



Bob Matrix

Effective Date: 04.01.24
Updated: 04/30/24

Borrower Type	Rehab Type	Rehab Definition	Loan Purpose	Initial Loan Amount		Max Loan Amount
				Max LTV (As Is)	Max LTC	Max ARV (As Repaired)
Professional (10+ flips in the last 3 years)	Light Rehab	Max LA \$750k; 700 FICO +Max Budget \$150k or 50% of PP	Purchase	90	90	70
			Purchase	85	85	70
			Rate and Term	70	N/A	60
	Heavy Rehab	Max Budget ≤ \$150k and ≤ 50% of PP	Cash Out	N/A	N/A	N/A
			Purchase	75	75	60
			Rate and Term	65	N/A	60
Experienced Customer (3-9 flips in the last 3 years)	Light Rehab	Max Budget ≤ \$150k and ≤ 50% of PP	Purchase	85	85	70
			Rate and Term	70	N/A	60
			Cash Out	N/A	N/A	N/A
	Heavy Rehab	Max Budget > \$150k or 50% of PP Max Loan to Total Cost 80%	Purchase	75	75	60
			Rate and Term	65	N/A	60
			Cash Out	N/A	N/A	N/A
New Customer (0-2 flips in the last 3 years)	Light Rehab	Max Budget ≤ \$150k and ≤ 50% of PP	Purchase	75	75	65
			Rate and Term	65	N/A	60
			Cash Out	N/A	N/A	N/A
	Heavy Rehab	Max Budget > \$150k or 50% of PP Max Loan to Total Cost 80%	Purchase	70	70	60
			Rate and Term	N/A	N/A	N/A
			Cash Out	N/A	N/A	N/A

For Heavy Rehab Rate/Term Loans, no ongoing or stalled construction projects are permitted

Property Restrictions		Program Parameters	
Per unit value of \$50k-\$35k	-5% LTV	Non-Perm Res Alien	Not allowed
Per unit value < \$35k	Not Allowed	Minimum Loan Amount – 2 to 4 Units	\$75,000 (funded loan amount)
Mixed Use Properties	-5% LTV	Maximum Loan Amount	\$1,500,000
Rural Properties	Not Allowed	Origination Charge	2 Points Origination Fee
Max sq ft	4,000	Project Management	Managed through Land Gorilla
LTV Adjustments		Area Predominant Value	Must be < 300%
650-679 FICO	-5%	Personal Guarantee	51% of the entity ownership
Loan Amounts 1.0M – 1.5M	-5%		
Loan Amounts > 1.5M (by exception)	-10%		



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Rehab Budget

The borrower must submit a budget (i.e. "Rehab Budget") containing the scope and expected cost of the planned work to be done. The budget must be completed in the loan sizer. All Rehab Budgets are subject to HEM review. The Rehab Budget may only include Hard and Soft Costs as described below:

- **Hard Cost:** Consists of all construction labor, material cost and any associated third-party general contractor fees involved in the physical construction of the building and its infrastructure. Construction contingency line items must not exceed 10%
- **Soft Cost:** Non-physical construction costs limited to 10% of the entire Rehab Budget and may only include permits, plans/architect fees, legal planning fees, third party contractor fees, and city/county inspection fees.
- For the avoidance of doubt, items such as interest reserves, development fees, property or sales taxes, insurance, HOA fees, violation fees, etc. are not to be included in any Hard or Soft Cost budget.

Geographic Restrictions

Cities: Baltimore, MD, Hartford, CT, Houston, TX	10% LTV Reduction
Property in a zip code with LTM median home price decline – 2-5% (Zillow)	5% LTV Reduction
** Baltimore, Philadelphia, and Chicago require at least 1 borrower or guarantor (with min 10% interest) to have at least 3 documented real estate sales, completed rehab, on rental properties or equivalent experience in the past 3 years within that specific city to be eligible	

