

T H E M O R T G A G E N E T W O R K

Tel: (800) 909 – 6600

Email: tmn@themortgagenetwork.com

Mortgage Application Kit

Welcome to **The Mortgage Network**. The checklist below lists the documents that will be required for your loan. Please do not hesitate to call us at 1-800-909-6600 if you have any questions while filling out any of these forms. Note: Please complete the attached forms in pen. Also, please do not “white-out” mistakes; cross through them and initial.

To begin processing your loan we will need:

- ✓ Completed original Uniform Residential Loan Application (attached).
 - ✓ Signed original standard disclosures (attached).
 - Equal Credit Opportunity Act Notice
 - Borrower Certification and Authorization
 - Mortgage Broker Compensation Disclosure
 - Occupancy Statement
 - Appraisal Disclosure
 - Purpose of Refinance Letter (refinance only)
 - Acknowledgement of Fees
 - Servicing Transfer Disclosure
 - ✓ Copies of your '97 and '98 W-2's (unless self-employed).
 - ✓ Copies of all paystubs covering the prior month (unless self-employed).
 - ✓ Copies of your complete '97 and '98 federal tax returns with all schedules. This includes corporate and/or partnership returns if applicable. Please include all K-1's with corporate or partnership returns.
 - ✓ Include a Year-to-Date P&L / Income and Expense Statement (self-employed persons only).
 - ✓ Copies of the last 3 monthly statements (or last quarterly statement) for each of the bank accounts, investment accounts, and retirement accounts that you have listed on your application.
 - ✓ Please provide a copy of your fully ratified purchase agreement & the name / phone number of your Realtor (purchase only).
 - ✓ If applicable, a copy of your divorce decree / separation agreement.
 - ✓ A copy of the declarations page of your Hazard Insurance Policy (refinance only).
- ➔ Please note that **The Mortgage Network** will order your appraisal. You will be asked to pay the appraiser when he or she inspects your property. **The Mortgage Network** will collect your credit report fees at closing.

Forward this documentation to:

The Mortgage Network
1701 Novato Blvd. #107
Novato, CA 94947

Please forward these documents to us as quickly as possible. It is important that we receive your original loan application package in our office within 7 calendar days of your lock request. Should your file arrive later than 7 days, your lock may be jeopardized. We recommend that you overnight your loan application package to avoid delay. A complete loan application package with all attachments is required. Time is of the essence.

<http://www.themortgagenetwork.com>

THE MORTGAGE NETWORK

Rate Lock-in Request

Fax to 415-898-1479

For current pricing, check:
<http://www.themortgagenetwork.com>
 or call us at 1-800-909-6600

Tel: (800) 909 – 6600 Email: tmn@themortgagenetwork.com

Borrower: _____ Social Security #: _____
First Name M.I. Last Name

Co-Borrower: _____ Social Security #: _____
First Name M.I. Last Name

Subject Property Address: _____
Street Address

_____ City _____ County _____ State _____ Zip Code

<p>TRANSACTION</p> <input type="checkbox"/> Purchase <input type="checkbox"/> Standard Refi <input type="checkbox"/> Cashout Refi.* \$ _____ <small>Amt. Of Cash Out</small>	<p>TYPE OF RESIDENCE</p> <input type="checkbox"/> Detached <input type="checkbox"/> Attached (Condo, etc.) <small>(# of Stories: __)</small> <input type="checkbox"/> 2-4 Units (# of units: __) <hr/> <p>OCCUPANCY</p> <input type="checkbox"/> Primary Home <input type="checkbox"/> 2nd/Vacation Home <input type="checkbox"/> Rental/Investment*	<p>PROGRAM</p> <input type="checkbox"/> 30 Year Fixed <input type="checkbox"/> 15 Year Fixed <input type="checkbox"/> 7/1 ARM <input type="checkbox"/> 5/1 ARM <input type="checkbox"/> 3/1 ARM <input type="checkbox"/> Other (please use <small>comments section)</small>	<p style="text-align: center;">* = ADD-ONS</p> <p>The following add-ons apply to our internet pricing:</p> <table style="width: 100%; border: none;"> <tr> <td>Waive impounds (outside CA).....</td> <td style="text-align: right;">0.250 to points</td> </tr> <tr> <td>60 day locks</td> <td style="text-align: right;">0.250 to points</td> </tr> <tr> <td>Cash Out on loans over \$240,000</td> <td style="text-align: right;">0.250 to points</td> </tr> <tr> <td>Investment/rental properties.....</td> <td style="text-align: right;">1.500 to points</td> </tr> <tr> <td>Loans 75k to 100K.....</td> <td style="text-align: right;">0.125 to rate</td> </tr> <tr> <td>Loans 50k to 74.9k.....</td> <td style="text-align: right;">0.500 to rate</td> </tr> </table>	Waive impounds (outside CA).....	0.250 to points	60 day locks	0.250 to points	Cash Out on loans over \$240,000	0.250 to points	Investment/rental properties.....	1.500 to points	Loans 75k to 100K.....	0.125 to rate	Loans 50k to 74.9k.....	0.500 to rate
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Loans 50k to 74.9k.....	0.500 to rate														

