

Investor

No Fill = Clarification, Yellow = More Restrictive or Neutral, Green = Less Restrictive

	Previous	New
Age of Documentation	Credit documents must be no more than 4 months old on the note date	Credit documents must be no more than 120 days old on the note date
Appraisal	2 full appraisals required when loan amount > \$1MM	1 full appraisal required when loan amount > \$1MM and <= \$1.5 MM and LTV <= 75% . If LTV > 75%, 2 full appraisals required. If loan amount > \$1.5MM regardless of LTV, 2 full appraisals required.
	If CU or ARR/CDA does not support appraised value within tolerance, field review is required within 5% tolerance. If outside of tolerance, 2nd appraisal is required.	If CU or ARR/CDA does not support appraised value within tolerance, second appraisal is required (i.e. removing field review requirement and moving straight to 2nd appraisal). The lesser of the two appraised values are used for LTV purposes.
	The subject property in a refinance transaction must not be currently listed for sale. It must be taken off the market on or before the disbursement date of the new mortgage loan. The borrower must confirm their intent to occupy the subject property (for principle residence transactions).	The subject property in a refinance transaction must not be currently listed for sale. It must be taken off the market on or before the note date of the new mortgage loan. The borrower must confirm their intent to occupy the subject property (for principle residence transactions).
	Unpermitted additions require cost to cure whereby percentage of cost to cure reduces max LTV, otherwise, home must be converted back to original use	Eliminated requirement (follow Fannie Mae guidelines)
Assets	Funds in the borrower's business account(s) ≤ 50% of account balance may be counted toward down payment, closing costs, and reserves so long as borrower(s) and/or non-borrowing spouse/domestic partner or family members have a cumulative 100% ownership interest in the business (e.g., Sole Proprietor, S Corp, Corporation, LLC). A non-borrowing spouse/domestic partner or family members who are the only other co-owners of the business are acceptable and must provide a letter allowing the borrower to access the funds in the business account.	Business funds are an acceptable source for down payment, closing costs, and reserves for self-employed borrowers. Ownership percentage and authority to access funds must be documented via CPA Letter, Operating Agreement or equivalent. The balance of the business assets must be multiplied by the ownership percentage to determine the owner's portion of the business assets allowed for the transaction. Large deposits must be sourced to validate the funds are eligible.
	No reference	Any foreign assets deposited into a U.S. financial institution must be sourced and seasoned for a minimum of 60 days at loan application
Cash-Out Refinance	There is no ownership seasoning requirement for a cash-out refinance when at least one borrower on the new loan is an original purchaser (CCM allows with no restrictions).	At least one borrower must have been on title for 6 months or have made payments on the existing mortgage for 6 months to be eligible for a cash-out refinance (i.e. 6 month seasoning required).
Credit	Max 1x30x12 for mortgage and/or rental rating. No requirement for rent or mortgage history but if borrower has rent or mortgage history, it must meet 1x30x12 requirement.	Non First-Time Homebuyers who cannot document a verifiable payment history for the most recent consecutive 12 months (i.e. no pmt history or short pmt history) are eligible subject to a minimum 680 FICO requirement.
	Mortgages that do not appear on credit must be supported by an institutional VOM. Private party VOM requires 12 months cancelled checks or bank statements.	Mortgages that do not appear on credit must be supported by an institutional VOM. Private party VOM requires 12 months cancelled checks or bank statements. Mortgages not rated on credit must be max 0x30 in months 1-6 and max of 1x30 in months 7-12.
	Tradeline requirements apply to all borrowers.	Tradeline requirements apply only to borrowers who contribute income or assets in loan qualification .
	For borrowers who currently own all property free and clear there is no mortgage history requirement.	No Change but rather a clarification that the 1x30x12 requirement still applies (e.g. all properties free and clear now but a mortgage was recently closed in the last 12 months whereby the mortgage rating exceeds 1x30x12)
	Disputed Account protocol as follows: <ul style="list-style-type: none"> • Zero balance and no derogatory information – no action required • Zero balance and derogatory information - remove and pull new credit report • A positive balance and no derogatory information– remove and pull new credit report • A positive balance and derogatory information– remove and pull new credit report 	Disputed Account Protocol as follows: <ul style="list-style-type: none"> • If the disputed account(s) has no derogatory information – the underwriter must evaluate for acceptability and address their decision on the 1008. • If the disputed account(s) has derogatory information – the dispute must be removed and a new credit report must be pulled.
