

**CONVENTIONAL - LP FREDDIE MAC**

<b>PRODUCT DESCRIPTION</b> (Updated 03/17/2015)	<ul style="list-style-type: none"> <li>* Fully-Amortized Fixed Rate and ARMs</li> <li>* LP Accept/Eligible required. No manual underwriting. No Caution or A-approvals</li> <li>* Minimum Credit Score is 620</li> <li>* Blended ratios allowed on LP Primary Residence with a non-occupant co-borrower</li> <li>* Electronic Fraud Detection required</li> </ul>
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<b>GEOGRAPHIC RESTRICTION</b>	* CA and CO
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<b>LTV/(H)CLTV MATRICES (a) (b)</b>		Purpose	Conforming or High Balance	Units	Fixed Rate LTV/(H)CLTV		
		<b>PRIMARY RESIDENCE</b>	<b>Purchase, R/T Refinance</b>	<b>Conforming</b>	<b>High Bal</b>	1	95%
2	80%						
3-4	80%						
<b>Cashout</b>	<b>High Bal</b>			<b>Conforming</b>	<b>High Bal</b>	1	90%
						2-4	75%
						2-4	65%
<b>SECOND HOME</b>	<b>Purchase, R/T Refinance</b>		<b>Conforming</b>	<b>High Bal</b>	1	85%	
					1	75%	
	<b>Cashout</b>		<b>High Bal</b>	<b>High Bal</b>	<b>High Bal</b>	1	80%
						1	65%
<b>INVESTMENT PROPERTY</b>	<b>Purchase</b>		<b>Conforming</b>	<b>High Bal</b>	1	85%	
					2-4	75%	
		1-4			75%		
		1			75%		
	<b>R/T Refinance</b>	<b>High Bal</b>	<b>High Bal</b>	<b>High Bal</b>	2-4	70%	
					1	80%	
					2-4	70%	
					1	75%	
<b>Cashout</b>	<b>High Bal</b>	<b>High Bal</b>	<b>High Bal</b>	2-4	70%		
				1-4	65%		

(a) Minimum credit score is determined by LP. Loans with >80% LTV, the credit score must meet the minimum required by the MI provider

(b) For loans with Secondary Financing, the maximum LTV is 5% lower than the maximum CLTV

<b>1031 TAX DEFERRED EXCHANGE</b>	<ul style="list-style-type: none"> <li>* Allowed on Second Home and Investment Property purchases only</li> <li>* The equity from the 1031 Exchange may be used for all or part of the down payment</li> <li>* Reverse exchanges are not allowed because the borrower is not on title to the property at the time of closing</li> <li>* No seller provided secondary financing</li> <li>* The loan closing must be handled by a qualified intermediary</li> <li>* File must contain copies of all closing documents and the Purchase Agreement on the relinquished property must be obtained. Required documentation includes:               <ul style="list-style-type: none"> <li>- 1031 Exchange Agreement</li> <li>- Settlement Statement (HUD-1)</li> <li>- Title Transfer</li> </ul> </li> <li>* The Purchase Agreement for both properties must contain appropriate language to identify the 1031 exchange</li> </ul>
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<b>APPRAISAL</b>	* All files must include an acknowledgement signed by the borrower regarding receipt of appraisal prior to closing or waiver of the right to receive the appraisal
<b>APPRAISAL FORMS</b>	* Full appraisal required
<b>AUTHORIZED USER ACCOUNTS</b>	<p>* When the repository file used to create the credit report contains any authorized user accounts, the Loan Prospector (LP) decision is considered valid if the loan file includes documentation to evidence that at least one of the following for each authorized user account:</p> <ul style="list-style-type: none"> <li>- Another borrower on the loan owns the tradeline in question,</li> <li>- The account belongs to the borrower's spouse, or</li> <li>- The borrower has been making the payments on the account for the last 12 months</li> </ul> <p>* If at least one of the above requirements is not documented for each authorized user account, the LP decision may be considered valid and the loan may be underwritten as a LP approved loan only if it is determined that the authorized user accounts have an insignificant impact on the borrower's overall credit history and the information on the credit report is representative of the borrower's</p> <p>* This determination must be based on the number of the borrower's own tradelines, as well as their age, type, size and the payment history, as compared to the authorized user accounts</p> <p>* The determination must be documented on the 1008, Uniform Underwriting and Transmittal Summary, or another document in the loan file</p> <p>* If it is determined that the authorized user tradelines are not an accurate reflection of the borrower's credit history and that the loan would not receive a LP approval without the authorized user accounts, the loan is not eligible</p>
