Effective: 11/13/2023 v2023-5

JETMORTG/KGE

NON OWNER PRIME Matrix

Matrix						
Loan Amount	Reserves Month	Max DTI %	FICO			
			720			
125,000 to	6	50	700			
1,000,000	0	30	680			
			660			
		50	720			
1,000,001 to	9		700			
1,500,000			680			
			660			
			720			
1,500,001 to	12	50	700			
2,000,000	12	50	680			
			660			
2,000,001			720			
2,000,001	12	50	700			
to 3,000,000			680			

Cash Out 75 75 70 70
75 75 70 70
75 70 70
70 70
70
70
70
70
65
65
65
60
60
55
55
55

Bank St	Bank Statement					
12mo o	12mo or 24mo					
Purchase R/T	Cash Out					
80	75					
80	75					
75	70					
75	70					
80	75					
80	75					
75	70					
75	70					
70	60					
70	60					
70	60					
70	60					
70	60					
70	60					
70	60					

P & L Only					
Purchase R/T	Cash Out				
75	70				
75	70				
75	65				
70	65				
70	65				
70	65				
70	65				
70	60				
70	60				
65	60				
65	60				
65	60				
65	60				
65	60				
65	60				

Asset Depletion				
Purchase R/T	Cash Out			
75	70			
75	70			
75	65			
70	65			
70	65			
70	65			
70	65			
70	60			
70	60			
65	60			
65	60			
65	60			
65	60			
65	60			
65	60			

Purchase R/T Cash Ou	
R/T Cash Ou	
	t
80 75	
80 75	
75 70	
75 70	
80 75	
80 75	
75 70	
75 70	
70 65	
70 65	
70 65	
70 65	
70 60	
70 60	
70 60	

LTV Restrictions					
			LTV		
		Condo	75%		
	Purchase &	Non-Warrantable Condo	75% (No Foreign Nat'l)		
	Rate-Term	Condotel (Max \$1.5mil Loan Amount)	75% (No Foreign Nat'l)		
	Nate-Term	2-4 Unit	75%		
Dronorty Type		Modular	75%		
Property Type		Condo	70%		
	Cash-Out - LTV ≤ 60%: Unlimited Cash-Out	Non-Warrantable Condo	70% (No Foreign Nat'l)		
	LTV > 60% (Max 80% of Loan Amount up to	Condotel (Max \$1.5mil Loan Amount)	65% (No Foreign Nat'l)		
	\$1mil.)	2-4 Unit	70%		
		Modular	70%		
Loan Type		80%			
Declining Values		10% LTV Reduction			
	*All past due housing payments must be	1x30x12	No Reduction		
Housing Lates	cured by application and remain paid as agreed thru closing.	Mtg lates > 1x30 but 0x60	5% LTV Reduction		
	FC, SS, DIL	24-35 months	5% LTV Reduction		
Credit Front Seconing	BK 7	24-35 months	5% LTV Reduction		
Credit Event Seasoning	DN /	12-23 months	5% LTV Reduction / No Cash-Out		
	BK 13	Discharge	-		

LTV Restrictions Continued					
Reduced Reserves		(max -3 mos. reserves) 5% LTV Reduction			
Expanded DTI (50.01-55)	Investment +3 months reserves Min 680 FICO Max 1.5 mil loan amount		75% Max LTV		
	Asset Depletion		Not Allowed		Not Allowed
DSCR .75 to .999	No Cash-Out	Min 700 FICO		5% LTV Reduction	

С	ash-Out	LTV < 60%: Unlimited Cash-Out.	LTV > 60% (Max 80% of Loan Amount up to \$1mil.)		
Credit	Standard	No Mortgage or Rental History	Max 50% DTI	Lower of Matrix LTV or 70% LTV	
First T	ime Investor	Mortgage History Required	Min. 660 FICO Max Loan Amount \$750,	000	
Residual Inc	come for DTI >43%	Per VA guidel	ine or \$2500+\$150 per dependent		
Prepayment	6 months interest		6 months interest on the amount paid greater than 20% of the original Unpaid Principle Balance. Applies to payoff due to sale or refinance.		
Penalty Structures	5% Fixed		5% of any outstanding balance during the prepayment penalty term available for DSCR only. Applies to payoff due to sale or refinance.		
		Purchase (Full, BK, P&L Doc type) Qualify with Market Rents			
Unleas	Unleased Properties Refinance (Full, BK, P&L Doc type) Max 1 vacancy for 2-4 units - Use Market Rent for Vacancy		·		
		DSCR	DSCR Refinance with previous rent housing history documented		

