



Prime DSCR (PDV) <i>Debt Service Coverage Ratio / No Ratio</i>							
Program Matrix							
Min FICO	Max Loan Amount	Max LTV/CLTV/HCLTV					
		≥ 1.00			DSCR < 1		
		Purchase	Rate&Term	Cash-Out	Purchase	Rate&Term	Cash-Out
740	1,000,000	80	80	75	75	70	70
	1,500,000	80	75	75	75	70	70
	2,000,000	75	75	70	75*	70*	65
	2,500,000	70	70	65	65	N/A	N/A
	3,000,000	70	70	65	60		
	3,500,000	70	65	N/A	N/A		
720	1,000,000	80	80	75	75	70	70
	1,500,000	80	75	75	75	70	70
	2,000,000	75	75	70	70	65	65
	2,500,000	70	70	65	65	N/A	N/A
	3,000,000	70	70	65	60		
	3,500,000	70	65	N/A	N/A		
700	1,500,000	80	75	75	75	70	70
	2,000,000	75	70	70	70	65	65
	2,500,000	70	70	65	65	N/A	N/A
	3,000,000	70	70	65	60		
	3,500,000	70	65	N/A	N/A		
680	1,500,000	75	75	70	70	65	N/A
	2,000,000	70	70	65	65	60	
	2,500,000	70	70	65	60	N/A	
	3,000,000	65	N/A	N/A	60		
660	1,000,000	75	75	70	65	N/A	N/A
	1,500,000	75	70	70	N/A		
	2,500,000	70	65	65			
	3,000,000	65	N/A	N/A			
640	1,000,000	75	70	N/A	N/A	N/A	N/A
	1,500,000	65	65				
	2,000,000	65	55				
	3,000,000	60	N/A				
*5% reduction to Max LTV/CLTV/HCLTV for No Ratio/DSCR < 0.75							
Condo/2-4 Units/Rural Max LTV/CLTV: Purchase 75% & Refinance 70%							
Mortgage Payment History 0x60x12 Max LTV/CLTV Purchase 75% & Refinances 65%							
Credit Event Seasoning 24-36 Month Max LTV/CLTV/HCLTV: Purchase 75% & Refinance 70%							
Declining Markets Max LTV/CLTV/HCLTV: Purchase 75% & Refinance 70% (Max Loan Amount \$2,000,000)							
Short-Term Rental Max LTV/CLTV/HCLTV: Purchase 75% & Refinances 70%							
Long-Term Rental - Vacant Refinance Max LTV/CLTV/HCLTV: 70%							
Non-Permanent Resident Alien Max LTV/CLTV/HCLTV: 75%							
First Time Homebuyers (FTHB) eligible with exception							



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Long-Term Rental Documentation and DSCR Calculation

Purchase Transactions	<ul style="list-style-type: none"> ◆ Monthly gross rent is based on 1007/1025 for unleased properties ◆ If the subject property is currently tenant occupied: <ul style="list-style-type: none"> - 1007/1025 may be used if higher than the lease agreement. - If lease agreement is higher than market rent, up to 120% of the estimated market rent from the 1007/1025 may be used with evidence of a rent deposit. ◆ A vacant or unleased property is allowed without LTV restriction. □
Refinance Transactions	<ul style="list-style-type: none"> ◆ Required documentation: <ul style="list-style-type: none"> - FNMA Form 1007 or 1025 reflecting long-term market rents - Executed lease agreement - Leases that have converted to month-to-month are allowed. - If lease agreement is not provided, LTV/CLTV/HCLTV is limited to lesser of 70%, or per DSCR/FICO/Loan balance matrix. ◆ Monthly gross rent is determined by the lower of a lease agreement or 1007/1025. <ul style="list-style-type: none"> - If lease agreement is higher than market rent, up to 120% of the estimated market rent from the 1007/1025 may be used with evidence of a rent deposit. ◆ A vacant property as indicated on the appraisal is allowed
DSCR Calculation	<ul style="list-style-type: none"> ◆ Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property.

