


the Lender

the **NONI65**

Effective Date
7/19/2022

FICO	Loan Amount	Reserves	Purchase or Rate & Term	Cash-Out
680+	\$2,000,000	None	65%	65%

Products	Margin & Caps	I/O (Y/N)	Final Maturity	Residency		Property Restrictions	Max LTV	
5/6, 7/6 & 10/6 Adjustable Rate (ARM)	4.50	2/1/5	N	30 years	US Citizen, Perm/NonPerm Res. Alien	Condotels Non-Warrantable Condo	Allowed No Restriction	
30 & 40 Year Fixed	NA	NA	N	30/40 years		Warrantable Condo	No Restriction	
Interest Only: 5/6, 7/6 & 10/6 Adj Rate (ARM)	4.50	2/1/5	Y	30 Years	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	Modular Florida Condo	No Restriction No Restriction	
Interest Only: 30 Year Fixed	NA	NA	Y	30 Years		Rural Properties	No Restriction	
Interest Only: 40 Year Fixed	NA	NA	Y	40 Years			Not Allowed	
Guidelines Quick Reference								
ARM Index & Floor	Index: 30 day SOFR Floor = Note Rate			Impounds	Not required			Condotel o Projects that are managed and operated as a hotel or motel. o A project that includes registration services o Investor concentration up to 100%. o Maximum Loan Amount: \$1.5 million o Minimum Loan Balance: \$150,000 o Minimum square footage: 500 o Fully functioning kitchen o Bedroom required Rural property: o A property is classified as rural if: • The appraiser indicates in the neighborhood section of the report a rural location; or • The following two (2) conditions exist: • The property is located on a gravel road and • Two of the three comparable properties are more than 5 miles from the subject property
Qualifying Rate	Note Rate			Appraisal	• No C5 or C6 • 2 appraisals >\$1.5MM • ARR/CDA req or CU risk score > 2.5			
Qualifying Payment	Full Amortization: PITIA based on note rate IO: Initial ITIA based on note rate			Min Sq. footage	600 sq feet			
Assets	Sourced or seasoned 60 days (2 mos most recent bank statements req.)			Credit Score	• 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			
Credit	Mortgage only credit report with FICO required. * FTHB - 2 open and active trade lines seasoned for 24 months are required			Compliance	• Points & Fees may not exceed 5%			
Cash Out	Business purpose use ONLY			Hard Prepay Only	• 0, 1, 2, 3, 4 & 5 year prepays available • Not allowed in AK, KS, MI, MN, MS, NM, OH & RI; Must buyout PPP			
Prepayment Penalty	* 5% of the amount prepaid							
State Specific	*PA- Loan amounts ≥ \$278,205 can be vested as an Entity or as an Individual *PA- Loan amounts < \$278,205 must be vested in a Corp, LLC, Partnership or Trust & PrePay not allowed, must be bought out							
	<h3>What is a DSCR Loan? How do you qualify?</h3> <p>DSCR stands for Debt-Service-Coverage-Ratio. This means your loan is qualified based on the cash flow/ market rents of the 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)</p> <p>Interest Only Example: If your DSCR ≥ 1.00 you've got a "NONI". Full Amortization Example: If your DSCR < 1.00 you still have a loan just at a different price.</p> $\frac{\text{Gross Rents} = \$1500}{\text{ITIA} = \$1500} = 1.00 \text{ DSCR}$ $\frac{\text{Gross Rents} = \$1500}{\text{PITIA} = \$2000} = 0.75 \text{ DSCR}$							
					Additional Restrictions Maximum Cash-Out: \$1,000,000			
					Assisted Living/Nursing Homes: Allowed: home must be residential in nature and have little to no alterations			
					1st Time Investor: No Restrictions Max Acreage: 2			
					Unleased Property (Refinance only): No Restrictions STR Experience: Not Required			
					Max # of HEM Financed Properties: Committee review over 4 Gift Funds: No Restrictions 100% Gift Funds: Allowed NonArms Length Trans.: Not Eligible			
					Minimum Loan Amount: \$150,000 Minimum DSCR: No Minimum ACH: Required			
					First Time Home Buyers: 12 mo housing history Living Rent Free - Not Allowed Occupancy must make sense			
					LLCs: All members must be individuals Cash-Out Seasoning: 6 Months - 12 to use appraised value			
					Credit Maximum Housing Lates: 0x60x12 Credit Event seasoning restrictions: 24 months BK, Foreclosure, Deed in Lieu, Short Sale, 120 day mortgage lates: < 36 months - \$1.5M Max Loan Amount			