

Mortgage+Care

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STATE OF CALIFORNIA
851A-L20.DOC

DEPARTMENT OF REAL ESTATE
MORTGAGE LENDING

LENDER/PURCHASER DISCLOSURE STATEMENT

(Loan Origination)

RE 851A (Rev. 2/04)

DISCLOSURE STATEMENT SUMMARY

Note: If this is a multi-lender transaction and more than one property secures the loan, you should also refer to attached Lender/Purchaser Disclosure Statement Multi-Property (Cross Collateralization) Addendum (RE 851D).

AMOUNT OF THIS LOAN (SEE PART 3) \$ «f20»	MARKET VALUE OF PROPERTY (SEE PART 8) \$ «f247»	TOTAL AMOUNT OF ENCUMBRANCES SENIOR TO THIS LOAN (SEE PART 9) \$ «f245»
TOTAL AMOUNT OF ENCUMBRANCES ANTICIPATED OR EXPECTED TO BE JUNIOR TO THIS LOAN (SEE PART 8) \$ «f244»	PROTECTIVE EQUITY (MARKET VALUE-THIS LOAN AND TOTAL SENIOR ENCUMBRANCES) \$ «f246»	TOTAL LOAN TO VALUE (SEE PART 10G) «f172» %

PART 1 BROKER INFORMATION

NAME OF BROKER «f80»	REAL ESTATE ID# «f85»
BUSINESS ADDRESS «f81» «f82», «f83»	TELEPHONE NUMBER «f84»
NAME OF BROKER'S REPRESENTATIVE «f75»	

PART 2 BROKER CAPACITY IN TRANSACTION

THE BROKER IDENTIFIED IN PART 1 OF THIS STATEMENT IS ACTING IN THE FOLLOWING CAPACITY IN THIS TRANSACTION: (CHECK AS APPLIES)

- «f213» A. Agent in arranging a loan on behalf of another.
 B. Principal as a borrower of funds from which broker will directly or indirectly benefit other than through the receipt of commissions, fees and costs and expenses as provided by law for services as an agent.
 «f214» C. Funding a portion of this loan. *(Multi-lender transactions are subject to Business and Professions Code Section 10238.)*

IF MORE THAN ONE CAPACITY HAS BEEN CHECKED, PROVIDE EXPLANATION HERE.

IF "B" HAS BEEN CHECKED, THE BROKER INTENDS TO USE FUNDS FROM THE LENDER/PURCHASER IN THIS TRANSACTION FOR:

PART 3 TRANSACTION INFORMATION

(CHECK IF APPLICABLE)

IF THERE IS MORE THAN ONE PROPERTY SECURING THE LOAN. IF MULTI-LENDER LOAN, YOU SHOULD ALSO REFER TO ATTACHED RE851D.

TERM OF LOAN «f23» Months	PRIORITY OF THIS LOAN (1ST, 2ND, ETC.) «f65»	PRINCIPAL AMOUNT \$ «f20»	YOUR SHARE IF MULTI-LENDER TRANS. \$ «f42»
INTEREST RATE «f22»% «f223» VARIABLE «f222» FIXED	(CHECK ONE) «f215» AMORTIZED «f217» PARTIALLY AMORTIZED	«f216» INTEREST ONLY	THE TRUST DEED WILL BE RECORDED
PAYMENT FREQUENCY XX MONTHLY WEEKLY	APPROXIMATE PAYMENT DUE DATE «f31»	AMOUNT OF PAYMENT \$ «f24»	YOUR SHARE IF MULTI-LENDER TRANS. \$ «f230»
BALLOON PAYMENT «f224» YES «f225» NO	APPROX. BALLOON PYMT. DUE DATE «f27»	AMOUNT OF BALLOON PAYMENT \$ «f25»	YOUR SHARE IF MULTI-LENDER TRANS. \$ «f231»

Balloon Payment

A Balloon payment is any installment payment (usually the payment due at maturity) which is greater than twice the amount of the smallest installment payment under the terms of the promissory note or sales contract.

The borrower/vendee may have to obtain a new loan or sell the property to make the balloon payment. If the effort is not successful it may be necessary for the holder of the note/contract to foreclose on the property as a means of collecting the amount owed.

There are subordination provisions. «f276» Yes «f277» No

If YES, explain here or on an attachment.

