

**ARM Details Tip Sheet** – Listed below are instructions for keying the applicable ARM information based on product chosen in the FLCBank LOS at Import.

- **1.** Once you have **imported your loan** and have **accessed the loan from the pipeline**. *Refer to the Resource Center, How To Submit a Loan Section for process.*
- 2. Go to the Lending Portal URLA on the left navigation, then go to the Loan Details Screen.
  - **ARM Details:** Will be in the center section of the Loan Details Screen and will appear <u>if you have selected</u> an ARM product upon import.
    - You will enter or ensure the applicable ARM information fields are correct based on the product you chose by utilizing the chart below. Make sure you refer to the correct product/product code which is also in our posted Product Guidelines.
  - Amortization Type: If you do not see the ARM Details section and you did select the correct product.
    Then you need to review the Amortization field on the Loan Details screen. You need to ensure it
    imported over as Adjustable Rate. If Fixed, this was imported from your LOS 3.4 file. Please update to
    Adjustable Rate. Then the ARM Details section will appear.
- **3. Register/Lock your loan -** *Refer to the Resource Center How To Submit a Loan Section, Importing and Registering Category;* **utilize the OB Register-Update Registration and Lock procedures**.
- **4. Go BACK to the Lending Portal URLA** on the left navigation once you register/lock the loan, then go to the **Loan Details Screen**. Verify Data to ensure all correct and the Index populated.

ARM Details Fields: Lending Portal - URLA Loan Details Screen	Preferred ARM Products
1. Index Code:	1 Year Treasury - All products
2. Index Margin	2.875% - All products
3. Qualifying Rate:	<ul> <li>Qualifying ARM Rate (Conforming and Non-Conforming)</li> <li>5/1 ARM NGC51 &amp; NGL51: The qualifying rate is the greater of the Note Rate +2 % Or the Fully Indexed Rate *</li> <li>7/1 ARM NGC71 &amp; NGL71, 10/1ARM NGC10 &amp; NGL10, 15/1 ARM NGC151 &amp; NGL151: The qualifying rate is based on the greater of the Note Rate or the Fully Indexed Rate *</li> </ul>
	<ul> <li>Qualifying Interest-Only ARM Rate (Conforming and Non-Conforming)</li> <li>5/1 ARM P5IO &amp; N51IO—Interest Only: The qualifying rate is the greater of either:         <ul> <li>The Note Rate +2 % amortized over 300 months, or</li> <li>The Fully Indexed Rate amortized over 300 months *</li> </ul> </li> <li>7/1 ARM P71IO &amp; N71IO—Interest Only: The qualifying rate is the greater of either:         <ul> <li>The Note Rate amortized over 276 months, or</li> <li>The Fully Indexed Rate amortized over 276 months *</li> </ul> </li> <li>10/1 ARM P10IO &amp; N10IO — Interest Only: The qualifying rate is the greater of either:         <ul> <li>The Note Rate amortized over 240 months, or</li> <li>The Fully Indexed Rate amortized over 240 months *</li> </ul> </li> </ul>
	*Fully Indexed Rate is defined here as the index plus the margin which is rounded to the nearest one-eighth percent

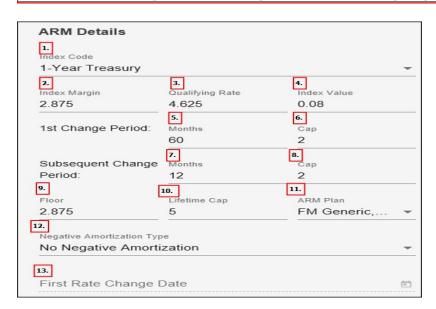
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ARM Details Fields:	Preferred ARM Products
Lending Portal - URLA	
Loan Details Screen	
4. Index Value:	Varies with CMT index per day/week – field will populate once registered / locked
5. 1st Change Period	❖ 1st Change Period "Months" ARMS: (Conforming and Non-Conforming) by Product Codes:
Months:	
	• <b>60 Months - 5/1 ARM</b> NGC51, NGL51, <b>5/1 ARM</b> Interest Only P5IO & N51IO
	• 84 Months - 7/1 ARM NGC71 & NGL71, 7/1 ARM Interest Only P71IO & N71IO
	• 120 Months - 10/1 ARM NGC10 & NGL10, 10/1 ARM Interest Only P10IO & N10IO
	• 180 Months - 15/1 ARM NGC151 & NGL15
<b>6.</b> 1st Change Period	2% - <u>All</u> Preferred ARM products <u>except the following product</u>
Cap:	
	• 5% - 15/1 ARM NGC151 & NGL151
7. Subsequent Change	
Period Months:	12 Months – All Preferred ARM products
8. Subsequent Change	
Period Cap	2% - All Preferred ARM products
9. Floor:	2.875% - All Preferred ARM products
10. Lifetime Cap:	5% - All Preferred ARM products
11. ARM Plan	FM Generic, - All Preferred ARM products
12. Negative	
Amortization Type:	No – All Preferred ARM products
13. First Rate Change	<b>N/A</b> – this field is system calculated from the first payment due date when the closing docs are
Date:	drawn

**ARM Details Example:** N51IO Preferred ARM – Interest Rate of 2.625%

The numbers on each field below corresponds to the number of the field on the instructions above.



