



AMERITRUST - DSCR (5-10 UNITS OR MIXED USE 2-8 UNITS)

Investment Property (Business Purpose)				
Maximum LTV/CLTVs		>= 1.00 DSCR		
Credit Score	Loan Amount	Purchase	Rate & Term Refinance	Cash-Out Refinance
720+	<= 1,500,000	75	75	70
	1,500,001 - 2,000,000	75	70	65
	2,000,001 - 2,500,000	70	70	65
	2,500,001 - 3,000,000	70	70	65
700+	<= 1,500,000	75	75	70
	1,500,001 - 2,000,000	70	70	65
	2,000,001 - 2,500,000	65	65	60
	2,500,001 - 3,000,000	65	65	60
680 - 699	<= 1,500,000	70	70	65
	1,500,001 - 2,000,000	70	70	65
	2,000,001 - 2,500,000	65	65	60
	2,500,001 - 3,000,000	65	65	60
660 - 679	<= 1,500,000	65	65	60
	1,500,001 - 2,000,000	60	60	55

Housing History

• 0X30X12

Housing Event Seasoning

• BK/FC/SS/DIL/Mod: 36 Mos

State Restrictions

Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands
 Maximum eligible LTVs do not require a market adjustment for the 5-8 multifamily and 2-8 mixed use property types.

Investor Experience

• First Time Investors allowed with minimum 12 months reserves 720 fico/ 5% reduction in max LTV
 • Experienced Investor: Borrower must have a history of owning and managing commercial or residential real estate for at least 1 year in the last 3 years.

General Requirements

Product Type	• 40-Year Fixed, 30-Year Fixed, 15-Year Fixed, 40 YR I/O, 30 YR I/O.
Interest Only	• Min Credit Score: 660 • Max LTV: 75% • Borrower to qualify using the IO payment based on the qualifying rate (Greater of the fully indexed rate or note rate).
Loan Amounts	• Min: \$250,000 • Loan sizes under \$400,000 require a 5% reduction to LTV • Max: \$3,000,000
Occupancy	• Investment Properties (Business Purpose)
Loan Purpose	• Purchase, Rate/Term, and Cash Out
Cash-Out	• Max cash-out: \$1,000,000



Foreign National	<ul style="list-style-type: none"> • Min DSCR >= 1.00 • Min Score: 700 if using US Credit • Foreign Credit is permitted. • Reserves: 12 months PITIA <p>LTV requirements:</p> <ul style="list-style-type: none"> • <=\$2.0M = Purch & R/T : 70% LTV or Cash-Out: 65% LTV • > \$2.0M- \$2..5M = Purch & R/T : 65% LTV or Cash-Out: 60% LTV • > \$2.5M - \$3.0M = Purch & R/T : 60% LTV or Cash-Out: 55% LTV
Property Type	<ul style="list-style-type: none"> • Residencial 5-10 Units • Mixed use 2-8 units. For properties with less than 5 units, at least 1 unit must be commercial. <ul style="list-style-type: none"> • 2-3 Units: Max 1 commercial unit • 4-5 Units: Max 2 commercial units • 6-8 Units: Max 3 commercial units • Commercial space must not exceed 49% of the total building area
Property Requirements	<ul style="list-style-type: none"> • Minimum 400 square feet per unit • Be accessible for year-round residential use. • Contains a full kitchen and bath. • Represent highest and best use of the property. • Not contain any health and safety issues.
Property Condition	<ul style="list-style-type: none"> • No fair and poor ratings • No environmental issues (Storage or use of hazardous material, ex. Dry cleaners, Laundromat) • No health or safety issues as noted by the appraiser (ex. Broker windows, stairs etc.) • No excessively deferred maintenance could become a health or safety issues for tenants. • No structural deferred maintenance (ex. Foundation, roof, electrical, plumbing)
Unleased Units	<ul style="list-style-type: none"> • Maximum 1 vacant unit on 2-3 Unit property; 2 vacancies on 4+ units. Note that properties are permitted to be delivered vacant on purchase transactions. • Unleased units must be in lease ready condition; units cannot be undergoing rehab, etc.
Appraisals	<ul style="list-style-type: none"> • <u>Mixed Use 2-8 Units:</u> • <u>General Purpose Commercial Forms (ex.GP Commercial Summary Form)</u> <p>The following are required for both 5-10 Residential and Mixed Use 2-8 Unit appraisal reports:</p> <ul style="list-style-type: none"> • Full Interior Inspection of each unit • Rent roll. • Income and Expense Statement • Photos of subject including exterior/ interior and street scene • Aerial photo • Sketch of floor plan of typical units • Map • Plot plan or survey • Appraiser qualifications <p>BPO to be ordered on all transactions except for those including two full appraisals.</p> <p>2nd appraisal required for loan amounts>2mm.</p> <p>(2nd appraisal not required when Form 71A Multifamily or Commercial Narrative Report is provided.</p>