Interest Rate	Total Points	Loan Amount	Purchase Price or your Estimate of Value	Closing Date (if purchase)

- 1 Have you sent a loan application to us already? Yes No *Please note that we must receive your complete, original loan application package in our office within 7 calendar days of this request or we may not be able to complete your loan within the lock period. We recommend that you send your package by overnight mail to avoid delays.*
- 2 Escrowed Impounds of Property Taxes and Hazard Insurance: Do you prefer to pay/impound your property taxes and hazard insurance on a monthly basis? Please note that you must have impounds if you have less than 10.1% equity in your property.
 Yes
 No* (No charge in the state of CA. All other states please see "Add-Ons" above.)
- 3 If you have already been in contact with one of our customer service representatives, please indicate his or her name: _____
- 4 Refi Only: Do you currently have a second mortgage or home equity line of credit? Yes No *If yes, do you intend to keep the second mortgage / equity line or incorporate it into your new mortgage?* Keep it. Incorporate into new loan.
- 5 Do you pay dues to a Home Owner's Association? Yes No *If yes, please include the name and phone number of your HOA on the Contact Information form included herein.*

Comments/ Notes / Special Requests

I understand that this lock request is subject to lender confirmation and final lender funding prior to expiration of rate lock.. I am aware that a confirmed rate lock does not imply that my loan has been approved. Loan approval is subject to meeting all the program/underwriting guidelines and loan conditions required by the lender. If my loan is denied, I reserve the right to request a copy of the lender's loan denial. I also understand that in the loan business there is no guarantee that a particular lender will always fund within the rate lock period. Much depends on the complexity of the loan and the responsiveness of the prospective borrower to the loan conditions that must be cleared by the underwriter prior to the lender funding the loan. I understand that **The Mortgage Network** will make a "Best Efforts" attempt to fund my loan prior to the lock expiration.

Home Phone: _____
 Work Phone: _____
 Fax Number: _____

Signature _____ Date _____

Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or the income or assets of the Borrower's spouse will not be used as a basis for loan qualification, but his or her liabilities must be considered because the Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

I. TYPE OF MORTGAGE AND TERMS OF LOAN

Mortgage Applied for: <input type="checkbox"/> V.A. <input type="checkbox"/> Conventional <input type="checkbox"/> Other:		Agency Case Number	Lender Case Number
<input type="checkbox"/> FHA <input type="checkbox"/> FmHA			
Amount \$	Interest Rate %	No. of Months	Amortization Type: <input type="checkbox"/> Fixed Rate <input type="checkbox"/> Other (explain): <input type="checkbox"/> GPM <input type="checkbox"/> ARM (type):

II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state, ZIP)		No. of Units
Legal Description of Subject Property (attach description if necessary)		Year Built
Purpose of Loan <input type="checkbox"/> Purchase <input type="checkbox"/> Construction <input type="checkbox"/> Other (explain): <input type="checkbox"/> Refinance <input type="checkbox"/> Construction-Permanent		Property will be: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment

Complete this line if construction or construction-permanent loan.

Year Lot Acquired	Original Cost \$	Amount Existing Liens \$	(a) Present Value of Lot \$	(b) Cost of Improvements \$	Total (a+b) \$
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Complete this line if this is a refinance loan.

Year Acquired	Original Cost \$	Amount Existing Liens \$	Purpose of Refinance	Describe Improvements <input type="checkbox"/> made <input type="checkbox"/> to be made	Cost \$
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Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)		

III. BORROWER INFORMATION

Borrower	Co-Borrower
Borrower's Name (include Jr. or Sr. if applicable)	Co-Borrower's Name (include Jr. or Sr. if applicable)
Social Security Number	Social Security Number
Home Phone (incl. area code)	Home Phone (incl. area code)
Age	Age
Yrs. School	Yrs. School
<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed) <input type="checkbox"/> Separated	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed) <input type="checkbox"/> Separated
Dependents (not listed by Co-Borrower) no. ages	Dependents (not listed by Borrower) no. ages
Present Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	Present Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.

