



Products

Fixed Rates Mortgages

A fixed rate mortgage provides stability. The interest rate is guaranteed for the number of years selected and therefore your principal and interest payment will never change. The shorter the term you select, typically the lower the interest rate. However with shorter term loans, your payment will be higher because of the shorter amortization.

Fixed rate mortgages are available for 40, 30, 20 and 15 year terms.

Adjustable Rate Mortgages (ARM)

Adjustable Rate Mortgages typically offer lower interest rates than a fixed rate mortgage because the interest rate is only guaranteed for a specific time frame. ARMs are useful for buyers who are trying to maximize their purchasing power or for buyers who plan on owning a home for a specific period of time. ARM time frames are traditionally for 10, 7, 5, 3, 2, and 1 years, and 6, 3 and 1 month. All of these loans are for a 30-year term and some may be available for a 40-year term.

Every ARM has a Life Cap which provides a limit as to how high the rate can adjust after the initial period has concluded, and typically a yearly adjustment which also limits how much the rate can fluctuate from year to year. Once your initial interest rate period has been completed, the new interest rate is then calculated on the anniversary of your mortgage by adding a pre-determined margin to an index. The index is the instrument we use to determine the future interest rate. Typical indexes are the Treasury Bill (T-Bill), London Interbank Offered Rate (LIBOR), and the Monthly Treasury Average (MTA). Your ARM can also be refinanced at anytime into a fixed rate or another ARM product.

Interest Only Loans

Interest Only Loans are offered to provide for mortgage payment flexibility by not requiring the borrower to pay principal on a monthly basis. This can be advantageous for qualify purposes or for the individual who has the financial where-with-all to pay principal at their discretion or use the money that would be applied to their principal for other purposes such as paying off a second trust or other debts.

Interest Only Loans are available for almost all mortgage loan products.

Buydowns

Buydowns offer a lower interest rate for the first 1, 2 or 3 years of the loan. This allows for easier qualifying and for the borrower to gradually ease into their ultimate final mortgage payment. The buydown is typically accomplished by the use of points which can be paid by the purchaser, seller or builder. Your loan officer can provide a specific breakdown for your financing needs.



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Balloons

A balloon mortgage is one that has a regular monthly payment fixed for a specific period of time - usually 5 or 7 years. These loans are amortized typically over 30 years. At the end of the fixed 5 or 7 year period, a final lump sum (balloon payment) may be due. In some circumstances, the loan can continue for the remaining 30 years based on current market rates. Please consult with your loan officer about these possible provisions.

100% – 103% Financing

The mortgage choices available today allow borrowers access to a large array of loans which do not require a down payment. With some loan programs, we can even finance the associated closing costs. These loans are now available to borrowers with credit scores as low as 580. Keep in mind that the higher your credit score and the stronger your loan application, the lower the interest rate will be. These loans also usually do not require the need for mortgage insurance by utilizing the combination loan approach.