

**WELLS  
FARGO**

**HOME  
MORTGAGE**

**Wells Fargo Wholesale Lending**

Wells Fargo Wholesale Lending

# Home Equity Program Overview

Effective October 17, 2005



# Program Eligibility Criteria



See Super Equity Program Matrix on Page 6 for Super Equity parameters and additional guidelines that apply to Super Equity loans and lines.

<b>Eligible Borrowers</b>	All borrowers must be of legal age or legally emancipated and be a: <ul style="list-style-type: none"> <li>• U.S. Citizen</li> <li>• Permanent Resident Alien</li> <li>• Non-permanent Resident Alien</li> </ul> <b>Note:</b> Non-occupant Co-borrowers are treated by WFHE under non-owner occupied terms			
<b>Determining Credit Score</b>	<ul style="list-style-type: none"> <li>• Utilize the lower of 2 (dual merge) or middle of 3 (tri-merge) credit scores of the Primary Income Earning</li> <li>• Primary Income Earning requires a minimum credit score of 620 in order to be eligible</li> <li>• Co-borrowers contributing income (any amount) to qualify must have a middle credit score <math>\geq 600</math></li> <li>• Credit scores for co-borrowers whose income is not being used to qualify are not considered</li> </ul>			
<b>Credit Score Reliability Criteria</b>	The Borrower(s) must have a reliable credit score based upon the following credit history: <ul style="list-style-type: none"> <li>• A minimum 3-year credit history of at least one trade line</li> <li>• A minimum of 5 trades with at least 2 trades reported within the past 6 months as current (not delinquent)</li> </ul> <b>Note:</b> An unreliable score does not qualify for stated income or features that specify a minimum credit score			
<b>Derogatory Credit</b>	Derogatory credit requirements are as follows: <ul style="list-style-type: none"> <li>• No Bankruptcy or Consumer Credit Counseling within the past 7 years (from date of discharge or close)</li> <li>• No Foreclosure/Repossession reported including but not limited to short sales, notice of default or &gt; 120 days late</li> <li>• All judgements, collections and/or unpaid charge-offs from any source in excess of \$500, or less than 24 months old, must be paid off or included in the DTI</li> </ul>			
<b>Loan Amounts</b>	<b>Minimum</b>	<b>Maximum</b>		
	\$20,000	<b>Standard</b> \$500,000	<b>Super Equity</b> \$1,000,000	
<b>Line-of-Credit Amounts</b>	<b>Minimum</b>	<b>Maximum</b>		
	\$10,000	<b>Standard</b> \$500,000	<b>Super Equity</b> \$1,000,000	
<b>Property Restrictions</b>	The following are not permitted as collateral: <ul style="list-style-type: none"> <li>• Manufactured housing or current/former mobile homes</li> <li>• Acreage in excess of 10 acres</li> <li>• Any property currently in foreclosure</li> </ul> <ul style="list-style-type: none"> <li>• Leaseholds, cooperatives</li> <li>• Properties currently listed for sale or previously listed for sale within the past 6 months</li> <li>• Properties with 3 or more units</li> </ul> <b>Note:</b> Refer to Program Matrix for specific property eligibility			
<b>Maximum Debt-to-Income Ratios (DTI)</b>	<b>Lines-of-Credit &lt; \$200,000 and Loans <math>\leq</math> to \$500,000</b>			
	Borrower's Monthly Income	$\leq$ \$4,000	\$4,001 - \$10,000	$\geq$ \$10,001
	Max DTI	45%	50%	55%
	<b>Lines-of-Credit <math>\geq</math> \$200,000</b>			
	Borrower's Monthly Income	$\leq$ \$4,000	\$4,001 - \$10,000	$\geq$ \$10,001
	Max DTI	45%		
<b>Ownership Seasoning</b>	Ownership seasoning is required on all Non-Purchase transactions. The following criteria must be met when applicable: <ul style="list-style-type: none"> <li>• If the property was purchased within the last six months, the CLTV must be calculated using the lesser of the purchase price or current appraised value (applies to all states except Nevada)</li> <li>• If the property is located in the state of Nevada, the Borrower must have owned the property for 12 months. The CLTV will be calculated using the current appraised value</li> <li>• Borrowers who are current or former employees of the Broker, Co-broker or Sub-broker must have owned the property for 12 months on non-purchase transactions with CLTVs over 80%. The CLTV will be calculated using the current appraised value. <b>Note:</b> Refer to the WFHE Broker Guide for additional information on Non-Arms Length Transactions</li> </ul>			
<b>Time on Job/Business</b>	<b>Salaried/Professional</b>		<b>Self-employed</b>	
	Salaried/Professionals are required to have a minimum time-on-job or time in field of $\geq 1$ year for all CLTVs and documentation types		Self-employed borrowers are required to have a minimum time owning current business of $\geq 2$ years <b>Note:</b> Refer to Program Matrix for detailed requirements	
<b>Stated Income</b>	Stated income is permitted per the Program Matrix on page 3. The following requirements also apply to all stated income loans/lines: <ul style="list-style-type: none"> <li>• Verbal VOE by WFHE required for all salaried borrowers (Verification of time in business for self-employed borrowers may be required at the discretion of a WFHE underwriter)</li> <li>• Refer to WFHE rate sheets for applicable adjuster on all stated income transactions</li> </ul>		The following are not eligible for stated income: <ul style="list-style-type: none"> <li>• 2-unit properties</li> <li>• Investment properties (non-owner occupied)</li> <li>• Borrowers who are current or former employees of the broker, co-broker or sub-broker</li> </ul>	
<b>Expanded CLTV Eligibility</b>	Borrowers with credit scores ranging from 620-659 may qualify for an additional 10% CLTV when the following criteria are met: <ul style="list-style-type: none"> <li>• Home equity loan/line must be simultaneously closed behind a Wells Fargo 1st mortgage or the loan/line is a stand-alone transaction closed behind an existing Wells Fargo 1st mortgage or home equity loan/line in 1st lien position</li> <li>• Maximum loan amount to \$250,000 on owner occupied, primary residence or second home</li> <li>• Single family attached or detached condo or PUD or 2-unit multi-family allowed. <b>Note:</b> 2-unit multi-family must be primary residence</li> <li>• Full income documentation is required</li> <li>• Mortgage/rental history must be no worse than 1x30 in the last 12 months</li> <li>• Additional requirements apply. Refer to Wells Fargo Wholesale Lending Home Equity Guide for details</li> </ul>			

