Acra Lending
CORRESPONDENT

Announcement 2022 – 09

ARM Loan Requirements

As a reminder, below are ACRA Lending's ARM Loan requirements:

- Available ARM Products:
  - 5/1 ; 7/1
  - 5/1 with 5 year I/O option ; 7/1 with 5 year I/O option
- I/O option qualifying rate is 2 points over the starting note rate (applies to income documented loans)
- Index Used: 1 Year Treasury
- ACRA Floor Rate (lowest available rate after adjustment) must match the initial Note Rate
- Periodic Rate Cap Adjustments: 2% - 2% - 6%
- Margin: Tied to specific credit tier grades on rate sheet. See below:

Credit Tier	"AAA"	"AA"	"A"	"BBB"	"BB"	"B+"	"B"	"CCC"
Margin	3.000%	3.250%	3.500%	3.750%	4.000%	4.250%	4.250%	5.000%

Please distribute this information to the appropriate individuals within your organization.If you have any questions, please contact your Business Development Officer (BDO).

We thank you for your business.