GENERAL OPERATIONS

PLEASE DISREGARD FHA TITLE II LOANS IN ANSWERING ITEMS 1, 2 AND 3 BELOW

1. Loan charges on new, home loans:

<table>
<thead>
<tr>
<th>ANNUAL INTEREST RATES</th>
<th>PREVAILING INTEREST RATE</th>
<th>COMMISSION OR SERVICE FEE</th>
<th>APPROX. TOTAL OF OTHER* LOAN CLOSING COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>5%</td>
<td>5%</td>
<td>None</td>
<td>_ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _</td>
</tr>
</tbody>
</table>

*If costs are different in case of construction loans, please explain:

Our average loan is so much more than $3,000.00 that we do not feel that it is fair to set forth a $3,000.00 expense item. We require a survey at a cost of $12.50, an AIA policy of title insurance, tax and lien service and the usual recordings. We make no charges for commission, service fees, appraisals, or any other of our activities.

2. Prevailing repayment plan for new home loans: (Answer only appropriate one)

a. If monthly payment plan:

MONTHLY PAYMENT INCLUDING INTEREST AT PREVAILING RATE

$6.60 per $1000 of loan

b. If other than monthly payment plan:

INTEREST PERIOD PRINCIPAL PERIOD PRINCIPAL PAYMENT PER PERIOD LOAN PERIOD

quarterly semi-annual same 5% 20 yrs MAX

3. Appraisals on new, home loans:

a. Maximum percentage of appraisal loaned

66 2/3

b. What proportion of loans made past 12 months were within 10% of maximum

none

4. Prevailing terms offered on sales of home properties owned:

Down payment

none

Annual interest rate

2% 6%

Assuming 10 to 20

Monthly payment per $1000, including interest or repayment required on balance

(15 year loan at 5%)

$8.18

While these terms as set forth in paragraph 4 are usual because most properties are sold with a small down payment, where the down payment is more substantial a lesser interest rate is charged, and at times we permit the loan to run on a twenty year basis. In that event, however, we require the same security and percentage of loan as were we to make a new loan upon the property.