<b>AUTO ALLOWANCE</b>	* The full amount of the auto allowance may be added to the borrower's qualifying income. When calculating the DTI ratio, the full amount of the monthly automobile financing expense must be included in the calculation of the monthly DTI ratio
<b>BORROWERS IN CONSTRUCTION INDUSTRY</b>	<p>* When the borrower is acting as his/her own builder and his/her primary occupation is in the construction industry, the following restrictions apply:</p> <ul style="list-style-type: none"> <li>- Primary Residence only</li> <li>- Acquisition cost must be documented</li> <li>- LTV/(H)CLTV is based on the lower of documented acquisition cost or appraised value</li> <li>- Borrower may not receive any cash back at closing that is not a verifiable reimbursement</li> </ul>
<b>BORROWERS WITHOUT A USEABLE CREDIT SCORE</b>	<p>* The following requirements apply when one or more borrowers do not have a usable credit score:</p> <ul style="list-style-type: none"> <li>- At least one borrower on the transaction must have a usable credit score, as determined by LP</li> <li>- The transaction must be a Purchase or Rate/Term Refinance</li> <li>- Subject is a one unit Primary Residence</li> <li>- All borrowers must occupy the property as a Primary Residence</li> <li>- Borrower with a usable credit score must contribute more than 50% of the total monthly qualifying income</li> <li>- Income from self-employment from any borrower is not permitted</li> <li>- For all borrowers without a credit score, any debt that is not reported must be verified to have a satisfactory payment history and the payment must be</li> <li>- Loan will be priced assuming a minimum 620 score</li> </ul> <p>* The borrower without a useable credit score may not be using self-employment as qualifying income</p>
<b>BUSINESS ACCOUNTS</b>	<p>* Business assets may be used for down payment, closing costs, financing costs, prepaids/ escrows, and/or reserves provided:</p> <ul style="list-style-type: none"> <li>- Assets must be verified per DU documentation requirements</li> <li>- Assets must be related to a documented borrower-owned business</li> <li>- The borrower must be listed as an owner of The business account</li> <li>- A cash flow analysis for the borrower's business must be documented using individual and/or business tax returns, as applicable</li> </ul>

<b>BUSINESS ACCOUNTS (Cont.)</b>	<ul style="list-style-type: none"> <li>- The cash flow analysis may be in any format that allows the underwriter to determine that the withdrawal of the funds will not have a detrimental effect on the business</li> <li>- The cash flow analysis must be included in The loan file</li> </ul>
<b>BUSINESS DEBT IN BORROWER'S NAME</b>	<ul style="list-style-type: none"> <li>* Debt that appears on the borrower's credit report but is paid by the borrower's company may be excluded from DTI ratios subject to the following: <ul style="list-style-type: none"> <li>- The account does not have a history of delinquency, and</li> <li>- The business provides acceptable evidence that the obligation was paid out of company funds (such as 12 months canceled checks), and</li> <li>- The cash flow analysis of the business took the payment into consideration</li> </ul> </li> <li>* If the debt is included in the DTI ratios, the net income of the business should be adjusted by the amount of interest, taxes, or insurance expense, if any, that relates to the account in order to avoid counting the debt twice</li> </ul>
<b>COMMISSION INCOME</b>	<ul style="list-style-type: none"> <li>* Borrowers with less than a 24 month history of receiving commission income may be eligible. Additional requirements apply</li> </ul>
