Mortgage+Care

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Please contact us at (800)481-2708 or www.mortcare.com for a list of mergeable documents.

CAL 32 – EXEMPTION WORKSHEET

(Combines AB 489 and Section 32)

Use the following steps to determine if a loan is subject to Cal 32 disclosure requirements.

STEP 1. *IS THE LOAN EXEMPT ?*	*NO*	*YES*
A. Is the loan for business purposes?	☐	☐
B. Is the loan on a vacation or second home (not principal residence) the borrower has stated will never be occupied as their principal residence?	☐	☐
C. Does the property contain more than 4 dwelling units?	☐	☐
D. Is the loan a home equity line of credit?	☐	☐
E. Is the loan a reverse mortgage?	☐	☐
F. Is the loan a loan under one year to acquire or to construct a new principal residence?	☐	☐
G. Is the loan to an existing corporation, partnership or LLC?	☐	☐

IF THE ANSWER IS "YES" TO _ANY ONE_ OF THE QUESTIONS ABOVE, STOP HERE AND FILE THIS WORKSHEET IN THE LOAN FILE. THE LOAN IS NOT A CAL 32 LOAN. IF YOU ANSWERED "NO" TO ALL OF THE ABOVE, PROCEED TO THE FOLLOWING STEPS.

STEP 2. *COUNTED POINTS AND FEES CALCULATION*

Prepaid Finance Charges:

D. Total of all lender loan fees (excluding beginning interest): +(D) $ _____

E. Total of all broker compensation/fees paid by the borrower: +(E) $ _____

F. Total of all third party fees paid by borrower, including POC's, including all closing agent fees but excluding title insurance and recording fees and appraiser fees documented by receipt or bill from appraiser: +(F) $ _____

G. Total of all Cal 32 fees: =(G) $ _____

STEP 3. *CAL 32 FEE THRESHOLD CALCULATION*

1. Total Loan Amount (per application): (H) $ _____

2. Minus total fees from line G: -(I) $(_____)

3. Minus beginning interest: - $(_____)

   Cal 32 Loan Amount =(J) $ _____

4. Divide the Cal 32 fee amount reflected on Line G, by the Cal 32 loan amount on Line J:

(G) $ _____ divided by (J) $ _____ = _____% (if over 6% this loan is a Cal 32 loan)
If the above percentage is higher than 6%, the loan is subject to Cal 32 requirements

CAL 32 APR THRESHOLD	
1. Comparable T-Bill Rate _____% plus 6%:	_____ % Maximum APR
2. Loan APR:	_____ Loan APR

If the Loan APR exceeds the Maximum APR threshold, the loan is subject to Cal 32 requirements

A copy of this worksheet must be maintained in the loan file.

Worksheet calculated by: _____ **Date**