

## NONI Fun Facts

- **NONI doesn't care how many properties a borrower owns**
- **Reserves are based off the I/O Payment**
- **I/O payment (when I/o option is chosen) is used when calculating DSCR.**
- **No pricing hits for I/O, C/O, Units, 7/1 arm**
- **80% Itv available with 740+ Fico**

## NONI Rate/Term Refinance Facts

- **If Refinance** we will always require a lease agreement signed and dated prior to our application date and 1007/1025 - if no lease or dated after application date we will need LOE and 5% LTV reduction.
- **No seasoning on Appraised value** as long as no more than 20% appreciation first 6 months
- **We also will have an inhouse Valuation ordered** on all non-owner loans-the Lender pays for it  
-Valuation must be within 10% of value
- **If lease amounts are higher than 1007/1025** - we need 2 months evidence of deposits- make sure to send an LOE on this at submission so underwriter knows we will use higher rents versus 1007

**What NONI considers rate and term the competition considers cash-out!** Here is what NONI considers a rate and term refinance:

- **Recoupment of funds** from recent purchase of subject property:
  - Property Acquired for cash within the 6 months prior to application date
  - Max proceeds not to exceed the borrowers documented investment
- **Recoupment of funds** used to rehab recent property purchased
  - Improvements must have been completed in the previous 6 months
  - Funds must have been 100% applicants own funds
  - Cash out amount not to exceed documented improvement costs, or transaction will be deemed a cash-out loan
- **A refinance of a prior cash-out loan** regardless of seasoning timeline
- **Payoff of closed end** 2nd seasoned at least 3 months or the new loan amount is greater than conforming loan limits
- **Payoff of an unseasoned PACE Loan** and/or other lien used for energy-related improvements
- **Payoff of an equity line of credit** seasoned more than 6 months that has not had draws of more than \$5000.00 in the past 6 months

Hometown Equity Mortgage LLC, dba theLender NMLS 133519  
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## NONI: Diligence Checklist

- **First time investors** not allowed on NONI product
- **Borrower should own a primary residence** if they do not - Do your diligence-
- **If borrower does not own a primary home** deal could work if you have a refinance and can prove that our subject is truly rented out and is a non-owner property thru lease agreements- UW could ask for utilities to evidence where our borrower lives
- **Watch out on Purchases:** Red Flag: Borrowers buying homes close to their primary home and buying up in value

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