

Jumbo Express Matrix

Fixed Rate Eligibility					
Occupancy	Transaction	Property Type	Maximum Loan Amount	Maximum LTV	Minimum Credit Score
Owner Occupied/ Primary Residence	Purchase	1 Unit	\$1,500,000	80%	720
	Limited Cash-Out Refinance	1 Unit	\$1,500,000	80%	720
	Cash-Out Refinance	1 Unit	\$1,500,000	65%	740
Adjustable-Rate Eligibility					
Occupancy	Transaction	Property Type	Maximum Loan Amount	Maximum LTV	Minimum Credit Score
Owner Occupied/ Primary Residence	Purchase	1 Unit	\$1,500,000	80%	720
	Limited Cash-Out Refinance	1 Unit	\$1,500,000	80%	720
	Cash-Out Refinance	1 Unit	\$1,500,000	65%	740
ARM only Requirements	<ul style="list-style-type: none"> • First time Home Buyers are not eligible • Collateral Desktop Analysis (CDA) from Clear Capital is required on all loans <ul style="list-style-type: none"> ○ For loans with LTV greater than or equal to 70%, if the CDA value is lower than the appraised value by 5% or more, the loan is not eligible for purchase 				

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ARM Parameters	<ul style="list-style-type: none"> • Index: 30-day Average SOFR Index as published by the New York Federal Reserve • Margin: 2.75% • Interest Rate Caps: 5% / 1% / 5% (First, Periodic, Lifetime) • Interest Rate Floor: 2.75%
7 Years/6 Months SOFR ARM	The interest rate will be fixed for an initial period of seven (7) years (84 payments). The initial rate change will take place effective as of the eighty-fifth (85th) payment due date and on that day every 6 months thereafter, using the index figure in effect on the day that is 45 days before the interest rate adjustment date.
10 Years/6 Months SOFR ARM	The interest rate will be fixed for an initial period of ten (10) years (120 payments). The initial rate change will take place effective as of the one hundred and twenty first (121st) payment due date and on that day every 6 months thereafter, using the index figure in effect on the day that is 45 days before the interest rate adjustment date.
Qualifying Payment Amount for 7/6 and 10/6 ARM	Greater of the note rate or the fully indexed rate must be used for calculating the qualifying payment amount to include in DU
General Guidance	
Ability to Repay and Qualified Mortgage Rules (ATR/QM)	<p>The ATR/QM rules requires you made a reasonable, good-faith determination before or when you consummate the mortgage loan that the borrower has a reasonable ability to repay the loan. TMS follows HUD and CFPB guidance in regards to QM.</p> <p>Safe Harbor and Rebuttal Presumption to QM loans are considered for purchase review with no additional overlays.</p> <p>Sellers are responsible for providing evidence of compliance with the ATR/QM rules.</p>
Loan Amount	<ul style="list-style-type: none"> • Minimum loan amount is \$1 over the current one-unit conforming loan limit • Maximum loan amount is \$1,500,000
Debt to Income Ratio	<ul style="list-style-type: none"> • Maximum 43% DTI ratio for Purchase and Rate/Term refinance • Maximum 40% DTI ratio for Cash-out refinance
Maximum Cash-Out	<ul style="list-style-type: none"> • Max cash to borrower on cash-out refinance transactions is \$300,000

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Verification of Income	<ul style="list-style-type: none"> All loans must have employment and income documentation following DU and FNMA requirements in sections B3-3.1-01 through B3-3.5-02 VOE in lieu of paystubs and W2 is not acceptable
Ineligible Income Type	<ul style="list-style-type: none"> Automobile allowances Expense account payments Foreign Income Illegal income Income from illegal asset Income from a business that is state or federally illegal Restricted stock income (RSU) Retained earnings Self-employment income Temporary Income
Verification of Assets	<ul style="list-style-type: none"> Follow FNMA guidelines Gift of Equity is not acceptable Gift Funds are not allowed A borrowers real estate commission from the subject property cannot be used to satisfy the min down payment requirement
AUS	<ul style="list-style-type: none"> Desktop Underwriter® findings required. Manual underwrites are not permitted.
Cash Reserves	<ul style="list-style-type: none"> 12 months monthly PITI payment for loan amounts greater than or equal to \$1,000,000 6 months monthly PITI payment for loan amounts less than \$1,000,000
Borrower Eligibility	<ul style="list-style-type: none"> U.S. citizens Permanent resident aliens, with proof of lawful permanent residence <p>Borrowers may hold title individually, as joint tenants, as tenants in common, or inter vivos (except Texas Home Equity transactions).</p> <p>Titles held in the following are not eligible for purchase consideration:</p> <ul style="list-style-type: none"> Corporations

