MAXEX

SCENARIO GUIDE

Non-QM & DSCR

17 borrower scenarios you can close with MAXEX, including new opportunities from our October 5, 2026 guideline expansion.

EFFECTIVE FOR LOCKS ON OR AFTER OCTOBER 5, 2026

OVERVIEW

How to use this guide

Every lender has borrowers who don't fit agency or jumbo boxes. This guide walks through 17 real-world borrower scenarios and shows how MAXEX Non-QM and DSCR programs turn them into closed loans.

01

The Borrower

Who they are

02

The Roadblock

Why the file stalls today

03

The MAXEX Solution

The guidelines that get it done

04

New Oct. 5

What our latest expansion opens up

Look for the **New Oct. 5** callouts. They mark the biggest Non-QM and DSCR guideline expansion since we launched both products.

NEW OCT. 5

What's new on October 5

Our biggest Non-QM and DSCR expansion yet.

DSCR

First-time investors

No prior investment experience needed. 700+ FICO, 1.00 DSCR, up to 80% LTV, loans to $1M

DSCR

New property types

5–10 unit residential and 2–8 unit mixed use (delegated sellers)

NON-QM

DTI up to 55%

More borrowing power for well-qualified borrowers

DOCUMENTATION

1-year full documentation

Serve newly self-employed borrowers

DOCUMENTATION

Asset qualification

Eligible assets ÷ 60 months = qualifying income

PROPERTY & BORROWER

Condotels, leaseholds, litigation & entities

Now eligible, with restrictions. LLCs, partnerships and corporations on Non-QM investment loans

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SCENARIOS 01–05

Self-employed & alternative income

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02 · 1099 contractor or P&L-only borrower

03 · Newly self-employed with one year of returns

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05 · Asset-rich retiree or investor with little income

SCENARIO 01

SELF-EMPLOYED & ALTERNATIVE INCOME

Self-employed buyer qualified on bank statements

THE BORROWER

A business owner whose tax returns understate real cash flow after write-offs.

THE ROADBLOCK

Agency and jumbo underwriting uses taxable income, so the borrower looks unqualified on paper.

THE MAXEX SOLUTION

MAXEX

- Qualify on 12 or 24 months of personal or business bank statements
- 50% flat expense factor with no expense letter needed on most programs
- Borrower-prepared business narrative accepted
- Loan amounts up to $4.5M; FICO from 620 on select programs
- **NEW OCT. 5**
  Recent payroll activity is now accepted to show the business is active and operating

SCENARIO 02

SELF-EMPLOYED & ALTERNATIVE INCOME

1099 contractor or P&L-only borrower

THE BORROWER

An independent contractor, commissioned earner or gig worker.

THE ROADBLOCK

Irregular income and business deductions make traditional income calculation hard.

THE MAXEX SOLUTION

MAXEX

- Qualify on 1 or 2 years of 1099s, including 1099s issued to the borrower's entity
- Borrower-prepared narrative with a 10% minimum expense factor on select programs
- 12-month P&L with no supporting bank statements when a tax preparer attests
- Owner-occupied, second home and investment properties

SCENARIO 03 NEW OCT. 5

SELF-EMPLOYED & ALTERNATIVE INCOME

Newly self-employed with one year of returns

THE BORROWER

A professional who went out on their own last year.

THE ROADBLOCK

Most programs require a two-year self-employment history, so the borrower is told to wait another tax season.

THE MAXEX SOLUTION

MAXEX

- **NEW OCT. 5**
  1-Year Full Documentation is now an eligible doc type
- Combine 1-year and 2-year full-doc income; pricing follows the doc type with the largest share of income
- Combine income from doc types that don't require tax returns

SCENARIO 04

SELF-EMPLOYED & ALTERNATIVE INCOME

Wage earner qualified on a written VOE

THE BORROWER

A salaried W-2 employee whose paperwork complicates agency review.

THE ROADBLOCK

Pay stubs, tax transcripts or deposit patterns create conditions that slow or stop the file.

THE MAXEX SOLUTION

MAXEX

- True written VOE: the employer's verification stands on its own
- No payroll deposits required on bank statements
- Available for owner-occupied purchases and refinances on select programs (up to 80% LTV on some)

SCENARIO 05 NEW OCT. 5

SELF-EMPLOYED & ALTERNATIVE INCOME

Asset-rich retiree or investor with little income

THE BORROWER

A retiree, high-net-worth client or recent business seller with significant assets but modest reported income.

THE ROADBLOCK

Income-based qualification ignores the borrower's real capacity to repay.

THE MAXEX SOLUTION

MAXEX

- **NEW OCT. 5**
  Asset Qualification: eligible assets ÷ 60 months = qualifying income
- No minimum asset requirement on select programs; up to 85% LTV on select programs
- **NEW OCT. 5**
  100% of vested retirement accounts count toward reserves at age 59½+
- **NEW OCT. 5**
  100% of stocks and bonds count toward reserves

SCENARIOS 06–09

Credit & qualification

06 · Strong borrower pushed over agency DTI

07 · Borrower two years past a credit event

08 · Jumbo or agency file that just missed

09 · Non-permanent resident alien borrower

SCENARIO 06 NEW OCT. 5

CREDIT & QUALIFICATION

Strong borrower pushed over agency DTI

THE BORROWER

Prime credit and solid reserves, but a debt-to-income ratio between 50% and 55%.

