

## NOTICE TO ALL CUSTOMERS

### Important Preferred Jumbo Updates

FLC Bank is pleased to announce the enhancements to our Preferred Jumbo product designed to provide your borrowers with greater flexibility and expanded underwriting requirements.

**These updates are effective immediately and are available for all new loans submitted and/or locked on or after today Thursday June 25, 2026.**

#### Product Enhancements

- Reduced the minimum loan amount for the Fixed Rate option to \$500,000, compared to the previous requirement of \$1 above the current conforming loan limit established by the FHFA.
- QM Rebuttable Presumption Loans: Higher Priced Mortgage Loans (HPML) / Higher Priced Covered Transaction (HPCT) are now permitted without program specific restrictions.
- Eliminated the maximum cash out on cash out refinance transactions, allowing unlimited cash out proceeds compared to previous maximum cash out allowed of \$500,000.
- Only credit inquiries made by creditors within the most recent 90 days now require an explanation, compared to the previous requirement of 120 days.
- Business assets may now be used for qualification purposes when the borrower owns 50% or more of the business, compared to the previous requirement of 51% ownership.
- Reduced the required number of reserves.

#### Updated Product Matrix Highlights

The updated product matrix also includes increased LTV allowances and expanded loan amount eligibility, including:

- Up to 80% LTV on loan amounts up to \$3.5 million for primary residence purchases and rate-and-term refinances.
- Up to 65% LTV on loan amounts up to \$3.0 million for primary residence cash-out refinances.

Please refer to the updated Preferred Jumbo underwriting guidelines posted in the Resource Center for complete details regarding these enhancements.

Please contact your [Account Executive or Client Relations Representative](#) if you have any questions.