



**Market Rate Program Summary
 Conventional Loans**

Lenders must be approved as a CitiMortgage Correspondent Lender and in good standing with CitiMortgage’s Correspondent Division.

CitiMortgage Customer Service: 1.800.967.2205 option 1, option 0, option 1

First and Second Loan Guidelines

First Loan Types	Fannie Mae Eligible Conventional Loans: Fannie 95 & 97, MyCommunityMortgage (MCM) 97 & 100 and FLEX 97 & 100. Freddie Mac Eligible Conventional Loans: Home Possible (HP) 97 & 100
First Loan Terms	Conventional fixed rate 30 year only
First Loan Rates	Published daily on the CitiMortgage Correspondent Special Program Rate Sheets. Applicable price adjustments are posted on the CitiMortgage Rate Sheets. Extended rate locks are also available.
MERS	Loans locked on and after June 1, 2007 must be registered with MERS System or will be assessed a one time \$25.00 set-up fee. First Mortgage Loans must be registered with MERS System within 24 hours of our purchase notification. The Correspondent must initiate the transfer of servicing and beneficial rights on the MERS System. CitiMortgage MERS ID # is 1000115 and accepts MERS for all first mortgage loans The REI 2 nd mortgage loans are not assigned to MERS.
Price Adjustments	For every loan that qualifies under MCM, FLEX and HP guidelines, there is an applicable price adjustment. As an alternative to reducing the price, the lender may convert it to a fee paid as a closing cost with second loan proceeds. The fee can be labeled as “Investor Delivery Fee” on the HUD-1. CitiMortgage will net the price adjustment or fee amount out of the purchase price. MCM 97 & 100 fixed = 1.00bps Flex 97 & 100 fixed = 1.50bps HP 97 & 100 fixed = 1.00bps
Loan Limits	Conventional loan limits apply. There are no purchase price limits.
Transaction Type	Purchase transactions for a principal residence only.
Eligible Properties	Single family, owner-occupied, residential dwellings, including single family detached housing, PUD’s, duplexes (subject to certain restrictions), condominiums, and townhouses. No manufactured housing.
Second Loan Terms	<ul style="list-style-type: none"> • 20-year, fixed rate, fully amortizing Second Loans, not to exceed the lesser of (i) min of 5% up to a max of 7% of the sales price or (ii) the difference between the First Loan size and any financed MI as selected by the Lender and the 105% CLTV limit. The Second Loan interest rate is currently 8%. • There must be no cash back to the borrower from the Second Loan proceeds.

	<ul style="list-style-type: none"> • Any remaining Second Loan proceeds up to \$500 must be used to reduce the Second Loan principal balance. If at the close of escrow there are amounts remaining from Second Loan proceeds totaling \$500 or more, then the Lender must redraw the documents. • For certain DU recommendations that do not permit the financing of an MI fee, lenders may elect to finance the MI fee with Second Loan proceeds.
Second Loan Disclosure	Lenders must conform to federal RESPA and Truth-in-Lending laws in disclosing the initial terms of the Second Loan on a preliminary and final basis.
Second Loan Documents	<p>Lenders may use their own second lien security instruments.</p> <ul style="list-style-type: none"> • “Rural Enterprises of Oklahoma” (“REI”), P.O. Box 1335, Durant, OK 74702-1335 must be designated as the Lender on the Second Note and as the Beneficiary on the Second Mortgage. • Borrower must also have executed the Mortgagor’s Agreement and Disclosure Information form.
Loan-to-Value (LTV) and CLTV	<ul style="list-style-type: none"> • For DU-eligible loans, up to 100% LTV for all Loan Types for those borrowers with a minimum representative credit score as determined by the mortgage insurers. • Loans may be manually underwritten according to MCM/HP guidelines. • The combined First Loan and any financed MI may not exceed 100% LTV; the sum of the First Loan, any financed MI and Second Loan may not exceed 105% CLTV.
Eligible Mortgage Insurers	For approved MCM/HP loans, 20% coverage for 97.01-100% LTV First Loans, 18% coverage for 95.01-97% LTV First Loans, and 16% coverage for 90.01 to 95% LTV. Lenders should refer to mortgage insurers for applicable single, split or monthly premium plans.
Lender Advance	Lenders are required to advance the Second Loan proceeds at the close of escrow, to be reimbursed by CitiMortgage upon the purchase of the First and Second Loans.

