PROGRAM UPDATE

Changes to the Good Credit Rewards Second Mortgage

In response to your feedback, we are adjusting the Good Credit Rewards seconds interest rate to 2% above the note rate for all loan programs. This is effective with reservations made on or after 8/23/16.

Requirements

- The Good Credit Rewards seconds interest rate is 2% above the note rate for all loan programs.
- May be used with Advantage, Preferred, and First loan products.
- Maximum amount of second mortgage is 3.5%, or $8,000, whichever is less not to exceed 100% combined loan-to-value, or the maximum approved by mortgage insurance guidelines.
- First-time homebuyer income limits apply for all FHA loans with Good Credit Rewards 2nds.
- Finally Home!® Homebuyer Education is required if both borrowers are first-time homebuyers. Only one certificate is required for both borrowers.
- Borrowers with credit scores of lower than 680 will not be able to obtain this second mortgage.
- Borrowers must contribute at least .5% of the purchase price of their OWN funds toward the transaction.
- Good Credit Rewards funds are based on need. Borrowers' liquid assets are limited to three months payments, or $5,000, whichever is greater. For borrowers 62 years or older, the liquid assets are limited to three months payments, or $10,000, whichever is greater.
- This second mortgage is fixed rate over 10 years, making the monthly payment low so borrowers can easily qualify for the loan amount they need.