

# Conventional Loan

If you are looking for a home loan, considering a conventional loan is a great place to start. As America recovers from its' economic turmoil, equity is slowly returning to the average homeowner. You might want to again consider a conventional loan as your vehicle of choice to the American Dream.

## Definition

A conventional mortgage refers to a loan that is not insured or guaranteed by the federal government. A conventional, or conforming, mortgage adheres to the guidelines set by Fannie Mae and Freddie Mac. It may have either a fixed or adjustable rate. The maximum limit for a conforming loan depends on the county and state you live in and can be found here: [Fannie Mae Loan Limits](#).

Conventional loans can be either Fixed or an adjustable rate. Fixed-rate mortgages have a set interest rate for the entire length of the mortgage term which can be between 10 and 30 years. An adjustable-rate mortgage (ARM) has a term of 30 years with a low introductory rate for a fixed period followed by periodic adjustments according to a specific benchmark, typically a specific LIBOR or a T-Bill index.

**Scenarios Under Shining  
Star Funding  
Conventional Loans**

**Conventional  
Loans No MI  
To 90%**

- Conventional Loans
  - First of 80% upto Conventional Loan Limits
  - Second (HELOC) of 10%
  - Both loans close simultaneously
- Breaking up the loan into a 80% first and 10% second gets rid of MI

**HARP HARP 2  
Open Access**

- Loan should be owned by Fannie Mae or Freddie Mac
  - Fannie or Freddie Mac should have purchased your loan before June 1st 2009
  - Field Waivers for appraisal are offered
  - High Back end ratios possible  
.Even a 60% backend may be OK
  - Limited income documentation
  - Loans for Owner Occupied and Non Owner occupied available
  - No restrictions to number of properties owned.

<p><b>Non Occupant Borrowers</b></p>	<ul style="list-style-type: none"><li>• New !! Non Occupant Co Borrowers OK for Owner Occupied Homes<ul style="list-style-type: none"><li>- Qualify a Owner Occupied Borrower with a Non Owner Occupied Co Borrower</li><li>-</li></ul></li><li>Conventional Loan only<ul style="list-style-type: none"><li>- Useful when Owner occupant cannot qualify on their own income.</li></ul></li></ul>
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<p><b>Cash Out; No Waiting</b></p>	<p>We call it "Delayed Financing". Useful when an owner wants a quick close of escrow due to auction or seller requirements or simply to be more competitive in their offer. We will cash out 1 day after close of escrow.</p> <ul style="list-style-type: none"> <li>• Borrowers should be same as owners on title</li> <li>• Own funds to be used for purchase</li> <li>• Property should not be secured by any other loan</li> <li>• Unsecured loans ,obtained to close cash escrow need to be paid of at time of close of new escrow</li> </ul>
<p><b>Transferred Appraisals</b></p>	<ul style="list-style-type: none"> <li>• Conventional:We accept previous lender ordered conventional appraisals as well.</li> </ul>

<p style="text-align: center;"><b>Flips</b></p>	<ul style="list-style-type: none"> <li>• Generally one appraisal needed if appraiser provides back up of reason for increase. We will go with the value per the appraisal</li> </ul>
<p style="text-align: center;"><b>Condos &lt; 51% Occupancy</b></p>	<p>Owner Occupied Properties</p> <ul style="list-style-type: none"> <li>• Always OK</li> </ul> <p>Non Owner Occupied Properties</p> <ul style="list-style-type: none"> <li>• Allowed with Limited Condo Review DU approvals</li> <li>• DU should approve limited Condo Review</li> <li>• DU approves limited Condo Review based on Down Payment, Borrower Credit Profile etc</li> </ul>

<p><b>More than 4 Investment Properties</b></p>	<ul style="list-style-type: none"> <li>• We finance upto 10 Investment properties</li> <li>• The limit of 10 properties does not include 5 unit+ properties</li> <li>• The limit of 10 properties does not include mortgage free properties <ul style="list-style-type: none"> <li>• Minimum 720 Credit Score <ul style="list-style-type: none"> <li>• 25% Down</li> </ul> </li> <li>• 6 Months PITI Reserve for subject property and 2 months for each financed investment property</li> </ul> </li> </ul>
<p><b>1 Year Income Verification</b></p>	<ul style="list-style-type: none"> <li>• One year Taxes for all types of income <ul style="list-style-type: none"> <li>• Subject to Automated Underwriter approval</li> </ul> </li> </ul>

<p><b>Condo with Litigation</b></p>	<ul style="list-style-type: none"> <li>• Cannot be structural</li> <li>• Can only be minimal issue/nuisance litigation</li> <li>• All court documents required</li> <li>• Attorney opinion letter required</li> <li>• Verification of full monetary amount of litigation is required</li> <li>• Resolution date of litigation required</li> </ul>
<p><b>Conventional Loan to 95%</b></p>	<ul style="list-style-type: none"> <li>• 5% Down OK for loan amounts up to conforming loan limits (\$625500)</li> </ul>
<p><b>Rate and Term Reductions</b></p>	<ul style="list-style-type: none"> <li>• Reduce Rate and save interest over the term of your loan</li> <li>• Reduce rate and term to save interest</li> </ul>



**TAKE A MINUTE TO FILL OUT THIS  
SHORT APPLICATION NOW!**

\*No social security number required

**SCHEDULE A LOAN OFFICER  
PHONE CALL TODAY!**