# Full Documentation Program Matrix



HOME MORTGAGE

See Super Equity Program Matrix on Page 6 for Super Equity parameters and additional guidelines that apply to Super Equity loans and lines.

Primary Income Earner Minimum Credit Score	Max DTI	Minimum Time in Job/Business	Maximum Property Value	Primary Residence (00)			Second Home			Non-owner Occupied		
				Max CLTV	Maximum Loan/Line Amount	Eligible Property Types	Max CLTV	Maximum Loan/Line Amount	Eligible Property Types	Max CLTV	Maximum Loan/Line Amount	Eligible Property Types
700	45%-55% <sup>1</sup>	Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business	750,000	100%	\$500,000	1-unit SFR (Att/Det) Condo, PUD or 2-unit Multi-family	100%	Not offered at this CLTV	100%	Not offered at this CLTV		
			1,000,000	95%			\$250,000					
			1,500,000	90%				\$500,000	1-unit SFR (Att/Det) Condo, PUD	90%	\$250,000	1-unit SFR (Att/Det) Condo, PUD or 2-unit Multi-Family (MF2)
			2,000,000	80%			80%					
		2,500,000	75%	75%								
		3,000,000	70%	70%								
		4,000,000	65%	65%								
		Any	60%	60%								
660	45%-55% <sup>1</sup>	Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business	750,000	100% <sup>5</sup>	\$500,000	1-unit SFR (Att/Det) Condo, PUD or 2-unit Multi-family	100%	Not offered at this CLTV	100%	Not offered at this CLTV		
			1,000,000	90%			\$250,000					
			1,500,000	85%				\$250,000	1-unit SFR (Att/Det) Condo, PUD	85% <sup>3,6</sup>	\$250,000	1-unit SFR (Att/Det) Condo, PUD or 2-unit Multi-family
			2,000,000	80%			80% <sup>5</sup>					
		2,500,000	75%	75% <sup>6</sup>								
		3,000,000	70%	70%								
		4,000,000	65%	65%								
		Any	60%	60%								
620	45%-55% <sup>1</sup>	Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business	1,000,000	90% <sup>4,5</sup>	\$250,000	1-unit SFR (Att/Det) Condo, PUD or 2-unit Multi-family (Max CLTV for 2 units is 70% effective 11/17/05)	90% <sup>3,4,5</sup>	Not offered at this CLTV	90%	Not offered at this CLTV		
			1,500,000	85% <sup>4,6</sup>			\$250,000					
			2,000,000	80% <sup>4,5</sup>				\$500,000 (\$250,000 for Expanded CLTV Eligibility)	1-unit SFR (Att/Det) Condo, PUD	80% <sup>5</sup>	\$250,000	1-unit SFR (Att/Det) Condo, PUD or 2-unit Multi-family (Max CLTV for 2 units is 60% effective 11/17/05)
			2,500,000	75% <sup>4,6</sup>			75% <sup>6</sup>					
		3,000,000	70%	70% <sup>5</sup>								
		4,000,000	65%	65% <sup>6</sup>								
		Any	60%	60%								