<b>CONDOMINIUM</b>	<ul style="list-style-type: none"> <li>* Excelerate Capital allows Condominium Approval based upon the applicable GSE (Fannie Mae/Freddie Mac) for the subject loan and Condominium Type</li> </ul>
<b>CONTINGENT LIABILITY</b>	<ul style="list-style-type: none"> <li>* If the borrower is a Co-signor or Guarantor on any debt (including mortgage debt), the payment must be included in the monthly debt-to-income ratio, unless: <ul style="list-style-type: none"> <li>- Documentation is provided to show that the other party is making timely payments on the debt. Twelve months cancelled checks or a statement from the creditor must be provided to show that the other party is making the</li> <li>- Evidence of timely payments may be provided through verification on the credit report or direct verification with the creditor</li> <li>- If evidence of payments by another party obligated on the debt cannot be provided, or if the payments have not been made in a timely manner over the most recent 12 months, the debt must be included</li> <li>- If the borrower is listed as the borrower on a mortgage that has been assumed by another party, the file must include documents transferring the property and any assumption agreement by the transferee. As long as the borrower no longer owns the property, the contingent liability may be disregarded, without documenting the most recent 12 month payment history</li> </ul> </li> </ul>
<b>CONTINUITY OF OBLIGATION</b>	<ul style="list-style-type: none"> <li>* Transfer of title from a borrower-owned LLC does not comply with Freddie Mac's continuity of obligation requirements</li> </ul>
<b>COURT ORDERED ASSIGNMENT OF DEBT</b>	<ul style="list-style-type: none"> <li>* The contingent liability on a secured debt or Mortgage may be disregarded and the documentation of the most recent 12 month's payment history is not required, if the obligation to make the payments on a debt of the borrower: <ul style="list-style-type: none"> <li>- Has been assigned to another party by court order, such as a divorce decree, and</li> <li>- The assignment of debt is documented with applicable pages of the divorce decree or legal separation agreement</li> </ul> </li> <li>* Transfer of title must be documented</li> </ul>
<b>CREDIT CHARGES FOR LOAN FEES</b>	<ul style="list-style-type: none"> <li>* Credit card may be used to pay for upfront fees up to 2% of loan or \$1500 whichever is higher</li> </ul>
<b>DEBT TO INCOME</b>	<ul style="list-style-type: none"> <li>* Determined by LP (50%)</li> <li>* LTV &gt;80%: Must meet MI provider requirements</li> </ul>
<b>DEFERRED PAYMENTS</b>	<ul style="list-style-type: none"> <li>* Deferred installment debts, such as deferred student loans, must be included as part of the borrower's monthly debt obligations.</li> <li>* For all student loans, whether deferred, in forbearance, or in repayment (not deferred), the monthly payment must be determined as follows: <ul style="list-style-type: none"> <li>- If the payment is not listed on the credit report or is listed as deferred, obtain documentation to support the payment amount included in the monthly debt payment.</li> <li>- If no payment is reported or documentation is not available, use a minimum of 2% of the outstanding balance for qualifying.</li> </ul> </li> </ul>

<b>EMPLOYED BY A FAMILY MEMBER</b>	<ul style="list-style-type: none"> <li>* If the borrower is employed by a relative, a closely held family business, the property seller, or any party to the transaction, the following documentation is required: <ul style="list-style-type: none"> <li>- Borrower's signed and completed personal federal tax returns for the most recent two years</li> <li>- Written Verification of Employment, and</li> <li>- W-2s for the most recent two years</li> </ul> </li> <li>* Current income reported on the VOE or paystub may be used if it is consistent with W-2 earnings reports on the tax returns. If the income is not reflected on the tax returns or the reported income is substantially lower than the income reflected on the VOE or paystubs, further investigation is needed to determine whether the income is stable</li> </ul>
