

INTERBANK CONVENTIONAL ADJUSTABLE RATE QUICK REFERENCE GUIDE

	5/1 LIBOR ARM											
PRODUCT DESCRIPTION	<ul style="list-style-type: none"> • Conventional Conforming 5 year/1 year Adjustable Rate Mortgage • 30 year term • Fully amortizing • Non-convertible 											
PRODUCT CODES	153100 - 30 Year 5/1 FNMA LIBOR ARM											
INDEX	London interbank offered rate for twelve month United States dollar-denominated deposits, as published in the Wall Street Journal (Libor)											
MARGIN	2.25%											
ANNUAL ADJUSTMENT CAP	5% for first adjustment, 2% annual adjustment begins with second adjustment											
LIFE ADJUSTMENT CAP	5%											
RATE ADJUSTMENT	<ul style="list-style-type: none"> • Initial Note rate in effect for first 60 months • First interest adjustment subject to 5% life cap • 2% annual adjustments begin with second adjustment • Rate is equal to the note margin plus index, rounded to the nearest .125%. Subject to annual/life caps. 											
QUALIFYING RATE AND RATIOS	<ul style="list-style-type: none"> • Qualify using the greater of the fully indexed, fully amortizing rate or the Note rate. • DU Approve/Eligible only – Ratios as evaluated by DU 											
MAXIMUM LOAN AMOUNTS	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Property Type</th> <th style="width: 50%; text-align: center;">48 Contiguous States & DC</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1 Unit</td> <td style="text-align: center;">\$417,000</td> </tr> <tr> <td style="text-align: center;">2 Units</td> <td style="text-align: center;">\$533,850</td> </tr> <tr> <td style="text-align: center;">3 Units</td> <td style="text-align: center;">\$645,300</td> </tr> <tr> <td style="text-align: center;">4 Units</td> <td style="text-align: center;">\$801,950</td> </tr> </tbody> </table>		Property Type	48 Contiguous States & DC	1 Unit	\$417,000	2 Units	\$533,850	3 Units	\$645,300	4 Units	\$801,950
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LOAN PARAMETERS	Owner Occupied (1)		Second Home (1)			Investment (2)		Maximum DTI		
	Maximum		Minimum FICO	Maximum		Minimum FICO (2)	Maximum			
	LTV	CLTV		LTV	CLTV		LTV		CLTV	Minimum FICO
Purchase and Rate/Term Refinance (R/T) Transactions										
1 Unit	90%	90%	620 (3)	90%	90%	620 (3)	70%	70%	620	Per AUS
2 Unit	90%	90%	620 (3)	Not Permitted			70%	70%	620	Per AUS
3 – 4 Unit	75%	75%	620				70%	70%	620	Per AUS
Cash-Out (C/O) Transactions										
1 Unit	80%	80%	620	75%	75%	620	70%	70%	620	Per AUS
2 Unit	80%	80%	620	Not Permitted			70%	70%	620	Per AUS
3-4 Unit	75%	75%	620				70%	70%	620	Per AUS
<p>Notes:</p> <p>(1.) The maximum LTV for Condos is 75%</p> <p>(2.) Condos are not permitted for Investment (non-owner occupied).</p> <p>(3.) Minimum Credit Score is 680 for LTVs >80%</p> <ul style="list-style-type: none"> Minimum FICO's as stated for loans exceeding 80.00% LTV are based on Stable Markets. Declining Markets will require a higher minimum FICO depending on MI company guidelines. Texas Section 50a6 (True Texas Cash Out) loans are not permitted 										
ELIGIBLE PROPERTY TYPES	<p>Unless otherwise specifically restricted or not permitted by the applicable loan parameters, the following property types are acceptable to INTERBANK/agency Guidelines:</p> <ul style="list-style-type: none"> 1-4 Unit Properties Condominiums (condo) to INTERBANK guidelines, regardless of AUS Findings (Low Rise and High Rise) Leasehold Estate properties must be common to the area. PUDs to applicable agency guidelines 									
OCCUPANCY	<ul style="list-style-type: none"> Primary Residences Second Homes (1 unit) Investment Properties (Maximum LTV = 70%) 									

