

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	<ul style="list-style-type: none">◆ Maximum LTV is 89.9%◆ Loan will be amortized over 25 years◆ 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
Repairs	<ul style="list-style-type: none">◆ Not to exceed 15% of the purchase price or the "as is" appraised value of the property, whichever is less◆ Cost for repairs must be between \$20,000 to \$65,000 and must be completed within 6 months of loan closing◆ Borrower must be able to deposit the funds necessary for repairs into an unsecured Finance Factors savings account prior to loan funding◆ Finance Factors will not control or secure funds deposited in the savings account◆ A Finance Factors representative will inspect repairs upon notification of completion
Underwriting Qualifications	<ul style="list-style-type: none">◆ 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)
Unique Underwriting Elements	<ul style="list-style-type: none">◆ Multiple collateral can be used to lower LTV◆ Projected rental income acceptable for investor loans
Properties Not Eligible	<ul style="list-style-type: none">◆ Construction started but not completed (final building permit still outstanding)◆ Homes in "tear-down" condition◆ Agricultural-zoned properties



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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.

\$400,000	Purchase Price and Appraised Value "As Is"
x 89.9%	Maximum LTV
\$359,600	Maximum Finance Factors Mortgage Loan Amount
\$40,400	Down payment from Borrower (10.1% of value)
+ \$11,000	Estimated Closing Costs assuming 3% (points,escrow, doc fees, etc.)
\$51,400	Cash needed to close
+ \$50,000	Additional cash deposited into Finance Factors Savings Account for Repairs
\$101,400	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 \$65,000	Below \$20,000 or Above \$65,000



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