



Forward DSCR Loan Programs

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Effective Date:10/02/2023 | Last Revised10/02/2023

NonQM Investor Programs								
DSCR Select Ratio 1.25 DSCR Ratio 1.0 No-Ratio Ratio <1.0								
Qualifying Matrix	Forward SELECT		Forward 1 : 1				Forward NO RATIO	
Loan Amount	FICO to Max LT/CLTV		FICO to Max LTV/CLTV				FICO to Max LTV/CLTV	
	740+	700+	740+	720+	680+	640+	620+	640+
\$ 1,000,000	75%	75%	85%	85%	80%	75%	70%	70%
\$ 1,500,000	75%	75%	85%	85%	80%	70%	65%	65%
\$ 2,000,000	75%	70%	80%	80%	75%	70%	60%	60%
\$ 2,500,000	70%	65%	75%	75%	70%	65%	55%	55%
\$ 3,000,000	65%	60%	70%	70%	65%	≤ 60%	≤ 50%	50%
\$ 3,500,000			65%	65%				
\$ 4,000,000								
Purchase	Max 75%		Max 85%				Max 70%	
Rate and Term	Max 75%		Max 85%				Max 70%	
Cash Out	5% Reduction		5% Reduction Max 75%				5% Reduction	
Ratio	Min 1.25 Ratio		Min 1.00 Ratio >80% LTV Min 1.20 Ratio				Min 0.75 Ratio	
Housing History	0 x 30 x 12		1 x 30 x 12				0 x 30 x 12	
Credit Event (BK,SS,FC,DIL)	48 Months		36 Months (12 BK 13 & 24 SS/DIL, Ch. 7 BK)				36 Months	
Reserves	3 Months, <i>cash-out cannot be utilized</i>		> 65% LTV, 3 Mos.; <i>cash-out can be utilized</i> ; 12 Months on Foreign Nationals; 3 Mos. for Inexperienced Investors, cash out cannot be utilized				6 Months	
	Loan Amt > \$3m, 12 mos. reserves; > \$2m, 6 mos. reserves, cash out cannot be utilized							
Minimum Loan Amount	Min. \$250,000		Min. \$100,000				Min. \$100,000	
Max LTV	Condo - 75 % Condo NW - no Condotel - no 2-4 Unit - no Rural - no		Condo - 80 % Condo Non-Warrantable (Max \$3m) - 75 % Condotel - 75% 2-4 Unit - 80 % Rural - 65 %				Condo - 60 % Condo NW - 60 % Condotel - no 2-4 Unit - 60 % Rural - no	
Short Term Rentals	Not allowed		5% Reduction Max 80%				Not allowed	
Declining Mkt Rent	≥ 1:1 DSCR Max LTV 65% OR Program Max LTV ≥ 1.25 DSCR						Not allowed	
Recently Listed w/C/O (< 6Mos. Off Mkt)	≥ 3 mos. Off Mkt., ≥ 3 mos. Leased, 3 mos. Reserves (not from C/O), 1 yr. min. PPP required, 70% Max LTV						Not allowed	
Condotel	Not allowed		• 75% LTV Max • R/T & CO 65% LTV • \$1.5M Max • \$250,000 Min				Not allowed	
ITIN	Not allowed		• 700+ FICO • Max 75% LTV • \$1.5M Max				Temporary Suspension	
Foreign National	Not allowed		• 700+ FICO • Max 75% • C/O 65% • Max LA \$2M				Temporary Suspension	
DACA	Not allowed		Max 80% LTV				Not allowed	
Interest Only	• Qualify on IO Payment ALL States • Reserves based on IO Pmt							