	Judgments and Tax Liens on title must be paid.	Judgments and Tax Liens on title must be paid. If there is evidence in the file of judgments and/or tax liens and they are not on title, cumulative balances exceeding \$5000 must be paid. Pay down of cumulative balances to \$5000 or below is allowed.
Disaster Area	Property re-inspection required when FEMA makes available individual and public assistance	Property re-inspection required when FEMA makes available individual assistance (i.e. eliminated requirement when only public assistance is made available).
DTI/DSCR	Debt Coverage Ratio (DCR) is terminology used to describe subject property cash flow	Debt Service Coverage Ratio (DSCR) terminology replaces Debt Coverage Ratio (DCR)
	Minimum Standard DSCR is 1.0	Minimum Standard DSCR is 1.0. However, if borrower lacks experience managing investment property, minimum DSCR is 1.25.
	For interest only loans, DSCR is qualified using the fully amortized payment over the remaining term after the interest only period ends	For interest only loans, DSCR is qualified using the interest only payment .
Eligibility Buckets (LTV/CLTV/HCLTV, FICO, Loan Amount)	Current buckets	New buckets created in 5% LTV increments inclusive of a 640 FICO bucket
Escrows/Impounds	Escrow Holdbacks allowed for weather related repairs on purchase transactions only	Escrow Holdbacks not allowed
	Impounds for taxes and/or insurance are not required	Impounds for flood insurance are required when the subject property is located in a flood zone. Impounds for taxes and hazard insurance are still not required.

Experience Managing Investment Property	Borrower must have a history of owning and managing commercial or residential investment real estate for a period of at least 6 months. Proof of this investor experience must be in the loan file. Examples of such documentation include but are not limited to property profile(s) and credit report.	Borrower must have a history of owning and managing commercial or residential investment real estate for a period of at least 6 months in the last 3 years . An example of evidence includes a CPA letter confirming that a prior Schedule E was filed and reflected rental property, the year the tax return was filed, and identification of the investment property address filed on Schedule E. In conjunction, a property profile report should be obtained to confirm the borrower had ownership of the investment property identified by the CPA. • If the above requirements cannot be met, seasoned ownership/management experience is not required provided the loan meets a minimum DSCR of 1.25.
First Time Home Buyer	First Time Home Buyer is allowed. Borrower must have a history of owning and managing commercial or residential investment real estate for a period of at least 6 months. Borrower does not need to currently be renting or have a mortgage. However any rental/mortgage history must meet credit requirements.	First Time Home Buyer is ineligible
Income (Rental-Related)	No current reference	If refinancing a vacant property that will not be collecting rents prior to the 1st payment of the subject loan, a 20% Vacancy Factor of the rent survey (Form 1007) shall be applied followed by the DSCR.
	Vacation Rentals (e.g. VRBO, Airbnb, HomeAway) are ineligible	Short-term Rentals are permitted **Rebranded vacation rentals as short-term rentals and removed reference to VRBO, Airbnb, HomeAway
	Gross rent must be derived from the lesser of the rental/lease agreement or the market rent on Appraisal Form 1007.	Gross rent must be derived from the lesser of the rental/lease agreement or the market rent on Appraisal Form 1007. However, if the rental/lease agreement is higher than the market rent on Appraisal Form 1007, the rental/lease agreement may be used provided the following requirements are met: o Rental/lease agreement is within 10% variance of the market rent on Appraisal Form 1007.
