

INVESTMENT Achiever™

Achieve More™ on 1-4 Unit Investment Properties using Cash-Flow

As of 8/21/2023

Investment Property DSCR ≥ 1.00				
Minimum Credit Score	Max Loan Amount	Purchase	Rate and Term	Cash Out
720+	\$1,000,000	80%	80%	75%
	\$1,500,000	80%	80%	75%
	\$2,000,000	75%	75%	70%
	\$3,000,000	70%	65%	65%
680+	\$1,000,000	75%	75%	70%
	\$1,500,000	75%	75%	70%
	\$2,000,000	70%	65%	65%
	\$3,000,000	65%	NA	NA
660+	\$1,000,000	75%	70%	70%
	\$1,500,000	75%	65%	65%
	\$2,000,000	70%	65%	60%
	\$3,000,000	60%	NA	NA
Foreign Nat ¹	\$1,000,000	75%	65%	65%

Investment Property DSCR 0.75 - 0.99				
Minimum Credit Score	Max Loan Amount	Purchase	Rate and Term	Cash Out
720+	\$1,000,000	75%	75%	70%
	\$1,500,000	75%	65%	65%
	\$2,000,000	70%	60%	NA
	\$3,000,000	60%	NA	NA
680+	\$1,000,000	70%	65%	65%
	\$1,500,000	70%	65%	65%
	\$2,000,000	65%	60%	60%
	\$3,000,000	60%	NA	NA
Foreign Nat ¹	\$1,000,000	65%	60%	60%

PRODUCTS	Allowed Property Types	Max LTV/CLTV	LIMITS
FIXED	SFR, PUD, Townhome, 2-4 Unit, Condo	Per Grids	Criteria
15-Yr Fixed	Non-Warrantable Condo (Purchase)*	75%	Min DSCR
30-Yr Fixed	Non-Warrantable Condo (Refinance)*	70%	Min Credit Score
30-Yr Fixed, 10yr I/O	Condotel (Purchase)*	70%	Min Loan Amount
40-Yr Fixed, 10yr I/O	Condotel (Refinance)*	65%	Max Loan Amount
			\$3,000,000

INCOME DOCUMENTATION	
DSCR	<p>Debt Service Coverage Ratio (DSCR) Minimum: 0.75</p> <ul style="list-style-type: none"> The DSCR is calculated by taking the gross rents divided by the PITIA (for fully amortizing loans) of the subject property. Interest-only loans may use the ITIA payment for DSCR calculation, and must meet the following: <ul style="list-style-type: none"> DSCR ≥ 1.00, maximum LTV reduced by 5%, and minimum FICO of 680 See full guidelines for requirements on Payment & Gross Rent calculations
Income	<p>Long-Term Rental Income - Purchase</p> <ul style="list-style-type: none"> Monthly Gross Rents are as established on Appraisal Form 1007 / 1025. If tenant occupied, 1007 / 1025 must reflect the current monthly rent. <p>Long-Term Rental Income - Refinance</p> <ul style="list-style-type: none"> Monthly Gross Rents are the higher of market rent from 1007 / 1025 or actual lease agreement. If using higher actual lease amount, evidence of 2-months receipts required and lease must be within 120% of market rent on Appraisal. All refinance transactions require a 5% LTV reduction if appraisal reflects any unit is vacant (does not apply if subject is used as a short-term rental). <p>Short-Term Rental Income - Purchase & Refinance</p> <ul style="list-style-type: none"> Monthly Gross Rents based on 12-month average to account for seasonality, less vendor & management fees, as determined by: 1007 / 1025 Comparable Rent Schedules, or 12-month rental history statement, or 12-month bank statement evidencing short-term rental deposits. Additional requirements may apply, see Seller's Guide for more details.

Level of Experience	Restrictions / Overlays
<p>Experienced Investor:</p> <ul style="list-style-type: none"> History of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in the last 3-years. No Overlays <p>Inexperienced Investor:</p> <ul style="list-style-type: none"> Borrowers not meeting the Experienced Investor subject to additional restrictions: <ul style="list-style-type: none"> Minimum FICO 680 Maximum LTV 75% >= 36 Mo from any credit event Cash-out not eligible First Time Home Buyers not permitted R/T Refinance: 5% LTV reduction 2-4 Units and Warrantable Condo: Max LTV/CLTV Purchase 75%, Refinance 70% Short-Term Rental Income: 5% Reduction in LTV required 	<p>Ineligible State List</p> <p>Correspondent Channel Ineligible States:</p> <ul style="list-style-type: none"> Nationwide - excluding Puerto Rico, Guam, and the US Virgin Islands. <p>Wholesale Channel Ineligible States:</p> <ul style="list-style-type: none"> Iowa, Nevada, North Carolina, Tennessee, Utah, Vermont <p>California Overlays (Wholesale Channel Only):</p> <ul style="list-style-type: none"> R/T Refinance: 5% LTV reduction 2-4 Units and Warrantable Condo: Max LTV/CLTV Purchase 75%, Refinance 70% <p>Interest Only Restrictions</p> <ul style="list-style-type: none"> Minimum Credit Score: 680 Max LTV Reduced by 5% Minimum DSCR 1.0 <p>Loan Amounts < 150,000</p> <ul style="list-style-type: none"> Min DSCR: 1.25 Max LTV/CLTV: Purchase 70%, Refinances 65% <p>Declining Markets</p> <p>Declining Markets, as identified by the appraiser, require a 5% LTV reduction from Matrix.</p>

