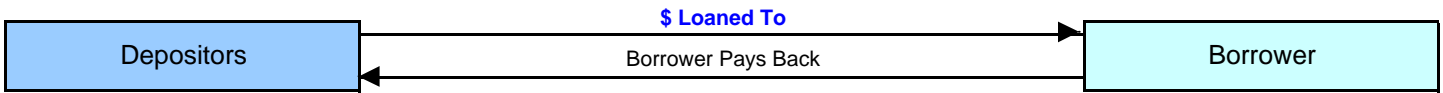


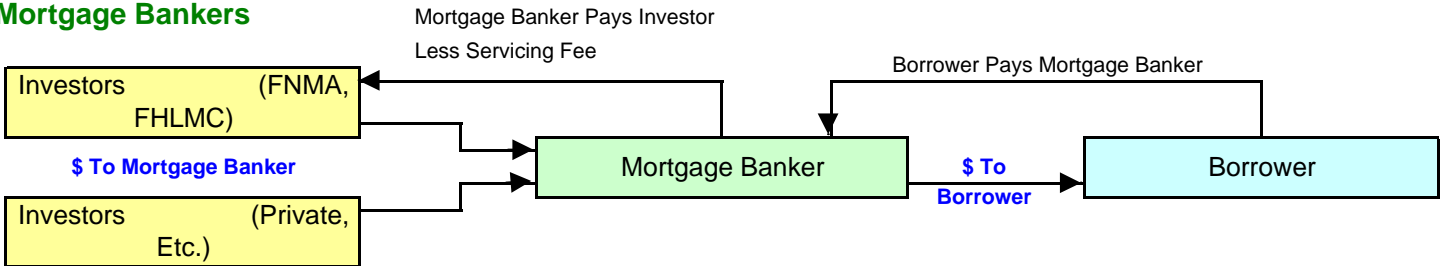
TYPES OF LENDERS

Portfolio Lender



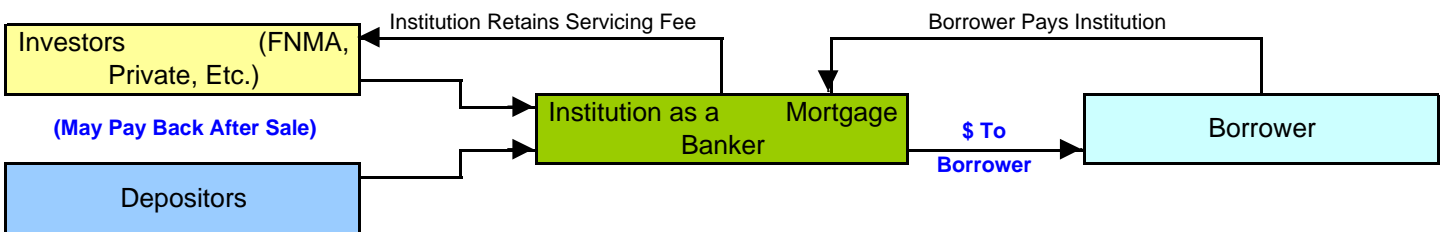
Profits are earned on the difference between the amount paid to depositors and interest charged.
Portfolio Lender has complete control and all risk.

Mortgage Bankers



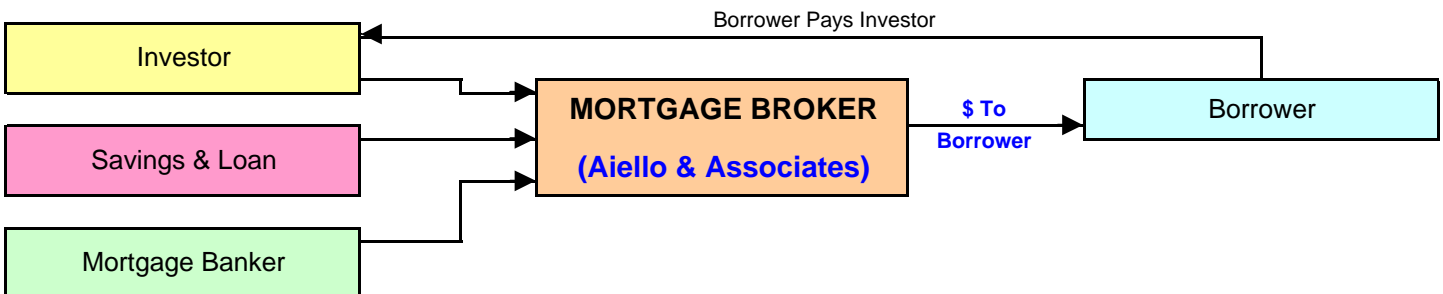
Profits are earned for fees charged to originate the loan and for servicing retained after loan is sold.
Risk is shared with investor. Mortgage Banker has no deposit base.

Banks, Credit Unions and Savings & Loans as Mortgage Bankers



Institution has luxury of depositor base, so it may choose to sell loans or retain them in portfolio.
Profits may come from servicing fees **and** from interest differential.

Mortgage Brokers



Mortgage Broker has no depositors and no commitments.
Profits come from fees earned from bringing buyers and money source together.