

Quontic Increases Access to Non-Qualified Mortgages as Countertrend to Pandemic Fiscal Restraints

Community Development Loans Newly Available for Owner-Occupied Borrowers and Investor DSCR Loans in all 50 States



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NEW YORK, July 28, 2020 /PRNewswire/ -- Quontic, the adaptive digital bank, is proud to announce the re-launch of its non-qualified mortgage products (non-QM) for one-to-four family owner-occupied home loans, along with non-QM loans for one-to-four family investors using a non-traditional debt service coverage ratio (DSCR). Quontic's unique non-QM loans are immediately available through its Wholesale Lending Division.

The COVID crisis has required that most non-QM lenders pull out of the market due to liquidity constraints, capital losses or other reasons with little hope of reentry. While Quontic paused non-QM activity to assess risk during the pandemic, the bank has a strong balance sheet and is now aggressively offering its unique non-QM product line with favorable rates and terms to keep non-traditional borrowers and investors in the home buying market. As a Community Development Financial Institution (CDFI), Quontic is exempt from traditional ability-to-repay (ATR) requirements and can continue to offer owner-occupied home loans (non-QM) that don't require tax returns, W2's or pay stubs. They also don't require the traditional 12-24 months bank statements required by other non-QM lenders to document income. The totality of each borrower's unique circumstances serves as the basis of Quontic's lending decisions, with up to 75% loan-to-value (LTV) available and only a borrower prepared P&L to document income - with highly competitive interest rates.

"The market for non-QM loans came to a screeching halt during the pandemic. There was still borrower demand, but most non-bank lenders lost their financing and thus their ability to make non-QM loans," shares Steve Schnall, Founder and CEO at Quontic. "Consistent with our mission as a CDFI, our non-QM products are designed to enable underbanked populations like gig economy workers, immigrants, and seniors to obtain home mortgage financing for both owner occupied and investment properties with borrower friendly products for those who don't meet the rigid income documentation guidelines mandated under Dodd-Frank and ATR. We base our lending decisions on the borrower's total picture including credit, equity contribution and source of earnings."

Since 2015, Quontic has been certified as a CDFI by the U.S. Treasury Department for serving low income communities with mortgage products. To date, Quontic has loaned over \$3 billion in mortgages with 70% going to low income census tracts.

"The pandemic caused a lot of confusion and uncertainty for borrowers. For owner occupied home mortgages, most non-QM lenders require the borrower to submit 12-24 months bank statements in order to attempt to extrapolate the borrower's income from their deposit activity and oftentimes this results in a denial for nontraditional buyers," says Lee Ann Casanova, Director Mortgage Wholesale Division at Quontic. "Quontic does not require a stack of bank statements as we can rely on other more objective factors such as credit score, self-employment and equity contribution. It's an easier process, has a higher level of approvals and is priced great so that everyone has access to an affordable mortgage even during uncertain fiscal times."

About Quontic:

Quontic is the adaptive digital bank, a community bank, that offers entrepreneurs, immigrants, millennials, low income, seniors, and other innovative banking products and services that embrace the diversity of circumstances that exist in its customers' lives while elevating their financial strength. Quontic gives its customers the underdog edge by offering unique products such as its Community Development Mortgage Loan and more. Quontic is a privately held company based in New York, New York. Follow and connect with Quontic on [Facebook](#) and [Instagram](#).

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