

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		
Short Term Rentals	No restriction	State/County Restrictions	States: <ul style="list-style-type: none"> • AZ, CT, ID, IL, NJ, NY & OR Cities/Counties: <ul style="list-style-type: none"> • Austin-Round Rock TX, San Francisco/San Jose CA, Sevierville TN, Herber City UT Restriction <ul style="list-style-type: none"> • FICO < 700 <ul style="list-style-type: none"> ○ Purchase 80% Max LTV ○ Refinance 75% Max LTV 		
Borrower Eligibility					
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	< \$ 2M – CDA required if SSR < 2.5 ➤ \$2M - 2 appraisals required		
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	Layered LLCs allowed		
Assets	1 Mo's recent Statements Req	Compliance	Points & Fees may not exceed 5%		
Interest Only	Purchase - 80% Max LTV Refinances - 75% Max LTV Minimum FICO - 680	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 < \$312,159 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 		