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	<ul style="list-style-type: none"> • Partnerships • Real estate syndications • Irrevocable trusts are not eligible for purchase consideration
Credit	<ul style="list-style-type: none"> • All borrowers must have at least two reporting credit scores to be eligible. • No borrower in a transaction may have frozen credit. If a borrower has frozen credit and unfreezes their credit after the original credit report was ordered, a new credit report must be obtained to reflect current updated information for evaluation. • Current housing payment, applicable when the payment for the primary residence for any borrower is not reported on credit (e.g., renting primary and the subject is a second home/non-owner-occupied): <ul style="list-style-type: none"> ○ When the payment is not reported on the credit report, provide third-party verification of payment amount. ○ If living rent free, a rent-free letter from landlord or person obligated on lease required.
Loans in Forbearance	<ul style="list-style-type: none"> • If primary residence housing history reflects a forbearance arrangement, the payment history must reflect no late payments (0 x 30) in the most recent 24 months since exiting forbearance
Disaster Policy	<ul style="list-style-type: none"> • If an appraisal was completed on or prior to the incident period date(s) of the disaster, a reinspection completed on either Form 1004D or Form 2075 will be required. <ul style="list-style-type: none"> ○ If the appraisal was inspected after the disaster incident period date(s), the following will be required: <ul style="list-style-type: none"> ▪ The reinspection must contain the following commentary/evidence: Property is free from damage and the disaster has no effect on value or marketability. • Appraiser must use current photos of the subject property and comparable sales; photos from MLS or the Appraiser’s database are not acceptable. • If an appraisal was not required due to a property inspection waiver or product type, Seller must resubmit to DU and maintain PIW eligibility. <ul style="list-style-type: none"> ○ If the PIW is no longer available by DU, a full appraisal is required. ○ If the property is still eligible for the PIW, a reinspection will be required. ○ Lender’s Certification in lieu of reinspection is acceptable (see Lender’s Certification in lieu of reinspection section in TMS’s Seller’s Manual) <p>Note: Refer to TMS and FEMA websites for recent updates on disaster areas</p>
Escrow Holdback	<ul style="list-style-type: none"> • Repair escrow holdback is not acceptable

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4506C Transcripts	<ul style="list-style-type: none"> • IRS transcripts are required for all loans per DU income type • W-2 Transcripts are required when employment income is used • IRS tax transcripts are required when qualifying with any of the following: 1) commission income greater than 25% of the borrower’s total earnings (except FNMA); 2) employed by a family-owned business; 3) rental income documented on schedule E; 4) fixed income when the 1040s are used in lieu of alternative documentation • Tax transcripts are still required when the following are used to qualify; 1) non-taxable income, other than VA disability income, is grossed up; 2) Other income types such as auto allowance, capital gains/losses, dividend/interest, or farm income/loss; 3) Handwritten income documentation; 4) Loan files where there is relationship between the borrower and an interested party of the subject transaction such as Seller, Loan Officer, or employee of a Mortgage Broker; or Seller has relationship to the Loan Officer
Eligible Products	<ul style="list-style-type: none"> • Fixed Rate 30-year term • Fixed Rate 15-year term • 10/6 Adjustable rate • 7/6 Adjustable rate
Ineligible Products	<ul style="list-style-type: none"> • Temporary buydowns are ineligible
Employment & Income Verification	<ul style="list-style-type: none"> • For salaried employees, the verbal verification of employment must be completed within 10 business days prior to the Promissory Note date • Self-employed borrowers are ineligible
Interested Party Contribution	<ul style="list-style-type: none"> • Financing concessions for primary residences and second homes must be within the following allowable percentages: <ul style="list-style-type: none"> ○ 9% of value with LTV/CLTV ratios less than or equal to 75%. ○ 6% of value with LTV/CLTV ratios greater than 75% up to and including 80% • Value is the lesser of the sales price or appraised value.
Mortgage Insurance	<ul style="list-style-type: none"> • Not eligible

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Eligible Properties	<ul style="list-style-type: none"> • Detached Single Family • Detached PUDs
Ineligible Properties	<ul style="list-style-type: none"> • Commercial properties, including but not limited to, bed and breakfasts, assisted living facilities, boarding houses, working farms, and ranches • Manufactured Homes • 2-4 Units • Factory built housing • Properties held as leasehold • Co-ops • Condo hotel units • Condominiums • Log homes • Non-traditional home types (e.g., geo-dome) • Hawaiian properties located in lava zones 1 or 2, as determined by the USGS • Commercially zoned properties • Agriculturally zoned properties • Rural zoned properties • Properties with oil and gas lease • Properties on more than 5 acres lot • Working farms • Properties located in Puerto Rico and U.S. Virgin Islands • Mixed-use properties • Timeshare units • Properties encumbered with a private transfer fee
Application (URLA)	<ul style="list-style-type: none"> • The Final URLA must be dated and reflect Loan Officer's NMLS number
Occupancy	<ul style="list-style-type: none"> • Primary residence: 1 unit
Texas Cash-Out	<ul style="list-style-type: none"> • Not Eligible

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Transaction Overlays	<ul style="list-style-type: none"> • Property Inspection Waiver (PIW) is not acceptable • Texas 50(a)(6) transactions • No assigned purchase contracts • No negative amortization or balloon payments on subordinate financing • Transactions with subordinate PACE liens are not eligible • Maximum loan amount is \$1,500,000 • Contract for Deed/Land Contracts are ineligible • Illinois Land Trusts • Second Home/Investment transaction • Self-employed borrowers • Transactions with secondary financing
<p>Sellers shall deliver loans that were originated in accordance with TMS’s Seller's Manual. TMS does not discriminate in any aspect of a credit transaction on the basis of sex, marital status, race, religion, national origin, age, income derived from public assistance, or the good faith exercise of rights under the Consumer Credit Protection Act.</p>	