

**INVESTMENT Achiever™**

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

As of 4/19/2024

Investment Property DSCR ≥ 1.00					Investment Property DSCR < 1.00				
Minimum Credit Score	Max Loan Amount	Purchase	Rate and Term	Cash Out	Minimum Credit Score	Max Loan Amount	Purchase	Rate and Term	Cash Out
720+	\$1,000,000	80%	80%	75%	720+	\$1,000,000	75%	75%	70%
	\$1,500,000	80%	80%	75%		\$1,500,000	75%	70%	70%
	\$2,000,000	75%	75%	70%		\$2,000,000	70%	65%	65%
	\$3,000,000	70%	65%	65%		\$3,000,000	60%	NA	NA
680+	\$1,000,000	75%	75%	70%	680+	\$1,000,000	70%	65%	65%
	\$1,500,000	75%	75%	70%		\$1,500,000	70%	65%	65%
	\$2,000,000	70%	65%	65%		\$2,000,000	65%	60%	60%
	\$3,000,000	65%	NA	NA		\$3,000,000	60%	NA	NA
640+	\$1,000,000	75%	70%	70%	Foreign Nat'l	\$1,000,000	65%	60%	60%
	\$1,500,000	65%	65%	65%					
	\$2,000,000	65%	NA	NA					
	\$3,000,000	60%	NA	NA					
Foreign Nat'l	\$1,000,000	75%	65%	65%					

PRODUCTS		Allowed Property Types - Max LTV/CLTV		LIMITS	
FIXED	ADJUSTABLE	SFR, PUD, Townhome, 2-4 Unit, Condo	Per Grids	Criteria	Limit
15-Yr Fixed	5/6 SOFR ARM	Non-Warrantable Condo (Purchase)*	75%	Min DSCR	No Ratio
30-Yr Fixed	7/6 SOFR ARM	Non-Warrantable Condo (Refinance)*	70%	Min Credit Score	640
30-Yr Fixed, 10Yr I/O	10/6 SOFR ARM	Condotel (Purchase)*	75%	Min Loan Amount	\$100,000
40-Yr Fixed, 10Yr I/O	Am: 30-Yr, 40-Yr w/ 10-Yr IO	Condotel (Refinance)*	65%	Max Loan Amount	\$3,000,000

INCOME DOCUMENTATION	
DSCR	<p>Debt Service Coverage Ratio (DSCR) Minimum: <i>No-Ratio</i></p> <ul style="list-style-type: none"> <li>Debt Service Coverage Ratio is the Monthly Gross Rents divided by the PITIA (for fully amortizing loans) of the subject property.</li> <li>Interest-only loans may use the ITIA payment for DSCR calculation, and must meet Interest Only Restrictions section, outlined below.</li> <li>See full guidelines for requirements on Payment &amp; Gross Rent calculations</li> </ul>
Income	<p><b>Long-Term Rental Income - Purchase</b></p> <ul style="list-style-type: none"> <li>Monthly Gross Rents are as established on Appraisal Form 1007 / 1025. If tenant occupied, 1007 / 1025 must reflect the current monthly rent.</li> <li>A vacant or unleased property is allowed without LTV restriction</li> </ul> <p><b>Long-Term Rental Income - Refinance</b></p> <ul style="list-style-type: none"> <li>Monthly Gross Rents are determined by the higher of the actual lease amount or market rent from 1007/1025. If using a higher monthly actual lease amount, evidence of 2-months of receipt is required, and the lease amount must be within 120% of the estimated market rent from the 1007 or 1025. If the actual rent exceeds the market more than 120%, the rents are capped at 120%.</li> <li>A vacant or unleased property is allowed. Eligibility (LTV) must use the DSCR &lt; 1.00 matrix for all properties with any unleased (vacant) units. Pricing is based upon the DSCR from the gross rents on the 1007. FICO 640-679 with 1.0+ DSCR and Vacant unit to use DSCR &lt; 1.0 680+ FICO Grid for LTV Eligibility.</li> </ul> <p><b>Short Term Rental Income - Purchase &amp; Refinance</b></p> <ul style="list-style-type: none"> <li>Monthly Gross Rents based on 12-month average to account for seasonality, less 20% for vendor &amp; 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.</li> </ul>

Level of Experience		Restrictions / Overlays	
Investor Experience Level	<p><b>Experienced Investor:</b></p> <ul style="list-style-type: none"> <li>History of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in the last 3-years.</li> <li>No Overlays</li> </ul> <p><b>Inexperienced Investor:</b></p> <ul style="list-style-type: none"> <li>Borrowers not meeting the Experienced Investor subject to additional restrictions:                             <ul style="list-style-type: none"> <li>Minimum FICO 680</li> <li>Maximum LTV/CLTV Purchase 75%, Refinance 70%</li> <li>&gt;= 36 Mo from any credit event</li> <li>Cash-out not eligible</li> <li>First Time Home Buyers not permitted</li> </ul> </li> <li>Short-Term Rental Income: Max 75% LTV Purchase, 70% LTV Refinance</li> </ul>	Ineligible State List	<p><b>Correspondent Channel Ineligible States:</b></p> <ul style="list-style-type: none"> <li>Nationwide - excluding Puerto Rico, Guam, and the US Virgin Islands.</li> </ul> <p><b>Wholesale Channel Ineligible States:</b></p> <ul style="list-style-type: none"> <li>Iowa, Nevada, Utah, Puerto Rico, Guam, and the US Virgin</li> </ul>
		Interest Only Restrictions	<ul style="list-style-type: none"> <li>Minimum Credit Score: 680</li> <li>Maximum LTV:                             <ul style="list-style-type: none"> <li>DSCR 0.75 and Greater: Per Grids (Max 80% LTV)</li> <li>DSCR &lt; 0.75: Max 70% LTV</li> </ul> </li> </ul>
		Declining Markets	Declining Markets, as identified by the appraiser, require a 5% LTV reduction from Matrix.

