

# Spectrum - DSCR PRIME (Debt Service Coverage Ratio -Investment Properties Only)

# FUNDLOANS

Effective Date: 8/1/2020

Maximum LTVs Loan Amount	FICO	Purchase	> 1.15 Rate/Term	Cash Out	Purchase	1.00 - 1.15 Rate/Term	Cash Out	Purchase	.80 to .99 Rate/Term	Cash Out
<=1MM	720	80	80	75	75	75	70	70	70	65
	700	75	75	70	70	70	65	65	65	60
	680	70	70	65	65	65	60	60	60	55
> \$1 MM to \$1.5 MM	720	75	75	70	70	70	65	65	65	60
	700	70	70	65	65	65	60	60	60	55
	680	65	65	60	60	60	55	55	55	50
> \$1.5 MM to \$2.5 MM	720	70	70	65	65	65	60	60	60	55
	700	65	65	60	60	60	55	55	55	50
	680	60	60	55	55	55	50	50	50	50
> \$2.5 MM	720	Call to Price	Call to Price	Call to Price	Call To Price	Call To Price	Call To Price	Call to Price	Call to Price	Call to Price
	700									
	680									

Program Restrictions	
Housing	0x30x12
BK (Chap 13 Discharge)	48 mo
BK (Other)	48 mo
Foreclosure	48 mo
Short Sale/DIL	48 mo
Min FICO	680
Max LTV: Purchase	80
Max LTV: R/T	80
Max LTV: Cash-Out	75
Max CLTV	80
Max Loan Amount	5,000,000
Fixed Terms	30 Year Fixed & 15 Year Fixed
Fixed IO	30 Year Fixed & 15 Year Fixed (w/ 10 yr IO Option)
5/6 SOFR ARM	5/6 Mo SOFR ARM (2/1/5 Caps)   3.750% Margin/Floor
7/6 SOFR ARM	7/6 Mo SOFR ARM (5/1/5 Caps)   3.750% Margin/Floor
Qualifying Rate	Qualify on the Note Rate

Income	
<b>Debt Service Coverage Ratio (DSCR)</b>	
<ul style="list-style-type: none"> <li>Gross Income/PITIA (or ITIA for I/O products)</li> <li>Transaction qualified on cash flow of the subject property</li> <li><b>Gross Income:</b> Existing Long Term Lease, 6 mos Short Term Rent History, or 1007</li> </ul>	
<b>Living Rent Free</b>	
<ul style="list-style-type: none"> <li>Max LTV 65% / Minimum FICO 720+</li> </ul>	
<b>Investor Experience</b>	
<b>Experienced Investor</b>	
<ul style="list-style-type: none"> <li>Borrower has owned 2 or more properties within the most recent 12 months (Primary can be included), with 1 having documented rental income of 12 months or more.</li> </ul>	
<b>First Time Investor</b>	
<ul style="list-style-type: none"> <li>If Borrower doesn't meet the Experienced Investor criteria. 1st Time Investors must have owned a residence (primary or rental) for most recent 12 months.</li> </ul>	
<b>Financed Properties</b>	
<ul style="list-style-type: none"> <li>No limit on financed properties</li> <li>FundLoans exposure to an individual borrower not to exceed \$15 MM or 6 properties</li> </ul>	

Loan Amounts > \$3,000,000	
<ul style="list-style-type: none"> <li>Cash-Out limited to the lower of 50% of property value or \$3,000,000</li> <li>Property Types: SFR, Warrantable and Non-Warrantable Condos</li> <li>Minimum FICO 700</li> <li>See Guidelines for specific appraisal requirements (<b>OVERLAYS APPLY</b>)</li> </ul>	
<b>Compliance</b>	
<ul style="list-style-type: none"> <li>Impounds are required</li> <li>Loans considered high-cost by Federal or State law not allowed</li> <li>Points and Fees may not exceed 5%</li> </ul>	
<b>Reserves</b>	
<ul style="list-style-type: none"> <li>6 months reserves (may include cash out)</li> <li>2 Months reserves for each OREO (Total reserve requirement not to exceed 12 mo)</li> </ul>	
<ul style="list-style-type: none"> <li>NOTE: Additional reserves above and beyond program minimums may improve pricing</li> </ul>	

Other LTV/CLTV Limits	
Condo:	75%
2-4 Unit:	75%
Mixed Use:	70%
1st Time Investor:	70%

Cash-Out Limit (% property Value)	
Program Max:	65%
Loan Amt > 1MM:	60%
Condo:	60%
2-4 Unit:	60%

Residency	
<ul style="list-style-type: none"> <li>US Citizen</li> <li>Permanent &amp; Non-Permanent Res Alien</li> <li>See FN matrix for investment options</li> </ul>	
<b>Interested Party Contributions</b>	
<ul style="list-style-type: none"> <li>All LTV's: 3%</li> </ul>	

Interest Only	
<ul style="list-style-type: none"> <li>IO Period: 120 Months</li> <li>Qualifying Term: Loan Term (360 mo)</li> <li>Loan Term: 360 mo</li> <li>Products: 5/1, 7/1, 30yr &amp; 15yr Fix - (w/ 10 yr IO option)</li> <li>Max LTV/CLTV: 75%</li> </ul>	

Loan Amount	
<ul style="list-style-type: none"> <li>Program Min: \$300,000</li> <li>Non-Warrantable Condo Max: \$1,500,000</li> <li>Loan Amounts &gt; \$1.5MM require 2 appraisals</li> <li>Loan Amounts &gt; \$3MM see additional overlays</li> </ul>	

Max Acreage	
<ul style="list-style-type: none"> <li>2 Acres</li> </ul>	
<b>Rural Properties</b>	
<ul style="list-style-type: none"> <li>Rural Properties Not Allowed</li> </ul>	

Prepayment Penalty	
<ul style="list-style-type: none"> <li>Terms for 3 years available for 3 Year ARMs. Otherwise 5 Year terms are acceptable.</li> <li>The following structures are acceptable... <ul style="list-style-type: none"> <li>- 6 months of interest on 80% of the original principal balance</li> </ul> </li> </ul>	