

PROGRAMS FOR ALL FICO SCORES

At WGB Loans we have programs that allow borrowers to get a loan for their dream house with FICO scores as low as 500. While lower FICO scores affect the interest rate it allows you to secure a loan to buy your home, rebuild your credit, and refinance later at a lower rate. Still these rates are very competitive and low.

QUALIFIED MORTGAGES

With a Qualified mortgage you are able to secure the lowest interest rates available. While these loans are more difficult to qualify for, you are rewarded with the lowest rates in the country. The best prices on 1-unit single family residential are on conforming loans with a limit of \$548,250

HIGH COST AREA			
2021 FHA Limits			
Single	Duplex	Tri-plex	Four-plex
\$822,375	\$1,053,000	\$1,272,750	\$1,581,750

LOW DOWN PAYMENT LOAN PROGRAMS

3% DOWN PAYMENT

HomeReady; Home Possible & Home One

WGB LOANS are proud to present these three loan programs that allow first time or repeat homebuyers with down payments as low as 3%. These programs are for purchase or refinance. Cash for down payment or closing costs can come from multiple sources, including gifts, grants and Community Seconds, with no minimum personal funds required.

FHA - 3.5% DOWN PAYMENT

FHA Loan applicants must have a minimum FICO® score of 580 to qualify for the low down payment advantage which is currently at 3.5%. If your credit score is below 580, the down payment requirement is 10%. FHA provides mortgage programs with lower requirements. This makes it easier for most borrowers to qualify, even those with questionable credit history and low credit scores

HIGH BALANCE

A **High-Balance** Mortgage Loan is defined as a conventional mortgage where the original loan amount exceeds the conforming loan limits published yearly by the Federal Housing Finance Agency (FHFA), but does not exceed the loan limit for the **high**-cost area in which the mortgaged property is located, as specified by the Federal Housing Finance Agency. Current for Los Angeles County and Orange County those limits are \$822,735. Purchase, rate and term refinance, or cash-out refinancing allowed. Standard fixed-rate mortgages and adjustable-rate

mortgage are eligible. One- to four-unit, including condos, co-ops, and manufactured housing.

Jumbo Loans

Conventional Loan limits are set by individual lenders and usually between \$822,735 and \$3 Million. Purchase, rate and term refinance, or cash-out refinancing allowed. Standard fixed-rate mortgages and adjustable-rate mortgage are eligible. One to four-unit, including condos.

PORTFOLIO JUMBOS 5% DOWN PAYMENT

We are pleased to offer 5% down payment Jumbo Loans between \$1,500,000 and \$2,000,000 with no private mortgage insurance requirements. A higher FICO score is required usually 740. Interest only options are available with very competitive rates.

SUPER JUMBO LOANS

WGB Loans are intimately familiar with the luxury home markets and is a premier provider of multi-million-dollar home loans. They can be used to finance primary residences, second or vacation homes, and investment properties. Loan amounts up to \$35 million or more. Special programs for purchase financing. Bank Statement loans. Fixed Rate and Adjustable Rate Mortgage (ARM) loans with Interest-Only Mortgage Options. Asset Utilization using your liquid assets to assist in meeting full doc debt to income (DTI) requirements. Finance up to

90% of a home's value by pledging security assets or savings in lieu of a down payment. Use Cross Collateralization to finance up to 100% of a home's value through securing the loan against an additional free and clear property.

USDA LOAN

A USDA home loan is a **zero down payment** mortgage for eligible rural and suburban homebuyers. Income limits to qualify for a home loan guarantee vary by location and depend on household size. USDA guaranteed home loans can fund only owner-occupied primary residences. U.S. citizenship (or permanent residency) Metropolitan areas are generally excluded from USDA programs, but pockets of opportunity can exist in suburbs. Rural locations are always eligible.

Eligibility is simply a matter of income and location.

VA LOANS

The VA loan is a **zero down payment** mortgage option available to Veterans, Service Members and select military spouses. VA loans have had the lowest average fixed interest rate on the market for more than five years in a row, according to data from Ellie Mae. Veterans and service members can use the VA loan to purchase new or existing homes with \$0 down payment. VA purchase loans also allow Veterans to buy single-family homes, condominiums, manufactured homes, multiunit properties

(like a duplex) and even new construction. Policies and guidelines can vary by lender. Some lenders may not make all of these types of VA purchase loans. The VA allows Veterans to borrow additional money to pay for energy efficiency improvements to a home, as part of either a home purchase or a refinance.

Bank Statement

Bank statement loans allow you to secure a mortgage without the documentation you would normally use to verify your income, such as W-2s and tax returns. Instead of requiring tax returns, W-2s, pay stubs, and employer verification forms, bank statement loan applicants can use their personal and/or business bank accounts to prove their income and cash flow. Existing homeowners can also use bank statement loans when refinancing their mortgages. If you've quit the traditional workforce since purchasing your home, but would still like to enjoy the benefits of refinancing, these loans may be a good option. No tax returns, W-2s or pay stubs required, High debt-to-income ratios allowed, High loan limits, Can be used on primary residences, second homes, and investment purchases.

Asset Depletion

If you have significant assets — such as savings, investments, or retirement accounts — you may qualify for an asset depletion mortgage program. With an asset depletion mortgage, your monthly 'income' is calculated by

dividing your total liquid assets by 360 months (the duration of most mortgage loans). In addition, mortgage borrowers are not required to cash in their assets right away. The assets are only used to demonstrate an ability to make the mortgage and housing payments. Asset depletion loans use your assets as collateral instead of your income. Eligible assets for mortgage qualifying include Checking or savings accounts, Money market accounts, Certificates of Deposit (CD), Investment accounts such as stocks, bonds, and mutual funds, Retirement accounts such as a 401k or IRA. Not all retirement accounts will qualify, depending on the mortgage borrower's age and potential penalties applied for accessing funds in the account.

Debt Coverage Ratio (DCR)

Debt Coverage Ratio, or DCR, also known as Debt Service Coverage Ratio (DSCR), is a metric that looks at a property's income compared to its debt obligations. Properties with a DSCR of more than 1 are considered profitable, while those with a DSCR of less than one are losing money. The DCR/DSCR formula is: $\text{Net Operating Income (NOI) / Debt Obligations}$. Despite the apparent simplicity of the formula, an investor will need to make sure they have the correct numbers in order to calculate an accurate debt coverage ratio for a property. For instance, Net Operating Income/NOI is typically calculated using EBDITA. This means that you should not deduct taxes, interest, or other costs from your NOI calculation before entering it into the DCR formula. Now, let's look at

the debt coverage ratio formula in action. Let's say that a multifamily property has \$125,000 in NOI and \$100,000 in annual mortgage debt service, the DSCR is 1.25. A common misconception made by borrowers when applying for a commercial mortgage loan is that the bank or commercial lender only uses the expenses from the property when calculating the NOI. Commercial lenders use a combination of actual expenses, market expenses and reserves for replacements, vacancy, and off-site management (if there is no off-site management expense). Appraiser's will do the same when reconstructing their net income analysis on the subject property.