Exhibit A
May 2, 2008 Guide Bulletin

Chapter 23: Maximum Loan Amounts and LTV, TLTV and HTLTV Ratios

23.5: Maximum financing (05/02/08)

Financing to the maximum loan-to value (LTV) ratio, as set forth in Section 23.4 and other sections that limit the LTV ratio for certain products or Mortgage types, is acceptable when property values are stable or increasing. Except as set forth below, the lender may not offer financing to the maximum LTV ratio in any instance in which property values are declining. In such cases, the LTV ratio must not exceed an amount that is five percentage points less than the maximum LTV ratio allowed for the specific type of Mortgage or product.

For purchase and "no cash-out" refinance Mortgages only, if the maximum allowed LTV ratio for the specific type of Mortgage product or program is equal to or greater than 95%, the lender will not be required to reduce the maximum LTV ratio below 95% if the Mortgage meets the following requirements:

- The Mortgage is secured by a 1-unit Primary Residence that is not a Manufactured Home; and
- The Mortgage is a Loan Prospector® Mortgage with a Risk Class of Accept.

For additional information regarding maximum financing requirements see Sections 24.4, 24.5, D33.4(a) and A34.6(d).

23.5: Maximum financing (06/01/08)

Financing to the maximum loan-to-value (LTV), total LTV (TLTV), and home equity total LTV (HTLTV) ratio, as set forth in Section 23.4 and other sections that limit the LTV, TLTV and HTLTV ratio for certain products or Mortgage types, is acceptable when property values are stable or increasing. Except as set forth below, the lender may not offer financing to the maximum LTV, TLTV and HTLTV ratio in any instance in which property values are declining. In such cases, the LTV, TLTV and HTLTV ratio must not exceed an amount that is five percentage points less than the maximum ratio allowed for the specific type of Mortgage or product.

For purchase and "no cash-out" refinance Mortgages only, if the maximum allowed LTV, TLTV or HTLTV ratio for the specific type of Mortgage product or program is equal to or greater than 95%, the lender will not be required to reduce the maximum LTV, TLTV and HTLTV ratio below 95% if the Mortgage meets the following requirements:

- The Mortgage is secured by a 1-unit Primary Residence that is not a Manufactured Home; and
- The Mortgage is a Loan Prospector® Mortgage with a Risk Class of Accept

For additional information regarding maximum financing requirements see Sections 24.4, 24.5, D33.4(a) and A34.6(d).

Chapter 24: Refinance Mortgages

24.4: Special requirements for Freddie Mac-owned streamlined refinance Mortgages (02/21/08)

If the Mortgage being refinanced is a First Lien, conventional Mortgage currently owned by Freddie Mac, in whole or in part, or securitized by Freddie Mac, and:

- A Borrower has not been omitted from the Mortgage being refinanced due to death or divorce, and
- Mortgage proceeds from the new refinance Mortgage are not being used to pay off a junior lien

the streamlined refinance Mortgage is eligible for special requirements for Freddie Mac-owned streamlined refinance Mortgages. The new refinance Mortgage must meet the requirements outlined in Sections 24.2 and 24.3 except as modified below.

(a) Special eligibility requirements

There is no minimum seasoning requirement for the Mortgage being refinanced.

Maximum financing may be offered on a property located in a market with declining values provided that the new refinance Mortgage amount is limited to the amounts used to:

- Pay off the first mortgage (rounded to the nearest $100), and
- Pay related Closing Costs, Financing Costs, Prepaids/Escrows.

Junior liens must remain subordinate to the lien of the new refinance Mortgage and no cash out can be disbursed to the Borrower (or any other payee).

(b) Special underwriting requirements

- For Manually Underwritten refinance Mortgages, a minimum Indicator Score of 620 is required
- For Manually Underwritten refinance Mortgages, the Mortgage payment history indicates the Mortgage being refinanced has been current for the most recent 90 days and in the most recent 12 months has not been:
  - 30 days delinquent more than once, or
  - 60 or more days delinquent

(c) Special documentation requirements

Verification of income and employment is not required.

24.5: Requirements for "no cash-out" refinance Mortgages (02/21/08)

A "no cash-out" refinance Mortgage must meet the applicable requirements in Sections 24.2 and 23.4.

A "no cash-out" refinance Mortgage is a Mortgage in which the loan amount is limited to the amounts used to:

- Pay off the first Mortgage, regardless of its age; for Construction Conversion Mortgages and Renovation Mortgages, the amount of the Interim Construction Financing secured by the Mortgaged Premises is considered an amount used to pay off the first Mortgage. However, paying off unsecured liens or construction costs paid by the Borrower outside of the secured Interim Construction Financing is considered cash out to the Borrower, if above the $2000 or 2% percent of loan amount limit.

