

INVESTMENT Achiever™ Multi-Unit

Achieve More™ on Multi-Unit & Mixed Use Investment Properties using Cash-Flow

As of 4/01/2024

Investment Property (5-8 Units or 2-8 Mixed Use)				
DSCR ≥ 1.00				
Minimum Credit Score	Max Loan Amount	Purchase	Rate and Term	Cash Out
700+	\$1,500,000	75%	70%	70%
	\$2,000,000	70%	65%	65%
660+	\$1,500,000	65%	60%	60%
	\$2,000,000	NA	NA	NA

PRODUCTS	
FIXED	ADJUSTABLE
15-Yr Fixed	5/6 SOFR ARM
30-Yr Fixed	7/6 SOFR ARM
30-Yr Fixed, 10yr I/O	10/6 SOFR ARM
Maximum Loan Term of 30-Years	

Property Types
Residential 5 - 8 Units
Mixed Use 2 - 8 Units

LIMITS	
Criteria	Limit
Min DSCR	1.00
Min Credit Score	660
Min Loan Amount	\$350,000
Max Loan Amount	\$2,000,000

INCOME DOCUMENTATION

DSCR	<p>Debt Service Coverage Ratio (DSCR) Minimum: 1.00</p> <ul style="list-style-type: none"> The DSCR is calculated by taking the eligible gross monthly rents divided by the PITIA of the subject property. Interest-only loans may use the ITIA payment for DSCR calculations Loan amounts >= \$1,500,000 require DSCR >=1.10 and Debt Yield of 9% or greater (net operating income/loan amount = 9% or higher) See full guidelines for requirements on Payments & Gross Rent calculations
Income	<ul style="list-style-type: none"> Use lower of Estimated market rent from 1007 or lease agreement, if leased Vacant Unit(s) - Use 75% of market rents. 2-3 Units: Max 1 vacancy. 4+ Units: Max 2 vacancies. Reduce qualifying rents by any management fee reflected on appraisal report 2-8 Unit Mixed Use: Income from commercial space must not exceed 49% of the total property income. Short term rental income not eligible.

Investor Experience Eligibility | **State Ineligibility List**

Investor Experience Level	<p>Experienced Investor:</p> <ul style="list-style-type: none"> Borrower must have history of owning and managing commercial or non-owner occupied residential real estate for at least 1 year in the last 3-years. <p>Inexperience Investor:</p> <ul style="list-style-type: none"> Borrowers not meeting the Experienced Investor Definition. <ul style="list-style-type: none"> Not Eligible 	Ineligible State List	<p>Correspondent Channel Ineligible States:</p> <ul style="list-style-type: none"> Puerto Rico, Guam, and the US Virgin Islands <p>Wholesale Channel Ineligible States:</p> <ul style="list-style-type: none"> Nevada
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BORROWER HISTORY

Housing History	<ul style="list-style-type: none"> 0x30x24 	Credit Event Seasoning	<p>Bankruptcy/Foreclosure/Short-Sale/Deed-In-Lieu/Modification:</p> <ul style="list-style-type: none"> >=36 Mo – No Reduction < 36 Mo – Not Eligible
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GENERAL REQUIREMENTS

Property Types	<ul style="list-style-type: none"> Residential 5 - 8 Units Mixed Use 2 - 8 Units <ul style="list-style-type: none"> Commercial Use Limited to Retail/Office/Restaurant Only <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 not to Exceed 49% of the total building area 	Unleased Units	<p>Vacant Unit(s) – Use 75% of market rents.</p> <ul style="list-style-type: none"> 2-3 Unit Property <ul style="list-style-type: none"> 1 Vacant Unit Maximum 4+ Unit Property <ul style="list-style-type: none"> 2 Vacant Units Maximum
Property Limitations	<ul style="list-style-type: none"> 2-Acres Max Rural Property not allowed. 	Cash-Out Max	<ul style="list-style-type: none"> Max \$1,000,000 Cash-in-Hand
Property Condition	<ul style="list-style-type: none"> No fair or poor ratings No environmental issues No health or safety issues No excessive deferred maintenance that could become a health or safety issue No structural deferred maintenance 	Appraisal(s)	<ul style="list-style-type: none"> Full interior inspection with photos required for all units. 5-8 Residential <ul style="list-style-type: none"> FNMA 1050, FHLMC 71A or similar for 5+ Residential 2-8 Mixed Use <ul style="list-style-type: none"> General Purpose Commercial Forms Required Attachments for all Appraisal Reports: <ul style="list-style-type: none"> Rent Roll, Income & Expense Statement, Photos of Subject including Exterior/Interior & street, Aerial Photo, Sketch or floor plan of typical units, Map, Plot plan or survey, and Appraiser qualifications. Commercial BPO Review Product required for all loans
Interest Only	Allowed	Foreign National	Not Accepted

UNDERWRITING

Credit & Tradelines	<ul style="list-style-type: none"> Middle of 3 Scores, or Lower of 2 3 tradelines with 12+ mos. activity; or 2 tradelines with 24+ mos. (with activity in past 12 mos.) Mortgage debt must be current at application and through closing Delinquent non-mortgage accounts must be brought current at closing 	Reserves	<ul style="list-style-type: none"> 6 months of PITIA Loan Amount > \$1.5M: 9-months of PITIA Loan Amount >= \$2.0M: 12-months of PITIA FICO < 700: +3 additional months of PITIA Cash-out May Not be used to satisfy requirement
Prepayment Penalty	<ul style="list-style-type: none"> Investment Occupancy Only Penalties not allowed in AK, KS, MI, MN, and NM Penalties not allowed on loans vested to individuals in IL and NJ Penalties not allowed on loan amounts less than \$312,159 in PA Only declining prepayment penalty structures allowed in MS Prepayment periods up to 5-Years eligible, see rate sheet 	Prepayment Penalty Structure	<ul style="list-style-type: none"> 5% fixed for 1 to 5-years Declining structures over 3 to 5-years: <ul style="list-style-type: none"> 5-Yr (5%/4%/3%/2%/1%) 4-Yr (5%/4%/3%/2%) 3-Yr (5%/4%/3%) No Prepayment Penalty
Assets	30-days asset verification required	Document Age	Max Document Age: 90-days
Gift Funds	Not Eligible	Exposure	Maximum concentration to a single borrower is \$5,000,000

Find out today how Stronghill provides transparent and flexible financing solutions that help you serve more borrowers.

