



Del Mar Jumbo

Revision: October 25, 2011 (Product Information Center, 949-390-2684, www.jmaclending.com)

PRIMARY RESIDENCE					
Purchase and Refinance R&T			Cash Out		
Maximum Loan Amount	Maximum LTV/CLTV	Minimum Credit Score	Maximum LTV/CLTV	Minimum Credit Score	
1 - 2	\$1,000,000	80/80%	700 (**)	80/80% * up to 1.0Million	700
	\$2,000,000	80/80%	720	80/80% * up to 1.5Million	720
3 - 4	\$1,000,000	70/70%	700 (**)		
	\$1,500,000	70/70%	720		
SECOND RESIDENCE					
Purchase and Refinance R&T			Cash Out		
1	\$1,000,000	65/65%	740	Not Applicable	

NOTE: This product does not offer interest only.

Declining Market (applies to Owner Occupied Only):

- Second Home Transactions are not eligible for a market upgrade.
- If the market grade is noted as “A” market designation, and the appraiser indicates the subject property is located in a submarket which is declining, the A market must be downgraded to a B market reducing the LTV/CLTV by 5%.
- If the market grade is noted as “B, C, D” market designation, and the appraiser indicates the subject property is located in a submarket which is declining, no further LTV/CLTV downgrade required.

Declining Market Maximum LTV/CLTV (applies to Owner Occupied Only):

- B Market: Reduce Maximum LTV/CLTV by 5%
- C Market: Reduce Maximum LTV/CLTV by 10%
- D Market: Reduce Maximum LTV/CLTV by 15%

Note: To find out what the “Market” code is for the property, please email the zip code of the property to pricing@jmaclending.com.

A market upgrade of 5% LTV/CLTV is permitted for B, C, and D Markets based on all credit guidelines below. The LTV/CLTV may not exceed the maximum permitted for the product.

- Minimum 720 Fico
- Maximum DTI 40%
- Single Family Residence, PUDS, Modular Home, and Site Condominiums (multi-family not permitted)

- Purchase or Rate/Term Only
- Two full appraisals if loan amount > \$1.5 Million
- Full amortization
- Maximum Combined Loan amount \$2 Million

Maximum Market Upgrade of 10% LTV/CLTV permitted for D Markets only, based on all credit guidelines below: (AZ and NV ineligible)

- Minimum 740 FICO
- Maximum DTI 40%
- Single Family Residence, PUDS, Modular Home, and Site Condominiums (multi-family not permitted)
- Purchase and Rate/Term Only
- Two full appraisals if loan amount is > \$1.5Million
- Full Amortization
- Maximum Combined loan amount \$2Million

Note: There is a maximum 80% LTV when secondary financing exists only for non-declining market.



