



**AMERITRUST - RUBY DSCR (5-8\* UNITS OR MIXED USE 2-8 UNITS)**

**\* Up to 10 on a case-by-case basis**

700+	<= 1,500,000	75	70	65
	1,500,001 - 2,000,000	70	65	65

**Housing History**

- 0X30X12

**Housing Event Seasoning**

- BK/FC/SS/DIL/Mod: 36 months for Any Event

**State Restrictions**

Ineligible locations: Puerto Rico, Guam, & the US Virgin Islands

Maximum eligible LTVs do not require a market adjustment for the 5-8 multifamily and 2-8 mixed use property types.

**Investor Experience**

Borrower/guarantor must have a history of owning and managing commercial or non-owner occupied Residential real estate for at least 1 year in last 3 years.

**First Time Investor: Not allowed**

**General Requirements**

Product Type	<ul style="list-style-type: none"> <li>• Fixed Rate Terms: 15,30 –years; 5/6 ARM,7/6ARM, 10/6 ARM, Max loan term cannot exceed 30 years.</li> </ul>
Interest Only	<ul style="list-style-type: none"> <li>• Eligible</li> </ul>
Loan Amounts	<ul style="list-style-type: none"> <li>• Min: \$400k</li> <li>• Loan amounts below 400k considered on case-by-case basis as an exception</li> <li>• Max: \$2mm</li> </ul>
Occupancy	<ul style="list-style-type: none"> <li>• Investment Properties (Business Purpose)</li> </ul>
Loan Purpose	<ul style="list-style-type: none"> <li>• Purchase, Rate/Term, and Cash Out</li> </ul>
Cash-Out	<ul style="list-style-type: none"> <li>• Max cash-out: \$1,000,000</li> </ul>
Eligible Borrower	<ul style="list-style-type: none"> <li>• US Citizen * Permanent Resident Alien *Non-Permanent Resident Alien</li> </ul>
DSCR	<ul style="list-style-type: none"> <li>• Minimum DSCR &gt;= 1.00 • DSCR = Eligible monthly rents/PITIA (Loans with an interest only feature may use the ITIA payment).</li> <li>• Loan amounts &gt;= \$2,000,000 require DSCR &gt;= 1.00 and Debt Yield of 9% or greater (Net operating income/Loan amount = 9% or greater)</li> <li>• Reduce qualifying rents by any management fee reflected on the appraisal report</li> </ul>
Eligibility Restrictions	<ul style="list-style-type: none"> <li>• Citizens and Individuals from OFAC sanctioned countries are not eligible</li> </ul>
Property Type	<ul style="list-style-type: none"> <li>• Residential 5-8 Units</li> <li>• Mixed use 2-8 units. <ul style="list-style-type: none"> <li>• 2-3 Units: Max 1 commercial unit</li> <li>• 4-5 Units: Max 2 commercial units</li> <li>• 6-8 Units: Max 3 commercial units</li> </ul> </li> <li>• Commercial space must not exceed 49% of the total building area</li> </ul>
Property Requirements	<ul style="list-style-type: none"> <li>• Minimum 400 square feet per unit</li> <li>• Be accessible for year-round residential use.</li> <li>• Contains a full kitchen and bath.</li> <li>• Represent highest and best use of the property.</li> <li>• Not contain any health and safety issues.</li> </ul>
Property Condition	<ul style="list-style-type: none"> <li>• No fair and poor ratings</li> <li>• No environmental issues (Storage or use of hazardous material, ex. Dry cleaners, Laundromat)</li> <li>• No health or safety issues as noted by the appraiser (ex. Broker windows, stairs etc.)</li> <li>• No excessively deferred maintenance could become a health or safety issues for tenants.</li> <li>• No structural deferred maintenance (ex. Foundation, roof, electrical, plumbing)</li> </ul>



Unleased Units	<ul style="list-style-type: none"> <li>Maximum 1 vacant unit on 2-3 Unit property; 2 vacancies on 4+ units. Note that properties</li> </ul>
Appraisals	<ul style="list-style-type: none"> <li>A full interior inspection with photos is required for all units.</li> <li>5-8 Residential o FHLMC 71A, FNMA 1050 or similar short form used to appraise 5+ residential properties, or o Narrative report can be utilized but not required.</li> <li>2-8 Mixed Use</li> <li>General Purpose Commercial Forms (i.e., GP Commercial Summary Form available from CoreLogic a la mode)</li> <li>The following attachments required for 5-8 Residential and 2-8 Mixed Use appraisal reports: <ul style="list-style-type: none"> <li>Rent Roll o Income and Expense Statement</li> <li>Photos of subject including exterior/interior and street scene o Aerial photo</li> <li>Sketch or floor plan of typical units</li> <li>Map o Appraiser qualifications</li> <li>Review Product – A commercial BPO required for all loans.</li> <li>In Pennsylvania and North Carolina, a commercial evaluation product is used instead of a commercial BPO.</li> </ul> </li> </ul>
Mixed Use	<ul style="list-style-type: none"> <li>Commercial use limited to retail, restaurant, or office space. Nothing hazardous - Residential/Commercial zoning acceptable.</li> </ul>
Rural Property	<ul style="list-style-type: none"> <li>Up to 2 acres, not meeting the rural definition, permitted</li> </ul>
<b>Income Requirements</b>	
Income	<ul style="list-style-type: none"> <li>Leased – Use lower of Estimated market rent or lease agreement.</li> <li>Short-Term Rental Income not eligible</li> <li>Vacant Unit(s) – Use 75% of market rents. Max: 1 vacancy on 2-3 Unit properties: 2 vacancies on 4+ Units.</li> <li>Reduce qualifying rents by any management fee reflected on appraisal report.</li> <li>2-8 Mixed Use – Income from commercial space must not exceed 49% of the total property income</li> </ul>
<b>Underwriting Requirements</b>	
Credit Score	<ul style="list-style-type: none"> <li>Middle of 3 scores or lower of 2 of all Borrowers</li> <li>Use the highest decision score amongst all borrowers/guarantors.</li> </ul>
Assets	<ul style="list-style-type: none"> <li>30-day asset verification required</li> </ul>
Tradelines	<ul style="list-style-type: none"> <li>Min: 2 reporting 24-months w/activity in last 12- months or 3 reporting 12-months w/recent activity</li> <li>For each borrower/guarantor who has three (3) credit scores, the minimum tradeline requirement is waived (all borrowers/guarantors must be evaluated individually).</li> </ul>
Prepayment Penalty	<ul style="list-style-type: none"> <li>Required on Investment Properties when permitted</li> <li>See PPP Requirements Matrix</li> </ul>
Reserves	<ul style="list-style-type: none"> <li>6-months of PITIA</li> <li>Loan Amount &gt; \$1.5M: 9-months of PITIA</li> <li>Loan Amount &gt; \$2.5M: 12-months of PITIA</li> <li>Cash out may not be used to satisfy requirement</li> </ul>
Gift Funds	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>
Document Age	<ul style="list-style-type: none"> <li>90 days</li> </ul>