BORROWER HISTORY	
Housing History	<ul style="list-style-type: none"> 1x30x12 - No reduction 0x60x12 - Max 70% LTV Purchase & Max 65% LTV Rate/Term & Cash-out <p>Credit Event Seasoning</p> <ul style="list-style-type: none"> >=36 Mo - No reduction >=24 Mo - Max 75% LTV Purchase & - Max 70% LTV Rate/Term & Cash-out <24 Mo - Not Eligible <p>Bankruptcy/Foreclosure/Short-Sale/Deed-In-Lieu/Mod:</p> <ul style="list-style-type: none"> >=36 Mo - No reduction >=24 Mo - Max 75% LTV Purchase & - Max 70% LTV Rate/Term & Cash-out <24 Mo - Not Eligible

GENERAL	
Property Types*	<ul style="list-style-type: none"> Single Family, Attached, Detached, PUD, Townhome, 2-4 Unit, Warrantable Condo - No Restrictions Non-Warrantable Condominium* <ul style="list-style-type: none"> Purchase: Max LTV/CLTV: 75% Rate/Term: Max LTV/CLTV: 70% Cash-Out: Max LTV/CLTV: 70% Condo Hotel (Condotel)* Max Loan Amount \$1,500,000 <ul style="list-style-type: none"> Purchase: Max LTV/CLTV: 70% Rate/Term: Max LTV/CLTV: 65% Cash-Out: Max LTV/CLTV: 65%
Foreign National	<ul style="list-style-type: none"> Min Loan Amount: \$150,000 - Max Loan Amount \$1,000,000 Single Family - Attached & Detached: Per FN section of Matrix 2-4 Units and all Condo Types: <ul style="list-style-type: none"> Purchase: Max LTV/CLTV 65% Refinances: Max LTV/CLTV: 65% 0x30x12 Housing History, if documented BK/FC/SS/DIL/Mod: >= 36 Mo Seasoning Required
Appraisal(s)	<ul style="list-style-type: none"> 2nd Appraisal required for loans > \$2,000,000. FNMA Form 1004, 1025, 1073 with interior/exterior inspection. Appraisal review product required on all loans, unless 2nd appraisal obtained. <p>Escrow Account</p> <p>Escrows are generally required for taxes and insurance; escrow waivers may be permitted. All HPML Sec 35, require escrows for first 5 years. Escrow for Flood Insurance is always required. See guidelines for additional info.</p>

UNDERWRITING	
Credit	<ul style="list-style-type: none"> Middle of 3 Scores, or Lower of 2 3 tradelines with 12+ mos. activity; or 2 tradelines with 24+ mos. (with activity in past 12 mos.) Mortgage debt must be current at application and through closing Delinquent non-mortgage accounts must be brought current at closing <p>Reserves</p> <ul style="list-style-type: none"> Loan Amount <= \$1.0M: 3-months of PITIA Loan Amount <= \$2.0M: 6-months of PITIA Loan Amount > \$2.0M: 12-months of PITIA Foreign National: 12-months of PITIA Cash out may be used to satisfy requirement
Prepayment Penalty	<ul style="list-style-type: none"> Investment Occupancy Only Penalties not allowed in AK, KS, MI, MN, NM, and RI Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$301,022 in PA Only declining prepayment penalty structures allowed in MS Prepayment periods up to 5-Years eligible, see rate sheet <p>Prepayment Penalty Structure</p> <ul style="list-style-type: none"> 5% fixed for 1 to 5-years Declining structures over 3 to 5-years: <ul style="list-style-type: none"> 0 5-Yr (5%/4%/3%/2%/1%) 0 4-Yr (5%/4%/3%/2%) 0 3-Yr (5%/4%/3%) No Prepayment Penalty
Assets	<p>30-days asset verification seasoning</p> <p>Document Age</p> <p>Max Document Age: 90-days</p>
Gift Funds	<p>Allowed after min 10% borrower contribution</p> <p>Exposure</p> <p>Maximum concentration to a single borrower is \$5,000,000</p>

Find out today how Stronghill provides transparent and flexible financing solutions that help you serve more borrowers.

