



NYS SUBPRIME HOME LOAN TEST

The selection of the appropriate Freddie Mac Primary Mortgage Survey ("PMMS") rate is based upon the completed application date of this mortgage loan. Choose the Freddie Mac PMMS rate published one week prior to the completed residential application ("1003 form") date.

(You may find this at the following website, copy and paste link - http://www.freddiemac.com/pmms/pmms_archives.html)

FOR FIRST-LIEN HOME MORTGAGE LOANS:

- A. Enter the Fully Indexed Annual Percentage Rate ("APR") per the Truth in Lending Disclosure: **0.000%**
- B. Enter the appropriate Freddie Mac PMMS rate: **0.000%**
- C. Total of Freddie Mac PMMS rate and 1.75%: **1.7500%**

Is the APR rate on line A greater than the total rate on line C? Yes *No

If yes, this loan has failed this test and is considered by NYS law to be a **"Subprime Home Loan"**.

***Note: If line A is equal to or less than line C this is not a Subprime Home Loan.**

FOR SUBORDINATE-LIENS HOME MORTGAGE LOANS:

- A. Enter the Fully Indexed Annual Percentage Rate ("APR") per the Truth in Lending Disclosure: **0.000%**
- B. Enter the appropriate Freddie Mac PMMS rate: **0.000%**
- C. Total of Freddie Mac PMMS rate and 3.75%: **3.7500%**

Is the APR rate on line A greater than the total rate on line C? Yes *No

If yes, this loan has failed this test and is considered by NYS law to be a **"Subprime Home Loan"**.

***Note: If line A is equal to or less than line C this is not a Subprime Home Loan.**