THE ROADBLOCK

Agency and jumbo DTI caps turn a strong borrower into a decline.

THE MAXEX SOLUTION

MAXEX

- **NEW OCT. 5**

  DTI up to 55% on select Non-QM programs (typically at or below 80% LTV, with residual income requirements on some)

- **NEW OCT. 5**

  The payment on a departing residence can be excluded with an executed sales contract and cleared financing contingencies

55% Maximum DTI on select Non-QM programs

SCENARIO 07 NEW OCT. 5

CREDIT & QUALIFICATION

Borrower two years past a credit event

THE BORROWER

A borrower now 24+ months past a bankruptcy, foreclosure or short sale.

THE ROADBLOCK

Agency waiting periods of up to four years or more keep recovering borrowers on the sidelines.

THE MAXEX SOLUTION

MAXEX

- **NEW OCT. 5**
  Major credit events seasoned two years are eligible on select programs (others require 3–4 years)
- 620 minimum FICO on select programs
- Housing history: no more than 1×30 in the last 12 months and current at closing

24 mo.

Seasoning for major credit events on select programs

SCENARIO 08

CREDIT & QUALIFICATION

Jumbo or agency file that just missed

THE BORROWER

A near-prime borrower declined for DTI, reserves, property type or documentation.

THE ROADBLOCK

The file is close, but close doesn't close.

THE MAXEX SOLUTION

MAXEX

- Loan amounts above $3M and up to $4.5M on select programs
- Up to 90% LTV on select Non-QM programs
- One appraisal on loans under $2M; transferred appraisals accepted when not ordered by the borrower
- Exceptions reviewed in 1–2 business days
- **NEW OCT. 5**
  Unliquidated cryptocurrency can count toward reserves, with restrictions
- **NEW OCT. 5**
  No CPA letter required for business-asset withdrawals

SCENARIO 09

CREDIT & QUALIFICATION

Non-permanent resident alien borrower

THE BORROWER

A borrower living and working in the U.S. on a valid visa or employment authorization.

THE ROADBLOCK

Many investors add overlays or decline non-permanent residents outright.

THE MAXEX SOLUTION

MAXEX

- Eligible on Non-QM and DSCR, with no matrix overlays on select programs

- **NEW OCT. 5**

  Clarified documentation requirements mean fewer conditions and fewer surprises

2 Programs open to non-permanent residents: Non-QM and DSCR

SCENARIO 10

Property

10 · Buyer in a non-warrantable condo or condotel

SCENARIO 10 NEW OCT. 5

PROPERTY

Buyer in a non-warrantable condo or condotel

THE BORROWER

A condo buyer whose project fails agency review.

THE ROADBLOCK

Litigation, HOA delinquencies, presale levels or condotel status kill the deal.

THE MAXEX SOLUTION

MAXEX

- Non-warrantable condos eligible on select Non-QM and DSCR programs
- **NEW OCT. 5**
  Condotels and leasehold properties now eligible
- **NEW OCT. 5**
  Projects in litigation allowed, subject to restrictions
- **NEW OCT. 5**
  Up to 25% of units 60+ days delinquent on HOA dues tolerated
- **NEW OCT. 5**
  The 30% presale requirement applies to new projects only

SCENARIOS 11–17

Investors

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SCENARIO 11 NEW OCT. 5

INVESTORS

Full-doc investor who wants to close in an LLC

THE BORROWER

A business-purpose investor who documents income but holds property in an entity.

THE ROADBLOCK

Full-doc programs often require individual vesting, forcing a trade-off between pricing and structure.

THE MAXEX SOLUTION

MAXEX

- **NEW OCT. 5**
  U.S. LLCs, partnerships and corporations are eligible borrowers on Non-QM investment loans
- **NEW OCT. 5**
  Gift funds allowed on investment purchases with a 10% borrower contribution
- Personal guarantee required from members with 25% or more ownership

SCENARIO 12

INVESTORS

Experienced investor buying on rental income

THE BORROWER

A landlord who doesn't want personal income in the file.

THE ROADBLOCK

Tax returns full of depreciation and expenses understate an investor's capacity.

THE MAXEX SOLUTION

MAXEX

- Qualify on the property's cash flow, with DSCR as low as 0.75 on select programs
- No reserves required on select programs under $2.5M and below 80% LTV
- Up to 85% LTV to $1.5M on select programs; 1–4 units, loans up to $4.5M
- **NEW OCT. 5**

  Lease income up to 125% of market rent with two months' proof of receipt
- **NEW OCT. 5**

  ADU rent now counts toward qualifying income

SCENARIO 13 NEW OCT. 5

INVESTORS

First-time investor buying a first rental

THE BORROWER

A homeowner or renter ready to buy a first investment property.

