

**John Brodrick  
Senior Vice President  
Consumer and Home Finance  
Eastern Bank NMLS #7368**

**Talking Points for the Panel on Alternative Credit References / Payment History**

Borrowers without a traditional credit history may be asked to provide references to validate a payment history and demonstrate an ability to manage credit and repay creditors as agreed. This could include evidence of regular payment for:

- Rent
- Utilities
- Insurance – various types including auto, life, household and renters insurance
- Telephone – cell phone
- Cable or other TV services or internet provider services
- Automobile bills/expenses
- Furniture rental
- Store installment credit plans
- Medical bills
- School tuition
- Childcare payments
- Personal loans

Documentation requirements for each can be discussed

**Credit Establishment**

For those without established credit, there are a variety of options available to get started. These options are currently available at Eastern Bank and may be available at other community banks as well. Eastern reports payment history on these loans to the credit bureaus.

**Collateral Installment**

- No Underwriting needed
- Fixed Loan up to 48 Months
- Minimum 2,000 Loan
- Collateral is an Eastern Savings Account (Regular or Passbook no Money Markets) or Eastern CD

**Demand Secured**

- No Underwriting needed
- Interest Only paid quarterly (open ended)
- Minimum 2,000 Loan

- Collateral is an Eastern Savings Account (Regular or Passbook no Money Markets) or Eastern CD

#### Starter Loans

- Minimum \$500
  - For applicants with limited or no credit (defined as 2 or less credit references for less than 1 year), minimum 1 year employment
  - Fixed Unsecured Loan < 2,000 up to 36 Months
- OR
- Cash Reserve – Under 1,000 (overdraft to checking)

### **Improve/Re-establish credit**

For those who need to improve or re-establish credit history here's a way to begin that process. With the Secured Visa Card, customers have the convenience of credit including the option to carry a balance while earning interest on a savings account.

Provides an excellent opportunity for someone starting a credit history or for someone who has been turned down for a credit card to

- Open a secured savings account that is pledged as security for your credit card account.
- Merchants and retailers do not know the card is secured when used to make purchases.

### **Refinance or Purchase a Home after having economic hardship**

The Opportunity Mortgage from Eastern Bank Features:

- A 10-year introductory period with a fixed interest rate
- Loan amounts up to \$750,000.
- Flexible guidelines
- No minimum FICO score
- Simplified underwriting designed to provide a second chance
- No prepayment penalties

This product is designed to allow homeowners who have been shut out from refinancing due to loss of job, medical, or other documentable one-time situations. Also applies to homeowners who were forced to sell and want to buy again but cannot qualify based on today's underwriting requirements. The homeowner/homebuyer is advised to make timely payments for 2 years and then be eligible for a traditional 30 year fixed rate loan.