SIERRA PACIFIC MORTGAGE

9095 Rio San Diego Drive, Suite 110, San Diego, CA 92108

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Admin Fee - $850 ; Loan Cancellation Fee $250; MERS Fee $6.95
Fees: Redraw--$150; Tax Cert.--$80; Flood Cert.--$12 (1st) Wire Fee--$20
Loan amount < $50,000 add 1 point

SPM will not fund a loan that is within the Federal Section 32 or any other State/County/City High Cost Calculation.

"All rates and programs are subject to change without notice. This information is intended for mortgage professionals only and is not an advertisement to extend consumer credit as defined by REGZ."

Max Financing available on conforming conventional products in AZ, CA, NV, & FL is 90% LTV.

All locks will be expired unless the file is received in the branch within 10 calendar days of the lock.

15 day lock terms require SPM underwriting approval, otherwise loans will be locked on a 30 day term.

MARKET WATCH

Economic Calendar:

Tues: Core PPI< PPI< Retail Sales, Empire Manufacturing, Business Inv.
Weds: Core CPI, CPI, Net Long-term TIC Flows, Capacity Utilization, Industrial Production, Crude Inventories
Thurs: Building Permits, Housing Starts, Initial Claims, Continuing Claims, Philadelphia Fed.

Indexes:

1 Yr Treas.	0.4000
6 mo. LIBOR	0.6763
11th Dist. COFI	1.4730
1 Yr Libor	1.2694
1 mo. LIBOR	0.2438
MTA Index	0.9010

Lock Information:

Rate Lock Cut off : 5pm PT	
30 Day Lock Price: Add .125 to 15 Day	
45 Day Lock Price: Add .20 to 30 Day	
15 Day lock expiration:	9/30
30 Day lock expiration:	10/15
45 Day lock expiration:	10/30

CONVENTIONAL CONFORMING FIXED RATE

CONFORMING FIXED RATE MORTGAGES

T300/T304 30yr/20yr FRM		T300J09 30 Year High Balance		T301/T305 15yr/10yr FRM	
RATE	15 Day	RATE	15 Day	RATE	15 Day
4.250	3.142	4.250	4.142	4.125	3.164
4.375	2.062	4.375	3.062	4.250	0.364
4.500	1.612	4.500	2.612	4.375	-0.516
4.625	1.192	4.625	2.192	4.500	-0.916
4.750	0.492	4.750	1.492	4.625	-1.166
4.875	-0.378	4.875	0.622	4.750	-1.566
5.000	-0.728	5.000	0.272	4.875	-2.216
5.125	-1.028	5.125	-0.028	5.000	-2.553
5.250	-1.628	5.250	-0.628	5.125	-2.803
5.375	-2.228	5.375	-1.228	5.250	-3.053
5.500	-2.666	5.500	-1.666	5.375	-3.253
5.625	-2.916	5.625	-1.916	5.500	-3.453
5.750	-3.146	5.750	-2.146	5.625	-3.503
5.875	-3.546	5.875	-2.546		

Price Adjustments (add to points):
2-4 Unit Properties: add 1.0
Condo w/ LTV > 75%: add .75
Loans < $110K: add .125
Loans < $50K: add 1.0
No adjustment for no impounds
Flex 97% - not available
30yr Buydown T303: add 2.375
Interest Only: not available

Investment Property Adjustments:
<=75%: add 1.75
75.01-80%: add 3.00
> 80%: Not Allowed
LPMI - see page 2

Hybrid MI (HPMI): add 1.0 (not avail. on High Balance Transactions, 3-4 Units, 2/1 Buydowns, & Non-owner transactions)
Minimum fico: 740

Max rebate 3.0 after adds!!

Conforming High Balance FNMA only (no LP)
All Cash Out high balance transactions (T300J09 & T301J09): additional adj of 1.0 to the price
T301J09 (15 Year High Balance): add 1 point to the standard 15 year price

The following RISK-BASED adjustments apply to ALL programs except for 10 & 15 year terms:

Agency FICO/LTV Grid

	<= 60%	60.01-70%	70.01-75%	75.01-80%	80.01-85%	85.01-90%	90.01-95%	95.01-97%
740+	-0.25	0.00	0.00	0.00	0.00	0.00	0.00	n/a
720-739	-0.25	0.00	0.00	0.25	0.00	0.00	0.00	n/a
700-719	-0.25	0.50	0.50	0.75	0.50	0.50	0.50	n/a
680-699	0.00	0.50	1.00	1.50	1.00	0.75	0.75	n/a
660-679	0.00	1.00	2.00	2.50	2.25	1.75	n/a	n/a
640-659	0.50	1.25	2.50	3.00	2.75	2.25	n/a	n/a
620-639	0.50	1.50	3.00	3.00	3.00	2.75	n/a	n/a

The following are RISK-BASED adjustments that apply to all programs:

Agency Cash-Out Refi FICO/LTV Grid

	<= 60%	60.01-75%	75.01-80%	80.01-85%	85.01-90%
740+	0.00	0.250	0.500	0.625	n/a
720-739	0.00	0.625	0.75	1.50	n/a
700-719	0.00	0.625	0.75	1.50	n/a
680-699	0.00	0.75	1.375	2.50	n/a
660-679	0.25	0.75	1.50	2.50	n/a
640-659	0.25	1.25	2.25	3.00	n/a
620-639	0.25	1.25	2.75	3.00	n/a

The following are RISK-BASED adjustments that apply to all programs:

Mortgages with Subordinate Financing:

LTV Range	CLTV Range	Non Interest-Only		Interest-Only - not available	
		Fico < 720	Fico >= 720	Fico < 720	Fico >= 720
65.01-75%	90.01-95%	0.50	0.25	n/a	n/a
75.01-95%	75.01-95%	0.50	0.50	n/a	n/a

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LENDER-PAID MORTGAGE INSURANCE (LPMI)

The following are price adjustments that would be in addition to the standard fixed & arm adjustments:

Notes: Not available on High Balance transactions, 3/1 Arms, 3-4 Unit properties, or 2/1 buydowns. All adjustments are CUMULATIVE.

Minimum fico of 740 is required for properties in AZ, CA, NV, & FL.

	80.01-85%	85.01-90%
>=740 Score	0.85	1.40

Cash-Out Refinances: add .80 to the price
Rate & Term Refi's: add .40 to the price
Second Home: add .60 to the price

*** LPMI is not available on non-owner transactions. Please refer to guidelines for DTI restrictions.**

CONFORMING INTERMEDIATE ARMS

A340 3/1 DU A330 3/1 LP Caps 2/2/6 2.25 Margin		A341 5/1 DU A331 5/1 LP Caps 5/2/5 2.25 Margin		A342 7/1 DU A332 7/1 LP Caps 5/2/5 2.25 Margin	
Rate	15 Day	Rate	15 Day	Rate	15 Day
4.250	1.125	3.500	0.500	4.000	0.250
4.375	1.000	3.625	0.125	4.125	0.000
4.500	0.875	3.750	-0.250	4.250	-0.375
4.625	0.750	3.875	-0.625	4.375	-0.750
4.750	0.500	4.000	-1.000	4.500	-1.125
4.875	0.250	4.125	-1.375	4.625	-1.250
5.000	0.000	4.250	-1.500	4.750	-1.500

Price Adjustments:
Interest Only - not allowed
LTV > 90: not allowed
2 Units: add .50 pt
3-4 Units: add 1.0 pt
No Impounds: no adjustment
Condo w/ ltv > 75: add .75

Cash Out Adj: See risk based pricing grid
LPMI: See LPMI grid for price adjustments
90.01-95% in CA, NV, AZ, & FL: add 1.00
Hybrid MI (HPMI): add 1.0 to the price (not allowed on 3/1 arms, 3-4 Units, & Non-owner)
RISK-BASED adjustments for FICO, LTV, CLTV, & loan purpose apply (see page 1).
Maximum Rebate (after adjustments): (1.25)

Non-owner Adjustments:
N/O to 75%: add 1.75 to the price
N/O to 80%: add 3.0 to price
N/O > 80% not allowed

JUMBO INTERMEDIATE 5/1 ARM

A512 5/1 ARM Caps 5/2/5 2.25 Margin	
Rate	15 Day
5.375	-0.768
5.250	-0.612
5.125	-0.440
5.000	-0.268
4.875	-0.081
4.750	0.107
4.625	0.357
4.500	0.607
4.375	0.919

Other loan level price adjustments:
No impounds: add .25 to the price
2 Units: add .25 to the price

Notes:
Loan must be approved in order to lock.
Maximum lock term is 15 days.

