



WIN DSCR

Single Investment Property

Maximum LTV/CLTV

DSCR >= 1.00

Minimum FICO	Max Loan Amount	Purchase	Rate / Term	Cash Out
700	\$1,000,000	80	75	75
	\$1,500,000	80	75	75
	\$2,000,000	75	70	70
	\$3,000,000	70	65	65
	\$3,500,000	70	65	NA
660	\$1,000,000	75	75	70
	\$1,500,000	75	70	70
	\$2,000,000	70	65	65
	\$2,500,000	70	65	65
	\$3,000,000	65	NA	NA
640	\$1,000,000	75	70	NA
	\$1,500,000	65	65	NA
	\$2,000,000	65	NA	NA
	\$3,000,000	60	NA	NA

Maximum LTV/CLTV

DSCR < 1.00

700	\$1,000,000	75	70	70
	\$1,500,000	75	70	70
	\$2,000,000	70	65	65
	\$2,500,000	65	NA	NA
	\$3,000,000	60	NA	NA
680	\$1,000,000	70	65	NA
	\$1,500,000	70	65	NA
	\$2,000,000	65	60	NA
	\$3,000,000	60	NA	NA
660	\$1,000,000	65	NA	NA

Housing History	Credit Event Seasoning	Investor Experience
1x30x12 - No Reduction	BK/FC/SS/DIL:	<p>Experienced Investor: Borrower/guarantor must have a history of owning and managing commercial or non owner occupied residential real estate for at least 1 yr in last 3 yrs</p> <p>First Time Investor: A borrower/guarantor not meeting the experienced investor criteria</p> <p>First time investors eligible subject to the following restrictions:</p>
0x60x12 - Max 70% LTV	>=36 months - No reduction	
Purchase & Max 65% LTV	>=24 months - Max 75% LTV	
	Purchase & Max 70% LTV	
	Rate/Term Cash Out	
	Housing Event Seasoning	

Rate/Term & Cash Out	Forbearance, Mod, or Deferral: See Investor Eligibility Guide	First time investors eligible subject to the following restrictions: Min FICO: 680
Unleased Properties	All long term rental refinances: A vacant or unleased property is allowed subject to max LTV of 70%. Not applicable for short term rentals, see short-term rental income section for specific criteria	No mortgage late last 36 months if reported >=36 months from any credit event Own a primary residence for at least 1 yr Cash out not eligible First time homebuyer not eligible except as allowed in Investor Guide

Declining Market

If the appraisal report identifies the property in a declining market, maximum LTV/CLTV is limited to 85% purchase and 70% for rate/term and cash out transactions and maximum loan amount is limited to \$2 Million

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 features)
Interest Only	Min FICO: 680 Max LTV: 75% Purchase, 75% Rate/Term, 70% Cash Out
Loan Amounts	Min: \$150,000 Max: \$3.5 Million
Loan Amt < \$150K	Max LTV/CLTV: Purchase 70%, any Refinance 65% (Min DSCR 1.25)
Loan Purpose	Purchase, Rate/Term, and Cash Out
Occupancy	Investment
Property Type	Single Family: Attached, Detached 2-4 Units and Condos: Max LTV/CLTV Purchase 75%, Refinance 70% Condo Hotel: Max LTV/CLTV: Purchase - 75% Refinance - 65%. Max Loan Amount \$1.5 Million Rural: Not Eligible
Acreage	Property up to 2 acres, not meeting the rural definition, eligible.
Max Cash in Hand	LTV >= 65% - \$500,000 LTV < 65% - \$1,000,000 Total equity withdrawn cannot exceed these limits (Not applicable to Delayed Financing transactions)
Appraisals	FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required unless 2nd appraisal obtained 2nd Appraisal required for loans > \$2,000,000

Income Requirements

	<p>Long-Term Rental Documentation and DSCR Calculation</p> <p>Purchase Transactions:</p> <ul style="list-style-type: none"> o Monthly Gross Rents are the monthly rents established on FNMA Form 1007 or 1025 reflecting long term market rents o If the subject property is currently tenant occupied, the 1007 or 1025 must reflect the current monthly rent. o A vacant or unleased property is allowed without LTV restriction <p>Refinance Transactions:</p> <ul style="list-style-type: none"> o Required documentation: <ul style="list-style-type: none"> FNMA Form 1007 or 1025 reflecting long term market rents, and lease agreement If the lease converted to month to month, then provide most recent two (2) months proof of receipt to evidence continuance of lease. If unable to provide evidence of receipt, the unit will be treated as vacant and subject to the following: <ul style="list-style-type: none"> LTV/CLTV limits: Less of 70% or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix o Monthly Gross Rents are determined by using the actual lease amount or estimated market rent from 1007/1025 as follow: <ul style="list-style-type: none"> If using the lower of the actual lease amount or estimated market rent, nothing further is required If using a higher actual lease amount, evidence of 2 months of receipt is required, and the lease amount must be within 120% of the estimated market rent from 1007/1025. If the actual rent exceeds the estimated market rent by more than 120%, the rents are capped at 120% If using a higher estimated market rent from 1007/1025, it must be within 120% of the lease amount. If the estimated market rent exceeds the lease amount by more than 120%, the estimated market rent is capped at 120% o A vacant or unleased property is allowed subject to the following:
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LTV/CLTV limits: Lesser of 70%, or the LTV/CLTV based upon the DSCR/FICO/Loan balance matrix