«f278»

PART 4 MULTI-LENDER TRANSACTIONS

NAME OF ESCROW HOLDER «f47»	ANTICIPATED CLOSING DATE «f584»
ADDRESS OF ESCROW HOLDER «f50», «f51»	
ESTIMATED LENDER COSTS \$ _____	ESTIMATED BORROWER COSTS – <i>Broker will provide you a copy of the "mortgage loan disclosure statement" given to the borrower or a separate itemization of borrower's costs.</i>

	\$ _____	
	\$ _____	
TOTAL	\$ _____	TOTAL \$ <u>«f129»</u>

Servicing

You will be a joint beneficiary with others on this note and you should request a list of names and addresses of the beneficiaries as of the close of escrow from the broker or servicing agent. The beneficiary(ies) holding more than 50% interest in the note may govern the actions to be taken on behalf of all holders in the event of default or other matters. See Civil Code Section 2941.9.

Loan To Value

GENERALLY the aggregate principal amount of the notes or interests sold, together with the unpaid principal amount of any encumbrances upon the real property senior thereto, shall not exceed the following percentages of the current market value of the real property as determined in writing by the broker or qualified appraiser.

Single-family residence, owner-occupied	80%
Single-family residence, not owner-occupied	75%
Commercial and income-producing properties	65%
Single-family residentially zoned lot or parcel which has installed off-site improvements including drainage, curbs, gutters, sidewalks, paved roads, and utilities as mandated by the political subdivision having jurisdiction over the lot or parcel	65%
Land which has been zoned for (and if required, approved for subdivision as) commercial or residential development	50%
Other real property	35%

The percentage amounts specified above may be exceeded when and to the extent that the broker determines that the encumbrance of the property in excess of these percentages is reasonable and prudent considering all relevant factors pertaining to the real property. However, in no event shall the aggregate principal amount of the notes or interests sold, together with the unpaid principal amount of any encumbrances upon the property senior thereto, exceed 80 percent of the current fair market value of improved real property or 50 percent of the current fair market value of unimproved real property, except in the case of a single-family residentially zoned lot or parcel as defined above, which shall not exceed 65% of current fair market value of that lot or parcel. A written statement shall be prepared by the broker that sets forth the material considerations and facts that the broker relies upon for his or her determination which shall be disclosed to the lender or note purchaser(s) and retained as a part of the broker's record of the transaction.

NOTE: If more than one property secures this loan, you should refer to attached RE 851D

PART 5 SERVICING ARRANGEMENTS

If the loan is to be serviced by a real estate broker you must be notified within ten (10) days if the broker makes any advances on senior encumbrances to protect the security of your note. Depending on the terms and conditions of the servicing contract, you may be obligated to repay any advances made by the broker. (Note: There must be a servicing agent on multi-lender transaction.) The broker may not guarantee or imply to guarantee, or advance any payments to you unless a securities permit is obtained from the Department of Corporations.

CHECK APPROPRIATE STATEMENTS

_____ THERE ARE NO SERVICING ARRANGEMENTS (Does not apply to multi-lender transactions.) XX BROKER IS THE SERVICING AGENT
 _____ ANOTHER QUALIFIED PARTY WILL SERVICE THE LOAN _____ COPY OF THE SERVICING CONTRACT IS ATTACHED

IF BROKER IS NOT THE SERVICING AGENT, WHAT IS THE RELATIONSHIP BETWEEN THE BROKER AND SERVICER?	COST TO LENDER FOR SERVICING ARRANGEMENTS (EXPRESS AS DOLLAR AMOUNT OR PERCENTAGE) \$ «f232» PER <u>XX</u> MONTH _____ YEAR PAYABLE <u>XX</u> MONTHLY _____ ANNUALLY
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NAME OF AUTHORIZED SERVICER, IF ANY

«f80»

BUSINESS ADDRESS

«f81»
«f82», «f83»

TELEPHONE NUMBER

«f84»

PART 6 BORROWER INFORMATION

SOURCE OF INFORMATION

XX BORROWER XX BROKER INQUIRY _____ CREDIT REPORT _____ OTHER (DESCRIBE)

NAME «f5» «f6» «f7»		CO-BORROWER'S NAME «f10» «f11» «f12»	
RESIDENCE ADDRESS «f13», «f14», «f15»		CO- BORROWER'S RESIDENCE ADDRESS «f69»	
OCCUPATION OR PROFESSION «f236»		CO- BORROWER'S OCCUPATION OR PROFESSION «f237»	
CURRENT EMPLOYER «f238»		CO- BORROWER'S CURRENT EMPLOYER «f239»	
HOW LONG EMPLOYED? «f240»	AGE «f242»	HOW LONG EMPLOYED? «f241»	CO-BORROWER'S AGE? «f243»
SOURCES OF GROSS INCOME (LIST AND IDENTIFY EACH SOURCE SEPARATELY)		CO-BORROWER SOURCES OF GROSS INCOME (LIST AND IDENTIFY EACH SOURCE SEPARATELY)	
Gross salary	\$ «f265»	Gross salary	\$ «f266»
OTHER INCOME INCLUDING: Interest	\$ «f267»	OTHER INCOME INCLUDING: Interest	\$ «f268»
Dividends	\$ «f269»	Dividends	\$ «f270»
Gross rental income	\$ «f271»	Gross rental income	\$ «f272»
Miscellaneous income	\$ «f273»	Miscellaneous income	\$ «f274»

