

# BANKERS NETWORK CORPORATION

1875 So. Bascom Avenue, Suite 2550 Campbell, CA. 95008 Ph. 408-879-9000 Fax 408-559-62232

## IMPORTANT DISCLOSURE NOTICES TO LOAN APPLICANTS

**Please be sure you read and understand each of the following disclosures. Initial each disclosure, then sign and date the acknowledgment on the last page, return the original to our office, and keep the copy for your records.**

*\*Please request further explanation of any section or information contained in these notices that you do not understand.*

### 1. THE RIGHT TO PRIVACY ACT NOTICE

The right of Financial Privacy Act of 1976 states that the Lending Institution, Department of Housing and Urban Development or the Veterans Administration (in connection with FHA or VA loans) has the right of access to financial records held by an Institution in connection with, consideration for, or in the administration of their assistance to you for home loan purposes. Upon written request by the above named agencies, financial records involving your transaction will be made available without further notice or authorization, but will not be disclosed or released, without your consent, to any other Government Agency or Department, except as required or permitted by law,

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

### 2. STATE OF CALIFORNIA FAIR LENDING NOTICE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

*To applicants for, and members of the public interested in, the purchase, construction rehabilitation, improvement of, or refinancing of a one-to-four unit family residence.*

**THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977 PROHIBITS ALL FINANCIAL INSTITUTIONS, INCLUDING PUBLIC AGENCIES, WHO REGULARLY MAKE LOANS FOR THE ABOVE STATED PURPOSES, FROM DISCRIMINATING IN THE ABILITY OF, OR IN THE PROVISIONS OF FINANCIAL ASSISTANCE FOR SUCH PURPOSES ON THE BASIS OF THE FOLLOWING:**

Consideration of conditions, characteristics, or trends in the neighborhood or geographic area surrounding the housing accommodation, unless it can be shown that consideration of such factors is required to avoid an unsafe or unsound business practice. Or, Consideration of race, color, religion, sex, marital status, national origin or ancestry.

**THE ACT ALSO PROHIBITS CONSIDERATION OF THE RACIAL, ETHNIC, RELIGIOUS, OR NATIONAL ORIGIN COMPOSITION OF A NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING THE HOUSING ACCOMMODATION, OR WHETHER OR NOT SUCH COMPOSITION IS CHANGING OR IS EXPECTED TO CHANGE, IN APPRAISING A HOUSING ACCOMMODATION OR IN DETERMINING WHETHER OR NOT, OR UNDER WHAT TERMS OR CONDITIONS TO PROVIDE FINANCIAL ASSISTANCE FOR SUCH PURPOSES.**

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

The State Agency that administers compliance with the State Law (if applicable) is the Attorney Generals Office in Sacramento, California. If you have questions about your rights, or if you wish to file a complaint, contact:

**THE DEPARTMENT OF REAL ESTATE,**  
at any of the following locations:  
2201 Broadway, Sacramento, CA 95818  
2550 Mariposa, Room 3070, Fresno, CA 93721  
1350 Front Street, Room 3064, San Diego, CA 92101  
28 Civic Center Plaza, Room 639, Santa Ana, CA 92701  
107 South Broadway, Room 8107, Los Angeles, CA 90012

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

### 3. EQUAL CREDIT OPPORTUNITY ACT NOTICE (ECOA)

You are hereby provided the following notice as is required under Section 282.4(d); 12c F.R., 15 U.S.C. 1691

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against an Applicant on the basis of race color, religion, national origin, sex, marital status, age (provided that the Applicant has the capacity to enter into a legal, binding contract), because all or part of an 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.

Income received from Alimony, Child Support, or Separate Maintenance need not be revealed unless you choose to rely on such sources to have it considered as a basis for repaying this obligation. Income from these sources as well as from any other source, including part-time or temporary employment will not be discounted by the lender, due to your sex or marital status; however, the lender will carefully consider the stability and probable continuity of all income you disclose.

Having made this disclosure to you, we are permitted to inquire if any of the income shown on your application is derived from such a sources 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 have applied.

