VICTORY WHOLESALE LOANS

DSCR > 1.00 | Business Purpose

Accelerator DSCR 5-8 Unit

DSCR		DSCR ≥ 1.00			
Loan Amount	FICO	Purchase	Rate & Term	Cash-Out Refinance	Reserves
≤ $1,000,000	720 +	75%	70%	65%	6 months PITIA (Cash out cannot be used)
$1,000,001 - $1,500,000		75%	70%	65%	
$1,500,001 - $2,000,000		70%	65%	65%	

Geographic Restrictions

State Specific Restrictions:	State or Local High Cost not permitted. CT, FL, NJ Purchase Max LTV 70%. CT, FL, NJ Rate & Term and Cash-Out Max LTV 65%.
Ineligible States:	Refer to State Licensing
Ineligible Locations:	Hawaii lava zones 1 & 2| Puerto Rico, Guam| The US Virgin Islands| Baltimore MD| Philadelphia, PA	**IL, NY** (Exception Basis Only)

Product Highlights

Loan Purpose	Purchase, Rate-Term, and Cash Out
Exceptions	Considered on a case by case basis
Prepayment Penalty	5% of the unpaid principal balance. (Other than the monthly payments required herein, if Borrower prepays this Note in whole or in part before the full term of the pre-payment period, Borrower will pay a Prepayment Premium equal to Five Percent (5%) of any amounts prepaid ("Prepayment Premium").) Not allowed Alaska, Maryland, New Mexico, and Vermont. ADDITIONAL STATE RESTRICTIONS: IL – Natural person < 8.00% APR required. MS - Step Down required . NJ – Titled Owner must be an Entity. Ohio 1-2 Units >$116,356. Pennsylvania 1-2 Units > $329,411.
Product Types	30-Yr Fixed, 5/6 ARM, 7/6 ARM, 10/6 ARM
Interest Only	DSCR = Eligible monthly rents/PITIA (Loans with an interest only feature may use the ITIA payment).
Loan Amounts	Minimum $400,000 to Maximum $2,000,000
Occupancy	Investment (N/O/O). Borrower or Family members are not permitted to live in subject.
Property Type	Residential 5-8 units. Mixed use not allowed
Max Cash Out	Max cash in hand $1,000,000
Appraisals	Narrative report with a full interior inspection including photos for all units. The following attachments required for 5-8 Residential appraisal reports: • Rent Roll • Income and Expense Statement • Appraiser qualifications • Photos of subject exterior, street scene and aerial • Sketch or floor plan of typical units • Map • Plot plan or survey Review Product – A commercial BPO required for all loans. • In Pennsylvania and North Carolina, a commercial evaluation product is used instead of a commercial BPO.
Declining Market	Declining markets, as identified by the appraiser, require a 5% LTV reduction off Matrix Max LTV.
Property Condition	• No fair or poor ratings • No environmental issues (Storage or use of hazardous material i.e., Dry Cleaners, Laundromat) • No health or safety issues (As noted by appraiser, i.e., broken windows, stairs) • No excessive deferred maintenance that could become a health or safety issue for tenants • No structural deferred maintenance (i.e., foundation, roof, electrical, plumbing)
Acreage	Property up to 2-acres, not meeting the rural definition
Income	• Leased – Use lower of Estimated market rent or lease agreement. • Short-Term Rental Income not eligible • Vacant Unit(s) – Use 75% of market rents. • Reduce qualifying rents by any management fee reflected on appraisal report or lease agreement.
Unleased Units	Maximum 2 vacant units
DSCR Ratio	Minimum DSCR >= 1.00
Tradelines	• Borrower(s) have 3 scores; or • 1 open and reporting 24-months; or • 2 open and reporting 12-months
Mtg/Housing History	0x30x12
Credit Event Seasoning	BK/FCL/SS/DIL/1x120: >36 months. MOD/Deferral/Forbearance: refer to guidelines.
Investor - Experienced	Borrower 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 and First Time Home Buyer: Not Eligible
Seller Contribution	6% Max
Assets	Min of 30-days asset verification required
Gift Funds	Gift funds are not permitted
Citizenship	US Citizen, Permanent Resident Alien, Non-Permanent Resident Alien (With US Credit and acceptable VISA).

Champions Funding, LLC, DBA Victory Wholesale Loans. NMLS ID #2254210. Equal Housing Opportunity.