

Presented by:
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New Jersey Affordable Mortgage Product

December 14, 2016



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Agenda

1. Introduction

2. About Santander Bank

3. New Jersey Affordable Mortgage Product Overview

4. Deeper Look:

- Pricing
- Income Limits
- Guidelines

5. Q & A

Santander Bank

Santander Bank, N.A. is an \$80 billion retail and commercial bank operating 675 branches & 2000 ATMs states across the northeast corridor, including Connecticut, Delaware, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania and Rhode Island.

Here in the Northeast we are a team of 9,800 individuals all committed to a single mission: to help you make progress toward your goals.

Santander Community


Santander Bank is engaged to improve the communities in which our customers and colleagues live and work.

In 2016, Santander Bank provided the following:

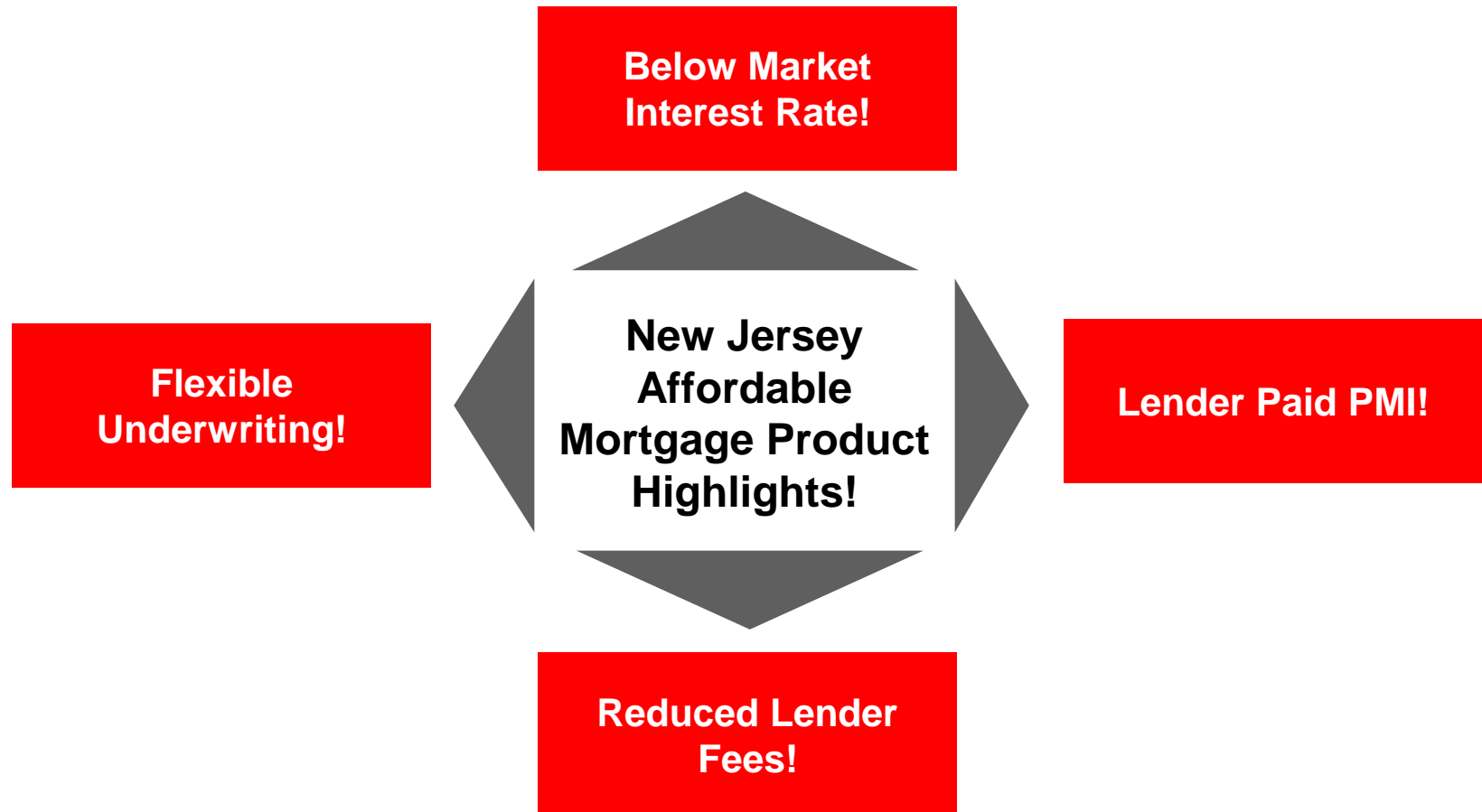
- Almost \$10 million in grants to help build stronger communities
- More than \$1.2 billion in lending and investing in low and moderate income communities.
- Our colleagues donated thousands of volunteer hours serving local charities that positively impact the communities we serve.

