



AFCU I/O GUIDELINES

07/15/2021

Loan Plan Names

5/6 and 7/6

Areas Available

Nationwide except states of Georgia and Tennessee

No Cash-out in the State of Texas

Maximum Loan Amount

\$2,000,000.00

Lien Position

1st Lien

Term of Loan

Amortization 30 years

Interest Rate

Refer to the daily AFCU rate sheet

Rates assume an automatic payment. Add .25% to rate without automatic payment

Qualifying Rate

5/6 start rate +2

7/6 note rate

Borrower must qualify on the PITI after the IO period expires. 5/6 must qualify based on a 25-year amortization. 7/6 must qualify based on a 23-year amortization.

Rate Caps

5/6- 2/1/5

7/6-5/1/5



PURCHASE AND "NO CASH-OUT" REFINANCE MORTGAGES				
Property Type	Max. LTV w/o Sec. Fin.	Max DTI Full AM Qual Rate	Max. I/O Term	Min. reserves PITI Full AM PMT
1-unit Primary Residence	75%	39%	60mos	12 mos.
1-unit Primary Residence	70%	43%	84mos	12mos.

Prepayment Penalty

None

Assumable

No

Occupancy/Eligible Properties

Owner occupied Only

SFR

Condos

PUDS

** Manufactured home and multi units not allowed**

Income /Ratios/ Credit

Full Doc

720 Min. FICO

Max DTI 43% on 7/6 IO program

Max DTI 39% on 5/6 IO program

Self Employed: Complete 2 years most recent tax returns (all pages)

Proof of min 2 years in business (copy of business license only)

Wholesale Loans: Complete 2 years most recent tax returns (all pages) and 4506-C for all borrowers.

Proof of min 2 years in business (copy of business license only)

Reserves

12 months amortized PITI. 2 months recent bank statements all pages.



Appraisal Report

Full appraisal report required

2 full appraisal reports required if loan amount is \$1,000,000.00 or greater

1 full appraisal report & field review if loan amount is \$1,000,000.00-\$2,000,000.00 and LTV is 60% or less.

2 full appraisal reports if loan amount is over \$2,000,000.00.

Title Report

Full ALTA policy required

Flood Determination

A life of loan certificate is required

Tax Tracking

Tax tracking service is required