

Arete DSCR (Investment Properties Only)

Effective Date: 07/21/2025 v 1.0

FUNDLOANS

Loan Amount	FICO	Maximum LTVs					
		DSCR ≥ 1.1		DSCR 1-1.09		DSCR 0.80-0.99	
		Purch/RT	Cash Out	Purch/RT	Cash Out	Purch/RT	Cash Out
≤1MM	720	80	75	80	75	70	70
	700	80	75	80	75	70	70
	680	75	70	75	70	70	65
	660	75	70	70	N/A	70	N/A
>1.0 MM - 1.5 MM	700	80	75	80	75	70	70
	680	75	70	75	70	70	65
	660	75	70	70	N/A	70	N/A
>1.5 MM - 2.0 MM	700	75	70	75	70	70	65
	680	75	70	70	70	65	65
	660	70	65	70	N/A	65	N/A

Residency	
<ul style="list-style-type: none"> • US Citizen • Permanent & Non-Permanent Res Alien • FN See guidelines for Visa/Credit requirement 	
Max Acreage	
• 10 Acres	
Rural Properties	
Not Allowed	
Gift Funds	
Not Allowed	
Interested Party Contributions	
2% Max	Non-Arm's Length not allowed
Reserves	
6 months	
Foreign National	
Min 1.1 DSCR and OREO required	

Program Restrictions	
Housing	1x30x12
BK (Chap 13 Discharge)	36 mo
BK (Other)	36 mo
Foreclosure	36 mo
Short Sale/DIL	36 mo
Cash-Out Max	\$500,000.00
Min FICO	660
Max LTV: Purchase	80%
Max LTV: R/T	80%
Max LTV: Cash-Out	75%
Max CLTV	80%
Max Loan Amount	\$2,000,000.00
Min Loan Amount	\$200,000.00
Fixed Terms	30 Year Fixed & 30 or 40 Year Fixed I/O
5/6 Mo SOFR ARM	3.750% Margin/Floor - 2/1/5 Caps
7/6 Mo SOFR ARM	3.750% Margin/Floor - 5/1/5 Caps
Qualifying Rate	Qualify on the Note Rate

Other LTV/CLTV Limits	
FN	70% LTV max
2-4 Unit	75% LTV max
Non-warrantable Condo	5% max LTV reduction
Interest Only	
<ul style="list-style-type: none"> • IO Period: 120 Months • Loan Term: 480 or 360 mo • 5/6 Mo SOFR ARM IO, 7/6 Mo SOFR ARM IO, 30 Yr FRM IO & 40 Yr FRM IO • 80% max LTV 	

Income		
<ul style="list-style-type: none"> • Gross Income/PITIA (or ITIA for I/O products) • Transaction qualified on cash flow of the subject property 		
STR Income		
Gross rents * .80	Add LLPAs required	Min. 1.0 DSCR
Investor Experience		
Experienced Investor		
<ul style="list-style-type: none"> • 12 mo ownership of income-producing real estate <36 months 		
First Time Investor		
<ul style="list-style-type: none"> • Borrowers not meeting Investor Experience are eligible if: 		
≥ 700 FICO / >1.0 DSCR / Own primary / 5% LTV reduction / No gift funds / 12 mo reserves		
Foreign National		
Min 1.1 DSCR and OREO required		

Compliance	
<ul style="list-style-type: none"> • Loans considered high-cost by Federal or State law not allowed • Points and Fees may not exceed 5% 	
Financed Properties	
<ul style="list-style-type: none"> • Add 2 months reserves for each OREO (to a max of 12 months reserves) • FundLoans program exposure to a single borrower not to exceed \$5MM 	
Prepayment Penalty	
<ul style="list-style-type: none"> • 3 year standard prepay , 2 yr and 1 yr available at additional cost • Minimum of 1 year PPP (5% fixed penalty) 	

