

## Lending Value Changes

Key: Changed Lending Value New Collateral Class

Description	Blanket (QCD) Lending Value	Delivered (Limited) Lending Value	Delivered (Expanded) Lending Value	
			Class A	Class B
<b><i>I. LOANS</i></b>				
1. Conventional mortgages on one-to-four family residential real property				
a. Amortizing mortgages	No change	No change	No change	77% (market value), maximum lending value on individual loan is limited to \$10 million.
b. Interest only mortgages	No change	No change	No change	65% (market value), maximum lending value on individual loan is limited to \$10 million.
FHA-insured mortgages on one-to-four family residential real property				
a. Not more than 90 days delinquent	No change	No change	No change	93% (market value), maximum lending value on individual loan is limited to \$10 million.
b. More than 90 days delinquent	No change	No change	No change	89% (guaranteed portion), maximum lending value on individual loan is limited to \$10 million.

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<b><i>I. LOANS, Continued</i></b>				
VA-guaranteed mortgages on one-to-four family residential real property				
a. Not more than 90 days delinquent	No change	No change	No change	91% (market value), maximum lending value on individual loan is limited to \$10 million.
b. More than 90 days delinquent	No change	No change	No change	87% (guaranteed portion), maximum lending value on individual loan is limited to \$10 million.
Held-for-sale mortgages on one-to-four family residential real property (HFS SF)				
a. HFS SF mortgages eligible to be sold to FNMA, FHLMC or GNMA	No change	No change	No change	92% (market value)
b. HFS SF mortgages NOT eligible to be sold to FNMA, FHLMC or GNMA	No change	No change	No change	Not Applicable
2. Mortgages on Multifamily residential real property	No change	No change in lending value. Maximum lending value on individual loan increased from \$50 to \$75 million	No change in lending value. Maximum lending value on individual loan increased from \$50 to \$75 million	74% (market value), maximum lending value on individual loan is limited to \$75 million.
3. Guaranteed portion of other loans backed by the full faith and credit of the United States	No change	No change	No change	92% (guaranteed portion), maximum lending value on individual loan is limited to \$10 million.

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<b>II. SECURITIES</b>				
1. Agency residential mortgage pass-through securities	No change	No change	No change	95% (market value)
2. Agency CMOs	No change	No change	No change	92% (market value)
3. Agency-structured bonds (step-up, inverse floater, multiple index, dual index, leveraged index, index amortizing principal, etc.)	No change	No change	No change	93% (market value)
4. Other Agency CMOs	No change	No change	No change	73% to 93% (market value) Lending value dependent upon underlying collateral and security structure
5. Fixed rate U.S. T-bills, notes and bonds				
a. Final maturity one year or less	No change	No change	No change	97% (market value)
b. Final maturity greater than one year but not greater than five years	No change	No change	No change	95% (market value)
c. Final maturity greater than five years	No change	No change	No change	91% (market value)
6. Floating rate U.S. notes and bonds				
a. Reprices annually or more often	No change	No change	No change	97% (market value)
b. Reprices less often than annually	No change	No change	No change	97% (market value)

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<b>II. SECURITIES, Continued</b>				
7. Fixed rate agency discount notes, medium-term notes and non-structured bonds				
a. Final maturity one year or less	No change	No change	No change	96% (market value)
b. Final maturity greater than one year but not greater than five years	No change	No change	No change	94% (market value)
c. Final maturity greater than five years	No change	No change	No change	89% (market value)
8. Floating rate agency notes and bonds				
a. Reprices annually or more often	No change	No change	No change	96% (market value)
b. Reprices less often than annually	No change	No change	No change	96% (market value)
9. Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA) guaranteed notes	No change	No change	No change	89% (market value)
10. Private issue CMOs				
a. Securities rated AAA and cash flows derived from mortgages excluding Subprime, Interest Only, negative Amortization and Alt-A	No change	No change	No change	83% (market value)
Securities rated AAA and cash flows derived from mortgages including Subprime, Interest Only, Negative Amortization and Alt-A	No change	No change	No change	71% (market value)
b. Securities rated AA and cash flows derived from mortgages excluding Subprime, Interest Only, Negative Amortization and Alt-A	No change	No change	No change	81% (market value)
Securities rated AA and cash flows derived from mortgages including Subprime, Interest Only, Negative Amortization and Alt-A	No change	No change	No change	66% (market value)

