

4/1/2019

INVESTOR EDGE			
DSCR = 1.1 Ratio - Market Rent divided by PITIA			
Purpose	Loan Amount	Credit Score	LTV*
Purchase Rate & Term	\$1,000,000	720	80
		640	75
		620	65
	\$1,500,000	700	75
		640	70
		620	65
\$2,000,000	700	70	
	640	65	
	640	60	
Cash-Out	\$1,500,000	640	70
		620	60
		640	60
No Ratio = No DSCR Ratio required			
Purchase Rate & Term	\$1,000,000	700	75
		640	70
	\$1,500,000	700	70
		640	65
	\$2,000,000	700	65
		640	60
Cash-Out	\$1,500,000	640	65
	\$2,000,000	640	60
MINI GUIDES			
TRANSACTION ELIGIBILITY	Financing of the investment property must be solely for commercial/business purposes		
PRODUCTS	3/1 ARM, 5/1 ARM, 7/1 ARM		
MINIMUM LOAN AMOUNT	\$75,000		
BORROWERS	<p>First Time Investor; DSCR Only; Reduce Max LTV by 5%</p> <p>Foreign National; Max LTV 65%; No Cash-Out; 660 assumed for pricing</p> <p>Foreign Nationals without an ITIN are not subject to FICO requirements; 660 assumed for pricing</p> <p>First Time Homebuyers are Ineligible</p> <p>Non-Permanent Resident Aliens- Max LTV 70%, Purchase & R&T; 1 Unit Only</p> <p>Inter-Vivos Revocable Trust; Limited or General Partnership</p> <p>Corporation allowed with Guarantor--Guarantor must be an individual with ≥ 25% ownership of entity and subject to FICO and background guidelines</p>		
DTI	NO DTI is calculated		
FORECLOSURE / BANKRUPTCY	<p>Foreclosure, Short Sale, Deed-In-Lieu, Default Mod must be > 2 years</p> <p>Bankruptcy 7, 11, or 13 must be dismissed or discharged > 2 years</p>		
MORTGAGE HISTORY	Primary Residence Housing History 1 X 30 X 12		
QUALIFYING FICO	<p>Single borrower = Middle FICO</p> <p>Multiple borrowers, lowest middle score of all borrowers</p>		
TRADELINES	<p>Each borrower must have at least 3 tradelines within the last 24 months</p> <p>Tradelines activity is not required / No derog in last 12 months</p>		
EMPLOYMENT/INCOME	No Employment or Income information should be disclosed on the 1003		
GIFT FUNDS	Not allowed		
RESERVES	<p>6 mos PITIA for the subject plus 2 mos for each additional financed property not to exceed 12 mos</p> <p>Cash-out allowed for reserves</p>		
ASSETS	<p>Most Recent 2 months Asset Statements, Quarterly Statement or FNMA approved third party direct pull services</p> <p>Reserves: 80% value of Stocks/Bonds/Mutual Funds/ 70% Retirement Accounts at vesting percentage</p>		
PROPERTY	<p>Investment 2-4 Unit Max LTV 75%, SFR, PUD, Condo</p> <p>Warrantable Condo Max LTV 70% / Non-Warrantable Condo Max LTV 65%</p> <p>*LTV reduced by 5% for unleased refinances</p> <p>Loan Amounts > \$1,500,000 require 2nd full appraisal</p> <p>All appraisals require a third party desk review by ClearEdge</p> <p>Rural Properties are ineligible</p> <p>Max 5 acres</p> <p>Max financed properties = 20 residential</p> <p>Declining Markets require a 5% LTV reduction</p>		
CASH-OUT	<p>Cash-Out to max loan limits</p> <p>If owned <3 mos loan amount based on lower of 70% LTC or 70% LTV</p> <p>If owned ≥ 3 mos - <12 mos loan amount based on lower of 100% LTC or 70% LTV</p> <p>LTC=Loan to Cost--loan amount divided by total costs (acquisition plus improvements), improvements validated by appraiser or licensed home inspector</p> <p>Cash-Out allowed for reserves</p> <p>Foreign Nationals are ineligible</p>		
ESCROWS	Escrows for taxes and insurance required for all loans		
INSURANCE	Loss of use policy required		
SUBORDINATE FINANCING	Ineligible		
PREPAYMENT PENALTY	3 Year prepay can be bought down or out; 6 months interest on 80% of amount prepaid. BPC at par = no prepay penalty		