<sup>1</sup> Refer to Max Debt-to-Income Ratios in the Program Eligibility Criteria matrix on page 1 for details or refer to Home Equity Section 900.12 of the WFWL Broker Guide.  
<sup>2</sup> Length of employment for salaried borrowers/professionals is determined by the time on job or field of employment, whichever is greater. Length of employment for self-employed borrowers is determined by the time of ownership of the current business.  
<sup>3</sup> Refer to WFHE rate sheets for applicable second home adjusters when CLTV is greater than 80%.  
<sup>4</sup> Maximum CLTV of 90% applies only to senior lien home equity transactions or junior lien home equity closing simultaneously with WFHM senior lien. Effective 11/17, maximum CLTV of 80% will apply to 2 unit properties in senior lien or junior lien position closing simultaneously with WFHM senior lien. Refer to Expanded CLTV Eligibility section in the Program Eligibility Matrix on page 1.  
<sup>5</sup> CLTV maximum is reduced by 10% for borrower (Primary Income Earner) with < 700 credit score and property value > \$600,000 for identified California counties, or > \$500,000 for all other counties when collateral is located in County Specific CLTV Reduction (CSCR) area. Use the lesser of the County Specific CLTV Restrictions (CSCR) or maximum CLTV based on collateral value. Refer to CSCR matrix on page 5 or refer to Home Equity Section 900.20 of the WFF Seller Guide for specified counties.  
<sup>6</sup> CLTV maximum is reduced by 5% for borrower (Primary Income Earner) with < 700 credit score and property value > \$600,000 for identified California counties, or > \$500,000 for all other counties when collateral is located in County Specific CLTV Reduction (CSCR) area. Use the lesser of the County Specific CLTV Restrictions (CSCR) or maximum CLTV based on collateral value. Refer to Home Equity Section 900.20 of the Wells Fargo Seller Guide for specified counties.

# Stated Income Program Matrix



See Super Equity Program Matrix on Page 6 for Super Equity parameters and additional guidelines that apply to Super Equity loans and lines.

Primary Income Earner Minimum Credit Score	Max DTI	Minimum Time in Job/Business	Maximum Property Value	Primary Residence (00)			Second Home		
				Maximum CLTV	Maximum Loan/Line Amount	Eligible Property Types	Maximum CLTV	Maximum Loan/Line Amount	Eligible Property Types
740	45%-55% <sup>1</sup>	Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business  Self-employed <sup>2</sup> ≥ 2 yrs same business	750,000	100%	\$150,000	1-unit SFR (Att/Det) Condo, PUD	100%	Not offered at this CLTV	
			1,000,000	95%			95%		
			1,500,000	90%			90% <sup>3</sup>	\$150,000	1-unit SFR (Att/Det) Condo, PUD
			2,000,000	80%			80%		
			2,500,000	75%			75%		
			3,000,000	70%			70%		
			4,000,000	65%			65%		
Any	60%	60%							
700	45%-55% <sup>1</sup>	Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business  Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business  Self-employed <sup>2</sup> ≥ 2 yrs same business	750,000	100% <sup>4</sup>	\$100,000	1-unit SFR (Att/Det) Condo, PUD	100%	Not offered at this CLTV	
			1,000,000	95% <sup>4</sup>			95%		
			1,500,000	90%			90% <sup>3</sup>	\$100,000	1-unit SFR (Att/Det) Condo, PUD
			2,000,000	80%			80%		
			2,500,000	75%			75%		
			3,000,000	70%			70%		
			4,000,000	65%			65%		
Any	60%	60%							
660	45%-55% <sup>1</sup>	Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business  Self-employed <sup>2</sup> ≥ 2 yrs same business	2,000,000	80%	\$75,000	1-unit SFR (Att/Det) Condo, PUD	80%	\$75,000	1-unit SFR (Att/Det) Condo, PUD
			2,500,000	75%			75%		
			3,000,000	70%			70%		
			4,000,000	65%			65%		
			Any	60%			60%		
620	45%-55% <sup>1</sup>	Salaried/Professional <sup>2</sup> ≥ 1 year same job or line of business  Self-employed <sup>2</sup> ≥ 2 yrs same business	2,000,000	80% <sup>5</sup>	\$25,000	1-unit SFR (Att/Det) Condo, PUD	80% <sup>5</sup>	\$25,000	1-unit SFR (Att/Det) Condo, PUD
			2,500,000	75% <sup>6</sup>			75% <sup>6</sup>		
			3,000,000	70%			70%		
			4,000,000	65%			65%		
			Any	60%			60%		

