

## **NEEDED ITEMS LIST**

Congratulations on the purchase of your new home, or your refinance. Our company, OnLine Mortgage Corporation, is committed to providing you with the best service possible.

Attached you will find our loan application. Please fill out everything in detail, providing us with your employment history for the past two years, the names, addresses, and account numbers for your current bank accounts, and the names, addresses, and account numbers for all creditors.

**Please provide photocopies of the following items with your loan application:**

1. Copies of your 2002 and 2001 federal tax returns (1040s, 1120s, K-1s)
2. Copies of your 2003, 2002, 2001 W2s
3. Copies of your current pay stubs
4. Evidence of any additional income you wish to use for qualifying (i.e. note income, rental income, child support, P&L and Balance sheet for self-employed)
5. Copies of last 3 months statements for your checking and savings accounts and retirement and stock accounts
6. Copies of 12 months cancelled checks on mortgage payment or rental payment (both sides) if your payment record is not on your Credit Report
7. Copies of Driver's License (per the Patriot Act)
8. Hazard Insurance information (copy of homeowners policy, or phone number of agent)

**If the following apply to you, please provide these also:**

- a. Copy of divorce papers
- b. Copy of bankruptcy papers (both the initial filing and the discharge)
- c. Copy of listing/purchase agreement or escrow instructions if you are selling/buying any real estate
- d. Copy of your rental agreements, if you own rental property

We appreciate your cooperation in providing these items to us. Your loan will be completed much more efficiently if we have all the information necessary at the start of the process. All of the information disclosed to us is strictly confidential and will be used solely for the processing of your loan. Please contact our loan consultants at the number below to answer any questions you may have concerning your loan, and the procedures to follow.

At the time of your application, we are required to collect \$405.00 for your credit report and appraisal, for a refinance, include a check for \$55.00 for credit report, appraiser will collect from you at the time of appraisal. Please include this check with your completed application.

Thank you.

# Online

***Mortgage Corporation***

## **CREDIT CONSENT AND AUS AUTHORIZATION FORM**

We hereby give our consent to have OnLine Mortgage Corporation, or any credit reporting bureau which it may designate, obtain any and all information concerning our employment, checking and/or savings accounts, obligations, and all other credit matters which they may require in connection with our application for a loan. This form may be reproduced or photocopied and a copy shall be as effective consent as the original which we have signed. I, each of the persons signing below, agree that my mortgage application may be reviewed by the Federal Home Loan Mortgage Corporation automated underwriting service "Loan Prospector" sm to obtain copies of my credit reports and any other information they require to process my application, such as employment, income, asset and liability, and other information about me. I also agree that my lender and Freddie Mac's Loan Prospector sm may use the information about me to assess and improve the effectiveness and accuracy of their underwriting procedures and requirements.

SIGN HERE

X \_\_\_\_\_

SIGN HERE

X \_\_\_\_\_

Farwest Credit Services, a credit reporting bureau, is hereby authorized to assist OnLine Mortgage Corporation, in securing and collecting the following information. I hereby certify to be a true and correct copy of the original.

\_\_\_\_\_  
OnLine Mortgage Corporation

### **ECOA ANTI-DISCRIMINATION NOTICE**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against applications on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter 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 the Federal Trade Comm., Washington D.C. 20580.

### **RIGHT TO FINANCIAL PRIVACY ACT NOTICE**

This is a notice to you as required by the Right to Financial Privacy Act of 1978 that the Veterans Administration (in the case of a VA loan) or the Department of Housing and Urban Development (in the case of an FHA loan) has the right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you.

Financial records involving your transactions will be available to the VA (in the case of a VA loan) or to HUD (in the case of an FHA loan) without further notice or authorization but will not be disclosed or released to another government agency or department without your consent except as required or permitted by law.

The undersigned acknowledges receiving and reading the above notice.

DATE \_\_\_\_\_ SIGN HERE \_\_\_\_\_

DATE \_\_\_\_\_ SIGN HERE \_\_\_\_\_

## ALIMONY AND CHILD SUPPORT STATEMENT

TO WHOM IT MAY CONCERN:

- ( ) I pay alimony in the amount of \$\_\_\_\_\_ per month.
- ( ) I pay no alimony.
- ( ) I pay support for dependents ages\_\_\_\_\_ in the amount of \$\_\_\_\_\_per month.
- ( ) I do not pay support for dependents.