The Federal Agency that administers compliance with this law as it affects the creditor is either the **FEDERAL TRADE COMMISSION** if this loan is to be funded by a state chartered Savings and Loan Or the **FEDERAL HOME LOAN BANK BOARD**. for a Federally chartered Savings and Loan Association

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

### 4. I.R.S. DISCLOSURE NOTICE

When underwriting a loan application for a borrower who is self-employed, or who derives income from sources other than, or in addition to wages, Lenders must use copies of the Applicant's income tax returns to document the nature and amount of the Applicant's income. The income tax returns submitted to the Lender, and the income shown on those tax returns must be the same in every respect as the income tax returns submitted and the income shown to the Internal Revenue Service (IRS) for tax reporting purposes.

It is the Lenders policy to verify with the IRS that the copies of the tax returns submitted to them match the tax returns submitted by the Applicant to the IRS. In the event that the tax returns in their loan file differ materially from those submitted to the IRS, it is typically the Lenders policy to attempt to resolve these differences with the Applicant.

If the income tax returns submitted differ from IRS records, any or all of the following could happen:

1. The Applicant may be financially liable to the Lender or any other third party because of their reliance on the tax return and belief that the information submitted was factual.
2. The Lender may require the entire unpaid balance of the loan to be immediately due and payable, even if all loan payments are current.
3. Failure to pay the entire loan balance in full, should the Lender demand it, could result in the Lender beginning foreclosure procedures, and the Applicants home could be lost.
4. The Lender may refer the matter to State and/or Federal Authorities for civil and criminal prosecution.
5. The Lender may forward a copy of the tax returns submitted to them to the I.R.S., for investigation.

The Applicant(s) certifies that all documents submitted, containing income or tax information, are exact duplicates of those submitted to the Internal Revenue Service (I.R.S.).

The Applicant(s) also gives consent to the Lender to communicate with the applicant's tax preparer, or the I.R.S. to validate the accuracy of the information submitted, or clarify any discrepancies, and to give the I.R.S. copies of tax returns submitted to the Lender, should the need arise.

One or all the the following forms may be requested:

8821 Tax Information Authorization  
4506 Request for Copy or Transcript of Tax Form  
95-01 Request for Validation of Income

By initialing, the Applicant certifies to an understanding of the information in this notice.

*Read and Understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

**5. DISCLAIMER OF COMMITMENT NOTICE**

I/We understand that the signing of a loan application form, and any other related documents required in connection with this loan application, does not mean or imply that there is a commitment to grant a new loan.

Bankers Network Corporation makes every effort to screen and/or pre-qualify every Applicant for a new home loan based upon the terms, conditions and amounts the Applicant desires. However, due to the unpredictable nature of home loan financing, no one is authorized by Bankers Network Corporation to make any binding loan commitment on behalf of any Lender, prior to the actual recordation of the subject loan.

Even after a loan application receives preliminary approval, it is unlikely, but possible for the loan amount, interest rate, discount, closing costs, or terms and conditions to change prior to final closing and recordation.

Any expression of confidence, verbal or written, that a loan can be obtained under certain conditions or amounts is strictly the opinion and belief of the person making the statement, and must not be relied upon as a binding loan commitment from Bankers Network Corporation.

If it becomes necessary to enforce this disclaimer by legal suit or action, the Applicant(s) agree to pay all reasonable attorney and legal fees.

*Read and Understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

**6. SERVICE PROVIDER NOTICE**

*Addendum to the Good Faith Estimate of Settlement Charges*

Bankers Network Corporation uses, or requires borrowers to use the services of the particular providers of real estate settlement related services listed below. **If none are listed, Lender does not require the use of specific providers.**

**PRIVATE MORTGAGE INSURANCE**

If Private Mortgage Insurance is Required for your loan request, the Lender will select a PMI company from their list of approved companies. The cost of obtaining this insurance ranges from .18% to 1.05% of the new loan amount (per year), and varies based upon the loan-to-value ratio and the insurance program required. The cost reflected on the first page of the Good Faith Estimate is the highest cost associated with loans similar to your loan request.