Loan Underwriting	<ul style="list-style-type: none"> • Loans can be manually underwritten or you may use Fannie Mae's Desktop Underwriter® (DU) or Freddie Mac's Loan Prospector® (LP). • Approve/Eligible and Expanded Approval-I are eligible DU recommendations for delivery as MCM loans and are eligible for the limited waiver of representations and warranties. • Currently, DU will permit the financing of any MI fee into the First Loan amount for an "Approve-Eligible" recommendation but does not permit such MI financing at the EA-I recommendation level. For EA-I DU recommendation, Lenders may elect to finance any MI fee with Second Loan proceeds. • Accept and Accept Plus are eligible LP recommendations for delivery as HP Loans. • CitiMortgage will sponsor Lenders through Fannie Mae's DO/DU.
-------------------	--

Borrower Eligibility

Income Limits	<p>Borrower's qualifying income must not exceed Program Income Limits (regardless of family size) listed in Exhibit A. There are no income limits when the subject property is located in defined "underserved" areas. You may use Fannie Mae or Freddie Mac's online tool to determine if your property is located in one of these areas.</p> <p>http://www.efanniemae.com/hcd/single_family/mortgage_products/low_downpayment.html#neighbors</p> <p>http://ww3.freddiemac.com/ds2/sell/affgold.nsf/frmHomePage?OpenForm</p> <p>Lenders will be asked within DU/LP to specify the applicable income limit as a percentage to the median income for that particular County as listed in Exhibit A.</p>
Borrower Eligibility	Owner occupancy only. There is no first-time homebuyer requirement.
Minimum Borrower Contribution	3% minimum for two-four unit properties. Must be verified as being from the borrower's own resources. <i>Note: The Second Loan may not be used to finance the minimum homebuyer contribution required.</i>
Non-Occupant Participants	Non-occupant co-signers are allowed. Non-occupant co-borrowers <u>are not</u> permitted.
Single Qualifying Ratios/Reserves	For loans underwritten with DU/LP, there is no maximum ratio or minimum reserve requirement. Manual underwriting MCM/HP loans allows for a maximum single back-end ratio of 43%.

Credit Score Test	<ul style="list-style-type: none"> • Eligibility determined by DU/LP but is subject to MI credit score restrictions. • Lender should follow standard Fannie Mae or Freddie Mac guidelines.
Homebuyer Education and Counseling	<p>Homebuyer Education not required by the Program. However, it can be a requirement per the loan product guidelines.</p> <p>Landlord counseling required for 2-unit buyers.</p>

Fees, Charges and Loan Servicing

Lender Compensation	<p>Lender compensation is limited as follows:</p> <p>Up to 1.00% origination fee and up to 1.00% administrative fee plus Servicing Release Premium.</p> <p>In addition, reasonable and customary fees and closing costs, and rebate pricing charged to the borrower or seller as defined herein, as long as such compensation payments are fully disclosed to the borrower in accordance with Fannie Mae, Freddie Mac, federal, state and local laws and regulations.</p>
Loan Purchase Price	<p>Loan purchase price confirmed by CitiMortgage Correspondent Desk. 100% of the Second Loan UPB at time of purchase.</p>
Seller Contributions	<p>Permitted subject to Fannie Mae/Freddie Mac guidelines.</p>
Program Fees	<ul style="list-style-type: none"> • \$89 Tax service contract fee • CitiMortgage accepts Life of Loan flood certifications from TransAmerica at no charge to the Correspondent. A \$10 fee is assessed on all loans that are submitted for purchase with a LOL Certification from a flood determination service other than TransAmerica. <p>Note: Fees may be funded with Second Loan proceeds and will be netted out of the First Loan purchase price.</p>
Prepay Penalties	<p>None.</p>
Servicing Issues	<p>Once the First and Second Loans are sold to CitiMortgage, CitiMortgage will provide the borrower with a single monthly statement for both the First and Second Loans and request a single monthly payment for both Loans.</p>
Buydowns	<p>Permanent and Temporary buy downs are permitted in accordance with Fannie Mae or Freddie Mac guidelines.</p>