If residing at present address for less than two years, complete the following:

Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.
Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.

IV. EMPLOYMENT INFORMATION

Borrower	Co-Borrower
Name and Address of Employer <input type="checkbox"/> Self Employed	Name and Address of Employer <input type="checkbox"/> Self Employed
Yrs. on this job	Yrs. on this job
Yrs. employed in this line of work/profession	Yrs. employed in this line of work/profession
Position/Title/Type of Business	Position/Title/Type of Business
Business Phone (incl. area code)	Business Phone (incl. area code)

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

Name and Address of Employer <input type="checkbox"/> Self Employed	Dates(from-to)	Name and Address of Employer <input type="checkbox"/> Self Employed	Dates(from-to)
	Monthly Income \$		Monthly Income \$
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)
Name and Address of Employer <input type="checkbox"/> Self Employed	Dates(from-to)	Name and Address of Employer <input type="checkbox"/> Self Employed	Dates(from-to)
	Monthly Income \$		Monthly Income \$
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$	\$	\$	Rent	\$	\$
Overtime				First Mortgage (P&I)		
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income," below)				Homeowner Assn. Dues		
				Other		
Total	\$	\$	\$	Total	\$	\$

*Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower(B) or Co-Borrower(C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

VI. ASSETS AND LIABILITIES

This statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise separate Statements and Schedules are required. If the Co-Borrower section was completed about a spouse, this Statement and supporting schedules must be completed about that spouse also.

Completed Jointly Not Jointly

ASSETS		Cash or Market Value	LIABILITIES	
Description			Name and address of Company	Monthly Payt. & Mos. Left to Pay / Unpaid Balance
Cash deposit toward purchase held by:	\$			
List checking and savings accounts below				
Name and address of Bank, S&L, or Credit Union				
Acct. no.	\$			
Name and address of Bank, S&L, or Credit Union				
Acct. no.	\$			
Name and address of Bank, S&L, or Credit Union				
Acct. no.	\$			
Name and address of Bank, S&L, or Credit Union				
Acct. no.	\$			
Name and address of Bank, S&L, or Credit Union				
Acct. no.	\$			
Stocks & Bonds (Company name/ number & description)	\$			
Life insurance net cash value				
Face amount: \$	\$			
Subtotal Liquid Assets	\$			
Real estate owned (enter market value from schedule of real estate owned)	\$			
Vested interest in retirement fund	\$			
Net worth of business(es) owned (attach financial statement)	\$			
Automobiles owned (make and year)	\$			
Other Assets (itemize)	\$			
			Alimony/Child Support/Separate Maintenance Payments Owed to:	\$
			Job Related Expense (child care, union dues, etc.)	\$
			Total Monthly Payments	\$
Total Assets a.	\$		Net Worth (a-b)	\$
			Total Liabilities b.	\$

Continuation Sheet/Residential Loan Application

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.

Borrower:	Agency Case Number:
Co-Borrower:	Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature:	Date	Co-Borrower's Signature:	Date
X		X	

Equal Credit Opportunity Act Notice

The Federal Equal Credit Opportunity Act (ECOA) prohibits discrimination against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicants has in good faith exercised any right under the consumer credit protection act. The federal agency which administers compliance with this law is:

Federal Trade Commission
Washington, DC 20580

The housing Financial Discrimination Act of 1977 Fair Lending Notice

It is illegal to discriminate in the provision of or the availability of financial assistance because of the consideration of:

1. Trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.
2. Race, color, religion, sex, marital status, national origin or ancestry.

It is illegal to consider the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.

These provisions govern financial assistance for the purpose of the purchase, construction, rehabilitation or refinancing of one to four unit family residences occupied by the owner and for the purpose of the home improvement of any one to four unit family residence.

If you have questions about your rights, or if you wish to file a complaint, contact the management of this financial institution or:

Department of Real Estate
107 South Broadway, Room 8107,
Los Angeles, CA 90012

Department of Real Estate
185 Berry Street, Room 5816
San Francisco, CA 94107

Acknowledgment of Receipt

I/We have received a copy of this statement

Signature

Date

Signature

Date

Borrower Certification

The undersigned certify the following:

I/We have applied for a mortgage loan through **The Mortgage Network** . In applying for this loan I/We completed a loan application containing various information on the purpose of the loan, the amount and source of down payment, employment and income information, and assets and liabilities. I/We certify that all the information is true and complete. I/We made no misrepresentations in the loan application or other documents, nor did I/We omit any pertinent information.

