



Mortgage Lenders Page

The City of Bozeman WFA maintains a list of approved mortgage lenders. These include local area lenders that are on the Montana Board of Housing List:

CITY	LENDING INSTITUTION	PHONE NUMBER
Amsterdam	Manhattan State Bank Amsterdam-Churchill	406-282-7175
Belgrade	First Interstate Bank	406-556-4887
	First Security Bank	406-388-3700
	Valley Bank of Belgrade	406-388-4283
Big Sky	Big Sky Western	406-995-7566
	Intermountain Mortgage	406-995-7995
Bozeman	American Federal Savings Bank	406-586-0251
	Bank of Bridger	406-662-3222
	Big Sky Western Bank	406-585-5930
	Countrywide Home Loans	406-552-2446
	First Interstate Bank	406-556-4867
	First National Bank of Montana	406-587-2025
	First Security Bank	406-585-3930
	Intermountain Mortgage	406-522-8800
	Mann Mortgage	406-586-8600
	Montana Mortgage Company	406-586-7292
	Mountain West Bank of Bozeman	406-587-5600
	Rocky Mountain Bank	406-556-7600
	Stockman Bank	406-556-4100
US Bank	406-582-9188	
	Wells Fargo Home Mortgage	406-585-2227

The City of Bozeman requires that mortgages on WFH units meet certain requirements designed to reduce the risk of default. In the event of default and foreclosure, the lender has the right to remove the WFH deed restrictions if the City does not intervene to prevent the foreclosure through purchase of the property. To further minimize instances of default, the City requires all participants in the WFH program to complete a HUD-certified homeownership education course before purchasing.

The city considers the applicant's mortgage to be affordable if their debt to income ratio does not exceed 41%. This includes the proposed monthly PITI, HOA dues, Mortgage insurance, flood insurance premiums, and all other monthly debt payments. The City will allow a debt to income ratio of up to 45% if all three of the qualifying criteria listed below are met.

1. Median credit score of 700 or greater, and;
2. Payment shock must not exceed 10% of the buyer's current monthly rent payment, and;
3. Buyer will have 3 months PITI and HOA dues reserves in the bank after closing.

- The loan amount may not exceed 100% of the sales price of the unit (100% LTV maximum)
- Interest rate may not be greater than the Montana Board of Housing rate plus 1.5%
- The loan must fully amortize over a 360 month period
- Interest only loans are not allowed
- Fixed rate loans may have terms ranging from 15-30 years

Adjustable rate mortgages (ARMs) meeting the following requirements are allowed:

- ARMs must amortize over 360 months
- Initial fixed rate period of no less than 5 years
- At least one year between adjustments
- Rate may increase by no more than 2% each adjustment
- Cap of 6% on total increases.

Loans must have full documentation of income and assets. Stated income loans may be approved on a case by case basis. Stated income loans must have asset verification, proof of 6 months self-employment income, and the lender must submit a cover letter attesting to the reasonableness of income stated including 3rd party documentation such as salaryexpert.com. To receive approval on a stated income loan, allow for 2 weeks processing time with the WFHA.