Sign Here: X\_\_\_\_\_

Sign Here: X\_\_\_\_\_

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THE FOLLOWING INFORMATION IS VOLUNTARILY GIVEN:

- ( ) I receive alimony in the amount of \$\_\_\_\_\_ per month.
- ( ) I receive no alimony.
- ( ) I receive support for dependents ages\_\_\_\_\_ in the amount of \$\_\_\_\_\_per month.
- ( ) I do not receive support for dependents.

Sign Here: X\_\_\_\_\_

Sign Here: X\_\_\_\_\_

# Online

*Mortgage Corporation*

## THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

### FAIR LENDING NOTICE

IT IS ILLEGAL TO DISCRIMINATE IN THE PROVISION OF OR IN THE AVAILABILITY OF FINANCIAL ASSISTANCE BECAUSE OF THE CONSIDERATION OF:

1. 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

2. 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.

IF YOU HAVE QUESTIONS ABOUT YOUR RIGHTS, OR IF YOU WISH TO FILE A COMPLAINT, CONTACT THE MANAGEMENT OF THIS FINANCIAL INSTITUTION OR:

IF THIS LOAN IS TO BE FUNDED BY A MORTGAGE BANKING CONCERN, CONTACT:

DEPARTMENT OF FINANCIAL INSTITUTIONS  
324 SOUTH STATE SUITE 201  
SALT LAKE CITY, UT 84110

IF THIS LOAN IS TO BE FUNDED BY A SAVINGS & LOAN ASSOCIATION, CONTACT:

DEPARTMENT OF SAVINGS AND LOAN  
600 SOUTH COMMONWEALTH AVE., 15TH FLOOR  
LOS ANGELES, CA 90005

DEPARTMENT OF SAVINGS & LOAN  
350 SANSOME ST., 2ND FLOOR  
SAN FRANCISCO, CA. 94104

\_\_\_\_\_  
BORROWER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
BORROWER

\_\_\_\_\_  
DATE

# Online

***Mortgage Corporation***

## FEES REQUIRED

Please remit the sum of \$355.00 to OnLine Mortgage Corporation for the following expenses:

APPRAISAL (estimated)    \$300.00

CREDIT REPORT            \$55.00

TOTAL AMOUNT DUE:      \$ 355.00

These items cannot be ordered until we are in receipt of these funds. These fees are not refundable.

It is hereby understood that in the event that the loan application is cancelled or rejected, I, the buyer, will be totally and legally obligated to pay OnLine Mortgage Corporation the above fees. In the event that I, the buyer cancel the application, I understand that there will be an additional \$100.00 cancellation charge that I will be totally and legally obligated to pay OnLine Mortgage Corporation in addition to the above fees.

Thank you

X \_\_\_\_\_  
Borrower

X \_\_\_\_\_  
Borrower

This program disclosure describes some of the features of a fixed rate mortgage loan offered by us. It is not a contract or loan commitment. It is intended solely to provide you with a general description of our loan program. We reserve the right to make changes at any time with regard to any matter conversed in this disclosure as a result of a change of policy, law, regulation or otherwise. If you have any questions about any of our loan programs, please ask us.

**1. Interest Rate and Term.** This loan is available with a 15 year or 30 year repayment period (except in the case of a second mortgage, wherein the maximum term is 15 years). The interest rate will remain fixed throughout the term of the loan. Your interest rate will be determined at the time of loan commitment and will be based on market conditions at that time.

**2. Monthly Payment Amount.** Your monthly payment (principal and interest) will be an amount sufficient to fully amortize your loan in substantially equal installments over the term of your loan at the fixed interest rate stated in your note.

**3. Due-On-Sale Clause.**

**a. Conventional.** Your loan documents contain what is commonly called a “due-on-sale” clause. This means that if you sell or transfer your home to someone else without our prior written consent, all sums owed under the loan documents will, at our option, become immediately due and payable. Your failure to pay all sums declared due and payable at that time could result in the sale of your home.

**b. FHA.** We shall, if permitted by applicable law and with the prior approval of the Federal Housing Commissioner, or his or her designee, declare all sums secured by this mortgage to be immediately due and payable if all or part of the property is sold or otherwise transferred (other than by devise or descent) to a purchaser or grantee who does not occupy the property but whose credit has not been approved in accordance with the requirements of the Commissioner.