Loan Programs	
Fully Amortized ARM	<ul style="list-style-type: none"> • 5/6 SOFR: (2/1/5 Cap Structure) • 7/6 SOFR: (5/1/5 Cap Structure)
Fully Amortized Fixed	<ul style="list-style-type: none"> • 15-Year Fixed (180 Months) • 30-Year Fixed (360 Months) • 40-Year Fixed (480 Months)
Interest-Only (IO)	<ul style="list-style-type: none"> • 30-Year Fixed IO (120mos. IO + 240mos. Amor.) • 40 -Year Fixed IO (120mos. IO + 360mos. Amor.) • 5/6 IO SOFR: (2/1/5 Cap Structure) • 7/6 IO SOFR: (5/1/5 Cap Structure)
<p>• Min 640 FICO</p> <p>• Max 80% LTV</p> <p>• Reserves based on IO payment</p>	
Debt Service Coverage Ratio Requirements	
<p>Qualifying Ratio</p> <ul style="list-style-type: none"> • Gross Income/PITIA or ITIA; Qualified on cash flow of subject property. • Gross Income: Lower of estimated market rent from Form 1007 and monthly rent from existing lease (if lease amount is higher, needs to be documented with two months proof of receipt of rent or if brand new lease see guidelines). <p>Investor Experience</p> <ul style="list-style-type: none"> • Experienced Investor: Must have at least ONE of the following: <ol style="list-style-type: none"> 1) Owned 2 or more properties greater than most recent 12 months. 2) Owned 1 investment property for greater than the most recent 24 months. 3) Ownership in commercial RE within the last 12 months. • Inexperienced Investor/1st Time Investor: Must have owned a residence (primary or investment) in the most recent 12 mos., for a min of 12 mos. 80% Max LTV \$1,500,000 Max LA Max 60% LTV for No-Ratio < 1.00 C/O NA for No-Ratio Inexperienced Investor 3 Mos. reserves, cash out cannot be utilized 	

