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THINGS TO AVOID WHEN FINANCING A HOME

DO NOT PAY OFF BILLS!

Please continue to pay all debts on time, including credit cards, loans, and most importantly, your existing mortgage(s). Until we have a real strong idea of what loan program we will be using, just make the minimum payment on all outstanding debts. We will advise you if it is necessary to payoff bills to help qualify you for a loan, which loans to pay off or which ones to leave.

AVOID MULTIPLE CREDIT INQUIRIES!

Multiple credit inquiries could negatively affect your credit rating.

DO NOT INCUR NEW DEBT!

Many individuals make the mistake of buying a new car, or making other expensive purchases during the loan process without realizing the impact it can have on their ability to qualify for a loan.

DO NOT CHANGE JOBS OR QUIT YOUR JOB!

Changing jobs before or during the loan process can create a real problem in qualifying you for a loan. Always call me first before making any final decisions.

IF THIS LOAN IS A REFINANCE, DO NOT BEGIN ANY HOME IMPROVEMENT PROJECTS!

Please wait until your escrow has closed before you make any changes to your home.

DO NOT CHANGE BANKS OR MOVE FUNDS!

Avoid reducing your cash balances. Keep your cash balances consistent (i.e. checking, savings, stocks, bonds, retirement accounts, etc.).

If you have questions about any of these items, please contact me for more information.

Thank you,

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PERMISSION TO CONTACT BY TELEPHONE

The Federal Trade Commission (FTC) has established the national “Do Not Call Registry”. Various states have also established their own “Do Not Call Registries”. If you have placed yourself on a “Do Not Call Registry”, then CMG Financial Services (CMG), or its affiliates, will not be able to contact you by telephone eighteen (18) months after your loan has closed. If you are a prospective customer, the “Do Not Call Registry” only allow us to contact you for thirty (30) to ninety (90) days from your application date, depending on your location.

CMG Financial Services, and its affiliates, comply with all state and federal laws. Since most consumers do not finance a property every eighteen (18) months, and some prospective customers need longer than thirty (30) to ninety (90) days to obtain a mortgage loan commitment for various personal and financial reasons, CMG will need your express written permission to be able to contact you in the future. By signing below, you grant us permission to contact you by telephone even if you are on a “Do Not Call Registry”.

Thank you in advance for your assistance in this matter.

I, give express permission to CMG Financial Services, its employees and/or affiliates to communicate with me now and in the future at the following:

Telephone number(s):

Borrowers Home Phone: _____

Co- Borrowers Home Phone: _____

_____ Date

_____ Date

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APPLICANT'S CERTIFICATION & AUTHORIZATION

CERTIFICATION: The undersigned certify the following:

1. I/We have applied for a mortgage loan from CMG MORTGAGE , INC. In applying for the loan, I/We completed a loan application containing various information on the purpose of the loan, the amount and source of the down payment, employment and income information, and assets and liabilities. I/We certify that all of the information is true and complete. I/We made no misrepresentation on the loan application or other documents, nor did I/We omit any pertinent information.
2. I/We understand and agree that CMG MORTGAGE , INC. 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 the financial institution.
3. 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:

1. I/We have applied for a mortgage loan from CMG MORTGAGE , INC. As part of the application process, CMG MORTGAGE , INC. 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.
2. I/We authorize you to provide to CMG MORTGAGE , INC. and to any investor to whom CMG MORTGAGE , INC. 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.
3. CMG MORTGAGE , INC. or any other investor that purchases the mortgage may address this authorization to any party named in the loan application.
4. A copy of this authorization may be accepted as an original.
5. Your prompt reply to CMG MORTGAGE , INC. or the investor that purchased the mortgage is appreciated.

Was previous verbal authorization provided to run a credit report? Yes _____ No _____

_____ Date

_____ Date



APPLICANT'S AUTHORIZATION: QUALITY CONTROL

Applicant Name:

Applicant Name:

As part of a continuing effort to assure that all mortgage loans are originated in accordance with the highest standards of professional ethics and business practices, a quality control audit is performed on a random sampling of loan applications each month (i.e., in process, closed, withdrawn and declined). As a result of this random sampling an audit may be performed on your loan.

