



ATR Port 5/6m ARM Product Guidelines

Effective Date 1/18/2024

Product Offering					
Product Description	Occupancy	Margin	Term	Index	Caps
Fully-Amortizing	Primary & Second Home	3.375%	30-year Fully Amortizing	30-Day Average SOFR	5/6 mo. ARM - 2/1/5
	Investment	3.750%			
Interest-Only	Primary & Second Home	3.375%	Interest-only for 10 yrs; 30-year term		
	Investment	3.750%			
LTV/CLTV and Loan Amount Matrix (Minimum loan amount is \$100,000)					
Occupancy	Maximum LTV	Maximum HCLTV	Loan Amount ¹		
Primary Residence (Purchase or Rate & Term Only, Fully Amortizing Only)	80% ²	80% ²	≤ \$1,500,000		
Primary Residence	75%	75%	≤ \$2,000,000		
	70%	70%	≤ \$2,500,000		
Second Home	75%	75%	≤ \$1,000,000		
	70%	70%	≤ \$2,500,000		
Investment Property	70%	70%	≤ \$1,000,000		
	60%	60%	≤ \$1,500,000		
Closing Cost Option: Points and Fees option only			² Interest-Only max LTV/HCLTV is 75%		
¹ Condomium maximum loan amount \$1,000,000					
Underwriting Guidelines					
Geographic Footprint Restrictions*	Northern California - Alameda, Contra Costa, Marin, Monterey, Napa, Sacramento, Santa Clara, Santa Cruz, San Francisco, San Mateo, Sonoma, Solano, San Joaquin, Placer and El Dorado Southern California – San Luis Obispo, Santa Barbara, Ventura, Los Angeles, Orange, San Diego and Riverside *Loans outside Fremont Bank's Footprint have a 5% reduction to max LTV/CLTV guidelines				
Property Types	Eligible Single Family Residence (SFR), PUD, Condo, 2-4 Units		Ineligible Modular Pre-Cut/Panelized Housing/Manufactured Homes, Leasehold Estates, Co-ops/Condo Hotels, Non-Warrantable Condo Investment Properties		
Loan Purpose	Purchase, Rate & Term Refinance, Cash-Out Refinance (Rate & Term refinance allowed with up to 1% cash back)				
FICO/DTI/Cash Out	Minimum FICO-Fully Amortizing	Minimum FICO-Interest-Only	Max DTI-Fully Amort	Maximum DTI-Interest-Only	Maximum Cash Out ¹
	700	720	48%	45%	\$500,000
¹ Cash-out amount excludes payoff of second lien when seasoned at least 12 months or HELOC with < \$2k in most recent 6 months					
Prime Borrower QM	Eligible for Owner Occupied, FICO ≥ 740, Max LTV/HCLTV ≤ 75% (≤ 70% for refi), no self-employed income used to qualify and a max of 3 rental properties, no asset depletion, DTI ≤ 43%, and fully amort. products. (Non-Warrantable Condo Ineligible) No exceptions allowed.				
Maximum Financed Properties	Occupancy	Maximum Financed Properties (Includes Subject Property)	Maximum LTV/CLTV	Maximum Loan Amount	
	Primary	No Limit	See Matrix	See Matrix	
	Second Home & Investment	1-4	See Matrix	See Matrix	
	Second Home & Investment (Condo not permitted as subject)	5-10	65%	\$1,000,000	
Credit Requirements	<ul style="list-style-type: none"> FICO Score required for all borrowers- lowest middle score used No late payments on any existing mortgage in the past 12 months. Exceptions may be considered based on strong compensating factors and circumstances of the late mortgage payment(s). However exceptions will not be allowed if lates are > 2x30 or 1x60 in last 12 months. Lender must obtain a payment history for each residential mortgage or rental history, including accounts that do not appear on the credit report No Exceptions to the following: <ul style="list-style-type: none"> Bankruptcy: A four (4) year waiting period is required, measured from the discharge or dismissal date of the bankruptcy action or completion date of the foreclosure. Borrower must re-establish credit. Foreclosure: A seven (7) year waiting period is required, measured from the discharge or dismissal date of the bankruptcy action or completion date of the foreclosure. Borrower must re-establish credit. Deed-in-Lieu/Short Sale: A two (2) year waiting period is required measured from the completion, discharge or dismissal date of the short sale/deed-in-lieu of foreclosure to the new application date. Borrower must re-establish credit. 				
Underwriting	<ul style="list-style-type: none"> Manual underwriting required to current Fannie Mae manual underwriting guidelines for items not covered in this matrix. Any exceptions to this matrix or FNMA manual underwriting guidelines must be approved by ROLC. All Condo Projects are subject to FNMA CPM Condo Project Approval guidelines No Exceptions to the following:				
	Product	Qualify based on			Qualifying
	ATR Port 5/6 ARM-Fully-Amortizing	Fully amortizing payment (PITIA) at higher of start rate + 2% or the fully indexed rate			30-year
ATR Port 5/6 ARM-Interest-Only	Fully amortizing payment (PITIA) at higher of start rate + 2% or the fully indexed rate			20-year	
Documentation Requirements	<ul style="list-style-type: none"> Full documentation covering the most recent 2 years required Executed 4506C with personal 1040 tax transcripts required (Broker provided transcripts from third party allowed) ALTA Short Form Title Policy required based on FNMA Selling Guide Fraud evaluation required on all loans 				
Reserve Requirements (Fully amortizing and Interest only)	<ul style="list-style-type: none"> 6 months PITIA for Owner Occupied/Second Home and 12 months PITIA for Investment¹ and/or Interest only Note: Owner Occupied, ≥ 760 FICO, ≤ 60% LTV/HCLTV, ≤ 38% DTI - Zero months verified² <ol style="list-style-type: none"> 5-10 Financed Properties - Additional 6 months' reserves required. > 10 Financed properties requires ATP and additional 12 months PITIA reserves) Assets to still be stated on the URLA (1003) at time of application 				
Appraisal Requirements	<ul style="list-style-type: none"> Full Appraisal required (Form 1004/1073) (Loan amounts >\$2.5MM may require a Field Review or Second appraisal based on review by Chief Appraiser) Internal Desk Review required on all loans outside NorCal footprint and loan amounts ≥ \$1,500,000 Internal Desk Review required on all loans = or > \$1,500,000 Fremont Bank to order all appraisals – transferred appraisals to Fremont Bank may be allowed, if reviewed and approved by the Bank's Chief Appraiser or designee 				