Del Mar Jumbo Underwriting Addendum

ARM Information	Index: 1 yr Libor Caps: 5% initial adjust. 2% per adjust. ,thereafter, 5% Life Floor: Margin Margin: 2.25%																			
Borrower Qualification	Fixed Rate and Fixed Period ARM: Borrower is qualified at the Note rate. Standard ARM: Qualify at the greater of the Note rate or the fully indexed rate. 3/1 and 5/1 ARMS: Qualify at the greater of the Note rate or fully indexed rate + 2%.																			
Qualifying Ratios	<p>Maximum qualifying ratio: 45%</p> <p>First time home buyer: payment shock >= 2 times current payment requires 12 months reserves First time home buyer: payment shock < 2 times current payment requires standard reserves</p> <p>Second Home: 35% DTI</p>																			
Temporary Buydowns	Not permitted																			
Maximum Loan Amount	Maximum Loan Amount :\$2,000,000: 1-2 Unit , \$1,500,000: 3-4 Unit																			
	<table border="1"> <thead> <tr> <th>Units</th> <th>Continental Us</th> <th>Alaska and Hawaii</th> </tr> <tr> <td></td> <th>Minimum Loan Amount</th> <th>Minimum Loan Amount</th> </tr> </thead> <tbody> <tr> <td>One</td> <td>\$417,001</td> <td>\$625,501</td> </tr> <tr> <td>Two</td> <td>\$533,851</td> <td>\$800,776</td> </tr> <tr> <td>Three</td> <td>\$645,301</td> <td>\$967,951</td> </tr> <tr> <td>Four</td> <td>\$801,951</td> <td>\$1,202,926</td> </tr> </tbody> </table>	Units	Continental Us	Alaska and Hawaii		Minimum Loan Amount	Minimum Loan Amount	One	\$417,001	\$625,501	Two	\$533,851	\$800,776	Three	\$645,301	\$967,951	Four	\$801,951	\$1,202,926	
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Types of Financing	<p>Rate and Term Refinances</p> <ul style="list-style-type: none"> No seasoning of first mortgage If owned less than 12 months, LTV must be based on lower of appraised value or original sales price plus the cost of any documented improvements. If the value has increased greater than 15%, photographs of improvements are required. If owned more than 12 months, LTV is based on current appraised value. HUD-1 or Deed must be provided to verify ownership Reasonable and customary closing costs, prepaid and seasoned junior liens may be incorporated into the loan amount. Cash out not to exceed the lesser of 1% or \$2000 of the principal amount of the new loan. One year seasoning on junior liens from funding unless documentation is provided to verify it was incurred as part of acquisition or for home improvements. This does not apply to draws of 1% or less of the new loan amount or a maximum of \$2,000 within the past 12-month period. Properties listed for sale in the last 6 months(on or before the application date) are not eligible for refinance transactions <p>Equity Refinances</p> <ul style="list-style-type: none"> Primary Residence Only All borrowers must have held title to subject property for a minimum of 6 months (note date to application date) If owned less than 12 months, LTV must be based on lower of appraised value or original sales price plus the cost of any documented improvements. If the value has increased greater than 15%, photographs of improvements are required. If owned more than 12 months, LTV is based on current appraised value. HUD-1 or Deed must be provided to verify ownership. Properties listed for sale in the last 6 months(on or before application date) are not eligible for equity refinance transactions Cash-Out limitations– Includes payoff of unseasoned second mortgages, HELOCs and/or non-mortgage debt. 																			