<b>EMPLOYMENT OFFERS OR CONTRACTS</b>	<ul style="list-style-type: none"> <li>* Not Eligible</li> </ul>
<b>ESCROW HOLDBACKS</b>	<ul style="list-style-type: none"> <li>* Allowed for repairs that do not affect the livability, safety or structural integrity of the property or affect the ability to obtain a Certificate of Occupancy on new or proposed construction</li> </ul>
<b>ESCROW WAIVERS</b>	<ul style="list-style-type: none"> <li>* Partial escrow waivers are not permitted (except on an exception basis and subject to full waiver pricing)</li> </ul>
<b>FLIP PROPERTIES</b>	<p>All transactions must be thoroughly reviewed for red flags that may indicate the subject property is a flip and to determine whether a transaction is acceptable. If any characteristics and /or red flags exist that may be indicative of a potentially ineligible flip transaction, the following analysis is required:</p> <ul style="list-style-type: none"> <li>* A Desk Review/Collateral Desktop Analysis is required when the seller has owned the property for less than or equal to 180 days or when the property has transferred more than two times within the most recent 12-month period. The Desk Review/Collateral Desktop Analysis must represent the appraised value within a tolerance not to exceed 10%</li> <li>* Increases in property value, in whole or part, must be supported by the appraisal, explained, documented, and analyzed as follows: <ul style="list-style-type: none"> <li>- The appraisal must identify, in detail, any changes made and include photographs of the rehabilitation or renovation</li> <li>- Improvements and renovations must be documented and substantiated with receipts, contractor invoices, and building permits</li> </ul> </li> <li>* Documentation must indicate that improvements were completed after the property seller acquired the property</li> <li>* Confirm that the property seller is the owner of the subject property</li> <li>* Ensure that appraisal sufficiently analyzes and provides detail on all pertinent offerings or listings, includes sufficient analysis of the contract of sale, and adequate justification of any significant increase in sales price/value over the seller's acquisition costs. The analysis must be detailed enough to clearly explain the methodology and rationale used to justify the appraiser's conclusions on this</li> <li>* Ensure all property flipping impacts as identified in the fraud detection report are satisfactorily resolved</li> </ul>
<b>FOREIGN INCOME</b>	<ul style="list-style-type: none"> <li>* Not Eligible</li> </ul>
<b>GIFT OR GRANT FROM AGENCY</b>	<ul style="list-style-type: none"> <li>* Permitted if primary residence or second home</li> </ul>
<b>INCOME CALCULATIONS FOR SELF-EMPLOYED BORROWERS</b>	<ul style="list-style-type: none"> <li>* If the P&amp;L statement shows an income stream greater than what is supported by the tax returns, and the higher income is used in the income calculation, the borrower must provide an audited P&amp;L statement</li> </ul>
<b>INELIGIBLE PROPERTIES</b>	<ul style="list-style-type: none"> <li>* Manufactured/ mobile homes</li> <li>* Cooperative properties</li> <li>* Non-Warrantable Condos</li> </ul>
<b>LARGE DEPOSITS</b>	<ul style="list-style-type: none"> <li>* Except as stated below, documentation of the sources of unverified deposits for purchase or refinance transactions is required. However, when qualifying the borrower, any liabilities resulting from borrowed funds must be considered</li> <li>* For purchase transactions, document the source of funds for any single deposit exceeding 50% of the total monthly qualifying income for the mortgage if the deposit is needed to meet the requirements for funds to close and/or reserves</li> <li>* When a deposit is not documented and is not needed for funds to close and/or required reserves, reduce the funds used for qualifying purposes by the amount of the unverified deposit and enter the reduced amount of the asset into Loan Prospector</li> <li>* When a single deposit consists of both verified and unverified portions, the unverified portion may be used when determining whether the deposit exceeds the 50% requirement</li> </ul>

