

INVEST STAR PLUS CREDIT MATRIX

DSCR

Eligibility	Description
DSCR Ratio	<ul style="list-style-type: none"> Must be greater than 1.2 for ficos ≥ 700 Must be greater than 1.1 for ficos ≥ 720
DSCR Calculation	<ul style="list-style-type: none"> Rental income divided by PITIAA • Lesser of the lease or Form 1007/1025 2-4 unit vacant units use 1007/1025 (No LTV restrictions) No exceptions allowed on DSCR calculation
Vacancy (Purchase)	<ul style="list-style-type: none"> SFR 1 Unit, PUD, & Condo are not required to be leased at origination 2-4 Unit properties may have 1 unit vacant
Vacancy (Refinance)	<ul style="list-style-type: none"> SFR 1 Unit, PUD, & Condo must be occupied and a lease provided 2-4 Unit properties may have 1 unit vacant
Real Estate Owned	List all properties to meet the experience requirement and those properties associated to mortgage liabilities on credit.

LOAN TYPE RESTRICTIONS

Transaction Type	Fico	≤ \$1.0M	≤ \$1.5M	≤ \$2.0M	≤ \$3.0M
Purchase	760 +	85% ₍₁₎	80%	80%	75%
	740 - 759	85% ₍₁₎	80%	80%	75%
	720 - 739	80%	80%	75%	70%
	700 - 719	80%	75%	70%	65%
Rate/Term Refinance	760 +	80%	80%	75%	70%
	740 - 759	80%	80%	75%	70%
	720 - 739	80%	75%	70%	65%
	700 - 719	75%	75%	70%	65%
Cash Out Refinance	760 +	75%	75%	75%	70%
	740 - 759	75%	75%	70%	70%
	720 - 739	75%	75%	70%	65%
	700 - 719	75%	70%	65%	60%

PRODUCT TYPE RESTRICTIONS

Eligibility	Max LTV Purchase	Max LTV R&T	Max LTV Cash Out
LTV > 80%	Delegated correspondent not eligible		
2 - 4 Units	80%	80%	75%
Interest Only	80%	80%	75%
Foreign National / Non-Permanent Resident	Not Allowed		
Vacant Refinance	5% reduction to max LTV when unit(s) are vacant on a 2-4 unit property		
Short Term Rental	Not Allowed		
Non-Warrantable Condo	Not Allowed		

PRODUCT

Eligibility	Description
Fixed Products	30 Year fixed or 30 Year fixed interest only
Arm Products (30 Year Amortization)	30 Year Term • 5 year 12 month SOFR arm • 7 year 12 month SOFR arm Margin 5.5% • Index: 30-day average SOFR • Floor: Start rate 2.0% Initial cap / 2.0% Annual cap / 5.0% Life cap
Interest Only Term	• 120 Months
Loan Amount	Minimum loan amount \$150,000 • Maximum loan amount \$3,000,000
Prepayment Penalty	<ul style="list-style-type: none"> • Fixed percentage 1-5 year term with a 5% fixed penalty • Declining structure starting at 5% with a floor of 3%
Prepay Restrictions	Not allowed in AK, KS, MN, NM, RI Allowed with conditions in IL, MS, NJ, OH, PA
Escrows	Escrow waiver allowed with conditions, see client guide
Cash Out Proceeds	Must be used for a business purpose Max cash in hand limited to \$500,000 for LTV greater than 65% There is no cash in hand limitation for loans equal to or less than 65% LTV
Appraised Value Seasoning	No seasoning to use appraised value for a Rate and Term Refinance 3 months seasoning for a Cash Out Refinance <ul style="list-style-type: none"> • Max loan amount lesser of \$750,000 or purchase price plus improvements 6 months seasoning for a Cash Out Refinance <ul style="list-style-type: none"> • No additional restrictions No seasoning required to use appraised value on properties obtained through inheritance, divorce, or separation
Occupancy	Investment only
Secondary Financing	Not allowed
Land Contract • Lease with Option to Purchase	Eligible as a rate and term refinance if seasoned for 12 months with a payment history of 0x30 for 12 months supported by canceled checks
Delayed Financing	Eligible when a property was purchased by a borrower for cash within 180 days of the loan application • Purchase loan/LTV limits apply
Fees	\$1,449 Underwriting Fee • \$150.00 Desk Review Fee If applicable: \$250.00 Texas Legal Document Review If applicable: \$250.00 Entity Review Fee • If applicable: \$695.00 Processing Fee

