MIN:

HOME EQUITY LINE OF CREDIT AGREEMENT

Borrower Name:

Lender Name: LoanSnap, Inc.

Lender Address: 3070 Bristol Street, Suite 200, Costa Mesa, CA 92626

Lender License No.: 603H312

Credit Account Number (also referred to as "Loan Number"):

Date:

|  |  |
| --- | --- |
| **ANNUAL PRECENTAGE RATE: %** |  |
| Credit Limit (US Dollars): **$** | Initial Advance (US Dollars): **None** |

Property Address (Subject to Security Instrument):

This is the Agreement (the "Agreement"), dated , governing your Home Equity Line of Credit ("Credit Account") with **LoanSnap, Inc., 3070 Bristol Street, Suite 200, Costa Mesa, CA**

**92626,** (“Lender”). Read this Agreement carefully so that you know how your Credit Account works. As you read this Agreement remember that the terms "we," "us," and "our" refer to Lender and to any other person (including any other entity) to whom this Agreement is assigned. "You," "your," and "yours" refer to each person who signs this Agreement or has authority to use the Credit Account. “Security Instrument” means the mortgage, deed of trust, deed to secure debt or other security instrument you are giving us on your home. Your Credit Account, any amount you owe, and our Security Instrument on your home may

be sold or transferred to another person at anytime. If this happens, this Agreement and the Security Instrument will remain in effect.

You acknowledge that you plan to use the Credit Account described in this Agreement as a revolving line of credit rather than a one-time credit advance. You understand that this means that we may legitimately expect that you plan to request advances during the Advance Period described in Section 5 of this Agreement.

**1. WHAT IS YOUR HOME EQUITY LINE OF CREDIT?**

It is a credit arrangement in which we make loans to you by advancing funds (“Advances”) from your Credit Account at your direction, allowing you to repay the Advances and take additional Advances. You promise and agree to repay these Advances, any interest which accrues on them, and all other amounts for which you are responsible under the terms of this Agreement.

**2. SECURITY INTEREST.**

As a part of this transaction, you are granting us a security interest in the property, which is

further described in the Security Instrument, and which is located at**: ,** (the “Property”). All of the terms and conditions of the Security Instrument are very important and should be read in conjunction with this Agreement.

**3. CREDIT LIMIT AND OVER LIMIT FEE.**

We have assigned a Credit Limit of **$** (“Credit Limit”) on your Credit Account. You may not request an Advance that would cause your unpaid balance to exceed your Credit Limit. We are

not required to pay any item which would cause you to exceed your Credit Limit. If we do make the Advance, it does not mean your Credit Limit has been raised. We may require you to repay the amount over your Credit Limit at once. You agree to pay a fee of N/A for each Advance in excess of your Credit Limit. Any sums in excess of the Credit Limit will not be secured by the Security Instrument, unless they are for accrued but unpaid interest or expenditures made pursuant to the Security Instrument.

**4. USING YOUR CREDIT ACCOUNT.**

You may use your Credit Account when you receive notice from us that your Credit Account has been established. You may request an Advance from your Credit Account by: We may also notify you of other available methods to access your Credit Account. If you take an Advance at closing by signing a loan request or other form of authorization, we will disburse the amount to you promptly but no earlier than the end of any applicable period during which you could exercise a right to rescind. You may not use an Advance to make payments on your Credit Account.

**5. PROMISE TO PAY.**

You promise to repay to us in U.S. Dollars all Advances charged to your Credit Account, plus finance charges and all other amounts due under this Agreement or the Security Instrument. To avoid being in default, you must pay us at least the minimum payment (described below) by the payment due date shown on each billing statement we will send to you. In any event, you promise to pay the balance of your Credit Account at the termination of this Agreement.

6**. MINIMUM PAYMENT.**

Each billing statement we send you will identify a minimum monthly payment amount that you must pay.

In addition, and regardless of whether an escrow account has been established, if you fail to pay (a) taxes, assessments (including condominium and planned unit development assessments, if any) and other items which may attain priority over the Security Instrument; (b) premiums for hazard insurance and any mortgage insurance required by us under the Security Instrument; and (c) leasehold payments or ground rents on the Property, if any, we may require you to make additional monthly payments to us for those amounts, or we may charge those amounts to your Credit Account as

Advances. **You may obtain all required hazard insurance on the Property from anyone you want that is reasonably acceptable to us.**

You may prepay the amount of any Advances at any time before payment is due.