<b>LARGE DEPOSITS (Cont.)</b>	<ul style="list-style-type: none"> <li>* When the source of funds can be clearly identified from the deposit information on the account statement or other documented income or asset source in the loan file, additional documentation is not required</li> <li>* Document the source of a deposit of any amount regardless of the transaction type if there is any indication that the funds are borrowed or are not from an eligible source</li> <li>* When using a direct account verification (VOD) include documentation of the source of funds when an account is opened within 90 days of verification and/or when the current balance in an account is significantly greater than the average balance</li> <li>* If a portion of the borrower's funds were to be saved by the borrower between the date of the loan application and the date of the loan closing, the loan file must include documents showing that funds were accumulated and on deposit prior to closing</li> </ul>																																					
<b>LEASEHOLDS</b>	* Leaseholds must comply with Freddie Mac policies																																					
<b>LOAN LIMITS</b>	<table border="1"> <thead> <tr> <th rowspan="3">Units</th> <th colspan="4">Maximum and Minimum Loan Amounts</th> </tr> <tr> <th colspan="2">Maximum</th> <th colspan="2">Minimum</th> </tr> <tr> <th>Conforming</th> <th>High Balance</th> <th>Conforming</th> <th>High Balance</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$ 417,000</td> <td>\$ 625,500</td> <td>\$ 50,000</td> <td>\$ 417,001</td> </tr> <tr> <td>2</td> <td>\$ 533,850</td> <td>\$ 800,775</td> <td>\$ 50,000</td> <td>\$ 533,851</td> </tr> <tr> <td>3</td> <td>\$ 645,300</td> <td>\$ 967,950</td> <td>\$ 50,000</td> <td>\$ 645,301</td> </tr> <tr> <td>4</td> <td>\$ 801,950</td> <td>\$ 1,202,925</td> <td>\$ 50,000</td> <td>\$ 801,951</td> </tr> </tbody> </table> <p>* Note: For Conventional ARM Rate, Maximum \$1,000,000 loan amount</p>					Units	Maximum and Minimum Loan Amounts				Maximum		Minimum		Conforming	High Balance	Conforming	High Balance	1	\$ 417,000	\$ 625,500	\$ 50,000	\$ 417,001	2	\$ 533,850	\$ 800,775	\$ 50,000	\$ 533,851	3	\$ 645,300	\$ 967,950	\$ 50,000	\$ 645,301	4	\$ 801,950	\$ 1,202,925	\$ 50,000	\$ 801,951
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<b>MINIMUM CONTRIBUTION</b>	<ul style="list-style-type: none"> <li>* 5% must be from the borrower's own funds if the LTV &gt;80%</li> <li>* The entire down payment must be from the borrower's own funds if investment property</li> </ul>																																					
<b>MIXED USE</b>	* Permitted if 1 unit primary residence and the square footage of the property devoted to commercial use does not exceed 20%. Additional guidelines apply																																					
<b>MORTGAGE INSURANCE</b>	<ul style="list-style-type: none"> <li>* When LTV exceeds 80%, MI must be obtained through (Arch if Delegated), Essent, Radian, Genworth, United Guaranty, MGIC, or National</li> <li>* Loans must comply with all MI provider guidelines</li> <li>* No reduced cost or lower cost MI permitted</li> <li>* No financed MI permitted</li> <li>* On Split MI, the upfront MI premium must be paid in whole by borrower, seller or lender (upfront portion may not be split between parties)</li> <li>* LPMI is permitted. A single premium is paid to the Mortgage Insurance provider by ARCH or United Guaranty <ul style="list-style-type: none"> <li>- The file must contain evidence that the premium was remitted to the MI provider prior to delivery of the loan to Excelerate Capital</li> <li>- The Underwriting transmittal (1008) must indicate SFC 019 if Fannie Only Program</li> </ul> </li> </ul> <table border="1"> <thead> <tr> <th>LTV</th> <th>≤20 Year Fixed Rate</th> <th>&gt;20 Year Fixed Rate All ARMs</th> </tr> </thead> <tbody> <tr> <td>&gt;90% to 95%</td> <td>25%</td> <td>30%</td> </tr> <tr> <td>&gt;85% to 90%</td> <td>12%</td> <td>25%</td> </tr> <tr> <td>&gt;80% to 85%</td> <td>6%</td> <td>12%</td> </tr> </tbody> </table>					LTV	≤20 Year Fixed Rate	>20 Year Fixed Rate All ARMs	>90% to 95%	25%	30%	>85% to 90%	12%	25%	>80% to 85%	6%	12%																					
