



AMERICAN DREAM FINANCIAL

SERVICING TRANSFER DISCLOSURE

NOTICE TO MORTGAGE LOAN APPLICANT: THE RIGHT TO COLLECT YOUR MORTGAGE PAYMENTS MAY BE TRANSFERRED. FEDERAL LAW GIVES YOU CERTAIN RIGHTS. READ THIS STATEMENT AND SIGN IT ONLY IF YOU UNDERSTAND IT'S 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 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 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 (12U.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 acknowledgement 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.

Servicing Transfer Estimates by American Dream Financial

The following is the best estimate of what will happen to the servicing of your mortgage loan:

We do not service mortgage loans at this time.

This is only our best estimate and it is not binding. Business conditions or other circumstances may affect our future transferring decision.

This is our record of transferring to servicing of the loans we have made in the past:

Year percentage of Loans Transferred
(Rounded to the nearest quartile- 0%, 25%, 50%, 75%, or 100%)

2002 100%

2003 100%

2004 100%

The estimates above do not include transfers to affiliates or subsidiaries. If the servicing of your loan is transferred to an affiliate or subsidiary in the future, you will be notified in accordance with RESPA.

Acknowledgement of Mortgage Applicant

I/ We have read this disclosure form, and understand its contents, as evidenced by my/ our signature(s) below.

BORROWER

DATE

BORROWER

DATE



AMERICAN DREAM FINANCIAL

COPY OF APPRAISAL REPORT

You have the right to a copy of the appraisal report to be obtained in connection with the loan for which you are applying, provided that you have paid for, or are willing to pay for, the appraisal. If you want a copy of the appraisal report, please contact me at my office number below, or submit a written request to the following address: **Appraisal Request** American Dream Financial 2105 S. Bascom Ave. Suite 265 Campbell, Ca. 95008 or 408.369.8500.

E.C.O.A.

In accordance with provisions of the Federal Equal Credit Opportunity Act (15 U.S.C. 1691 at seq.) effective March 23, 1997, the following information is provided for your guidance prior to you application for a real estate loan.

1. The federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided 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 applicant has in good faith exercised a right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this mortgage loan company is the: **FEDERAL TRADE COMMISSION EQUAL CREDIT OPPORTUNITY WASHINGTON, D.C. 20580**

2. You need not disclose income from alimony, child support or separate maintenance unless you desire such income be considered in determining creditworthiness.

3. You may be asked to answer questions regarding your race/national origin, sex, marital status, and age. You do not have to answer such questions if you do not wish to do so, but we are required to ask them for the reason that such information is being requested by the Federal Government to monitor compliance with Federal Anti-Discrimination Statutes, which statutes prohibit creditors from discriminating against applicants on those bases.

4. If a courtesy title is included in the application (such as Mr., Mrs., Miss), providing such information is optional.

STATE OF CALIFORNIA FAIR LENDING NOTICE

It is unlawful for a financial institution to refuse to make a loan, or to offer less favorable terms than normal (such as a higher interest rate, larger down payment, or shorter maturity) based on any of the following considerations:

1. Neighborhood characteristics such as the average age of the homes or the income level in the neighborhood, except to a limited extent as necessary to avoid an unsafe and unsound business practice.

2. Race, sex, color, Religion, marital status, national origin, or ancestry.

It is also unlawful to consider in appraising a residence the racial, ethnic, or religious composition of a particular neighborhood, whether or not such composition is undergoing or is expected to undergo change.

If you wish to file a complaint, or if you have any questions about your rights, contact: **OFFICE OF FAIRLENDING BUSINESS & TRANSPORTATION AGENCY 1120 N STREET SACRAMENTO, CA. 95814 (916) 322-9851**

REQUEST FOR IMPOUND ACCOUNT

Under State and Federal regulations, lenders are required for certain types of loans to set up and collect monies into an impound account. The funds going into this type of account are to be used for the payment of real estate taxes and insurance. Although lenders are prohibited by Section 2954 of the California Civil Code from requiring an impound account on owner occupied, single family residences except where specifically required by law, nonetheless, many loan customers prefer having an impound account.