	Foreign National							
Foreign Nat	cional (DSCR Only)	Minimum 1.10 DSCR	Minimum 1.10 DSCR 12 mos reserves Min 660 FICO Max 1.5 mil loan amount					
	VISA Types allowed:	B-1, B-2, H-2, H-3, I, J-1, J-2, 0	-1, B-2, H-2, H-3, I, J-1, J-2, O-2, P-1, P-2, TN NAFTA, Laser Visa					
				oort (including photograph		data and 104		
		Borrowers from countri	es participating in the Stat	te Department's Visa Waiv	an I-797 form with valid extension or Program (VWP) are not required puntry of origin highlighted.	to provide a valid visa. The credit file should be documented		
	Documentation	, ,	untries can be found at:		gov/content/visas/en/visit/visa-waiv			
					ust be cleared through OFAC's SND	list, search of Specially Designated Nationals & Blocked		
		Persons List may be complete		easury:				
		All borrowers must complete		**************************************		The contificate of columnial desired was to contain a standard		
		notarial requirements and mu			y a U.S. embassy or consular official	The certificate of acknowledgment must meet the standard		
Foreign National		Must provide evidence of the		COnsular Sear				
				verified financial institution	s in the borrower's country of origin			
		Each letter of re				ment amount, outstanding balance and status of account		
			imum 12 month payment					
	Without Qualifying US Credit	b. A single referen	ce source may provide ver	rification of multiple accou	ınts. Individual account detail must l	pe provided.		
	Credit	c. The letter must	mention the borrower by	name.				
		d. Name, title, and	contact information of th	e person signing the letter	must be included.			
				rs and signed and dated b	y certified translator.			
			must be translated into Eng	-				
Housing History Required Evidence of 2 yr mortgage and/or rental housing history with 0x30x12 or documentation of free and clear property ownership.					vnership.			
	Automated Debit	An executed Automatic Debit	Payment Agreement (ACH	H) Form (Exhibit C) from a l	J.S. Bank, including either the bank	routing number, account number, and account type or a		
	Payment	voided check is required for transactions involving a Foreign National.						

				Foreign National Continued	
		May be used as source of funds to close and meet reserve requirements. Gift funds not allowed. Closing funds and reserves must be transferred to a US domiciled account in borrower's name at least 10 days prior to closing. Assets held in foreign accounts must be documented as follows:			
	Assets held in Foreign				
Foreign National	Accounts		•	Assets must be verified in U.S. Dollar equivalency at the current exchange rate via either www.xe.com or the Wall Street Journal conversion table.	
roreign National				A copy of the two (2) most recent statements of that account. If the funds are not seasoned a minimum of sixty (60) days, a letter of explanation is required along	
				with the information to comprise a sixty (60) day chain of funds.	
	State Restrictions		Loans in the State of Florida must adhere to the restrictions imposed by Florida SB 264 affecting Foreign Nationals from the following countries:		
State Restriction		•	China,	Russia, Iran, North Korea, Cuba, Venezuela, Syria	

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NON OWNER PRIME Documentation

