

DSCR ≥ 1.00					
FICO	Loan Amount	Purchase	R/T	Cash-Out	Reserves
680	\$1,000,000	75%	65%	65%	6 - Months
	\$1,500,000	70%	60%	60%	

DSCR < 1.00				
Loan Amount	Purchase	R/T	Cash-Out	Reserves
\$1,000,000	70%	60%	60%	6 - Months
\$1,500,000	65%	N/A	N/A	

Reserves
C/O proceeds can be used Reserves for I/O based of ITIA Payment Gift Funds cannot be used for reserves

Credit		Program Parameters	
Mortgage History	0x30x12	Minimum Loan Amount	\$100,000
FC, DIL, SS, 120+ Days late	36 Months	Maximum Loan Amount	\$1,500,000
Chapter 7/11/13 BK Seasoning	36 Months	Maximum Cash-Out	≥ 50% LTV max \$300,000; < 50% LTV max \$500,000
Borrower Eligibility		LTV Restrictions	
1 st Time Investor	Allowed	ACH Enrollment	Required, account must be domestic
1 st Time Homebuyer	Allowed	Non-Warrantable Condo	Allowed
Citizenship	Russia, Venezuela, and Belarus are not Eligible	Condotel	70% Purchase 65% Refinance
Credit Score	US Credit - Middle score or lower of 2, No US Credit - Treat as 680	*STR	20% expense factor to be applied to Gross Rental Income
Tradeline Requirement	None	Assisted Living / Nursing Home	Not Allowed
Florida Affidavit	Florida Purchases: Loans secured by property located in the state of Florida made to foreign principals, persons, and entities are to include one of the following Affidavits published by the Florida Land Title Association: <ul style="list-style-type: none"> Conveyances to Foreign Entities – By Individual Buyer Conveyances to Foreign Entities – By Entity Buyer 	Florida Condo	A structural inspection is required for projects: <ul style="list-style-type: none"> greater than 5 stories; and over 30 years old (or 25 years if within 3 miles of the coast) Projects with an unacceptable or no inspection are ineligible
Quick Reference Guidelines		Modular	65%
Qualifying Rate	Note Rate	Rural Properties	Eligible
Qualifying Payment	Full Amortization: PITIA based on note rate; IO: Initial ITIA based on note rate	Unleased Property (Refinance only); Does not apply to short term rentals	No Reduction
Arm Index & Floor	Index: 30 Day SOFR : Floor = Note Rate	Gift Funds	Allowed with 5% borrower contribution
Cash-Out	Allowed	Additional Restrictions	
Impounds	Not Required	Max # of Financed Properties	Over 4 loans or aggregate loan amounts extended by HEM ≥ \$4M require committee approval
Compliance	Points & Fees may not exceed 5%	Non Arm's Length Transactions	Not Eligible
Seller Concessions	6% - LTV ≤ 70% 4% - LTV > 70% New Construction – 6% ≥ 75% LTV. 9% < 75% LTV	Vesting in LLC's	Entity must be domestic

Appraisal	No C5 or C6; 2 Appraisals >\$2.0MM; ARR/CDA req if CU risk score ≤ 2.5 or no score		DSCR < 0.75	Check Rate sheet for pricing
Minimum SQFT	SFR - 700 ft / Condo – 500 ft		Eligible States	
Max Acreage	2		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	
Prepayment Penalty				
Available Prepayment Penalties: Fixed Percentage:		Declining Balance:		State Specific:
<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 		<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% 		<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
Product Type	Fixed Rate Terms: 15, 30, 40-years; 5/6 ARM, 7/6 ARM, 10/6 ARM (40-year term ARMs available when combined with interest only feature)			
Loan Purpose	Purchase, Rate/Term, and Cash Out			
Occupancy	Investment			
Eligibility Restrictions	Citizens and individuals from OFAC sanctioned countries including Venezuela, Russia and Belarus are not eligible			
Property Type	Single Family, Attached, Detached: No restrictions Rural: Not eligible	2-4 Units, Condominium: Max LTV/CLTV 70% Pur, 65% Refi		Condo Hotel Max LTV: Purchase – 70% Refinance – R/T & Cash-out – 65% Occupancy Type: Investment
Appraisal	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. CDA required unless 2nd appraisal obtained			
Income Requirements				
Income – DSCR	Use lower of Estimated market rent from 1007 or lease if provided.			
Credit Score	<ul style="list-style-type: none"> If score available, use the highest decision score amongst all borrowers Middle of 3 scores or lower of 2, if available 	Assets		Min of 30-days asset verification required
Reserves	<ul style="list-style-type: none"> 6-months of PITIA Cash out may be used to satisfy requirement 	Document age		90 Days
State Restrictions	<ul style="list-style-type: none"> See eligible states 	Residency/Visa		<ul style="list-style-type: none"> Passport Only required