



PrivateLending

10117 Palermo Cir, Tampa 33619  
615-414-3317 [www.HardMoneyWorld.com](http://www.HardMoneyWorld.com)

# RENTAL (DSCR) LOAN

**Loan Size:** \$75,000-\$3,000,000. Blanket up to \$6,000,000 (subject to per property limits)

**Loan Purpose:**

**Residential business purpose:**

- Purchase
- Refinance
- Cash-out

**Loan Strategy:** Rental

**Property Taxes:** Single-family residential (2-4 units). condominiums, townhomes

**Loan Type:** Interest only, Fixed rate, 5 and 7 ARM

## DSCR=

**Monthly Property Gross Rent/Monthly Qualifying Payment**

**Monthly Property Gross Rent:** The summation of the unit gross rent, calculated used the following table

Less Status (Per Unit)	The Lesser Of
Occupied/Long Term Lease	In place lease rent or 105% of market rent
Occupied/Short Term Lease	Most recent lease rent or market rent
Unoccupied/Unleased	90% of market rent

(1) Market rent is based on an annual lease and calculated using the market rent addendum included in the appraisal or a RBI-approved market rent provider.

**Qualifying Payment:** Principal payment, interest payment, property taxes, insurance premium, association fees.

**Rates:** Starting at 6.99%

**Term:** Up to 30 years

**Amortization:** All loans must be fully amortized by end of the loan term

**Lien Type:** First Position Trust deeds and mortgages

**Prepayment Penalty:** From 0 to 60 months

## MAX LEVERAGE

Credit Score	Purchase (Lesser of LTV/LTC)	Rate Term Refinance (LTV)	Cash Out Refinance (LTV)
720+	80%/80%	80%	75%
680-719	75%/75%	75%	70%
650-679 or Foreign National	70%/70%	65%	60%
620-649	65%/65%	60%	55%

## DOCUMENTS

- ID or passport
- Credit application
- Master insurance
- HO insurance coverage
- Flood insurance (if applicable)
- Purchase contract (if applicable)
- Condo questionnaire
- Entity documents

- ID or passport
- Credit application
- Copy of last 2 bank statements (Showing 6 months reserves plus down payment and closing costs)
- Entity documents
- Lease agreement (if applicable)
- Third party property statement (if applicable)
- Tax bill

## LIQUIDITY REQUIREMENT

- **Purchase:** Down payment + Closing Costs + 6 months of reserve
- **Refi:** Remaining Equity Required + Closing Costs + 6 months of reserves
- **Cash Out:** 6 months of reserves

## BORROWER/GUARANTOR CHARACTERISTICS

**Borrower/Guarantor Credit Score:** Minimum credit score of 620 for the borrower/guarantor is required

**Borrower Type:** US Entity or Individual name required

**Nationality:** US Citizen, US Resident or Foreign National

**Bankruptcy and Foreclosure:** No bankruptcies or foreclosures over the last 24 months

## INSURANCE REQUIREMENTS

### **Title Insurance:**

**RBI requires all of the following to be provided:**

- LTA 2006 form policy
- Minimum coverage of 100% of loan balance.

- Signed escrow instructions.
- Copies of all title exceptions to review, if requested.
- All loan files that contain a title commitment or preliminary title report issued by title agent, on behalf of a national title insurance company, must include a closing protection letter (agent authorization letter in NY) with ISAOA language; if file contains a final title insurance policy, a closing protection letter is not required.
- Property insurance coverage must be equal the lesser of the replacement cost or loan amount.
- HO insurance minimum coverage is 20% of appraised market value.
- Liability insurance coverage of \$1M.
- Insurance issuer must meet the ratings criteria set forth in the Fannie Mae guidelines.
- Lender must be listed as mortgagee, loss payee, loss payable, or additional insured.
- Coverage must include free and extended perils, and other hazards customary to the area.
- Flood insurance required for FEMA-designated special flood hazard areas.
- Earthquake coverage required in high-risk zones and/or as recommended in property condition report.
- Hail and wind coverage may be required