



MORTGAGE CAPITAL MANAGEMENT

Rate Protection Plan

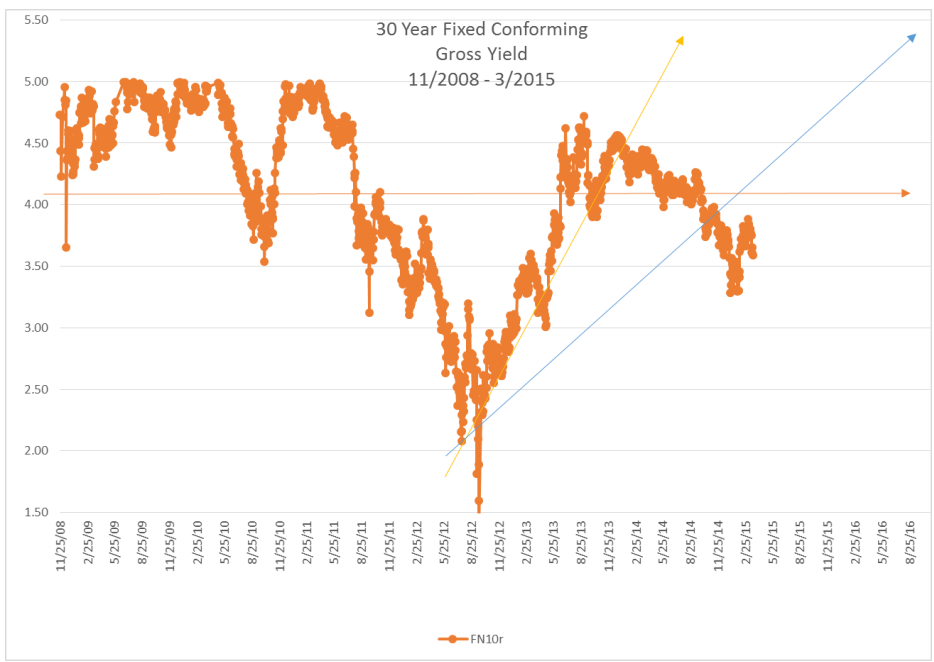
Volatility in the financial markets has increased dramatically in recent months and is expected to increase in the future.

Financial market volatility has had a significant negative impact on homebuyers. To counter the unnecessary uncertainty concerning interest rates for borrowers, **MCM, Mortgage Capital Management** has developed an interest RPP, rate protection plan for mortgage bankers to offer their customers. The new plan provides for a maximum interest rate ceiling on a borrower's fixed rate mortgage application for up to 180 days for **no upfront fee**.

What are the benefits of a Rate Protection Plan?

Borrowers receive valuable interest rate protection at no upfront fee. The worst-case scenario is known and borrowers remain qualified at ceiling rates when interest rates increase.

Borrowers are allowed to float down with the current market if mortgage rates decrease, rather than a "LOCKED-IN" interest rate.



How is the Rate Protection Plan priced?

Here is a sample pricing adjustment required to determine your interest rate ceiling or discount:

Rate Sheet Indication	3.750% @ - 1 point
RPP Adjustment for 5 month float down	.375 + 0 points
Maximum or Capped Rate	4.125% @ - 1 point