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<b>MULTIPLE FINANCED PROPERTIES</b>	<ul style="list-style-type: none"> <li>* O/O: NO Limit</li> <li>* 2nd Home, N/O/O: Maximum 4</li> </ul>																																					
<b>NON-ARM'S LENGTH TRANSACTION</b>	<ul style="list-style-type: none"> <li>* Not permitted on new construction, all occupancies</li> <li>* Not permitted on delayed financing</li> </ul>																																					
<b>NON-OCCUPYING CO-BORROWER</b>	* Income from a non-occupying co-borrower may be used as qualifying income																																					
<b>OPEN ENDED ACCOUNTS</b>	* Open-end accounts do not have to be included in the monthly debt payment if the borrower has sufficient funds to pay off the outstanding account balance. The verified funds must be in addition to any funds required for the transaction																																					
<b>PRIMARY RESIDENCE</b>	* At least one borrower must occupy the property as their primary residence																																					
<b>PRINCIPAL CURTAILMENT</b>	<ul style="list-style-type: none"> <li>* Maximum is the lower of \$2,500 or 2% of the loan amount</li> <li>* Curtailment must be applied prior to closing</li> </ul>																																					

<b>PROPERTY LISTED FOR SALE</b>	<ul style="list-style-type: none"> <li>* Properties listed for sale are eligible for refinancing subject to the following: <ul style="list-style-type: none"> <li>- The listing must have been cancelled at least one day prior to the disbursement date of the new loan. A copy of the MLS cancellation meeting this requirement must be included in the loan file</li> <li>- A signed letter of explanation from the borrower explaining why property was listed for sale and removed, and if Primary Residence, statement of intent to continue to occupy the property</li> <li>- A final appraised value lower than lowest previously listed sale price</li> </ul> </li> </ul> <p><b><u>Additional Requirements for Cash-Out Refinance Transactions:</u></b></p> <ul style="list-style-type: none"> <li>* A property that was listed for sale within the six months prior to the disbursement date of the new loan is limited to the lower of 70% LTV/CLTV/H(CLTV) or the maximum allowed for the transaction</li> </ul>
<b>QUALIFYING RATE</b>	<ul style="list-style-type: none"> <li>* Fixed Rate: Qualify at note rate</li> <li>* 5/1 ARM: Qualify at the greater of the note rate plus 2% or the fully indexed rate</li> <li>* 7/1 ARM: Qualify at the note rate</li> </ul>
<b>RATE/TERM LIEN SEASONING</b>	<ul style="list-style-type: none"> <li>* Purchase money liens paid off at closing must be at least 120 days old</li> </ul>
<b>RE-ENTERING THE WORKFORCE</b>	<ul style="list-style-type: none"> <li>* Income from a borrower who is re-entering the workforce and has less than a two year history of employment and income may be considered in qualifying income subject to the following: <ul style="list-style-type: none"> <li>- Borrower must have been with current employer for a minimum of six months, and</li> <li>- The file must include documentation of previous employment prior to the borrower exiting the workforce</li> </ul> </li> </ul>
<b>REFINANCE</b>	<ul style="list-style-type: none"> <li>* Excelerate Capital does not allow delinquent taxes or taxes that were due 60 days prior to closing to be added to the loan amount on refinance transactions</li> <li>* All loans must provide a Net Tangible Benefit to the borrower</li> </ul>
