


			DSCR ≥ 1.00		
FICO	Loan Amount	Reserves	Purchase & R/T	Cash Out	Max Cashout
680	\$1,000,000	6 Months	75%	70%	≥ 50% LTV - \$300,000
	\$1,500,000	12 Months	70%	70%	<50% LTV - %500,000
			DSCR < 1.00		
FICO	Loan Amount	Reserves	Purchase & R/T	Cash Out	Max Cashout
680	\$1,000,000	12 Months	65%	60%	> 50% LTV - \$300,000
	\$1,500,000		65%	N/A	
Foreign Credit	\$1,000,000		65%	60%	≤ 50% LTV - \$500,000
	\$1,500,000		65%	N/A	

Credit	
Mortgage History	0x30x12
FC, DIL, SS, 120+ Days late	36 Monhts
Chapter 7/11/13 BK Seasoning	36 Months
Guideline Quick Reference	
ARM Index & Floor	Index: 30 day SOFR Floor = Note Rate
Qualifying Rate	Note Rate
Qualifying Payment	Full Amortization: PITIA based on note rate; IO: Initial ITIA based on note rate
Assets	Min of 30-days asset verification required; any large deposit must be sourced
Tradelines	US Credit - Min 2x24 or 3x12 No US Credit - 2 Credit Reference Letters
Cashout	Business purpose use ONLY
Impounds	Not Required
Appraisal	No C5 or C6; 2 Appraisals >\$1.5MM; ARR/CDA req or CU risk score >2.5
Min SQ Footage	600 Sq FT
Credit Score	US Credit - Middle score or lower of 2 No US Credit - Treat as 680
Compliance	Points & Fees may not exceed 5%
Citizenship	Venezuelan, Russian and Belarusians are not Eligible
Seller Concessions	Max 2%
Products	
7/6 ARM 10/6 ARM	4.5 2/1/5 N NA 30 Years
7/6 ARM-IO 10/6 ARM- IO	4.5 2/1/5 Y 10 Years 30 Years
30 Year Fixed	NA NA N NA 30 Years
30 Year Fixed- IO	NA NA Y 10 Years 30 Years
40 Year Fixed- IO	NA NA Y 10 Years 40 Years
Eligible States	
AK, AL, AR, AZ, CA, CO, CT, DE, DC, FL, GA, HI, IA, ID, IL*, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NM, NJ, NV, NY, OH, OK, OR, PA*, RI, SC, SD, TN, TX, UT, VA, WA, WI, WV, WY	

Program Parameters	
Minimum Loan Amount	\$150,000
Maximum Loan Amount	\$1,500,000
Maximum Cash Out	See Grid
LTV Restrictions	
ACH Enrollment	Required
Property Restrictions	
Non-Warrantable Condo	Not Allowed
Condotel	65%
2-4 Units and Condo	65%
Modular	65%
Rural Properties	Not Eligible
Additional Restrcitions	
1st Time Investor Min FICO	680 Min Fico
Max Acreage	2
Unleased Property (Refinance only); Does not apply to short term rentals	5% LTV reduction
Max # of Financed Properties	Committee review over 4
Gift Funds allowed with 5% borrower funds	Not Eligible
100% Gift Funds	Not Eligible
NonArms Length Trans.	Not Eligible
DSCR < 1.00	Not Eligible
LLCs	All members must be individuals
Prepayment Penalty	
Standard prepay is 5% of the amount prepaid	C/O proceeds can be used for reserves
Prepay Options: *0, 1, 2, 3, 4 & 5 year prepay options available Not allowed in AK, KS, MI, MN, MS, NM, OH & RI; Must buyout PPP	
State Specific:	
*PA- Loan amounts < \$278,204 cannot have a prepayment penalty	Reserves for IO based ITIA payment
*PA- Loan amounts < \$278,204 must be vested in a Corp, LLC, Partnership or Trust	
*IL - Loan with a rate ≥ 8% must close in the name of an entity	Gift Funds cannot be used for reserves



Home of the
NONI
Non Owner No Recourse

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".

$$\frac{\text{Gross Rents} = \$1500}{\text{ITA} = \$1500} = 1.00 \text{ DSCR}$$

PITIA Example: If your DSCR <1.00 you still have a loan just at a different price.

$$\frac{\text{Gross Rents} = \$1500}{\text{PITIA} = \$2000} = 0.75 \text{ DSCR}$$



EQUAL HOUSING OPPORTUNITY