**CONSUMER CREDIT REPORT**

Provider: **Lenders Credit 818-226-3700**  
**20929 Ventura Blvd. # 203 Woodland Hills, CA 91364**

**COURIER/MESSANGER SERVICE**

If an express delivery service is required for your loan request, Bankers Network, or the Lender will select an express mail service provider from a list of approved companies. The cost of the express mail or courier service is reflected on the first page of the Good Faith Estimate.

**APPRAISAL**

Provider:

**MISCELLANEOUS FEES**

Provider:

Lender certifies that any provider listed is NOT

An Associate, an affiliate, a relative, an employee, or franchisee or the Lender.

Lender does not maintain an account , have an outstanding loan or credit arrangement with any Provider shown.

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

## 7. CONSUMER HANDBOOK ON ADJUSTABLE RATE MORTGAGES ACKNOWLEDGEMENT

If applying for an adjustable rate mortgage, I/We hereby acknowledge receipt of a copy of the book titled 'CONSUMER HANDBOOK ON ADJUSTABLE RATE MORTGAGES' published by the Federal Reserve Board and the Federal Home Loan Bank Board, which is being provided in addition to other required adjustable rate mortgage disclosures.

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

## 8. POTENTIAL SERVICING TRANSFER NOTICE

Notice to Mortgage Applicants: The right to collect your mortgage loan payments may be transferred. Federal law gives you certain rights. Please read this statement and initial 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., s2601 *et. Seq.*), You have certain rights under that Federal Law. This statement tells you about those rights, and that chances are, the servicing of your new loan may be transferred to a different loan servicer. "Servicing" refers to the collection of principal, interest and escrow account payments. 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 date of transfer. The new loan servicer must also send you notice within 15 days after the date of the transfer. In addition, to satisfy these requirements, a notice of prospective transfer may be provided to you at time of closing or settlement (when you receive new title to the property).

The law allows a delay in the time (of not more than 30 days after a transfer) for servicers to notify you under certain limited circumstances, such as when your servicer has changed abruptly. This exception applies only if your servicer is fired for cause, is in bankruptcy proceedings, or is involved in a conservatorship or receivership initiated by a Federal Agency.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, the name address and a toll-free or collect-call telephone number of the new servicer, and a toll-free or collect-call telephone number of a person or department for both your present servicer and the new servicer to answer any questions you may have about the transfer of servicing.

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 it is due, may not be treated by the new loan servicer as late, and a late fee may not be imposed upon you.

### **COMPLAINT RESOLUTION**

Section 6, of RESPA (12 U.S.C., s2605) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, 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 a notice on a payment coupon or other payment medium supplied by the servicer), which includes your name, address, loan number, and your reasons for the request. Not later than 60 days after receiving your request, your servicer must make any appropriate changes or corrections to your account, and must provide you with a written clarification of any dispute. During this 60 day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period in question, or the "qualified written request".

### **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 ORIGINAL LENDER**

We do not service mortgage loans. The following is an example of the information that will be provided to you by your new Lender at the time of closing:

- 1.  We do not service mortgage loans. We intend to assign, sell, or transfer the servicing of your loan to another party. You will be notified at closing of your new servicer.
  
- 2.  We are able to service this loan and presently intend to do so. However, that may change in the future. For all loans that we made in the 12 month period after the funding of your loan, we estimate the chances that we will transfer the servicing of these loans are between:  
 0-25%     26-50%     51-75%     76-100%  
This is only our best estimate, and is not binding. Business conditions and other circumstances may affect our future transferring decisions.
  
- 3.  This is our record of transferring loans that we have made in the past.

| Year | Percentage of Loan Transferred                        |
|------|---|
|      | (Rounded to the nearest quartile-0%-25%-50%-75%-100%) |
| 2000 | 100%  |
| 2001 | 100%  |
| 2002 | 100%  |

Estimates #2 and #3 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.

*Read and understood*

|               |               |
|---------------|---------------|
| Initial _____ | Initial _____ |
|---------------|---------------|

**9. PROPERTY INSURANCE NOTICE**

The new Lender will require fire and hazard insurance coverage for the subject property with an insurance carrier acceptable to the Lender, and in an amount at least equal to the lesser of:

- (a) The new loan amount, provided the amount of coverage is equal to the minimum amount required under the terms of the policy to fully compensate for damage or loss on a replacement cost basis. -or-
- (b) 100% replacement value of the improvements without deduction for depreciation.