**c. VA.** Your loan is immediately due and payable upon the transfer of the property securing such loan to any transferee, unless the acceptability of the assumption of the loan is established by the Veterans Administration.

**4. Late Payment**

**a. Conventional.** If the full amount of your monthly payment is not received by us within fifteen (15) calendar days after the due date, you will be obligated to pay a late charge equal to five percent (5.0%)†(unless state law mandates a different percentage of a specific dollar amount) of your overdue monthly payment of principal and interest.

\* (If the loan is a second mortgage, the number of grace period days may vary between ten (10) and fifteen (15). Ask us what our current number of grace period days are for a second mortgage loan).

**b. FHA and VA.** If the full amount of your monthly payment is not received by us within fifteen†(15) calendar days after the due date, you will be obligated to pay a late charge equal to four percent (4.0%) of your overdue monthly payment.

# FIXED RATE MORTGAGE PROGRAM DISCLOSURE

continued

## 5. Prepayment Penalty

- a. Conventional.** You may prepay your loan in whole or in part at any time without a prepayment charge. All partial prepayments will be used to reduce the amount of principal and unpaid interest. You may not skip any monthly payments and the amount of your monthly payments will not change.
- b. FHA.** You may prepay your loan in whole or in part any time without a prepayment charge. All partial prepayments will be used to reduce the amount of principal and unpaid interest. You may not skip any monthly payments and the amount of your monthly payments will not change. If you prepay before the regular installment date, you may be assessed interest charges until the end of the month.
- c. VA.** You may prepay your loan in whole or in part at any time, without premium or fee. The prepayment must not be less than the amount of one installment of one hundred dollars (\$100), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such, prepayment, whichever is earlier. Partial prepayments will be used to reduce the amount of principal and unpaid interest. You may not skip any monthly payments and the amount of your monthly payments will not change.

**6. Escrow Payments.** Your loan documents contain provisions that may require you to pay on a monthly basis a sum equal to 1/12 of the estimated annual taxes, assessments, insurance premiums and other charges related to your home. The purpose for including this amount in your monthly payment is to insure the priority to budget the cost of these required payments over a period of a year, rather than during the month in which they are due. (You may have to pay a prorated portion of the escrow items at the time of loan closing). If you fail to make these payments, or if the amount you pay is insufficient to pay the above charges related to your home, we may advance the amounts due. If we advance the funds on your behalf to make up for escrow shortfalls, we will notify you of the deficiencies in your escrow account and will give you the option of correcting the deficiency. If you fail to repay these amounts a default would occur under the loan documents, in which case we would declare the loan to be repayable in full. If the defaults not timely cured, we could exercise other rights under the terms of the loan documents which could result in the forced sale of your home.

If your payments are greater than the amount necessary to pay the actual annual taxes, assessment, insurance premiums and other charges relating to your home, we will return any surplus to you.

**7. Loan Call Provisions..** Your loan documents contain promises and obligations which require you to do certain things, including, for example, to pay in a timely manner all monthly principal and interest and escrow payments, to keep your home in good repair and these or any other promises or obligations under the loan documents. If there are any material or immaterial clerical errors you will assist us in the correction of these errors, or your loan will be in default and we may declare all sums owed immediately due and payable.

## BORROWERS' ACKNOWLEDGMENT

The undersigned borrowers acknowledge receipt of the lender's Fixed Rate Mortgage Program Disclosure.

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

Borrower's Signature: \_\_\_\_\_

Borrower's Signature: \_\_\_\_\_

# Online

***Mortgage Corporation***

## **IMPOUND OR ESCROW AGREEMENT**

The parties hereto agree that the Borrower will deposit, in an escrow account with the Lender, monthly, an amount equal to 1/12th of the estimated real estate taxes and assessments, and 1/12th of the annual premium for hazard and mortgage insurance, as may be reasonably estimated by the Lender from time to time, in order that the Borrower will have sufficient funds available to pay such taxes and insurance as they become due and payable. It is further agreed that the establishment of such escrow account is not a condition of the loan, but is a service rendered to the Borrower by the Lender. Lender shall, upon receipt of statements for taxes and insurance apply as much of such escrow account as may be available to pay the same.

Note: In the event our loan to value ratio is 80% or less, we understand that an escrow account is optional and we (the Borrower(s)) elect the following:

\_\_\_\_\_ We wish to have our Taxes impounded.

