



FREEDOM BANK

*Mortgage Division*

Presented by Charlie Hutchison

# Different Programs

- USDA: 100% financing for rural development
- Conventional: 3-20%+ down
  - HomeReady and HomePossible programs w reduced MI
- FHA: 3.5% down
- VA: 100% financing for vets
- VHDA: up to 101.5% financing
  - Grant program
  - No or Reduced MI

# Why Freedom?

- Turn around time- 30 days or less
- Programs
  - Some banks specialize, we don't
- Rates- Overhead
- Teamwork

# Credit Scores

- 35% payment history
- 30% amount owed (balance to limit ratios)
- 15% length of history
- 10% new credit
- 10% types of credit used

# Credit Scores cont.

- Assume a \$400k loan amount
- 740 or higher is 2.875% for a 30 year fixed
  - Total interest \$197,445
- 680 goes up to 3.375%
  - \$236,618
- 640: 3.75%
  - \$266,886

# Mortgage Insurance

LTV	Coverage	760+	740-759	720-739	700-719	680-699	660-679	640-659	620-639
<b>97%</b> - 95.01%	35	.55	.75	.95	1.15	1.40	1.90	2.05	2.25
	25	.44	.63	.77	.93	1.15	1.52	1.67	1.81
	18	.37	.54	.65	.78	.98	1.18	1.33	1.43
<b>95%</b> - 90.01%	30	.41	.59	.73	.87	1.08	1.42	1.50	1.61
	25	.37	.52	.64	.75	.94	1.21	1.28	1.37
	16	.32	.44	.54	.64	.78	1.02	1.10	1.20
<b>90%</b> - 85.01%	25	.30	.41	.50	.60	.73	1.00	1.05	1.10
	12	.23	.30	.36	.41	.50	.65	.69	.77
<b>85%</b> & Below	12	.19	.20	.23	.27	.32	.41	.43	.45
	6	.18	.19	.22	.26	.31	.40	.42	.43

\*\*old chart from MGIC Mortgage Insurance

# What has changed?

- Bigger changes on rates/guidelines from credit scores
  - 679 or less especially
- High balance/Jumbo loans- bigger premiums
  - \$510,400-765,599 high balance
  - \$765,600+ Jumbo
- Appraisals are often drive-by or desktop
- Cash-out Refinances almost done

Questions?!?