

## NOTICE TO ALL CUSTOMERS

### Preferred Jumbo Just Got Better!

FLC Bank's Preferred Jumbo Product has been updated with increased DTI ratio eligibility and reduced documentation. These updates are effective immediately!

Product Update Summary	
Prior Guidelines	New Guidelines
<ul style="list-style-type: none"><li>• CMT ARM Index</li><li>• Maximum DTI is 38%/43%</li><li>• Required 3 years Income Documentation</li><li>• Cash Out Refinances not allowed on Second Homes</li><li>• Full Project Reviews regardless of LTV required on attached Condominium Projects</li><li>• Incidental cash back on rate and term refinances limited to \$2,000</li><li>• Cash Out refinances allowed after 12 months' ownership</li><li>• Business Assets allowed for closing when borrower is 100% owner of business</li><li>• Appraisal Requirement based on loan amounts:<ul style="list-style-type: none"><li>○ Loan Amounts ≤ \$1.5 MM require a CDA Desk Review</li><li>○ Loan Amounts &gt; \$1.5 MM require 2 full appraisals required</li></ul></li></ul>	<ul style="list-style-type: none"><li>• ARM Index is now based on SOFR</li><li>• Maximum DTI ratio is 45%</li><li>• Only 2 years Income Documentation is now required</li><li>• Cash Out Refinances on Second Homes is now permitted</li><li>• Established Projects are eligible for Limited Condominium Project Review</li><li>• Increased incidental cash back at closing on rate and term refinances to 1% of the new loan amount</li><li>• Cash Out refinances allowed after 6 months' ownership</li><li>• Business Assets for closing require only 51% borrower ownership</li><li>• Increased loan amount threshold allowed before requiring additional valuation products:<ul style="list-style-type: none"><li>○ Loan Amounts ≤ \$2 MM do not require a CDA Desk Review unless the CU Score is &gt; 2.5</li><li>○ Loan Amounts &gt; \$2 MM 2 full appraisals required</li></ul></li></ul>

For full details, please log in to the FLC Bank [Resource Center](#) to access the updated Guidelines and call your Account Executive to learn how you can gain access to our Preferred Jumbo Arm Product.

If you have any questions, please contact your [Account Executive or Client Relations Representative](#).