

CALIFORNIA IMPOUND DISCLOSURE/WAIVER

Loan Number: 3254544035

Date: APRIL 17, 2014

Lender: PARAMOUNT RESIDENTIAL MORTGAGE GROUP, INC.

Applicant: SUZI BUILDER

For convenience, an impound account may be established on the Borrower(s) behalf with the Lender, for the payment of property taxes and hazard insurance premiums. The Lender will pay interest on money deposited into the impound account as required by applicable law.

The Lender may require an impound account:

- 1) where required by a state or federal regulatory authority; or
- 2) where a loan is made, guaranteed, or insured by a state or federal governmental lending or insuring agency; or
- 3) upon a failure of Borrower to pay two consecutive tax installments on the property prior to the delinquency date for such payments; or
- 4) where the original principal amount of such a loan is (i) 90 percent or more of the sale price, if the property involved is sold, or is (ii) 90 percent or more of the appraised value of the property securing the loan; or
- 5) whenever the combined principal amount of all loans secured by the real property exceeds 80 percent of the appraised value of the property securing the loans; or
- 6) where a loan is made in compliance with the requirements for higher priced mortgage loans established in Regulation Z, whether or not the loan is a higher priced mortgage loan; or
- 7) where a loan is refinanced or modified in connection with a lender's homeownership preservation program or a lender's participation in such a program sponsored by a federal, state, or local government authority or a nonprofit organization.

If the Lender does not require an impound account, the Borrower(s) may still elect to establish an impound account. The Borrower(s) should register their choice by placing an "X" below, and acknowledges this option is available at the time of application and can be changed no more than once annually.

IMPOUNDS REQUIRED BY LENDER

- The undersigned understand that the establishment of an impound account for payments of real property taxes, hazard and/or flood insurance and other related expenses is **REQUIRED**.
- The undersigned understand that the establishment of an impound account for payments of real property taxes, hazard and/or flood insurance and other related expenses is **NOT REQUIRED**.

IMPOUNDS REQUESTED BY BORROWER

- The undersigned understand that the establishment of an impound account for the payment of real property taxes, hazard and/or flood insurance and other related expenses is **NOT REQUIRED**; however, Borrower requests that such an account be established.
- The undersigned understand that the establishment of an impound account for the payment of real property taxes, hazard and/or flood insurance and other related expenses is **NOT REQUIRED**. Borrower is not requesting that such an account be established.

If an escrow account is not established the Borrower(s) will assume full responsibility for the timely payment of tax(es) and/or insurance premiums for the property referenced herein, and agree to provide proof of such payment upon the Lender's request. The Borrower(s) failure to make two such payments within 30 days of their due date will result in a revocation of this agreement, and the establishment of an escrow/impound account to be administered by the Lender will be mandatory.

The undersigned hereby acknowledge receipt and understanding of this disclosure.

Borrower SUZI BUILDER _____ Date

Borrower _____ Date

Borrower _____ Date

Borrower _____ Date

Borrower _____ Date

Borrower _____ Date