**7. FINANCE CHARGES.**

Periodic Finance Charges (interest) begin to accrue on the day an Advance is charged to your Credit Account and continue until the outstanding balance on the Advance is paid in full. Periodic Finance charges on your Credit Account will be determined by applying a Monthly Periodic Rate to the daily balance (including current transactions) of Advances owed on your Credit Account. To calculate the daily balance of Advances, we take the beginning balance of Advances owed on your Credit Account each day, add any new Advances, and subtract any payments or credits applied to Advances. This gives us the daily balance of Advances (including current transactions).

We then apply the applicable daily periodic rate to each daily balance of Advances and add up the results of this daily interest computation for each day of the Monthly Statement Period. This total is the periodic Finance Charge for the Monthly Statement Period.

We treat credit balances as zero balances when we figure the balances that are subject to periodic Finance Charge.

The periodic rate and its corresponding Annual Percentage Rate are fixed rates.

The Annual Percentage Rate does not include costs other than interest.

**8. FIXED RATE INSTALLMENT LOAN OPTION [Not Applicable]**

**9. PAYMENTS.** All payments on your Credit Account made by check or money order must be delivered to us at the address indicated on your billing statement. Any payment may be returned without applying it to your Credit Account if the check or money order is: (1) not drawn on the U. S. Postal Service or a financial institution located in the United States of America; (2) not payable in U.S. Dollars; (3) drawn with different numeric and written amounts; (4) missing a signature; (5) postdated; or (6) unacceptable for any other reason. We may apply all payments and credits in accordance with our standard operating procedures and with the requirements of applicable law. Unless otherwise required by applicable law, we may apply your payments to principal, interest, fees and other charges in any order.

If we receive payments at locations other than the address indicated on your billing statement, such payments will be credited promptly to your Credit Account, but crediting may be delayed for up to five (5) days after receipt.

Although payments will always be credited to reduce the amounts owed on your Credit Account as stated above, we may apply our standard operational procedures to verify that we have received good funds after we receive your payments before releasing any payment amount that has been applied to principal as available credit on your Credit Account.

We do not process payments received by mail on Saturdays, Sundays or bank holidays. If the payment due date falls on one of these days, payments we receive by mail will be considered timely so long as the payment is posted on or before the next bank business day. We can accept late payments, partial payments, checks or money orders marked “paid in full” or containing similar language without losing any of our rights under this Agreement.

**10. CLOSING COSTS.**

You may be required to pay certain closing costs. These costs are set forth below and must be

paid at closing.

Closing Cost: FINANCE CHARGES:

**$**

**Prepaid Interest $**

**$**

**POC=Paid Outside of Closing; PAC=Paid At Closing**

**Borr=Borrower Paid; B=Broker Paid; L=Lender Paid; O=Paid By Other**

Other Closing Costs:

**$**

**Recording Fees $**

**POC=Paid Outside of Closing; PAC=Paid At Closing**

**Borr=Borrower Paid; B=Broker Paid; L=Lender Paid; O=Paid By Other**

**11. OTHER FEES.**

**A. LATE FEES.** If you do not make the full current minimum payment within 15

days after the date it is due, a late fee of 5.000% of the principal and interest overdue will be charged.

**B. EARLY TERMINATION FEE [Not Applicable]**

**C. STOP PAYMENT FEE [Not Applicable]**

**D. ANNUAL FEE [Not Applicable]**

**E. STATEMENT, RETURNED PAYMENT, PHOTOCOPY AND RESEARCH FEES.**

**• STATEMENT FEE: [Not Applicable]**

**• RETURNED PAYMENT FEE: [Not Applicable]**

**• PHOTOCOPY FEE: [Not Applicable]**

**• RESEARCH FEE: [Not Applicable]**

**F. RETURNED CREDIT LINE CHECK FEE [Not Applicable]**

**G. WIRE FEE [Not Applicable]**

**12. RELEASE.**

We will release the Security Instrument when all amounts due under the Security Instrument and this

Agreement have been paid and the Credit Account and this Agreement have been terminated. When we discharge or release the Security Instrument or any other documents recorded or filed to perfect our security interest in the Property, you shall pay any recordation or filing costs. Recordation or filing costs are estimated to be N/A.

**13. SUBSEQUENT APPRAISALS.**

At any time as we may reasonably require, while you have the right to take Advances on your Credit Account, we may obtain an appraisal on the Property, at our sole option and expense. You agree that you will cooperate with us in obtaining such an appraisal.