THE ROADBLOCK

Most DSCR programs require prior landlord experience.

THE MAXEX SOLUTION

MAXEX

700+	1.00	80%	$1M
FICO	DSCR	Max LTV	Max loan

- NEW OCT. 5
  No prior investment experience required

- NEW OCT. 5
  700+ FICO, 1.00 DSCR, up to 80% LTV, loans to $1M

- NEW OCT. 5
  Gift funds allowed for closing with a 10% borrower contribution

SCENARIO 14 NEW OCT. 5

INVESTORS

Investor buying a 5–10 unit or mixed-use building

THE BORROWER

A small-balance multifamily or main-street mixed-use buyer.

THE ROADBLOCK

These properties usually fall to commercial lenders with slower processes and different terms.

THE MAXEX SOLUTION

MAXEX

- **NEW OCT. 5**
  5–10 unit residential and 2–8 unit mixed use now eligible on DSCR
- Up to 75% LTV; minimum DSCR of 1.15 on some programs
- Commercial income must be 49% or less of total property income; no vacant commercial space
- Available to delegated sellers; appraisal review required

SCENARIO 15

INVESTORS

Short-term rental buyer in a vacation market

THE BORROWER

An investor buying or refinancing an Airbnb or Vrbo property.

THE ROADBLOCK

Many programs won't count short-term rental income or make it hard to document.

THE MAXEX SOLUTION

MAXEX

- Short-term rental income allowed on purchases and refinances on select DSCR programs
- **NEW OCT. 5**
  AirDNA comparison properties no longer need to be in the same zip code
- Not available on 5–10 unit or mixed-use properties

SCENARIO 16 NEW OCT. 5

INVESTORS

Portfolio investor pulling cash out

THE BORROWER

A landlord refinancing to fund the next acquisition.

THE ROADBLOCK

Recent listings, vacancies and deposit sourcing slow or block cash-out refinances.

THE MAXEX SOLUTION

MAXEX

- **NEW OCT. 5**
  Cash-out allowed on properties recently listed for sale, with a three-year prepayment penalty
- **NEW OCT. 5**
  Vacant refinances allowed when the vacancy is due to recent renovation
- **NEW OCT. 5**
  Large-deposit sourcing removed; FNMA-approved third-party asset verification accepted
- **NEW OCT. 5**
  Current IRS payment plans permitted if there's no lien on the property

SCENARIO 17

INVESTORS

Large-portfolio investor capped out elsewhere

THE BORROWER

A seasoned landlord with many financed properties and a complex schedule of real estate.

THE ROADBLOCK

Financed-property caps and full REO documentation push these investors away.

THE MAXEX SOLUTION

MAXEX

- Unlimited financed properties on most programs
- Only the subject property and primary residence go on the REO schedule
- Up to 10 MAXEX loans per borrower, with more considered by exception
- Guarantor required only at 25% LLC ownership on most programs

WHY MAXEX

Why sell Non-QM and DSCR through MAXEX

One cash window for the non-agency market

Jumbo, Non-QM, DSCR and more through a single platform

Fast exceptions

The industry's only multi-buyer exception process. 75%+ of exceptions approved.
Requests resolved within 1–2 business days.

MAXEX Deal Desk

One front door for deal support and exceptions. One inbox, one line, one answer back.
Open Mon - Fri from 9:00 am to 7:00 pm ET.

Premium liquidity

A large and growing network of industry-leading securitization, insurance and portfolio buyers

Ultimate flexibility

Sell your way—flow or bulk—and shift your strategy as the market demands

Delegated and non-delegated

Execution options to fit your business model

MAXEX

MAXEX DEAL DESK

Exceptions, answered in 1–2 business days

One front door for deal support and exceptions. One inbox, one line, one answer back.

Available on all products. Buyer 2 considers exceptions on closed loans only.

EMAIL **dealdesk@maxex.com**

PHONE **(888) 838-8664**

HOURS Mon–Fri, 9:00 a.m. to 7:00 p.m. ET

MOST REQUESTED EXCEPTIONS

1. Limited tradelines or short credit history
2. DSCR property with no lease or vacant unit
3. LTV above program max (5–10% exception)
4. Housing history gaps, rent-free or late payments
5. Short-term rental without 12-month history

COMPENSATING FACTORS

Requests require at least two to three compensating factors.

- Reserves of 6+ months, or 2–3x the program minimum
- LTV 5–10% below the program maximum
- FICO above 740 and at least 20 points above the guideline minimum
- 12+ months of on-time housing or rent history
- 4+ years self-employed or in the same business
- Low DTI with minimal non-housing debt
- Verified residual income of at least $5,000 per month
- DSCR above 1.1x and at least 0.1x above the guideline minimum

Reviewed case by case. Factors shown are examples only and do not guarantee approval.