

Golden Empire Mortgage

FAIR LENDING NOTICE

IT IS ILLEGAL TO DISCRIMINATE IN THE PROVISION OF OR THE AVAILABILITY OF FINANCIAL ASSISTANCE BECAUSE OF THE CONSIDERATION OF THE TRENDS, CHARACTERISTICS OR CONDITIONS IN THE NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION, UNLESS THE FINANCIAL INSTITUTION CAN DEMONSTRATE IN THE PARTICULAR CASE THAT SUCH CONSIDERATION IS REQUIRED TO AVOID AN UNSAFE AND UNSOUND BUSINESS PRACTICE OR RACE, COLOR, RELIGION, SEX, MARITAL STATUS, NATIONAL ORIGIN OR ANCESTRY.

IT IS ILLEGAL TO CONSIDER THE RACIAL, ETHNIC, RELIGIOUS OR NATIONAL ORIGIN COMPOSITION OF A NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION OR WHETHER OR NOT SUCH COMPOSITION IS UNDERGOING CHANGE, OR IS EXPECTED TO UNDERGO CHANGE, IN APPRAISING A HOUSING ACCOMMODATION OR IN DETERMINING WHETHER OR NOT, OR UNDER WHAT TERMS AND CONDITIONS, TO PROVIDE FINANCIAL ASSISTANCE. THESE PROVISIONS GOVERN FINANCIAL ASSISTANCE FOR THE PURPOSE OF THE PURCHASE, CONSTRUCTION, REHABILITATION OR REFINANCING OF ONE TO FOUR UNIT FAMILY RESIDENCES OCCUPIED BY THE OWNER AND FOR THE PURPOSE OF THE HOME IMPROVEMENT OF ANY ONE TO FOUR UNIT FAMILY RESIDENCE.

RIGHT TO FINANCIAL PRIVACY ACT

THIS IS NOTICE TO YOU AS REQUIRED BY THE RIGHT TO FINANCIAL PRIVACY ACT OF 1978 THAT THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT HAS A RIGHT OF ACCESS TO FINANCIAL RECORDS HELD BY A FINANCIAL INSTITUTION IN CONNECTION WITH THE CONSIDERATION OR ADMINISTRATION OF ASSISTANCE TO YOU. FINANCIAL RECORDS INVOLVING YOUR TRANSACTION WILL BE AVAILABLE TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WITHOUT FURTHER NOTICE OR AUTHORIZATION, BUT WILL NOT BE DISCLOSED OR RELEASED TO NEITHER GOVERNMENT AGENCY OR DEPARTMENT WITHOUT YOUR CONSENT EXCEPT AS REQUIRED OR PERMITTED BY LAW.

EQUAL CREDIT OPPORTUNITY ACT

THE FEDERAL EQUAL CREDIT OPPORTUNITY ACT PROHIBITS CREDITORS FROM DISCRIMINATING AGAINST CREDIT APPLICANTS ON THE BASIS OF RACE, COLOR, RELIGION, NATURAL ORIGIN, SEX, MARITAL STATUS, AGE (PROVIDED) THAT THE APPLICANT HAS THE CAPACITY TO ENTER INTO A BINDING CONTRACT; BECAUSE ALL OR PART OF THE 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. THE FEDERAL AGENCY THAT ADMINISTERS COMPLIANCE WITH THIS LAW CONCERNING THIS CREDITOR IS FEDERAL TRADE COMMISSION, DIVISION OF CREDIT PRACTICES, WASHINGTON, DC. 20580.