\_\_\_\_\_ We do not wish to have our taxes impounded.

SIGN HERE: \_\_\_\_\_

SIGN HERE: \_\_\_\_\_



DISCLOSURE STATEMENT

FOR NOTIFICATION TO MORTGAGE LOAN APPLICANTS OF THE POTENTIAL ASSIGNMENT SALE OR TRANSFER OF SERVICING

You are making an application for a federally-related mortgage loan. The lender is required to tell you, as a potential borrower, that the servicing on mortgage loans, that is, the right to collect payments from you, is often sold by the original mortgage lender to another mortgage lender of other party. Section 6 of the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. S2601 et.seq.) requires the disclosure to you of certain information concerning the transfer of you mortgage loan servicing.

Generally, the original mortgage lender who transfers mortgage loan servicing must send you notice in writing of the assignment, sale or transfer or the servicing not less then 15 days before the date of the transfer. The party to whom the mortgage loan servicing is assigned, sold or transferred just also send you notice within 15 days after the date of the transfer. There are certain limited exceptions in which the transferor (the present servicer) and transferee (new servicer) are given an additional 15 days to send you notice of the transfer of mortgage loan servicing. Also, a notice of transfer is provided to you at closing (when title to your new property is transferred to you, subsequent notice of the transfer is not required.)

You have certain additional rights concerning the transfer of mortgage loan servicing. These rights are set out in Section 6 of RESPA and will be disclosed to you as part of the notice disclosing the mortgage loan servicing transfer that will be provided to you at closing, or sent to you within 15 days of the date of a future transfer.

You are advised of the following:

1. This lender is able to service the federally-related mortgage loans that it has originated. The lender may, nevertheless, in the course of its ordinary business practice, decide to assign, sell, or transfer the servicing of your mortgage loan or any mortgage loan at any time during the life of the loan.

or

2. This lender is not able to service the federally-related mortgage loans that it originates. This lender intends immediately to assign, sell or transfer the servicing of your loan to another party.

3. Set forth is the percentage of mortgage loans the lender originated and has assigned, sold or transferred in previous years(s). These transfers were to parties not affiliates or subsidiaries of the lender.

% (Rounded to Nearest Quartile)
2001 0 25 50 75 100
2002 0 25 50 75 100
2003 0 25 50 75 100

4. This lender estimates that the servicing on 0 to 25 percent, 26 to 50 percent, 51 to 75 percent, 76 to 100 percent of the mortgage loans originated by this lender will be assigned, sold or transferred during the 12 months after the origination of this loan. This estimate does not include the servicing on mortgage loans assigned, sold or transferred by this lender to an affiliate or subsidiary of this lender.

BORROWER

BORROWER

DATE

I / We undersigned borrower(s) of the property listed on the application, I/we understand(s) that one of the conditions of my /our loan is that I / we do hereby certify as follows:

( ) I / We will occupy the subject property upon the close of escrow, if unable to occupy by close of escrow, by the following date: \_\_\_\_\_

( ) I / We now occupy the subject property located at: \_\_\_\_\_

I am / We are aware of and understand that if I/we fail to move into the property by the specified time, that I am/we are subject to prosecution under Section 1010 thru 1014 Title 18 of the United States Code. These sections cover all transaction dealing with the Federal Housing Administration (FHA), the Veterans Administration (VA) or sale of conventional loans to any government or quasi-government institutions.

The above mentioned sections state that if any statements made and found to be false or libelous on my/our part, I am/we are subject to be fined not more than \$5,000, or imprisoned not more than two years, or both.

OnLine Mortgage Corporation, the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, the Veterans Administration, or the Federal Housing Administration may make a physical inspection of the property to also certify that I am/we are indeed occupying this property. These inspections will occur any time form the time of close of escrow up to six months. Misrepresentations made in order to induce loan approval are investigated by the Federal Bureau of Investigation and prosecuted by the United States District Attorney's office having jurisdiction for that region. I/we are also aware of and understand that other federal statutes provide severe penalties for any fraud or misrepresentation made for the purpose of influencing the issuance of the guaranty or insurance of the making of any loan the Administrator of Veterans Affairs, the Federal Housing Administration, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Borrower

## **TERMS AND CONDITIONS DISCLOSURE**

**Applicant:** \_\_\_\_\_

**Loan Type:** 1. CONV. \_\_\_\_\_ 2. FHA \_\_\_\_\_ 3. VA \_\_\_\_\_

Thank you for bringing your home loan request to OnLine Mortgage Corporation. We are looking forward to assisting you in the purchase or refinance of your home.

