



Mortgage Product Choice Information For Primary Residences and Second Homes

Bank of Commerce offers two basic types of first lien mortgage products. Mortgage Loans extended by our Bank and Mortgage Loans originated by our Bank and sold to an investor.

To best determine which product is right for you, ask yourself the following questions:

- How much do you need to borrow? \$ _____
- How long do you want to borrow in years? _____
- How much will your down payment be? \$ _____
- Is your income over \$250,000 per year? _____
- Your estimated credit score: _____
- Are you interested in refinancing your loan in a few years?
- What kind of repayment plan do you desire?
- What types of up-front costs are you willing to pay?

Your Bank of Commerce representative will help you consider these questions in deciding which product(s) you may qualify for, and which one best suits your needs. If you qualify for both products, you should compare the above features of each product to help decide which one best meets your needs.

Portfolio Loans – Mortgage loans extended, serviced, and retained by our Bank

- **Standard Portfolio Mortgage Loans:**
 - No minimum or maximum loan amount
 - Maximum term of 5-year balloon payment based on up to a 30-year amortization
 - Minimum equity requirement of 15%
 - Minimal closing cost / Origination fee of \$250 for loans up to \$100,000; .25% of the loan amount for loans over \$100,000
- **Affordable Housing Program Mortgage Loans:**
(Only available for counties in which Bank branches are located, and to applicants with gross household income of \$57,900 or less):
 - No minimum loan amount; maximum loan amount varies by county with no loan amounts over \$89,100
 - Maximum term of 5-year balloon payment based on up to a 30-year amortization
 - Minimum equity requirement of \$500
 - Origination fee of \$100

Secondary Market Loans – Mortgage loans originated by our bank and sold to an investor

- **Conventional Fixed Rate Mortgage Loans:**
 - No minimum loan amount. Maximum loan amount is \$726,200
 - Maximum term of up to 30-years
 - Minimum equity requirement of 5% (3% for first time home buyers)
 - Origination charge of \$895
 - Mortgage Insurance required on loans with Loan-to-Value greater than 80%

- **FHA Fixed Rate Mortgage Loans:**
 - No minimum loan amount. Maximum loan amount is typically \$472,030
 - Maximum term of up to 30-years
 - Minimum equity requirement of 3.5%
 - Origination charge of \$895
 - Mortgage Insurance required on all loans
- **USDA Fixed Rate Mortgage Loans:**
 - Maximum Loan amount based on income and property eligibility
 - Maximum term of up to 30-years
 - No minimum equity requirement
 - Origination charge of \$895
 - Property eligibility requirements apply
 - Homeownership counseling required
 - Mortgage Insurance required
- **VA Fixed Rate Mortgage Loans:**
 - Loan amount based on entitlement eligibility
 - Maximum term of up to 30-years
 - No minimum equity requirement
 - Origination charge of \$895
 - VA may require an up-front Funding Fee up to 3.6% of loan amount
 - No mortgage insurance

Other fees may apply to all products including attorney fees, title insurance fees, recording fees, appraisal fees, etc. A Loan Estimate of all charges will be provided to you on the product you choose or the one for which you qualify. Choosing a particular product does not guarantee approval of that product.

Bank of Commerce offers all products to qualified applicant without regard for race, color, religion, sex, national origin, age, marital status, familial status, receipt of public assistance, or exercise of consumer rights.

I/We acknowledge that I/We have been provided information on both mortgage products offered by the Bank. Furthermore, I/We acknowledge that the features of both products have been explained and that I/We was/were given the opportunity to make a selection from the choices provided. I/We have made the decision to pursue an application for the following product(s):

Portfolio Options:

- Standard Portfolio Mortgage Loan
- Affordable Housing Program Mortgage Loan

Secondary Market Options:

- Conventional Fixed Rate Mortgage
- FHA Fixed Rate Mortgage
- USDA Fixed Rate Mortgage
- VA Fixed Rate Mortgage

X

Applicant

X

Co-Applicant

Printed Name: _____

Printed Name: _____