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AR	M Details Fields:	SOFR ARM Products			
	ding Portal - URLA				
	Loan Details Screen				
	Index Code:	SOFR – All products			
2.	Index Margin	<b>2.75%</b> - All products			
3.	Qualifying Rate:	Qualifying ARM Rate (Fannie Mae and Freddie Mac AUS)			
		o <b>5/6 ARM</b> – The Borrower is qualified at the <b>greater</b> of the Fully Indexed Rate or			
		the Note Rate plus 2%			
		o 7/6 and 10/6 ARM – The Borrower is qualified on:			
		<ul> <li>The Note Rate for Mortgages that are not Higher-Priced Covered</li> </ul>			
		Transactions (HPCTs) or Higher-Priced Mortgage Loans (HPMLs).			
		<ul> <li>The greater of the Note Rate or the Fully Indexed rate for Mortgages</li> </ul>			
		that are HPCTs or HPMLs.			
		<b>Definition of Fully Indexed Rate:</b> The fully indexed rate is defined as the <b>sum of the</b>			
		Margin plus the Index rounded to the nearest one-eighth of 1% (0.125%). Unless specific			
		product terms provide otherwise, if the index plus gross margin equals a number that is			
		equidistant between the higher and lower one-eighth percent, Freddie Mac rounds down			
		to the nearest one-eighth percent.			
		ADM Coolifying Interest Data Decreates (Cold Inches and Later and			
		ARM Qualifying Interest Rate Payments: (Gold Jumbo product – manual underwriting)			
		o <b>5/6 ARM:</b> The Borrower is qualified at the greater of the Fully Indexed Rate or the			
		Note Rate plus 2%.			
		<ul> <li>7/6 ARM: The Borrower is qualified on the Note Rate.</li> </ul>			
		<b>Definition of Fully Indexed Rate</b> : The fully indexed rate is defined as the index plus the			
		margin rounded to the nearest one-eighth (0.125%) percent. Unless specific product terms			
		are provided otherwise, if the index plus gross margin equals a number that is equidistant			
		between the higher and lower one-eighth percent, Fannie Mae rounds down to the			
		nearest one-eighth percent.			
		The applicable index value that determines the fully indexed rate is any index value in			
		effect during the 90 days preceding the note date.			
4.	Index Value:	Varies with SOFR index per day/week – field will populate once registered / locked			
5.	1 <sup>st</sup> Change Period	• 5/6 ARM - 60 Months			
	Months:	• 7/6 ARM - 84 Months			
		• 10/6 ARM – 120 Months - not applicable for Gold Jumbo product			
6.	1st Change Period Cap:	• 5/6 ARM – 2%			
		• <b>7/6 ARM –</b> 5%			
		• 10/6 ARM – 5% - not applicable for Gold Jumbo product			
7.	Subsequent Change				
	Period Months:	6 Months – All products			
8.	Subsequent Change				
	Period Cap	1% - All products			
9.	Floor:	2.75% - All products			
10.	Lifetime Cap:	5% - All products			

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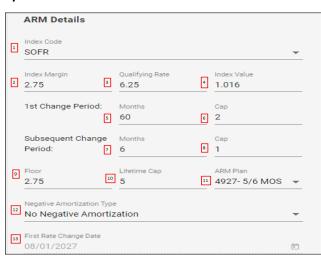


11. ARM Plan	• <b>5/6 ARM</b> – 4927- 5/6 MOS
	• <b>7/6 ARM</b> – 4928- 7/6 MOS
	• 10/6 ARM – 4929- 10/6 MOS - not applicable for Gold Jumbo product
12. Negative Amortization	No – All products
Type:	
13. First Rate Change Date:	N/A – this field is system calculated from the first payment due date

## ARM Details Examples for 2.75% Margin/Floor:

The numbers on each field below corresponds to the number of the field on the instructions above.

## 5/6 ARM



## 7/6 ARM



## 10/6 ARM - not applicable for Gold Jumbo product



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