

ACRA LENDING

UNDERWRITING DEPARTMENT OVERVIEW



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WHO DECIDES WHAT MAKES A “GOOD” LOAN?



WHO DECIDES WHAT MAKES A “GOOD” LOAN?



The Borrower



The Originator

WHO DECIDES WHAT MAKES A “GOOD” LOAN?



The Borrower



The Originator



The Underwriter

WHO DECIDES WHAT MAKES A “GOOD” LOAN?

WHILE ALL PARTIES INVOLVED CONTRIBUTE TO CREATING A GOOD LOAN, ULTIMATELY...



THE MARKET DECIDES

SECONDARY MARKET

A LOAN THAT PERFORMS AS EXPECTED BASED UPON ITS RISK PROFILE, & EARNS A PROFIT ON THE SECONDARY MARKET CAN BE CONSIDERED A “GOOD” LOAN



- Analysts review performance data to determine criteria in estimating which factors will yield loans most likely to produce a profit
- Rates and rate adjustments are calculated to best estimate pricing which ensures profitability while accounting for risk profiles
- This criteria is translated into what we all know as “Guidelines” and “Rate Sheets”
- It takes people to interpret and apply those guidelines

UNDERWRITING PHILOSOPHY



Our guidelines have been written to afford an opportunity for a more diverse group of borrowers to secure competitive financing

The Acra Correspondent Underwriting Department strives to interpret the guidelines in such a way that results in minimum amount of borrower required conditions, while still meeting the demands of the market

Acra Correspondent offers a non-delegated eligibility review process. Acra does not utilize third party review firms in conducting eligibility reviews. The benefits to our originators include: 1) direct access to Acra loan qualification decision makers, 2) consistency in underwriting and collateral reviews, and 3) shorter turn times



PROPERTY TYPES

PROPERTY TYPE



Single Family Residences
(attached / detached)



PUDtels



Condominiums (attached / detached)
(low-rise / high-rise)



Townhomes
(attached / detached)



Non-Warrantable Condos



Planned Unit Developments –
PUD (attached / detached)