<sup>1</sup> Refer to Max Debt-to-Income Ratios in the Program Eligibility Criteria matrix on page 1 for details or refer to Home Equity Section 900.12 of the WFWL Broker Guide  
<sup>2</sup> Length of employment for salaried borrowers/professionals is determined by the time on job or field of employment, whichever is greater. Length of employment for self-employed borrowers is determined by the time of ownership of the current business.  
<sup>3</sup> Refer to WFHE rate sheets for applicable second home adjusters when CLTV is greater than 80%  
<sup>4</sup> >90% CLTV for self-employed borrowers requires a 740 FICO Score  
<sup>5</sup> CLTV maximum is reduced by 10% for borrower (Primary Income Earner) with < 660 credit score and property value >\$600,000 for identified California counties, or >\$500,000 for all other counties when collateral is located in County Specific CLTV Reduction (CSCR) area. Use the lesser of the County Specific CLTV Restrictions (CSCR) or maximum CLTV based on collateral value. Refer to the CSCR matrix on page 5 or refer to Home Equity Section 900.20 of the WFF Seller Guide for specified counties.  
<sup>6</sup> CLTV maximum is reduced by 5% for borrower (Primary Income Earner) with < 660 credit score and property value >\$600,000 for identified California counties, or >\$500,000 for all other counties when collateral is located in County Specific CLTV Reduction (CSCR) area. Use the lesser of the County Specific CLTV Restrictions (CSCR) or maximum CLTV based on collateral value. Refer to Home Equity Section 900.20 of the Wells Fargo Seller Guide for specified counties.

# General Program Requirements

See Super Equity Program Matrix on Page 6 for Super Equity parameters and additional guidelines that apply to Super Equity loans and lines.

