70%	70%
	\$2,500,000	12 months	70%	65%

Investor - Doc Options	
Investor Cash Flow	<ul style="list-style-type: none"> <li>Option 1: DSCR ≥ 1.0</li> <li>Option 2: Limited DSCR &lt; 1.0</li> </ul>

Property Restrictions	Max LTV
Non-Warrantable Condo	Not allowed
Warrantable Condo	75%
2-4 Unit Modular	No Restriction 65%
Florida Condo	No Restriction
Rural Properties	70%

Additional Restrictions	
Maximum Cash-Out	≥ 65% LTV = \$500,000 < 65% LTV = Unlimited
1st Time Investor Min FICO	680
Max Acreage	20
Unleased Property (Refinance only) Does not apply to short term rentals	5% LTV reduction
Max # of Financed Properties By HEM	Committee review over 4
Gift Funds allowed with 5% borrower funds	NO LTV reductions
100% Gift Funds	10% LTV reduction
NonArms Length Trans.	Not Eligible
Option 2	Min 0.75 DSCR
Foreign Nationals	Not Allowed
IL Cook County- Minimum Loan Amount is 250,001 and max rate 8%	
**PA- Loan amounts ≥ \$256,024 can be vested as an Entity or as an Individual	
**PA- Loan amounts < \$256,024 must be vested in a Corp, LLC, Partnership or Trust	
FTHB with "No Housing History" are not eligible - See Guidelines	

Products	Margin & Caps	I/O (Y/N)	IO Period	Final Maturity	Interested Party Contributions/Seller Concessions	Residency
7/6 & 10/6 Adjustable Rate (ARM)	4.50	2/1/5	N	NA	30 years	All LTVs
30 Year Fixed	NA	NA	N	NA	30 years	Max 2%
Interest Only: 7/6 & 10/6 Adj Rate (ARM)	4.50	2/1/5	Y	10 Years	30 Years	US Citizen, Perm/NonPerm Res. Alien
					Eligible States	
					AL, AZ, CA, CO, CT, DE, FL, GA, HI, IA, IL**, KY, LA, MA, MO, MD, NC, NJ**, OK, OR, PA*, RI**, SC, TN, TX**, UT, VA, WA	
					**Must vest as Individual (no entities: LLC, inter vivos trust, etc)	
					***TX C/O refinance must vest as Individual (no entities: LLC, inter vivos trust, etc)	

Guidelines Quick Reference		
<b>ARM Index &amp; Floor</b>	Index: 30 day SOFR   Floor = Note Rate	<b>Impounds</b>
<b>Qualifying Rate</b>	Note Rate	<b>Appraisal</b>
<b>Qualifying Payment</b>	Full Amortization: PITIA based on note rate IO: Initial ITIA based on note rate	<ul style="list-style-type: none"> <li>No C5 or C6</li> <li>ARR/CDA req or CU risk score ≤ 2.5</li> </ul>
<b>Assets</b>	Sourced or seasoned 60 days (2 mos most recent bank statements req.)	<b>Min Sq. footage</b>
<b>Credit</b>	Two (2) open and active tradelines, with at least one (1) seasoned for 24 months.	600 sq feet
<b>Cash Out</b>	Business purpose use ONLY	<b>Credit Score</b>
<b>Prepayment Penalty</b>	6 months interest on 80% of the original principal balance (Standard Term = 3 years); ** Prepay Penalty allowed for loans closed in the name of Corporation or LLCs (personal guarantee required). NJ*** PPP allowed when closing in an entity, otherwise PPP must be bought out when closing as an individual. RI- PPP not allowed. Must buyout PPP.	<ul style="list-style-type: none"> <li>Must have 1 valid score; Take the Mid score when all 3 agency scores provided; lower of 2 if only 2; Lowest of all borrowers Representative score</li> </ul>
		<b>Compliance</b>
		<ul style="list-style-type: none"> <li>Points &amp; Fees may not exceed 5%</li> </ul>
		<ul style="list-style-type: none"> <li>Option 1: • 3 yr Hard Prepay: can not sell or refi</li> <li>Option 2: • 1 yr Hard / 2 yr Soft PrePay: can not sell or refi in the 1st year, can sell but not refi in yrs 2-3</li> </ul>

Credit	
Maximum Housing Lates	0x30x12
Minimum FC Seasoning months	48
Minimum SS/DIL Seasoning months	48
Minimum BK 7 Seasoning months	48
Minimum BK 13 Seasoning	48

Reserves	
C/O proceeds can be used to meet reserves	
Reserves for IO based on Interest Only Payment	
Gift funds cannot be used to meet reserves requirements	



### What is a DSCR Loan? How do you qualify?

DSCR stands for Debt-Service-Coverage-Ratio. This means your loan is qualified based on the cash flow/ market rents of the subject property.

How do I qualify? Take your gross rents based off the lesser of market rents or lease agreement / by the PITIA (Full Am) or ITIA (Interest Only)

Interest Only Example: If your DSCR ≥ 1.00 you've got a "NONI". $\frac{\text{Gross Rents} = \$1500}{\text{ITIA} = \$1500} = 1.00 \text{ DSCR}$	Full Amortization Example: If your DSCR < 1.00 you still have a loan just at a different price. $\frac{\text{Gross Rents} = \$1500}{\text{PITIA} = \$2000} = 0.75 \text{ DSCR}$
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