

LOAN PURPOSE STATEMENT

For Reg. Z Analysis

DATE: _____, 20____, at _____, California.

Items left blank or unchecked are not applicable.

To: _____

FACTS:

1. This advisory statement is prepared by _____, as the Borrower,
 - 1.1 as part of a ☐ loan application, or ☐ request for loan assumption, dated _____, 20____,
 - 1.2 submitted to _____,
 - 1.3 regarding a loan secured or to be secured by property located at _____

 - a. containing: ☐ one residential unit, ☐ two residential units, ☐ three or four residential units, or ☐ other improvements _____,
 - b. to be used as: ☐ principal residence of loan applicant, ☐ principal residence of loan applicant with rental unit(s), ☐ second or vacation home, ☐ business, investment only or agricultural, or ☐ _____.

AGREEMENT:

Applicant is to check the applicable box indicating the use to which he will put the funds from this loan.

2. On an application for a purchase-assist loan:
 - 2.1 ☐ The loan will fund Borrower's purchase of the above referenced property for the use indicated above.
3. On an application for the assumption of a loan:
 - 3.1 ☐ The loan being assumed represents part of the price being paid by Borrower to acquire the above referenced property for the use indicated above.
 - 3.2 ☐ The applicant assuming the loan has previously acquired title to and possession of the property subject to this loan, or previously entered into possession of the property under a land sales contract or lease-option sale agreement with Seller.
4. On an application for an equity loan to further encumber the above referenced property:
 - 4.1 ☐ The loan will fund Owner's purchase of property or services to be acquired or used for personal, family, or household purposes.
 - 4.2 ☐ The loan will fund Owner's purchase of property or payment of services for Owner's business, investment or agricultural purposes.
 - 4.3 ☐ The loan will be used primarily to fund the maintenance or repair of the above referenced property.
 - 4.4 ☐ The proceeds from the loan will be deposited into Owner's personal account.
 - 4.5 ☐ The proceeds from the loan will be deposited into Owner's business, investment, or farming account.
5. On an application for a loan to fund (refinance) the payoff of an existing loan on the above referenced property:
 - 5.1 ☐ The loan being paid off was taken out or assumed by Owner to originally fund:
 - a. ☐ a personal, family, or household use; or
 - b. ☐ a business, investment, or agricultural operation.

The above stated information is true and correct.

Date: _____, 20____.

Applicant: _____

Signature: _____

Applicant: _____

Signature: _____