



# NON OWNER PRIME Matrix

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

DSCR	
Purchase R/T	Cash Out
80	75
80	75
75	70
75	70
80	70
80	70
75	70
70	65
70	65
65	60
65	60
65	55
65	55
60	55

Bank Statement 12mo or 24mo	
Purchase R/T	Cash Out
80	75
80	75
75	70
75	70
80	75
80	75
75	70
70	65
70	65
75	70
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	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	60
70	60
65	60
65	60
65	60
65	60
65	60
65	60

Full Doc 12mo or 24mo	
Purchase R/T	Cash Out
80	75
80	75
75	70
75	70
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	65

LTV Restrictions			
Property Type	Purchase & Rate-Term	Condo	LTV 75%
		Non-Warrantable Condo	75% (No Foreign Nat'l)
		Condotel (Max \$1.5mil Loan Amount)	75% (No Foreign Nat'l)
		2-4 Unit	75%
		Modular	75%
	Cash-Out - LTV ≤ 60%: Unlimited Cash-Out LTV > 60% (Max 80% of Loan Amount up to \$1mil.)	Condo	70%
		Non-Warrantable Condo	70% (No Foreign Nat'l)
		Condotel (Max \$1.5mil Loan Amount)	65% (No Foreign Nat'l)
		2-4 Unit	70%
		Modular	70%
Loan Type	Interest Only		80%
Declining Values	Declining Values		10% LTV Reduction
Housing Lates	*All past due housing payments must be cured by application and remain paid as agreed thru closing.	Multiple 30 day lates but 0x60	5% LTV Reduction
Credit Event Seasoning	FC, SS, DIL	24-35 months	5% LTV Reduction
	BK 7	24-35 months	5% LTV Reduction
		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

Overlays					
Cash-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 Time Investor		Mortgage History Required	Min. 660 FICO	Max Loan Amount \$750,000	
Residual Income for DTI >43%		Per VA guideline or \$2500+\$150 per dependent			
Prepayment Penalty Structures	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.			States not permitted: AK, DE, MN, NH, NM, OH, IL, CO, MI, NJ, RI PA (Min. \$301,022 Loan Amount)
	5% Fixed	5% of any outstanding balance during the prepayment penalty term available for DSCR only. Applies to payoff due to sale or refinance.			
Unleased Properties		Purchase	Qualify with Market Rents		
		Refinance	Max 1 vacancy for 2-4 units - Use Market Rent for Vacancy		
		DSCR	Refinance with previous rent history documented		
					5% LTV Reduction

Foreign National					
Foreign National (DSCR Only)	Minimum 1.10 DSCR	12 mos reserves	Min 660 FICO	Max 1.5 mil loan amount	5% LTV Reduction
Foreign National	VISA Types allowed:	B-1, B-2, H-2, H-3, I, J-1, J-2, O-2, P-1, P-2, TN NAFTA, Laser Visa			
	Documentation	<ul style="list-style-type: none"> <li>Copy of the borrowers valid and unexpired passport (including photograph)</li> <li>Copy of the borrower's valid and unexpired visa (including photograph) OR an I-797 form with valid extension dates and I-94.</li> <li>Borrowers from countries participating in the State Department's Visa Waiver Program (VWP) are not required to provide a valid visa. The credit file should be documented with a current print out of the participating countries with the borrower's country of origin highlighted.</li> <li>Participating countries can be found at: <a href="https://travel.state.gov/content/visas/en/visit/visa-waiver-program.html">https://travel.state.gov/content/visas/en/visit/visa-waiver-program.html</a></li> </ul>			
		All parties involved on transaction must be screened through exclusionary lists, must be cleared through OFAC's SND list, search of Specially Designated Nationals & Blocked Persons List may be completed via US Department of Treasury:			
		All borrowers must complete IRS form W-8BEN			
		Documents signed by Borrowers outside of the United States must be notarized by a U.S. embassy or consular official. The certificate of acknowledgment must meet the standard notarial requirements and must include the embassy or consular seal			
	Without Qualifying US Credit	Must provide evidence of the following:			
		Two (2) credit or banking reference letters from verified financial institutions in the borrower's country of origin			
		a.	Each letter of reference must state the type and length of the relationship, how the account is held, payment amount, outstanding balance and status of account including a minimum 12 month payment history.		
		b.	A single reference source may provide verification of multiple accounts. Individual account detail must be provided.		
		c.	The letter must mention the borrower by name.		
d.		Name, title, and contact information of the person signing the letter must be included.			
e.	Currency must be converted to U.S. Dollars and signed and dated by certified translator.				
f.	All documents must be translated into English.				
Housing History Required	Evidence of 2 yr mortgage and/or rental housing history with 0x30x12 or documentation of free and clear property ownership.				
Automated Debit Payment	An executed Automatic Debit Payment Agreement (ACH) Form (Exhibit C) from a U.S. Bank, including either the bank routing number, account number, and account type or a voided check is required for transactions involving a Foreign National.				

