



**BLAIR COMPANIES**

# Single Property Rental Program

These represent general guidelines and loan terms are subject to lender discretion.

MAXIMUM LTVs		
FICO	PURCH/RT REFI	CASHOUT
≥ 740	80%	75%
720 - 739	75%	75%
700 - 719	75%	70%
680 - 699	70%	65%
660-679	65%	60%

MAXIMUM LTC FOR C/O REFI LOANS
Subject to LTV limits:
<ul style="list-style-type: none"> <li>80% if property purchased &lt; 3 months</li> <li>Additional 5% haircut on max LTV if property purchased between 3 and 6 months (for borrowers with &lt; 5 rental properties owned in the last 24 months)</li> </ul>

PREPAYMENT PENALTIES
<ul style="list-style-type: none"> <li>1 year: 3%, 0%, 0%</li> <li>1 year: 1%, 0%, 0%</li> <li>3 years: 3%, 2%, 1%, 0%</li> <li>4 years: 4%, 3%, 2%, 1%, 0%</li> <li>5 years: 5%, 4%, 3%, 2%, 1%, 0%</li> </ul>

OTHER LTC/LTV LIMITS
<ul style="list-style-type: none"> <li>U.S. non-permanent residents/foreign nationals: Max 65% LTV</li> <li>For purchase loans, the lowest of               <ol style="list-style-type: none"> <li>Purchase price</li> <li>Appraised value and</li> <li>ARR/CDA value is used to calculate LTV</li> </ol> </li> <li>UPB &lt;100k: Max 75% LTV</li> <li>Interest Only: Max 75% LTV</li> </ul>

BORROWER/GUARANTOR REQUIREMENTS	
CREDIT & BACKGROUND	LIQUIDITY
<ul style="list-style-type: none"> <li>New borrower: Tri-Merge Credit Report no older than 90 days</li> <li>Existing borrower with 0x30x12 payment history: Tri-Merge Credit Report no older than 120 days</li> </ul> <p>660 minimum qualifying FICO determined as:</p> <ul style="list-style-type: none"> <li>Mid score if 3 scores are available</li> <li>Low score if 2 scores are available</li> <li>For multiple guarantors, lowest score calculated as above is used</li> <li>Bankruptcy discharge date must be no less than 3 years prior to closing date</li> <li>Foreclosure/deed-in-lieu/short sale date must be no less than 3 years prior to closing date</li> </ul>	<ul style="list-style-type: none"> <li>Loan amount ≤ \$1,000,000: 6 months of PITIA</li> <li>Loan amount &gt; \$1,000,000: 9 months of PITIA</li> <li>Subject to:               <ul style="list-style-type: none"> <li>Non-permanent residents &amp; foreign nationals: Minimum 12 months of PITIA</li> <li>Cashout amounts from subject loan may be used to satisfy reserve requirements</li> <li>Liquid reserves must be seasoned for a minimum of 3 months for purchase transactions</li> </ul> </li> <li>The cumulative amount including all guarantors is considered for loans with multiple guarantors</li> </ul>
<ul style="list-style-type: none"> <li>First time borrowers may be allowed at lender discretion</li> <li>Full Recourse with warm body guaranty from all members with ≥ 20% ownership</li> <li>LLCs and US corporations only</li> </ul>	

LOAN GENERAL
<ul style="list-style-type: none"> <li>Min loan amount: \$75,000</li> <li>Max loan amount: \$2,000,000</li> <li>1-4 unit properties/PUDs/warrantable condos/townhomes</li> <li>No vacation or seasonal rentals</li> <li>Properties without existing debt financed within 180 days of purchase are considered delayed purchase loans, and eligible for all terms applicable to purchase loans</li> </ul>

LOAN PRODUCTS/AMORTIZATION
<ul style="list-style-type: none"> <li>5/6, 7/6 or 10/6 ARM (Adjustable Rate Mortgage) or 30-year FRM (Fixed Rate Mortgage)</li> <li>Maximum IO periods for ARMs: initial fixed rate period (5, 7 or 10 years)</li> <li>30-year FRM loans are offered as fully amortizing or 10-year IO/20-year fully amortizing options</li> <li>30-year amortization term</li> <li>5-year interest only period + 25-year amortization term</li> <li>7-year interest only period + 23-year amortization term</li> <li>10-year interest only period + 20-year amortization term</li> </ul>

RESERVES/ESCROWS
<p>At Closing:</p> <ul style="list-style-type: none"> <li>First 3 months of PITI, not including stub interest for closing month</li> <li>Pro-rata property taxes for next tax due date, such that tax due is fully funded 30 days in advance of due date</li> </ul> <p>Ongoing monthly:</p> <ul style="list-style-type: none"> <li>Real estate taxes: 1/12<sup>th</sup> annual taxes due</li> <li>Insurance: 1/12<sup>th</sup> annual insurance costs</li> </ul>

DEBT SERVICE COVERAGE RATIO (DSCR)
<ul style="list-style-type: none"> <li>Calculation: Monthly in-place gross rental income divided by monthly PITIA</li> <li>Gross rental income: the lower of               <ul style="list-style-type: none"> <li>Actual monthly rent in the lease agreement</li> <li>Market monthly rent in the appraisal</li> <li>10% haircut of market monthly rent for unleased properties</li> </ul> </li> <li>PITIA: total monthly payments of               <ul style="list-style-type: none"> <li>Monthly mortgage principal and interest payment at qualifying rate</li> <li>Monthly property tax payment</li> <li>Monthly home insurance payment</li> <li>Monthly HOA payment or property management fee</li> </ul> </li> <li>Minimum In-Place DSCR of 1.10x is required, based on initial payment amount at close. The loan is subject to a 5% reduction to the max allowable LTV based on the borrower's FICO for DSCRs between 1.10x - 1.19</li> <li>Leased properties are defined as those with:               <ul style="list-style-type: none"> <li>A currently active lease with a minimum initial term of 12 months, between unrelated parties</li> <li>Month-to-month lease with evidence of a prior active lease</li> <li>A lease with a start date within 30 days of closing date and proof of receipt of security deposit</li> </ul> </li> <li>Unleased properties are defined as those with:               <ul style="list-style-type: none"> <li>No current tenant/vacant</li> <li>Month-to-month lease with no evidence of prior active lease</li> <li>Unleased properties are only allowed for purchase loans</li> </ul> </li> </ul>

STATE RESTRICTIONS
<ul style="list-style-type: none"> <li>All US, except MN, ND, OR, SD, UT &amp; VT</li> <li>For NV and AZ: all lenders and brokers must provide evidence that they are licensed to close NV and AZ loans with us. Required licenses are - Mortgage Company License for the lender or broker and Mortgage Loan Originator (MLO) license for individuals at the lender</li> </ul>

THIRD PARTY REPORTS
<ul style="list-style-type: none"> <li>Loan amount ≤ \$1,500,000               <ul style="list-style-type: none"> <li>One full independent appraisal + Appraisal Risk Review (ARR) or Collateral Desktop Analysis (CDA) required</li> <li>If Appraisal-ARR/CDA variance exceeds 10%, second full independent appraisal required</li> <li>Lower of two appraised values to be used</li> </ul> </li> <li>Loan amount &gt; \$1,500,000:               <ul style="list-style-type: none"> <li>Two full independent appraisals</li> <li>Lower of two appraised values to be used in LTV calculations</li> </ul> </li> <li>Appraisals dated within 180 days of closing date are required</li> </ul>