

June 15, 2021

General Announcement: *Introducing Five-Year Prepayment Penalty Period and Buydown Options*

Hello Acra Lending Team,

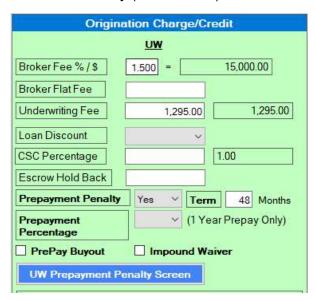
Effective immediately, Acra Lending rates for business purpose loans have been decreased, but a 5-year default prepayment penalty period (PPP) has been implemented as a tradeoff for the lower rate. However, borrowers will be able to buydown PPP to 4, 3, 2 and 1-year as reflected in the table below:

5-Year Prepay	-	All INV: 5% / 4% / 3% / 2% / 1% Sequential Stepdown Prepayment Penalty
4-Year Prepay	0.125%	All INV: 4% / 3% / 2% / 1% Sequential Stepdown Prepayment Penalty
3-Year Prepay	0.250%	All INV: 3% / 2% / 1% Sequential Stepdown Prepayment Penalty
2-Year Prepay	0.500%	All INV: 2% / 1% Sequential Stepdown Prepayment Penalty
1-Year Prepay	0.750%	All INV: 2% Prepayment Penalty
Buy Out Prepay	1.00 pt	Not applicable if Transaction is on Primary Residence or 2nd Home

Note: A PPP is not allowed for loans secured by properties in Minnesota, New Jersey and Vermont.

Business Solutions personnel have revised BytePro PPP data entry screens as shown below:

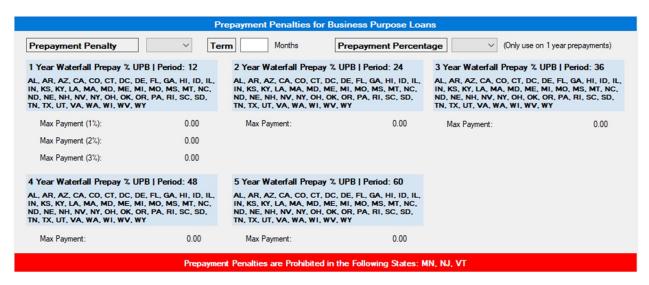
1. Data Entry (ULA Screen)



- 2. Data entry screens for the "Prepayment Penalties for Business Purpose Loans" screen can be located in three different application locations:
 - Closing Disclosure Page 1
 - Loan Estimate Page 1



• UW Prepayment Penalty Screen



We hope this explanation has been presented clearly and easily understood, but if you have any questions on the above, please contact QC@Acralending.com

Thank You,

Compliance Department