New Jersey Affordable Mortgage Program



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Product Overview



Deeper Look - Pricing

30-Year Fixed Rates- Up to 1.5% below current market!

New Jersey Affordable Mortgage (3% Down Payment)

30-Year Fixed Moderate **3.375%**__ **0**pts 30-Year Fixed Low **2.875%**__ **0**pts

*For low and moderate income homebuyers only * No PMI Cost (Lender Paid)* No Points Minimum down payment 3% of purchase price *Conventional Mortgage Loan *Purchase & Refinance

New Jersey Affordable Mortgage (greater than 5% Down Payment)

30-Year Fixed **2.75%**__ **0**pts **Special Pricing!!!**

*For low and moderate income homebuyers only *No PMI Cost (Lender Paid) *No Points * Greater than 5% of purchase price *Conventional Mortgage Loan *Purchase & Refinance * Same rate for low and moderate homebuyers

*Rates are as of December 13, 2016 and subject to change without notice. APR 's **3.430%, 2.954% and 2.812%**

Deeper Look - Guidelines

- **Credit:**
 - Minimum credit score is 620.
 - Non-traditional credit is permitted.

- **Down Payment:** Minimum 3% down payment
 - 2% must be the borrower's own funds
 - Remaining 1% may not be from the seller, real estate agent or broker.

- **Gift Funds:** Permitted after down payment requirements have been satisfied. Gifts may be from family members, approved non-profit organizations or public entities.

- **Grants:** Grants are permitted from non-profit organizations that have a five year forgiving/ grace period.

- **Seller Contributions:** 3% maximum on LTV greater than 90.0%,
6% maximum on LTV equal or less than 90.0%

- **Housing Counseling:** Required certificate through an HUD certified counseling agency

- **Income:** Maximum 80% of median household income for applicable MSA.

Deeper Look – Income Limits by County (Based on MSA)

2016 Median Household Income Limits for New Jersey

<u>County</u>	<u>Moderate</u>	<u>Low</u>
Atlantic	\$49,760	\$31,100
Bergen	\$58,080	\$36,300
Burlington	\$67,360	\$42,100
Camden	\$67,360	\$42,100
Cape May	\$64,640	\$40,400
Cumberland	\$43,520	\$27,200
Essex	\$76,080	\$47,550
Gloucester	\$67,360	\$42,100
Hudson	\$58,080	\$36,300
Hunterdon	\$76,080	\$47,550
Mercer	\$74,400	\$46,500
Middlesex	\$58,080	\$36,400
Monmouth	\$58,080	\$36,400
Morris	\$76,080	\$47,550
Ocean	\$58,080	\$36,400
Passaic	\$58,080	\$36,400
Salem	\$64,000	\$40,000
Somerset	\$76,080	\$44,550
Sussex	\$76,080	\$44,550
Union	\$76,080	\$47,550
Warren	\$56,720	\$35,450

Deeper Look Continued

- **Ratios:** 45% maximum debt-to-income. For manually underwritten loans, maximum debt-to-income 33%/ 40%.
- **Mortgage Insurance – Lender Paid (LPMI)**
- **Asset Test:** Maximum \$100,000 total liquid assets before transaction.
 - Gifts made prior to and during the application process will count towards the asset test.
 - Pension, 401(k), and retirement funds are not included towards the Asset test, even if they can be borrowed against.
- **Eligible Properties:** Property must be located in New Jersey, 1-4 units, condominiums and PUD's. Manufactured homes and cooperatives are not permitted.
- **Eligible Borrowers: U.S. citizens or permanent resident aliens.**
 - Self-employed borrowers are acceptable if the asset test can be met.
 - Non-occupant co-borrowers are not permitted.

Deeper Look Continued

New Jersey Affordable Mortgage Program

30-Year Fixed Rate Conventional Mortgage Loan

MINIMUM MORTGAGE: None.

MAXIMUM MORTGAGE AND LTVs:	Minimum Credit Score	Purchase and Rate/Term Refinance	Cash-Out Refinance
Primary Homes-1 Unit	620	97% - \$417,000	N/A
2 Units		97% - \$533,850	
3 Units		97% - \$645,300	
4 Units		97% - \$801,950	
Second Homes	N/A	N/A	N/A
Investment Properties	N/A	N/A	N/A

- **Secondary Financing:** For purchases and refinances
 - Permitted up to 105% CLTV with approved non-profit affordable second/ community grant. The grant must be on the Santander Bank approved grant list.

Santander Contacts

To schedule a meeting at your organization please send an email to ALL of the contacts below and we will coordinate meetings with local Community Mortgage Representatives:

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Questions

Q&A

Thank you for joining today's webinar, we look forward to partnering and supporting our communities with responsible affordable housing!