

Fully amortizing Adjustable Rate Mortgage. Interest rate & payment are fixed for the first 3 years, then adjusts annually for the remaining term of the loan.

Loan Type: **Purchase, Rate/Term & Cash Out Refinances:**

Max Loan Amts & LTV:			Purchase & Rate/Term Refinances and Cash Out Refinance:		
Primary Residence/Second Home		Investment Property			
LTV	CLTV	Max Loan	LTV	CLTV	Max Loan
70.00%	70.00%	\$499,999.	60.00%	60.00%	\$499,999.

Loan Terms: 10 – 30 years in 5 year increments- Investment properties are limited to a 20 year Amortization.

Property Types: Single Family detached, townhouses, condominiums, and PUDS. Condos must meet Approval Guidelines.

Second Homes: Allowed refer to matrix above.

Investment Property: Allowed refer to matrix above.

Seller Contributions: FILMC GUIDELINES

Caps: 3/1 ARM -2/6

Index: One Year Treasury

Margin: 5.50%

Buydowns: Not allowed.

Assumable: No.

MI Requirements: Not applicable.

U/W Ratios: 28/36

Appraisal **Full Appraisal**

Documentation: Full compliance with US Patriot act required documentation including a review of:
1. Passport showing photo, date issued and expiration date.
2. Current drivers license showing photo, issue date and expiration date (if appl).

Loan Prospector: These loans should NOT be submitted to Loan Prospector.

Underwriting

Comments:

- US credit report is not required unless the borrower has a social security number and/or credit in the US. All Canadian borrowers are required to provide a Factual Credit Report. SCHUFA for German/Austrian Citizens or similar report, if available.
- SCHUFA for German/Austrian Citizens Any debt reflected on a credit report, without indication of balance owed or monthly payment requirement, will need to be supplemented by a copy of the current Statement/Bill or a written VO indicating balance owed and minimum payment. WE REQUIRE A CREDIT REPORT OR SCHUFA FOR ALL BORROWERS WHO'S NAME APPEARS ON THE APPLICATION.
- Experian or Equifax for Canadian or British citizens. The borrower will be allowed to pull and submit their credit report. A copy of the original report will be required prior to closing, however, a copy or fax will be acceptable for underwriting purposes.
- ANY BORROWER LIVING IN A COUNTRY THAT DOES NOT HAVE A CREDIT REPORTING AGENCY WILL NOT BE ELIGIBLE FOR FINANCING.
- VERIFICATION OF PRIMARY HOUSING- ACCEPTABLE PROOF OF MONTHLY MORTGAGE OR RENT HISTORY. IF OWNED FREE AND CLEAR PROOF FROM DISINTERESTED THIRD PARTY.
- Verification of employment/income is limited to ONE letter.
 - Self – employed – requires a letter from an independent CPA. From the applicant's country of origin. The letter must be on the CPA's letterhead with the CPA's address and telephone number. CPA should also include license # and a copy of the license, if available. The letter must reflect the borrower's current income and previous two years income in US dollars, percentage of ownership, and type of business or last 2 years tax returns. Note: upon review of above items additional info may be requested.
 - Salaried: requires a letter from their employer stating current income in US dollars, last two years income, years employed, and position. The letter must be on company letterhead, reflecting the company's address and telephone number, and must be signed by an authorized company official or current paystub w ytd and 2 years equivalency of a w-2.
 - Liquid Assets must be verified.
 - Country of Origin – require a bank letter reflecting the same information as found on VOD: name on account, account numbers, type of account, current balances, average balances for last 2 months, and date accounts were opened. The letter must be dated, on the Bank's letterhead, include the Bank's address and phone number and signed by an officer.
 - US – Require VODs or last 2 months' Bank Statements.
- EXCEPTION TO POLICY REGARDING CREDIT REPORT- If you have pulled the appropriate report as required on Page 1 and less than 3 references appear , you may request an exception and provide the following:
 - ONE credit reference/recommendation letter from a Financial institution from the country of origin. Must be on letterhead (including address and phone number) dated, and signed by an officer. The letter should state length and type of relationship, that borrower is know to be a reputable business person, and that they would recommend them as a client.
 - Two additional credit letters required (not from relatives or parties interested in the transaction).

All letters should be in the language of the country or origin, translated to English and certified by translator.

Borrower must appoint an Authorized Agent for Service of Legal Documents. Said agent must be an Individual, not a business or corporation, who is a full time resident in the United States and must accept the responsibility. An "AGENT FOR SERVICE OF PROGRESS" must be completed and notarized by both parties PRIOR to funding. Hand written forms or forms with signatures that are half original and half copy WILL NOT BE ACCEPTED.

**Non Occupant
CO-Borrower:**

Not allowed.

Required Reserves:

6 months PITI, "PRIOR TO FUNDING"

Trailing Spouse:

Not allowed.

**Subordinate
Financing:**

Not allowed.

Surveys:

May be waived as long as it is customary in your area, it is not needed to determine the proper legal description, and the title policy does not make exception to it. Borrower must sign a Survey Disclosure.

Escrows:

Required.

Flood Cert:

First American