

Real Estate Investor Lending Options For Your Investment Strategy



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When your challenge is not much cash, one of these fix/flip programs may work for you:

1.

Residential Property Type: 1-4 Family and Condos

Loan Amount: \$75K-\$3M

LTC: 80% of Purchase Price and Rehab Costs

ARV: 75%

Set Rates: 7.49% for FICO 700+ and 7.99% for FICO 650-699

Term: 12 Months

Option to Pay Lender Points at Maturity (Broker point(s) paid at closing)

No reserves required for experienced investor

No Junk Fees

Lending in Most States (No rural properties - vel)

2.

Rehab Loan Program Guidelines

Loan Amount	100% financing of the purchase, cost of improvements and soft costs; lending up to 70-75% of the completed value of the project. Rate: 9.5% • Loan amounts: \$60K - \$750K • 9 Months Term Completed value of the property will be determined by analysis of sales comparables and an appraisal. Loan shall be exclusively used to acquire, make improvements to subject property and to finance soft costs. Subject property must be 1-4 family non-owner occupied.
Documentation Fee	A Documentation Fee of up to \$450.00 will be charged for each project. *
Repayment	Monthly interest-only payments. Principal due at maturity. There is no prepayment penalty.
Prior to Closing	Title Insurance, Builder's Risk Insurance and Survey are required.
Draws	Draws are dispersed to the borrower based upon an approved draw schedule. Each draw will require an inspection. The inspection fee is rolled into the total loan amount.

Borrower & Property Guidelines

Borrower	The borrower may be an individual, LLC, C-Corp, S-Corp., partnership or trust. Personal guarantees for all owners will be required. If married, spousal guarantee is required.
Credit History	A minimum middle credit score of 680 for all applicants.
Property	All properties subject to pre-funding inspection.
Additional Collateral	A credit enhancement in the form of a mortgage on the borrower's primary residence is required. Mortgages on additional properties may be required.
Completed Value	Four sales comparables that are similar to the subject property in terms of size, future condition, bedrooms, bathrooms, amenities, etc. will be required. Comparables must be within a maximum of 1 mile of the subject property and less than six months old, unless otherwise approved. The appraisal will be ordered by Lender. The cost of the appraisal is the financial responsibility of the borrower.

Lending areas: Colorado, Florida, Illinois, Indiana, Kansas, Maryland, Missouri, North Carolina, New Jersey, New York, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, and Virginia.

RETAIL REHAB Credit Matrix

Min/Max Loan Amount: \$50,000/\$1,000,000
(up to \$2,000,000 case by case)

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1st Lien - Investor 1-4 Family*, SFR, 50/50 Mixed Used

Non-Owner Occupied Properties

*Up to 10 Units on a Case-by-Case Basis

Effective Date
07/01/2021

Experience	Credit	Purchase Financing	Rehab Financing	Term	ARV	Rate	
New Lender Customer (zero loans funded within past 2 years)	Lite Doc ≥ 700 FICO	Refinancing	100%	100%	4 Month	10.49%	
		Purchase & Rehab					
	Full Doc < 700 - 660 FICO	Refinancing	100%	100%	4 Month	10.75%	
		Purchase & Rehab					
	Full Doc < 660 - 620 FICO	Refinancing	100%	100%	8 Month	65%	11.25%
		Purchase & Rehab					
				12 Month		11.49%	

Investor Experience	ARV/LTV	Rate Add
0	----	0.25%
1+	Add 5% (≥ 700 FICO)	0%

Benefits:	
Prepayment Penalties: None	Amortization: Interest Only

Rate Buy Down:	
.75% rate down : 1.0% points up	Max Rate decrease = 1.50%

States

Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland (Baltimore must be >\$100,000 loan amount), Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, Wisconsin and West Virginia.

*****New York & Illinois Investors: We do not lend in Queens, Bronx, Brooklyn, Staten Island, Manhattan or Chicago.*****

Program Notes:

Bankruptcy: must be discharged and closed prior to closing. Chapter 13 cases filed with the last twelve (12) months and Chapter 7 cases discharged within the last twelve (12) months will be considered on a case by case basis with a satisfactory explanation from the Borrower.

Full Doc:

- 6 Months Bank, money market or securities account statements
- Two (2) years (most recent) personal/corporate/partnership tax returns
- Two most recent paystubs

Lite Doc (≥ 700 MID FICO):

- 3 Months Bank, money market or securities account statements
- One (1) years (most recent) personal/corporate/partnership tax returns
- Most recent paystub

Condominium Eligibility: If the property is part of a condominium association, the originator must obtain a condominium questionnaire and insurance certificate from the condominium association to ensure that it meets the eligibility criteria as set forth in the current Fannie Mae Guidelines.

Charge Offs, Collections, Judgements: Charge-off and collection accounts greater than three (3) years old and aggregate amounts less than or equal to \$7,500 may be left open. Individual charge-offs, repossessions, collections and judgments over \$1,000 within the past three (3) years must be satisfactorily explained. Exceptions will be considered on a case by case basis. Charge offs, collection accounts and judgments that affect title must be paid prior to closing or from the loan proceeds.

Foreclosure: RFG will not lend on any property currently in foreclosure unless it is fully satisfied that the transaction is arms length. Exceptions will be made on a case by case basis. Borrowers with foreclosure activity with the past twenty-four (24) months will be considered on a case by case basis.

Borrower Eligibility

Lender approves mortgage loans to individuals, sole proprietorships, partnerships, corporations, LLCs, LLPs and LPs who are citizens of the United States or holders of "Green Cards".

Non-participating spouses may or may not be required to sign loan documents, in conformity with applicable law

Loans to entities (not natural persons) require a personal guaranty.

No loans can be made to individuals on active military service, but can be made to business entities owned and/or controlled by them.

Additional Borrower Processing/Closing Notes:

Liquidity Thresholds

- Minimum of all closing costs & 6 month interest reserve **(3 Months paid at closing)**

Income Documentation (dated within 45 days)

- Borrower must demonstrate sufficient cash flow in order to qualify. Although we do not manage to specific or hard DTI's, RFG analyzes various financial information and income sources in approving a loan.

Credit/Background Check

- A tri-merge report run by lender obtained on each Borrower. Credit report must have been obtained within ninety (90) days of loan closing.

Disclaimer: Lender reserves the right to make final approval and denial decisions based on overall credit, income and capacity to repay at its sole discretion

Title Insurance Requirements

Good and marketable fee simple lender's title free of any liens in an amount equal to or greater than the initial allocated loan amount

Each property must be comprised of at least one (1) parcel which constitutes a separate tax lot and does not constitute a portion of any other tax lot not a part of such property.

Each property must have adequate rights of access to public utilities and public rights of way.

Approved Valuation Vendors & Property Inspection

Non-National Appraisal & Inspections

Lender requires full real estate appraisals performed by licensed independent fee appraisers on all properties which are to be used as collateral. Such appraisals must provide both the "as repaired", "as is" and income approach value. Exterior and interior photographs are required. Appraisers used by lender must maintain errors and omissions insurance and must have substantial references and professional experience.

Lender also requires inspections to be done by licensed property inspectors. The inspector will verify the borrower's repair list for both completeness and accurate pricing, assuming materials and level of finish average for the surrounding area.