Plan ID: 3/1 Year Libor ARM, No conversion, 30 Year

Receipt of a copy of this form and the booklet titled "Consumer Handbook on Adjustable Rate Mortgages" is hereby acknowledged.

Borrower: ______________________ Date: ______________

Borrower: ______________________ Date: ______________

This disclosure describes the features of the Adjustable Rate Mortgage (ARM) program you are considering. Information on the other ARM programs is available on request.

How Your Interest Rate and P&I Payment are Determined

Your interest rate will be based on an index rate plus a margin.

Your principal and interest payment will be based on the interest rate, loan balance and loan term.

The interest rate will be based on the one-year London Interbank Offered Rate ("LIBOR") which is the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market, as published in *The Wall Street Journal.* Your interest rate will equal the index rate plus our margin, rounded to the nearest one-eighth of one percent, unless your interest rate "caps" limit the amount of change in the interest rate. Ask us for our current interest rate and margin.

The initial interest rate is not based on the index used to make later adjustments. Ask us for the amount of current interest rate discounts or premiums.

How Your Interest Rate Can Change

Your interest rate can change every 12 months after the first interest rate change date. Your interest rate change date will be on the first day of the month that is 35 months after the month in which your first principal and interest payment is due.

Your interest rate cannot increase or decrease more than 2 percentage points at each rate change date.

Your interest rate cannot increase more than 6 percentage points over the term of the loan.

How Your Payment Can Change

Your payment can increase or decrease substantially. The principal and interest (P&I) portion of your payment can change one month after each interest rate change, based on changes in the interest rate and loan balance. Your first principal and interest payment change will be effective on the first day of the month that is 36 months after the month in which your first principal and interest payment is due.

You will be notified in writing at least 25 days before the due date of a payment at a new amount. This notice will contain information about your interest rates, payment amount and loan balance.

In addition to the P&I payment change, the escrow portion of your payment (if applicable) can change each year. You will be notified in writing of any escrow payment changes. This means that you could receive two payment changes annually, at different times of the year.

EXAMPLES

On a thirty-year $10,000 loan with an initial interest rate of 5.750 percent in effect as of January 2009, the maximum amount the interest rate can rise under this program is to 11.750 percent, and the monthly principal and interest payment can rise from a first-year payment of $58.36 to a maximum of $102.46 in the 6th year. To see what your payment would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of $60,000 would be: $60,000 divided by $ 10,000 = 6; 6 times $58.36 = $350.16 per month.)

NOTE:

This disclosure is not a contract between you and the lender, and it is not a commitment or agreement by the lender to make a loan to you. The purpose of this disclosure is solely to provide you with a general description of certain loan provisions. Please read all loan documents and disclosures carefully for additional information on these subjects and other important information regarding this proposed transaction.