A Lenders Loss Payable Endorsement, in favor of the new Lender must be attached to the policy and a Guaranteed Cost Replacement Endorsement may also be required whenever available.

- For **purchase loans**, the Lender will require a minimum of one full years premium to be paid in advance, or at the time of escrow closing.
- For **refinance loans**, most Lenders will require a minimum of six months remaining on the term of the existing policy from the date of closing. In order to utilize and maintain your current policy, the Lender will also require an endorsement changing the Mortgagee Clause and may require an increase in the amount of coverage to the amount of the new loan, or guaranteed replacement as shown in (a) and (b) above.

*Read and understood*

|               |               |
|---------------|---------------|
| Initial _____ | Initial _____ |
|---------------|---------------|

**10. FLOOD DISASTER PROTECTION ACT OF 1973 NOTICE**

During the underwriting process, the new Lender will make a determination as to whether or not the subject property is located in a Flood Hazard Zone, and if flood insurance coverage will be required.

Federal regulations require us to inform you that if the property used as security for this loan is located in an area identified by the US Secretary of Housing and Urban Development as having special flood hazards, and in the event of a subsequent determination that flood insurance is required in connection with your new loan (whether due to re-mapping of the local or otherwise, and whether or not you presently carry flood insurance), you will be required to provide and maintain, at your expense, flood Insurance in an amount and with a Insurance Company acceptable to the new Lender.

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

**11. INSURANCE ANTI-COERCION STATEMENT**

The insurance laws of this state provide that the lender may not require the applicant to take insurance through any particular insurance agent or company to protect the mortgaged property. The applicant, subject to the rules adopted by the Insurance commissioner, has the right to have the insurance placed with an insurance agent or company of his/her choice, provided the company meets the requirements of the lender. The lender however does have the right to designate reasonable financial requirements of to the company chosen, and the adequacy of the coverage.

I have read the forgoing statement, and understand my rights and privileges and those of the lender relative to the placing of such insurance.

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

**12. FAIR CREDIT REPORTING ACT**

An investigation will be made as to the credit standing of all individuals seeking credit in this application. The nature and scope of any investigation will be furnished to you upon written request made within a reasonable period of time. In the event of credit denial due to an unfavorable consumer report, you will be advised of the identity of the Consumer Reporting Agency making such report and of your right to request within sixty (60) days, the reason for the adverse action, pursuant to provisions of section 615(b) of the Fair Credit Reporting Act.

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

### 13. COPY OF THE PROPERTY APPRAISAL NOTICE

In most cases, a Residential Appraisal Report will be obtained in connection with your application for a new mortgage.

The appraisal is prepared by an Independent Professional Appraiser for the Lenders use in substantiating the subject property value in support of your application. Appraisers must meet certain requirements before such reports can be accepted by the Lender. However, a Lenders acceptance of an appraisers report is not an endorsement of either the Appraiser, or the Residential Appraisal Report.

An Appraisal is not a guarantee of either the value or condition of the property, and the Lender assumes no responsibility for the accuracy of the information contained in the Residential Appraisal Report.

Homeowners and Home Buyers are advised to procure the services of a Structural Engineer, Home Inspection Service, or Contractor to further inspect the subject property for possible conditions and/or defects.

You may have the right to a copy of the Residential Appraisal Report prepared and obtained in connection with the loan for which you have applied. To be eligible, you must have either paid, or be willing to pay at time of closing, the cost of obtaining the Residential Appraisal Report.

