



## Flexible 97 Program

AMERICA HOMEKEY

(877)AHK-LOCK

<http://americahomekey.com>

### Fixed Rate and Fixed Period ARMs (Full/Alt Documentation)

<b>Finance Type</b>	<b>Purchase and Rate/Term Refinances</b>	
<b>Program</b>	<b>Flexible 97<sup>®</sup></b>	
<b>Amortization</b>	<b>Standard Amortization</b>	<b>Minimum Credit Score</b>
<b>Maximum LTV/CLTV</b>	97/97% <sup>1</sup>	Determined by DU <sup>™</sup>
<b>Eligible Property Types</b>	Attached and Detached SFRs and PUDs, Low-/High-Rise Condos and Factory-Built Housing (modular, panelized, and prefabricated).	
<b>Temporary Buydowns</b>	<p><b>Eligible Plans:</b> 3-2-1, 2-2-1, 2-1, 1-1-1, 1-1, 1, or 2.0-1.5-1.0-0.5            Compressed buydown plans that allow for increases of 0.5% at 6-month intervals are allowed with a maximum buydown plan period of 2 years.</p> <p><b>LTVs ≤ 95%:</b> Qualify at the bought-down rate + 1.00%      <b>LTVs &gt; 95%:</b> Qualify at the Note rate.</p>	
<b>Underwriting Method</b>	<p><b>Loans MUST be submitted thru DU<sup>™</sup>. Loans must receive an "Approve/Eligible" AUS result.</b>            Loans that receive an acceptable Expanded Approval<sup>™</sup> recommendation may be eligible for purchase; however, those loans must be priced and committed under the appropriate program.            Refer to Guide for Fannie Mae Expanded Approval<sup>™</sup> - Levels I, II, III for additional details.</p>	
<b>Additional Restrictions</b>	<p><sup>1</sup> 105% CLTV allowed with an approved Community Second loan. 97% LTV/CLTV not allowed on Expanded Approval levels.            Refer to the Guide for details. In addition to these guidelines, MI company parameters must also be met.</p>	



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## Underwriting Addendum

### Loan Program Names and Terms

Fixed Rate Programs	Loan Terms	ARM Programs	Loan Terms
Conf 15 Flex 97	15	Conf ARM 5/1 w/2-2-6 Caps – 1y LIB	30, 40
Conf 20 Flex 97	20	Conf ARM 5/1 w/5-2-5 Caps - 1y LIB	30, 40
Conf 30 Flex 97	25, 30, 40	Conf ARM 7/1 - 1y LIB	30, 40
		Conf ARM 10/1 - 1y LIB	30, 40

<b>Borrower Qualification</b>	<b>Fixed Rate and Fixed Period ARM:</b> Borrower is qualified at the Note rate.	<b>Qualifying Ratios</b>	<b>Maximum qualifying ratios:</b> Determined by the DU.  <b>AUS approval by DU required.</b>
		<b>Credit</b>	<b>Minimum credit score(s) will be determined by DU..</b> The minimum credit score(s) will never be lower than 620. MI company guidelines may require higher FICO scores. Credit requirements will be determined by DU.  <b>General Credit Guidelines</b> <b>Mortgage lates:</b> 1x30 in the last 12 months, 0x60 in the last 24 months <b>Chapter 7 Bankruptcy:</b> 48 months since discharge <b>Chapter 13 Bankruptcy:</b> 24 months since discharge, 48 months since dismissal <b>Borrowers w/ multiple BK filings:</b> 60 months since most recent discharge / dismissal <b>Foreclosure:</b> 60 months or more since completion <b>Deed-in-Lieu:</b> 48 to 84 months; Refer to Sellers' Guide for details. <del>Short Sale or Deed foreclosure: 24 months or more since completion</del>
<b>Down Payment, Reserves &amp; Source of Funds</b>	<b>Percentage of Borrower's Funds:</b>  The borrower must contribute a minimum of 3% of the purchase price from "Flexible" sources of funds.  <b>Reserves:</b> <b>Reserves are determined by DU</b>  Refer to the Guide for details.	<b>Interested Party Contributions</b>	<b>3% Maximum</b>  Cash or items of value, such as giveaways, passed to the buyer by the seller to encourage the buyer to purchase the property and excessive interested party contributions are considered sales concessions. If there is a sales concession present, the LTV/CLTV is calculated using the lower of the reduced sales price (after the reduction for all sales concessions, including excess financing contributions) or the appraised value.
		<b>Mortgage Insurance Requirements</b>	<b>MI Coverage:</b> 25, 30 & 40-year: 35% 15 & 20-year: 35%  FSPMI not allowed.
<b>Maximum Number of Financed Properties</b>	If the subject property is a primary residence, there is no limit to the maximum number of financed properties. If the subject property is a second home or investment property, the borrower(s) can have no more than four properties financed including the subject property.  The maximum number of America HomeKey first lien mortgages permitted to one borrower is three. (One primary, one secondary and one investment)		
<b>Eligible Borrowers</b>	U.S. Citizens, Permanent and Non-Permanent Resident Aliens are allowed with a valid Social Security number. Inter Vivos Revocable Trusts are allowed with restrictions, refer to the Sellers' Guide for individual program limitations. Non-Resident aliens and Non-Occupant Co-Borrowers are not allowed.		