We are unable to guarantee you any specific rate, discount points, or fees on your loan request this early in the loan transaction. When your initial credit information is received, we will tell you where present interest rates and costs are ranging; however, until your loan is processed, submitted, and approved, we will not be in a position to guarantee any interest rate or cost.

Delays brought about by agencies and companies (who we have no control over) can slow down the processing time on your loan. Employers, financial institutions, appraisers, credit reporting bureaus, etc... can, due to their work load, take longer than expected to return necessary information. Be assured we will make every effort to process your loan in the most timely manner possible.

On the date of your loan approval, and (if applicable) Private Mortgage Ins. Approval, we will quote you an interest rate on your loan. That interest rate will be guaranteed for a specific period of time. If the loan does not close during that guaranteeing period, it will be subject to change.

1. Interest rates on Conventional & Federal Housing Administration (FHA) loans are subject to negotiation between borrower and the lender.
2. In connection with this loan, the lender has issued a tentative commitment and the signing of any application or related documents does not constitute a firm commitment nor bind the lender to complete this loan.
3. The terms and conditions of this loan may be changed by the lender at any time prior to recordation.
4. The lender must be informed of any changes in connection with your financial, credit, or employment status, which may have a bearing on the approval of this application; between now & the time of closing of escrow.
5. We agree to pay all legally allowed fees and charges, including appraisal and credit report fees, incurred in connection with our loan processing.
6. To comply with all Government and Investor regulations, we maintain a Quality Control System whereby, on a random basis, loans are selected for review after the mortgage is made. This system also enables us to give you the most ethical, timely, and courteous service possible. In the event your loan should be selected for review, your signature below authorizes us to re-verify the necessary documentation.

Your signature below acknowledges your understanding of this letter.

SIGN HERE: X \_\_\_\_\_

SIGN HERE: X \_\_\_\_\_

## **IMPORTANT INFORMATION REGARDING YOUR LOAN**

RE: Truth-in-Lending Disclosure (REG-Z)/Good Faith Estimate-RESPA

Enclosed you will find the copies of your Federal Truth-in-Lending (REG-Z) and Good Faith Estimate-RESPA. Both of these disclosures provide important information about your loan application.

The Federal Truth-in-Lending form, often referred to as REG-Z, contains figures that may seem confusing and unrelated to the loan amount and interest rate discussed at the time of your application. The following brief explanation should answer any questions you might have.

**ANNUAL PERCENTAGE RATE (APR):** The APR shown on the top left-hand side of the REG-Z is NOT the rate used to calculate your MONTHLY PAYMENTS. The APR reflects some of the closing costs charged by the lender that you will pay in connection with the loan. These closing costs are generally referred to as PREPAID FINANCE CHARGES.

**FINANCE CHARGE:** The finance charge shown at the top of the REG-Z next to the APR represents the total amount of interest that you will pay over the life of the loan. In other words, the finance charge is the amount you will pay in dollars for the benefit of borrowing money.

**AMOUNT FINANCED:** The amount financed also shown at the top of the REG-Z is not the amount of your loan. The amount financed is calculated by subtracting the PREPAID FINANCE CHARGES mentioned above from your actual loan amount. Once calculated, the amount financed is used in determining the APR as previously described.

**TOTAL OF PAYMENTS:** The total of payments is the sum of the principal and interest payments and any mortgage insurance if applicable you will pay over the life loan. If you add all of your monthly payments from start to finish, providing you keep your loan for the specified term, you will have calculated the total of payments.

Please sign all copies of the FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT and the GOOD FAITH ESTIMATE - RESPA to acknowledge that you have received and read the information on the forms. Your signature does not create an obligation with your lender to accept the terms of the loan as stated.

If you have any questions please refer to the booklet entitled "Settle Settlement Costs, a HUD Guide". Should you have any other questions, please contact your loan representative or our office.

The undersigned acknowledges receipt of each form indicated above and further acknowledges receipt of the HUD Settlement Costs booklet and the ECOA Notice.

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Borrower

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Borrower