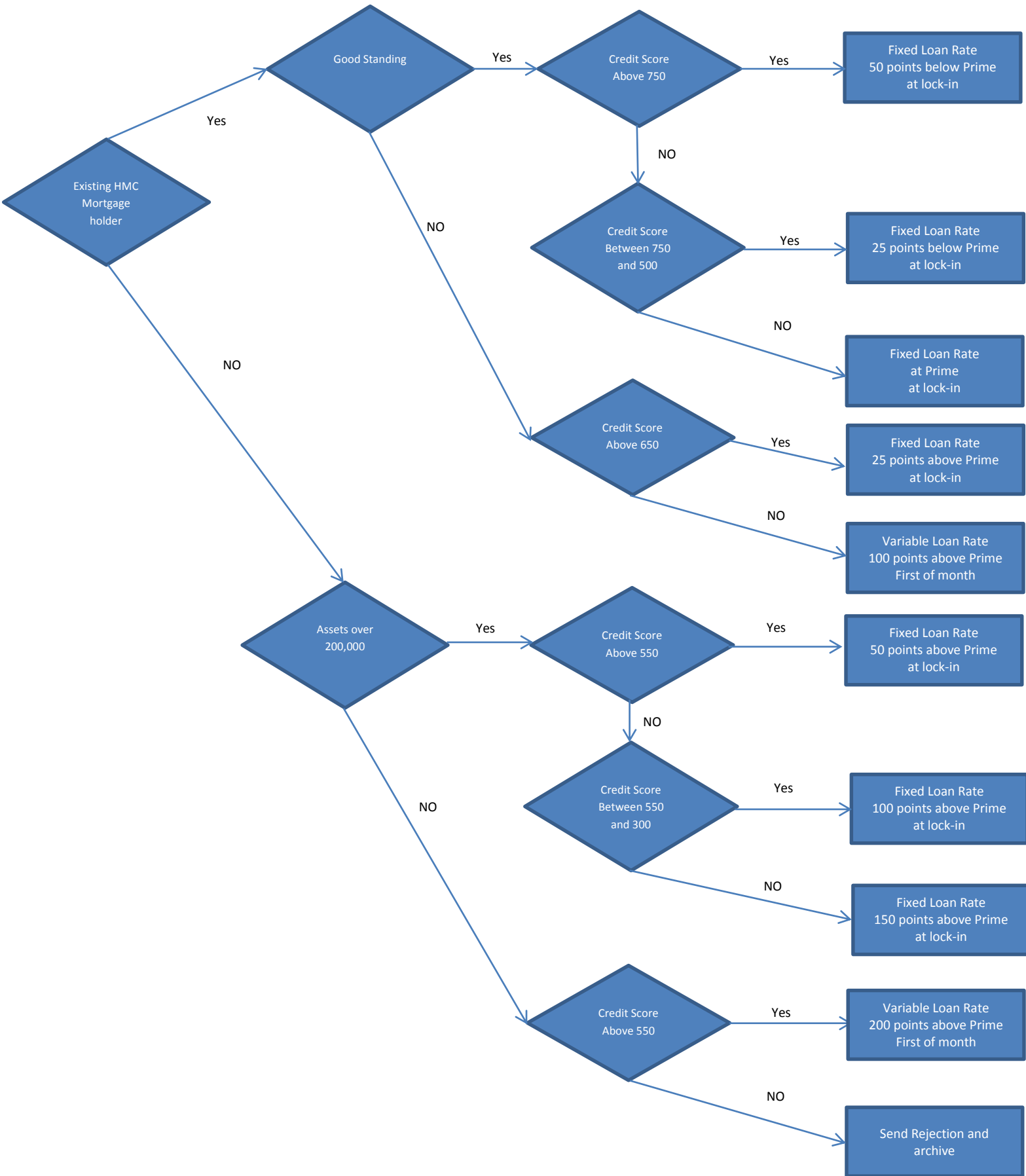


# **The Home Mortgage Company Solution**

## **Business Rules**

1. Existing HMC mortgage holder in good standing with Credit score greater than 750 receives a fixed rate loan 50 basis point below prime on day of lock-in
2. Existing HMC mortgage holder in good standing with Credit score between 750 and 500 receives a fixed rate loan 25 basis point below prime on day of lock-in
3. Existing HMC mortgage holder in good standing with Credit score below than 500 receives a fixed rate loan at prime on day of lock-in
4. Existing HMC mortgage holder in poor standing with Credit score greater than 650 receives a fixed rate loan 25 basis point above prime on day of lock-in
5. Existing HMC mortgage holder in poor standing with Credit score less than or equal to 650 receives a variable rate loan 100 basis point above prime on the first day of each month
6. Non-HMC mortgage holders with assets over 200,000 dollars and Credit score greater than 550 receives a fixed rate loan 50 basis point above prime on day of lock-in
7. Non-HMC mortgage holders with assets over 200,000 dollars and Credit score between than 550 and 300 receives a fixed rate loan 100 basis point above prime on day of lock-in
8. Non-HMC mortgage holders with assets over 200,000 dollars and Credit score below or equal to 300 receives a fixed rate loan 150 basis point above prime on day of lock-in
9. Non-HMC mortgage holders with assets below or equal to 200,000 dollars and Credit score above 550 receives a variable rate loan 200 basis point above prime on the first day of each month
10. Applicant not meeting specific criteria will be sent a rejection letter and placed in the application archive system

Decision Tree



**Follow Up Questions:**

Can you quantify the terms of good standing in HMC?

What is included in Assets calculation?

What Credit Score organization do you currently use?

What data does the application archive system require?

How far back do you look to see if the application had a mortgage with HMC?

How do you determine the Prime Rate?

Do the basis points frequently change?