		Documentation Options					
Full Doc 2Yr	Standard FNMA	Alternative Loan Review Form (Exhibit F) or DU Ineligible finding is required at time of submission					
Tuli Doc 211	Documentation	2 years tax returns, recent paystub (self-employed YTD P&L) 1040 transcripts required					
W-2 (12mo)		Alternative Loan Review Form (Exhibit F) or DU Ineligible finding is required at time of submission					
Full Doc 1Yr	VV-Z (121110)	Wage Earner - 1 year most recent W-2 or 1 year tax returns plus 30 days paystubs					
Tuli Doc 111	Tax Returns (12mo)	Self-Employed - 1 year most recent tax returns plus YTD P&L (Borrower prepared ok with tax returns on full doc only)					
	Tax Neturns (121110)	1040 Transcripts required 3 months bank statements verifying cash flow (No P&L)					
		Personal & Business-Combined or Business (12mo or 24mo):					
		At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)					
		Asset Depletion allowed with Bank Statement documentation					
		Income documented separately (SSI, W2, etc.) but included in deposits being reviewed must be backed out of deposits. Gross rents from any REOs are to be backed out of the deposit totals.					
	Bank Statement (24mo,	Standard expense factors apply: 50% expense factor					
Bank Statement	12mo)	If business operates < standard expense factor, P&L or expense letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) required					
	.20,	Minimum expense factor with 3rd party prepared P&L or letter is 20%					
		Personal & Business Separated (12mo or 24mo):					
		At least one of the borrowers must be self-employed for at least 2 years (25% or greater ownership)					
		Asset Depletion allowed with Bank statement documentation					
		Personal used to qualify, 2 months business to show business cash flows in order to utilize 100% of business related deposits in personal account (no expense).					
		Self-employed (2yrs - 25% or greater ownership) P&L prepared by tax professional					
		Minimum expense factor with P&L is 20% for service business and 40% for product business (see guidelines for details)					
	D 0 1 (10)	CPA/CTEC/EA signed/prepared Profit and Loss Statement(s) covering the most recent 12 month period. A gap P&L covering period between end of 12 month P&L and					
P & L Only	P & L (12 mo) [CPA, CTEC, EA]	A letter from the CPA, CTEC or EA on their business letterhead showing address, phone number, and license number is required with the following information:					
		CPA/CTEC/EA prepared or reviewed the most recent 2 years of business tax return filing; and,					
		The business name, borrower's name, and percentage of business ownership by the borrower.					
		Income from co-borrowers who are W2 wage earners is to be documented with most recent W2 and paystub.					
		Most recent 6 months asset documentation verified by: cash in bank (100%); stocks, bonds, and/or mutual funds (90%); IRAs, 401K, and/or retirement accts (80%)					
Asset Depletion	Asset Statement (6mo)	Allowable assets divided by 84 months = qualifying income					
		Maximum 50% DTI - No Expanded DTI available					
		 Interest Only: DSCR (Gross Rents / ITIA) Qualifying ratios based on Note Rate Initial Interest Only payment (ITIA) 					
		Full Amortization: DSCR (Gross Rents / PITIA) Qualifying ratios based on Note Rate (PITIA)					
	> 1.00	Short term rental accepted on refinance transactions only with 3rd party documentation of 12mos rents. For Purchases, the 1007 in the file will be used to determine DSCR					
DSCR		Ratio					
Dack		20% vacancy factor applies to SFR refinances only. See guidelines for limitations and treatment of vacant unit(s)					
		Gross monthly rent divided by PITIA of subject property must be greater than or equal to 1.00 for max LTV					
	.9975	DSCR from .99 to .75 available for Purchase; or R/T ok with a 5% LTV reduction. Cash-out NOT allowed.					
		Prepayment penalty must be in compliance with the terms and limitations of the applicable state or federal law					
		· · · · · · · · · · · · · · · · · · ·					

Quick References									
Assets		See guidelines for details Assets sourced or seasoned for two months unless utilizing assets to document income (6 months)							
	Assets	Gift funds are acceptable for use toward down payment and loan costs							
Borrower	Citizenship	US Citizen Permanent Resident Alien (with US Credit) Foreign Nationals (DSCR Only)							
Eligibility		Non-Permanent Resident Alien (with US Credit) Current VISA E-1, E-2, E-3, EB-5, G-1 through G-5, H-1, L-1, NATO, O-1, R-1, TN NAFTA. Provide EAD when applicable.							
Cash-Out		LTV ≤ 60%: Unlimited Cash-Out. LTV > 60% (Max 80% of Loan Amount up to \$1mil.)							
		Example: 850,000 loan amount x 80% allows 680,000 cash out							
		Cash-out may be counted toward reserve requirement • See guidelines for details							
		Property owned between 6-12 months - LTV/CLTV is based on lower of the appraised value or purchase price plus documented improvements. Less than 6 mos. seasoning not allowed							
Compliance		No Section 32 or state High Cost Points and Fees max 5% limit							
		Loans must comply with all applicable federal and state regulations							
		Fully documented Ability to Repay including Borrower Attestation (Excluding DSCR)							
		Impounds required on LTV > 80% or HPML loans unless otherwise specified by applicable state law							
Credit	Standard	3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months							
Credit		No mortgage or rental history (Lower of Matrix LTV or 70% LTV, 50% DTI)							
		Following may remain open:							
Consumer Charge-offs and Collections		Collections and charge-offs < 24 months old with a maximum cumulative balance of \$2,000 All medical collections regardless of amount							
	,	Collections and charge-offs ≥ 24 months old with a Collections and charge-offs that have expired under the state statute of limitations on debts; evidence of							
		maximum of \$2,500 per occurrence expiration must be documented							
		Gift funds are allowed for paying off debt, equity contribution refinances, and for closing costs and down payments.							
	e:6:	Gift funds may not be used to meet reserve requirements.							
	Gift	Gift funds may not be used for first time investors or Foreign National.							
		Acceptable Donors: Fannie Mae guidelines should be used for donor relationship to borrower(s), documentation, proof of funds, and evidence of receipt;							
	-tII:-t	Borrower must have a history of owning and managing at least one property for a minimum of 12 months within the most recent 36 months on DSCR product							
inve	stor History	Borrower must have a housing history for all investor products							
	First Time Investor	Primary mortgage history is required Minimum FICO 660 Maximum loan amount \$750,000							
		Any borrower who has not owned at least one investment property for a minimum of 12 months at any time within the most recent 36 months							
		Gift funds not allowed for First Time Investor.							
Investor Types		Borrower who has owned and managed at least 1 investment property for 12 months or more within the most recent 36 mos.							
	Experienced Investor	Borrower must have satisfactory 12 month primary mortgage and/or rental payment history within 3 yrs prior to loan application. Payment to private lender or landlords must be evidenced by most recent 6 mos. cancelled checks.							
	Professinal Investor	DSCR Only: Provides reduced documentation on non-subject properties for the borrower who has a strong investor track record documenting the following:							
		Currently owns 5 properties (Primary residence included).							
		Has 5 years credit depth reported on credit report.							
		At least 3 mortgages are reported on credit report within the last three (3) years. No minimum months reporting required. No delinquencies allowed on months reported.							
		Required Information:							
		All properties owned by borrower to be listed on REO schedule.							
		All information completed on REO schedule (mortgage balances, gross rents, etc.).							
		Reduced Documentation							
		Housing History not required							
		All properties owned by borrower to be listed on REO schedule. All information completed on REO schedule (mortgage balances, gross rents, etc.).							

		Quick Refe	erences Con	tinued: Properties				
All doc types but DSCR: Qualifying ratios are based on fully amortized P&I payments over the scheduled remaining loan term after the interest only period I								
		30 yr IO product is qualified at fully amortized payment for 20 yrs.						
		DSCR: Use Note Rate of IO payment to calculate ITIA.						
Interest Only		SOFR 5/1 30yr ARM	1 7		r I/O	20yr Full Amortization after I/O Period		
		SOFR 5/1 40yr ARM	5yr Fixed		r I/O	30yr Full Amortization after I/O Period		
		SOFR 7/1 30yr ARM	7yr Fix	,	r I/O	20yr Full Amortization after I/O Period		
		SOFR 7/1 40yr ARM	7yr Fixed		r I/O	30yr Full Amortization after I/O Period		
		30yr Fixed			rr I/O	20yr Full Amortization after I/O Period		
		40yr Fixed			rr I/O	30yr Full Amortization after I/O Period		
Acreage		Maximum 20 acres						
Appraisal		Loan amounts > \$2,000,000 = Two Full Appraisals See guidelines for details						
		Loan amounts < \$2,000,000 = 1 Full Appraisal + AVM or FNMA CU Risk score of 2.5 or less						
		2nd Full Appraisal required if AVM Confidence Score is below 90%						
		All 1 unit investor appraisals require form 1007 Single Family Comparable Rent Schedule						
		DSCR Rate and Term: If owned less than six (6) months LTV/CLTV is based on purchase price. If owned less than 12 months but more than six (6) months, the LTV/CLTV is						
		based on the lower of the appraised value or purchase price plus documented improvements.						
Minimum P	Property Standards	600 sq. ft. for 1 unit properties	•	2+ units no minimum. Size mus	st be •	Maximum deferred maintenance cannot exceed \$2,000		
William	Toperty Standards	Property constructed for year-round use	•	Permanently affixed continuous	heat •	No health or safety issues both internal or external		
		 Condotel units are categorized as non-warra 	antable •	Minimum 500 square feet.				
Property:	Eligible	Kitchen required with full size appliances, refrigerator, Investor concentration ok to 100%						
Condotels		Bedroom required – no studios.						
3311431615	Ineligible	Properties with hotel, motel in name. Converted hotel Projects with less than 10 units.						
	inengiste	Properties with Registration desks/office.	•	Properties that are not located i				
		When the subject property is being resold within 365 days of its acquisition by the seller and the sales price has increased more than 10%, the transaction is considered a						
Property Flips		Property seller on the purchase contract must be the The property was marketed openly and fairly, through a multiple listing service, auction, FSBO offering						
		• Flip transactions must comply with the TILA HPML • Sufficient documentation to validate actual cost to construct or renovate (e.g., purchase contracts, plans and						
		Increases in value are to be documented with		·	ength, with no id	entity of interest between the buyer and property seller or		
Property Types		SFR Condominium	• Townhou		•	Non-Warrantable Condo / Condotel		
		PUD	• Rowhou					
Seasoning		Rate and Term: No seasoning. At least 1 borrower from the existing loan must be in the new loan. Code Out Company to Code Out Code O						
		Cash Out: 6 months from existing Note date to application date of new loan. U.C. Cash Out: 12 months concerning required if the property was guard prior to closing by U.C. that is majority guard by the horrower.						
		LLC Cash Out: 12 months seasoning required if the property was owned prior to closing by LLC that is majority-owned by the borrower. For all transaction types, subject property must be taken off the market on or before application date.						
Seasoning for Pro	operty Recently Listed on	For all transaction types, subject property must be taken off the market on or before application date. For Cash Out refinances, leans must be case and for at least 6 months from the listing contract expiration date to the new Note date.						
th	ne Market	 For Cash-Out refinances, loans must be seasoned for at least 6 months from the listing contract expiration date to the new Note date. Cash-out DSCR with prepayment penalty ok with no seasoning. 						
States	Ingligible							
States Ineligible • TX (No Interest-Only when using Texas Section 50(a)(6) Equity Cash-Out transactions)								
Quick References Continued: Miscellaneous								
Prepayment Penalty Option Qualifying Payment		Prepayment penalty must be in compliance with the terms and limitations of the applicable state or federal law Full Amortization: Ouglifying ratios based on greater of Note Rate or Fully Indexed Rate (PITIA)						
		Full Amortization:Interest Only (DTI):		Qualifying ratios based on greater of Note Rate or Fully Indexed Rate (PITIA) Qualifying ratios based on greater of Note Rate or Fully Indexed Rate (PITIA), fully amortized payment on remaining term				
		Full Amortization (DSCR):		Qualifying ratios based on Note Rate (PITIA) (Value of Fully Indexed Rate (PITIA), rully amortized payment on remaining term				
		Interest Only (DSCR):	, ,	Qualifying ratios based on Note Rate (PTIA) Qualifying ratios based on Note Rate Initial Interest Only payment (ITIA)				
Qualifying Payment		Full Amortization (DSCR):		ualifying ratios based on Note Rate (PITIA)				
		Interest Only (DSCR):		ualifying ratios based on Note Rate (FTTIA)				
Residual Income		Required on DTI > 43% only						
		Required on DTT > 45% only VA Residual Income Calc per VA Form #26-6393 and VA Residual Income Tables in VA Lending Manual Chapter 4.9						
Seller Concessions / IPC		Max 3% on Investor product Max 3% on Investor product						
Subordinate Financing		CLTV max = LTV max						
		Subordinate Financing payment must be included in DSCR calculation						
IET M. DDA	A Llama Mantagana Allianaa G		ration (HMAC) NMIS# 1165808 HMAC is an Equal Housing Lender. The information in this document is intended for use by licensed mortgage hankers and mortgage loans.					