NATIONS DIRECT MORTGAGE

EXPRESS DSCR UNITS +

Effective Date:10.1.2026

Program Max LTVs/CLTVs		DSCR ≥ 1.00		
Loan Amount	FICO	Purchase	Rate and Term Refi	Cash Out Refi
<= $1,500,000	720	75%	70%	65%
$1,500,001 - $2,000,000		70%	65%	65%
$2,000,001 - $3,000,000		60%	55%	N/A
<= $1,500,000	700	75%	70%	65%
$1,500,001 - $2,000,000		70%	65%	65%

Requirements

Program Requirements

Min Loan Amount	$400,000
Max Loan Amount	$3,000,000
Maximum Cash Out= $1,000,000	

Mortgage and Credit Event Seasoning

Mortgage History	0x30x12
Foreclosure, Short Sale, DIL, Pre-foreclosure, Bankruptcy: Chapter 7/11/13	36 Months
Forbearance, Modification or Deferral	24 Months

Reserve Requirement- Full 30 Days Activity

<= $1,500,000	6 months
$1,500,001 - $2,500,000	9 months
$2,500,001 - $3,000,000	12 months

Reserves based on subject's PITIA or ITIA

Cash out may not be used to satisfy reserve requirement

Property Overlays

Geographical Restrictions: IL, NY, Philadelphia PA, and Baltimore City MD are ineligible.

CT, FL, NJ: Purchase- 70% Max, Refi- 65% Max, 720 min score

Maximum 2 Acres; Rural or Rural Characteristics Not Eligible

Minimum 400 square feet per individual unit.

No Fair or Poor Ratings; No health or safety issues (as noted by appraiser, i.e. broken windows, damaged doors, stair hazards, active water damage or leaks, etc.)

No excessive deferred maintenance (>$5000) that could be a health and safety issue for tenants; No structural deferred maintenance (i.e.,foundation, roof, electrical, plumbing, etc.)

Products

30 Year Fixed & 30 Year Fixed I/O (Qualify DSCR on Interest Only Payment for I/O)	**IO Period**	10 Years
	Amort Term	20 years
	Final Maturity	30 Years

Appraisal Requirements

Full interior inspection and photos. Allowable Forms: FHLMC 71A or 71B, FNMA 1050, or Narrative Format. **Appraisal must have the following:**Rent Roll, Income & Expense Statement, Photos of subject and all units including exterior, interior, and street scene, Aerial Photo, Sketch or Floor Plan including all units, Map, and Appraiser Qualifications. A Commerical Sales & Income BPO must be ordered by NDM after receipt of the appraisal. If the BPO is more than 10% below the appraised value, the lower value of the BPO will be used.

Other Requirements

Occupancy	Investment- Units cannot be occupied by the Borrower or Borrower's immediate family.
Property Types	Residential 5 to 8 Units Only- No mixed use allowed.
Citizenship	US Citizen & Permanent Resident Alien Only
Vesting	Individual or Limited Liability Company (LLC)
Non-Arm's Length	Transactions where there is a relationship between loan participants (including but not limited to the seller, loan officer, real estate agent, etc.) and the borrower are ineligible.
First Time Investor	Not Eligible must meet Experienced Investor requirement.
Experienced Investor	Borrower must have a history of owning and managing commercial or non-owner occupied residential real estate for at least one year in the most recent three year period.

DSCR Requirements	Minimum DSCR >= 1.00; DSCR = Eligible monthly rents/ PITIA or ITIA
	Reduce qualifying rents by any management fee reflected on the appraisal report.
	Leased: Use lower of estimated market rent or lease agreement.
	Copy of existing leases must be provided on both purchases and refinances. If lease is month to month must also provide the most recent two months receipt of rents.
	Vacant: Use 75% of market rents on vacant units. Max vacancy on 4+ Units = 2 vacancies. Also, must document vacant units are being actively marketed for rent by providing copy/screenshot of online listing or other third party documentation to support.
	Short-term Rental use/income not eligible.
Credit Requirements	Use representative credit score of the borrower with the highest score. Representative score is the lower of two, middle of three. Single scores are ineligible.
	Minimum three trade lines reporting for a minimum of 12 months OR two trade lines reporting for a minimum of 24 months. All must have activity in the last 12 months.
	Borrowers that have three credit scores satisfy the minimum trade line requirements.
Gift Funds	Not Eligible
Seasoning Requirements-Cash Out Refinances	Minimum 6 months ownership at Application Date to use appraised value. If property has been owned less than 6 months the value is limited to the lesser of current appraised value or purchase price plus documented improvements.
	Properties Listed for Sale within the last 6 months: All listings must be cancelled prior to application date, borrower to provide Letter of Intent to Retain, and proof of listing cancellation must be obtained. A minimum 3 year prepayment penalty will be required.
Seller Concessions	Up to 6% towards closing costs
Prepayment Penalty	5% fixed up to 5 years
	Required on all loans where permitted by state. Allowed in- AL, AR, AZ, CA, CO, CT, DC, DE, FL, GA, HI, ID, IN, KY, LA, MA, MD, ME, MO, MT, NC, NH, NV, OK, OR, PA, SC, TN, TX, UT, VA , WA, WI, WV & WY. 1 to 5 year prepayment terms available.
Escrows	Can be waived with a 720 minimum score, 12 months reserves and an LLPA according to NDM Pricer.
Approved States	http://myndm.com/approved-states/
No Licensing Required	AL, CO, CT, DC, DE, FL, GA, HI, IL, IN, KY, LA, MA, MD, ME, MI, NJ, NM, OH, OK, PA, RI, SC, TN, TX, VA, WA, WI, WV, & WY