

## GOLDEN EQUITY – REVERSE MORTGAGE HIGHLIGHTS

- Lower costs for the borrower
  - No MIP; upfront or ongoing
  - No required origination fee
- Market alignment for purchase transactions - Seller concessions up to 6%
- Streamlined condo approval process
  - Use of FNMA Limited Review
  - Streamlined and Efficient Process
- Low Initial Draw – 25% of PL minimum draw required at closing (GE CMT LOC)
- High Cap on Initial Draw – 90% of PL maximum draw allowed at closing (GE CMT LOC)
- GE Max Fixed Rate has a 80% minimum draw of PL requirement at closing
- Growing LOC – The unused LOC grows 1.5% per year for the first 7 years
- Highly Flexible – Above the minimum draw, the remainder of the line (75%) can be repaid and redrawn for 10 years (GE CMT LOC)
- Minimum Borrower age 55\* prior to closing
  - \*For the states of Louisiana, and New Jersey all borrower(s) must be at least 60 years old, for the states of Texas and Utah all borrower(s) must be at least 62 years old on the day he/she executes the closing documents.
- Minimum FICO of 600 required (Exceptions allowed down to 550 with TISA)
- Minimum Home Value = \$970,800
- Maximum Loan Amount = \$4,000,000
- 10% LTV reduction for loans above \$3 mm
- Purchase allows seller concessions up to 6%
- No upfront or annual Mortgage Insurance Premium (MIP)
- Optional origination fee allowable on GE CMT LOC product (no origination fees allowed on GE Max Fixed)
- 12 month seasoning from HECM to Golden Equity or any proprietary reverse to Golden Equity
- Condominiums
- FHA or FNMA Approved or Warrantable under Limited Review
- Ineligible non-borrowing spouse is permitted (eligible non-borrowing spouses are not permitted)
- Repair set aside permitted
- No life expectancy set aside (TISA can be required by underwriter depending on Financial Assessment)
- Non-recourse



LHFS PROGRAM CODES	
LHFS Program Name	Program Codes
Golden Equity Proprietary	WRGEM-000
Golden Equity Fixed Max	WRGEMF-000
Golden Equity LOC	WRGEML-000

## GOLDEN EQUITY FIXED RATE & LOC PRODUCTS

<b>APPRAISAL</b>	<ul style="list-style-type: none"> <li>• Minimum appraised value \$970,800</li> <li>• Appraiser must be state licensed and geographically competent. LHFS will order appraisal.</li> <li>• Appraisals must be completed in compliance with AIR, FIRREA, USPAP and all State requirements.</li> <li>• One (1) appraisal with estimated value up to \$2,000,000 plus independent Collateral Desktop Analysis.</li> <li>• Two (2) Appraisals with estimated value greater than \$2,000,000. Lower of two values will be used</li> </ul>		
<b>MAXIMUM LOAN AMOUNT</b>	<p>Maximum Loan Amount/Principal Limit (PL): \$4,000,000</p> <ul style="list-style-type: none"> <li>• A Loan Amount/Principal Limit above:               <ul style="list-style-type: none"> <li>○ \$2,000,000 requires a 5% LTV reduction</li> <li>○ \$3,000,000 requires a 15% LTV reduction.</li> </ul> </li> </ul> <p>Minimum Home Value: \$970,800 No Maximum Home Value</p>		
<b>MINIMUM CREDIT REQUIREMENTS</b>	<p><b><u>Minimum borrower FICO score</u></b></p> <ul style="list-style-type: none"> <li>• 600 (exceptions down to 550 determined by UW)</li> </ul> <p><b><u>Mortgage History</u></b></p> <ul style="list-style-type: none"> <li>• 0x30 in last 12 months</li> <li>• 2x30 in last 24 months</li> <li>• An exception may be approved for limited delinquencies. See guidelines</li> </ul> <p><b><u>Bankruptcy:</u></b></p> <ul style="list-style-type: none"> <li>• Chapter 7 – Must be discharged (2) years from loan application date.</li> <li>• Chapter 13 – Must be discharged (2) years from loan application date.</li> </ul> <p><b><u>Foreclosure or Short Sale:</u></b></p> <ul style="list-style-type: none"> <li>• Must be at least two (2) years at time of initial loan application.</li> </ul>		
<b>MINIMUM BORROWER AGE</b>	Must be 55, 60, or 62+ (see restrictions below)		
<b>ELIGIBLE BORROWERS</b>	<table border="0"> <tr> <td> <p><b><u>Eligible Borrowers:</u></b></p> <ul style="list-style-type: none"> <li>• U.S. Citizens</li> <li>• All borrowers must have a valid social security number.</li> <li>• Permanent resident aliens               <ul style="list-style-type: none"> <li>○ Copy of valid resident alien card must be included in loan file.</li> </ul> </li> <li>• Non-permanent resident aliens               <ul style="list-style-type: none"> <li>○ With conditions</li> </ul> </li> <li>• Irrevocable trusts</li> </ul> </td> <td> <p><b><u>Ineligible Borrowers:</u></b></p> <ul style="list-style-type: none"> <li>• Borrowers under 55* years of age</li> <li>• *For the states of Louisiana, and New Jersey all borrower(s) must be at least 60 years old, for the states of Texas and Utah all borrower(s) must be at least 62 years old on the day he/she executes the closing documents.</li> <li>• Eligible Non-Borrowing Spouse</li> <li>• Foreign nationals</li> <li>• Limited partnerships, general partnerships, corporations</li> <li>• Non-occupant Co-borrowers</li> <li>• Other Non-borrowing person(s)</li> </ul> </td> </tr> </table>	<p><b><u>Eligible Borrowers:</u></b></p> <ul style="list-style-type: none"> <li>• U.S. Citizens</li> <li>• All borrowers must have a valid social security number.</li> <li>• Permanent resident aliens               <ul style="list-style-type: none"> <li>○ Copy of valid resident alien card must be included in loan file.</li> </ul> </li> <li>• Non-permanent resident aliens               <ul style="list-style-type: none"> <li>○ With conditions</li> </ul> </li> <li>• Irrevocable trusts</li> </ul>	<p><b><u>Ineligible Borrowers:</u></b></p> <ul style="list-style-type: none"> <li>• Borrowers under 55* years of age</li> <li>• *For the states of Louisiana, and New Jersey all borrower(s) must be at least 60 years old, for the states of Texas and Utah all borrower(s) must be at least 62 years old on the day he/she executes the closing documents.</li> <li>• Eligible Non-Borrowing Spouse</li> <li>• Foreign nationals</li> <li>• Limited partnerships, general partnerships, corporations</li> <li>• Non-occupant Co-borrowers</li> <li>• Other Non-borrowing person(s)</li> </ul>
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<b>BORROWER COUNSELING</b>	Golden Equity Counseling – borrowers must request and complete “Platinum” session		