BORROWER

Eligibility	Description
Eligible Borrowers	US Citizen • Permanent Resident • US Domiciled Entity • Living Trusts
Max Borrowers	Max 4 individuals or 2 entities
Vesting	Natural persons • US Domiciled Entity • Living Trusts
Experience	Must own an investment property for 12 months during the last 3 years
First Time Investor	Must own primary residence for 12 months during the last 3 years (Max 75% LTV)
First Time Homebuyer	Ineligible
Exposure	No more than \$5,000,000 or 15 properties to one single borrower
Criminal History	No felony or misdemeanor for moral turpitude in last 10 years

CREDIT

Eligibility	Description
Decision Credit Score	<p>Minimum score 700</p> <p>A minimum of two scores must be reporting</p> <p>Use the lower of two or middle of three credit scores to determine the decision score •</p> <p>Use the lowest decision score amongst all borrowers</p>
Mortgage Status	Primary and Subject Mortgage must be current at the time of closing
Mortgage Rating	0 x 30 x 12 months for Primary and Subject Mortgage
Consumer Credit	No requirement
Credit Event Seasoning (BK, FC, SS, FB, Mod)	36 Months
Covid Forbearance	Eligible if all missed payments are repaid or 3 regular payments over 90 days have been paid after forbearance has ended.
Charge-Offs and Collections	<ul style="list-style-type: none"> • Charge-offs and collections in aggregate exceeding \$3,000 per credit report must be paid off prior to or at closing • Charge-offs or collections that exceed the statute of limitations can be excluded
Judgements and Liens	<ul style="list-style-type: none"> • All open judgments, garnishments, and outstanding liens affecting title must be paid off prior to or at closing • All federal, state, and local government liens must be paid off prior to or at closing • Judgments or liens > \$10,000 must be paid off prior to or at closing • Judgments or liens that exceed the statute of limitations can be excluded
Tradelines	One (1) active tradeline rated for 24 months and Two (2) tradelines rated 12 months open or closed

ASSETS / RESERVES

Eligibility	Description
Assets	Seasoned for 60 days • Sourcing required
Reserves	<ul style="list-style-type: none"> • 6 Months PITIA when LTV is <= 70% • 9 Months PITIA when LTV is > 70% • 12 Months PITIA for Foreign Nationals and Non-Permanent Residents 50% of Loan proceeds can be used for reserves
Concessions	Not to exceed 6% and must be used for closings costs and prepaids
Gift Funds	Gift funds permitted after a minimum 10% borrower contribution
Gift Equity	Not eligible

PROPERTY

Eligibility	Description
Property Type	SFR 1 - 4 Units • PUD • Condo
Property Condition	C4 or better
Minimum Sq Ft	SFR & PUD 700 sq ft • Condo Units 500 sq ft • 2-4 Units 500 sq ft
Acreage	Max 10 acres • No rural properties
Appraisal Requirements	Approved AMC required • SSRs required unless transferred SFR - 1004/1007 • 2 to 4 Units - 1025 • Condo - 1073/1007 Appraisal must be dated within 120 days of the Note Desk review required on all loans or CU Score of 2.5 or less with restrictions
Two Appraisals	Required when the loan amount is > \$2,000,000
Appraisal Transfers	Allowed with signed transfer letter from lender, invoice, and first generation report
Insurance Requirements	Rent loss coverage equal to 6 months qualifying rent Liability coverage equal to \$100,000
Listed for Sale	Listing must be canceled prior to the Note date for a Rate and Term Refinance Listing must be canceled 90 days prior to the Note date for a Cash Out Refinance The lessor of the recent list price or appraised value will be used within 6 months of the listing
Unavailable States	ND & SD
License Required Business Purpose States	AZ, CA, OR, NV, UT, ID, ND, SD, MN, VT

COMPLIANCE

Eligibility	Description
Max Broker Fees	<ul style="list-style-type: none">• Loan Amounts < \$150,000: Max broker compensation which includes borrower paid compensation, lender paid compensation, business purpose premium, and total fee compensation, which includes all other fees charged by the broker such as the credit report fee, processing fee, etc., is 5% in aggregate.• Loan Amounts > \$150,000: Max broker compensation which includes borrower paid compensation, lender paid compensation, business purpose premium is 3%. Total fee compensation which includes all other fees charged by the broker such as the credit report fee, processing fee, etc. is 5% in aggregate.• Stacking Fees does not affect or allow the broker to charge in excess of the above max compensation.

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