

INVESTOR MIXED USE

PROGRAM ID: **SP I12**

Program description: Mixed-Use Properties, Debt Service Coverage 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

Eligible borrowers: Citizens / US persons and foreign borrowers permitted, LLCs and Corporations organized in one of the fifty states or the District of Columbia

Minimum debt service coverage ratio: 100% of PITIA for loans ≤ \$1MM; 110% of PITIA for loans > \$1MM

Minimum credit score: 660. 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 2-8 units

(example based on 720 min credit score)

70% to \$1,500,000

65% to \$2,500,000

Investment / Business Purpose

Cash-out Re-fi 2-8 units

(example based on 720 min credit score)

65% to \$1,500,000

60% to \$2,000,000

For Loans with one or more foreign borrowers:

70% to \$1,000,000

65% to \$2,500,000

65% to \$2,500,000

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

Acceptable property types: Properties consisting of 2 to 8 units, if the property is less than 5 units at least one unit must be commercial (store, restaurant, etc.) and properties with more than 2 commercial units are not permitted. Please see the Sprout Sales Guide for important additional property requirements.

Required reserves: 6 months PITIA for loan amount < \$2MM; 12 months PITIA for loan amount ≥ \$2MM. If one or more borrowers is a foreigner, 12 months of reserves are required.

Acceptable states: All 50 states and DC (US Territories not permitted).

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. Interest only loans are for 40-year terms (after the 10-year Interest Only period the loan must amortize over the remaining 30 years). 3-yr prepayment penalty required for investor occupancy / business purpose loans where permitted by law. For escrow information please see the Sprout Sales Guide. ACH draft required.