Short-Term Rental Documentation and DSCR Calculation

Definition & Example	<ul style="list-style-type: none"> ◆ Short-term rentals are properties which are leased on a nightly, weekly, monthly, or seasonal basis. ◆ e.g., Airbnb, VRBO, FlipKey
Purchase & Refinance	<ul style="list-style-type: none"> ◆ LTV/CLTV is lesser of <ul style="list-style-type: none"> - 75% for a purchase and 70% for a refinance, or - the LTV/CLTV/HCLTV based upon the DSCR/FICO/Loan balance. (Excludes Condo Hotel)
DSCR Calculation	<ul style="list-style-type: none"> ◆ Gross monthly rent will be determined by taking the average of the most recent 12 months reduced by 20%. The reduction in gross monthly rent is due to the additional costs of maintaining a Short-term rental property.



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General Requirements			
Product Type	<ul style="list-style-type: none"> ◆ 30-Yr Fixed ◆ 5/6 ARM 	Loan Amounts	<ul style="list-style-type: none"> ◆ Min. \$200,000 ◆ Max. \$3,500,000
Occupancy	◆ Investment	ARM Detail	<ul style="list-style-type: none"> ◆ Index: SOFR 30 Day Average ◆ Caps: 2/1/5 ◆ Margin/Floor: 5.000% ◆ Qualifying Rate: Greater of Note Rate or Fully Indexed Rate (rounded to the nearest 0.125)
Loan Purpose	<ul style="list-style-type: none"> ◆ Purchase ◆ Rate/Term ◆ Cash Out 		
Cash-In-Hand	◆ Unlimited		
Acreage	◆ Property up to 5-acres		
Property Type	<ul style="list-style-type: none"> ◆ Single Family / PUD / Condominiums / Rural ◆ 2-4 Units 		
Appraisals	<ul style="list-style-type: none"> ◆ FNMA Form 1004, 1025, 1073 with interior/exterior inspection. ◆ Appraisal review product required unless 2nd appraisal obtained. ◆ 2nd Appraisal required for loans > \$2,000,000. 		
Underwriting Requirements			
Housing History	<ul style="list-style-type: none"> ◆ 1x30x12 ◆ 0x60x12 Max LTV/CLTV/HCLTV - Purchase: 70% & Refinances: 65% 		
Credit Event Seasoning	<ul style="list-style-type: none"> ◆ BK/FC/SS/DIL ≥ 24 Mo ◆ BK/FC/SS/DIL 24-36 Mo Max LTV/CLTV/HCLTV - Purchase: 75% & Refinances: 70% 		
Interested Party Contributions (IPC)	◆ Limited to 6%		
Escrows	<ul style="list-style-type: none"> ◆ HPML ◆ Flood Insurance 		
Prepayment Penalty	<ul style="list-style-type: none"> ◆ Prepayment periods up to 3-Years eligible ◆ 5% fixed on remaining loan balance 		
Investor Experience	◆ Investor experience not required		
Gift Funds	◆ Gift funds covering 100% of down payment, closing costs, and reserves allowed		
Assets	<ul style="list-style-type: none"> ◆ Min of 30-days asset verification required ◆ Sourcing not required ☐ 		
Cash-Out	<ul style="list-style-type: none"> ◆ 6 months title seasoning required for a cash-out, OR ◆ When the seasoning for a cash out is less than 6 months, the following must apply: <ul style="list-style-type: none"> - No other cash-out allowed within 6 months - If purchased within 6 months, appraisal value to be lower of purchase price or appraisal value. 		
Reserves	<ul style="list-style-type: none"> ◆ Loan Amount ≤ \$1M: 2 months PITIA ◆ Loan Amount > \$1M ≤ \$2M: 6 months PITIA ◆ Loan Amount > \$2M: 9 months PITIA ◆ Cash out may be used to satisfy requirement 		
Document Age	<ul style="list-style-type: none"> ◆ Income/Asset/Credit report must be dated within 120 days from closing ◆ Appraisal/prelim report must be dated within 120 days from closing 		
Credit Score	◆ Use representative credit score of the borrower/guarantor with the highest representative score.		
Tradelines	<ul style="list-style-type: none"> ◆ Min 2 reporting 24-months w/activity in last 12- months or ◆ 3 reporting 12-months w/recent activity. ◆ If any one of the borrowers has three (3) credit scores, the minimum tradeline requirement is waived ◆ Authorized accounts allowed 		
Non-Arm's Length	◆ Family sale requires recent 12 month mortgage history from the seller to verify the transaction is not a bailout.		