<p>Down Payments, Reserves & Source of Funds</p>	<p>Minimum Borrower Investment: A minimum down payment of 5% of the value for a primary residence must be paid from the Borrower's own funds. The balance may be paid from any of the acceptable asset sources. (borrowers funds, gift funds or Secondary financing)</p> <p>Seller Contributions: Maximum contribution is 3%</p> <p>Gifts : Acceptable on loans up to \$1 million provided minimum borrower investment requirements are met. For verified income loans, the minimum borrower investment is waived on primary residences when gift reduces the LTV to <=80% and borrower pays own closing costs and no secondary financing exists. No gifts acceptable on loans over \$ 1 million. No gift allowed on Second Home. The entire down payment must be paid from the borrower's own funds.</p> <p>Reserves: Reserves must come from borrowers own funds. Must be verified PITI (inclusive of HOA fees, if applicable) reserves remaining after closing, exclusive of closing costs, cash out received, and proceeds from home equity transactions.</p> <p>Loan Amount/Combined Loan Amount > = to \$1 million</p> <ul style="list-style-type: none"> • Minimum 12 months liquid reserves (inclusive of HOA fee, if applicable) and exclusive of cash out funds, business assets (other than schedule C). • Max 6 months of reserves permitted from 401K/SEP account at 50% of full vested amount. <p>Amount/Combined Loan Amount < \$1 million</p> <ul style="list-style-type: none"> • DTI > = 35% <ul style="list-style-type: none"> • Minimum 12 months liquid reserves (inclusive of HOA fee, if applicable) and exclusive of cash out funds, business assets (other than schedule C). • Max 6 months of reserves permitted from 401K/SEP account at 50% of full vested amount • DTI < 35% <ul style="list-style-type: none"> • Minimum 6 months liquid reserves (inclusive of HOA fee, if applicable) • Exclusive of 401k/SEP accounts, cash out funds, business assets (other than schedule C).See below for other Ineligible Reserves <p>Ineligible sources for reserves include:</p> <ul style="list-style-type: none"> • Business Assets (other than schedule C) • Cash-out Proceeds • Bridge Loans • Loans secured by other assets • Proceeds from the sale of non-real estate assets <p>Retirement Account Funds</p> <ul style="list-style-type: none"> • Borrowers of retirement age (generally 59 ½): Subtract 30% from the vested amount less any outstanding loans • Borrowers not of retirement age: Subtract 50% from the vested amount less any outstanding loans
<p>Credit</p>	<p>Minimum credit score(s): Minimum required per LTV/CLTV grid General Credit Guidelines Mortgage lates: 0x30 in the last 24 months Chapter 7 Bankruptcy: None last 7 yrs Chapter 13 Bankruptcy: 36 months since discharge Foreclosure, Notice of Default, etc: None last 7 yrs</p>
<p>Maximum Number of Financed Properties</p>	<p>Multiple Loans to the Same Borrower</p> <ul style="list-style-type: none"> • Maximum 20% concentration in any one project or subdivision • Up to 4 financed properties, including the subject property (Max of \$2 million exposure to JMAC Lending Inc) (If borrower owns more than 4 financed properties, JMAC can submit for an exception with the investor) • New multiple loans must be underwritten simultaneously
<p>Seller Contributions</p>	<p>Maximum Contribution is 3%</p>
<p>Appraisal Requirements</p>	<p>VERY IMPORTANT: Appraisal must be ordered by JMAC through the investor's appraisal portal.</p> <p>L/A or combined L/A <= \$1,500,000: One full appraisal with interior photos</p>

	<u>L/A or combined L/A > \$1,500,000: Two full appraisals with interior photos. (Transferred appraisal not allowed)</u>
Eligible Borrowers	<p>Eligible</p> <ul style="list-style-type: none"> • U.S. Citizens • Permanent Resident (Verify Alien Registration Card, and must have a valid SSN) • Non-Permanent Resident (Only primary residence, maximum LTV/CLTV for 1-2 units: 75%, Maximum LTV/CLTV for 3-4 units: 70%) • First Time Home Buyer (Only primary residence. Verification of 12 months rental payments is required. The loan file must have 12 months cancelled checks or bank statements to evidence eligibility for mortgage/housing history for the loan program under which the loan is submitted. Written verification of rent via the credit report is NOT permitted. Direct written verification of rent is acceptable in lieu of cancelled checks when the landlord is a large professional management company. First time home buyers require 12 months reserves. Borrower living rent free requires 12 months liquid reserves (excluding retirement accounts). • Non-occupant co-borrower (an established relationship with the borrower exists. A party with an interest in the property sales transaction, (including but not limited to the builder, property seller, or real estate broker) is not eligible as a non-occupant co-borrower. Primary residence only. A non-occupant co-borrower must provide verification of income. Maximum LTV/CLTV for 1-2 units: 75%, Maximum LTV/CLTV 3-4 units: 70%. Trust agreements NOT permitted.
Occupancy	Primary Residence and Second Home
Property Restrictions	SFR, PUDs, Modular Home, Site Condominiums and Multi-Units
Cash Out Limits	O/O, 1-2 Units: > 80% LTV/CLTV = MAX \$150,000; O/O, 1-2 Units: > 65% <= 80% LTV/CLTV = MAX \$250,000 O/O, 1-2 Units: > 55% <= 65% LTV/CLTV = MAX \$350,000 O/O, 3-4 Units: MAX \$150,000
Escrow Waiver	Permitted for one unit primary residence.