During this review we, or a designated assignee, will re-verify employment, deposits, credit standing loan verifications and appraisal reports.

The undersigned applicant(s) acknowledge that their loan may be selected as part of our quality control procedures and do hereby authorize the re-verification of various information supplied in conjunction with our request for this mortgage. We further acknowledge that a copy of this authorization may be accepted as an original.

_____ Date _____

_____ Date _____

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**THE HOUSING FINANCIAL
DISCRIMINATION ACT OF 1977
FAIR LENDING NOTICE**

It is illegal to discriminate in the provisions of or in 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, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice; or
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 any questions about your rights, or if you wish to file a complaint, contact the management of this financial institution or:

DEPARTMENT OF CORPORATIONS

320 W. Fourth Street #750

Los Angeles, CA 90013

ACKNOWLEDGEMENT OF RECEIPT: I (WE) RECEIVED A COPY OF THIS NOTICE

_____ Date

_____ Date

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CONVENTIONAL LOAN
IMPOUND AGREEMENT

In connection with my/our loan application through CMG Mortgage, Inc., I/We desire the following:

_____ I/We do not want impounds for real estate taxes or hazard insurance. I/We understand that it is our responsibility to pay the taxes and insurance when due.

_____ I/We wish to establish an impound account for my/our real estate taxes and hazard insurance to be collected with our monthly payments and disbursed by my/our loan servicing company.

_____ Date _____
_____ Date _____

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RIGHT TO APPRAISAL

In compliance with the Equal Credit Opportunity Act, we will provide you with a copy of the appraisal report, within ninety (90) days time after it is available to us, if you have paid for it and you send us a written request for a copy. If you want a copy of the appraisal report, please submit a written request to:

CMG Mortgage, Inc.
3160 Crow Canyon Road #400
San Ramon, CA 94583

Appraisals are ordered by us for the purpose of determining the value we can lend. If the transaction fails to proceed, the cost of the appraisal will be due from you after an invoice is delivered to you for payment if you have not paid for it at the time the appraisal was done. These are third party costs and need to be paid.

Date

Date



THE FEDERAL EQUAL CREDIT OPPORTUNITY ACT

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 (providing 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 applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with the law concerning this creditor is:

**The Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, DC 20580**

We are required to disclose to you that you need not disclose income from alimony, child support or separate maintenance payment if you choose not to do so.

Having made this disclosure to you, we are permitted to inquire if any income shown on your application is derived from such a source and to consider the likelihood of consistent payment as we do with any income on which you are relying to qualify for the loan for which you are applying.

_____ Date _____

_____ Date _____



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YOUR RIGHT TO PRIVACY IMPORTANT INFORMATION TO KNOW

OUR PRIVACY POLICY

We do not share information about you with anyone except as required or permitted by law.

Security: We restrict access to the information we have about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. (we are required to do so by federal regulations.)

Change: We can change this policy, but we will tell you in advance if we do, and we will explain any further rights you might have at that time.

Who We Are: In this disclosure, “we” means: CMG Mortgage, Inc.
3160 Crow Canyon Road, Suite 400
San Ramon, CA 94583

What This Is: This is a disclosure required by federal law, which is intended to tell you (among other things):

- u Where we get information about you (our sources)
- u What we do to protect the information we have about you; and
- u What our policy is about sharing information about you with others.

Who You Are: This policy applies to you if you are a customer of ours. A “customer” is a natural person (not a corporation) who - for personal, family or household purposes – has, or recently had, a financial product with us, such as a mortgage loan.

Definitions: Here are other terms we will use in this disclosure:

- u **Information** means nonpublic personal information, a technical term that generally means
 1. Information that can identify you;
 2. That is not available publicly; and
 3. That we collect in connection with providing a financial product or service to you.

We will use the word **information** to mean nonpublic personal information.