## CHAMPION PROGRAM REQUIREMENTS

<b>OCCUPANCY</b>	<ul style="list-style-type: none"> <li>• Primary residence</li> <li>• Occupied by borrower(s) for the majority of the year (183 days)</li> </ul>
<b>SEASONING REQUIREMENTS</b>	<p>New applications must meet the following seasoning requirements when going from one program to another. All seasoning requirements are measured from the closing date of the prior loan to the new loan closing date.</p> <p><b><u>HECM or Proprietary to Golden Equity Mortgage</u></b></p> <ul style="list-style-type: none"> <li>• Less than 12 months: No refinance permitted.</li> <li>• More than 12 months: The refinance is allowable when there is a clear Net Tangible Benefit to the Borrower(s).</li> </ul>
<b>ELIGIBLE PROPERTY TYPES</b>	<ul style="list-style-type: none"> <li>• SFR</li> <li>• Modular homes</li> <li>• 2-4 unit properties (borrower must occupy one unit)</li> <li>• Townhomes</li> <li>• PUDs</li> <li>• Condos (FHA and FNMA Approved or FNMA warrantable projects under a Limited Review process)</li> </ul>
<b>STATE RESTRICTIONS</b>	<p><u>Fixed Rate Product (additional states to be added):</u>          AL, AZ, CA, CO, CT, DC, FL, GA, ID, IL, LA, MI, MO, NJ, NM, NV, OH, OK, OR, PA, SC, TX, UT, and VA</p> <p><u>Line of Credit Product (additional states to be added):</u>          AZ, CA, CO, CT, DC, FL, ID, IL, MI, NJ, NV, OH, OR, SC, TX, UT, and VA.</p>
<b>MINIMUM DRAW AMOUNT</b>	<p>Fixed Rate - Borrower(s) must draw at least 80% of available proceeds.</p> <p>ARM/Line of Credit - Borrower(s) must draw at least 25% of available proceeds, and Maximum initial draw is 90.00%.</p>
<b>EXISTING MORTGAGES</b>	<ul style="list-style-type: none"> <li>• All outstanding mortgages and liens on the subject property must be paid off through the settlement of the reverse mortgage.</li> <li>• No subordinate financing permitted</li> </ul>
<b>USE OF PROCEEDS</b>	Purchase or Refinance
<b>REPAIRS</b>	<ul style="list-style-type: none"> <li>• Repair set asides are permitted</li> <li>• Any noted repairs that may impact the structural integrity of the subject property and/or the health and safety of the occupant(s) must be completed satisfactorily prior to closing.</li> </ul>
<b>ORIGINATION FEE</b>	<ul style="list-style-type: none"> <li>• Optional origination fee allowable on GE CMT LOC product</li> <li>• No origination fee payable to TPO Partner permitted on a fixed rate product.</li> </ul>
<b>LOAN TERMS</b>	<ul style="list-style-type: none"> <li>• Fixed Rate with single lump sum disbursement</li> <li>• Adjustable-Rate Line of Credit – borrowers may draw on LOC for 10 years after close of loan.</li> </ul>
<b>SELLER CONTRIBUTIONS</b>	Purchase allows seller/interested party concessions up to 6%
<b>SERVICING FEE</b>	<p>Fixed Rate - No monthly servicing fee.</p> <p>ARM/Line of Credit - \$20 a month added to balance.</p>
<b>HELPFUL LINKS</b>	<ul style="list-style-type: none"> <li>• <a href="#">eScenarios</a></li> <li>• <a href="#">LHFSWholesale.com</a></li> <li>• <a href="#">Golden Equity Guidelines</a></li> <li>• <a href="#">Golden Equity Submission Checklist</a></li> </ul>

