

## Michigan Credit Granting Criteria

This disclosure is provided to you pursuant to Michigan Compiled Laws § 445.1602(10)

You have a right to submit a written application for a mortgage loan or a home improvement loan or to request written information concerning typical loan terms that we are currently offering on mortgage loans and home improvement loans. It is illegal to establish a minimum mortgage amount of more than \$10,000.00 or a minimum home improvement loan of more than \$1,000.00. It is illegal to deny a loan or vary the terms and conditions of a loan because of the racial or ethnic trends or characteristics of the neighborhood or the age of the structure, but not because of its physical condition. If your application for a loan is rejected, you have a right to a written statement of the reason for the rejection. If you are granted a loan but the amount required for down payment, the interest rate, term to maturity, application procedure, or other terms or conditions of the loan vary from terms or conditions offered in other neighborhoods, you have a right to a written statement of the reasons for the variation. If you believe that your rights under this act have been violated, you should contact the Department of Insurance and Financial Services.

Department of Insurance and Financial Services  
Office of General Counsel  
P.O. Box 30220  
Lansing, MI 48909-7720  
[www.michigan.gov/difs](http://www.michigan.gov/difs)  
Free 877-999-6442  
Local 517-284-8800

### **Creditworthiness:**

It is the policy of Ethos Lending LLC d/b/a Agora Lending to consider the creditworthiness of each applicant. The factors used to determine creditworthiness include, but are not limited to, the following:

- The applicant's ability to repay:
  - Past credit history
  - Debt to income ratio
  - Employment history
  - Cash reserves
  - Disposable income
  - Amount of revolving debt in relation to credit limits
- Collateral – Property condition and value

**Verification of Funds:** Ethos Lending LLC d/b/a Agora Lending reserves the right to verify funds that are indicated to be used for the earnest money deposit, down payment, and closing costs, if applicable.

**Market Value:** Market value is the most probable price the subject property should bring in a competitive and open market under all conditions for a fair sale, assuming the price is not affected by undue stimulus. Ethos Lending LLC d/b/a Agora Lending will consider the market value of proposed property when evaluating loan applicant's request.

**Appraisal:** A written certified appraisal, agency approved equivalent or property inspection waiver is required for all mortgage loans. The purpose of an appraisal is to determine whether the collateral is of sufficient value to cover the requested loan. It is important to note that not all loan programs require an appraisal. Please consult your mortgage professional.

**Interest Rates:** Interest rates are obtained from general market conditions.

**Terms:** The loan programs and terms offered by Ethos Lending LLC d/b/a Agora Lending are dictated by agency guidelines and/or investor criteria.

### **PROPERTY IN FLOOD PLAIN**

Loans secured by property in a flood plain area must meet the following requirements:

- The community must be participating in an approved flood program;
- Insurance must be obtained in the amount at least equal to the lowest of (1) the unpaid principal balance of the new loan amount, (2) the replacement cost of the insurable improvements, or (3) the maximum amount available; and
- A copy of the insurance policy must be submitted to the lender on or before closing.

**Co-Borrower / Guarantor:** The following guidelines will be used when evaluating a co-borrower on a mortgage loan:

- Past and present credit history
- Employment history
- Length of residence
- Debt to Income Ratio

### **Additional Criteria:**

All loans originated within agency conforming and high-balance loan limits must conform to standard automated underwriting system eligibility requirements as well as any additional requirements or overlays imposed by the specific loan program.

All loan applications for non-agency loan programs will be subject to all guidelines and requirements specific to the particular loan program. Where recommended or required by an investor, an automated underwriting system submission will be considered alongside manual application of loan program guidelines. The decision to lend is based on the particular loan program guidelines and underwriting of pertinent documents supplied by the applicant or a third party. A homeowner's insurance policy, naming Ethos Lending LLC d/b/a Agora Lending as loss payee, is required for all mortgage loans.

A title search will be performed on all loans prior to closing and Ethos Lending LLC d/b/a Agora Lending must secure a commitment for title insurance prior to closing.

### **Mortgage Closing Costs:**

Ethos Lending LLC d/b/a Agora Lending will provide an estimate of closing costs when sufficient information regarding the mortgage loan is available and in accordance with all applicable laws and regulations.