5/1 ADJUSTABLE RATE MORTGAGE LOAN **5/2/5 RATE CAPS**
NONCONVERTIBLE TO FIXED

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

How Your Interest Rate and Payments Are Determined

Your initial interest rate is not based on the index or formula used to make later interest rate adjustments. Your initial interest rate may be lower, or higher, than it would be if calculated on the same basis used to make later rate adjustments. Ask us for our current interest rates and for the current interest rate discount or premium.

Commencing on the first interest rate adjustment date, and on each adjustment date thereafter, your new interest rate will be based on an index plus a margin. Ask us for our current margin. Your index will be the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. Your new interest rate will equal our margin plus the most recent index rate available as of the date 45 days before the interest rate adjustment date, rounded to the nearest 1/8th of one percentage point (0.125%), unless your interest rate "caps" limit the change in the interest rate.

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

How Your Interest Rate Can Change

Your interest rate can change after the first 60 scheduled monthly payments and yearly thereafter. Your interest rate cannot increase or decrease more than 5 percentage points at the initial adjustment date. After the initial interest rate change, your interest rate cannot increase or decrease more than 2 percentage points per year. Your interest rate cannot increase more than 5 percentage points above your initial rate over the term of the loan. Your interest rate will never decrease to less than the margin on your loan.

How Your Monthly Payment Can Change

After the first 60 months, your monthly payment can change yearly based on changes in the interest rate.

For example, on a $10,000 loan with an initial interest rate of 6.250% (the index rate during April 2006, plus the margin* of 2.250%, less the interest rate discount** of 1.250%, rounded to the nearest 1/8th percent), the maximum amount to which the interest rate can rise under this program is 5 percentage points, to 11.250%, and the monthly payment can rise from a first-year payment to a maximum payment in the sixth year as follows:

Loan Term	Initial Payment	Max. Payment	Constr. Initial Payment***	Constr. Max. Payment
15	$85.74	$106.28	$89.46	$110.89
30	$61.57	$93.17	$62.30	$94.28

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

Your monthly payment may increase or decrease substantially depending on changes in the interest rate.

To see what your payments would have been, divide your mortgage amount by $10,000; then multiply the monthly payments by that amount. For example, the monthly payment for a mortgage amount of $60,000, taken out for a term of 15 years would be $60,000 ÷ $10,000 = 6; 6 × $85.74 = $514.44 (constr = 6 × $89.46 = $536.76). The monthly payment for a mortgage amount of $60,000, taken out for a term of 30 years would be $60,000 ÷ $10,000 = 6; 6 × $61.57 = $369.42 (constr = 6 × 62.30 = $373.80).

Acknowledgement: By signing below, you acknowledge receiving a copy of this disclosure statement and the pamphlet, "Consumer Handbook on Adjustable Rate Mortgages."

______________________________ _________ ______________________________ _________
(Applicant's Signature) (Date) (Applicant's Signature) (Date)

If the loan application was received by mail or telephone, a copy of this disclosure statement and the pamphlet, "Consumer Handbook on Adjustable Rate Mortgages," were mailed to:

By:__________________________________ Date:________________

* This is a margin we have used recently; your margin may be different.
** This is a discount/premium we have provided recently; your loan may have a different discount/premium.
*** The initial payment shown is the initial scheduled principal and interest payment.

How Your Monthly Payment Can Change—Creative Options Loans Only

After the first 60 months, your monthly payment can change yearly based on changes in the interest rate.

For example, on a $10,000 loan with an initial interest rate of 6.500% (the index rate during April 2006, plus the margin* of 3.875%, less the interest rate discount** of 2.625%, rounded to the nearest 1/8th percent), the maximum amount to which the interest rate can rise under this program is 5 percentage points, to 11.500%, and the monthly payment can rise from a first-year payment to a maximum payment in the sixth year as follows:

Loan Term	Initial Payment	Maximum Payment
15	$87.11	$107.86
30	$63.21	$95.15

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

Your monthly payment may increase or decrease substantially depending on changes in the interest rate.

To see what your payments would have been, divide your mortgage amount by $10,000; then multiply the monthly payments by that amount. For example, the monthly payment for a mortgage amount of $60,000, taken out for a term of 15 years would be $60,000 ÷ $10,000 = 6; 6 × $87.11 = $522.66. The monthly payment for a mortgage amount of $60,000, taken out for a term of 30 years would be $60,000 ÷ $10,000 = 6; 6 × $63.21 = $379.26.

* This is a margin we have used recently; your margin may be different.

** This is a discount/premium we have provided recently; your loan may have a different discount/premium.