If you would like a copy of the Residential Appraisal Report, and have paid for the report, please either call, fax, or submit a written request within 90 days of the final action taken on your application to:

**Bankers Network Corporation**  
**1875 So. Bascom Avenue, Suite 2550**  
**Campbell, Ca 95008**  
**Ph: 408-879-9000 Fax: 408-559-6232**

*Read and understood*

Initial \_\_\_\_\_

Initial \_\_\_\_\_

### \* IMPORTANT \*

**Bankers Network Corporation is licensed as a Mortgage Broker under the laws of the State of California, Broker Lic.#01243578. For information concerning licensing, you may contact the Department of Real Estate at (916) 227-0931**

### **APPLICANTS ACKNOWLEDGMENT**

*The below signed Applicant(s) hereby certifies that I/We have read, agree to and completely understand all of the above notices, that the initials appearing on each disclosure represent my/our signature(s), and that I/We have received a copy of these notices.*

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Privacy Act Notice: This information is to be used by the agency collecting it, or it's assignees, in determining whether you qualify as a prospective mortgagor under its programs. Information obtained will not be disclosed outside that agency, except as required and permitted by law. You do not have to provide this information, but if you do not, the application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title38, USC Chapter 37(if VA); Title 12, USC, Chapter 1701 et Seq. (if HUD/FHA); Title 42, USC Chapter 1452b (if HUD/DPS) and Title 42, USC Chapter 1471 et Seq., Or Title 7, USC Chapter 1921 et Seq. (if USDA/FmHa).

**NOTICE TO THE HOME LOAN APPLICANT**

**REGARDING CREDIT SCORES**

In connection with your request for a home loan, Bankers Network Corporation obtains a borrower's credit scores which are then disclosed to the lender chosen for your home loan application.

The credit score is a computer generated, numerical summary, calculated at the time of the credit report request and is based on information and history that a credit bureau repository has in your file.

The scores are determined based upon data compiled from a borrower's credit history, account balances and payment patterns. Credit scores are important, as they are used to assist the lender in determining whether an applicant has the ability and likelihood of repayment of the mortgage debt. Credit scores may also be used to determine what terms and conditions may be offered to the consumer by the Lender.

Consumer's credit scores are subject to change over time, depending on a conduct, and as credit history and payment patterns change. Changes in credit scoring technologies can also affect a consumer's credit scores. Credit records, and scores may vary from one company to another.

**Pursuant to California Civil Code § 1785.20.2(e), you will find, below, the credit scores that have been provided to us by the Credit Reporting Agency we are dealing with. Because the scores are based on information in your credit history, it is very important that you review all credit-related information to make sure that it is accurate.**

If you have questions about your credit scores or the credit information that is provided to you, please contact the credit bureau at the address and telephone number provided with this notice. Please also remember that the credit bureau provides records only, plays no part in the decision to take any action on a loan application and is unable to provide you with specific reasons for the decision on a loan application.

If you have any questions concerning the terms and conditions of the loan or line of credit, please contact your Bankers Network Corporation loan representative, at 408-879-9000. Thank You.

One or more of the following credit bureaus will provide the credit score information:

**EXPERIAN**  
**Fair Isaac-FICO**  
**P.O. Box 9600**  
**Allen, TX 75013**  
**1-800-311-4769**

**EQUIFAX Credit Information**  
**Beacon**  
**P.O. Box 740241**  
**Atlanta, GA 30374**  
**1-800-685-1111**

**TRANSUNION**  
**Empirica**  
**P.O. Box 1000**  
**Chester, PA 19022**  
**1-800-888-4213**

Borrower   
Co-  
Borrower

Your signature below signifies that you have read, understood and been given a copy of this notice.

**Date:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

Privacy Act Notice: This information is to be used by the agency collecting it, or its assignees, in determining whether you qualify as a prospective mortgagor under its programs. Information obtained will not be disclosed outside that agency, except as required and permitted by law. You do not have to provide this information, but if you do not, the application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC Chapter 37 (if VA); Title 12, USC, Chapter 1701 et Seq. (if HUD/FHA); Title 42, USC Chapter 1452b (if HUD/DPS) and Title 42, USC Chapter 1471 et Seq., Or Title 7, USC Chapter 1921 et Seq. (if USDA/FmHa).



## IMPOUNDS

Under State and Federal Laws and Regulations, we are required for certain types of loans to set up and collect moneys 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 payments as they become due.

Lenders are prohibited by section 2954 of the California Civil Code from requiring an impound account on fixed rate, owner-occupied, single-family residence loans with a 20% or more down payment or equity, except where specifically required by law, nonetheless, many loan Applicants prefer having an impound account.

