



# WELCOME!

Beyond Prime  
JUNE 2025  
MONTHLY BROKER WEBINAR



# WEBINAR HOST



**Jenny Beck, Director of Learning and Development**

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## Today's Agenda:

- Reasons Loan Get Denied, Prime
- Non-QM for the Save
- DSCR vs Prime
- Resources

# JUNE SPECIALS



Here for a limited time for loans locked through June 30th, 2025.

## Non-QM & Closed-End Seconds June Special

### 25 BPS Non-QM (all programs except DSCR 5-8) & Closed-End Seconds June Special

#### •75 BPS Improvement when combined with Non-QM Select

- Add 50 BPS for Non-QM Select
- 50 BPS Select + 25 BPS Non-QM June Special = 75 BPS Improvement

#### •Cannot be combined with Select or any other Special

#### •Excludes CalHFA, Jumbo and DPA programs

*\*25 BPS Price Improvement does not require Select and may be used on its own.*

*Specials are valid for loans locked 6/2/2025 through 6/30/2025. Offers subject to change at any time, terms and conditions apply. Special applies to all Non-QM, FHA, VA loans, including low/high balance, Closed-End Seconds, and DPA Programs excluding CalHFA DPA programs and Jumbo Programs. Also excludes HELOCs. Offers subject to change at any time, terms and conditions apply. Specials may not be combined with any other price improvement or special unless indicated in the offer.*

*Loans may qualify for additional price improvement with Select Specials as indicated on our Prime and Non-QM Rate sheets. These specials, and their details may change at any time and are subject to the loan qualifying as 'Select'.*

*LendingPros is not affiliated with or acting on behalf of or at the direction of the Federal Housing Administration, Veterans Administration, or the Federal Government.*

*\*Closed-End Seconds: Loans originated in US Territories and the following states are ineligible: AK, NY, TN, TX, VT, WV, WY. Restrictions apply, contact your Account Executive for details. Important to note that a Closed-End Second Mortgage may typically have a higher interest rate than the first lien mortgage.*

## FHA/VA June Specials

25 BPS Price Improvement on ALL FHA/VA (Excludes CalHFA & Jumbo, can be combined with SELECT)\*

#### •Get 60 BPS when combined with our Select Government Special

- Add 35 BPS Select improvement on Government Loans FICO=> 680 & Loan Amount =>\$250K
- 35 BPS Select + 25 BPS FHA/VA June Special = 60 BPS Improvement

## 37.5 BPS FHA/VA Price Improvement Special

#### •Eligible Loans with 600 – 679 FICOs

For external use only.



A photograph of a modern building with a glass facade and an external staircase. The staircase has wooden steps and glass railings. The building is surrounded by greenery.

# The Non-QM Advantage!



# Build Your Business with Non-QM!

In 2024, Non-QM loans accounted for around 5% of total mortgage originations, according to CoreLogic, reflecting a steady rise in demand from borrowers who don't fit the mold of traditional financing.

Looking ahead, S&P Global predicts that in 2025, Non-QM loans will make up nearly 30% of non-agency mortgage-backed securities.\*



**We are #1 in Non-QM Originations!**

For AZ, CA, CO, OH, LA, MA, MI, NC & TX

Forecasa Non-QM Pulse Report 2023-2025

OCMBC and its DBA Companies

# Top Reasons Prime Loans Get Denied:

- **Insufficient Credit history and/or Low FICO Score** - unable to dip below 620 FICO, automated risk assessment may need additional tradelines
- **High Debt To Income Ratio** - could cap at 43%, 45% or 50% all depends on automated risk assessment
- **Insufficient Income and/or Documentation** - inability to 'stack' income (think asset utilization), Tax returns don't represent true income picture/earning potential, unable to locate specific documents or extensive documentation required
- **Inadequate or Unverified Assets** - dependent on automated risk assessment - very little flexibility
- **Recent Job Change or Employment Instability** – complex employment history which may “lack stability”, limited Self-Employment history

# How Non-QM Can Help!

- FICO as low as 600 + credit events down to “discharged” and the ability to apply “limited tradeline” guidelines to keep the file moving forward
- Debt To Income Ratio up to 55%!! NQM Alt Doc allowed up to 50% and Full Doc up to 55%! 40-year fixed term available. NON-STANDARD terms also available for ultimate flexibility for those borrowers wanting that 15-yr fixed.
- Insufficient/Unverifiable Income – Tax Returns a little too creative w/ too many “deductions”? Tired of searching for and uploading new income docs? Alt Doc: Bank Statement, P&L, WVOE, 1099, Blended Income: Asset Utilization. NQM = OPTIONS!!!
- Inadequate or unverified assets - ability to waive reserves OR use cash out as reserves, Gifts up to 100%, Gift of equity on DSCR (investment property/non-arms length), and only 1 month statement to verify. NQM = increased flexibility!!
- Recent Job Change, Employment Instability - One Year Self Employed /1099 and no tax returns needed! The ability to “tell the story” with narrative/documentation to support a creative income approach. Manual underwrites + detailed story telling are part of the flexibility in NQM.

