

(Issuing Bank's Letterhead)

IRREVOCABLE UNCONDITIONAL LETTER OF CREDIT

To: Wells Fargo Bank, N.A.
2010 Corporate Ridge, Suite 1000
McLean, VA 22102
Attn: Dorothy Gregg
(Beneficiary)

Letter of Credit No. _____
Date _____
FHA Project No. _____
GNMA Pool No. _____

Gentlemen:

For the account of _____, we hereby authorize you or your transferee to draw on us at sight up to an aggregate amount of _____ dollars (\$ _____).

This Credit is irrevocable, unconditional and transferable. This Credit may be transferred without charge one or more times upon receipt of your written instructions submitted in accordance with the attached transfer form.

Drafts drawn under this Credit must specify the number of this Credit and be presented at the office identified below not later than _____. Any sight draft may be presented to us by electronic, reprographic, computerized or automated system, or by carbon copy, but in any event must visibly bear the word "original". If the document is signed, the signature may consist of (or may appear to us as) an original handwritten signature, a facsimile signature or any other mechanical or electronic method of authentication.

This Credit sets forth in full the terms of our obligations to you, and such undertaking shall not in any way be modified or amplified by any agreement in which this Credit is referred to or to which this Credit relates, and any such reference shall not be deemed to incorporate herein by reference any agreement.

We engage with you that drafts drawn under and in compliance with the terms of this credit will be duly honored at _____.
(Bank's location)

Yours very truly,

(Issuing Bank)

By: _____
(Name and title)

Sample Form for Transfer of Letter of Credit

To: Name and Address of Issuing Bank Date:

Gentlemen:

We hereby transfer to _____ all rights to your Letter of Credit Number _____ subject to the terms of such Credit. Enclosed is the original Letter of Credit which should be returned to us with the endorsement of this transfer thereon.

Yours very truly,

(Authorized Signature)
(Beneficiary)

Enclosure

Acceptable rating agencies (minimally accepted ratings):

Thompson Bankwatch	C or better
Moody's	P-3 or better (short- term bank deposits)
Standard & Poor's	A-3 or better (short-term CDs)

If letters of credit are issued by an institution rated by any of the above referenced agencies, GNMA requires the following:

- If rated by all three agencies, institution must meet any two acceptable ratings.
- If rated by two rating agencies, institution must meet both acceptable ratings.
- If rated by only one rating agency, institution must meet that agency's acceptable rating.

GNMA will require that an institution meet these requirements if the institution is rated by one or more of the agencies named above.

If the institution is not rated by any of the three agencies listed above, GNMA will require that the institution meet minimally acceptable ratings from one of the following:

<u>Rating Agency</u>	<u>Minimally Acceptable Rating</u>
Kroll (previously Lace)	C or better
Cates Bank Rating Service	3.5 or better
IDC Financial Publishing	75 or better (Rank of Financial Ratio)
Thompson Bankwatch (previously Sheshunoff)	47 or better