

ALT-Rehab Loan Program



Purchase a rehab property fast with fewer conditions!

The ALT-Rehab loan is a first mortgage up to 89.9% Loan-to-Value (LTV). The program is ideal for borrowers who want a lower down payment so that they can conserve their cash and apply it to repairs to the purchased property. It's designed to accommodate borrowers that want a hassle-free closing.

- How is it Different?**
- General Contractor bids and architectural drawings not required
 - Payments are not secured or controlled
 - No inspections during the course of repairs

How Does The Program Work?

Loan Structure

- Maximum LTV is 89.9%
- 1/1/25, 3/1/25, 5/1/25 and 7/1/25 ARMs
- Maximum loan amount is \$750,000.
Call us to discuss higher loan amounts.
- Borrower must document funds for the repairs
- Foreign Investor loans not eligible

Underwriting Qualifications

- 740 FICO up to 89.9% LTV
- 720 FICO up to 85% LTV
- 700 FICO up to 80% LTV
- Reduce LTV by 5% for non-primary residence (Investor and second homes)
- Resort-zoned properties: reduce LTV by 15%. Not eligible for 7/1/25 ARM product

Repairs

- Not to exceed 15% of the purchase price or the "as is" appraised value of the property; whichever is less.
- Repairs cost must be between \$20,000 to \$100,000 and must be completed within 6 months of loan closing
- Borrower must document that they have the funds needed to complete the repairs
- A representative will inspect repairs upon notification of completion

Unique Underwriting Elements

- Multiple collateral can be used to lower LTV
- Projected rental income acceptable for investor loans

Properties Not Eligible

- Construction started but not completed (final building permit still outstanding)
- Homes in "tear-down" condition
- Agricultural-zoned properties



**FINANCE
FACTORS**
SAVINGS • CDS • MORTGAGES

FOR USE BY MORTGAGE PROFESSIONALS ONLY

The foregoing is for informational purposes only and not to be distributed to any consumer. This is not an offer to make a loan. The making of any loan and the terms thereof are subject to Finance Factors' underwriting approval. All information is subject to change at any time.

Transaction Example

Borrower wants to purchase a property listed at \$400,000 that needs \$50,000 in repairs. Borrower has a 740 mid-FICO score.

<u>\$400,000</u>	Purchase Price and Appraised Value "As Is"
x 89.9%	Maximum LTV
<u>\$359,600</u>	Maximum Finance Factors Mortgage Loan Amount
<u>\$40,400</u>	Down payment from Borrower (10.1% of value)
+ <u>\$11,000</u>	Estimated Closing Costs assuming 3% (points, escrow, doc fees, etc.)
<u>\$51,400</u>	Cash needed to close
+ <u>\$50,000</u>	Cash needed to complete repairs
<u>\$101,400</u>	TOTAL CASH needed by Borrower

Quick Check

Qualifier	YES	NO
Repair Cost (As-Is Condition)	15% or less of Property Value	More than 15% of Property Value
Repair Cost	\$20,000 to \$100,000	Below \$20,000 or Above \$100,000



**FINANCE
FACTORS**
SAVINGS • CDS • MORTGAGES

FOR USE BY MORTGAGE PROFESSIONALS ONLY

The foregoing is for informational purposes only and not to be distributed to any consumer. This is not an offer to make a loan. The making of any loan and the terms thereof are subject to Finance Factors' underwriting approval. All information is subject to change at any time.