	Loan/Line Amount	First Lien Position	Junior Lien Position		
Title Insurance	≤ \$250,000	Full ALTA Title Policy	Ownership and Encumbrance (O&E) including lien search, legal description and vesting		
	> \$250,000	Full ALTA Title Policy	Full ALTA Title Policy		
	<ul style="list-style-type: none"> <li>A standard title policy is required when refinancing a private party first or going behind a private party first</li> <li>An ALTA policy including a Mechanics Lien Endorsement must be ordered when there is construction in progress to ensure there are no mechanic's liens that have taken precedence</li> </ul>				
Property Valuation Methods	Maximum Loan/Line Amount				
	Transaction type	Approved AVM (Basis 100) <sup>2,4</sup> (Standalone only)	2055 Exterior	2055 Interior	Full Appraisal <sup>1</sup>
	1st Lien	N/A	≤\$250,000	≤\$250,000	>\$250,000
	Purchase	N/A	≤\$250,000	≤\$250,000	>\$250,000
	2 units <sup>3</sup>	N/A	N/A	N/A	All Loan Amounts
	All other home equity transactions	620-639: \$75,000 640+: \$100,000	≤\$250,000	≤\$250,000	>\$250,000
<sup>1</sup> Full Appraisal is defined as a USPAP conforming appraisal on the appropriate form for the property type: <ul style="list-style-type: none"> <li>FNMA 1004/FHLMC 70 (URAR)</li> <li>FNMA 1073/FHLMC 465 (individual condo unit)</li> <li>FNMA 1025/FHLMC 72 (2-unit, small residential income property)</li> </ul> <sup>2</sup> AVM is not acceptable for the state of Hawaii		<sup>3</sup> 2-unit property appraisals must include one of the following: <ul style="list-style-type: none"> <li>FNMA 1004/FHLMC 70 (URAR)</li> <li>FNMA 1025/FHLMC 72 (small residential income property form) or equivalent</li> <li>Non-owner occupied 2-unit properties must include FNMA 216/FHLMC 998 or equivalent</li> </ul> <sup>4</sup> If owner's estimate of value (OEV) is less than AVM value, WFHE will adjust value to 110% of OEV. Refer to Home Equity Section 900.10 of the WFWL Broker Guide.			
Existing First Mortgage Criteria	The following existing first mortgages are not permitted: <ul style="list-style-type: none"> <li>Reverse mortgages</li> </ul>		<ul style="list-style-type: none"> <li>Loans potentially subject to negative amortization</li> <li>Cal-Vet mortgages</li> </ul>		
First Lien Requirements	Home Equity lines/loans in first lien position are eligible when the following requirements are met: <ul style="list-style-type: none"> <li>Fully executed Purchase agreement, if applicable</li> <li>Appraisal must conform to requirements listed above (if subject to completion, Form 442 required PTF)</li> <li>Full ALTA policy with all applicable endorsements</li> <li>Hazard insurance reflecting WF Bank, N.A. as loss payee, evidenced by original policy or declarations page</li> <li>Transaction must be closed by a licensed 3rd party escrow/closing agent or attorney</li> </ul>		<ul style="list-style-type: none"> <li>Impound/escrow accounts for taxes and insurance not available</li> <li>Seller contributions are permitted to 3% maximum (based on lesser of sales price or appraised value)</li> <li>Interested Non-Seller 3rd Party (i.e. Builder, Broker, etc.) contributions not permitted</li> <li>On simultaneous 1st and 2nd liens with WFHE, overall broker rebate for both transactions cannot exceed \$4000</li> </ul>		
Insurance Requirements	<b>Hazard Insurance</b> WFHE requires hazard insurance with coverage that meets the lesser of the following: <ul style="list-style-type: none"> <li>100% of the insurable value of the improvements on the mortgaged property evaluated and determined by insurer</li> <li>Amount equal to the WFHE home equity loan/line of credit amount plus any senior liens</li> <li>Wells Fargo Bank, N.A. must be named as an insured lender on the policy:</li> </ul> Mortgagee Clause Wells Fargo Bank, N.A. It's Successors and/or Assigns Loan #, P.O. Box 31678, Billings, MT 59107		<b>Flood Insurance</b> When applicable, WFHE requires a life-of-loan flood certificate and flood insurance policy with coverage that meets the lesser of the following: <ul style="list-style-type: none"> <li>The replacement value of the improvements as determined by the hazard insurance provider</li> <li>The maximum insurance available under the National Flood Insurance Act, currently \$250,000</li> <li>Wells Fargo Bank, N.A. must be named as an insured lender on the policy:</li> </ul> Mortgagee Clause Wells Fargo Bank, N.A., Second Mortgagee It's Successors and/or Assigns C/O Van Wegenen Loan #, P.O. Box 850, Minneapolis, MN 55480-0850		
Broker Compensation	Total overall broker compensation may not exceed 4.5% of the line/loan amount. WFHE broker compensation (rebate) capped at 1% for HELOC and 2% for HELOAN, not to exceed \$4000. Broker's compensation for Lines-of-Credit is based on utilized portion of line. <b>Note:</b> See First Lien Requirements for WFHE division simultaneous first and second liens.				
State Specific Lending Requirements	TEXAS: Refer to Wells Fargo Wholesale Lending Texas Second Mortgage Program Overview for detailed requirements				

## General Program Requirements (cont'd)

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For counties listed in the CSCR Matrix below, CLTV is reduced by up to 10% of the maximum allowed\* CLTV when:

Full Documentation	<ul style="list-style-type: none"> <li>• Primary wage earner FICO is &lt; 700, and</li> <li>• Property value is greater than county specific threshold</li> </ul>
Stated Income	<ul style="list-style-type: none"> <li>• Primary wage earner FICO is &lt; 660, and</li> <li>• Property value is greater than county specific threshold</li> </ul>

\*For maximum allowed CLTV, see the Full Documentation and Stated Income Matrices on page 2 and 3 of this guide.

