

Single Investment Property 5 – 8 Unit Residential						
Loan Amount	DSCR				Products	15-Yr Fixed, 30-Yr Fixed, 5/6 ARM, 7/6 ARM Maximum loan term cannot exceed 30-years
	FICO to Max LTV/CLTV					
	FICO	Purchase	Rate/Term	Cash-Out	Product Type	Residential 5-8 Units
\$1,500,000	720	75%	75%	65%	Interest Only	Eligible, qualify with IO payment based on 10yr IO term
	700	75%	75%	65%		
	680	70%	65%	60%	Loan Purpose	Purchase, Rate/Term and Cash-Out
\$2,000,000	720	70%	70%	65%	Occupancy	Investment
	700	70%	65%	65%	Loan Amounts	• Min: \$250,000 • Max: \$2,000,000
	680	65%	65%	60%	State Restrictions	See State Licensing Map on website
DSCR					Cash In Hand	\$1.0MM max, 65% max LTV
• Minimum DSCR ≥ 1.00 • DSCR = Eligible monthly rents/PITIA (loans with an interest only feature may use the ITIA payment) • Reduce qualifying rents by any management fee reflected on the appraisal report						
General Requirements				Property Requirements		
Investor Experience	Experienced Investor: Must have at least ONE of the following: 1) Owned 2 or more properties greater than most recent 12 months 2) Owned 1 investment property for greater than 24 months 3) Ownership in commercial RE within last 12 months First Time Investor/Inexperience Investor Ineligible			Appraisals	• Appraisals to be dated no more than 120 days prior to Note date • New appraisal required if dated more than 120 days prior to Note date • Full interior inspection of all units with photos required • Acceptable appraisal forms: - FHLMC 71A • Transferred appraisals not allowed	
Borrowers	• U.S Citizens, Permanent Resident Aliens, Non-Permanent Resident Aliens • Foreign Nationals, ITIN, DACA are not allowed				• Attachments required for appraisal reports: - Rent Roll - Income and Expense Statement - Photos of subject including exterior/interior and street scene - Aerial photo - Sketch or floor plan of typical units - Area map - Plot plan or survey - Appraiser qualifications	
Housing History	0 x 30 x 24					
Credit Event	BK/FC/SS/DIL/Mod: ≥ 36 Mos seasoning					
Interested Party Contributions (IPC)	May not exceed 3%					
Prepayment Penalty	Refer to PPP Matrix for state specific details					
Income Requirements				Review Product	Commercial Sales and Income BPO (exterior) is required on all properties • Appraised value used when BPO is greater than or no more than 10% below appraised value • BPO value used when BPO is more than 10% below appraised value	
Income	• Leased - Use lower of estimated market rent or lease agreement • Reduce qualifying rents by any management fee reflected on the appraisal report • Use 75% of market rents for vacant unit, no more than 2 vacant units allowed • STR income ineligible, considered a vacant unit and no income used			Property Restrictions	• Properties > 2 acres not allowed • Rural properties and Leaseholds ineligible (Contact AE for complete list of ineligible property types and transactions)	
Leased Units	• Existing leases with ≥ 6 mos initial term to be provided • Month-to-month leases allowed w/prior lease of ≥ 6 months & most recent 2 mos receipt • Individual room leases, Single Room Occupancy (SRO) or boarder leases ineligible • Commercial use of the unit is not allowed • STR income not permitted, considered a vacant unit and no income used			Property Condition	• No fair or poor ratings • No environmental issues (storage or use of hazardous material e.g., Dry Cleaners, Laundromat) • No health or safety issues (e.g., broken windows, stairs) • No excessive deferred maintenance that could become a health or safety issue for tenants • No structural deferred maintenance, (e.g., foundation, roof, electrical, plumbing)	
Unleased Units	Maximum 2 vacancies					
Seasoning Requirements						
Rate/Term Refinance			Cash-Out Refinance			
• Acquired ≤ 6 months - Lesser of the current appraisal value or purchase price plus documented improvements (if any) is used • Acquired > 6 months - Appraised value is used			• Acquired > 6 months & < 12 months - Lesser of the current appraisal value or purchase price plus documented improvements (if any) is used • Acquired > 12 months - Appraised value used			
Underwriting Requirements						
Reserves		Tradelines				
• 6 months • > \$1.5MM loan amount: 9 months • Cash out may not be used to satisfy requirement		• At least three (3) tradelines reporting for a minimum of 12- months with activity in the last 12-months, or • At least two (2) tradelines reporting for a minimum of 24-months with activity in the last 12-months, or • At least 1 revolving tradeline reporting for 60 months with activity in the last 12 months and a verified 12-month housing history 0x30; or • At least 1 installment tradeline reporting for 36 months with activity in the last 12 months and a verified 12-month housing history 0x30 • Limited tradeline option is not allowed				
Credit Score	Document Age	Assets	Escrows			
• Lowest decision score • When vesting in an entity, decision score of the member with the highest percentage of ownership used	90 days	• Min of 30 days asset verification required • Gift funds ineligible	Escrows for insurance and taxes required			