DSCR Calculation:

- o Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA of the subject property.
- o See this matrix for required Debt Service Coverage Ratios
- o Gross rents divided by PITIA = DSCR

Short Term Rental (e.g. AirBNB, VRBO, FlipKey) Documentation and DSCR Calculation

Short term rentals are properties which are leased on a nightly, weekly, monthly, or seasoned basis

Short Term Rental Income - Purchase and Refinance Transactions:

- o LTV is lesser of 75% for a purchase and 70% for a refinance, or the LTV based upon the DSCR/FICO/Loan balance (Excludes Condo Hotel projects)
- o DSCR Calculation:
 - Monthly gross rent based upon a 12 month average to account for seasonality required
 - Gross rents reduced by 20% to reflect extraordinary costs (i.e., advertising, furnishings, cleaning) associated with operating short term rental property compared to non short term property. If the rental documentation referenced below includes expenses, actual expenses should be compared to the 20% expense factor. If actual expenses are less than 20%, a minimum 20% expense factor is required to be utilized. If actual expense exceeds 20%, the actual expense factor should be used
 - (Gross Rents x .80) divided by PITIA = DSCR

When short term rental income is documented using multiple sources, the lowest source of monthly income is to be utilized for calculating DSCR

Any of the following methods may be used to determine gross monthly rental income:

- o A 1007 or 1025 Comparable Rent Schedule survey prepared by the appraiser reflecting long term or short term market rents
 - If long term rent is utilized, 20% expense factor is not to be applied
- o The most recent 12 month rental history statement from the 3rd party rental/management service
 - The statement must identify the subject property/unit, rents collected for the previous 12 months, and all vendor management fees. The qualifying income must be net of all vendor or management fees
- o The most recent 12 months bank statements from the borrower/guarantor evidencing short term rental deposits
 - Borrower/guarantor must provide rental records for the subject property to support monthly deposits
- o AIRDNA Rentalizer and Overview reports, accessed using the Explore Short Term Rental data, must meet the following requirements:
 - Rentalizer (Property Earning Potential)
 - Only allowed for purchase transaction
 - Gross rents equal the revenue projection from the Rentalizer Report less the 20% extraordinary expense factor
 - Forecast period must cover 12 months from the Note date
 - The occupancy rate must be > 60%
 - Maximum occupancy limited to 2 individuals per bedroom
 - Must have five (5) comparable properties, all within the same Zip code
 - Must be similar in size, room count, amenities, availability, and occupancy
 - Overview Report (Evaluate a Market)
 - Market score or Sub Market score by zip code
 - Market score or Sub Market score must be 60 or greater

Income

Underwriting Requirements

Credit Score	Use highest decision score amongst all borrower/guarantors Middle of 3 scores or lower of 2
Reserves	2 months of PITIA Loan Amount > \$1.5 Million: 6 months of PITIA Loan Amount > \$2.5 Million, 12 months of PITIA Cash out may be used to satisfy requirement
Gift Funds	Allowed after minimum 10% borrower contribution
Tradelines	If borrower/guarantor has three (3) credit scores, the minimum tradeline requirement is waived Min: 2 reporting 24 months with activity in last 12 months or 3 reporting 12 months with recent activity
Escrows	Escrows for hazard insurance and taxes are required See Section 2.4.5 - Escrow - Impounds for additional requirements
Assets	Minimum of 30 days asset verification required; any large deposit must be sourced

Document Age	90 days
Prepayment Penalty - Investment Property Only	<p>Acceptable Structures include the following:</p> <p>Fixed percentage of no less than 3%</p> <p>Declining structures that do not exceed 5% and do not drop below 3% in the first 3 years.</p> <p>For example: (5%/4%/3%/3%/3%) or (5%/4%/3%/2%/1%)</p> <p>Six (6) months of interest on prepayments that exceed 20% of the original principal balance in a given 12 month time period</p> <p>Prepayment periods up to 5 years eligible, see rate sheet</p> <p>Only declining prepayment penalty structures allowed in MS</p>

Programs, Guidelines, Matrix subject to change without notice.

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