

January 1, 2020

**Fuente de Financiamiento de Mexico S. de R.L. de C.V. (FDF)
Private Lending
Summary Terms Sheet**

Types of Loans

Home purchase, bridge, second home, home equity, business expansion, cash advance, and lender substitution.

Collateral - Real Estate

1. All collateral for loans must be real estate.
2. Real estate collateral must be lien and encumbrance free. FDF will not accept a second lien.
3. Real estate collateral must, in the opinion of the lender, be worth at least 3 times the amount of the requested loan.
4. Real estate collateral may not be raw land except for centrally located lots that, in the opinion of the lender, can be accurately valued.
5. Real estate collateral must be located in the State of Guanajuato or State of Queretaro, Mexico.
6. No credit check is required, but the Borrower is required to provide evidence of a source of funds to make interest payments monthly and a plan satisfactory to Lender to pay off the principal at the conclusion of the loan.

Loan Amount

1. The minimum loan amount offered by FDF is \$10,000 USD or peso equivalent.
2. The maximum loan amount offered by FDF is \$250,000 USD or peso equivalent.

Term and Type of Loan

1. Except as otherwise provided, all loans by FDF shall be interest-only payable monthly with a balloon of the principal amount of the loan at the conclusion of the 36th month of the loan. FDF does not provide for balloon payments of accrued interest.
2. One-year loans are also available with differing terms as set forth below.
3. FDF also offers fully-amortized loans up to 5 years at separately negotiated terms.

Interest On Loan and Origination Fee

1. The monthly interest on the loan is currently between 1.2% and 2.0% of the principal amount of the loan, plus IVA, paid by wire transfer or cash deposit at a bank designated by FDF.
2. An origination fee of 1.2% is paid by Borrower to Lender at closing in cash.
3. For three-year loans, a prepayment fee of 3% of the loan amount will be charged the Borrower if an interest-only loan is prepaid during the first 12 months, 2% if prepaid in months 13-24, and 1% if paid in months 24-35. No prepayment fee is charged if Borrower pays the principal of loan off at the conclusion of the term of the loan. Prepayment fees shall be paid by Borrower in cash when Lender releases its lien.
4. For one-year loans, a prepayment fee of 1.5% will be paid by Borrower at closing if the principal of the loan is paid off before completion of the term of the loan.

Closing

1. Lender can close as soon as fifteen (15) days after request for funds, search of title, valuation, and proof of ability to pay monthly payments by Borrower.
2. For three-year loans, Lender pays its Attorneys to perform the title search on the property offered as collateral by Borrower, preparation of the loan documents, and for an independent valuation of the collateral. (For one-year loans, Borrower pays for document preparation, and valuation.)
3. Fees charged by the Notario to close the transaction and file the lien and any fee to release the lien upon payment of all accrued interest and the principal in full shall be paid by Borrower.
4. Lender reserves the right to insure the life of the borrower as a condition of the loan.

NOTE: Other terms apply. Unless and until the borrower receives written notification from FDF of a loan approval signed by an officer of FDF, borrower should not, and may not, rely on any representations regarding a loan by FDF or any other person or organization. The terms and conditions set forth above are subject to change at anytime.

FDF Principal:
Jim Karger
jimkarger@mac.com