



Correspondent Non-Del LoanStream DSCR 5-8 Unit Matrix

LSCorrespondent.com							Effective Date: 7.08.25 Revised Date: 7.08.25	
5 – 8 Unit Residential Single Investment Property								
Loan Amount	DSCR				Loan Programs	<ul style="list-style-type: none">• 15-Year Fixed (180 Months)• 30-Year Fixed (360 Months)• 30-Year Fixed IO (120 mos IO + 240 mos Amort) Maximum loan term cannot exceed 30 years		
	FICO to Max LTV/CLTV							
	FICO	Purchase	Rate/Term	Cash-Out				
\$1,500,000	720	75%	75%	65%	Product Type	Residential 5-8 Units		
	700	75%	75%	65%	Interest Only	Eligible, qualify with IO payment based on 10yr IO term		
	680	70%	65%	60%				
\$2,000,000	720	70%	70%	65%	Loan Purpose	Purchase, Rate/Term and Cash-Out		
	700	70%	65%	65%	Occupancy	Investment		
	680	65%	65%	60%	Loan Amounts	• Min: \$250,000 • Max: \$2,000,000		
DSCR					Geographic Restrictions	<ul style="list-style-type: none">• See State Licensing Map on website• Subject properties located in Essex County, NJ and Baltimore City, MD are ineligible (Subject properties in Baltimore County, MD remain eligible)		
<ul style="list-style-type: none">• 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								
Cash In Hand					\$1.0MM max, 65% max LTV			
General Requirements					Property Requirements			
Investor Experience	Experienced Investor: Borrower(s) with history of owning & managing non-owner occupied income-producing investment real estate for at least 1 year within the last 3 years First Time Investor/Inexperience Investor Ineligible				Appraisals	<ul style="list-style-type: none">• 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:<ul style="list-style-type: none">◦ FHLMC 71A • Transferred appraisals not allowed • Attachments required for appraisal reports:<ul style="list-style-type: none">◦ 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		
Borrowers	<ul style="list-style-type: none">• U.S Citizens, Permanent Resident Aliens, Non-Permanent Resident Aliens• Foreign Nationals, ITIN, DACA are not allowed							
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 <ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Leased - Use lower of estimated market rent or lease agreement• Reduce qualifying rents by any management fee reflected on the appraisal report. Purchases only - 8% fixed expense factor applied if management fee is not listed.• 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	<ul style="list-style-type: none">• Properties > 2 acres not allowed• Rural properties and Leaseholds ineligible (Contact AE for complete list of ineligible property types and transactions)		
Leased Units	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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			
<ul style="list-style-type: none">• 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					<ul style="list-style-type: none">• 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		Standard Tradeline Requirements						
<ul style="list-style-type: none">• 6 months• > \$1.5MM loan amount: 9 months• Cash out may not be used to satisfy requirement		<ul style="list-style-type: none">• 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• If each borrower has 3 credit scores, the minimum tradeline requirement is met. Any borrower with less than 3 credit scores must independently meet the minimum tradeline requirement. When closing in an entity, if the member with highest percentage of ownership has 3 credit scores, the minimum tradeline requirement is met. If all members have equal ownership shares each borrower evaluated individually.• Limited tradeline option is not allowedNOTE: Borrower's credit scores primarily based on thin credit—such as authorized user accounts, self-reported accounts, or recently opened accounts with limited activity—must still meet one of the standard tradeline requirements						
Credit Score		Document Age		Assets		Escrows		
<ul style="list-style-type: none">• Lowest decision score• When vesting in an entity, decision score of the member with the highest percentage of ownership used		90 days		<ul style="list-style-type: none">• Min of 30 days asset verification required• Gift funds ineligible		Escrows for insurance and taxes required		