

## Glossary

**Full doc Loan:** Full documentation is required to verify income, employment and assets. A good candidate for a full doc loan is a salaried or hourly employee that can provide W-2s and paystubs for income verification and bank statements for asset verification. **Alternate doc Loan:** A good candidate for an alternate doc loan would be a salaried or hourly employee with a steady income stream that can provide computer generated income documentation as well as all pages of at least 2 months bank statements evidencing regular monthly savings with no unexplainable large deposits. **Stated Loan:** A stated loan is a loan that requires your income to be stated on the application but not verified. Your assets and employment are verified with bank statements or a Verification of Deposit. Your employment must have a 2 year history in the same line/field of work. And your income must be reasonable for the line of work that you are in. **No Income, No Asset (NINA) Loan:** A NINA loan, is one that the income and assets are not stated on the application and are not verified. **Stated Income/Stated Assets'(SISA) Loan:** Your income and assets are stated on the application but not verified. **No Doc with Assets Loan:** Income and Employment are NOT stated or verified anywhere on the application. Assets are verified. **No Doc Loan:** Income, Assets and Employment are not stated or verified anywhere on the application. **Fixed Mortgage:** A mortgage with payments that remain the same throughout the life of the loan. The interest rate and other terms of the mortgage are fixed and don't change. **Adjustable Rate Mortgage (ARM):** A mortgage loan that is subject to changes in the interest rate. When the rate changes, your monthly payment can increase or decrease depending on the rate as determined by the lender. You get a lower starting interest rate in exchange dictated by the market, for taking the risk that rates may rise in the future. Most ARM loans have caps on how much the rate can increase or decrease. **Interest Only Loan:** For a designated period of time, you pay only the interest portion of your monthly payment. **Balloon Mortgage:** A mortgage that usually offers low rates for an initial period of time. After that time period elapses the balance is due or is then refinanced by the borrower. After that time period elapses, the balance is due and you will need to refinance or sell. This is a good option for borrowers that know they will be selling before the balance would be due. **Home Equity Line of Credit (HELOC):** You borrow money based on the equity that is in your home. You only borrow what you need and you only pay interest on what you borrow.