### County Specific CLTV Reduction (CSCR) Matrix

County	State	Threshold	County	State	Threshold
Mohave	AZ	\$500,000	Middlesex	NJ	\$500,000
Alameda	CA	\$600,000	Morris	NJ	\$500,000
Contra Costa	CA	\$600,000	Somerset	NJ	\$500,000
El Dorado	CA	\$500,000	Sussex	NJ	\$500,000
Los Angeles	CA	\$600,000	Union	NJ	\$500,000
Marin	CA	\$600,000	Warren	NJ	\$500,000
Orange	CA	\$600,000	Clark	NV	\$500,000
Placer	CA	\$500,000	Nye	NV	\$500,000
Riverside	CA	\$500,000	Nassau	NY	\$500,000
Sacramento	CA	\$500,000	Suffolk	NY	\$500,000
San Bernardino	CA	\$500,000	Alexandria City	VA	\$500,000
San Diego	CA	\$600,000	Arlington	VA	\$500,000
San Francisco	CA	\$600,000	Clarke	VA	\$500,000
San Mateo	CA	\$600,000	Culpeper	VA	\$500,000
Santa Clara	CA	\$600,000	Fairfax	VA	\$500,000
District of Columbia	DC	\$500,000	Fairfax City	VA	\$500,000
Miami-Dade	FL	\$500,000	Falls Church City	VA	\$500,000
Bristol	MA	\$500,000	Fauquier	VA	\$500,000
Essex	MA	\$500,000	Fredericksburg City	VA	\$500,000
Middlesex	MA	\$500,000	King George	VA	\$500,000
Norfolk	MA	\$500,000	Loudoun	VA	\$500,000
Plymouth	MA	\$500,000	Manassas City	VA	\$500,000
Suffolk	MA	\$500,000	Manassas Park City	VA	\$500,000
Worcester	MA	\$500,000	Prince William	VA	\$500,000
Calvert	MD	\$500,000	Spotsylvania	VA	\$500,000
Charles	MD	\$500,000	Stafford	VA	\$500,000
Frederick	MD	\$500,000	Warren	VA	\$500,000
Montgomery	MD	\$500,000	Island	WA	\$500,000
Prince Georges	MD	\$500,000	King	WA	\$500,000
Rockingham	NH	\$500,000	Snohomish	WA	\$500,000
Essex	NJ	\$500,000	Berkeley	WV	\$500,000
Hunterdon	NJ	\$500,000	Jefferson	WV	\$500,000

