



FANNIE MAE'S HYBRID ADJUSTABLE-RATE MORTGAGE

Looking for 30-year financing for your small loan with attractive prepayment options? Take a look at Fannie Mae's Hybrid ARM.

You asked for more flexibility and they delivered – **the Hybrid ARM** is a fully amortizing loan with options for a fixed rate in the first 5, 7, or 10 years, automatically converting to an adjustable-rate mortgage for the remainder of the loan term with no balloon payment due at maturity. Now there is a financing tool for small loan borrowers that offers the full flexibility and certainty of execution that only Fannie Mae's Delegated Underwriting and Servicing (DUS®) model provides.

Fannie Mae's Hybrid ARM offers small loan borrowers flexible, long-term financing with attractive prepayment options, and competitive pricing. These features, coupled with the benefits of our lender delegated model, provide one powerful financing tool.

Flexible and certain

- 30-year fully amortizing loans with no balloon payment, no Underwriting Floors and no Exit Refinance Test
- Completely open prepayment during the adjustable- rate period
- Competitive margin
- Structured with periodic and lifetime rate caps for protection
- Delegated risk-sharing model provides certainty of execution, faster decisions, and quicker loan closings
- Experts who know the business and understand complex transactions
- Life-of-loan servicing means seamless post-closing activities

Contact your Hunt Mortgage Group representative to learn more.



HUNT MORTGAGE GROUP

Asset classes	Conventional Small Mortgage Loans and Manufactured Housing Communities
Loan amount	Up to \$3 million or \$5 million, depending on market and number of units
Term	5-, 7-, or 10-year fixed-rate term followed by 25-, 23-, or 20-year adjustable-rate term
Amortization	Fully amortizing 30-year loan
Interest rate index	5-, 7-, or 10-year Treasury for fixed-rate term; and 6-month LIBOR during adjustable-rate term
Interest rate during the fixed-rate term	Fixed interest rate is locked at loan origination; and includes investor spread and applicable Guaranty and Servicing Fees
Margin during adjustable-rate term	0.80%, plus the Guaranty Fee in effect at Rate Lock, plus the Servicing Fee in effect at Rate Lock
Maximum interest rate during adjustable-rate term	Starting with the conversion from the fixed interest rate to the adjustable interest rate and thereafter, maximum semi-annual interest rate adjustment of 1% up or down Maximum lifetime interest rate to Borrower capped at 5% over the initial fixed rate
Lifetime floor during adjustable-rate term	During the adjustable-rate term, the interest rate will never be less than the Margin