

PATHWAY TO PURCHASE

MATRIX FOR PROGRAM

Section	Details
Section 1	MATRIX AND GUIDELINES: Details
Matrix Overview	MATRIX AND GUIDELINES: This matrix is a summary only of parts of the LenderAi™ EEP Product Guide.
Program Overview (3.1)	MATRIX AND GUIDELINES: LenderAi™ Earned Equity Program: Gov entity purchases home; HB leases or seller-finances until able to refinance.
Disclaimer (3.1.1)	MATRIX AND GUIDELINES: Lease/purchase or seller-financing not part of FHA loan; separate relationship. Seller's Disclosure required.
FHA 1st Mortgage (3.2 / 3.2.1)	MATRIX AND GUIDELINES: 30yr fixed; FHA 203(b); 1–2 units; primary residence; must be purchased by master servicer after closing.
High Balance (3.2.2)	MATRIX AND GUIDELINES: May be high balance; LLPA applies.
Required 2nd Lien (3.2.3)	MATRIX AND GUIDELINES: 10yr soft/forgivable 2nd of 1%, no payment/interest; titled to correspondent; assigned to TRHEEA.
Eligible Property Types (3.3.1)	MATRIX AND GUIDELINES: 1–2 units; SFR; PUD; townhome; modular; manufactured; condos FHA-approved.
Ineligible Property Types (3.3.2)	MATRIX AND GUIDELINES: 3+ units; second homes; investment; co-ops; single-wide manufactured.
Property Rights (3.3.3)	MATRIX AND GUIDELINES: Fee simple; leasehold.
Homebuyer Legal Status (3.4)	MATRIX AND GUIDELINES: US Citizens; Permanent Resident; Non-perm resident w/ ITIN; DACA eligible.
Credit History (3.5)	MATRIX AND GUIDELINES: 580+; 1 tradeline/12mo; alt tradeline may be considered; soft pull allowed.
<580 or No Score (3.5.1)	MATRIX AND GUIDELINES: Possible w/ strong compensating factors.
Soft Pull/Credit Refresh (3.5.2)	MATRIX AND GUIDELINES: Required; must be updated within 10 days of closing.
Student Loans (3.5.3)	MATRIX AND GUIDELINES: Must be in good standing; follow FHA DTI calc.
Bankruptcies (3.5.4)	MATRIX AND GUIDELINES: Ch7: OK if discharged; Ch13: OK if discharged or 12mo payment history; must appear on credit report.

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Student Loans (3.5.3)	Must be in good standing; follow FHA DTI calc.
Bankruptcies (3.5.4)	Ch7 OK if discharged; Ch13 OK with 12mo payments; all must appear on credit report.
Foreclosures/Short Sales (3.5.5)	Eligible upon discharge/satisfaction; must be on credit report.
Judgements/Tax Liens (3.5.6)	Eligible if paid/settled/discharged, or payment plan w/3+ payments; must be in DTI.
Property Tax (3.5.7)	Follow FHA guidelines.
Fraud Report (3.5.8)	Required for Homebuyers signing long term purchase or seller financing agreement.
General DTI (3.6)	Max 50/60; exceptions case by case (not foreclosure/short sale <1yr).
Assets/Reserves (3.7)	Document funds; 1 mo reserves; additional may apply. Funds finalized after: Final CD, Settlement, Closing Req, Final Cost Disclosure by LenderAi™.

Asset Documentation (3.7.1)	2 months bank stmts, must be liquid; biz/investment funds may qualify; LOE required if not borrower funds.
Gift Funds (3.7.2)	Allowed.
Verification/Wiring Funds (3.7.3)	Re verify funds 24hr prior closing; funds must come from HB acct; TRHEEA requires wire confirmation.
Housing History (3.8)	12 month history required.
Rental Housing (3.8.1)	VOR; private VOR allowed; Venmo/Zelle acceptable; cash needs VOR + 2mo cashier's checks/3mo stmts.
Mortgage (3.8.2)	0x30 housing required; on credit report.
Private Mortgage (3.8.3)	History via statements/canceled checks.