BORROWER HISTORY	
Housing History	<ul style="list-style-type: none"> <li>1x30x12 - No reduction</li> <li>2x30x12 - Max 70% LTV Purchase &amp; Max 65% LTV Rate/Term &amp; Cash-out</li> <li>1x60x12 - Ineligible</li> </ul>
Credit Event Seasoning	<p>Bankruptcy/Foreclosure/Short-Sale/Deed-In-Lieu:</p> <ul style="list-style-type: none"> <li>&gt;=36 Mo - No reduction</li> <li>&gt;=24 Mo - Max 75% LTV Purchase &amp; 70% LTV Refinances</li> </ul> <p>Forbearance, Modification or Deferral:</p> <ul style="list-style-type: none"> <li>See SHC Sellers Guide</li> </ul>

GENERAL	
Property Types*	<ul style="list-style-type: none"> <li>Single Family, Attached, Detached, PUD, Townhome, 2-4 Unit, Warrantable Condo - <b>No Restrictions</b></li> <li>Non-Warrantable Condominium*                             <ul style="list-style-type: none"> <li>Purchase: Max LTV/CLTV: 75%</li> <li>Rate/Term: Max LTV/CLTV: 70%</li> <li>Cash-Out: Max LTV/CLTV: 70%</li> </ul> </li> <li>Condo Hotel (Condotel)* Max Loan Amount \$1,500,000                             <ul style="list-style-type: none"> <li>Purchase: Max LTV/CLTV: 75%</li> <li>Rate/Term: Max LTV/CLTV: 65%</li> <li>Cash-Out: Max LTV/CLTV: 65%</li> </ul> </li> </ul>
Foreign National	<ul style="list-style-type: none"> <li>Min 680 US Credit, or Foreign Credit/No Scores</li> <li>Min Loan Amount: \$150,000 - Max Loan Amount \$1,000,000</li> <li>Single Family - Attached &amp; Detached: Per FN section of Matrix</li> <li>2-4 Units and all Condo Types:                             <ul style="list-style-type: none"> <li>Purchase: Max LTV/CLTV 70%</li> <li>Refinances: Max LTV/CLTV: 65%</li> </ul> </li> <li>0x30x12 Housing History, if documented</li> <li>BK/FC/SS/DIL/Mod: &gt;= 36 Mo Seasoning Required</li> </ul>
Appraisal(s)	<ul style="list-style-type: none"> <li>2nd Appraisal required for loans &gt; \$2,000,000.</li> <li>FNMA Form 1004, 1025, 1073 with interior/exterior inspection.</li> <li>Appraisal review product required on all loans, unless 2nd appraisal obtained.</li> </ul>
Cash-Out Max	<ul style="list-style-type: none"> <li>LTV ≥ 65%                             <ul style="list-style-type: none"> <li>Max \$500,000 cash back</li> </ul> </li> <li>LTV &lt; 65%                             <ul style="list-style-type: none"> <li>Max \$1,000,000 cash back</li> </ul> </li> <li>Foreign National - Max \$300,000 cash back</li> </ul> <p><i>Seasoning Requirements apply, see Seller's Guide for details</i></p>
Unleased Units / Vacant Properties	<p>Purchase: No LTV Restrictions</p> <p>Refinances: Eligibility (LTV) must use the DSCR &lt; 1.00 matrix for all properties with any unleased (vacant) units. FICO 640-679 with 1.0+ DSCR to use DSCR &lt; 1.0 680+ FICO Grid. Pricing is based upon the DSCR from the gross rents on the 1007.</p>
Condos	If the property is part of a condo association, the lender must obtain a condo questionnaire and insurance certificate from the condo association to ensure that it meets the eligibility criteria outlined in seller's guide.
Property Limitations	<ul style="list-style-type: none"> <li>2-Acres Max</li> <li>Rural Property not allowed.</li> </ul>
Escrow Account	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.

UNDERWRITING	
Credit	<ul style="list-style-type: none"> <li>Middle of 3 Scores, or Lower of 2</li> <li>Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity                             <ul style="list-style-type: none"> <li>If borrower/guarantor has three (3) credit scores, the minimum tradeline requirement is waived</li> </ul> </li> <li>Mortgage debt must be current at application and through closing</li> <li>Delinquent non-mortgage accounts must be brought current at closing</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>Loan Amount ≤ \$1.0M: 3-months of PITIA</li> <li>Loan Amount ≤ \$2.0M: 6-months of PITIA</li> <li>Loan Amount &gt; \$2.0M: 12-months of PITIA</li> <li>Foreign National: 6-months of PITIA</li> <li>Cash out may be used to satisfy requirement</li> </ul>
Prepayment Penalty Structure	<ul style="list-style-type: none"> <li>5% fixed for 1 to 5-years</li> <li>Decling &amp; Other structures over 1 to 5-years:                             <ul style="list-style-type: none"> <li>5-Yr (5%/4%/3%/2%/1%)</li> <li>4-Yr (5%/4%/3%/2%)</li> <li>3-Yr (5%/4%/3%)</li> <li>1-Yr (2% Fixed) RI Only</li> </ul> </li> <li>No Prepayment Penalty</li> </ul>
Assets	30-days asset verification seasoning
Document Age	Max Document Age: 90-days
Gift Funds	Allowed after min 10% borrower contribution
Exposure	Maximum concentration to a single borrower is \$5,000,000

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