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TRANSACTION TYPES	<ul style="list-style-type: none"> • Purchase Transactions • Rate/Term or Limited Cash Out Refinance <ul style="list-style-type: none"> Mortgage Amount: The mortgage amount is limited to: <ul style="list-style-type: none"> • The sum of the unpaid balance of the existing first mortgage, closing costs, points, pre-paid items, and, if applicable, the amount required to satisfy certain subordinate loans used for the original purchase of the property. • Any "cash" back to the borrower may not exceed the lesser of \$2,000 or 2% of the loan amount. • Subordinated Second liens: There are no seasoning requirements for current secondary liens that are being subordinated to the new loan. • Cash Out Refinance <ul style="list-style-type: none"> Mortgage Amount: <ul style="list-style-type: none"> • The mortgage amount must be used to pay the current unpaid principal balance of the existing first mortgage; it may be used to pay closing costs, points, pre-paid items, subordinate mortgage liens and additional cash to the borrower. • All borrowers must have held title to the subject property for a minimum of 6 months • Subordinate Liens: No seasoning requirement. • Texas Section 50(a)(6) cash-out refinances are not permitted 									
ELIGIBLE STATES	IL, CO, TX, WI									
ASSUMPTIONS	Not Permitted									
PREPAYMENT PENALTIES	None									
TEMPORARY BUYDOWNS	Temporary Buydowns are not allowed									
SECONDARY FINANCING	Permitted – See LTV Limitations Table for CLTV restrictions <ul style="list-style-type: none"> • For Home Equity Lines of Credit (HELOCs), the Borrower's housing-expense to income ratio is based on the minimum required payment for the entire credit-line amount regardless of the outstanding balance of the HELOC. 									
MORTGAGE INSURANCE	<ul style="list-style-type: none"> • Required for all loans exceeding 80% LTV • Approved MI Companies (InterBank orders the mortgage insurance) <ul style="list-style-type: none"> ◦ Radian • Primary and Second Homes only • Maximum DTI = 41% • Minimum Credit Score = 680 • Coverage Levels: <table border="1" style="margin-left: 20px; width: 100%; text-align: center;"> <thead> <tr> <th style="background-color: #ADD8E6;">LTV Ranges</th> <th style="background-color: #ADD8E6;">10-20 Year Terms</th> <th style="background-color: #ADD8E6;">25-30 Year Terms</th> </tr> </thead> <tbody> <tr> <td>85.01 – 90.00%</td> <td>12%</td> <td>25%*</td> </tr> <tr> <td>80.01 – 85.00%</td> <td>6%</td> <td>12%</td> </tr> </tbody> </table> <p style="margin-left: 20px;">Note: Reduced coverage is not allowed.</p>	LTV Ranges	10-20 Year Terms	25-30 Year Terms	85.01 – 90.00%	12%	25%*	80.01 – 85.00%	6%	12%
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AUS DECISIONS	DU Approve/Eligible only.									
ELIGIBLE BORROWERS	<ul style="list-style-type: none"> • U.S. Citizens • Permanent Resident Aliens • Non-Permanent Resident Aliens • Inter Vivos Revocable Trust • Illinois Land Trust 									

Product Summaries contain eligibility guidelines only. Consult the InterBank Broker Client Guide for full details.

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<p>MULTIPLE MORTGAGES TO SAME BORROWER</p>	<p><u>Primary Residences:</u></p> <ul style="list-style-type: none"> • Borrowers are limited to a maximum of 4 financed properties, including the primary residence. <p><u>Second Homes & Investment Properties:</u></p> <ul style="list-style-type: none"> • Borrowers are limited to a maximum of 4 financed properties, including the primary residence. • 2 months PITIA if subject property is Second Home • 6 months PITIA if subject property is Investment Property • 2 months PITIA on each additionally financed Second Home or Investment Property
<p>NON-ARMS LENGTH TRANSACTIONS</p>	<ul style="list-style-type: none"> • Maximum 90.00% LTV/CLTV • Not permitted for Second Homes and Investment properties. • All assets needed to close loan must be documented, regardless of LTV. <ul style="list-style-type: none"> ○ The accounts may not be co-mingled in joint accounts between the interested parties. ○ The assets used to close the loan must be accessible to the borrower only (and not any of the other interested parties). ○ The borrower's assets to close the loan must be documented. • Full appraisal (1004D) required, regardless of AUS findings. The appraisal must acknowledge the non-arms length transaction and any impact on value. • A fully executed, legally binding purchase and sales agreement is required and the relationship between the parties must be disclosed.
<p>NON-OCCUPANT CO-BORROWERS</p>	<ul style="list-style-type: none"> • DU/LP findings must identify that a non-occupant co-borrower was used to qualify the loan. • Maximum 90.00% LTV • Single Unit Only • Primary Residence Only • Non-occupant co-borrower may not be an interested party to the sales transaction, such as the property seller, property builder, and real estate broker. <p>Ratios: LTV ≥ 80.00% the Owner Occupant must qualify at a max 35%/43%, regardless of AUS findings or LTV. LTV ≤ 80.00% as allowed by the AUS.</p> <p>Down Payment: If the LTV is greater than 80.00%, the owner-occupant(s) must make the first 5% down payment from their own verified funds.</p>
<p>INTERESTED PARTY CONTRIBUTIONS</p>	<p>Maximum Contributions:</p> <ul style="list-style-type: none"> • Primary Residence/Second Home <ul style="list-style-type: none"> ○ 6% for CLTV = 75.01% – 90% ○ 9% for LTV ≤ 75% • Investment Property = 2%
<p>GIFTS</p>	<p>Acceptable for Primary Residences and Second Homes</p> <ul style="list-style-type: none"> • Gifts must be from relatives, domestic partners, or fiancé/fiancée. • No portion of the down payment may be donated by interested parties to the transaction including sellers, realtors, brokers, or sales associates. • Generally, the borrower must invest at least 5% of his/her own funds toward the down payment unless the gift is 20% of the lesser of the sales price or appraised value of the property. • If the gift towards down payment is 20% or more, the borrower is not required to make an investment from his or her own funds.
<p>APPRAISAL REQUIREMENTS</p>	<ul style="list-style-type: none"> • Home Valuation Code of Conduct (HVCC) Compliance • Licensed Appraisers Only