Multiple Financed Properties	Borrowers are limited to eight (8) loans with Impac not to exceed \$2,000,000. If borrower only has one (1) loan with Impac, including the subject property, that loan may not exceed \$2,000,000	Borrowers are limited to eight (8) loans with Impac not to exceed \$3,000,000 . If borrower only has one (1) loan with Impac, including the subject property, that loan may not exceed \$3,000,000 . Also removed following requirements: 1) Borrower may have Impac financing on maximum 10% of properties in a PUD or condo project, 2) Impac financing limited to overall concentration of 20% in any Florida condo project
Property Eligibility	Limited Review for attached investment property unit in a condo project allowed up to 70% LTV/CLTV/HCLTV (non-Florida) and ineligible for Florida condos	Limited Review for attached investment property unit in a condo project allowed up to 75% LTV/CLTV/HCLTV (non-Florida) and up to 70/75/75% LTV/CLTV/HCLTV for Florida condos (i.e. aligns with current Fannie Mae guidelines)
	Detached condos and 2-4 unit condos eligible for Limited Review	Detached condos and 2-4 unit condos eligible for Project Waiver provided the project is not a condo hotel or motel, houseboat project, or a timeshare or segmented ownership project
	Impac financing is limited to maximum overall concentration of 20% in any Florida condominium project. This limitation is per project and not per borrower.	Removed restriction
	New or newly converted condo projects in Florida are limited to 60% LTV/CLTV/HCLTV.	Removed restriction
	Acreage > 20 acres, agricultural zoning, log homes, mixed use and properties subject to oil and/or gas leases show as ineligible but potentially eligible on a case by case basis	Acreage > 20 acres, agricultural zoning, log homes, mixed use and properties subject to oil and/or gas leases show as Unique Properties which may be eligible on a case by case basis. Appraisal must provide similar comparables and address marketability concerns. Additional restrictions may apply (e.g. LTV max of 80%).
Rate/Term Refinance	No reference to maximum cash out on a rate/term refinance (i.e. follow Fannie Mae guidelines - lesser of \$2000 or 2% of the loan amount)	Maximum cash-out may not exceed the greater of 1% of the loan amount or \$2000 (i.e. follow Freddie Mac's guidelines).
Reserves	For refinance transactions where the loan amounts ≤ \$679,650, required reserves may be waived when all borrowers meet all of the following: 1) 0x30x12 VOM/VOR, 2) payment on new loan is decreasing, and 3) the borrower(s) must not have any history of bankruptcy, foreclosure, short sale, or deed-in-lieu in order to waive reserves	For rate/term refinance transactions (removed loan amount restriction), required reserves may be waived when all borrowers meet all of the following: 1) 0x30x12 VOM/VOR (must be consecutive, no short/missing payment history allowed), 2) minimum 680 FICO , and 3) the borrower(s) must not have any history of bankruptcy, foreclosure, short sale, or deed-in-lieu in order to waive reserves
	No reference	Stock options are an ineligible source of reserves unless they are liquidated
	Number of months in required reserves are based on the subject property PITIA. However, there is no reference to how the P&I of the PITIA is calculated - particularly when the loan is an ARM.	Clarity provided that P&I for reserves calculation purposes follows the same methodology as P&I for DTI/DSCR calculation purposes. P&I qualifies at the note rate for fixed rate loans. For ARM loans, P&I qualifies at the higher of the note rate or the fully indexed rate for all loan programs except for NQM Investor. NQM Investor qualifies at the note rate.
Reserves for financed properties with a recent 12 month paid-as-agreed history may be waived except when the subject property loan amount is > \$679,650	Reserves for financed properties with a recent 12 month paid-as-agreed history may be waived except when the subject property loan amount is > \$1,000,000	
Trusts	No current call out	Only trusts with natural person members are allowed
	No current call out for Privacy trusts, Nominee Trusts or Blind Trusts	Privacy Trusts will be considered on a case-by-case basis. Nominee and Blind Trusts are ineligible.
Vesting	No current call out	Ineligible Vesting: 1) Trusts or LLCs whose members include other LLCs, corporations, partnerships, or trusts, 2) Trusts or LLCs where a Power of Attorney is used, 3) 501(c)(3) organizations, 4) Corporations and 5) Partnerships