SUPPLEMENTAL TAX BILL

THE TAX COLLECTOR IN THE COUNTY WHERE YOUR PROPERTY IS LOCATED WILL FORWARD SUPPLEMENTAL TAX BILL DIRECTLY TO THE HOMEOWNER. THEY WILL NOT FURNISH YOUR LENDER WITH THE BILL FOR THIS ADDITIONAL REAL PROPERTY TAX. IF YOUR LENDER IS IMPOUNDING FUNDS FOR THE LENDER FOR PAYMENT IMMEDIATELY UPON RECEIPT OF SAME FROM THE COUNTY TAX COLLECTOR. IF YOUR LENDER DOES NOT RECEIVE THE TAX BILL IN SUFFICIENT TIME TO PAY THE TAXES BEFORE THE DELINQUENT DATE, ANY PENALTY FOR LATE PAYMENT WILL BE THE RESPONSIBILITY OF THE PROPERTY OWNER.

IMPOUND AGREEMENT

WE HEREBY AGREE TO INCLUDE IN OUR PROPOSED MONTHLY PAYMENT, A SUM SUFFICIENT TO MEET FUTURE INSTALLMENTS OF REAL ESTATE TAXES, MORTGAGE AND HAZARD INSURANCE PREMIUMS AS INDICATED ON THIS APPLICATION. WE UNDERSTAND THAT THESE SUMS MAY CHANGE OCCASIONALLY, AS THE ITEMS THEY INTENDED FOR WILL VARY. MONIES ACCRUING UNDER THIS ARRANGEMENT WILL EARN INTEREST IN OUR FAVOR AT 2.00(TWO) PERCENT SIMPLE INTEREST BASED ON AN AVERAGE QUARTERLY BALANCE.

NOTICE TO APPLICANT OF RIGHT TO RECEIVE COPY OF APPRAISAL REPORT

YOU HAVE THE RIGHT TO RECEIVE A COPY OF THE APPRAISAL REPORT TO BE OBTAINED IN CONNECTION WITH THE LOAN FOR WHICH YOU ARE APPLYING, PROVIDED THAT YOU HAVE PAID FOR THE APPRAISAL. IF YOU WANT A COPY OF THE APPRAISAL REPORT, PLEASE REQUEST IN WRITING TO GOLDEN EMPIRE MORTGAGE.

I/WE HAVE READ AND UNDERSTAND THE ABOVE DISCLOSURES AS EVIDENCED BY MY/OUR SIGNATURES BELOW:

OCCUPANCY CERTIFICATION

THIS IS TO CERTIFY THAT I/WE INTEND TO OCCUPY THE SUBJECT PROPERTY AS MY/OUR SOLE RESIDENCE WITH OCCUPANCY TO BEGIN WITHIN 30 DAYS AFTER CLOSE OF ESCROW. I/WE REALIZE THAT FAILURE TO OCCUPY THE PROPERTY AS MY/OUR RESIDENCE IS IN VIOLATION OF MY APPLICATION, AND UPON LOAN APPROVAL THE LOAN DOCUMENTS THAT I SIGN MAY CONTAIN PROVISIONS GIVING GOLDEN EMPIRE MORTGAGE, INC. THE RIGHT TO DEMAND THE OUTSTANDING LOAN BALANCE DUE AND PAYABLE AT ONCE IF I/WE FAIL TO OCCUPY THE PROPERTY AS MY/OUR PRINCIPAL RESIDENCE.

BORROWER'S FUND CERTIFICATION

I/WE CERTIFY THAT THE FUNDS USED FOR DOWN PAYMENT AND CLOSING OF THIS TRANSACTION HAVE NOT BEEN BORROWED EXCEPT AS APPROVED BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

FHA BORROWER'S CERTIFICATION RE: DEFAULTS AND/OR FORECLOSURES

THIS IS TO CERTIFY THAT I/WE DO NOT HAVE AND HAVE NOT HAD ANY DEFAULTS OR FORECLOSURES, OUTLINED BELOW, UNDER ANY FHA INSURED MORTGAGE PROGRAMS ON ANY PROPERTIES THAT I/WE PREVIOUSLY OR CURRENTLY OWN: A)90 DAYS OR MORE DELINQUENT, B)ASSIGNMENT IN PROCESS OR COMPLETED, C)DEED-IN-LIEU STARTED OR COMPLETED, D)FORECLOSURE STARTED OR COMPLETED.