## Foreign National Continued

<b>Foreign National</b>	Assets held in Foreign Accounts	May be used as source of funds to close and meet reserve requirements.	
		Closing funds and reserves must be transferred to a US domiciled account in borrower's name <b>at least 10 days prior to closing.</b>	
		Assets held in foreign accounts must be documented as follows:	
		•	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.
	•	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:		
	•	China, Russia, Iran, North Korea, Cuba, Venezuela, Syria	

JET Mortgage DBA Home Mortgage Alliance Corporation (HMAL), NMLS# 1165808. HMAL is an Equal Housing Lender. The information in this document is intended for use by licensed mortgage bankers and mortgage loan officers, and may not be viewed, used, or relied upon by consumers. The information disclosed in this document is subject to change without notice. Not available in all states. 07202023

Effective: 7/5/2023

v2023-5



## NON OWNER PRIME Documentation

### Documentation Options

<b>Full Doc 2Yr</b>	Standard FNMA Documentation	• Alternative Loan Review Form (Exhibit F) or DU Ineligible finding is required at time of submission		
		• 2 years tax returns, recent paystub (self-employed YTD P&L) 1040 transcripts required		
<b>Full Doc 1Yr</b>	W-2 (12mo)	• Alternative Loan Review Form (Exhibit F) or DU Ineligible finding is required at time of submission		
	Tax Returns (12mo)	• Wage Earner - 1 year most recent W-2 or 1 year tax returns plus 30 days paystubs		
		• Self-Employed - 1 year most recent tax returns plus	• YTD P&L (Borrower prepared ok with tax returns on full doc only)	
		• 1040 Transcripts required	• 3 months bank statements verifying cash flow (No P&L)	
<b>Bank Statement</b>	Bank Statement (24mo, 12mo)	• Personal & Business- <b>Combined</b> or <b>Business</b> (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	
		•	Standard expense factors apply: 50% expense factor	
		•	If business operates < standard expense factor, P&L or expense letter from CPA, CTEC (California Tax Education Council), or EA (Enrolled Agent) required	
		•	Minimum expense factor with 3rd party prepared P&L or letter is 20%	
		• Personal & Business <b>Separated</b> (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)	
<b>P &amp; L Only</b>	P & L (12 mo) [CPA, CTEC, EA]	• Self-employed (2yrs - 25% or greater ownership) P&L prepared by <b>tax professional</b>		
		• Minimum expense factor with P&L is 20% for service business and 40% for product business (see guidelines for details)		
		• 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		
		• 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.	
<b>Asset Depletion</b>	Asset Statement (6mo)	• 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%)		
		• Allowable assets divided by 84 months = qualifying income		
		• Maximum 50% DTI - No Expanded DTI available		
<b>DSCR</b>	> 1.00	• 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)
		• 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 Ratio		
	.99-.75	• 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		
		• 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						
<b>Assets</b>		• See guidelines for details		• Assets sourced or seasoned for two months unless utilizing assets to document income (6 months)		
		• Gift funds are acceptable for use toward down payment and loan costs				
<b>Borrower Eligibility</b>	Citizenship	• US Citizen		• Permanent Resident Alien (with US Credit)		
		• 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.				
<b>Cash-Out</b>		• 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		• See guidelines for details		
<b>Compliance</b>		• 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				
		• 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)				
<b>Credit</b>		• Impounds required on LTV > 80% or HPML loans unless otherwise specified by applicable state law				
		• 3 tradelines reporting for 12+ months or 2 tradelines reporting for 24+ months all with activity in the last 12 months				
		• No mortgage or rental history (Lower of Matrix LTV or 70% LTV, 50% DTI)				
<b>Consumer Charge-offs and Collections</b>		Following may remain open:				
		• Collections and charge-offs < 24 months old with a		• 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		
<b>First Time Investor</b>		• Primary mortgage history is required		• Minimum FICO 660		
		• Maximum loan amount \$750,000				
<b>Investor History</b>		• 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				
		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				
<b>Interest Only</b>		Borrower must have a housing history for all investor products				
		• SOFR 5/1 30yr ARM		5yr Fixed	10yr I/O	20yr Full Amortization after I/O Period
		• SOFR 5/1 40yr ARM		5yr Fixed	10yr I/O	30yr Full Amortization after I/O Period
		• SOFR 7/1 30yr ARM		7yr Fixed	10yr I/O	20yr Full Amortization after I/O Period
		• SOFR 7/1 40yr ARM		7yr Fixed	10yr I/O	30yr Full Amortization after I/O Period
		• 30yr Fixed			10yr I/O	20yr Full Amortization after I/O Period
			10yr I/O	30yr Full Amortization after I/O Period		
			10yr I/O	30yr Full Amortization after I/O Period		