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Additional Properties Owned (3.11)	Requires pre approval from the LenderAi™ Exception Team.
Retained Primary Residence (3.11.1)	<p>One retained departing residence allowed.</p> <p>Requirements:</p> <ul style="list-style-type: none"> • Documentation supporting need to move & obtain LenderAi™ EEP financing • LOE signed & dated by Homebuyer • UW support/approval <p>Disposition must be: Leased (w/ agreement + deposit or rent) OR Pending sale</p>
Rental Properties (3.11.2)	<p>May be considered with:</p> <ul style="list-style-type: none"> • 3 months reserves supporting REO • Lease agreements + rental income <p>Overlays:</p> <ul style="list-style-type: none"> • Minimum 580_credit (no exceptions) • Max PTI/DTI: 43%/50% <p>Exceptions case by case</p>
Property Appraisal General Requirements (3.12)	<p>Required:</p> <ul style="list-style-type: none"> • Full FHA appraisal • Must be 'as is' or have completion cert • Must meet FHA standards • No commercial/home business agricultural influence
Property Condition (3.12.1)	<ul style="list-style-type: none"> • Must rate C1 C3; C4 C5 requires exception • CS properties may be ineligible • Roof must be acceptable • Pre_1978 → full inspection • Aluminum wiring may be ineligible • Pre 1901 may require insurance timing
Cost Approach to Value (3.12.2)	Required.
Automated Valuation Model – AVM (3.12.3)	AVM will be pulled with appraisal; must be within ±10% of value or desk review required.
Property Home Inspection General Requirements (3.13)	<p>Required when noted.</p> <ul style="list-style-type: none"> • All major systems inspected: HVAC, plumbing, electrical, appliances, siding, major fixtures • HVAC + furnace serviced last 12 months unless covered by Certified Home Warranty • Smoke + CO detectors must meet local code • Septic requires pump + inspection + drain field • Electrical must confirm meter functional & not bypassed
Certified Home Warranty (3.13.1)	<p>Required:</p> <ul style="list-style-type: none"> • For all transactions requiring home inspection • For properties requiring full inspection

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3.11	Category: Additional Properties Owned; Requirements: Requires pre-approval from the LenderAi Exception Team (exceptions@lenderai.com).
3.11.1	Category: Retained Primary Residence; Requirements: One retained departing residence allowed. Required: <ul style="list-style-type: none"> • Strong supporting documentation justifying the need to move and obtain LenderAi EEP financing • An LOE (signed and dated by the Homebuyer) • UW support and approval For retained REO, disposition at closing must be either: <ul style="list-style-type: none"> • Leased (lease agreement + deposit or rent receipt) • Pending sale
3.11.2	Category: Rental Properties; Requirements: May be considered with: <ul style="list-style-type: none"> • 3 months reserves (to support REO) • Lease agreements + receipt of rental income Additional overlays: <ul style="list-style-type: none"> • Minimum 580 credit score (no exceptions) • Maximum PTI/DTI: 43%/50% *Exceptions possible based on strength of borrower
3.12	Category: Property Appraisal General Requirements; Requirements: Required: <ul style="list-style-type: none"> • Full FHA appraisal • Appraisal marked 'as-is' at purchase or completion cert/1004D • Appraiser certifying home meets FHA minimums; no adverse conditions • No commercial/agricultural influence
3.12.1	Category: Property Condition; Requirements: Appraisal must note condition: <ul style="list-style-type: none"> • C1–C3 • C4–C5 (w/ exception review) C5 may need repairs or renovation; homes pre-1978 require full inspection; aluminum wiring may need insurance; pre-1901 may need additional processing
3.12.2	Category: Cost Approach to Value (RCB); Requirements: Required to be completed.
3.12.3	Category: Automated Valuation Model (AVM); Requirements: Pulled on all appraisals; must be within 10% of appraised value; >10% variance subject to desk review or counteroffer.
3.13	Category: Property Home Inspection General Requirements; Requirements: Required when property is C4–C5 or pre-1978. Inspector must certify: <ul style="list-style-type: none"> • All safety issues repaired • All major systems inspected with 10+ yr life • Roof inspected • HVAC serviced within 12 months unless warranty • Smoke/CO detectors working • Septic inspected • Power meters functioning
3.13.1	Category: Certified Home Warranty; Requirements: Required for all transactions needing inspection and properties where full inspections are done.

