



Funnel Cake

DSCR

5/23/2024

Eligibility Matrix		DSCR ≥ 1.00		DSCR < 1.00	
Loan Amount	FICO	Purch. & R/T	Cash Out	Purchase	R/T & Cash Out
≤ \$1,500,000	740	80%	75%	65%	N/A
	700	80%	75%	65%	N/A
	680	75%	70%	N/A	N/A
	660	70%	60%	N/A	N/A
	Foreign National	70%	60%	N/A	N/A
≤ \$2,000,000	700	75%	70%	60%	N/A
	680	70%	65%	N/A	N/A
≤ \$2,500,000	700	70%	65%	N/A	N/A
	680	65%	60%	N/A	N/A
Minimum DSCR		1.00X		0.75X	
Mortgage History		0X30X12			
FC/SS/DIL Seasoning		36 Months			
Chapter 7/11/13 Seasoning		36 Months			
Program Requirements					
Minimum Loan Amount	\$100,000	Maximum Loan Amount	\$2,500,000		
Minimum Loan Amount (DSCR < 1.00X)	\$250,000	Maximum Cash Out	\$500,000		
Foreign National Maximum Loan Amount	\$1,500,000				
General Information					
Occupancy	Investment Properties Only				
Property Types	SFR, PUD, Townhome, 2-4 Units, Condos; Rural: Max 75% LTV Purchase & R/T, Max 70% LTV Cash Out Non-Warrantable Condos: Max LTV 75%				
Reserves	Standard: 3 Months PITI (Loan Amount ≤ \$1mm) 6 Months PITI (Loan Amount > \$1mm) DSCR < 1.00x - 6 Months PITI Foreign Nationals - 6 Months PITI				
Cash Out	Max Cash-Out = \$500,000; Cash-Out Proceeds may be used for reserve requirements				
Subordinate Financing	Not Allowed				
DSCR	DSCR = Gross Rents/PITIA (Fully amortized) or Gross Rents/ITIA (Interest only loans)				
DSCR < 1.00	Purchase Only. Minimum DSCR 0.75x				
Declining Markets	If property is located in a declining market as indicated by the appraisal, Max LTV is reduced by 5%				
Lease/Gross Income	Lesser of Estimated Market Rent from Form 1007 or monthly rent from existing lease - higher lease rent allowed with (3) months receipt Unleased Properties: Max LTV 70% on Refinances; no LTV reduction for Purchase transactions				
Citizenship	US Citizens; Permanent Resident Aliens; Non-Permanent Resident Aliens (w/ US Credit) Foreign Nationals: Min DSCR Foreign National = 1.00x				
Appraisal Review Product	One (1) full appraisal and a CDA is required on all properties; If CDA variance is > 10%, a second full appraisal is required; Properties with a condition rating of C5 or C6 are not acceptable				
Eligible Borrowers	Standard: Defined as borrowers with 12-month history of investment property ownership in the most recent 12 months First-Time Investors Allowed - Max 75% LTV, defined as borrowers without 12-month history of investment property ownership in the most recent 12 months. First-Time Home buyers not allowed.				
Assets	Sourced or seasoned for 60 days; Foreign Nationals: Assets must be in a U.S. FDIC insured bank for minimum of 30 days				



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DSCR (cont.)

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Credit	<p><u>Standard</u>: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months</p> <p>Acceptable tradelines must show OX60 in most recent 12 months from application date</p> <p>Qualifying FICO: The lowest middle score when 3 agency scores are provided or the lower score when only 2 agency scores are provided of all borrowers</p>							
Compliance	Compliance with all applicable federal and state regulations							
Prepayment Penalty	<p>Investment Only; Unless noted below, standard prepay is (6) months interest on the amount prepaid. Standard term = 3 years.</p> <p>State Overlays: IL(APR ≤ 8%); MI(1% of amount prepaid); OH(1% of original loan amount, loan amounts ≥ \$107,633); PA(loan amounts > \$301,022); MD(2 Mos advance interest on the aggregate amount of all prepayments made in any 12 months period in excess of 1/3 of the original principal amount). Not allowed: AK, IA, KS, MN, MS, NJ, NM, RI & VT.</p>							
Seller Concessions	Up to 3% towards closing							
Ineligible States	HI - lava zones 1 & 2							
Interest Only	Max LTV 75%; Min DSCR 1.00X							
Interest Only Feature	IO Period	Amort	Maturity	Products	5/6 ARM	5/6 ARM-IO	30 Yrs Fixed	30 Yrs Fixed-IO
	10 Years	20 Years	30 Years					