

INVESTOR NO RATIO

PROGRAM ID: **SP I15**

Program description: Investment property financing, No Ratio

Products and Terms:

5/1 ARM: Fully Amortizing **5/1 ARM:** With 10 year Interest-Only period
7/1 ARM: Fully Amortizing **7/1 ARM:** With 10 year Interest-Only period
15-Yr Fixed: Fully Amortizing
30-Yr Fixed: Fully Amortizing **30-Yr Fixed:** With 10 year Interest-Only period

Eligible borrowers: Citizens / US persons (refer to Section 4.1 of the Sales Guide)

Minimum debt service coverage ratio: N/A

Minimum credit score: 700. No foreclosure, bankruptcy, deed in lieu or short sale permitted in the past 24 months. If foreclosure, bankruptcy, deed in lieu or short sale between 24 and 48 months, then max 65% LTV and reserves increased by 6 months. Mortgage and Rental History: maximum 1 x 30 x 12 with 0 x 30 in the last 6 months from Note Date

Loan amounts and loan to value limits:

Investment / Business Purpose
Purchase and Rate & Term Re-fi

1-4 unit and Condos

(example based on 740 min credit score)

70% to \$1,000,000

(example based on 700 min credit score)

65% to \$1,000,000

Investment / Business Purpose
Cash-out Re-fi

(example based on 720 min credit score)

60% to \$1,000,000

Acceptable occupancy: investment / business purpose properties only. (Borrowers must sign a business use affidavit)

Acceptable property types: 1-4 units, warrantable condos. Condotels not permitted.

Required reserves: 6 months PITIA. If (i) the Borrowers own one or more investment properties which are not the Subject Property, and (ii) the Subject Property is an investment property, then required reserves must be increased by two months of the PITIA for the Subject Property for each mortgaged investment property owned by any of the Borrowers. For cash out refinances, Borrower must have the first 3 months PITIA reserves of their own eligible funds, not including the cash out proceeds available to the Borrower. Reserve requirement exceeding 3 months maybe provided with cash proceeds providing the Borrower has 3 months from their own funds..

Acceptable states: All 50 states and DC (US Territories not permitted). Wholesale; verify currently licensed states

Other Info: ARM Index - 1-yr LIBOR; Margins – investor-occupied 5.25%; Caps – 2% initial, 2% each year and 5% lifetime; Floor (lifetime minimum rate) - is initial note rate. For prepayment penalty information and escrow information please see the Sprout Sales Guide. Gifts permitted and must conform to all Fannie Mae gift requirements (except that Fannie requirements are modified to permit gifts for investor occupancy). ACH draft required if one or more Borrowers is a foreign national.