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CREDIT	<ul style="list-style-type: none"> • DU Approve/Eligible – Minimum Credit Score = 620 regardless of DU Feedback • LTVs > 80% - Minimum Credit Score = 680 regardless of DU Feedback 														
BANKRUPTCY/ FORECLOSURE	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 40%;">Topic</th> <th>Requirements</th> </tr> </thead> <tbody> <tr> <td>Re-established Credit – Foreclosure & Bankruptcy All but Chapter 13</td> <td> 4-Years <ul style="list-style-type: none"> • Require a minimum 4-year period of re-established credit from the bankruptcy discharge or dismissal date. </td> </tr> <tr> <td>Re-established Credit – Chapter 13</td> <td> 2-Years from Discharge <ul style="list-style-type: none"> • Discharge is the successful completion of the Chapter 13 repayment plan. (Debts were repaid.) OR • 4 Years from Dismissal • Dismissal is the “forgiving” of an unsuccessful Chapter 13 plan. (Debts were not repaid and the failed Chapter 13 is dismissed.) </td> </tr> <tr> <td>Re-established Credit – Chapter 13</td> <td>2-Years from Discharge/4-Years from Dismissal</td> </tr> <tr> <td>Extenuating Circumstances All Bankruptcy</td> <td>Minimum 2 years from discharge or dismissal. For all bankruptcy actions.</td> </tr> <tr> <td>Multiple Bankruptcy Filings</td> <td>Minimum 5-years re-established credit for borrowers with more than 1 bankruptcy filing in the past 7 years</td> </tr> <tr> <td>Foreclosure</td> <td>7 years from completion of foreclosure proceedings</td> </tr> </tbody> </table>	Topic	Requirements	Re-established Credit – Foreclosure & Bankruptcy All but Chapter 13	4-Years <ul style="list-style-type: none"> • Require a minimum 4-year period of re-established credit from the bankruptcy discharge or dismissal date. 	Re-established Credit – Chapter 13	2-Years from Discharge <ul style="list-style-type: none"> • Discharge is the successful completion of the Chapter 13 repayment plan. (Debts were repaid.) OR • 4 Years from Dismissal • Dismissal is the “forgiving” of an unsuccessful Chapter 13 plan. (Debts were not repaid and the failed Chapter 13 is dismissed.) 	Re-established Credit – Chapter 13	2-Years from Discharge/4-Years from Dismissal	Extenuating Circumstances All Bankruptcy	Minimum 2 years from discharge or dismissal. For all bankruptcy actions.	Multiple Bankruptcy Filings	Minimum 5-years re-established credit for borrowers with more than 1 bankruptcy filing in the past 7 years	Foreclosure	7 years from completion of foreclosure proceedings
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Notes: <ul style="list-style-type: none"> • INTERBANK will not refinance properties currently in foreclosure proceedings. • INTERBANK will not make a loan to a borrower involved in a “short-sale” situation within 4 years of the new application date. 															
AGE OF DOCUMENTS	<ul style="list-style-type: none"> • 60 days old for standard credit documents at the time of underwriting. 90 days for new construction. • 90 days prior to the Funding Date for existing properties and Construction-To-Permanent. 120 days for new construction. • Appraisals: 90 days old for existing properties and Construction-To-Permanent. 120 days for new construction. • Pay Stubs must be within 30-days of underwriting. • Bank Statements must be within 45-days of underwriting. 														

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INCOME/ASSET DOCUMENTATION	<p>Income:</p> <ul style="list-style-type: none">• VOE• Current pay stub covering 1 month period• W-2's for prior 2 years• Self-employed: 2 years signed tax returns• Verbal VOE completed by Broker• Verbal VOE completed by InterBank prior to funding• Signed 4506T to be executed at Underwriting• Additional signed 4506T to be executed at closing <p>Assets:</p> <ul style="list-style-type: none">• VOD• Original bank statements for the most recent 2 months <p>Reserves:</p> <ul style="list-style-type: none">• Additional reserves as required by DU• 2 months PITIA if subject property is Second Home• 6 months PITIA if subject property is Investment Property• 2 months PITIA on each additionally financed Second Home or Investment Property
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