


the Lender

the **NONI65**

Effective Date
8/29/2022

FICO	Loan Amount	Reserves	Purchase or Rate & Term	Cash-Out
680+	\$2,000,000	None	65%	65%

Products	Margin & Caps	I/O (Y/N)	Final Maturity	Residency		Property Restrictions	Max LTV
5/6, 7/6 & 10/6 Adjustable Rate (ARM)	4.50	2/1/5	N	30 years	US Citizen, Perm/NonPerm Res. Alien	Condotels Non-Warrantable Condo	Allowed No Restriction
30 & 40 Year Fixed	NA	NA	N	30/40 years		Warrantable Condo	No Restriction
Interest Only: 5/6, 7/6 & 10/6 Adj Rate (ARM)	4.50	2/1/5	Y	30 Years	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	Modular Florida Condo	No Restriction No Restriction
Interest Only: 30 Year Fixed	NA	NA	Y	30 Years		Rural Properties	No Restriction
Interest Only: 40 Year Fixed	NA	NA	Y	40 Years			Not Allowed
Guidelines Quick Reference							
ARM Index & Floor	Index: 30 day SOFR Floor = Note Rate			Impounds	Not required		
Qualifying Rate	Note Rate			Appraisal	• No C5 or C6 • 2 appraisals >\$1.5MM		
Qualifying Payment	Full Amortization: PITIA based on note rate IO: Initial ITIA based on note rate				• ARR/CDA req or CU risk score > 2.5		
Assets	Sourced or seasoned 60 days (2 mos most recent bank statements req.)			Min Sq. footage	600 sq feet		
Credit	Mortgage only credit report with FICO required. * FTHB - 2 open and active trade lines seasoned for 24 months are required				Credit Score	• Must have 1 valid score; Take the Mid score when all 3 agency scores provided; lower of 2 if only 2; Lowest of all borrowers Representative score	
Cash Out	Business purpose use ONLY			Compliance		• Points & Fees may not exceed 5%	
Prepayment Penalty	* 5% of the amount prepaid			Hard Prepay Only	• 0, 1, 2, 3, 4 & 5 year prepays available * Not allowed in AK, KS, MI, MN, MS, NM, OH & RI; Must buyout PPP		
State Specific	<p>*PA- Loan amounts ≥ \$278,205 can be vested as an Entity or as an Individual *PA- Loan amounts < \$278,205 must be vested in a Corp, LLC, Partnership or Trust & PrePay not allowed, must be bought out</p>						
	<h3>What is a DSCR Loan? How do you qualify?</h3>						
	<p>DSCR stands for Debt-Service-Coverage-Ratio. This means your loan is qualified based on the cash flow/ market rents of the property. How do I qualify? Take your gross rents based off the lesser of market rents or lease agreement / by the PITIA (Full Am) or ITIA (Interest Only)</p>						
	<p>Interest Only Example: If your DSCR ≥ 1.00 you've got a "NONI".</p>			<p>Full Amortization Example: If your DSCR < 1.00 you still have a loan just at a different price.</p>			
	$\frac{\text{Gross Rents} = \$1500}{\text{ITIA} = \$1500} = 1.00 \text{ DSCR}$			$\frac{\text{Gross Rents} = \$1500}{\text{PITIA} = \$2000} = 0.75 \text{ DSCR}$			
	<p>Maximum Housing Lates: 0x60x12</p>						
	<p>Credit Event seasoning restrictions: 24 months</p>						
	<p>BK, Foreclosure, Deed in Lieu, Short Sale, 120 day mortgage lates: < 36 months - \$1.5M Max Loan Amount</p>						
	<p>Maximum Cash-Out: \$1,000,000</p>						
	<p>Assisted Living/Nursing Homes: Allowed: home must be residential in nature and have little to no alterations</p>						
	<p>1st Time Investor: No Restrictions</p>						
<p>Max Acreage: 2</p>							
<p>Unleased Property (Refinance only): No Restrictions</p>							
<p>STR Experience: Not Required</p>							
<p>Max # of HEM Financed Properties: Committee review over 4</p>							
<p>Gift Funds: No Restrictions</p>							
<p>100% Gift Funds: Allowed</p>							
<p>NonArms Length Trans.: Not Eligible</p>							
<p>Minimum Loan Amount: \$150,000</p>							
<p>Minimum DSCR: No Minimum</p>							
<p>ACH: Required</p>							
<p>First Time Home Buyers: Not Eligible</p>							
<p>LLCs: All members must be individuals</p>							
<p>Cash-Out Seasoning: 6 Months - 12 to use appraised value</p>							
Credit							
<p>Maximum Housing Lates: 0x60x12</p>							
<p>Credit Event seasoning restrictions: 24 months</p>							
<p>BK, Foreclosure, Deed in Lieu, Short Sale, 120 day mortgage lates: < 36 months - \$1.5M Max Loan Amount</p>							