ADVANTAGES TO AN IMPOUND ACCOUNT

You don't have to worry about saving money for the payment of taxes or insurances when due. The lender will have the impounded portion of your monthly payment and will pay these items for you when they fall due. The lender, through it's servicing company, pays you a nominal interest income for your reserve funds.

DISADVANTAGES TO AN IMPOUND ACCOUNT

You can earn better interest by setting aside reserves monthly and depositing them into your savings account. Your monthly payment of principle and interest stays constant and no increases will incur due to increased taxes and insurance premiums.

YES I / WE PREFER AN IMPOUND ACCOUNT.

NO IF THIS LOAN DOES NOT REQUIRE AN IMPOUND ACCOUNT, I WE PREFER NOT TO HAVE ONE.

I (we) the undersigned, acknowledge that I (we) have read and understand the foregoing.

BORROWER

DATE

BORROWER

DATE



AMERICAN DREAM FINANCIAL

NOTICE TO APPLICANT

Income received from alimony, child support, or separate maintenance need not be revealed unless you choose such sources to be considered as basis for repaying this obligation. Income from these sources as well as any other source, including part-time or temporary employment, will not be discounted by the lender because of your sex or marital status; however, the lender will consider carefully the stability of all income you disclose.

In accordance with American Dream Financial's policy, the applicant acknowledges the following:

1. The applicant(s) shall inform American Dream Financial of any changes that may occur with respect to the applicant(s) financial obligation and/or employment status, prior to close of escrow.
2. Applicant(s) is aware that the signing by American Dream Financial, or its representative, or any application or related documents in connection with applicant(s) request for a loan, under no circumstances constitutes any commitment or contract between applicant(s) and American Dream Financial to grant this loan. Applicant(s) is also aware that the terms and conditions of the loan may be changed at any prior loan funding.
3. In the event of cancellation, applicant(s) may be charged a cancellation fee.

Any credit report and/or appraisal ordered by American Dream Financial on behalf of applicant(s) is the sole property of American Dream Financial.

RECEIPT OF CONSUMER HAND BOOK

Pursuant to Federal Regulations, please sign and date this document to acknowledge receipt of the enclosed booklet: **SETTLEMENT COSTS – A HUD GUIDE**

INFORMATION DISCLOSURE AUTHORIZATION

TO WHOM IT MAY CONCERN:

I / We hereby authorize you to release to AMERICAN DREAM FINANCIAL, or it's Assigns, the following information for the purpose of verification:

- **EMPLOYMENT HISTORY, DATES, TITLE, INCOME, HOURS, ETC.**
- **BANKING AND SAVINGS ACCOUNTS OF RECORD**
- **MORTGAGE LOAN RATINGS**
- **CONSUMER CREDIT RATINGS**
- **ANY INFORMATION DEEMED NECESSARY IN CONNECTION WITH A CONSUMER CREDIT REPORT FOR TRANSACTIONS WHICH INVOLVE REAL ESTATE**

This information is for the confidential use of American Dream Financial or it's assigns in compiling a mortgage loan credit file for a FHA, VA, or Conventional home loan.

A copy of this authorization (being a valid copy of the signatures of the undersigned) may be used as a duplicate original.

Your prompt reply will help expedite my Real Estate transaction.

I/ We have read this disclosure form, and understand its contents, as evidences by my/ our signature(s) below.

BORROWER

DATE

BORROWER

DATE



AMERICAN DREAM FINANCIAL

HAZARD/ FIRE INSURANCE

Part 1-Single Family Dwelling

Borrower(s) _____

Insurance Company _____

Insurance Agent _____

Phone # _____ Policy # _____

Please attach copy of most recent policy if available

Part 2-Condo or PUD

Does not apply to Single Family Residence

Is your property a Condo or PUD? _____

What is the name of the Home Owners Association

Name

Address

City, State, Zip

Phone #