- Pay off any junior liens secured by the Mortgaged Premises, that were used in their entirety to acquire the subject property

- Pay related Closing Costs, Financing Costs and Prepaids/Escrows, and

- Disburse cash out to the Borrower (or any other payee) not to exceed 2% of the new refinance Mortgage or $2,000, whichever is less.

(a) Subordinate financing

The Borrower is not required to satisfy outstanding junior liens, provided that:

- The junior liens remain subordinate to the lien of the new refinance Mortgage
- The junior liens meet the requirements of Section 25.2 pertaining to secondary financing, and
- A copy of the subordination agreement is maintained in the Mortgage file

(b) Special documentation requirements

If a junior lien was paid off as part of the "no cash-out" refinance transaction, the Seller must maintain documentation in the Mortgage file demonstrating that the full amount of the lien was used for the purchase of the subject property.

(c) Special requirements for Freddie Mac-owned “no cash-out” refinance Mortgages

If the Mortgage being refinanced is currently owned by Freddie Mac in whole or in part, or securitized by Freddie Mac, maximum financing may be offered on a property located in a market with declining values <u>if the loan amount is limited to the amount used to:</u>

- <u>Pay off the first Mortgage (rounded to the nearest $100), regardless of its age; for Construction Conversion Mortgages and Renovation Mortgages, the amount of the Interim Construction Financing secured by the Mortgaged Premises is considered an amount used to pay off the first Mortgage</u>

- <u>Pay related Closing Costs, Financing Costs and Prepaids/Escrows</u>

<u>Junior liens must remain subordinate to the lien of the new refinance Mortgage and no cash out can be disbursed to the Borrower (or any other payee).</u>

24.5: Requirements for "no cash-out" refinance Mortgages (<u>08/01/08</u>)

A "no cash-out" refinance Mortgage must meet the applicable requirements in Sections 24.2 and 23.4.

A "no cash-out" refinance Mortgage is a Mortgage in which the loan amount is limited to the amounts used to:

- Pay off the first Mortgage, regardless of its age; for Construction Conversion Mortgages and Renovation Mortgages, the amount of the Interim Construction Financing secured by the Mortgaged Premises is considered an amount used to pay off the first Mortgage. However, paying off unsecured liens or construction costs paid by the Borrower outside of the secured Interim Construction Financing is considered cash out to the Borrower, if above the $2000 or 2% percent of loan amount limit.

- Pay off any junior liens secured by the Mortgaged Premises, that were used in their entirety to acquire the subject property

- Pay related Closing Costs, Financing Costs and Prepaids/Escrows, and

- Disburse cash out to the Borrower (or any other payee) not to exceed 2% of the new refinance Mortgage or $2,000, whichever is less.

When a Seller originates a cash-out refinance Mortgage, the Seller holds that Mortgage for less than six months, and that Mortgage is refinanced with a “no cash-out” refinance Mortgage, the refinance Mortgage is ineligible for sale to Freddie Mac as a “no cash-out” refinance Mortgage. The Mortgage must be sold to Freddie Mac as a cash-out refinance Mortgage and will be assessed the Cash-out Refinance Mortgages Indicator Score/Loan-to-Value postsettlement delivery fee (delivery fee), in addition to any other applicable delivery fees.

(a) Subordinate financing

The Borrower is not required to satisfy outstanding junior liens, provided that:

- The junior liens remain subordinate to the lien of the new refinance Mortgage
- The junior liens meet the requirements of Section 25.2 pertaining to secondary financing, and
- A copy of the subordination agreement is maintained in the Mortgage file

(b) Special documentation requirements

If a junior lien was paid off as part of the "no cash-out" refinance transaction, the Seller must maintain documentation in the Mortgage file demonstrating that the full amount of the lien was used for the purchase of the subject property.

(c) Special requirements for Freddie Mac-owned “no cash-out” refinance Mortgages

If the Mortgage being refinanced is currently owned by Freddie Mac in whole or in part, or securitized by Freddie Mac, maximum financing may be offered on a property located in a market with declining values if the loan amount is limited to the amount used to:

- Pay off the first Mortgage (rounded to the nearest $100), regardless of its age; for Construction Conversion Mortgages and Renovation Mortgages, the amount of the Interim Construction Financing secured by the Mortgaged Premises is considered an amount used to pay off the first Mortgage

- Pay related Closing Costs, Financing Costs and Prepaids/Escrows

Junior liens must remain subordinate to the lien of the new refinance Mortgage and no cash out can be disbursed to the Borrower (or any other payee).