TOTAL EXPENSES OF ALL BORROWERS (DO NOT COMPLETE IF BORROWER IS A CORPORATION)

Payment of loan being obtained	\$ <f24>	Spousal/child support	\$ <f284>
Rent	\$ <f281>	Insurance	\$ <f285>
Charge account/credit cards	\$ <f282>	Vehicle loan(s)	\$ <f286>
Mortgage payments (include taxes and property insurance)	\$ <f283>	Other (federal & state income taxes, etc.)	\$ <f287>
TOTAL GROSS MONTHLY INCOME OF BORROWER(S) \$ <f289>		TOTAL MONTHLY EXPENSES OF BORROWER(S) \$ <f290>	

The borrower has filed for bankruptcy in the past 12 months. <f291> Yes <f292> No
 If Yes, the bankruptcy has been discharged or dismissed. <f293> Yes <f294> No

❖ **THE FOLLOWING STATEMENTS ONLY APPLY IF THE BORROWER IS A CORPORATION, PARTNERSHIP OR SOME OTHER FORM OF OPERATING BUSINESS ENTITY.**

Copies of a balance sheet of the entity and income statement covering the indicated period have been supplied by the borrower/obligor and are attached. If no, explain on addendum. <f295> Yes <f296> No
 If Yes, date of balance sheet. <f297>
 Income statement period (from-to). <f298>
 Financial statements have been audited by CPA or PA. <f299> Yes <f300> No
 Additional information is included on an attached addendum. Yes No

PART 7 PROPERTY INFORMATION

Identification of property which is security for note. (If no street address, the assessor's parcel number or legal description and a means for locating the property is attached.)

STREET ADDRESS <f18>, <f19>		OWNER OCCUPIED <f212> NO <f211> YES	
ANNUAL PROPERTY TAXES \$ <f248> <f301> ACTUAL <f302> ESTIMATED	ARE TAXES DELINQUENT? <f303> NO <f304> YES	IF YES, AMOUNT REQUIRED TO BRING CURRENT \$ <f249>	
SOURCE OF TAX INFORMATION <f305>			

PART 8 APPRAISAL INFORMATION

Estimate of fair market is to be determined by an independent appraisal, copy of which must be provided to you prior to you obligating funds to make the loan. Note: You may waive the requirement of an independent appraisal in, in writing, on a case by case basis, in which case the broker must provide a written estimate of fair market value. The broker must provide you, the investor, with the objective data upon which the broker' estimate is based. **In the case of a construction or rehabilitation loan, an appraisal must be completed by independent, qualified appraiser in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).**

(CHECK IF APPLICABLE)

IF THERE IS MORE THAN ONE PROPERTY SECURING THE LOAN. IF MULTI-LENDER LOAN, YOU SHOULD ALSO REFER TO ATTACHED RE851D.

FAIR MARKET VALUE (ACCORDING TO APPRAISER) \$ <f250>	(Place this figure or broker's estimate of fair market value on line "F" of Part 10.)	DATE OF APPRAISAL <f251>
NAME OF APPRAISER (IF KNOWN TO BROKER) <f252>		PAST AND/OR CURRENT RELATIONSHIP OF APPRAISER TO BROKER (EMPLOYEE, AGENT, INDEPENDENT CONTRACTOR, ETC.) <f253>
ADDRESS OF APPRAISER <f254>		
DESCRIPTION OF PROPERTY/IMPROVEMENT <f306>		IS THERE ADDITIONAL SECURING PROPERTY? ____ YES IF YES, SEE ADDENDUM. XX NO
AGE <f307>	SQUARE FEET <f308>	TYPE OF CONSTRUCTION <f309>
IF THE PROPERTY IS CURRENTLY GENERATING INCOME FOR THE BORROWER/OBLIGOR:		
ESTIMATED GROSS ANNUAL INCOME \$ <f310>		ESTIMATED NET ANNUAL INCOME \$ <f311>

PART 9 ENCUMBRANCE INFORMATION

Information concerning senior encumbrances against the property, to the extent available from customary sources (excluding the note described on page 1 part 3). **Note:** you have the option to purchase a title insurance policy or an endorsement to an existing title insurance policy insuring your interest, and you are entitled to a copy of a written loan application and a credit report to obtain information concerning all encumbrances which constitute liens against the property. This information may help determine the financial standing and credit worthiness of the borrower.