	<ul style="list-style-type: none"> • A full interior inspection with photos is required for all units. • 5-8 Residential • FHLMC 71A, FNMA 1050 or similar short form used to appraise 5+ residential properties, or • Narrative report can be utilized but not required. • 2-8 Mixed Use • General Purpose Commercial Forms (i.e., GP Commercial Summary Form available from CoreLogic a la mode) • The following attachments required for 5-8 Residential and 2-8 Mixed Use appraisal reports: <ul style="list-style-type: none"> • Rent Roll • Income and Expense Statement • Photos of subject including exterior/interior and street scene • Aerial photo • Sketch or floor plan of typical units • Map • Appraiser qualifications • Review Product – A commercial BPO required for all loans <ul style="list-style-type: none"> • PA, NC- a commercial evaluation product is used instead of a commercial BPO
Declining Markets	<ul style="list-style-type: none"> • Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.
• Mixed Use	<ul style="list-style-type: none"> • •Commercial use limited to retail, restaurant, or office space. Nothing hazardous -Residential/Commercial zoning acceptable.
Rural Property	<ul style="list-style-type: none"> • Up to 2 acres, not meeting the rural definition, permitted
Income Requirements	
Income	<ul style="list-style-type: none"> • User lower of Estimated market rent or lease agreement. • For leases that have converted to month-to-month, provide 2 months bank statements to support rental income



Income	<ul style="list-style-type: none"> • Vacant unit(s) - use 75% of market rents. Max 1 vacancy on 2-3 unit properties or 2 vacancies on 4+ units • Reduce qualifying rents by any management fee reflected on the appraisal report. • 2-8 Mixed Use: Income from commercial space must not exceed 49% of the total property income. • Minimum DSCR >=1.00 • Loan Amounts => \$2,000,000 also require Debt Yield of 9% or greater (Net Operating Income/ Loan Amount = 9% or greater)
Underwriting Requirements	
Credit Score	<ul style="list-style-type: none"> • Middle of 3 scores or lower of 2 of all Borrowers
Tradelines	<ul style="list-style-type: none"> • All borrowers have 3 scores*: or • Min: 2 open and reporting 24-months; or • 3 open and reporting 12-months. <p>For each borrower who has three (3) credit scores, the minimum tradeline requirement is waived (all borrowers must be evaluated individually).</p>
Assets	<ul style="list-style-type: none"> • 30-day asset verification required
Prepayment Penalty	<ul style="list-style-type: none"> • Required on Investment Properties when permitted • See PPP Requirements Matrix
Reserves	<ul style="list-style-type: none"> • Loan Amt <= \$1.5M: 6 Months PITIA • Loan Amt > \$1.5M - \$2.0M: 9 Months PITIA • Loan Amt > \$2.0M - \$2.5M: 12 Months PITIA • Loan Amt > \$2.5M - \$3.0M: 12 Months PITIA • Cash out may be used to meet reserve requirements
Gift Funds	<ul style="list-style-type: none"> • Allowed after min 10% borrower contribution. • Cannot be used to meet reserve requirements
Document Age	<ul style="list-style-type: none"> • Credit reports must be dated within 120 days of the Note date. Income and Asset Docs must be dated within