



DSCR Matrix | Correspondent

Effective Date 9/12/2023

Eligibility Matrix		DSCR ≥ 1.00		DSCR < 1.00	
Loan Amount	FICO	Purchase & R/T	Cash Out	Purchase	Rate Term / Cash Out
≤ \$1,000,000	740	80%	75%	70%	N/A
	700	80%	75%	70%	N/A
	680	75%	70%	65%	N/A
	660	75%	60%	N/A	N/A
	Foreign National	70%	60%	N/A	N/A
≤ \$2,000,000	700	75%	70%	65%	N/A
	680	70%	65%	60%	N/A
Minimum DSCR		1.00x		0.75x	
Mortgage History		0x30x12			
FC / SS / DIL Seasoning		36 Months			
Chapter 7/11/13 BK Seasoning		36 Months			

Program Parameters	
Limits	
Minimum Loan Amount	\$100,000
Minimum Loan Amount (DSCR < 1.00x)	\$250,000
Maximum Loan Amount	\$2,000,000
Maximum Cash Out	\$500,000
Products	
5/6 ARM 5/6 ARM-IO 30Y Fixed 30Y Fixed-IO	

Interest Only Features			
Product	IO Period	Amort	Maturity
5/6 ARM-IO	10 Years	20 Years	30 Years
30Y Fixed-IO	10 Years	20 Years	30 Years

Other	
Occupancy	Investment Properties only
Property Types	SFR, PUD, Townhome, 2-4 Units, Condos Non-Warrantable Condos - Max LTV 75%
Reserves	Standard: 3 Months PITIA (Loan Amount ≤ \$1mm) 6 Months PITIA (Loan Amount > \$1mm) DSCR < 1.00x - 6 Months PITIA Foreign Nationals - 6 Months PITIA
Cash Out	\$500,000 Max Cash-Out; Cash-Out may be used towards reserves
Interest Only	Max LTV 75%; Min DSCR 1.00x
Subordinate Financing	Not Allowed
DSCR	DSCR = Gross Rents / PITIA (fully amortizing) or Gross Rents / ITIA (interest only loans)
DSCR < 1.00	Purchase Only
Lease / Gross Income	Lesser of Estimated Market Rent from Form 1007 or monthly rent from existing lease - higher lease rent allowed with (3) months receipt Unleased Properties (Refinance only) - Max LTV 70%
Citizenship	US Citizens; Permanent Resident Aliens; Non-Permanent Resident Aliens (w/ US Credit) Foreign Nationals: See guidelines for details; Min DSCR Foreign National = 1.00x
Assets	Sourced or seasoned for 60 days; Foreign Nationals: Assets must be in a U.S. FDIC insured bank for minimum of 30 days
Appraisal Requirements	One (1) full appraisal and a CDA is required on all properties; If CDA variance is > 10%, a second full appraisal is required; Properties with a condition rating of C5 or C6 are not acceptable
Eligible Borrowers	Standard: Defined as borrowers with 12-month history of investment property ownership in the most recent 12 months First-Time Investors Allowed - Max 75% LTV, defined as borrowers without 12-month history of investment property ownership in the most recent 12 months. First-Time Home buyers not allowed.
Credit	Standard: 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months Acceptable tradelines must show 0x60 in most recent 12 months from application date Qualifying FICO: The lowest middle score when 3 agency scores are provided or the lower score when only 2 agency scores are provided, of all borrowers
Compliance	Compliance with all applicable federal and state regulations
Declining Markets	If property is located in a declining market as indicated by the appraisal, Max LTV is reduced by 5%
Prepayment Penalty	Investment Only; Unless noted below, standard prepay is (6) months interest on the amount prepaid (see seller guide for details and further clarification). Standard term = 3 years. State Overlays: IL (natural person bwr APR ≤ 8%), LLC bwr = standard; MI 1 - unit (1% of amount prepaid); NJ (LLC bwr = standard); OH (1% of original loan amount, loan amounts ≥ \$107,633); PA 1 & 2 Unit (loan amounts > \$301,022); MD (2 Mos advance interest on the aggregate amount of all prepayments made in any 12 month period in excess of 1/3 of the original principal amount). MS (step rate of 5% first Yr, 4% 2nd Yr, 3% 3rd Yr, 2% 4th Yr, 1% 5th Yr). Not allowed: AK, KS, MN, NJ (Natural Person), NM, RI & VT.
Seller Concessions	Up to 2% towards closing
Ineligible States	Delegated: HI - lava zones 1 & 2 Non-Delegated: MO, NY, HI - lava zones 1 & 2