**14. DEFAULT.** You will be in default if:

a. You engage in fraud or material misrepresentation at any time in connection with your Credit Account.

b. You fail to meet the repayment terms of this Agreement.

c. Your action or inaction adversely affects the Property or our rights in it. Examples of these actions and inactions include, but are not limited to circumstances in which:

1. You are the sole borrower on this Credit Account and you die.

2. There are two borrowers on this Credit Account, one of you dies, and that adversely

affects our interest in the Property.

3. The Property is used for an illegal purpose that subjects the Property to seizure.

4. You transfer all or part of your interest in the Property without our written consent.

5. All or part of the Property is taken by condemnation or eminent domain.

6. A prior lienholder forecloses.

7. You fail to keep the Property properly insured.

8. You fail to pay real property taxes and assessments on the Property when they are due.

9. You commit waste or otherwise destructively use the Property or fail to keep the

Property properly maintained and in good repair.

If you default, we have the right, at our option, subject to any notice and/or right to cure you may have under applicable law, to terminate this Agreement and your Credit Account and to require the immediate payment of the entire amount owed to us, and/or to cause your home to be sold at foreclosure sale. We may also take lesser actions, such as temporarily or permanently suspending your credit privileges or reducing the Credit Limit. If we refer your Credit Account to an attorney who is not our salaried employee for collection or foreclosure, you agree to pay our reasonable attorneys’ fees as permitted by applicable law, including any attorneys’ fees as permitted by applicable law relating to any insolvency, liquidation, receivership or bankruptcy proceedings, plus court costs and the costs related to foreclosure.

**15. SUSPENSION OF CREDIT PRIVILEGES/REDUCTION OF CREDIT LIMIT.** We can refuse to make Advances or reduce your Credit Limit during any period in which:

a. The value of the Property declines significantly below its original appraised value for purposes of this Credit Account.

b. We reasonably believe you will not be able to meet the repayment requirements set forth in this Agreement due to a material change in your financial circumstances.

c. You fail to meet any material obligation you have under this Agreement.

d. Government action prevents us from imposing the Annual Percentage Rate provided for in this Agreement.

e. Government action impairs our security interest such that the value of our security interest is less than 120 percent of your Credit Limit.

f. A regulatory agency which supervises us has notified us that continued Advances would constitute an unsafe and unsound practice.

If we refuse to make additional Advances or reduce your Credit Limit under this provision, we may refuse to honor any requests for Advances, including those requests made before but presented to us after we made our decision. We will send you a written notice stating the reason for our action. If for any reason you believe your Credit Limit should be reinstated, you must send us a written request for reinstatement and include in the request the reasons why you believe your credit privileges or Credit Limit should be reinstated.

**16. SALE OF PROPERTY.** The Security Instrument signed in connection with this Agreement gives us certain rights to your Property. The law gives us other rights you also agree to give us. If you default, we may foreclose on the Security Instrument after we provide you with any required notice of default and opportunity to cure that you may have under applicable law. This means that the Property covered by the Security Instrument will be sold in order to pay the amount owed to us under this Agreement.

**17. DUE ON SALE.** If all or any part of the Property (or any interest in the Property) secured by the Security Instrument is sold or transferred without our prior written consent, we may demand immediate payment in full of this Agreement. However, we will not exercise this option if such exercise is prohibited by applicable law.

**18. PERIODIC REVIEWS AND INFORMATION.** We will conduct periodic reviews of your Credit Account based on financial and credit information we receive about you. You agree to provide us with updated financial information, in writing, if we request it. We may report information about your Credit Account to credit bureaus. Late payments, missed payments, or other defaults on your Credit Account may be reflected in your credit report. You also agree to sign any additional or corrective documents in connection with this Agreement, at our request and as allowed by law.

**19. ASSUMPTION.** Someone buying your Property may not assume this loan on these terms.

**20. SENDING OF NOTICES.** Any statement or notice to you under this Agreement will be sufficiently given if sent to your address on file in connection with your Credit Account or to a new address of which you have notified us in writing at least 20 days before the sending of the statement or notice.

**21. AMENDMENT.** In addition to our other rights in this Agreement, we may also make certain changes to the terms of this Agreement. We may make certain changes that you expressly agree to in writing at the time the change is made. We may make changes that unequivocally benefit you, such as by increasing your Credit Limit. We may also make insignificant changes to the Agreement, such as a change in the balance computation method if the change only produces an insignificant difference in the finance charge paid by you.

**22. DELAY IN ENFORCEMENT.** We may waive or delay enforcing our rights under this Agreement without losing them or relieving you of any of your obligations. We may waive or delay enforcing a right as to one of you without waiving it as to the others. We may release any security or any one of you from responsibility under this Agreement without releasing the others. We need not give anyone notice of our waiver, delay or release. We may sue any one of you without suing the others.

