DATE:
LOAN NUMBER:
APPLICANT(S):
PROPERTY ADDRESS:

Moorestown Real Estate, LLC
THE MORTGAGE GROUP
www.mortgage-grp.com

NOTICE TO THE BORROWER: **YOU MAY BE REQUIRED TO PURCHASE PROPERTY INSURANCE AS A CONDITION OF RECEIVING THE LOAN. IF PROPERTY INSURANCE IS REQUIRED, YOU MAY SECURE INSURANCE FROM A COMPANY OR AGENT OF YOUR OWN CHOOSING.**

Mortgagor s Choice of hazard insurance Carrier

You have the right to choose the carrier of the required hazard (fire and extended coverage) insurance coverage, subject to our approval. We have the right to designate financial requirements and adequacy of coverage as well as the right to require that the policy be issued by a company acceptable to THE LENDER.

All required coverage must be in effect the day **of** closing. Binders will **not** be accepted. When refinancing a mortgage loan, a **new** policy may be needed. If so, you will be advised when your loan is approved.

Three (3) days before closing you must provide us with the **original** policy along with a **paid receipt** for the full first year's premium. You may elect to pay your homeowner's premium at closing.

You may be required to have Rent Loss Insurance to compensate you for a loss or reduction in rental income.

Minimum Hazard insurance coverage required for at least the amount of the mortgage.

For a condominium unit, you must provide an endorsement naming THE LENDER as mortgagee on Unit #_____ to the master hazard (and flood, if required) policy. You may also be required to provide one certified plus one copy of the master policy.

Hazard Insurance (Fair Plan) policies, binders and memorandums are **NOT** acceptable.

Flood Insurance Authorization

Flood Insurance is required pursuant to the Flood Disaster Protection Act of 1973 and The National Flood Insurance Reform act of 1994:

(X) If it is determined prior to closing that this property is located in a special flood hazard boundary area designated by the Flood Insurance Administration of the Department of Housing and Urban Development, we will advise you by letter that flood insurance will be required, or

(X) If it is determined after closing that flood insurance is required on this property, THE LENDER and/or its Assignees will obtain a flood insurance policy for you. You will be advised by letter that flood insurance has been required and that you will be responsible for payment of same

Minimum flood insurance coverage required for at least the amount of the mortgage, or the maximum insurable amount.

You must provide THE LENDER with the carbonized copy of your application for flood insurance, if required, prior to closing along with a paid receipt for the full first year's premium.

PLEASE READ CAREFULLY

Special Flood Insurance

Regulations effective March 2, 1974 and The National Flood Insurance Reform Act of 1994, will not permit a lender to close a loan without flood insurance which is insured, guaranteed, or regulated by the federal government on property located in an area having special flood hazards and in which flood insurance has been made available under The National Flood Insurance Act of 1968.

If at any time the property which will secure our loan is identified by the Secretary of Housing & Urban Development as being **in an area of community having special flood, mudslide, erosion or other hazards** and if participation by the community in the National Flood Insurance Program (NFIP) is required by federal law or regulation, then flood insurance must be obtained under NFIP in an amount equal to the mortgage balance or the maximum amount available, whichever is less.

Mortgagor's Choice of Title Insurer

You have the right to choose the carrier of the required mortgage title insurance, subject to the approval of THE LENDER, provided you pay for all or a portion of the title insurance. THE LENDER has the right to designate financial requirements and adequacy of coverage.

Sale of Servicing

THE LENDER may, at its discretion, sell or transfer the servicing of this loan immediately following settlement or at any time during the term of the loan.

Escrow Payments

At closing you may be required to establish with us an escrow account for the payment of hazard insurance and real estate taxes as well as mortgage insurance, flood insurance, ground rents, and special assessments, if applicable. In addition to your monthly payment of principal and interest, your monthly payment will also include annual real estate taxes and required insurance premiums. THE LENDER will apply such funds as may be appropriate to the payment of taxes and required insurance. You will receive an Initial Escrow Account Summary Form at Closing which will explain how your escrow is calculated.

ACKNOWLEDGMENT

I do hereby certify that I have read and do understand the Policy Notices set forth above.

✓ _____ (APPLICANT) _____ (DATE)

✓ _____ (APPLICANT) _____ (DATE)

✓ _____ (APPLICANT) _____ (DATE)

✓ _____ (APPLICANT) _____ (DATE)

Prepared by Lender's employee _____ (PRINT) _____ (SIGNATURE) who certifies that a completed copy of this disclosure was given/mailed to the applicant on _____ (DATE).