

**Arc Access - Debt Service Coverage Ratio Program**

Ability to repay loan is based solely on the income and debts associated with the subject

\*The Minimum Loan Amount for all Arc Access products is \$100,000.00\*

\*\*\* DSCR's greater than 1.15 have a price incentive! See Arc Access DSCR rate sheet for details

**Restrictions for ALL Arc Access Debt Service Coverage Ratio Programs**

Investment properties only; must be a business purpose loan No First Time Home Buyers

\*\*\*See below matrices for property and other eligibility restrictions; Refer to Arc Access Guidelines for full and underwriting criteria



Purchase and Rate/Term Refinance				Cash-Out Refinance			Reserves
FICO	LTV	Maximum Loan Amount	DSCR >=	Credit Score	All DSCR	Maximum Loan	
660+	75	\$1,000,000	0.75	680+	75	\$1,000,000	Minimum of 6 Months
660+	80	\$1,000,000	1.00				
680+	80 for Purchase or Rate Term Transactions with at least 6 months payment history documented on subject property 70 Rate Term transactions that do not have 6 months history on subject (must meet all applicable guidelines)	\$1,500,000	1.00	700+	75	\$1,500,000	
700+	65	\$2,000,000	1.00	720+	65	\$2,000,000	
720+	70	\$2,000,000	1.00				
740+	60	\$2,500,000	1.25				

**Additional Features, Restrictions & Overlays for the Arc Home Debt Service Coverage Ratio Programs : These features may require additional Rate Adjustments - see Rate Sheets**

**Maximum Cash in hand for all DSCR Cashout Refinance Transactions: \$500,000 > 70% LTV; Cash in hand is all cash to the borrower after all liens associated with the subject property have been paid General Eligibility**

- Debt service coverage ratios down to 1.0; below 1.0 not permitted
- The borrower's housing history may not exceed 0x30 over the last 12 months
- Cash Out refinance seasoning is 12 months. Borrowers wishing to take cash out of a rental property must have owned the subject property for 12 months prior to application.
- Refinance: Copy of lease agreement, four months most recent canceled checks or four months of a bank statement or other reasonable means to show a consistent, valid monthly payment of rent is being received for the subject property. Security deposits will not qualify as monthly rental payment.

**Property Eligibility**

- Debt service coverage ratio is only eligible for 1-4 unit properties and condominiums that meet Arc Access guideline eligibility

**Non Warrantable Condominium - Additional Requirements**

- 720 minimum credit score
- Maximum 65% LTV for Purchase or Rate / Term Refinance or 50% LTV for Cash-Out Refinance transactions
- Maximum loan amount of \$1,500,000

**Minimum Reserve Requirements**

- Each financed property in addition to the subject property will increase the applicable reserve requirement by two (2) months of PITIA on the subject property, up to a total of 18 months of reserves.
- For cash-out refinances, the borrower must have the first 3 months PITIA reserves of their own eligible funds, not including the cash out proceeds available to the borrower; then the loan proceeds disbursed to the borrower may be used to meet the remaining reserve requirements.
- Business funds may be used to satisfy reserves at: the lesser of 100% of the ending balance; or the percent of ownership
- Must be sourced and seasoned 60 days

**REFER TO ARC ACCESS GUIDELINES FOR MORE DETAIL ON DOCUMENTATION AND UNDERWRITING CRITERIA**