



REAL ESTATE FINANCING STRATEGY MATRIX

WE CLOSE DEALS. Use this guide to quickly separate purchase, rehab, and refinance strategies before lender review.

Decision Point	PURCHASE	REHAB	REFINANCE
Best use	Acquire an investment property that is already rent-ready, or identify the correct acquisition product based on the exit.	Acquire or refinance an investment property that needs meaningful renovation before sale or long-term rental.	Restructure debt, reduce/replace the existing loan, or access equity from an investment property.
Core product path	DSCR Purchase for stabilized rentals. RTL Bridge for short-term purchase/no major rehab. RTL Rehab when renovation is part of acquisition.	RTL Rehab - lender-funded or borrower-funded rehab. Purchase or rate/term refinance only.	DSCR for rent-qualified investment property; Non-DSCR when income/assets are stronger; RTL Bridge for a temporary business-purpose bridge.
Starting credit screen	KD Funding focus: 1-4 units 660+ . 5-10 units 700+ screening target.	RTL guideline starting point: 660+ ; experience and credit depth affect leverage.	KD Funding focus: 1-4 units 660+ . 5-10 units 700+ screening target.
Leverage snapshot	1-4 DSCR under \$1M : up to 85% purchase in top FICO tiers; 2-4 unit overlay may cap purchase at 80%. 5-10 : up to about 75% purchase under \$1M.	Top experienced lender-funded rehab tiers can reach up to 95% LTC ; leverage reduces with lower experience/FICO and remains subject to ARLTV limits.	1-4 DSCR under \$1M : up to 80% rate/term and 75% cash-out. 5-10 : about 70% rate/term and 65% cash-out under \$1M.
Payment / term	Long-term DSCR / Non-QM structure when stabilized. Temporary bridge may be interest-only.	RTL is generally fixed-rate interest-only with a 12-month term; extension may be available case-by-case.	Long-term DSCR / Non-QM when stabilized; temporary bridge is short-term interest-only.
Key restrictions	5-10 unit files are stricter: higher screening score, stronger DSCR, mortgage history/experience requirements, and no short-term rental in the submitted matrix.	No rehab cash-out refinance. Budget, ARV, experience, reserves, contractor/GC and exit strategy matter. First-time investors face tighter caps.	Cash-out is affected by seasoning, equity, DSCR/income, use of funds, listing history, reserves and property eligibility.
Strategy question	Will the investor rent, rehab or sell after purchase? The exit determines the acquisition product.	Will the exit be sale or refinance into DSCR/permanent financing after stabilization?	Is the goal rate/term, equity cash-out , or cash-out specifically to acquire another property ?

Guideline snapshot based on the submitted Invest Star / RTL matrices and KD Funding's current screening standards. Final eligibility, leverage, pricing, documentation and closing timing remain subject to lender underwriting and current program availability.

QUICK LEVERAGE REFERENCE - UNDER \$1M

Use the numbers below as a conversation screen, not an approval quote. Property overlays can reduce the maximum.

1-4 Unit DSCR - Submitted Matrix Snapshot

FICO	Purchase	Rate/Term	Cash-Out
760+	85%	80%	75%
740-759	85%	80%	75%
720-739	80%	80%	75%
700-719	75%	75%	75%
680-699	75%	75%	70%
660-679	70%	70%	65%

5-10 UNIT INVESTMENT SCREEN

KD Funding target: 700+ FICO
DSCR target: 1.10+
Under \$1M: ~75% purchase / 70% rate-term / 65% cash-out
Watch: experience, mortgage history, reserves, unit use, no STR.

RTL REHAB SCREEN

Starting FICO: 660+ guideline
Payment: fixed-rate interest-only
Term: generally 12 months for rehab
Structure: lender-funded or borrower-funded rehab
Watch: no cash-out rehab refi; experience, budget, ARV, GC and exit.

REFINANCE STRATEGY

Rate/Term: replace/restructure existing debt, no equity proceeds.
Cash-Out: pull equity, subject to seasoning and leverage.
To buy another property: compare Bridge Star where the acquisition purpose fits.
Weak DSCR: compare Non-DSCR income/asset qualification.

Core strategy: Start with the property and the end game. If the property is stabilized, test long-term DSCR / Non-DSCR. If it needs meaningful renovation, solve acquisition + rehab first, then refinance or sell. If timing is the problem, evaluate a bridge. The strongest financing path is the one that fits the property today and the client's exit tomorrow.