## Select NonQM and Core NonQM

Income Types Include: Full Doc - 12, 24 months

Alt Doc - 1099, WVOE, Asset Utilization, Bank Statements, P&amp;L with 3 mos Bank Stmt, One Yr Self-Employment, Assets as Blended Income

Select NonQM					Core NonQM				
FICO to Max LTV/CLTV					FICO to Max LTV/CLTV				
Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out	Loan Amount	Credit Score	Purchase	Rate/Term	Cash-Out
\$ 1,000,000	700+	85%	80%	75%	\$ 1,000,000	700+	90%	85%	80%
	680+	80%	80%	75%		680+	85%	85%	80%
	600+					600+	80%	80%	75%
Select NonQM					Core NonQM				
Max LTV	Non-Owner Occupied - 75% 2nd Home - 75% Condo - 85% (FL Condo - 75%) Condo Non-Warrantable - NA (FL Condo - NA) 2 Unit - 80%   3-4 Unit - 75% Rural - NA				Max LTV	Non-Owner Occupied - 85% 2nd Home - 85% Condo - 85% (FL Condo - 75%) Condo Non-Warrantable - 75% (FL Condo - 65%) 2 Unit - 85%   3-4 Unit - 80% Rural - 70%			
Min Loan Amount	\$150,000				Min Loan Amount	\$125,000			
Interest Only (IO)	Not Allowed				Interest Only (IO)	• 640 min FICO • 80% max LTV • Reserves based on IO payment			
Housing History	0 x 30 x 24 Rent free not allowed				Housing History	0 x 30 x 12 1 x 30 x 12: 5% LTV reduction, > \$2.5M: 10% LTV reduction, \$3.5M max LA 1 x 60 x 12 (must be 0 x 60 in most recent 6): 10% LTV reduction, > \$2.5M: 15% LTV reduction, \$3.0M max LA 1 x 30 x 6: 10% LTV reduction, > \$2.5M: 20% LTV reduction			
Credit Event (BK/SS/FC/DIL/CCC)	48 Months Multiple unrelated credit events not allowed				Credit Event (BK/SS/FC/DIL/CCC)	36 Months (12 mos seasoning on discharged BK 13 or CCC w/pay history allowed) 24 Months - 10% LTV reduction, \$3.5 max LA (discharged BK 13 or CCC w/pay history allowed) 12 Months - 15% LTV reduction, \$3.0 max LA (discharged BK 13 or CCC allowed)			
DTI	45%				DTI	• 50% max, 45% max if ≥ 85% LTV (50-55% allowed w/restrictions, see product details below)			
One Year Self-Employed	Not Allowed				One Year Self-Employed	• 80% max LTV • 75% max LTV - C/O • 660 min FICO • Income - Bank Statement only • 1 x 30 x 12 allowed			
Asset Utilization	Not Allowed				Asset Utilization	• 80% max LTV • 75% max LTV - C/O • \$2.0M max LA • 1 x 60 x 12 allowed			
1099 Only	Not Allowed				1099 Only	• \$3.0M max LA • 2 mos recent Bank Stmt • 1 x 60 x 12 allowed			
WVOE Only	Not Allowed				WVOE Only	• 620 min FICO • 80% Max LTV • 70% max LTV - C/O & FTHB • 0 x 30 x 12			
ITIN	Not Allowed				ITIN	• 660 min FICO • 85% max LTV • 80% max LTV - NOO • 75% max LTV - C/O • > 80% LTV - \$1.0M max LA • \$1.5M max LA • Full Doc & 12 mos Bank Stmt only • 0 x 30 x 12			
Foreign National	Not Allowed				Foreign National	• 700 min FICO • 75% max LTV • 65% max LTV - C/O • \$2.0M max LA • 12 mos min. reserves required • 0 x 30 x 12			
DACA	Not Allowed				DACA	• 85% max LTV • 75% max LTV - C/O • 0 x 30 x 12			
Reserves	• 6 months min, cash-out cannot be utilized • > \$2.0M LA: 6 mos, cash-out cannot be utilized • > \$3.0M LA: 12 mos, cash-out cannot be utilized 2 mos for each addn'l financed property (based on subject property PITIA)				Reserves	• OO & 2nd Home: ≤ 75% LTV - no reserves, > 75% LTV - 3 mos, > 80% LTV - 6 mos • NOO: ≤ 70% LTV - no reserves, > 70% LTV - 3 mos, > 80% LTV - 6 mos • All Occupancies: Cash-out can be utilized • > \$2.0M LA: 6 mos, cash-out cannot be utilized • > \$3.0M LA: 12 mos, cash-out cannot be utilized 2 mos for each addn'l financed property (based on subject property PITIA) *Additional 3 mos required with 1 x 60 x 12*			