Additional Product Details: ALL Products																													
<p>Cash In Hand Limit (Based on LTV) LTV ≤ 65%: \$1.5M max cash in hand LTV > 65% ≤ 70% \$1M max cash in hand LTV > 70% \$500K max cash in hand Free & Clear: \$1.5M max cash in hand and max LTV 65% Vacant Properties: \$750K max cash in hand</p>	<p>Appraisal</p> <ul style="list-style-type: none"> • Loan Amount > \$1,500,000 & ≤ \$2,000,000: 1 appraisal allowed if completed by Preferred AMC, ARR Required 2 appraisals required if 1st appraisal NOT completed by Preferred AMC, 2nd Appraisal must be from the Preferred AMC • Loan Amount > \$2,000,000: 2 appraisals, 1st appraisal must be from Preferred AMC - 2nd appraisal can be from Approved AMC, ARR required on lower valued appraisal • Loan Amount < \$1,500,000: 1 Appraisal required & CU ≤ 2.5 = No Add'l Requirements 1 Appraisal required & CU > 2.5 = ARR or CCA required, 10% variance allowed <p style="text-align: center;">Approved AMC List Link</p>																												
<p>Vacant / Unleased Properties</p> <ul style="list-style-type: none"> • Purchase Transaction Program Max • Refinance Rate/Term <ul style="list-style-type: none"> • Loan Balance ≤ \$1,000,000 – 70% LTV Max • Loan Balance ≤ \$2,000,000 – 65% LTV Max • Refinance Cash-Out <ul style="list-style-type: none"> • Loan Balance ≤ \$1,500,000 – 60% LTV Max • Appraisal from FL Preferred AMC only* • LOE for cause of vacancy *(contact AE for details) 	<p>Short Term Rentals</p> <ul style="list-style-type: none"> • Purchase or Refi (R/T & C/O) • 1 Unit SFR, 2-4 Unit (Refi only), PUD and Condo eligible, Condotel min 1.20 DSCR • No first-time investors & no inexperienced investors • Apply 20% Management Fee Reduction to Income • Document Income with 1007/1025 supported by 12 Mos. History of payments OR AirDNA/Overview Report (purch. only) see guidelines • Rural not available • Vacant ok 																												
<table border="0"> <tr> <td>First Time Home Buyer</td> <td>Not Allowed</td> </tr> <tr> <td>Gift funds</td> <td>100% with 10% LTV reduction OR Min 5% buyer own funds</td> </tr> <tr> <td>Over \$3,000,000+ Loan Amount</td> <td>See Guides for Appraisal & Credit Overlay.</td> </tr> <tr> <td>Seasoning</td> <td>Cash-Out: ≥ 6 months ownership, > 6 months since a prior Cash-Out ITIN: ≥ 12 months ownership for Cash-Out, ≥ 6 months ownership for Rate/Term</td> </tr> <tr> <td>Additional Reserves</td> <td>Add'l Financed Properties - Not Applicable</td> </tr> <tr> <td>Interested Party Contribution</td> <td>IPC: Investment Property - All LTV's Max: 3%</td> </tr> <tr> <td>Occupancy</td> <td>Non-Owner Occupied Only, Investment Properties Only.</td> </tr> <tr> <td>Min sq. footage</td> <td>(SFR: 600sq.ft.) (Condo: 500sq.ft.) (2-4 Units: 400sq.ft. ea.)</td> </tr> <tr> <td>Pre-Payment Penalty</td> <td>6 months interest on 80% of the original balance. Not allowed in: MI, MN, NJ*, NM. *Allowed to close in the name of a Corp. Refer to Rate Sheet or PPP Chart.</td> </tr> <tr> <td>Private Party VOR's</td> <td>LTV ≤ 80% & ≥ 660 FICO LTV ≤ 70% & ≥ 600 FICO</td> </tr> <tr> <td>Declining Markets</td> <td>Areas designated declining value on the appraisal will take a 5% reduction in LTV from qual. program max, when > 70% LTV</td> </tr> <tr> <td>State Restrictions</td> <td>Georgia DSCR \$2,000,000 Max LA</td> </tr> <tr> <td>Delayed Financing</td> <td>≤ \$1.5M LA program max LTV/CLTV, > \$1.5M LA 70% max LTV/CLTV Unleased/vacant > 3 mos must follow unleased property LTV/CLTV restrictions and Cash in Hand Limit - Vacant Properties</td> </tr> <tr> <td>Temporary Buydowns</td> <td>2:1 and 1:0 30 year fixed, Purchase transactions only Primary, Second Homes and Investment Properties eligible</td> </tr> </table>	First Time Home Buyer	Not Allowed	Gift funds	100% with 10% LTV reduction OR Min 5% buyer own funds	Over \$3,000,000+ Loan Amount	See Guides for Appraisal & Credit Overlay.	Seasoning	Cash-Out: ≥ 6 months ownership, > 6 months since a prior Cash-Out ITIN: ≥ 12 months ownership for Cash-Out, ≥ 6 months ownership for Rate/Term	Additional Reserves	Add'l Financed Properties - Not Applicable	Interested Party Contribution	IPC: Investment Property - All LTV's Max: 3%	Occupancy	Non-Owner Occupied Only, Investment Properties Only.	Min sq. footage	(SFR: 600sq.ft.) (Condo: 500sq.ft.) (2-4 Units: 400sq.ft. ea.)	Pre-Payment Penalty	6 months interest on 80% of the original balance. Not allowed in: MI, MN, NJ*, NM. *Allowed to close in the name of a Corp. Refer to Rate Sheet or PPP Chart.	Private Party VOR's	LTV ≤ 80% & ≥ 660 FICO LTV ≤ 70% & ≥ 600 FICO	Declining Markets	Areas designated declining value on the appraisal will take a 5% reduction in LTV from qual. program max, when > 70% LTV	State Restrictions	Georgia DSCR \$2,000,000 Max LA	Delayed Financing	≤ \$1.5M LA program max LTV/CLTV, > \$1.5M LA 70% max LTV/CLTV Unleased/vacant > 3 mos must follow unleased property LTV/CLTV restrictions and Cash in Hand Limit - Vacant Properties	Temporary Buydowns	2:1 and 1:0 30 year fixed, Purchase transactions only Primary, Second Homes and Investment Properties eligible	
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Tradeline Requirements
<ul style="list-style-type: none"> • Tradeline Requirements: 3 tradelines reporting 12 months with activity in last 12 months, OR 2 tradelines reporting for 24 months with activity in last 12 months. See guides for other options when borrower(s) do not meet min criteria. (ITIN see ITIN Guides) • Limited Tradelines: Max 70% LTV see guidelines, not available on Select and No Ratio.
<ul style="list-style-type: none"> • Tradelines for mortgages that reflect on credit report that have been paid off or sold in the last 12 months can meet the above requirements. • Inexperienced investor, all borrowers must meet inexperienced definition. • No first-time home buyers are allowed with inexperience. • Living Rent Free only for Experienced investors • Experienced Investor, only one borrower has to meet the experienced investor definition, all other borrowers can either be inexperienced or first-time home buyer. All properties to meet above definitions must be domiciled in the United States (Foreign National excluded).
<p><i>*All Adjustments on this matrix are cumulative, all LTV calculations start from the highest LTV allowed per product.</i></p>