

# Spectrum No Ratio (Investment Properties Only)

Effective Date: 07-02-2024 | V5.7

# FUNDLOANS

Maximum LTVs		DSCR >= 1.00				DSCR >= 0.75			
Loan Amount	Reserves	FICO	Purchase	Rate/Term	Cash Out	No Ratio (DSCR < 0.75)			
<=1MM	DSCR >=1.0 = 3 mos	720+	80	80	75				
Loan Amount	Reserves	FICO	Purchase	Rate/Term	Cash Out	FICO	Purch.	R/T	C/O
<=1MM	DSCR >=1.0 = 3 mos DSCR < 1.0 = 6 mos	680+	75	75	70	680 Min	60	55	50
		660-679	70	70	70	FN	60	55	50
		FN	70	70	65				
>1.0 MM - 1.5 MM	DSCR >=1.0 = 6 mos DSCR < 1.0 = 9 mos	720+	75	75	70	700 Min	55	50	45
		680-719	75	75	70	FN	55	50	45
		660-679	70	70	65				
		FN	65	65	60				
>1.5 MM - 3.0 MM	DSCR >=1.0 = 9 mos DSCR < 1.0 = 12 mos	700+	70	70	65	720 Min	50	45	40
		660-699	65	65	60	FN	50	45	40
		FN	60	60	55				
>3.0 MM - 5.0 MM	DSCR >=1.0 = 9 mos DSCR < 1.0 = 12 mos	700+	65	65	N/A	No Ratio only: 7 years no Housing Credit Events & 0 x 30 days x 12 months all loans on personally held real estate			
		660 - 699	60	60	N/A				
		FN	60	60	N/A				
>5.0 MM - 6.0 MM	12 Months Reserves	660+/FN	60% LTV max case-by-case		N/A				

Program Restrictions	
Housing	1x30x12
BK (Chap 13 Discharge)	24 mo
BK (Other)	24 mo
Foreclosure	24 mo
Short Sale/DIL	24 mo
Min FICO	660
Max LTV: Purchase	80
Max LTV: R/T	80
Max LTV: Cash-Out	75
Max CLTV	80
Max Loan Amount	6,000,000
Min Loan Amount	200,000
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

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>STR Income (&gt;1.00 DSCR + Loan Amount &lt;\$2MM)</b>	
Gross rents * .80	Refinance: 12 mo history   Purchase: AirDNA
<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>Borrowers not meeting Investor Experience are eligible if: ≥ 700 FICO / &gt;1.00 DSCR / &lt; \$2m Loan amt / 5% LTV reduction / No gift funds / 12 mo reserves</li> </ul>	
<b>Living Rent Free</b>	
<ul style="list-style-type: none"> <li>Max LTV 65% / Minimum FICO 700+</li> </ul>	

Other LTV/CLTV Limits	
Non-Warrantable Condo	75%
1st Time Investor:	5% LTV reduction
FN Purchase / Rate Term	70%
FN Cash Out	65%
<b>Interest Only</b>	
<ul style="list-style-type: none"> <li>IO Period: 120 Months</li> <li>Loan Term: 480 or 360 mo</li> <li>5/6 Mo SOFR ARM IO, 7/6 Mo SOFR ARM IO, 30 Yr FRM IO &amp; 40 Yr FRM IO</li> <li>Max LTV/CLTV: 75%</li> </ul>	

Cash-Out Limit (% property Value)	
Program Max:	75%
Loan Amt > 1.5MM:	65%
Loan Amt > 3MM: lower of 50% of property value or \$3MM	
Condo: Warrantable/Non Warrantable	75%/65%
2-4 Unit:	70%
Recent Listing (<6 mos) allowed with Additional LLPAs	
<b>Loan Amount</b>	
<ul style="list-style-type: none"> <li>Program Min: \$200,000</li> <li>Non-Warrantable Condo Max: \$1,500,000</li> <li>&gt;\$2MM 2nd appraisal required</li> <li>&gt;\$3MM: Additional overlays apply</li> </ul>	

Residency			
<ul style="list-style-type: none"> <li>US Citizen</li> <li>Permanent &amp; Non-Permanent Res Alien</li> <li>FN See guidelines for Visa/Credit requirement</li> </ul>			
<b>Interested Party Contributions</b>			
See Guidelines			
<b>Max Acreage</b>			
<ul style="list-style-type: none"> <li>20 Acres to \$3mm; 5 acres &gt; \$3MM</li> </ul>			
<b>Rural Properties</b>			
<ul style="list-style-type: none"> <li>Rural Properties Not Allowed</li> </ul>			
<b>Condotel LTV</b>			
Purchase	R/T	Cash Out	FN
70	70	65	65
Max Loan Amt \$1.5MM			
<b>Gift Funds Allowed</b>			
L/A < \$2MM		LTV < 80%	

Compliance	
<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>	
<b>Prepayment Penalty</b>	
<ul style="list-style-type: none"> <li>3 year standard prepay, 2 year and 1 year prepay available at additional cost</li> <li>Minimum of 1 year prepay required on investment properties (5% fixed penalty)</li> </ul>	