Quick References Continued: Properties						
<b>Acreage</b>		• Maximum 20 acres				
<b>Appraisal</b>		• 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				
<b>Minimum Property Standards</b>		• 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.				
		• 600 sq. ft. for 1 unit properties		• 2+ units no minimum. Size must be		
		• Property constructed for year-round use		• Permanently affixed continuous heat		
<b>Property: Condotels</b>		• Eligible		• Maximum deferred maintenance cannot exceed \$2,000		
		• Ineligible		• No health or safety issues both internal or external		
		• Condotel units are categorized as non-warrantable		• Minimum 500 square feet.		
		• Kitchen required with full size appliances, refrigerator,		• Investor concentration ok to 100%		
<b>Property Flips</b>		• Bedroom required – no studios.				
		• Properties with hotel, motel in name. Converted hotel		• Projects with less than 10 units.		
		• Properties with Registration desks/office.		• Properties that are not located in a resort/destination area (beach, ski, lake)		
<b>Property Types</b>		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 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		• All transactions must be arm's length, with no identity of interest between the buyer and property seller or		
<b>Property Types</b>		SFR	Condominium	Townhouse	D-PUD	Non-Warrantable Condo / Condotel
		PUD	Modular	Rowhouse	2 - 4 Unit	

### Quick References Continued: Properties Continued

<b>Seasoning</b>		<ul style="list-style-type: none"> <li>Rate and Term: No seasoning. At least 1 borrower from the existing loan must be in the new loan.</li> <li>Cash Out: 6 months from existing Note date to application date of new loan.</li> <li>LLC Cash Out: <b>12</b> months seasoning required if the property was owned prior to closing by LLC that is majority-owned by the borrower.</li> </ul>
<b>Seasoning for Property Recently Listed on the Market</b>		<ul style="list-style-type: none"> <li>For all transaction types, subject property must be taken off the market on or before application date.</li> <li>For Cash-Out refinances, loans must be seasoned for at least 6 months from the listing contract expiration date to the new Note date.</li> <li>Cash-out DSCR with prepayment penalty ok with no seasoning.</li> </ul>
<b>States</b>	Ineligible	<ul style="list-style-type: none"> <li>TX (No Interest-Only when using Texas Section 50(a)(6) Equity Cash-Out transactions)</li> </ul>

### Quick References Continued: Miscellaneous

<b>Prepayment Penalty Option</b>		Prepayment penalty must be in compliance with the terms and limitations of the applicable state or federal law
<b>Qualifying Payment</b>	Full Amortization:	Qualifying ratios based on greater of Note Rate or Fully Indexed Rate (PITIA)
	Interest Only (DTI):	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)
	Interest Only (DSCR):	Qualifying ratios based on Note Rate Initial Interest Only payment (ITIA)
<b>Qualifying Payment</b>	Full Amortization (DSCR):	Qualifying ratios based on Note Rate (PITIA)
	Interest Only (DSCR):	Qualifying ratios based on Note Rate Initial Interest Only payment (ITIA)
<b>Residual Income</b>	Required on DTI > 43% only	<ul style="list-style-type: none"> <li>Per VA or \$2,500 plus an additional \$150/dependent</li> </ul>
	VA Residual Income Calc per VA Form #26-6393 and VA Residual Income Tables in VA Lending Manual Chapter 4.9	
<b>Seller Concessions / IPC</b>		<ul style="list-style-type: none"> <li>Max 3% on Investor product</li> </ul>
<b>Subordinate Financing</b>		<ul style="list-style-type: none"> <li>CLTV max = LTV max</li> <li>Subordinate Financing payment must be included in DSCR calculation</li> </ul>

JET Mortgage DBA Home Mortgage Alliance Corporation (HMAC). NMLS# 1165808. HMAC is an Equal Housing Lender. The information in this document is intended for use by licensed mortgage bankers and mortgage loans officers, and may not to be viewed, used, or relied upon by consumers. The information disclosed in this document is subject to change without notice. Not available in all states. 07202023