



CONSOLIDATED
LENDERS
GROUP INC.

960 Grand Ave., 2nd Floor • San Diego, CA 92109 • (858) 483-1465

Impound Authorization

An impound account (sometimes called an "escrow account") provides for monthly payments which are set aside and used to pay taxes, hazard insurance premiums, private mortgage insurance, and other impounded items as each becomes due. The amount of the monthly payment is basically 1/12th of the annual taxes and insurance premium.

Our deed of trust provides for an impound account if we so request. Impounds are required on FHA insured loans, VA guaranteed loans, and on conventional loans exceeding 80% of the lesser of the sales price or the appraised value of the property. You may request an impound account on any loan if you so desire. If you voluntarily request to establish an impound account, please indicate in the space provided below.

IMPOUNDS REQUIRED

We, the undersigned, understand that tax, insurance, and, if applicable, mortgage insurance impounds are a requirement of our loan being obtained on the property described below. You are hereby authorized and instructed to collect impounds in an amount necessary to pay our real estate taxes, hazard insurance and, if applicable, mortgage insurance in our behalf. You will notify us at close of escrow of the monthly amounts for this account in addition to the principal and interest payment.

IMPOUNDS OPTIONAL (Choose one)

BUYER ELECTS TO PAY OWN IMPOUNDS

We the undersigned, being aware that the establishment of a trust fund account for taxes and hazard insurance is not required as a condition of our loan or sales agreement, do hereby elect to pay our own impounds separately. For those Conventional loans requiring mortgage insurance, Consolidated Lenders Group, Inc. requires an impound account be established regardless of the loan-to-value ratio.

BUYER ELECTS TO HAVE IMPOUNDS IN MONTHLY PAYMENT

We the undersigned, being aware that the establishment of a trust fund account for taxes and hazard insurance is not required as a condition of our loan or sales agreement, do hereby elect to have impounds included in our monthly payment. You will notify us at close of escrow of the monthly amounts for this account in addition to the principal and interest payment. We understand we will receive at least 2% simple interest on the impound account established for our loan as provided for in Section 2954.8 of the California Civil Code.

We, the undersigned, understand that after closing, any request to change the impound status of our loan must be made in writing and accompanied by a check payable to Consolidated Lenders Group, Inc., in the amount of \$50.00 to cover the cost of the change. We further understand that only one change in the impound status will be processed during any 12 month period.

(Address of Subject Property)

(City, State and Zip Code of Subject Property)

(Borrower) (Date)

(Co-Borrower) (Date)