REI

Conventional Income Limits

2007 County Income Limits - Conventional

County	140%
Adair	\$59,640.00
Alfalfa	\$59,640.00
Atoka	\$59,640.00
Beaver	\$68,600.00
Beckham	\$59,640.00
Blaine	\$59,640.00
Bryan	\$59,640.00
Caddo	\$59,640.00
Canadian	\$75,040.00
Carter	\$61,460.00
Cherokee	\$59,640.00
Choctaw	\$59,640.00
Cimarron	\$60,340.00
Cleveland	\$75,040.00
Coal	\$59,640.00
Comanche	\$65,940.00
Cotton	\$59,640.00
Craig	\$60,900.00
Creek	\$73,500.00
Custer	\$62,580.00
Delaware	\$59,640.00
Dewey	\$59,780.00
Ellis	\$59,640.00
Garfield	\$66,780.00
Garvin	\$59,640.00
Grady	\$75,040.00
Grant	\$59,640.00
Greer	\$59,640.00
Harmon	\$59,640.00
Harper	\$69,440.00
Haskell	\$59,640.00
Hughes	\$59,640.00
Jackson	\$64,540.00
Jefferson	\$59,640.00
Johnston	\$59,640.00
Kay	\$64,260.00
Kingfisher	\$73,360.00
Kiowa	\$59,640.00

County	140%
Latimer	\$59,640.00
Le Flore	\$58,800.00
Lincoln	\$75,040.00
Logan	\$75,040.00
Love	\$64,400.00
Major	\$61,600.00
Marshall	\$59,640.00
Mayes	\$62,440.00
McClain	\$75,040.00
McCurtain	\$59,640.00
McIntosh	\$59,640.00
Murray	\$62,440.00
Muskogee	\$59,640.00
Noble	\$66,780.00
Nowata	\$60,900.00
Okfuskee	\$59,640.00
Oklahoma	\$75,460.00
Okmulgee	\$73,500.00
Osage	\$73,500.00
Ottawa	\$59,640.00
Pawnee	\$73,500.00
Payne	\$68,740.00
Pittsburg	\$59,640.00
Pontotoc	\$59,640.00
Pottawatomie	\$64,120.00
Pushmataha	\$59,640.00
Roger Mills	\$61,320.00
Roger	\$73,500.00
Seminole	\$59,640.00
Sequoyah	\$58,800.00
Stephens	\$60,760.00
Texas	\$70,560.00
Tillman	\$59,640.00
Tulsa	\$76,300.00
Wagoner	\$73,500.00
Washington	\$73,360.00
Washita	\$60,480.00
Woods	\$65,380.00
Woodward	\$67,900.00



**Market Rate Program Summary
FHA Loans**

Lenders must be approved as a CitiMortgage Correspondent Lender and in good standing with CitiMortgage Correspondent Division. Participating Lenders must be FHA approved underwriters.