<b>REFINANCE OF SECOND HOME WITH RENTAL INCOME</b>	<p>Minimal rental income reported on the tax return may be acceptable subject to the following:</p> <ul style="list-style-type: none"> <li>* Tax returns prior to 2011: <ul style="list-style-type: none"> <li>- Schedule E, Part I, Question 2 reads "For each rental income real estate property listed on Line 1, did you or your family use it during the tax year for personal purposes for more than the greater of 14 days or 10% of the total days rented at fair market value?"</li> <li>- If the response to this question is "No", the property must be treated as an Investment Property</li> </ul> </li> <li>* Tax returns from 2011 or later: <ul style="list-style-type: none"> <li>- Schedule E requires the owner to complete the exact number of days that the property was used for personal use and the number of fair rental days</li> <li>- To be considered a Second Home, the property type must be "Vacation/Short-Term Rental", and the number of personal use days must be more than 14 or more than 10% of the number of days it is rented. Note: Rental income may</li> </ul> </li> </ul>
<b>REFINANCE TO BUY OUT A CO-OWNER</b>	<ul style="list-style-type: none"> <li>* Code and price loan as cash-out</li> </ul>
<b>RENT CREDITS</b>	<ul style="list-style-type: none"> <li>* Rent credit may not be used to pay the 5% contribution</li> </ul>
<b>RENT LOSS INSURANCE</b>	<ul style="list-style-type: none"> <li>* Subject Investment Property: Rent Loss insurance is required when the rental income is being used as qualifying income</li> </ul>
<b>RESALE RESTRICTED PROPERTIES</b>	<ul style="list-style-type: none"> <li>* Permitted in accordance with Freddie Mac's policies</li> </ul>
<b>RESTRUCTURED /MODIFIED MORTGAGES</b>	<ul style="list-style-type: none"> <li>* Restructured: Not allowed.</li> <li>* Modified: Allowed with LP approval</li> </ul>
<b>RETIREMENT FUNDS FOR ASSETS</b>	<ul style="list-style-type: none"> <li>* The value of stock, bonds or mutual funds that have been discounted at least 30% or the minimum amount of federal income tax withholding required by IRS may be used for cash reserves</li> </ul>
<b>RETIREMENT, GOVERNMENT ANNUITY AND PENSION INCOME</b>	<ul style="list-style-type: none"> <li>* If the retirement income is paid in the form of a distribution from a 401(k), IRA, or Keogh retirement account, determine whether the income is likely to continue for 3 years. In addition: <ul style="list-style-type: none"> <li>- The borrower must have unrestricted access without penalty to the accounts, and</li> </ul> </li> </ul>

<b>RETIREMENT, GOVERNMENT ANNUITY AND PENSION INCOME (Cont.)</b>	<p>- If the assets are in the form of stocks, bonds, or mutual funds, 100% of the value (remaining after any applicable costs for the subject transaction) must be used to determine the number of distributions remaining</p> <p>* File must contain evidence the income is expected to continue for 3 years</p>					
<b>REVOLVING DEBT</b>	<p>* If no payment disclosed on credit, use 5% of outstanding balance</p> <p>* Revolving debt may be paid off to qualify</p> <p>* Evidence that the account is closed is NOT required</p>					
<b>SELF-EMPLOYED INCOME FROM CO-BORROWER</b>	<p>* No additional review of income required</p>					
<b>TRUST</b>	<p>* Title may not be taken in the name of a Trust</p>					
<b>TRUST ACCOUNTS</b>	<p>* Proof of receipt of trust funds is required if funds used for closing</p>					
<b>VERIFICATION OF ASSETS FOR NON-US CITIZEN</b>	<p>* Funds that a non-U.S. Citizen recently deposited in a U.S. depository institution are acceptable subject to the following:</p> <ul style="list-style-type: none"> <li>- Documented evidence of funds transfer from the country from which the borrower immigrated, and</li> <li>- Documentation to evidence that the funds belonged to the borrower before the date of the transfer, and</li> <li>- The source(s) of all funds used for closing can be verified just as they would for a U.S. Citizen</li> </ul>					
<b>PRODUCT CODES</b>	<b>PRODUCT</b>	<b>Conforming</b>	<b>High Balance</b>	<b>PRODUCT</b>	<b>Conforming</b>	<b>High Balance</b>
	10 Year Fixed Rate	CFH10	CFH10HB	5/1 ARM	CFH5/1L	CFH5/1LHB
	15 Year Fixed Rate	CFH15	CFH15HB	7/1 ARM	CFH7/1L	CFH7/1LHB
	20 Year Fixed Rate	CFH20	CFH20HB			
	25 Year Fixed Rate	CFH25	CFH25HB			
	30 Year Fixed Rate	CFH30	CFH30HB			
<b>SUBORDINATION</b>	<p>* Must be prior-approved by Excelerate Capital</p>					

**RESERVED FOR FUTURE USE.**