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<b>II. SECURITIES, Continued</b>				
11. Private issue residential mortgage pass-through securities				
a. Securities rated AAA and cash flows derived from mortgages excluding Subprime, Interest Only, Negative Amortization and Alt-A	No change	No change	No change	83% (market value)
Securities rated AAA and cash flows derived from mortgages including Subprime, Interest Only, Negative Amortization and Alt-A	No change	No change	No change	71% (market value)
b. Securities rated AA and cash flows derived from mortgages excluding Subprime, Interest Only, Negative Amortization and Alt-A	No change	No change	No change	81% (market value)
Securities rated AA and cash flows derived from mortgages including Subprime, Interest Only, Negative Amortization and Alt-A	No change	No change	No change	66% (market value)
12. Other Private issue CMOs		No change	No change	Case-by-Case
13. Commercial mortgage backed securities 100 percent defeased	No change	No change	No change	87% (market value)
14. Commercial mortgage backed securities less than 100 percent defeased				
a. Securities rated AAA	No change	No change in lending value. Maximum lending value on single asset/single borrower increased from \$50 to \$75 million	No change in lending value. Maximum lending value on single asset/single borrower increased from \$50 to \$75 million	81% (market value) Maximum lending value on a single asset/single borrower CMBS is limited to \$75 million.

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<b>II. SECURITIES, Continued</b>				
14. Commercial mortgage backed securities less than 100 percent defeased, <i>Continued</i>				
b. Securities rated AA	No change	No change in lending value. Maximum lending value on single asset/single borrower increased from \$50 to \$75 million	No change in lending value. Maximum lending value on single asset/single borrower increased from \$50 to \$75 million	60% (market value) Maximum lending value on a single asset/single borrower CMBS is limited to \$75 million.
15. Commercial mortgage backed securities less than 100 percent defeased				
a. Securities rated AAA	No change	No change in lending value. Maximum lending value on single asset/singe borrower increased from \$50 to \$75 million	No change in lending value. Maximum lending value on single asset/single borrower increased from \$50 to \$75 million	76% (market value) Maximum lending value on a single asset/single borrower CMBS is limited to \$75 million.
b. Securities rated AA	No change	No change in lending value. Maximum lending value on single asset/single borrower increased from \$50 to \$75 million	No change in lending value. Maximum lending value on single asset/single borrower increased from \$50 to \$75 million	60% (market value) Maximum lending value on a single asset/single borrower CMBS is limited to \$75 million.

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<b>II. SECURITIES, Continued</b>				
16. Securities fully guaranteed by the Small Business Administration				
a. Final maturity one year or less	No change	No change	No change	96% (market value)
b. Final maturity greater than one year but not greater than five years	No change	No change	No change	94% (market value)
c. Final maturity greater than five years	No change	No change	No change	89% (market value)
17. Student loan asset backed securities	No change	No change	No change	88% (market value)
18. State and local government securities	No change	No change	No change	Case-by-Case
19. Mutual funds	No change	No change	No change	Case-by-Case
<b>III. DEPOSITS</b>				
FHLBank overnight deposits and CDs	No change	No change	No change	100% (face amount)
<b>IV. OTHER REAL-ESTATE RELATED COLLATERAL – POTENTIAL FOR ASSETS TO BE CONSIDERED RESTRICTED COLLATERAL</b>				
1. Agricultural real estate	Lending value changed from 68% to 65% (unpaid principal)	Lending value changed from 68% to 65% (market value)	No change	Not Applicable
2. Commercial real estate	No change	No change in lending value, however maximum lending value on individual loan increased from \$50 to \$75 million.	No change in lending value, however maximum lending value on individual loan increased from \$50 million to \$75 million.	64% (market value), maximum lending value on individual loan is limited to \$75 million.
3. Second mortgages on residential one-to-four family property	No change	No change	No change	Not Applicable

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<b>IV. OTHER REAL-ESTATE RELATED COLLATERAL – POTENTIAL FOR ASSETS TO BE CONSIDERED RESTRICTED COLLATERAL, Continued</b>				
4. Home Equity Lines of Credit (HELOCs)	No change	No change	No change	Not Applicable
5. Residential construction mortgages	No change	No change	No change	Not Applicable
6. Multifamily construction mortgages	Lending value changed from 52% to 55% (unpaid principal)	Lending value changed from 52% to 55%(market value) and maximum lending value on individual loan increased from \$50 to \$75 million	No change	Not Applicable
7. Commercial construction mortgages	Lending value changed from 52% to 55% (unpaid principal)	Lending value changed from 52% to 55% (market value) and maximum lending value on individual loan increased from \$50 to \$75 million	No change	Not Applicable
8. Non-Lead Lender Participation Loans	No change	No change	No change	Not Applicable
9. Other real estate related property	No change	No change	No change	Case-by-Case
<b>V. OTHER COLLATERAL – POTENTIAL FOR ASSETS TO BE CONSIDERED RESTRICTED COLLATERAL</b>				
1. Operating loans (crops and livestock) – ELIGIBLE ONLY TO CFI MEMBERS	No change	No change	No change	Not Applicable
2. Equipment loans – ELIGIBLE ONLY TO CFI MEMBERS	No change	No change	No change	Not Applicable
3. Student loans	No change	No change	No change	Not Applicable