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Certified Home Warranty (3.13.1)	Required: <ul style="list-style-type: none"> • For all transactions requiring home inspection • For properties requiring full inspection
Home Inspection Repair Requirements (3.13.2)	All major repairs noted must be completed prior to closing. Major electrical issues (incl. knob & tube) must be repaired prior. Moderate/minor repairs require Cure Addendum signed by HB. All cures within 6 months; otherwise fee to LenderAi™ Servicing applies.
Wood-Destroying Organism Inspection (3.13.3)	Correspondent must confirm no wood-destroying insects/organisms. If required, obtain inspection + remediation before closing. Heavy/mod-heavy areas require termite report + remediation before closing.
Renter's Insurance (3.14)	Optional. If included, must be paid prior to closing. Coverage: personal property, liability, additional living expenses. Deductible ≤ \$1,000.
Renter's Insurance Waiver Disclosure (3.14.1)	Required if HB waives renter's insurance.

Fee Disclosure (3.15.1)	All gov/lease/seller-financing fees disclosed to TRHEEA. Cost Disclosure (CCD) provided by LenderAi™ for review.
Fee Limits (3.15.2)	Origination/Section A ≤ 3% of purchase price. Non-bona-fide discount points included in limit.
Fees to HB (3.15.3)	\$1,250 UW Fee; 1 month payment escrow; 1/12 PM fee; \$100 refundable lease deposit; \$250 HOA service fee (if applicable).
Contract Cancellation Prior to Closing (3.17.1)	If HB no longer qualifies, contract may be void; non-perform forfeits earnest money.
Fuse Boxes / Electrical Wiring (3.17.2)	Homes must be updated from fuse boxes to breaker panels; knob & tube must be updated to standard wiring prior closing.

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Disaster Certificates (3.17.3)	In FEMA-declared disaster areas, LenderAi™ requires 1004D disaster certificate or 442 w/ exterior photos; must be dated after incident. FHA 1004D req. LenderAi™/investor may repurchase if property is damaged or unmarketable.
PUDs, HOAs, Occupancy Restrictions (3.17.4)	Properties in PUDs require HOA docs (bylaws, CCRs, etc.). Subject property may be ineligible if HOA does not approve occupancy.
Financed Solar Panels (3.17.5)	Solar acceptable if included in purchase price and financed as part of mortgage. Leased solar panels are not acceptable; no solar payments allowed.
Exceptions Guidance (3.18)	Requests emailed to corporate + exceptions@LenderAi.com. See guidelines for credit, DTI exceptions.
Pre-Approvals (3.19)	Email preapproval@LenderAi.com w/ subject 'Credit Review Request'. Include: Prequal, Credit, Income, Assets, Tax Returns, W2s, Lease Application/1003.
TRHEEA Property Insurance Requirements (4.18)	LenderAi™ orders hazard insurance. Must comply w/ HUD; TRHEEA listed insured; address must match appraisal; no roof exclusions.
Title Insurance Note (4.19)	Not required for LenderAi™ second liens; may be required at lender discretion. Follows FHA first lien guidelines.
Adding Persons to Title / Sales Contracts (4.19.1)	LenderAi™ allows add-on non-borrowing persons such as spouses, per agency guidelines.
Homebuyer Funds to Title (4.19.2)	Homebuyer must provide down payment, closing costs, 1st month payment in certified funds to title.
Interest Credit (4.20)	Not allowed.
When Homebuyers Begin Payments (7.1)	Payments begin month after closing. If closing occurs within first 7 days, first payment collected at closing.
First Payment Due (7.2.1)	1st payment due; further payments made to Master Servicer. No servicing gap allowed.
Other Notes	Correspondents must be approved by LenderAi™. Product matrix contains underwriting guidelines for LenderAi™ Earned Equity Program.