- u **Affiliates** are companies that are related to one another by ownership, common ownership, or control. For example, if one company owns or controls another company, they are affiliates of each other.
- u **Non-affiliate** means a company that is not an affiliate of another company, and it also means a person who is not an employee of a company.
- u **Opt out** means a choice a person can make (in certain cases) to prevent a financial institution from sharing information about that person with others (**You do not have a right to opt out because we do not share information about you for marketing purposes**).

Joint Accounts: If you have a joint account with us (for example, you are, or you have, a co-borrower on a loan), you should share this notice with the person who shares your account. He or she may not get a separate notice.

Sources for Information: We collect information about you from the following sources:

- u Information you might provide us on the applications and other forms;
- u Information about transactions we might conduct for you;
- u Information about your transactions with nonaffiliated third parties; and
- u Information from consumer reporting agencies.

Former Customers: We have the same policy against disclosing information about former customers as we do about current customers.

_____ Date

_____ Date

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SERVICING DISCLOSURE STATEMENT

Date: 05/07/2009

NOTICE TO FIRST LIEN MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED.

You are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA_ (12 U..S.C. 2601 et seq.). RESPA gives you certain rights under Federal law. This statement describes whether the servicing for this loan may be transferred to a different loan servicer.

“Servicing” refers to collecting your principal, interest, and escrow payments, if any, as well as sending any monthly or annual statements, tracking account balances, and handling other aspects of your loan. You will be given advance notice before a transfer occurs.

- We may assign, sell or transfer the servicing of your loan while the loan is outstanding.
- We do not service mortgage loans of the type for which you applied. We intend to assign, sell, or transfer the servicing of your mortgage loan before the first payment is due.
- The loan for which you have applied will be serviced at this financial institution and we do not intend to sell, transfer, or assign the servicing of the loan.

Acknowledgment of Mortgage Loan Applicant(s)

I/We have read and understood the disclosure, and understand that the disclosure is a required part of the mortgage application as evidenced by my/our signature(s) below;

Date

Date

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LOAN BROKERAGE AGREEMENT

Page 1 of 2

You are entering into this Loan Brokerage Agreement (“Agreement”) in order that CMG Mortgage, Inc. (“CMG”) may broker a residential mortgage loan on your behalf to be made by another institutional lender.

Duties of CMG

CMG is acting as your agent in providing brokerage services to you. When acting as your agent, CMG owes you a fiduciary duty of utmost care, honesty, and loyalty in this transaction, including the duty of full disclosure of all material facts. CMG will not act as the agent for any other person in connection with this loan transaction, except that it may become the lender’s agent for limited purposes, such as for the preparation and delivery of lender/creditor required federal and state disclosures or when obtaining appraisals and credit reports.

Services to be Provided by CMG

CMG may provide you with one or more of the following services while brokering this mortgage loan on your behalf: analyzing your income and debt to determine the maximum mortgage you may be able to afford; educating you in the home buying and financing process to include, without limitation, advising you about the different types of loan products available, and demonstrating how closing costs and monthly payments may vary under each product; collecting all necessary financial information related to the loan application process, including but not necessarily limited to tax returns, bank statements, pay stubs, divorce decrees, rental agreements, stock brokerage and mutual fund accounts, and other related financial documents; assisting you in understanding and clearing any credit problems; maintaining regular contact with you, your realtor, the escrow holder, and CMG to keep each apprised of the status of your loan application and to gather any additional information as needed; initiating/ordering verifications of employment and verifications of deposits; initiating/ordering requests for mortgage and other loan verifications; initiating/ordering appraisals; initiating/ordering needed inspections or engineering reports; providing loan disclosures; ordering necessary legal documents; determining whether the property securing the loan is located in a flood zone or ordering such service; participating in the loan closing. The actual services which may be performed by CMG in connection with your loan will depend, in part, on your individual circumstances.