ASSUMPTION OF HUD/FHA-INSURED MORTGAGES

YOU ARE LEGALLY OBLIGATED TO MAKE THE MONTHLY PAYMENTS REQUIRED BY YOUR MORTGAGE (DEED OF TRUST) AND PROMISSORY NOTE.

THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) HAS ACTED TO KEEP INVESTORS AND NON-CREDITWORTHY PURCHASES FROM ACQUIRING ONE-TO-FOUR FAMILY RESIDENTIAL PROPERTIES COVERED BY CERTAIN FHA-INSURED MORTGAGES. THERE ARE MINOR EXCEPTIONS TO THE RESTRICTIONS ON INVESTORS; LOANS TO PUBLIC AGENCIES AND SOME NON-PROFIT ORGANIZATIONS, INDIAN TRIBES OR SERVICE PERSONS; AND LOANS UNDER SPECIAL MORTGAGE INSURANCE PROGRAMS FOR PROPERTY SOLD BY HUD, REHABILITATION LOANS OR REFINANCING OR INSURED MORTGAGES, YOUR LENDER CAN ADVISE YOU IF YOU ARE INCLUDED IN THESE EXCEPTIONS.

HUD WILL THEREFORE DIRECT THE LENDER TO ACCELERATE THIS FHA-INSURED MORTGAGE LOAN IF ALL OR PART OF THE PROPERTY IS SOLD TO A PURCHASER OR RECIPIENT (1)WHO WILL NOT OCCUPY THE PROPERTY AS HIS OR HER PRINCIPAL OR SECONDARY RESIDENCE, OR (2)WHO DOES OCCUPY THE PROPERTY BUT WHOSE CREDIT HAS NOT BEEN APPROVED IN ACCORDANCE WITH HUD REQUIREMENTS. THIS POLICY WILL APPLY EXCEPT FOR CERTAIN SALES OR TRANSFERS WHERE ACCELERATION IS PROHIBITED BY LAW. WHEN A LOAN IS ACCELERATED, THE ENTIRE BALANCE IS DECLARED "IMMEDIATELY DUE AND PAYABLE." SINCE HUD WILL NOT APPROVE THE SALE OF THE PROPERTY COVERED BY THIS MORTGAGE TO AN INVESTOR OR TO A PERSON WHOSE CREDIT HAS NOT BEEN APPROVED, YOU, THE ORIGINAL HOMEOWNER, WOULD REMAIN LIABLE FOR THE MORTGAGE DEBT EVEN THOUGH THE TITLE TO THE PROPERTY MIGHT HAVE BEEN TRANSFERRED TO THE NEW BUYER.

EVEN IF YOU SELL YOUR HOME BY LETTING AN APPROVED PURCHASER (THAT IS, A CREDITWORTHY OWNER-OCCUPANT) ASSUME YOUR MORTGAGE, YOU ARE STILL LIABLE FOR THE MORTGAGE DEBT UNLESS YOU OBTAIN A RELEASE FROM LIABILITY FROM YOUR MORTGAGE LENDER. FHA APPROVED LENDERS HAVE BEEN INSTRUCTED BY HUD TO PREPARE SUCH A RELEASE WHEN AN ORIGINAL HOMEOWNER SELLS HIS OR HER PROPERTY TO A CREDITWORTHY PURCHASER WHO EXECUTES AN AGREEMENT TO ASSUME AND PAY THE MORTGAGE DEBT AND THEREBY AGREES TO BECOME THE SUBSTITUTE MORTGAGER. THE RELEASE IS CONTAINED IN FORM HUD-92210-1, ("APPROVAL OF PURCHASER AND RELEASE OF SELLER"). YOU SHOULD ASK FOR IT IF THE MORTGAGE LENDER DOES NOT PROVIDE IT TO YOU AUTOMATICALLY WHEN YOU SELL YOUR HOME TO CREDITWORTHY OWNER-OCCUPANT PURCHASER WHO EXECUTES AN AGREEMENT TO ASSUME PERSONAL LIABILITY FOR THE DEBT. WHEN THIS FORM IS EXECUTED, YOU ARE NO LONGER LIABLE FOR THE MORTGAGE DEBT.

