

Renovation Loan

Program Matrix

The **Standard** and **Extensive** Renovation Loan programs allow investors to execute business plans ranging from light renovations to complex property transformations, with financing terms structured to reflect prudent credit risk management and competitive market positioning.

Tier Matrix - Experience Requirements

Experience (last 3 years)	FICO 720+	FICO 680 - 719	FICO 650 - 679	FICO 620 - 649
6+	Tier 1	Tier 1	Tier 2	Tier 3
3-5	Tier 1	Tier 2	Tier 3	Tier 4
1-2	Tier 2	Tier 3	Tier 4	Tier 4
0	Tier 3	Tier 4	Tier 4	Tier 4

Tier Level Product Leverage Maximums

Tier Level	Max. Borrower Exposure	Max LTV (AS-IS)	Max LTC	Max LTVARV
1	\$10M	S - 95 E - 90	S - 95 E - 85	S - 75 E - 75
2	\$5M	S - 90 E - 85	S - 85 E - 80	S - 70 E - 70
3	\$2M	S - 80 E - 75	S - 80 E - 70	S - 65 E - 60
4	\$1M	S - 75 E - 70	S - 80 E - 65	S - 65 E - 55

S - Standard Renovation; E - Extensive Renovation

Loan Level Leverage Adjustments

Leverage Adjustment		LTV	LTC	ARV
Foreign National	Tier 1	-	-5	-
	Tier 2	-	-10	-
Refinance	Mid-Stream*	-	-5	-
	Cash-Out	-5	-	-5
Property Type	Raw Land	-20	-	-
	Rural*	-10	-15	-10
Minimum Loan Amount	\$100k	-	-5	-5
Personal Guaranty (Bad Boy)	Allowed for Tier 1 only	-5	-	-5
Geography**	IL, MI, NJ, MD, NY (5 Boroughs)	-5	-	-5

*Ineligible for Tiers 3 & 4

**Declining Markets (-5% to ARV for Reno & LTV if Bridge loan)

Product Overview

Terms	Description
Eligible Collateral	1-4 Units, SFR/PUD, Condo, NW Condo, Townhome, 5-9 Units (exceptions: > 2 acres; Mixed-use)
Loan Type	Business Purpose RTL (Non-Owner Occupied)
Lien Position	1 st position lien secured by a mortgage, deed of trust, or other security instrument
Loan Term	12 months - 18 months
Loan Purpose	Purchase, Delayed Purchase, Rate/Term Refinance, Cash-Out Refinance
Ineligible States	NV, ND, SD, VT (AK & HI considered on an exception basis)
Interest Charged	Fixed rate, Interest Only
Interest Reserve	Allowed at Lender's discretion. See definition under section 2.0 of Renovation Guidelines
Reserve Requirement	6 months of interest only payments
Liquidity Requirement	10% of the rehab budget + cash to close (equity shortage may be added)
Cost Basis	Seasoned Refinance: As-Is Appraised Value + Remaining Budget
	Unseasoned Refinance: Lesser of (Purchase Price or As-Is Value) + Remaining Budget
Release Pricing	For loans secured by multiple parcels or properties, partial releases of collateral may be permitted at the sole discretion of Truly Investor Capital. Standard release pricing shall be the greater of: (A) one hundred twenty percent (120%) of the allocated maximum loan amount for the parcel or property being released or (B) one hundred percent (100%) of the net sale proceeds attributable to such parcel or property.

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Product Overview Cont.

Terms	Description	
	1 - 4 Unit Properties	5 - 9 Unit Properties
Minimum Loan Amount	\$100k	\$500k
Maximum Loan Amount	\$5M	\$2M (Tier 3 & 4 ineligible)
Appraisal Requirement	Full Appraisal (URAR, 1025, 1073) <i>CDA may be required</i>	Commercial Narrative <i>CDA may be required</i>
Rural	Allowed for Tier 1 & 2 on exception basis	Ineligible
Prepayment Penalty	Not Applicable	Not Applicable
Contingency Line Item (Budget)	At Lender's discretion (Not typical for standard renovation, but may be required on extensive renovation. Minimum 5%)	

Minimum Property Requirements

SFR	Townhouse	Condo	PUD
600 ft ²	500 ft ²	500 ft ²	500 ft ²

Properties with more than one unit should provide an average minimum of 500 ft² in size.

Ineligible Property Types

- Manufactured / Mobile Homes
- Any property not permanently attached to a foundation
- Properties that are not in compliance with local zoning regulations, including as reflected on the appraisal or residential evaluation (unless a rebuild letter is provided)
- Properties with known adverse environmental conditions
- Properties with underground oil tanks are not permitted without an environmental assessment
- Properties subject to leasehold - unless typical for the area, lease exceeds the loan term by 35 years, title policy contains a leasehold endorsement, and on exception basis only
- Single Room Occupancy (SRO's)
- Efficiency studio apartment dwellings
- Rural properties (see definition)
- Total or partially condemned properties
- 2+ acres - unless typical for area
- Assisted Living
- Condotels
- Orchards
- Co-ops / Timeshare Hotels
- Boarding Houses
- Homes on Native American Reservations
- Equestrian Properties
- Areas where homes are boarded up, vacant, or abandoned within a 2-block radius
- B&B
- Lava zones
- Unique / Log / Dome Homes
- Fractional Ownership
- Farms
- Vineyards
- House boats
- Property under construction
- Multi-family 10+ units
- Properties with structural issues
- Commercially Zoned Properties (Office, Industrial, etc.) or illegal use under the zoning regulations