# How Non-QM Can Save a Non-QM!

## EXAMPLES:

- Blended asset approach to save an excessive (full / alt doc) DTI
- P&L comes to the rescue for a Bank Statement loan w/ excessive NSF's
- 1yr self employed program saves a 1099'er without a 2yr 1099 history
- WVOE programs keeps that "K1 professional" from having to go full doc
- NQM full doc (flexibility) helps save a Jumbo submission that has:  
1) low fico 2) high DTI 3) recent credit event 4) low reserves 5) mortgage lates



# DSCR vs Prime NOO

- Does prime requiring tax returns got you down?
- Does the Schedule E income for that rental property not represent the true earning potential for that property?
- Is the rental calculation showing a loss due to specific income/deductions stated for decreased tax liability?
- Too many financed rental properties? Tired of documenting T/I/HOA for all those rentals?
- Do you hate the “vacancy factor” reductions?

**\*\*GOOD – GO DSCR!! No employment, no income, no tax returns, no vacancy factor!**

**JUST CASHFLOW using**

- 1) Market rent 1007 (long term rent PURCHASE)
- 2) Air-DNA (short term rent PURCHASE)
- 3) Lease agreement (long term rent REFINANCE)
- 4) Receipt (short term rent REFINANCE)

**\*\* Non TRID – less disclosures and up to 85% LTV!\*\***



# Don't Forget The Details!

## Clean Submissions, Give us the Detail, Utilize your Resources!

- EZStructure – scenarios and documentation review
- EZCalc Bank Statement Tool – Bank statement income “pre-qual”
- Additional resources/benefits
  - Calculators- DSCR Ratios
  - Optimizer tool - Boost LTV/Pricing with Compensating Factors
- Submission Form/Business Narrative
  - Tell the story
  - Take your time / detail and accuracy is crucial
  - Accurate business narrative and 1003 = keys to a smooth transaction





# Resources on our Website!

The screenshot shows the LendingPros website. The header includes the LendingPros logo, navigation links (PROGRAMS, RATES, RESOURCES, GET APPROVED, ABOUT US, CONTACT US, SUBMIT), and a Bank Statement Calculator button. The main banner features a group of smiling people and the text 'Non-QM Programs'. Below the banner, there are three buttons: 'View Non-QM DSCR Matrix', 'View Non-QM Matrix', and 'Get Approved'. The 'Non-QM Programs' section describes innovative programs to broaden the broker's market and lists highlights such as Bank Statement / Alt Doc, Asset Depletion, DSCR, Full Doc, 1099, 40-Year (Fully Amortized), 40-year I/O, Foreign National, and WVOE. It also mentions availability on the TPO portal technology. The 'Submit A Scenario' section prompts users to have a loan they want to discuss and provides a form with fields for First Name, Last Name, Your Role (a dropdown menu), Email, Phone Number, and Company Name. At the bottom of the form, there is a 'Form: Tell Us About Your Loan' section with a link to 'Get Approved Today' and a button to 'Calculate your DSCR'.

**LENDINGPROS**

PROGRAMS ▾ RATES RESOURCES ▾ GET APPROVED ABOUT US ▾ CONTACT US SUBMIT ▾

**Non-QM Programs**

[View Non-QM DSCR Matrix](#)

[View Non-QM Matrix](#)

[Get Approved](#)

**Non-QM Programs**

Innovative Non-QM programs to broaden our broker's market and help them close more loans.

Highlights include:

- Bank Statement / Alt Doc
- Asset Depletion
- DSCR
- Full Doc
- 1099
- 40-Year (Fully Amortized)
- 40-year I/O
- Foreign National
- WVOE

Available on our TPO portal technology where you can register, submit, and disclose in minutes.

[Get Approved Today](#)

[Calculate your DSCR](#)

**Submit A Scenario**

Have a loan that you want to discuss with our experienced team? Drop the details here.

First Name\*

Last Name\*

Your Role\*

Please Select ▾

Email\*

Phone Number\*

Company Name

Form: Tell Us About Your Loan

## Resources on our website!

- Matrices
- Rate Sheets
- Price your Non-QM
- EZCalc/EZStructure
- Calculate your DSCR
- Webinar
- Recordings/Decks
- Marketing Material
- Get Approved
- Access to Portal
- Forms
  - Business Narrative

A modern office interior featuring a wide staircase with light-colored steps and glass railings. The space is bright and airy, with large windows in the background. The text "THANK YOU" is overlaid in a large, orange, italicized font.

# *THANK YOU*

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