If this is a Streamline Program, I/We understand and agree that **The Mortgage Network** reserves the right to change the mortgage loan review process to a full documentation program. This may include verifying the information provided on the application with the employer and or/ financial institution.

I/We fully understand that it is a Federal crime, punishable by fine or imprisonment, or both, to knowingly make any false statements when applying for this mortgage, as applicable under the provisions of title 18, United States Code, Section 1014.

Authorization to Release Information

To whom It May Concern:

I/We have applied for a mortgage loan through **The Mortgage Network**. As part of the application process, **The Mortgage Network** may verify information contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of its quality control program.

I/We authorize you to provide to **The Mortgage Network** and to any lender/investor to whom **The Mortgage Network** may sell my/our mortgage, any and all information and documentation that they request. Such information includes, but is not limited to, employment history and income; bank, money market, and similar account balances; credit history; and copies of income tax returns. **The Mortgage Network** or any investor that purchases the mortgage may address this authorization to any party named in this loan application.

A copy of this authorization may be accepted as an original.

Your prompt reply to **The Mortgage Network** or the lender/investor that purchased the mortgage is appreciated.

Signature

Social Security Number

Date

Signature

Social Security Number

Date

Mortgage Broker Compensation Disclosure

You have applied to The Mortgage Network and its mortgage brokerage affiliate Pacific Guarantee Mortgage or First Security Loan Corporation for a residential mortgage loan. We will submit your application for a residential mortgage loan to a participating lender with which we from time to time contract upon such terms and conditions as you may request or a lender may require. The lenders have asked that we furnish this form to you to clarify the role of mortgage brokers. This form supplements other disclosures or agreements required by law that you should receive from us concerning your loan application.

SECTION 1. NATURE OF RELATIONSHIP. In connection with this mortgage loan:

- We are acting as an independent contractor and not as your agent. If you are unsure of the nature of your relationship with us, please ask us for clarification.
- As a mortgage broker, we have entered into separate independent contractor agreements through our affiliates with various lenders.
- While we, as a mortgage broker, seek to assist you in meeting your financial needs, we do not distribute products of all lenders or investors in the market and cannot guarantee the lowest price or best terms available in the market.
- In addition, we offer you our “best efforts” services as a mortgage broker to conclude a satisfactory loan for you with a lender/investor; however, we cannot guarantee that your loan will be funded or that it will be funded within your lock period.

SECTION 2. THE MORTGAGE BROKER'S COMPENSATION. The lenders whose loan products we distribute generally provide their loan product to us at a wholesale rate:

- The price we offer you - your interest rate, local points and fees - will include our compensation as mortgage broker.
- In some cases, we may be paid all of our compensation by either you or the lender, or some combination thereof.
- Alternatively, we may be paid a portion of our compensation by both you and the lender. For example, in some cases, if you would rather pay a lower interest rate, you may pay higher up-front points and fees.
- Also, in some cases, if you would rather pay less up-front, you may wish to have some or all of our compensation paid directly by the lender, which will result in a higher interest rate and higher monthly payments than you otherwise would be required to pay.
- As a mortgage broker we may also be paid by the lender based on (i) the value of the mortgage loan or the related servicing rights in the market place or (ii) other services, goods or facilities performed or provided by us to the lender.

You may work with us, as your mortgage broker, to select the method in which we receive our compensation depending on your financial needs, subject to the lender's program requirements and credit underwriting guidelines.

The amount of fees and charges that you pay in connection with your loan will be estimated on your Good Faith Estimate. The final amounts will be disclosed on your HUD-1 or HUD1-1A Settlement Statement.

By signing below, applicant(s) acknowledge that you have read and understand this document. You also acknowledge that you have received a copy of this document.

APPLICANT(S)

Signature

Date

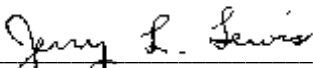
Signature

Date

MORTGAGE BROKER:

The Mortgage Network, an affiliate of Pacific Guarantee Mortgage and First Security Loan Corp.