CitiMortgage Customer Service: 1.800.967.2205 option 1, option 0, option 1

First and Second Loan Guidelines

First Loan Terms	FHA 30-year fixed rate 203(b) and 234(c) First Loans (does not include Section 203(k))
First Loan Rates	Published daily on the CitiMortgage Correspondent Special Program Rate Sheets. Extended rate locks are also available.
Loan Limits	FHA loan limits apply. There are no purchase price limits.
Transaction Type	Purchase transactions for a principal residence only.
Seller Contribution	Permitted subject to FHA guidelines.
Eligible Properties	Single family, owner-occupied, residential dwellings, including single family detached housing, PUD's, duplexes (subject to certain restrictions), condominiums, and townhouses. No manufactured housing.
Second Loan Terms	<ul style="list-style-type: none"> • A 20-year, fixed rate, fully amortizing Second Loan, sized at min of 5% and up to a max of 7% of the sales price, at an 8% interest rate. • Second Loan proceeds may not result in any cash back to the borrower. • The Second Loan may be used to finance the minimum homebuyer contribution.
Second Loan Disclosure	Lenders must conform to federal RESPA and Truth-in-Lending laws in disclosing the initial terms of the Second Loan on a preliminary and final basis.
Second Loan Documents	<p>Lenders may use their own second lien security instruments.</p> <ul style="list-style-type: none"> • "Rural Enterprises of Oklahoma" ("REI"), P.O. Box 1335, Durant, OK 74702-1335 must be designated as the Lender on the Second Note and as the Beneficiary on the Second Mortgage. • Borrower must have executed the REI Second Lien Rider and the Mortgagor's Agreement and Disclosure Information.

Combined Loan to Value (CLTV)	The combined loan-to-value (CLTV) is limited to the amount to acquire the property, pay closing costs, prepaid expenses, and discount points minus the 3% investment which may come from REI second loan proceeds.
Lender Advance	Lenders are required to advance the Gift and/or Second Loan proceeds at the close of escrow, to be reimbursed by CitiMortgage upon the purchase of the First and Second Loans.
MERS	Loans locked on and after June 1, 2007 must be registered with MERS System or will be assessed a one time \$25.00 set-up fee. Loans must be registered with MERS System within 24 hours of our purchase notification. The Correspondent must initiate the transfer of servicing and beneficial rights on the MERS System. CitiMortgage MERS ID # is 1000115 and accepts MERS for all loans except any 2 nd mortgage loans that require closing documents be drawn in the name of a housing authority.
Loan Underwriting	Loans may be manually underwritten or processed through Fannie Mae's Desktop Underwriter® or Freddie Mac's Loan Prospector®. "Approve/Eligible" and "Accept" or "Accept Plus" are the only eligible recommendations or the loan may be manually underwritten and submitted. Lender must compare qualifying income to ensure it does not exceed the Program Income Limit.

Borrower Eligibility

Income Limits	Borrower's qualifying income must not exceed Program Income Limits (regardless of family size) listed in Exhibit A by county.
Borrower Eligibility	Owner occupancy. There is no first-time homebuyer requirement.
Minimum Borrower Contribution	None. REI has been approved to provide down payment and closing costs assistance with the secondary lien. See HUD approval letter on www.ruralenterprises.com/docs/hudapprovalletter.pdf .
Non-Occupant Participants	Non-occupant co-signers are allowed. Non-occupant co-borrowers are not permitted.
Homebuyer Education	Homebuyer Education not required by the Program. However, it can be a requirement per the loan product guidelines.

Fees, Charges and Loan Servicing

Lender Compensation	1% origination Fee and up to 1% administrative fee plus Service Release Premium. In addition, reasonable and customary fees and closing costs, and rebate pricing charged to the borrower or seller as defined herein, as long as such compensation payments are fully disclosed to the borrower in accordance with federal, state and local laws and regulations.
Discount Points	Lender discount points charged to the borrower or seller may be used to finance a permanent buydown, additional lender compensation or other eligible use.