Your Rights and Obligations

In the event CMG makes a materially false or misleading statement or omission in the inducement or implementation of this Agreement, you may, in addition to any other legal rights or remedies you may have, upon written notice, do any of the following: (1) rescind this Agreement; (2) recover fees you paid to CMG for brokerage services rendered by CMG under

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LOAN BROKERAGE AGREEMENT

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this Agreement; or, (3) recover actual costs, including attorney's fees, for enforcing your rights under this Agreement. In the event you accept and obtain a mortgage loan through CMG, you will be obligated to pay CMG for the brokerage services it rendered under this Agreement. If CMG brokers a loan on terms acceptable to you and you decide not to accept the loan, you may still be required to pay the actual charges incurred by CMG for services rendered by third parties necessary to process your loan application, such as credit reports, appraisals, inspections, flood certification, and tax service and, in transactions where these sorts of services are provided by CMG, you may be required to pay CMG a charge not to exceed the fee customarily charged for the same or comparable service(s) in the community in which the services were rendered.

Good Faith Estimate of Fees

CMG's Good Faith Estimate of the fees it will receive for providing brokerage services on your behalf is _____% of the principal amount of your loan. All or part of this compensation may be paid from the proceeds of your loan, from funds that you provide at closing or from funds paid to CMG directly by the lender.

Miscellaneous

This Agreement is the only agreement between you and CMG regarding its subject matter, and supersedes any other agreements between you and CMG with respect to CMG's arranging of a mortgage loan on your behalf. You acknowledge that you have read this Agreement in its entirety and have received a fully executed copy thereof.

Date: _____

Date: _____

CMG Mortgage, Inc. ("CMG")

Date: _____

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MORTGAGE LOAN ORIGINATION DISCLOSURE

You (the “Applicant(s)”) have requested that CMG Mortgage, Inc. (“CMG” or “we”) act on your behalf for the purpose of obtaining a residential mortgage loan from a participating lender with which we contract upon such terms and conditions as you may request or as a lender may require. You inquired into mortgage financing with CMG on 05/07/2009.

SECTION 1 NATURE OF RELATIONSHIP.

In connection with this mortgage loan, you should know the following:

- CMG has entered into separate independent contractor agreements with various lenders.
- While CMG will seek to assist you in meeting your financial needs, we do not distribute the products of all lenders or investors in the market and cannot guarantee the lowest price or best terms available in the market.
- CMG is also a direct lender and may offer you a loan.

SECTION 2 CMG’S COMPENSATION.

- The lenders whose loan products we distribute generally provide their loan products to us at a wholesale rate.
- The retail price we offer you – your interest rate, total points and fees – will include CMG’s compensation.
- In some cases, either you, or the lender, or some combination thereof may pay us all of our compensation.
- Alternatively, either you or the lender may pay us a portion of our compensation. 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 be able to pay some or all of our compensation indirectly through a higher interest rate, in which case we will be paid directly by the lender.
- If you accept a loan made by CMG, it, and indirectly its shareholders, will realize some additional benefits.
- We may also be paid by the lender based on (1) the value of the mortgage loan in the market place or (2) other services, goods or facilities performed or provided by us to the lender.

By signing below, you acknowledge receipt of a copy of this Disclosure and understand that you are under no obligation to accept a loan arranged for you by CMG.

CMG MORTGAGE, INC.

APPLICANT(S)

Date: _____

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PROPERTY INFORMATION SHEET

INSURANCE INFORMATION

You will be required by the lender to provide fire insurance on the property you are financing. Please provide the following information:

(Does not apply if property is insured by the Homeowner's Association)

INSURANCE AGENT _____ PHONE _____

INSURANCE COMPANY _____ PREMIUM (EST) \$ _____

RENEWAL DATE (if known) ___/___/___ (IF THIS IS A REFINANCE TRANSACTION)

HOMEOWNER'S ASSOCIATION INFORMATION

If the property you are purchasing or refinancing has a Homeowner's Association, the information requested below is required to obtain your loan approval

HOA PROJECT NAME _____ PHONE _____

CONTACT NAME _____

IS THERE ANY *PENDING LITIGATION*: YES NO (Circle One)

LANDLORD INFORMATION

If you are currently renting, the information requested below is required to obtain your loan approval (Past two years)

LANDLORD'S NAME _____ PHONE _____

ADDRESS _____

PREVIOUS LANDLORD _____ PHONE _____

ADDRESS _____