

From: Fremont Bank <wholesale@fremontbank.com>
Sent: Monday, July 31, 2017 10:57 AM
To: Chris Stiles
Subject: [BULK] [EXTERNAL] Test Message - Announcing Expanded Portfolio ARM Guidelines and Northern California Geographic Expansion



Dear Broker Partner,

We are excited to announce two important updates designed to broaden your client's options and bring you more business – the expansion of both our Portfolio 7/1 ARM guidelines and our Northern California geographic footprint to include Solano and Sacramento counties. **Effective with all locks on or after August 1, 2017**, our Portfolio 7/1 ARM guidelines will expand to mirror our historically successful 5/1 ARM product (pricing in MORRIS will be available at a later date). Note that 7/1 ARM pricing will not initially be available in MORRIS. Please submit 7/1 ARMs through MORRIS without pricing until further notice. Our Registration and Lock desks can verify pricing with you after submission.

Since the introduction of the CFPB Ability-to-Repay (ATR) requirement, we have closed more than \$1 billion in Portfolio ARMs. The expanded guidelines on our 7/1 Adjustable Rate Mortgage product creates **broader options for your clients**, with portfolio lending criteria that was previously unavailable. Importantly, standardizing our guidelines will help create origination and processing efficiencies, allowing your clients to select a product with two additional years of an initial fixed rate period for a marginal rate add of .250%, and we will also consider loan level exceptions, given strong compensating factors and your client's ability to repay.

[Learn more about our Portfolio ARMs](#)

Changes to our Portfolio 7/1 ARM guidelines include:

- Maximum LTV for primary occupancy changed from 70% to 75% for Loan Amount >\$1,000,000 up to \$1,500,000
- Higher max loan amounts for Primary Purchase 70% LTV/CLTV for Loan Amount >\$1,500,000 up to \$2,500,000
- Investment Property Update:
 - Investment Property Fully Amortizing Max LTV/CLTV 70% for \$100,000 up to \$1,000,000
 - Investment Property Interest-Only Max LTV/CLTV 65% for \$100,000 up to \$1,000,000
- Minimum FICO reduced from 700 to 680
- Minimum Loan Amount decreased from \$417,000 to \$100,000
- Maximum financed properties increased from 4 to 10

Loan Level Price Adjustment updates to match 5/1 ARM:

Non-Warrantable Condo .500%	5-10 Financed Properties .250%	> 10 Financed Properties .500%
Alt Credit Program .500%	> 760 FICO - .125%	680-699 FICO .375%
BK > 4 Years .250%	Seasoned Foreclosure (7 years) .500%	NOO LLPA has decreased from 0.500% to 0.250%

In addition, our Northern California footprint has expanded to include both Sacramento and Solano counties for all Portfolio products (5/1 ARM, 7/1 ARM and Home Equity Lines of Credit), effective in MORRIS with all locks on or after August 1, 2017. The county expansion will effectively remove out of footprint LLPA's for loans originated in the new counties.

At Fremont Bank, we are committed to your success. We offer competitive pricing on our Portfolio products and HELOCs – with plenty of options to choose from. For example, we offer two HELOC products – our Home Equity Interest-Only as well as a Home Equity 360. [Learn more about our HELOC products here](#). With a broad range of products to choose from, evolving guidelines, and greater geographic reach, we are committed to offering you, our valued partner, the tools you need for success.

For any questions, please [contact your account executive](#). They will be happy to assist you.

Intended for Mortgage Broker use only and is not a consumer credit advertisement or for general public distribution.

 Equal Housing Lender | Member FDIC | NMLS #478471 | WHSL-0081-0717

This message was sent to chris.stiles@fremontbank.com from:

Fremont Bank, wholesale@fremontbank.com

Fremont Bank | 2580 Shea Center Dr. | Livermore, CA 94551

[Unsubscribe](#)