Quick Guidelines

Mortgage History	<ul style="list-style-type: none"> • Refinance Transactions 0x30x6 • 120+ lates must be >24 months
BK/FC/SS/DIL/MOD	<ul style="list-style-type: none"> • >36 Months – No Restriction
Terms	<ul style="list-style-type: none"> • 12 Month I/O (No DSCR required)
Qualifying Rate	<ul style="list-style-type: none"> • Note Rate
Qualifying Payment	<ul style="list-style-type: none"> • I/O: Initial ITIA based on note rate
Assets	<ul style="list-style-type: none"> • Sourced or seasoned 30 days (1 mos. most recent bank statements req.)
Cash-Out	<ul style="list-style-type: none"> • Business purpose use ONLY
Impounds	<ul style="list-style-type: none"> • Not Required
Appraisal	<ul style="list-style-type: none"> • No C5 or C6; 2 Appraisals >\$1.5MM; ARR/CDA req or CU risk score < 2.5 • No General-Purpose forms
Min Sq Footage	<ul style="list-style-type: none"> • SFR & Townhome 700 Sq FT • 2-4 Units 500 Sq Ft per Unit • Condo 500 Sq Ft
Credit Score	<ul style="list-style-type: none"> • Median FICO below 650 (the lower score shall be used in the event only two credit scores are obtained) • Credit score of Primary Guarantor shall be used. • Minimum FICO is 650



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Tradelines	<ul style="list-style-type: none"> No Minimum Tradelines required
Compliance	<ul style="list-style-type: none"> Points & Fees man not exceed 5%
Citizenship	<ul style="list-style-type: none"> US Citizen, Perm Res. Alien
Foreign Nationals	<ul style="list-style-type: none"> Not Allowed
Properties Acquired within last 2 years	<ul style="list-style-type: none"> Final HUD from purchase is required
Seller Concessions	<ul style="list-style-type: none"> Max 6%
Max Acreage	<ul style="list-style-type: none"> 2 Acres
Max # if Financed Properties	<ul style="list-style-type: none"> Committee Review if over 4
Loan Amounts over \$1,000,000	<ul style="list-style-type: none"> A Certificate of Occupancy is required
Gift Funds	<ul style="list-style-type: none"> Capped at \$18,000 if not from spouse or parent
Non-Arm's Length Transactions	<ul style="list-style-type: none"> Not Allowed
First Time Home Buyers	<ul style="list-style-type: none"> Eligible
First Time Investor	<ul style="list-style-type: none"> Eligible
ACH	<ul style="list-style-type: none"> Required on All transactions
LLC's	<ul style="list-style-type: none"> All members must be individual
Declining Markets – Zip with a 2-5% LTM decline	<ul style="list-style-type: none"> 5% LTV reduction
Reserves	<ul style="list-style-type: none"> 6 months interest reserves
Ineligible properties	<ul style="list-style-type: none"> Properties with 5+ units or a commercial component Rehab properties located in municipalities where the applicable construction activity is prohibited Properties where the Rehab Budget is greater than 150% of the lower of "As Is" value (purchase and refinance) and purchase price (if a purchase) Mobile Homes (properties with VIN numbers) Cooperatives Ground-up construction Raw land, working farms or ranches Properties subject to a ground lease Single Room Occupancy (SROs) and former healthcare facilities Properties where at least one wall does not remain standing throughout the construction process Areas where more than 10% of other properties within a 2-block radius are either clearly vacant, abandoned and/or boarded-up
Prepayment Penalty	
<ul style="list-style-type: none"> A 6 month prepay will only apply if there is an approved exception on the loan <ul style="list-style-type: none"> PA- Loan amounts < \$312,159 cannot have a prepayment penalty PA- Loan amounts < \$312,159 must be vested in a Corp, LLC, Partnership or Trust <ul style="list-style-type: none"> IL - Loan with a rate ≥ 8% must close in the name of an entity 	



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- IL & NJ - Prepayment penalty not allowed if vesting as an individual

Eligible States

AL, AR, AZ, CA, CO, CT, DE, DC, FL, GA, HI, IA, ID, IL*, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, , NE, NH, NM, NJ, NV, NY, OH, OK, OR, PA*,
RI, SC, TN, TX, UT, VA, WA, WI, WV, WY