

DSCR ≥ 1.25				
FICO		Purchase	R/T	Cash-Out
740	\$1.0M	85%	80%	80%
	\$1.5M	80%	80%	75%
	\$2.0M	75%	75%	70%
	\$3.5M	75%	70%	70%
700	\$1.0M	80%	80%	75%
	\$1.5M	75%	75%	75%
	\$2.0M	70%	70%	70%
	\$3.5M	70%	70%	70%
660	\$1.0M	75%	70%	70%
	\$1.5M	75%	70%	70%
	\$2.0M	70%	65%	65%
	\$3.5M	65%	N/A	N/A

Property Eligibility		Program Parameters	
Eligible Properties	SFR, Modular, 2-4 Unit, Condo	Minimum Loan Amount	\$100,000
Declining Markets	5% LTV Reduction	Maximum Loan Amount	\$3,500,000
Condotel	Not Eligible	Cash-Out	LTV > 60% Max \$500k LTV ≤ 60% Unlimited
Maximum Acreage	20 Acres Max	Reserves	<ul style="list-style-type: none"> Loan amounts ≤ \$1M - 3 mos Loan amounts > \$1M - 9 mos
Rural	Eligible	ACH Enrollment required	Optional
Minimum SQFT	SFR - 700 sq ft Condo - 500 sq ft	Unleased Property	No restrictions
Borrower Eligibility		State/County Restrictions	
First-Time Investor	Not Allowed	100% Gift Funds	No restriction
First-Time Homebuyers	Not Allowed	DSCR	1.25 minimum
Foreign Nationals	Not Eligible	Credit Events	36 months seasoning required 1x30x12 mortgage lates
Citizenship	US Citizen, Permanent Resident Alien and Non-Permanent Resident Alien	Appraisal Reviews	CDA for loan amts < \$2M 2 appraisals for loan amts ≥ \$2M
Quick Reference Guidelines		Subordinate Financing	Not Allowed
Qualifying Rate	Note Rate	Max # of HEM Financed Properties	Committee review over 4
Qualifying Payment	Full Amortization: PITIA based on note rate; IO: Initial ITIA based on note rate	Non Arm's Length Transactions	Not Eligible
Seller Concessions	6%	Vesting in LLC's	All Members must be individuals
Assets	1 Mo's recent Statements Req	Compliance	Points & Fees may not exceed 5%
Interest Only	80% Max LTV	Eligible States	
Impounds	Required > 80% for all 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, VT, WA, WI, WV, WY	
Prepayment Penalty			
Available Prepayment Penalties: Fixed Percentage: <ul style="list-style-type: none"> Prepay is 5% of the amount prepaid *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 		Declining Balance: <ul style="list-style-type: none"> 5 year: 5%, 4%, 3%, 2%, 1% 4 year: 5%, 4%, 3%, 2% 3 year: 5%, 4%, 3% 2 year: 5%, 4% 	
State Specific: <ul style="list-style-type: none"> *PA- Loan amounts < \$301,022 cannot have a prepayment penalty *IL - Loan with a rate ≥ 8% must close in the name of an entity IL & NJ - Prepayment penalty not allowed if vesting as an individual 			