By:



Jerry L. Lewis,

Date

Appraisal Disclosure

You have the right to a copy of the appraisal report used in connection with your application for credit. If you want a copy, please write to us at the mailing address we have provided below. We must hear from you no later than 90 days after we notify you about the action taken on your credit application, or 90 days after your withdrawal of the application.

The Mortgage Network
1707 Novato Blvd. #107
Novato, CA 94947

800-909-6600 Phone
415-898-7479 Fax

In your letter, please provide the following information: Your name, mailing address, property address, and loan / application number.

Unless otherwise prohibited, federal law allows us to charge fees for photocopy and postage expenses incurred in providing copies of the appraisal to you.

The current policy at **The Mortgage Network** is to not charge clients for copies of appraisals.

Signature

Date

Signature

Date

Occupancy Statement

To Whom It May Concern:

By signing this form, we acknowledge that the intent of our loan application is to obtain financing which is, or will be, secured by a dwelling that we will use as our principal residence. If we are not already doing so, we will occupy this residence within 30 days after the close of escrow.

We also recognize that if we do not inhabit the residence as we have agreed to, we may be in default. If that occurs, our lender will have the right to recall our loan, and to demand the immediate payment of the full balance due, plus any other expenses incurred in this respect.

Signature

Date

Signature

Date

Purpose of Refinance

Property Address: _____

To Whom It May Concern:

The purpose of our request to refinance our property is as follows:

Signature Date

Signature Date

Acknowledgement of Fees

We acknowledge that we are responsible for payment of credit report fees, appraisal fees and any other third party fees (i.e. Homeowner Assn. documentation costs, etc.) that are incurred on our behalf in the processing of this loan with The Mortgage Network. All fees collected and paid out are non-refundable whether or not this transaction is consummated.

Signature

Date

Signature

Date

T H E M O R T G A G E
N E T W O R K

Tel: (800) 909 – 6600

Email: tmn@themortgagenetwork.com

Contact Information

Escrow / Closing Attorney & Title (initial one):

_____ The Mortgage Network to open escrow at a local company in my area.

_____ I prefer to choose my own escrow company or attorney

Escrow / Title Co. name: _____

Address: _____

Escrow Officer: _____

Escrow / GF #: _____

Phone Number: _____

Home Owner's Association (if applicable):

Name: _____

Contact: _____

Phone: _____

Appraisal Interior Access (if person other than borrower):

Contact: _____

Phone: _____

Fire Insurance Agent (refinance only):

Contact: _____

Phone: _____

Buyer's Realtor (purchase only):

Contact: _____

Phone: _____

Seller's Realtor (purchase only):

Contact: _____

Phone: _____

SERVICING DISCLOSURE STATEMENT

NOTICE TO FIRST LIEN MORTGAGE LOAN APPLICANTS, THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED. FEDERAL LAW GIVES YOU CERTAIN RELATED RIGHTS, IF YOUR LOAN IS MADE, SAVE THIS STATEMENT WITH YOUR LOAN DOCUMENTS. SIGN THE ACKNOWLEDGMENT AT THE END OF THIS STATEMENT ONLY IF YOU UNDERSTAND ITS CONTENTS.

Because you are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. Section 2601 et seq.) you have certain rights under that Federal law.

This Statement tells you about those rights. It also tells you what the chances are that the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest and escrow account payments, if any. If your loan servicer changes, there are certain procedures that must be followed. This statement generally explains those procedures.

Transfer practices and requirements

If the servicing of your loan is assigned, sold, or transferred to a new servicer, you must be given written notice of that transfer. The present loan servicer must send you notice in writing of the assignment, sale or transfer of the servicing not less than 15 days before the effective date of the transfer. The new loan servicer must also send you notice within 15 days after the effective date of the transfer. The present servicer and the new servicer may combine this information in one notice, so long as the notice is sent to you 15 days before the effective date of transfer. The 15 day period is not applicable if a notice of prospective transfer is provided to you at settlement. The law allows a delay in the time (not more than 30 days after a transfer) for servicers to notify you, upon the occurrence of certain business emergencies.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, and the name, address, and toll-free or collect call telephone number of the new servicer, and toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions. During the 60 day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

Complaint Resolution

Section 6 of RESPA (12 U.S.C. Section 2605) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a "qualified written request" to your servicer, then your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and the information regarding your request. Not later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, or must provide you with a written clarification regarding any dispute. During this 60 Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request.

A Business Day is any day in which the offices of the business entity are open to the public for carrying on substantially all of its business functions.

Damages and Costs

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section.