**In addition** a loan with less than a 20% down payment or equity could be required to obtain and maintain Private Mortgage Insurance (Insurance against default) which may also require an impound account.

In order to properly prepare your loan application and your final closing document, please indicate your preference below.

- (choose one)  I/We prefer an impound account  
 If the law does not require an impound account, I/We do not want one.

Applicant Signature: \_\_\_\_\_

Co-Applicant Signature: \_\_\_\_\_

## TRANSFER OF TITLE -- VESTING

At the time of closing, loan documents will be drawn transferring title of the subject property. Your name(s) will be shown on these documents **EXACTLY** as you print them below, and you must sign all documents exactly as drawn.

**PLEASE BE NEAT AND ACCURATE.** An error, or a request for a change could result in a re-draw fee being charged and could also cause unnecessary delays in closing.  
In **refinance transactions...** any change in the existing vesting may require a new granting and possible additional escrow and recording fees.

**I/We wish our loan application & closing documents to reflect my/our names as shown below:**

### APPLICANT

(Please Print) \_\_\_\_\_  
(first name) (middle) (last name)

- (choose one)  a married man  a married woman  
 an unmarried man  an unmarried woman

### CO-APPLICANT:

(Please Print) \_\_\_\_\_  
(first name) (middle) (last name)

- (choose one)  a married man  a married woman  
 an unmarried man  an unmarried woman

### TAKING TITLE AS:\*

- (choose only one)  Sole Owner  Tenants in Common  
 Joint Tenants  Community Property  
 Community Property with the right of survivorship

**Please note:** Most Lenders will not fund to a Corporation, Partnership or Trust.

*\*Please consult an Attorney or Accountant for advise on the best method of holding title*

## OCCUPANCY AFFIDAVIT

Applicant(s) hereby certify and acknowledge that, upon taking title, their occupancy status for the subject property will be as follows:

- Primary Residence**-Is now, or will be occupied by applicant(s) within 30 days of closing.
- Secondary Residence**-Will not be rented and will be occupied by applicant(s) at least 15 days per year, as a second home (vacation or retirement property), while maintaining their primary residence elsewhere.
- Investment Property**-Will not be owner occupied. Property purchased as an investment to be held or rented.

Applicant(s) further certify that they understand:

1. That the loan applied for may be conditioned upon the applicant's occupancy of the subject property.
2. That failure to occupy the subject property is a violation of Federal Statutes and that the penalty for conviction of this violation is a fine of not more than \$5,000.00 and/or a jail term of not more than two (2) years. Under Section 1010, Title 18, United States Code, Federal Housing Administration.
3. That a non-occupant loan amount may be substantially less and at a less favorable interest rate and/or terms.
4. Failure to occupy the subject property within the specified time would require adjustment of the loan amount, terms and interest rate to meet "non-occupant" requirements.

Applicant Signature: \_\_\_\_\_

Co-Applicant Signature: \_\_\_\_\_

## RATE LOCK DISCLOSURE

Your loan is NOT automatically locked. Unless you get verbal or written confirmation from Bankers Network that we have received your rate lock request, leaving a voicemail or email does not guarantee that your request will be processed. Please make every effort to reach a member of our team live if you wish to lock. Rates can change daily and we often have mid-day rate changes. Please inform your agent of what your target rate is to help us do the best job possible. Once we acknowledge receipt of your request, it can take up to 24 hours to get written lock confirmation from the lender. NO LOCK IS GAURANTEED UNTIL WE HAVE WRITTEN CONFIRMATION FROM THE LENDER.

Applicant Signature: \_\_\_\_\_

Co-Applicant Signature: \_\_\_\_\_

## MORTGAGE BROKER FEE DISCLOSURE

This disclosure is being furnished to clarify the role of the Mortgage Broker and is a supplement to the other disclosures and agreements required by law and furnished to you at the time of your initial application.

You have applied to a Mortgage Broker for a new residential mortgage loan.

Mortgage Brokers are independent contractors who have relationships with many different Direct Lenders.

