

# Spectrum No Ratio (Investment Properties Only)

Effective Date: 1/1/2021

# FUNDLOANS

Loan Amount	Maximum LTVs Reserves	DSCR >= 0.75				No Ratio (DSCR < 0.75)			
		FICO	Purchase	Rate/Term	Cash Out	FICO	Purchase	Rate/Term	Cash Out
<=1MM	DSCR >=1.0 = 3 mos DSCR < 1.0 = 6 mos	660+	80	80	75	680 Min	60	55	50
		640-659	75	75	70				
		620-639	70	70	65				
>1.0 MM - 1.5 MM	DSCR >=1.0 = 6 mos DSCR < 1.0 = 9 mos	720+	80	80	75	700 Min	55	50	45
		680-719	75	75	70				
		640-679	70	70	65				
		620-639	65	65	60				
>1.5 MM - 3.0 MM	DSCR >=1.0 = 9 mos DSCR < 1.0 = 12 mos	700+	65	65	55	720 Min	50	45	40
		640-699	60	60	55				
		620-639	50	50	45				
		680+	(Call to price)	(Call to price)	(Call to price)				
> 3.0 MM - 4.0 MM	12 Months*	680+	(Call to price)	(Call to price)	(Call to price)	No Ratio only: 7 years no Housing Credit Events & 0 x 30 days x 24 months all loans on personally held real estate.			
> 4.0 MM - 5.0 MM**	12 Months*	680+	(Call to price)	(Call to price)	(Call to price)				

\* See Financed Properties

Program Restrictions	
Housing	1x30x12
BK (Chap 13 Discharge)	24 mo
BK (Other)	24 mo
Foreclosure	24 mo
Short Sale/DIL	24 mo
Min FICO	620
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 or 40 Year Fixed & 30 or 40 Year Fixed I/O
5/1 SOFR ARM	1 YR SOFR - 6 % Margin/Floor - 2/2/5 Caps
7/1 SOFR ARM	1 YR SOFR - 6 % Margin/Floor - 5/2/5 Caps
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>Gross Income: Existing Long Term Lease, 12 mos Short Term (AirBnB) History, or 1007</li> </ul>	
<b>Living Rent Free</b>	
<ul style="list-style-type: none"> <li>Max LTV 65% / Minimum FICO 700+</li> </ul>	
<b>Investor Experience</b>	
<ul style="list-style-type: none"> <li>Experienced Investor</li> <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> <li>First Time Investor</li> <li>If Borrower doesn't meet the Experienced Investor criteria, 1st Time Investors must have owned a primary residence for the most recent 12 months.</li> </ul>	
<b>Reserves</b>	
<ul style="list-style-type: none"> <li>If subject property doesn't require reserves, no add reserves required for DREO</li> <li>For a second home or investment property, one (1) month of additional reserves for each financed property (other than subject) are required.</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>See Guidelines for specific appraisal requirements (OVERLAYS APPLY)</li> </ul>	
<b>Compliance</b>	
<ul style="list-style-type: none"> <li>Loans considered high-cost by Federal or State law not allowed</li> <li>Points and Fees may not exceed 5%</li> </ul>	
<b>Financed Properties</b>	
<ul style="list-style-type: none"> <li>No limit on financed properties</li> <li>Add 2 months reserves for each OREO (to a max of 12 months reserves)</li> <li>FundLoans exposure to a single borrower not to exceed \$15MM or 6 properties</li> </ul>	

Other LTV/CLTV Limits	
Non-Warrantable Condo (Single):	75%
Non-Warrantable Condo (Multiple):	65%
1st Time Investor:	70%

Cash-Out Limit (% property Value)	
Program Max:	75%
Loan Amt > 1.5MM:	65%
Condo: Warrantable/Non Warrantable	70%/65%
2-4 Unit:	70%
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>	

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>	
Interested Party Contributions	
<ul style="list-style-type: none"> <li>All LTV's: 3%</li> </ul>	
Max Acreage	
<ul style="list-style-type: none"> <li>20 Acres to \$3 MM; 5 acres &gt; \$3 MM</li> </ul>	
Rural Properties	
<ul style="list-style-type: none"> <li>Rural Properties Not Allowed</li> </ul>	

Prepayment Penalty	
<ul style="list-style-type: none"> <li>3,2 or 1 year prepay options available</li> <li>- 6 months of interest on 80% of the original principal balance</li> </ul>	

Interest Only	
<ul style="list-style-type: none"> <li>IO Period: 120 Months</li> <li>Loan Term: 480 or 360 mo</li> <li>Products: 5/1, 7/1, 30yr FRM, 30 yr Fix I/O &amp; 40 Yr Fix I/O</li> <li>Max LTV/CLTV: 80%</li> </ul>	