



APPROVAL PROBABILITY CHARACTERISTICS

High Chance of Approval

- 1) Purchase money or rate and term transaction
- 2) Historical DSCR exceeds minimum required levels (Multi use 1.20x for purchase or rate and term, 1.30x for cash out refinance. Special use 1.30x for purchase or rate and term, 1.40x for cash out refinance)
- 3) Loan to Value 70% or less for multi use properties, 60% or less for special use properties.
- 4) If refinance, more than 3 years property ownership
- 5) If investment property purchase, full financial disclosure from seller and previous investment property ownership
- 6) Borrowers have strong personal income, excellent credit, and good experience
- 7) If investment property, multiple tenants with long remaining lease terms
- 8) If single tenant property it is NNN to a credit rated tenant

Average Chance of Approval

- 1) Cash out refinance
- 2) Cash out refinance where you have to pay off debts to get the cash flow to work
- 3) Refinance with less than 3 years property ownership
- 4) Less than 3 years DSCR capability
- 5) Marginal credit (660 or less with recent derogatories)
- 6) Mixed use property with only one commercial tenant
- 7) **Mixed use property with commercial component being an unfavorable industry type
- 8) Single tenant property to non credit rated tenant (tenant provides financials)
- 9) Borrower has multiple properties and or other business entities and has not filed most recent tax returns
- 10) Borrower has no commercial property ownership experience
- 11) Properties located in FL, NV, OH or MI

Low Chance of Approval

- 1) **Unfavorable industry types (either owner occupied or investment property)
- 2) Cash out refinance for special use properties
- 3) Poor credit (620 or less with recent derogatories)
- 4) Properties that are cosmetically unappealing
- 5) Properties with a large land component
- 6) Single tenant property to non credit rated tenant (tenant will NOT provide financials)
- 7) Property has significant deferred maintenance.
- 8) Property located in a rural area with a low MSA
- 9) Refinance with less than 2 years seasoning

**Currently unfavorable industry/tenant/property types include but not limited to restaurants, developers, realtors, mortgage origination, auto/boat/motorcycle/RV sales, assisted living

Ineligible property types include but not limited to Land, SRO properties, Co-op or timeshare, golf courses, rural properties, gas stations, properties outside the U.S., mobile home parks, RV parks, Adult entertainment properties.