

# INVESTORS MORTGAGE LENDING GUIDELINES

## Beginning 6/1/10

### Buyer qualifications

1. Credit score – 675+. Credit report required.
2. Two months bank statements showing:
  - A. Enough money for closing costs.
  - B. Enough for holding costs (6+ months.)
  - C. Enough for repairs.
3. Down payment – minimum 10%. Subject to credit & purchase price.
4. Background search required – criminal, financial, etc.

### Loan product

1. Maximum of 50% ARV (after repaired value.) If buying more than 50% in this market, be careful. We also compare to 65% of 2003 ARV.
2. One year interest only balloon.
3. Interest rate: Starting at 15% + 4 points.
4. Repair money is available on some properties.

### Property qualifications

1. Must be a 3/2 or greater.
2. Investment property only. **NO owner occupied properties.**
3. CBS construction only. **No frame.**
4. 1200 sq. ft. (under air) or greater.
5. Multi family properties must be supported by rental income.
6. **No “WAR zones.”**
7. No heavy duty rehabs (more than \$20,000 work needed.)