



MORTGAGE LOAN DISCLOSURE STATEMENT (BORROWER)

(As required by the Business and Professions Code §10241 and Title 10, California Administrative Code, §2840) (C.A.R. Form MS, Revised 08/08)

(Name of Broker/Arranger of Credit)

(Business Address of Broker)

I. SUMMARY OF LOAN TERMS

- A. PRINCIPAL AMOUNT
B. ESTIMATED DEDUCTIONS FROM PRINCIPAL AMOUNT
1. Costs and Expenses (See Paragraph III-A)
2. Broker Commission/Origination Fee (See Paragraph III-B)
3. Lender Origination Fee/Discounts (See Paragraph III-B)
4. Additional compensation will/may be received from lender not deducted from loan proceeds.
5. Amount to be Paid on Authorization of Borrower (See Paragraph III-C)
C. ESTIMATED CASH PAYABLE TO BORROWER (A less B)

II. GENERAL INFORMATION ABOUT LOAN

A. PROPOSED LOAN INFORMATION

1. Proposed loan term [] Years [] Months

Grid containing loan options: FIXED RATE LOAN, ADJUSTABLE RATE LOAN (EXAMPLE 6-MONTH ARM; 1-YEAR ARM), INITIAL FIXED RATE LOAN (EXAMPLE 2/28; 3/1; 5/1), and INITIAL ADJUSTABLE RATE LOAN (EXAMPLE LOW ENTRY RATE ARM).

- 2. This loan is based on limited or no documentation of your income and/or assets and may have a higher interest rate, or more points or fees than other products requiring documentation: [] No [] Yes.
3. The loan is subject to a balloon payment: [] No [] Yes. If Yes, the following paragraph applies and a final balloon payment of \$ _____ will be due on _____ [estimated date (month/day/year)].

NOTICE TO BORROWER: IF YOU DO NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.

B. This loan will be evidenced by a promissory note and secured by a deed of trust on property identified as (street address or legal description):

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Buyer's Initials (____)(____)
Seller's Initials (____)(____)

Reviewed by _____ Date _____



C. 1. Liens presently against this property (do not include loan being applied for):

Nature of Lien	Priority	Lienholder's Name	Amount Owning
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

2. Liens that will remain against this property after the loan being applied for is made or arranged (include loan being applied for):

Nature of Lien	Priority	Lienholder's Name	Amount Owning
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

NOTICE TO BORROWER: Be sure that you state the amount of all liens as accurately as possible. If you contract with the broker to arrange this loan, but it cannot be arranged because you did not state these liens correctly, you may be liable to pay commissions, fees and expenses even though you do not obtain the loan.

D. Prepayments: The proposed loan has the following prepayment provisions:

- No prepayment penalty (you will not be charged a penalty to pay off or refinance the loan before maturity)
- You will have to pay a prepayment penalty if the loan is paid off or refinanced in the first _____ years. The prepayment penalty could be as much as \$ _____. Any prepayment of principal in excess of 20% of the
 - original loan balance or
 - unpaid balance

for the first _____ years will include a penalty not to exceed _____ months interest at the note interest rate but not more than the interest you would be charged if the loan were paid to maturity.

- Other - you will have to pay a prepayment penalty if the loan is paid off or refinanced in the first _____ years as follows: _____

E. Taxes and Insurance:

- There will be an impound (escrow) account which will collect approximately \$ _____ a month in addition to your principal and interest payments for the payment of
 - county property taxes**
 - hazard insurance
 - mortgage insurance
 - flood insurance
 - other _____
- If there is no impound (escrow) account or if your escrow (impound) account does not include one or more of the payments described above, you will have to plan for the payment of
 - county property taxes**
 - hazard insurance
 of approximately \$ _____ per year.

****In a purchase transaction, county property taxes are calculated based on the sales price of the property and may require the payment of an additional (supplemental) tax bill from the county tax authority by your lender (if escrowed) or you (if not escrowed).**

F. Late Charges: YES, see loan documents or NO

G. The purchase of credit life and/or credit disability insurance by a borrower is not required as a condition of making this loan.

III. DEDUCTIONS FROM LOAN PROCEEDS

A. Estimated Maximum Costs and Expenses of Arranging the Loan to be Paid Out of Loan Principal:

	PAYABLE TO	
	Broker	Others
1. Appraisal fee	_____	_____
2. Escrow fee	_____	_____
3. Title insurance policy	_____	_____
4. Notary fees	_____	_____
5. Recording fees	_____	_____
6. Credit investigation fees	_____	_____
7. Other costs and expenses:	_____	_____
_____	_____	_____
_____	_____	_____

Total Costs and Expenses \$ _____

B. Compensation \$ _____

1. Brokerage Commission/Origination Fee \$ _____

Buyer's Initials (____)(____)

Seller's Initials (____)(____)

Reviewed by _____ Date _____