# Super Equity Program— Home Equity Financing Up to \$1 Million

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Minimum Credit Score	Loan Amount	Maximum CLTV <sup>1</sup> Purchase or Rate/Term Refinance		Maximum CLTV <sup>1</sup> Cash-out Refinance <sup>2</sup>	
		Primary Residence	Second Home	Primary Residence	Second Home
700	\$500,001-\$650,000	80% <sup>1</sup>	75% <sup>1</sup>	80% <sup>1</sup>	65% <sup>1</sup>
	\$650,001-\$750,000	80% <sup>1</sup>	70% <sup>1</sup>	75% <sup>1</sup>	60%
	\$750,001-\$1,000,000	80% <sup>1</sup>	65% <sup>1</sup>	70% <sup>1</sup>	55%
<b>Underwriting Guidelines Specific to Super Equity Program<sup>3</sup></b>					
<b>Eligible Products</b>	<ul style="list-style-type: none"> <li>All home equity products are eligible including the HELOAN and HELOC</li> </ul>				
<b>Eligible Borrowers</b>	<ul style="list-style-type: none"> <li>Maximum of four borrowers permitted to contribute income to qualify</li> <li>Minimum of one borrower must be vested on title</li> <li>Maximum of two "Super Equity" loans per borrower. Multiple transactions on the same property with WFHE are considered in aggregate.</li> <li>All existing borrower eligibility guidelines apply per Home Equity Section 900.03 of the Wells Fargo Wholesale Lending Broker Guide</li> </ul>				
<b>Employment</b>	<ul style="list-style-type: none"> <li>2 years required for time on job or in the same profession for salaried/professional</li> <li>2 years required for time on job or in current business for self-employed</li> </ul>				
<b>Income Documentation</b>	<ul style="list-style-type: none"> <li>Full documentation only. Stated income not permitted</li> <li>Self-employed borrower must:                             <ul style="list-style-type: none"> <li>Show evidence of stability for minimum of two years</li> <li>Maintain a separate business phone listing</li> </ul> </li> <li>Sign an IRS Form 4506T</li> <li>Provide income documentation in the form of 2 years complete personal and business tax returns and interim financial statements including year-to-date profit and loss (P&amp;L)</li> </ul>				
<b>DTI</b>	<ul style="list-style-type: none"> <li>Maximum 38% debt-to-income ratio</li> <li>To exclude departing residence payment, a HUD-1 showing sale of departure must be in the file. Rental analysis will not be considered</li> </ul>				
<b>Eligible Properties</b>	<ul style="list-style-type: none"> <li>Single Family Residence (attached/detached), Planned Unit Development (PUD), Townhouse</li> <li>1-2 unit primary residence; 1 unit second home</li> <li>Condominiums including high and low rise. Condominiums will be treated as single-family residence by WFHE with the exception of condo conversions. Condo Conversions are permitted on an exception basis only and MUST be an approved Fannie Mae (FNMA) or Freddie Mac (FHMLC) project.</li> </ul>				
<b>Ineligible Properties</b>	<ul style="list-style-type: none"> <li>Tax-sheltered syndicates</li> <li>Deferred maintenance</li> <li>Work in process</li> <li>All other ineligible properties found in Home Equity Section 900.08 of the Wells Fargo Wholesale Lending Broker Guide</li> </ul>				
<b>Lien Position</b>	<ul style="list-style-type: none"> <li>A maximum of two loans/lines in first or second lien position are permitted</li> </ul>				
<b>Appraisal</b>	<ul style="list-style-type: none"> <li>A full appraisal is required. WFHE will complete a full appraisal review for each file submitted under the Super Equity program.</li> </ul>				
<b>Title Requirements</b>	<ul style="list-style-type: none"> <li>Full ALTA policy is required for both junior and senior lien position</li> </ul>				
<b>Delivery Requirements</b>	<ul style="list-style-type: none"> <li>All applications should be sent to WFHE for underwriting</li> <li>Online decisions via Broker's First are not permitted</li> </ul>				
<b>Down Payment Reqmt</b>	<ul style="list-style-type: none"> <li>Minimum down payment of 20% of the purchase price must be paid from the borrowers own funds and/or equity proceeds from the sale of a residence</li> </ul>				
<b>Gift Funds</b>	<ul style="list-style-type: none"> <li>Gift funds for down payment, closing costs, or pre-pays are not permitted</li> </ul>				
<b>Assets/Reserves</b>	<p>Borrower(s) must meet one of the following:</p> <ul style="list-style-type: none"> <li>For Primary Residence: 6 months Principal, Interest, Taxes and Insurance (PITI) on primary residence</li> <li>For Second Home: 6 months PITI on primary residence and second home, combined</li> </ul> <p>The following assets may be used to meet the post-closing liquidity requirements:</p> <ul style="list-style-type: none"> <li><b>Liquid Assets (stocks, bonds, CD's, etc.):</b> Verification of Deposit (VOD) with a two-month average balance or two months recent and consecutive bank/brokerage statements. If there is a recently opened account or a large increase in an existing account, the source of funds must be explained and documented by the borrower.</li> <li><b>Sale Proceeds:</b> The proceeds from the sale of a currently owned home are an acceptable source of post closing liquidity. A copy of the final HUD-1 settlement statement, signed and dated, on the sale of the home, must be used to verify the source of these funds. Sale proceeds, with intended usage as down payment to consummate the purchase of a new home, cannot be counted as post-closing liquidity.</li> <li><b>Trust Accounts:</b> Irrevocable trust account funds may be used if the borrower has documented access to the funds and they can be verified.</li> <li><b>Retirement Accounts (IRA/Keogh/401K):</b> Only 50% of the account value may be used. If borrower(s) are age 59 ½ or older, 100% of retirement income may be used.</li> </ul> <p>The following assets may not be used to meet the post closing liquidity requirements:</p> <ul style="list-style-type: none"> <li>Gift funds</li> <li>Borrowed funds</li> <li>Funds held in business accounts</li> <li>Stock in closely held corporations</li> <li>Proceeds from a cash-out refinance transaction</li> <li>Margined/pledged accounts</li> <li>Proceeds from the sale of assets other than the sale of a residence</li> </ul>				

<sup>1</sup> Where property value exceeds \$2,000,000, additional CLTV restrictions may apply. See the Full Documentation Matrix in Home Equity Section 900.01 of the Wells Fargo Wholesale Lending Broker Guide for details.

<sup>2</sup> Cash-out is defined as a cash-out amount, cash to borrower or for payment of non-subject collateral secured debt or unsecured debt, exceeding the lower of 2% or \$10,000 of financed loan amount. The pay-off of a first or second lien is considered a cash-out if the lien has less than 12 months seasoning and was initially used for cash-out purposes.

<sup>3</sup> Super Equity Program guidelines apply to all home equity loans and lines of credit greater than \$500,000 for primary residence and second homes. Non-owner occupied homes are not eligible.