(CHECK IF APPLICABLE)

SOURCE OF INFORMATION
 XX BROKER INQUIRY _____ BORROWER _____ OTHER (EXPLAIN)

Are there any encumbrances of record against the securing property at this time? <f312> Yes <f313> No
 a. Over the last 12 months were any payments more than 60 days late?..... <f314> Yes <f315> No
 b. If yes, how many? <f316>
 c. Do any of these payments remain unpaid?..... <f317> Yes <f318> No
 d. If yes, will the proceeds of subject loan be used to cure the delinquency? <f319> Yes <f320> No
 e. If no, source of funds to bring the loan current. <f321>

Encumbrances remaining and/or expected or anticipated to be placed against the property by the borrower/obligor after the close of escrow (excluding the note described on page 1).

ENCUMBRANCE(S) REMAINING (AS REPRESENTED BY THE BORROWER)			
PRIORITY (1ST, 2ND, ETC.)	INTEREST RATE	PRIORITY (1ST, 2ND, ETC.)	INTEREST RATE
«f177»	«f155» %	«f178»	«f156» %
BENEFICIARY «f181»		BENEFICIARY «f182»	
ORIGINAL AMOUNT \$ «f173»	APPROXIMATE PRINCIPAL BALANCE \$ «f185»	ORIGINAL AMOUNT \$ «f174»	APPROXIMATE PRINCIPAL BALANCE \$ «f186»
MONTHLY PAYMENT \$ «f159»	MATURITY DATE «f163»	MONTHLY PAYMENT \$ «f160»	MATURITY DATE «f164»
BALLOON PAYMENT «f326» YES «f327» NO _____ UNKNOWN		BALLOON PAYMENT «f328» YES «f329» NO _____ UNKNOWN	
IF YES, AMOUNT \$ «f167»		IF YES, AMOUNT \$ «f168»	

ENCUMBRANCE(S) EXPECTED OR ANTICIPATED (AS REPRESENTED BY THE BORROWER)			
PRIORITY (1ST, 2ND, ETC.)	INTEREST RATE	PRIORITY (1ST, 2ND, ETC.)	INTEREST RATE
«f179»	«f157» %	«f180»	«f158» %
BENEFICIARY «f183»		BENEFICIARY «f184»	
ORIGINAL AMOUNT \$ «f175»	MATURITY DATE \$ «f165»	ORIGINAL AMOUNT \$ «f176»	MATURITY DATE \$ «f166»
MONTHLY PAYMENT \$ «f161»		MONTHLY PAYMENT \$ «f162»	
BALLOON PAYMENT «f330» YES «f331» NO _____ UNKNOWN		BALLOON PAYMENT «f332» YES «f333» NO _____ UNKNOWN	
IF YES, AMOUNT \$ «f169»		IF YES, AMOUNT \$ «f170»	

Additional remaining, expected or anticipated encumbrances are set forth in an attachment to this statement. _____ Yes XX No

PART 10 LOAN TO VALUE RATIO

(CHECK IF APPLICABLE)

_____ IF THERE IS MORE THAN ONE PROPERTY SECURING THE LOAN. IF MULTI-LENDER LOAN, YOU SHOULD ALSO REFER TO ATTACHED RE851D.

- A. Remaining encumbrances senior to this loan (from part 9) \$ «f245»
- B. Encumbrances expected or anticipated senior to this loan (from part 8) + \$ _____
- C. Total remaining and expected or anticipated encumbrances senior to this loan = \$ «f245»
- D. Principal amount of this loan from page 1 part 3 + \$ «f20»
- E. Total all senior encumbrances and this loan = \$ «f229»
- F. Fair market value from page 4 part 8 ÷ \$ «f247»
- G. Loan to value ratio = «f172» %

Note: See Part 4 if multi-lender transaction.

BROKER VERIFICATION

The information in this statement and in the attachments hereto is true and correct to the best of my knowledge and belief.

SIGNATURE OF BROKER OR DESIGNATED REPRESENTATIVE ➤ _____	BROKER / CORPORATION ID# «f85»	DATE _____
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ACKNOWLEDGMENT OF RECEIPT

The prospective lender/purchaser acknowledges receipt of a copy of this statement signed by or on behalf of the broker.

SIGNATURE OF PROSPECTIVE LENDER/PURCHASER ➤ _____ «f38»	DATE _____
➤ _____ «f39»	DATE _____

For licensing information, please refer to the Department of Real Estate's Web site located at www.dre.ca.gov.

Or

You may call the DRE licensing information telephone number is (916) 227-0931