Condotel



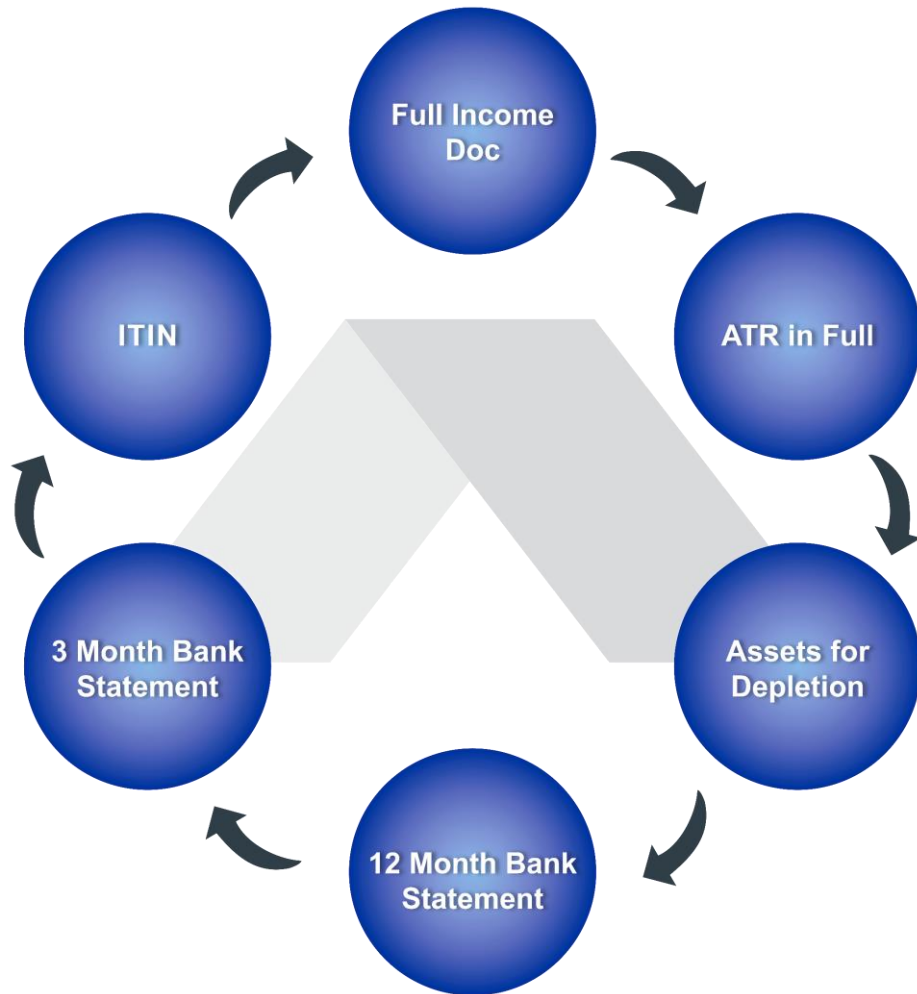
Two-to-four (2-4) units



TRID COMPLIANT PROGRAMS

TILA-RESPA integrated disclosures (TRID) was enacted October 3, 2015 as a means to help protect consumers from predatory lending practices for closed-end borrower credit transactions secured by real property. The rules are established to ensure an even playing field for consumers, but has far reaching implications on how loans may be structured and processed

TRID COMPLIANT PROGRAM VARIATIONS



Acra Lending offers a variety of programs to meet the needs of a wider range of borrowers

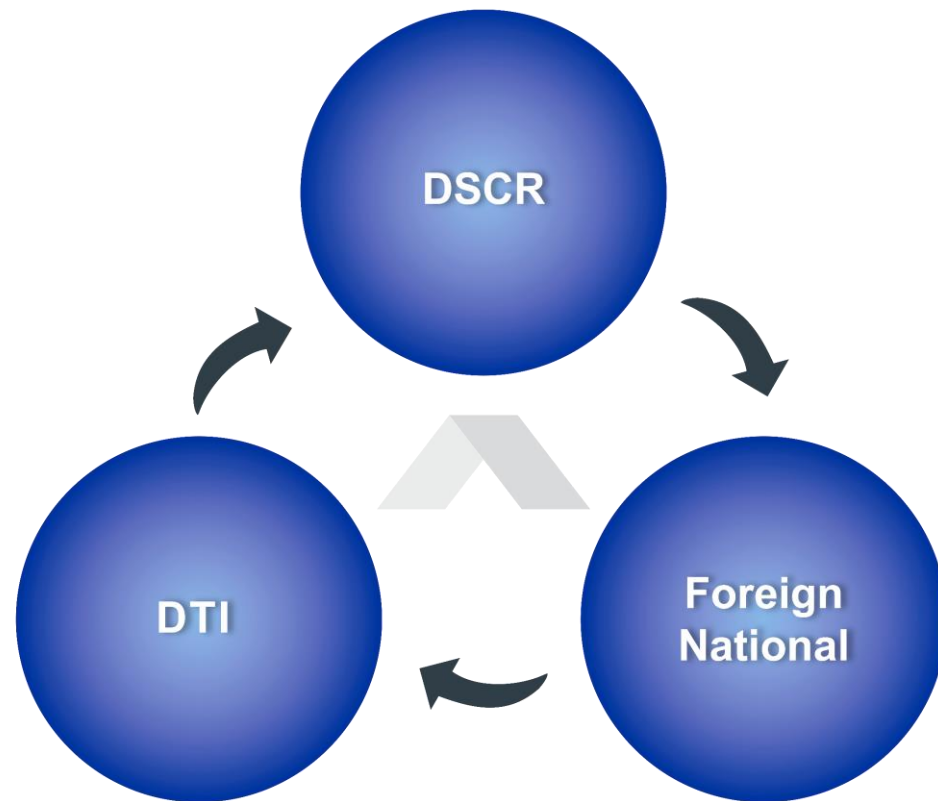
***JUMBO PROGRAM COMING SOON!**



NON-TRID COMPLIANT PROGRAMS

Non-TRID compliant loans may be originated on investment residential real estate when the transaction is for a business purpose

NON-TRID COMPLIANT PROGRAM VARIATIONS



NON-TRID:

Simplified process for business purpose residential real estate financing

NON-QM WITH ACRA LENDING OPENS DOORS!



Committed to help you create opportunities to reach a broader customer base while improving your profitability