

Conforming Adjustable-Rate Mortgages (ARMs)

Purpose

This announcement includes the following topic:

- ✓ Conforming ARMs

**Conforming
ARMs**

Effective August 2, 2021, FSM will begin offering 30-year intermediate Conforming 5/6-, 7/6-, and 10/6-year Adjustable-Rate Mortgages (ARMs) using the Secured Overnight Financing Rate (SOFR) index.

	5/6-year ARM	7/6-year ARM	10/6-year ARM
Index	30-day average of the SOFR, as published by the Federal Reserve Bank of New York		
Margin	2.75%	2.75	2.75
First Adjustment Cap	2%	5%	5%
Subsequent Adjustment Cap – Semi-Annually	1%	1%	1%
Lifetime Adjustment Cap	5%	5%	5%
First interest rate change date (from first payment due date)	59 months	83 months	119 months
Subsequent interest rate change date (after initial rate change)	Every 6 months	Every 6 months	Every 6 months

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Issue Date 08/02/21

Effective Date As Noted

GA 2021-023

Conforming Adjustable-Rate Mortgages (ARMs), Continued

Effective Date As Noted

Questions Retail – Please contact your manager with any questions
Mod Corr – Please contact Brent Wilder, National Account Executive, at bwilder@fsmloans.biz