All Mortgage Brokers must be licensed under the laws of the State of California.

On your behalf, the mortgage broker will submit your loan application to a participating Direct Lender, with which it from time to time contracts, upon such terms and conditions as you may request or the Lender requires.

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

- We have separate independent contractor agreements with various lenders.
- While we 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.

**SECTION 2. OUR 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 our compensation.
- In some cases we may be paid all of our compensation by either you or the lender.
- 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 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.

- **We may also be paid by the lender based on (i) the value of the Mortgage Loan or 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 the Mortgage Broker to select the method in which it receives its compensation depending on your financial needs. The final amounts will be disclosed on your HUD 1 or HUD 1A Settlement Statement.*

**By Signing below, the applicant(s) acknowledge that he/she has read, understands and has been given a copy of this document.**

Date: \_\_\_\_\_

**Applicant(s):**

Broker: **Bankers Network Corporation**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

## AUTHORIZATION TO RELEASE INFORMATION

The undersigned have applied for a new mortgage loan.

As part of the application process, the Mortgage Broker, The Lender, its authorized agent and or assigns may need to verify information contained in my/our loan application, and/or other documents required in connection with the loan application. Information may be required, either during the application process, before the loan is closed, or as part of quality control and/or post closing audit procedures.

I/we hereby authorize you to provide to the Mortgage Broker, Lender, its authorized agent, the Mortgage Guaranty Insurer, or any investor to whom the Lender may sell the loan, any and all information and documentation that they may request.

Information provided, will be used only for determination of my/our credit worthiness in connection with my/our loan application. Confidential information will not be disclosed to any other agency, person or entity, except as required and permitted by law.

My/our signature(s) below represents permission to disclose the requested information regarding my/our:

- "On-line" (Internet provided) Application.
- Present employment information, history and earnings.
- Previous employment information, history and earnings.
- Bank account information, history and account balances
- Stocks/Securities account information, history and balances.
- Other asset information, history and balance.
- Rental information, history and payment habits.
- Past and present mortgage information, history and payment habits.
- Credit Report (showing both past and present)  
Account information, history and payment habits.

A photocopy or facsimile (fax copy) of this authorization may be accepted in place of the original.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

Privacy Act Notice: This information is to be used by the agency collecting it, or its assignees, in determining whether you qualify as a prospective mortgagor under its programs. Information obtained will not be disclosed outside that agency, except as required and permitted by law. You do not have to provide this information, but if you do not, the application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC Chapter 37 (if VA); Title 12, USC, Chapter 1701 et Seq. (if HUD/FHA); Title 42, USC Chapter 1452b (if HUD/DPS) and Title 42, USC Chapter 1471 et Seq., Or Title 7, USC Chapter 1921 et Seq. (if USDA/FmHa).

**Bankers Network Corporation**

1875 S. Bascom Ave, #2550  
Campbell, CA 95008

**Federal Compliance alert: USA PATRIOT Act**

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**Summary of the USA Patriot Act**

Beginning October 1, 2003, all U.S. financial institutions must implement a new Customer Identification Program (CIP) mandated by the USA PATRIOT Act. The purpose of the USA PATRIOT Act is to identify potential money laundering and terrorist activities. The new regulations require all financial institutions to obtain information from their customers and take necessary actions to verify their identity and citizenship. This requires the implementation of a CIP for all customers that open a new account with financial institutions-including real estate secured loans and lines of credit.

**Acceptable Identification**

Customer Identification information is obtained from a current (unexpired) government issued document (government documentary identification).

Acceptable government issued documents are:

- Driver's license
- Passport
- State ID
- Military/Government ID

Resident Aliens must also provide, in addition to one of the above:

- Resident Alien Card

Nonpermanent Residents and Nonresident Aliens must provide:

- Passport
- I-94 Arrival-Departure Record

**I/We understand the disclosure given here regarding the USA Patriot Act and will cooperate with the lending agency by providing the documentation listed above as part of my/our loan application process.**

**Also, I/We testify that the bellow date of birth is true and correct as will be verified with one of the documentations listed above.**

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Date of Birth

\_\_\_\_\_  
Date of Birth

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature