

Investor Solutions - DSCR Non QM Portfolio Product

Effective Date: 3/18/2019

Maximum LTVs		≥ 1.30		1.00 - 1.29		< 1.00	
FICO	Loan Amount	Purch / RT Refi	Cash Out	Purch / RT Refi	Cash Out	Purch / RT Refi	Cash Out
700+	≤1,000,000	80	70	80	70	75	70
	1,000,001-1,500,000	75	70	75	70	70	65
	1,500,001-2,000,000	70	65	70	65	70	65
	2,000,001-3,000,000	65	55	65	55	65	55
	3,000,001-5,000,000	60	50	60	50	60	50
640 - 699	≤1,000,000	75	65	75	65	75	65
	1,000,001-1,500,000	65	65	65	65	65	65
	1,500,001-2,000,000	65	60	65	60	65	60
	2,000,001-3,000,000	60	50	60	50	60	50
620 - 639	≤500,000	65	60	65	60	NA	NA

Program Restrictions		Income
Housing	0x30x12	Debt Service Coverage Ratio (DSCR)
BK (Chap 13 Discharge)	12 mo	• Gross Income/PITIA (PI using the note rate rather than fully indexed. Use ITIA for IO loans)
BK (Other)	36 mo	• Transaction qualified on cash flow of the subject property
Foreclosure	36 mo	• Gross Income: Lower of Estimated Market Rent from Form 1007 and monthly rent from an existing lease (If lease amount higher, may be utilized with two months proof of receipt)
Short Sale/DIL	24 mo	
Min FICO	620	
Max LTV: Purchase	80	
Max LTV: R/T	75	Investor Experience
Max LTV: Cash-Out	70	• A borrower who has owned 2 or more properties within the most recent 12 months (Primary residence can be included), with 1 having documented rental income of 12 months or more.
Max CLTV	80	First Time Investor
Max Loan Amount	5,000,000	• A borrower that does not meet the Experienced Investor criteria. First Time Investors must have owned a residence (primary or rental) for a minimum of the most recent 12 months.
Fixed Terms	30 Year Fixed & 15 Year Fixed	
3/1 & 5/1 LIBOR ARM (2/2/5 Caps)	1 YR LIBOR - 6 % Margin/Floor	
7/1 & 10/1 LIBOR ARM (5/2/5 Caps)	1 YR LIBOR - 6 % Margin/Floor	

Loan Amount	Prepayment Penalty
<ul style="list-style-type: none"> Min Loan amount: \$75,000 Loan Amounts < \$150k: 70% Max LTV/CLTV Min Loan Amount \$150k when DSCR < 1.15 Loan Amounts > \$1MM & Cash-Out & LTV > 65% require 2 appraisals Loan Amounts > \$1.5MM require 2 appraisals Loan Amounts > \$3MM see additional overlays 	<ul style="list-style-type: none"> Allowed on Investment properties only Terms up to 3 Years are acceptable. The following structures are acceptable... <ul style="list-style-type: none"> - 6 months of interest on the amount of the prepayment that exceeds 20% of the original prin bal Penalties not available in New Mexico and loans vested to individuals in New Jersey
Loan Amount > \$3,000,000 <ul style="list-style-type: none"> Only Available in the following states: CA, IL, FL, NY, NJ, MD, VA, DC, WA <ul style="list-style-type: none"> - NY: Purchase money only Cash-Out limited to the lower of 50% of property value or \$3,000,000 Property Types: SFR, Warrantable and Non-Warrantable Condos <ul style="list-style-type: none"> - Condos available in NY and FL only. FL Condos limited to 55% LTV See Guidelines for specific appraisal requirements (OVERLAYS APPLY) 	Financed Properties <ul style="list-style-type: none"> No limit on financed properties Add 2 mo reserves for each added financed property. Total reserve requirement capped at 12 mo ResMac exposure to a single borrower \$5MM or 6 properties
	Compliance <ul style="list-style-type: none"> Impounds are required Loans considered high-cost by Federal or State law not allowed Points and Fees may not exceed 5% (Prepay Penalty can be excluded)



Other LTV/CLTV Limits	
R/T Refi:	75%
R/T Refi & Ln Amount > \$2mm:	60%
Condo:	70%
2-4 Unit:	70%
Loan Amnt < 150k:	70%
Interest Only:	75%
1st Time Investor:	65%

Cash-Out Limit	
% Property Value	Investor
Program Max:	65%
Loan Amnt > \$1mm:	60%
Loan Amnt > \$3mm:	50%
Condo & 2-4 Unit:	60%

Reserve Requirements	
Loan Amounts > \$1.5mm:	6 mo
LTV > 75:	6 mo

State Restrictions	
Not Eligible	
• Puerto Rico, Guam & the US VI	

Residency	
• US Citizen	
• Perm & Non-Perm resident alien	
• Foreign National	

Interest Only	
• IO Period: 120 mo	
• Amort Term: 240 mo	
• Loan Term: 360 mo	
• Qualifying Payment: ITIA	
• Products: 5/1, 7/1, 10/1, FRM	
• Max LTV/CLTV: 75%	

Interested Party Contributions	
• All LTV's: 3%	

Max Acreage	
• 2 Acres	

Rural Properties	
• Rural Properties Not Allowed	



Large Loan Balance Appraisal Overlays

The following appraisal restrictions apply to original loan balances that exceed \$3,000,000.

Neighborhood Analysis

- **Degree of Development and Growth Rate:** Properties designated as "rural" not allowed
- **Trend of Property Values:** "Declining" Markets not allowed
- **Supply of Properties in the Subject Neighborhood:** Markets in "Over-supply" not allowed
- **Price Range and Predominant Price:** The appraised value may not exceed the highest value of the Predominant Price Range by more than 10%
- **Marketing Time for Properties:** "Over 6 months" Not Allowed
- **Over-Improvement:** The subject property may not be designated as an "over-improvement"

Comparable Sales

- Minimum of 4 closed comparable sales
- All comparable sales must have occurred within the 12 months preceding the appraisal date
- At least 1 closed comparable must have occurred with 120 days of the appraisal date
- All comparable sales must be located within 4 miles of subject
- At least 1 closed comparable sales must be located within 1 mile of subject
- At least 2 closed comparable sales must be located within the same neighborhood as the subject

Property Condition

- Eligible Property Condition Ratings: C1, C2, C3
- Eligible Quality of Construction Ratings: Q1, Q2, Q3, Q4

Maximum Acceptable Acreage

- 5 acres

Zoning

- Properties zoned as agricultural are not eligible

Total Net Adjustments

- Total net adjustments should be minimal if the comparable is truly similar. Net Adjustments may not exceed 15% of the sales price of the comparable so