Servicer Fees	<ul style="list-style-type: none"> • \$70 Tax service contract fee • CitiMortgage accepts Life of Loan flood certifications from TransAmerica at no charge to the Correspondent. A \$10 fee is assessed on all loans that are submitted for purchase with a LOL Certification from a flood determination service other than TransAmerica <p>Note: Fees may be funded with Second Loan proceeds and will be netted out of the First Loan purchase price.</p>
Loan Purchase Price	CitiMortgage will purchase the first and second mortgages from each Lender for a price equal to 100% of the outstanding principal balance of the first and second mortgages plus accrued interest. In addition, the servicer will pay a SRP to the Correspondent Lender.
Prepay Penalties	None.
Servicing Issues	<p>Lenders are required to service the First and Second until both loans are sold to CitiMortgage. Lenders must provide current pay histories for both loans at time of purchase.</p> <p>Once the First and Second Loans are sold to CitiMortgage, CitiMortgage will provide the borrower with a single monthly statement for both the First and Second Loans and request a single monthly payment for both Loans.</p>
Buydowns	Permanent buydowns are permitted in accordance with guidelines. Temporary buydowns are not permitted.
Assumptions	Mortgage loans (first mortgage and related second mortgage) may be assumed at anytime without penalty. The prospective purchaser of the residence who assumes the mortgage loan must meet the income limitations, principal residence requirements, prohibited mortgages requirement, and any other requirement prescribed by State law.

REI

FHA Income Limits

2007 County Income Limits - FHA

County	115%
Adair	\$48,760.00
Alflafa	\$48,760.00
Atoka	\$48,760.00
Beaver	\$56,350.00
Beckham	\$48,760.00
Blaine	\$48,760.00
Bryan	\$48,760.00
Caddo	\$48,760.00
Canadian	\$61,640.00
Carter	\$50,255.00
Cherokee	\$48,760.00
Choctaw	\$48,760.00
Cimarron	\$49,105.00
Cleveland	\$61,640.00
Coal	\$48,760.00
Comanche	\$54,165.00
Cotton	\$48,760.00
Craig	\$49,335.00
Creek	\$60,375.00
Custer	\$51,290.00
Delaware	\$48,760.00
Dewey	\$49,105.00
Ellis	\$48,760.00
Garfield	\$54,740.00
Garvin	\$48,760.00
Grady	\$61,640.00
Grant	\$48,990.00
Greer	\$48,760.00
Harmon	\$48,760.00
Harper	\$56,465.00
Haskell	\$48,760.00
Hughes	\$48,760.00
Jackson	\$52,900.00
Jefferson	\$48,760.00
Johnston	\$48,760.00
Kay	\$52,325.00
Kingfisher	\$59,570.00
Kiowa	\$48,760.00

County	115%
Latimer	\$48,760.00
Le Flore	\$48,300.00
Lincoln	\$61,640.00
Logan	\$61,640.00
Love	\$51,290.00
Major	\$50,600.00
Marshall	\$48,760.00
Mayes	\$50,945.00
McClain	\$61,640.00
McCurtain	\$48,760.00
McIntosh	\$48,760.00
Murray	\$50,830.00
Muskogee	\$48,760.00
Noble	\$54,855.00
Nowata	\$49,910.00
Okfuskee	\$48,760.00
Oklahoma	\$61,640.00
Okmulgee	\$60,375.00
Osage	\$60,375.00
Ottawa	\$48,760.00
Pawnee	\$60,375.00
Payne	\$56,465.00
Pittsburg	\$48,760.00
Pontotoc	\$48,760.00
Pottawatomie	\$51,060.00
Pushmataha	\$48,760.00
Roger Mills	\$50,370.00
Roger	\$60,375.00
Seminole	\$48,760.00
Sequoyah	\$48,300.00
Stephens	\$49,680.00
Texas	\$57,845.00
Tillman	\$48,760.00
Tulsa	\$60,375.00
Wagoner	\$60,375.00
Washington	\$58,880.00
Washita	\$49,680.00
Woods	\$53,360.00
Woodward	\$55,775.00