**23. OTHER RULES REGARDING DRAW CHECKS [Not Applicable]**

**24. LOST OR STOLEN DRAW CHECKS [Not Applicable]**

**25. LEGAL PURPOSES.** You may not use any Advances for purposes that violate any applicable federal, state or local laws or regulations.

**26. SETOFF [Not Applicable]**

**27. APPLICABLE LAW.** Except to the extent that federal law controls, your rights, our rights, and the terms of this Agreement will be governed by the law of the State where the Property is located, without regard to principles of choice of law or conflict of law. In the event any provision or clause of this Agreement or the Security Instrument conflicts with applicable law, such conflict shall not affect other provisions of this Agreement or the Security Instrument which can be given effect without the conflicting provision. To this end the provisions of this Agreement and the Security Instrument are declared to be severable.

**28. SPECIAL NOTICE REGARDING REQUIRED HAZARD INSURANCE COVERAGE.**

The Security Instrument signed in connection with this Agreement requires you to maintain hazard insurance coverage. Unless you provide us with evidence of the insurance coverage required by your agreement with us, we may purchase insurance at your expense to protect our interests in your collateral. This insurance may, but need not, protect your interests unless applicable law requires such protection. Unless required by applicable law, the coverage that we purchase may not pay

any claim that you make or any claim that is made against you in connection with the collateral. You may later cancel any insurance purchased by us, but only after providing us with evidence that you have obtained insurance as required by our agreement. If we purchase insurance for the collateral, you will be responsible for the costs of that insurance, including interest and any other charges we may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to your total outstanding balance or obligation and will be determined based upon the amount and type of coverage obtained and the filed rates of the insurance company. The costs of the insurance may be more than the cost of insurance you may

be able to obtain on your own. You may obtain hazard insurance on the Property from anyone you want that is acceptable to us.

**29. JOINT ACCOUNT.** On a joint account each of you may use the Credit Account, but the total unpaid balance may not exceed the Credit Limit. Each of you is individually responsible for payment of the entire balance regardless of who actually requested the Advance. Each of you has the right, upon proper written notice to us, to have the Credit Limit reduced or to suspend the privilege of obtaining new Advances. A request to suspend the privilege of obtaining Advances, even if made only by one of you, will be effective against all of you who are eligible to obtain Advances under this Agreement. In order to restore the Credit Account, we may require a written request for reinstatement and financial information from all of you and we may refuse to restore the Credit Account if you no longer qualify under the criteria then in effect for new Credit Accounts. Any request for reinstatement would have to be made by all of you, espite the fact that only one of you may have requested the suspension of Advances. You agree to indemnify us and hold us harmless, and will pay all costs and expenses we incur (including reasonable attorneys’ fees as permitted by applicable law) as a result of honoring the request made by any one of you under this provision.

**30. TAX CONSEQUENCES.** You acknowledge that we have given you no assurances that the interest paid on your Credit Account is tax deductible. You are urged to consult your own tax advisor concerning the deductibility of interest and other costs charged in connection with this Credit Account.

**31. ADDENDUMS TO THIS AGREEMENT.**

You acknowledge and agree that the agreements of any addendum(s) executed in conjunction with this Agreement are incorporated into and shall amend and supplement the terms of this Agreement as if the addendum(s) were a part of this Agreement. [Check applicable box(es):]

N/A

**Your Billing Rights**

**Keep this Notice For Future Use**

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us In Case of Errors or Questions About Your Bill. If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

• Your name and account number.

• The dollar amount of the suspected error.

• Describe the error and explain, if you can, why you believe there is an error. If you need more nformation, describe the item you are not sure about.

If you have authorized us to pay your bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

**Your Rights and Our Responsibilities After We Receive Your Written Notice.** We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your Credit Limit. You do not have to pay any uestioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn’t make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within 10 days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we do not follow these rules, we can't collect the first $50 of the questioned amount, even if your bill was correct.

By signing this Agreement, you agree to the terms of this Agreement and acknowledge receipt of a completed copy of this Agreement, including the Billing Rights Notice. You also acknowledge that you have received the “Important Terms of Our Home Equity Line of Credit” disclosure and the brochure entitled “What You Should Know About Home Equity Lines of Credit.”

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Seal)

Lender: LoanSnap, Inc.

NMLS ID: 76967

Loan Originator:

NMLS ID:

PAY TO THE ORDER OF:

WITHOUT RECOURSE

LoanSnap, Inc.

BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

TITLE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_