



Doc Type	Debt Service Coverage Ratio			
	Loan Amount	Min FICO	DSCR ≥ 1.00x	
Purchase			R/T Refi	C/O Refi
\$500,000 - \$1,500,000	720	70%	60%	60%
\$1,500,001 - \$2,000,000	720	65%	55%	N/A

Debt Service Coverage Ratio (DSCR ≥ 1.00x)

Credit Requirement	<ul style="list-style-type: none"> 0x30x12 Housing History: 48 Months from Housing Event 	Reserves	<ul style="list-style-type: none"> LAMT ≤ \$1.5mm: 6 months LAMT > \$1.5mm: 9 months
Eligible Borrowers	<ul style="list-style-type: none"> US Citizen Permanent Resident Alien 	IL and NY	<ul style="list-style-type: none"> Not eligible
Experience Requirements	<ul style="list-style-type: none"> At least one (1) year of documented non-owner investor experience within the past three (3) years 	Short Term Rental Income	<ul style="list-style-type: none"> Not permitted
Max Cash In Hand	<ul style="list-style-type: none"> \$500,000 Cash out <u>cannot</u> be used for reserves 	Interest Only	<ul style="list-style-type: none"> Permitted, no restrictions



CREDIT	
Housing History	<ul style="list-style-type: none"> • 0x30x12 Housing History: • Borrowers living rent-free or with incomplete housing history: <ul style="list-style-type: none"> ○ Ineligible
Housing Event Seasoning	<ul style="list-style-type: none"> • ≥ 48 months • Multiple housing events not permitted within the past seven (7) years
Minimum Credit Score	<ul style="list-style-type: none"> • All borrowers must have a 720 FICO or greater.
BORROWERS	
Eligible Borrowers	<ul style="list-style-type: none"> • US Citizen • Permanent Resident Alien
Experience Requirements	<ul style="list-style-type: none"> • At least one (1) year of documented non-owner investor experience within the past three (3) years
Ineligible Borrowers	<ul style="list-style-type: none"> • ITIN • Foreign National • Any form of a trust • Non-Permanent Resident Alien • Entity Borrowers
Financed Properties Limitation	<ul style="list-style-type: none"> • No limit
First Time Home Buyer (FTHB)	<ul style="list-style-type: none"> • Not permitted
First Time Investor	<ul style="list-style-type: none"> • Not permitted



PROPERTY	
Appraisal Requirements	<p>Utilize FHLMC 71A, FHLMC 71B, FNMA 1050 or similar short form used to appraise 5+ residential properties. A commercial BPO is required along with the appraisal for all transactions. If unavailable, a second appraisal may be used in lieu of a commercial BPO. Value shall be the lesser of the two (or three).</p> <p>The following attachments must be included in the report:</p> <ul style="list-style-type: none"> • Rent Roll • Income and Expense Statement • Photos of subject including exterior/interior and street scene • Aerial photo • Sketch or floor plan of typical units • Map • Appraiser qualifications
Cash Out Listing Seasoning	<ul style="list-style-type: none"> • Six (6) months
Declining Markets	<ul style="list-style-type: none"> • Ineligible
Eligible Property Types	<ul style="list-style-type: none"> • 5-8 Unit Properties
Ineligible Property Types	<ul style="list-style-type: none"> • Rural Properties • Mixed Use Properties • Properties greater than two (2) acres • Agricultural Zoning
Non-Arm’s Length Transactions	<ul style="list-style-type: none"> • Not permitted
Occupancy	<ul style="list-style-type: none"> • Investment ONLY
Property Condition	<ul style="list-style-type: none"> • No fair or poor ratings • No environmental issues (Storage or use of hazardous material; e.g. Dry Cleaners, Laundromat) • No health or safety issues (As noted by appraiser; e.g. broken windows, stairs) • No excessive deferred maintenance that could become a health or safety issue for tenants • No structural deferred maintenance, (e.g. Foundation, roof, electrical, plumbing)
Vacant Units	<p>Purchase Transaction:</p> <ul style="list-style-type: none"> • Max two (2) vacant units <p>Refinance Transaction:</p> <ul style="list-style-type: none"> • Max two (2) vacant units <p>Utilize 75% of market rent for vacant units. Units must be actively marketed for rent and documented in loan file.</p>



INCOME	
Minimum DSCR	<ul style="list-style-type: none"> • 1.00x
Long Term Rental Income	
Qualifying Income	<p>For Purchase and Refinance Transactions:</p> <ul style="list-style-type: none"> • Gross rents are the lower of: <ul style="list-style-type: none"> ○ Actual rents from lease agreement(s) ○ Estimated market rents • Reduce qualifying rents by any management fee reflected on the appraisal report • Utilize 75% of market rents for vacant units
Short Term Rental Income	
Qualifying Income	<ul style="list-style-type: none"> • Not eligible
ASSETS	
Gift Funds	<ul style="list-style-type: none"> • Not eligible
Gift of Equity	<ul style="list-style-type: none"> • Not eligible
Reserves	<ul style="list-style-type: none"> • LAMT ≤ \$1.5mm: Six (6) months • LAMT > \$1.5mm: Nine (9) months <p>Cash out may NOT be used for reserves. If multiple categories fit, only the highest applicable reserve category applies. Reserves based on PITIA (or ITIA for loans with an interest-only feature).</p>
MISCELLANEOUS	
Eligible States	<ul style="list-style-type: none"> • See Licensing Map Here
Escrow/Impound Waiver	<ul style="list-style-type: none"> • Not eligible



Interest Only	<ul style="list-style-type: none"> • Eligible
Lien Position	<ul style="list-style-type: none"> • First
Minimum Loan Amount	<ul style="list-style-type: none"> • \$500,000
Power of Attorney	<ul style="list-style-type: none"> • Not permitted
Products Available	<ul style="list-style-type: none"> • 30-Year Fixed • 30-Year Fixed – Interest Only (120 months IO)
Seller Concessions	<ul style="list-style-type: none"> • Max 6%
Subordinate Financing	<ul style="list-style-type: none"> • Not permitted
Vesting	<p>Ownership must be fee simple.</p> <p>Acceptable Forms of Vesting</p> <ul style="list-style-type: none"> • Individuals • Joint Tenants • Tenants in Common • Limited Liability Companies (LLCs), Partnerships, Corporations, and S Corporations