

# PRICING NON-QM LOANS

edited 4-1-24

**Pricing a DSCR loan.** Instructions are below. Please make sure these are all correct and if this is a cash out refinance please estimate the amount of cash out, go a bit high just to be safe. Notice on item #11 this is the debt service ratio, which is the estimated rents, divided by the PITI so \$1,500 rent, \$1,000 PITI would be 1.5 Debt service. \$1,200 rent, divided by \$1,500 PITI would be .8% Debt service, anything under 1 could be a problem.

**BANK STATEMENT LOAN:** #4 change to primary, #8 completely remove the Pre-payment penalty #10 change the type of documentation, such as 12 months bank statements.

The form is divided into several sections, each with numbered callouts (1-15) and red arrows pointing to specific fields:

- Borrower Information:** Borrower First Name (Angela), Borrower Last Name (Neftzger), FICO (730), Self Employed (Yes), Income Documentation (Verified), Asset Documentation (Verified), Employment Documentation (Verified), DTI Ratio (43), Citizenship (U.S. Citizen), First Time Home Buyer (No), Non-Occupant Coborrower (No), Months of Reserves (3), Properties Financed (1).
- Property Information:** Occupancy (Investment Property - callout 4), Property Type (Single Family), Number of Units (1 Unit - callout 5), Number of Stories (1), Property Address (TBD), Property City (Bartlesville), State (Oklahoma (OK)), County (Washington), Corporate Relocation (No), Property Zip (74006).
- First Lien Search Criteria:** Loan Type (Conforming), Loan Term(s) (30 Yr), Amortization Type(s) (Fixed), ARM Fixed Term(s) (5 Yr), Product Type(s) (All, Standard, Expanded Guidelines - callout 6), Desired Price, Buydown (None), FHA Case # Assigned (On or after 1/1/2024), Desired Rate (9.5), Borrower Pays MI (if required) (Yes), Specialty Products (No), Automated U/W System (Manual/Traditional - callout 7), Reduced MI (No), Interest Only (No - callout 8), Prepayment Penalty (5 Year).
- Total Loan Amount:** VA Veteran Type/History (Active Duty - 1st use), Exempt from Funding Fee (No), PMI/MIP/FF/G Fee Paid in Cash (0.00), PMI/MIP/FF/G Fee Financed (0), PMI/MIP/FF/G Fee % (0.00), 1st Mtg Loan Amt (Base) (150000), PMI/MIP/FF/G Fee Amount (0.00), 1st Mtg Loan Amt (Total) (150000), Finance Entire Amount (checked).
- Expanded Guideline Eligibility and Pricing (Not Evaluated for other Product Types):** Mtg Lates x30 (12 Mos) (0 - callout 9), Mtg Lates x60 (12 Mos) (0), Mtg Lates x90 (12 Mos) (0), Mtg Lates x120 (12 Mos) (0), Mtg Lates x30 (13-24 Mos) (0), Mtg Lates x60 (13-24 Mos) (0), Mtg Lates x90 (13-24 Mos) (0), Mtg Lates x120 (13-24 Mos) (0), Income Verification Type (Investor - DSCR - callout 10), DSCR (1.00 - callout 11), Bankruptcy Type (None - callout 12), Bankruptcy Outcome (Not Applicable), Bankruptcy Seasoning (Not Applicable), Housing Event Type (None - callout 13), Housing Event Seasoning (Not Applicable), Unique Property (No - callout 14).
- Bottom Buttons:** Save As Prospect, Historical Search, Submit (callout 15).