

# SFR & 1-4 Family Investor Cash Flow DSCR Program Matrix



Leverage Grid				
Effective as of November 01, 2022		Max LTV		
FICO	Loan Amount	Purchase	Term	Cash Out
740+	\$100K+	80%	75%	75%
	\$75K - \$99,999K	75%	75%	70%
	\$55K - \$74,999K*	70%	70%	70%
720	\$100K+	80%	75%	75%
	\$75K - \$99,999K	75%	75%	70%
	\$55K - \$74,999K*	70%	70%	70%
700	\$100K+	80%	75%	75%
	\$75K - \$99,999K	75%	75%	70%
	\$55K - \$74,999K*	70%	70%	70%
680	\$100K +	NA	NA	NA
	\$75K - \$99,999K (Max)	75%	70%	70%
	\$55K - \$74,999K*	70%	70%	70%

  

Rental Income	
Debt Service Coverage Ratio (DSCR)	
DSCR is calculated as the Property Income divided by the Qualifying Payment - (DSCR = Gross Rent / PITIA)	
Gross Income: Lower of Lease Rent or Market Rent (Lease Rent can be used if higher with 3 months proof of receipt)	
Minimum DSCR requirement = 1.25%	
Occupancy/Lease	
Properties must be stabilized (not vacant) with an active or pending lease in place; Lease term must be minimum 12 month duration	
<ul style="list-style-type: none"> <li>For 1-3 units, the property must be 100% occupied/leased</li> <li>For 4 units, the property must be 75% occupied/leased</li> <li>Vacation Rentals exempt from this guideline</li> </ul>	

General Guidelines	
Loan Terms	
<b>Loan Purpose:</b> Business Purpose / Investment <b>Lien Type:</b> First Lien mortgage <b>Interest Rate:</b> Fixed Rate *Can be bought down on case-by-case basis <b>Term:</b> 360 months (30 year) <b>Loan Size:</b> Minimum \$75,000; Maximum \$10,000,000 *\$55,000 – \$74,999 is temporarily suspended	<b>Prepayment Penalty:</b> If payoff requested within 5 years 5%-4%-3%-2%-1% (respective penalty by year assessed on UPB) <b>Refinance Type:</b> For Rate/Term Refinance, the maximum cash back to the Borrower is \$2,000. <b>Loan-to-Value (LTV):</b> For Refinances, LTV Calculated as Loan Amount divided by Appraised Value. For Purchases, LTV is calculated as Loan Amount divided by the lower of the Sales Price or Appraised Value.
Borrower	
<b>Borrower:</b> U.S. Citizens, Permanent Resident Aliens, Foreign Nationals, Inter-Vivos Revocable Trusts, Legal Entities domiciled in the U.S. (LLCs, LPs, General Partnerships, Corporations) <b>Primary Guarantor:</b> Owns 21% or greater of borrowing entity (or highest % ownership) and identified for credit qualifying purposes <b>All Borrowers/Guarantors must have valid SSN</b> <b>Recourse:</b> For 1-4 Units: Full recourse guarantee by individual(s) which in aggregate own at least 51% of the borrowing entity For > 4 Units: Full recourse guarantee by individual(s) which in aggregate own at least 21% of the borrowing entity <b>Asset Verification:</b> Assets sourced for 60 days <ul style="list-style-type: none"> <li>2 months most recent bank or investment statements or VOD (stocks, bonds, mutual funds or retirement accounts - 75% value)</li> <li>Cash value of a life insurance</li> <li>Net proceeds from sale of residence or other personal assets</li> <li>Trust Account Funds</li> <li>Business Funds if 100% ownership by Borrowers/Guarantors</li> </ul>	<b>Credit Score:</b> Median FICO of 680 or greater <b>Credit History:</b> At least 3 bureaus dated within 90 days of loan closing <ul style="list-style-type: none"> <li>Minimum of 3 tradelines open for at least 24 months</li> <li>At least 2 tradelines with activity in past 12 months</li> <li>Minimum of 12 months of housing pay history                             <ul style="list-style-type: none"> <li>No current mortgage delinquencies in the last 12 months</li> <li>Maximum of 1 late in the last 24 months</li> <li>Maximum of 2 lates in the last 36 months</li> </ul> </li> <li>No foreclosure sales, short sales, deeds in lieu, or bankruptcy discharges or dismissals within most recent 36 months (major derogatory events less than 7 years subject to GLF approval)</li> </ul> <b>Landlord Experience:</b> Borrower or Guarantor must have owned and managed at least 3 investment real estate properties within the most recent 12 months OR engage a professional management company <b>Cash Reserves:</b> 3 months of Principal and Interest
Property	
<b>Location:</b> Ohio <b>Occupancy:</b> Non-Owner Occupied / Investment <b>Title Insurance:</b> Fee simple lender's title policy (within 60 days of loan closing) in an amount greater than or equal to the original principal loan amount; 24 month chain of title <b>Hazard Insurance:</b> Coverage must be in the amount of the lesser of (i) the full insurable value of improvements as established by the property insurer and (ii) the unpaid principal balance of the mortgage (as long as it is 80% of the insurable value of improvements) <b>Escrows/Impounds:</b> Required on all transactions (no waivers) <b>Additional Funds Required to Close:</b> 2 months PITI, 12 months insurance, back due taxes, as applicable	<b>Eligible Property Types:</b> <ul style="list-style-type: none"> <li>Single Family Residences including PUDs</li> <li>2-4 Family Residences</li> <li>Condominiums (Warrantable Only)</li> <li>Townhomes / Row Homes</li> <li>Vacation Rentals</li> </ul> <b>Ineligible Property Types:</b> <ul style="list-style-type: none"> <li>Manufactured/Mobile Homes, Condotels, Timeshares, Coops</li> <li>Unique properties</li> <li>Raw land, working farms or ranches</li> </ul> <b>Appraisal:</b> Current valuation of the property within 120 days of closing; Full Appraisal plus a supplementary appraisal review product to substantiate the original appraised value for all loan amounts ≥ \$75,000; Appraisal and CDA from approved AMC