GOVERNMENT PRODUCTS

30 Year FHA (T100) VA (T200)		15 Year FHA (T101) VA (T201)		2-1 Buydown FHA (T103) VA (T203)	
RATE	15 Day	RATE	15 Day	RATE	15 Day
4.250	3.213	4.500	0.678	4.500	3.813
4.375	2.563	5.000	-0.938	4.625	3.963
4.500	1.313	5.500	-2.344	4.750	2.933
4.625	1.463			4.875	2.403
4.750	0.433			5.000	1.503
4.875	-0.097			5.125	1.403
5.000	-0.997			5.250	0.803
5.125	-1.097			5.375	0.303
5.250	-1.697			5.500	-0.469
5.375	-2.197			5.625	-0.519
5.500	-2.969			5.750	-0.669
5.625	-3.019				
5.750	-3.169				

GOVERNMENT NOTES

SRP is included in the pricing.

T100J (High Balance): add 1.00 to T100 price

FICO 640-660: add .25
FICO 720+: improve price by .125
VA loans: add .25 pt
VA Streamline: Not allowed
FHA Streamline N/O/O: + 1.5 pt

Minimum Fico Score <= $417,000 = 640
Minimum Fico Score > $417,000 = 660
VA Max Total Loan Amt $417,000

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*** CALIFORNIA PRODUCTS ONLY ***

California PERS (60 day indications)

PROGRAM:		RATE	60 DAY
CONF 30 YR	PT300	5.375	-1.000
		5.250	-0.500
		5.125	0.000
CONF 15 YR	PT301	4.875	-1.000
		4.750	-0.500
		4.625	0.000
JUMBO 30 YR	PT500	6.625	0.000
JUMBO 15 YR	PT501	6.000	0.000
FHA 30 YR	PT100	5.125	0.000
		5.000	0.625
		4.875	1.375

Price adjustments (only apply to conforming loans):

Adverse Market Delivery Fee: add .25 to price
LTV's 65.01-95% AND CLTV 90.01-95%: add .25 to price
2 units: add .50 to price
3-4 units: add 1.0 to price
LTV 85.01-90% with 12% Lower Cost MI: add .375 to price
LTV < 80 & CLTV > 95%: add 1.50 to price
Flex, EA Levels & Manufactured Homes: NOT ALLOWED

SRP's:

PT300 (w/ impounds): .375 pt SRP
PT300 (w/o impounds): .125 pt SRP
PT301 (w/ impounds): .25 pt SRP
PT301 (no impounds): 0.0 pt SRP
PT500 (w/ impounds): .375 pt SRP
PT500 (w/o impounds): .225 pt SRP
PT501 (w/ impounds): .25 pt SRP
PT501 (w/o impounds): .15 pt SRP
PT 100: .25 pt SRP

Fees paid to lender:

$150 Admin Fee
$80 Tax Service
$12 Flood
$6.95 MERS

Lock Requests must be in by 4:00PM.
All loans require DU approval. Please call us for 30 or 90 day indications or quotes to buy-up or buy-down rates.
The following are RISK-BASED adjustments that apply to CalPERS Conventional programs unless specifically excluded below:

FICO/LTV LLPA's (1)

	<= 60%	> 60%	> 70%	> 75%	> 80%	> 85%
740+	-0.25	0.00	0.00	0.00	0.00	0.00
720-739	-0.25	0.00	0.00	0.25	0.00	0.00
700-719	-0.25	0.50	0.50	0.75	0.50	0.50
680-699	0.00	0.50	1.00	1.50	1.00	0.75
660-679	0.00	1.00	2.00	2.50	2.25	1.75
640-659	0.50	1.25	2.50	3.00	2.75	2.25
620-639	0.50	1.50	3.00	3.00	3.00	2.75
< 620*	0.50	1.50	3.00	3.00	3.00	3.00

(1) Applies to all except the 15 year terms.

Cash-Out Refinance LLPA's

	<= 60%	> 60%	> 75%	> 80%
740+	0.00	0.250	0.500	0.625
720-739	0.00	0.625	0.750	1.500
700-719	0.00	0.625	0.750	1.500
680-699	0.00	0.750	1.375	2.500
660-679	0.25	0.750	1.500	2.500
640-659	0.25	1.250	2.250	3.000
620-639	0.25	1.250	2.750	3.000
< 620*	1.25	2.250	2.750	3.000