

FAMC will consider purchasing first lien mortgages secured by 1-4 family principal residences, second homes, and investment properties - subject to the parameters and eligibility requirements of the individual Product Descriptions. Properties may be single-family detached or attached as well as 2-4 family properties, unless otherwise limited by the parameters of the Product Descriptions.

- Properties may be located in the District of Columbia.
- U.S. Territories are not allowed (Puerto Rico, American Samoa, Guam, Northern Mariana Islands, U.S. Virgin Islands)

Banks, saving banks, credit unions, and other federally chartered financial institution originated loans may be exempt from certain state law restrictions, but must comply with FAMC specific requirements.

State	Restrictions (Restrictions apply for all Conventional, FHA, VA and USDA-RD loans unless otherwise specified)
AL	<ul style="list-style-type: none"> • Restricted Lending Area: Coliseum Boulevard area of Montgomery. This area contains a subsurface chemical contamination condition or environmental condition known as the Coliseum Boulevard Plume (CBP). If the subject property is located in this area, the loan must meet the following requirements: <ul style="list-style-type: none"> ○ A full appraisal (interior/exterior) is required. ○ A fully executed disclosure issued by the Montgomery Area Association of Realtors (MAAR), identified as the Coliseum Boulevard Plume Disclosure, must be a part of the purchase contract, signed and dated by all required parties prior to closing. <p>Alabama Right of Redemption</p> <ul style="list-style-type: none"> • Alabama provides property owners (and those with ownership interest) a Right of Redemption within one (1) year of foreclosure. The right to redeem is forfeited if the property was not vacated within ten (10) days of notification of eviction. • In order to redeem the property, the redeeming party must pay to the new owner the sales price paid at auction plus any costs for improvements to the property post-sale, plus interest. The Right of Redemption is a personal right and not a property right, therefore it cannot be enforced nor waived in a Mortgage, Deed of Trust, judgment, or other agreement created prior to the foreclosure or execution of sale. <p>Alabama loans in the redemption period</p> <ul style="list-style-type: none"> • Allowed with the following restrictions: <ul style="list-style-type: none"> ○ If the amount of the foreclosure bid is less than the new sales price, then the: <ul style="list-style-type: none"> ▪ Title commitment or title company letter head must state that the foreclosing entity is providing a redemption bond <i>AND</i> ▪ Title commitment must include an exemption on Schedule B for affirmative coverage. Below is a sample of affirmative coverage verbiage: “Said policy affirmatively insures against any loss or damage which the insured may incur as a result of the enforcement of said redemptive rights by a court of competent jurisdiction.” ○ If the amount of the foreclosure bid is more than the new sales price, then: <ul style="list-style-type: none"> ▪ A redemption bond is not needed, but the title commitment must include an exemption on Schedule B for affirmative coverage. Below is a sample of affirmative coverage verbiage: “Said policy affirmatively insures against any loss or damage which the insured may incur as a result of the enforcement of said redemptive rights by a court of competent jurisdiction.” • Loans which exercise the right of redemption are not allowed.
HI	<p>Properties in Lava Zones 1 and 2 are not eligible for purchase.</p> <ul style="list-style-type: none"> • See the individual Product Descriptions for guideline restrictions on LTV/CLTV and eligible property types.
IL	<p>Land trusts secured by property provided the beneficiary is an individual are allowed.</p>

State	Restrictions (Restrictions apply for all Conventional, FHA, VA and USDA-RD loans unless otherwise specified)
MA	<ul style="list-style-type: none"> • Title V states that dwellings with individual sewage disposal systems, new and existing, must be inspected by a DEP approved inspector and, where repairs are indicated, be repaired prior to loan closing for all purchase transactions. Specific procedures must be followed in the event that the inspection and/or repairs cannot be completed prior to closing. The septic system must be inspected whenever a property is transferred to a different owner (purchase money). A system must be inspected within two years prior to the transfer of title to the property served by the system. An inspection conducted up to three years before the time of transfer may be used if the inspection report is accompanied by records demonstrating that the system has been pumped at least once a year during that time. • The following transactions are not considered transfers of title for the purposes of Massachusetts septic system transfer inspection purposes: <ul style="list-style-type: none"> ○ Taking a security interest in a property, including, but not limited to, issuance of a mortgage. ○ Refinancing a mortgage or similar instrument, whether or not the identity of the lender remains the same; ○ A change in the form of ownership among the same owners, such as placing the facility within a family trust of which the owners are the beneficiaries or changing the proportionate interests among a group of owners or beneficiaries; ○ Adding or deleting a spouse as an owner or beneficiary; or a transfer between spouses during life, outright or in trust; or the death of a spouse; ○ The appointment of or a change in a guardian, conservator, or trustee.
MI	<p>VA Transactions in Genesee County:</p> <ul style="list-style-type: none"> • All loans with an appraisal (including VA IRRRLs): <ul style="list-style-type: none"> ○ Appraiser must comment and adjust for any market reaction as a result of the water contamination, as well as any environmental stigma. ○ Appraiser must indicate if the subject is connected to Flint, MI water district and whether a central filtration system is present in the subject property. ○ VA requires a central filtration system to make the water safe. <ul style="list-style-type: none"> ▪ FAMC does not permit water filtration systems that are needed to make the water safe. • Additionally, the following must be provided on all loans (including VA IRRRLs without an appraisal): <ul style="list-style-type: none"> ○ A water test evidencing the water is safe and potable without the use of a central water filtration system.
NE	<p>Under the Uniform Interstate Family Support Act, orders for payment of alimony/child support in Nebraska automatically create liens and could impact a first lien position on a cash-out refinance transaction. Purchase and rate/term refinance transactions are not impacted as the lien automatically takes second position.</p> <p>For all products and all cash-out refinance transactions, if the credit or title commitment reflects an alimony/child support judgment/lien, the following is required:</p> <ul style="list-style-type: none"> • Subject property mortgage must be in first lien position and title commitment must clearly state that the alimony/child support lien is in subordinate position to the new mortgage. • A copy of the subordination agreement or court order must be provided.
NY	<p>Leasehold condominiums in Battery Park City, New York are not permitted.</p>
TX	<ul style="list-style-type: none"> • Cash-out refinances on second homes and investment properties require a copy of the borrower's most recently filed tax returns evidencing the property has been a second home or investment property for at least the most recent 12 months. <ul style="list-style-type: none"> ○ The title company must verify the property is not the borrower's homestead and the borrower must submit an affidavit that the property is not his/her homestead. • FHA and VA cash-out refinance transactions not offered in Texas.

Restrictions

(Restrictions apply for all Conventional, FHA, VA and USDA-RD loans unless otherwise specified)

- U.S. Territories (excluding Washington, D.C.) are not permitted. Ineligible territories include, but are not limited to:
 - American Samoa
 - Guam
 - Northern Mariana Islands,
 - Puerto Rico
 - U.S. Virgin Islands

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