# Product Description



	Home Equity Line-of-Credit	Home Equity Loan
<b>Rate</b>	<ul style="list-style-type: none"> <li>• Rate = index + margin</li> <li>• Index = Wall Street Journal Prime from previous business days published rate</li> <li>• Margin = fixed until the maturity date</li> <li>• Maximum Annual Percentage Rate (APR) 18%</li> <li>• Floor rate may apply. See WFHE rate sheets.</li> </ul>	<ul style="list-style-type: none"> <li>• APR fixed for full term of loan</li> <li>• Variable/adjustable rate option unavailable</li> <li>• Temporary buy downs unavailable</li> </ul>
<b>Payment</b>	<ul style="list-style-type: none"> <li>• Interest-only</li> <li>• Payment due on the 20th of each month</li> <li>• Billing monthly statement sent to borrower or ACH</li> <li>• No prepayment penalties</li> </ul>	<ul style="list-style-type: none"> <li>• Amortized based on loan amount, term and rate over 365 days</li> <li>• Payment due 30 days from closing</li> <li>• Coupon books supplied to the borrower or ACH</li> <li>• No prepayment penalties</li> </ul>
<b>Terms</b>	<p>Terms</p> <ul style="list-style-type: none"> <li>• 10-year draw with 20-year amortizing repayment</li> <li>• 10-year draw with balloon payment</li> </ul> <p>Minimum Draw Amount</p> <ul style="list-style-type: none"> <li>• At closing: No minimum draw amount required</li> <li>• After closing: Lesser of \$300 or available line balance</li> <li>• Draw options: Check, credit card or line advance by phone</li> </ul>	<p>Terms of 5, 7, 10, 15, 20, 25 or 30/5, 30/10 and 30/15 available as follows:</p> <ul style="list-style-type: none"> <li>• \$50,000-\$250,000 = max term 25 years</li> <li>• \$25,000-\$49,999 = max term 20 years</li> <li>• \$20,000-\$24,999 = max term 15 years</li> </ul> <p>See WFHE rate sheet for discounts and adjustments on terms</p>
<b>Fees</b>	\$75 annual fee waived for first year	No WFHE lender origination fee
<b>Pricing</b>	<ul style="list-style-type: none"> <li>• Risk-based pricing driven by CLTV and credit scores</li> </ul> Refer to WFHE rate sheet	<ul style="list-style-type: none"> <li>• Risk-based pricing driven by CLTV and credit scores</li> </ul> Refer to WFHE rate sheet

## Contact Wells Fargo Home Equity

	Online at <a href="http://www.brokersfirst.com">www.brokersfirst.com</a>		
<b>Locations</b>	<b>WFHE National Contact Number</b>	<b>Carlsbad</b>	
	Wells Fargo Home Equity National Toll-free Number:  <b>888-WFHE-NOW</b> 888-934-3669  Option 1: Carlsbad Option 2: Des Moines Option 3: Fort Mill	5540 Fermi Court Carlsbad, CA 92008  <b>General Voice Line: 888-934-3669</b> Option #1: Status on submitted application Option #2: Client relations/scenario desk Option #3: Application assistance Option #4: Training Option #5: Daily turn-times Option #6: Servicing on a funded account Option #7: Web-site assistance (BrokersFirst.com) Option #8: Repeat options	
	<b>Des Moines</b>	<b>Fort Mill</b>	
	7600 Office Plaza Drive West Des Moines, IA 50266  <b>General Voice Line: 888-934-3669</b> Option #1: Status on submitted application Option #2: Client relations/scenario desk Option #3: Application assistance Option #4: Training Option #5: Daily turn-times Option #6: Servicing on a funded account Option #7: Web-site assistance (BrokersFirst.com) Option #8: Repeat options	3480 Stateview Blvd. Fort Mill, South Carolina 29715  <b>General Voice Line: 888-934-3669</b> Option #1: Status on submitted application Option #2: Client relations/scenario desk Option #3: Application assistance Option #4: Training Option #5: Daily turn-times Option #6: Servicing on a funded account Option #7: Web-site assistance (BrokersFirst.com) Option #8: Repeat options	
<b>General Contact Information</b>	<b>Customer Service</b> 866-275-9138	<b>Modifications</b> 888-237-7184	<b>Subordinations</b> 800-945-3056

Home equity loans and home equity lines of credit are available through Wells Fargo Consumer Credit Group, a division of Wells Fargo Bank N.A. Information contained in this is a summary and is not complete. Refer to the Wells Fargo Home Equity Broker Origination Guide for complete detailed guidelines. This information is for use by mortgage professionals only and should not be distributed to or used by consumers or other third parties. Information is accurate as of date of printing and is subject to change without notice. Wells Fargo Home Mortgage is a division of Wells Fargo Bank N.A.

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