MIP PAYMENT OPTIONS

EFFECTIVE JULY 01, 1991, THE FEDERAL HOUSING ADMINISTRATION HAS MADE A NEW REQUIREMENT THAT THEIR UP-FRONT "MORTGAGE INSURANCE PREMIUM" BE PAID AT THE ONSET OF THE HOME LOAN. FHA HAS GIVEN BORROWERS TWO DIFFERENT ALTERNATIVES IN WHICH THEY CAN PAY THIS PREMIUM. FHA WILL LET THE BORROWER FINANCE 100% OF THE UP-FRONT "MIP" OR THE PREMIUM CAN BE PAID IN CASH AS PART OF CLOSING. IN ADDITION TO THE UP-FRONT MIP PAYMENT A MONTHLY PERIODIC PAYMENT WILL ALSO BE REQUIRED CALCULATED AT A RATE OF .50% ANNUALLY ON THE REMAINING PRINCIPAL BALANCE (EXCLUDING THE AMOUNT FINANCED UP-FRONT MIP) FOR THE 30 YEARS WHERE THE LOAN TO VALUE IS GREATER THAN 95%; 12 YEARS FOR LOAN TO VALUE BETWEEN 90%-95%; AND 7 YEARS FOR 89.99% AND LESS ON 30 YEAR LOANS. ON 15 YEAR LOANS THE ANNUAL PREMIUM WILL BE CALCULATED AT A RATE OF .25% ANNUALLY FOR THE FIRST 8 YEARS WHERE THE LOAN TO VALUE IS 95.01% AND OVER; AND 4 YEARS FOR 90%-95%; THERE IS NO ANNUAL PREMIUM FOR LOAN TO VALUE 89.99% AND UNDER.

PAY UP-FRONT PREMIUM IN CASH AT CLOSING FINANCE THE UP-FRONT PREMIUM

FLOOD INSURANCE REQUIREMENTS

THE NATIONAL FLOOD INSURANCE REFORM ACT OF 1994 (TITLE V OF THE RIEGLE COMMUNITY DEVELOPMENT AND REGULATORY IMPROVEMENT ACT OF 1994) REQUIRES FLOOD INSURANCE IF AT ANY TIME DURING THE TERM OF THE LOAN THE LENDER OR SERVICER DETERMINES THAT THE PROPERTY IS IN A SPECIAL FLOOD HAZARD AREA (SFHA). IF GOLDEN EMPIRE MORTGAGE DETERMINES THE PROPERTY BEING FINANCED IS IN A SPECIAL FLOOD HAZARD AREA YOU WILL BE REQUIRED TO OBTAIN FLOOD INSURANCE AT THE CLOSE OF ESCROW. IF AT ANY TIME DURING THE TERM OF YOUR LOAN IT IS DETERMINED THAT THE PROPERTY IS IN A SFHA YOU WILL BE NOTIFIED AND HAVE 45 DAYS TO PROVIDE EVIDENCE OF ACCEPTABLE FLOOD INSURANCE TO THE SERVICER. IF NO RESPONSE IS RECEIVED AFTER 45 DAYS FROM THE ORIGINAL NOTIFICATION, THE SERVICER CAN FORCE-PLACE FLOOD COVERAGE. IN ADDITION, THE LAW PERMITS THE BORROWER TO PAY THE ACTUAL COST OF THE FLOOD DETERMINATION FEE. YOU MAY BE CHARGED THIS FEE AT THE CLOSE OF YOUR LOAN.

I/WE HAVE READ AND UNDERSTAND THE ABOVE DISCLOSURES AS EVIDENCED BY MY/OUR SIGNATURES BELOW:
