

		theNONI		
FICO	Min Loan Amount 100K	Investor Option 1		
	Loan Amount	Reserves	DSCR ≥ 1.00 Purchase or R/T	Cash-Out
720	\$2,000,000	2 Months- Purchase & R/T 6 Months- C/O	80%	75%
	\$3,000,000		75%	60%
680+	\$2,000,000	2 Months- Purchase & R/T 6 Months- C/O	80%	70%
	\$3,000,000		70%	60%
660-679	\$1,500,000	2 Months- Purchase & R/T 6 Months- C/O	75%	70%
	\$2,500,000		70%	65%
640-659	\$1,500,000	2 Months- Purchase & R/T 6 Months- C/O	70%	65%
	\$2,500,000		60%	60%
620-639	\$1,000,000	6 Months	65%	65%
	\$2,000,000		60%	60%

theDSCR < 1.00

Investor Option 2				
FICO	Loan Amount	Reserves	DSCR < 1.00 Purchase or R/T	Cash-Out
680+	\$1,500,000	6 months	70%	70%
	\$2,500,000	12 months	70%	65%

Investor - Doc Options	
Investor Cash Flow	• Option 1: DSCR ≥ 1.0
	• Option 2: Limited DSCR < 1.0



Property Restrictions	Max LTV
Non-Warrantable Condo	Not allowed
Warrantable Condo	75%
2-4 Unit	No Restriction
Modular	65%
Florida Condo	No Restriction
Rural Properties	70%

Additional Restrictions	
Maximum Cash-Out	≥ 65% LTV = \$500,000 < 65% LTV = Unlimited
1st Time Investor Min FICO	680
Max Acreage	20
Unleased Property (Refinance only) Does not apply to short term rentals	5% LTV reduction
Max # of Financed Properties By HEM	Committee review over 4
Gift Funds allowed with 5% borrower funds	NO LTV reductions
100% Gift Funds	10% LTV reduction
NonArms Length Trans.	Not Eligible
Minimum Loan Amount	100000
Foreign Nationals	Not Allowed

Note: IL - must vest in a business entity if the rate exceeds 8%	
FTHB with "No Housing History" are not eligible - See Guidelines	
Credit	
Maximum Housing Lates	0x30x12
Minimum FC Seasoning months	48
Minimum SS/DIL Seasoning months	48
Minimum BK 7 Seasoning months	48
Minimum BK 13 Seasoning	48

Reserves	
• C/O proceeds can be used to meet reserves	
• Reserves for IO based on Interest Only Payment	
• Gift funds cannot be used to meet reserves requirements	

Products	Margin & Caps	I/O (Y/N)	IO Period	Final Maturity	Interested Party Contributions/Seller Concessions	Residency
7/6 & 10/6 Adjustable Rate (ARM)	4.50	2/1/5	N	NA	30 years	All LTVs
30 Year Fixed	NA	NA	N	NA	30 years	Max 2%
Interest Only: 7/6 & 10/6 Adj Rate (ARM)	4.50	2/1/5	Y	10 Years	30 Years	US Citizen, Perm/NonPerm Res. Alien
						AL, AZ, CA, CO, CT, DE, FL, GA, HI, IA, IL, KY, LA, MA, MO, MD, NC, NJ, NY****, OK, OR, PA*, RI**, SC, TN, TX***, UT, VA, WA
Guidelines Quick Reference						
ARM Index & Floor Qualifying Rate	Index: 30 day SOFR Floor = Note Rate Note Rate				Impounds	Not required
Qualifying Payment	Full Amortization: PITIA based on note rate IO: Initial ITIA based on note rate				Appraisal	• No C5 or C6 • 2 appraisals >\$1.5MM
Assets	Sourced or seasoned 60 days (2 mos most recent bank statements req.)				Min Sq. footage	• ARR/CDA req or CU risk score ≤ 2.5 600 sq feet
Credit	Two (2) open and active tradelines, with at least one (1) seasoned for 24 months.				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	6 months interest on 80% of the original principal balance (Standard Term = 3 years)				Option 1: Option 2:	• 3 yr Hard Prepay: can not sell or refi • 1 yr Hard / 2 yr Soft PrePay: can not sell or refi in the 1st year, can sell but not refi in yrs 2-3
State Specific	*PA- Loan amounts ≥ \$256,024 can be vested as an Entity or as an Individual *PA- Loan amounts < \$256,024 must be vested in a Corp, LLC, Partnership or Trust **RI- PPP not allowed. Must buyout PPP. ***TX C/O refinance must vest as Individual (no entities: LLC, inter vivos trust, etc) ****CEMA loans only in NY - Managed by the broker					

	<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 subject property.</p> <p>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>		
	Interest Only Example: If your DSCR ≥1.00 you've got a "NONI". $\frac{\text{Gross Rents} = \$1500}{\text{ITIA} = \$1500} = 1.00 \text{ DSCR}$	Full Amortization Example: If your DSCR <1.00 you still have a loan just at a different price. $\frac{\text{Gross Rents} = \$1500}{\text{PITIA} = \$2000} = 0.75 \text{ DSCR}$	
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