

Residential Real Estate Lending Product Development

Ridgewood Savings Bank Affordable

Loan Type: Purchase of Primary Residence

Occupancy: Owner-occupied – Cannot own other properties at time of closing

Products: 5/1, 7/1, 10/1, 15/1 T-Bill ARMs, and 20, 30 year fixed, 30 year Bi-Weekly

Max. Loan: \$533,850 – All Properties

PROPERTY TYPES	MAXIMUM LTV	MINIMUM LTV*
<i>New York Only</i>		
1 Family, Condo, & Co-Op	97%	75%
2 Family	95%	75%
3-4 Family	80%	75%

*Minimum LTV May Be Lower Only If Grants and Borrower's Own Funds Bring the LTV Below 75%

T-Bill ARMs: Index – One-Year Treasury Bill Average
Margin – 2.875% above the current index
Adjustments – 2% 1st adjustment, 2% Term/6% Life (5/1ARM)
5% 1st adjustment, 2% Term/6% Life (7/1, 10/1, & 15/1 ARM)
Convertible T-Bill ARM products are not eligible

Secondary Financing: The only secondary financing allowed are soft seconds, grants and/or subsidies with the maximum CLTV of 105% on 1-Family and Condos.
Ridgewood will only be in first position and shall not exceed listed LTV's.

Ratios: 43% total DTI – 1-Family, Condo & Co-Op
41/43% DTI – 2-4 Family
75% of rental income is used for qualifying ratios, based upon the lower of lease agreements or appraisal report

Non-Occupant
Co-Borrower - Non-occupant borrowers are permitted to 95% LTV and income is not considered part of the income limits. Maximum properties owned by the non-occupant co-borrower cannot exceed Ridgewood limits. Must be a family member.

Min. Down Payment: 80.01 – 105% LTVs, borrowers' need 3% of their own funds
LTVs 80% or less, borrowers' need 1% of their own funds
Additional monies may be a gift from a relative.

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Reserves:	2-months PITI – 1-Family, Condo, and Co-Op 6-months PITI – 2-Family 3 -4 family and 80% or less LTV's per FNMA DU findings	
Closing Costs:	Seller Concessions –	3% 90% - 97% LTV 6% with less than a 90% LTV
Income Limits: (150%)	LI - \$159,300 NYC - \$97,800 Put. - \$97,800 Rock. - \$150,900 West. - \$161,700 Income is based upon all spousal and partnered occupant income. Rental income is not included in calculating the affordable income limits. The listed income limits are 150% of median income used by NYS Affordable Housing Corporation and Housing Finance Agency.	
Credit:	Minimum credit score – 620 Non-traditional credit – Maximum 95% LTV, Maximum DTI 41% for 1-family, condos, and co-ops only	
Genworth Coverage:	95.01 – 97% LTV – 35% MI 90.01 – 95% LTV – 30% MI 85.01 – 90% LTV – 25% MI 80.01 – 85% LTV – 12% MI DU guidelines apply and loans will be submitted to Genworth by Ridgewood Savings Bank for review and approval. The MI coverage is for the first position loan only.	
Homebuyers' Ed.:	Homebuyer education is required for first-time homebuyers with a LTV of 80.01% or greater. The free course is found on Genworth's website under Lender Services – Homebuyer Education.	
Special Underwriting:	Condominiums:	Minimum four unit projects Minimum 70% owner-occupancy Maximum 20% commercial square footage All other FNMA guidelines apply
	Co-Ops:	Ridgewood guidelines apply
Originations:	Third party originations are accepted. Third party can utilize all products other than the 30-year fixed rate.	