

North Coast Financial, Inc.

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CalBRE Broker License #01870870

NMLS #323044

Loan App. # _____

BUSINESS PURPOSE/COMMERCIAL LOAN APPLICATION

IMPORTANT: Read these instructions before completing this application.

Applicants should complete this form (including the referenced addenda) as "Borrower" or "Co-Borrower," as applicable.

Provide Co-Borrower information (and check the appropriate box) when:

- the income or assets of a person other than the Borrower (including the Borrower's spouse) will be used as a basis for loan qualification **or**
- the income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower

Co-Borrower

SECTION A: CREDIT REQUESTED

| | | |
|--|--|--|
| Amount Requested: | Term of Credit Requested (in months): | Loan Purpose: |
| The property securing this loan <input type="checkbox"/> will or <input type="checkbox"/> will not be my primary residence | Interest Rate: ____ % Check one: <input type="checkbox"/> Fixed; <input type="checkbox"/> Variable | <input type="checkbox"/> Purchase <input type="checkbox"/> Business Expansion <input type="checkbox"/> Refinance <input type="checkbox"/> Construction/Remodel <input type="checkbox"/> Equipment Purchase <input type="checkbox"/> Other (Please Specify): |

Borrower or Co-Borrower means an "applicant" for a potential loan. Even when this loan application is completed, it is not a loan commitment for a loan on the requested terms or on any other terms. Any "loan commitment" must expressly state that it is a commitment to make a loan on specified terms. It must be in writing signed by the lender or by the lenders' broker.

SECTION B: BORROWER – CO-BORROWER INFORMATION AND COMPLETION INSTRUCTIONS

The "Borrower" or "Co-Borrower" must be the person(s) or entity that will sign and will be obligated on the promissory note at or before the closing of the loan. Therefore, if the "Borrower" or "Co-Borrower" is a corporation, limited liability company ("LLC"), partnership, limited partnership, trust or estate, or other entity, the information below should be regarding the entity applying for the loan and not regarding any partner, managing member, trustee, etc. Guarantors or Cosigners should complete a separate Guarantor addendum (B-4) to this loan application.

Borrower is a/an: Individual Corporation LLC Partnership Limited Partnership Nonprofit entity
 Gov't Entity Trust Other (Specify) _____.

Co-Borrower is a/an: Individual Corporation LLC Partnership Limited Partnership Nonprofit entity
 Gov't Entity Trust Other (Specify) _____.

| | | |
|---|-------------------------------|-----------------------------|
| Legal Name of Borrower (Entity Name or Last Name, if Individual) | First Name (If Individual) | DBA Name (where applicable) |
| Legal Name of Co-Borrower (Entity Name or Last Name, if Individual) | First Name (If Individual) | DBA Name (where applicable) |
| If Entity, State of Organization | Date of Organizational Filing | State Filing Locations |
| Principal Place of Business Address (not a P.O. Box) | City | State & Zip Code |
| Residence Address of Borrower (if individual) | City | State and Zip Code |
| Residence Address of Co-Borrower (if individual) | City | State and Zip Code |
| Mailing Address (if different from the above) | City | State & Zip Code |

| | | | |
|--|--|-------------|----------------|
| Borrower Contact Phone Number | Cell Phone | Facsimile # | E-mail address |
| Co-Borrower Contact Phone Number | Cell Phone | Facsimile # | E-mail address |
| How many years in the business for which the loan is being sought? | Will any of the collateral for the loan be used in Borrower's or Co-Borrower's business? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, explain how the collateral will be used? | | |

SECTION C: SCHEDULE OF COLLATERAL OFFERED BY BORROWER

| Collateral Address | Type of Property | Market Value | Total Liens | Ownership Status of this Applicant | Current Owner(s) (leave blank if a purchase) |
|--------------------|------------------|--------------|-------------|---|--|
| Property # 1: | | \$ | \$ | <input type="checkbox"/> Purchasing <input type="checkbox"/> Owned | |
| Property # 2: | | \$ | \$ | <input type="checkbox"/> Purchasing <input type="checkbox"/> Owned | |

Use Additional Sheet if Necessary

Existing Liens on Collateral (if not a purchase)

| Current Lender | Interest Rate | Monthly Pmt & Prin Balance * | Maturity Date | Status of Lien at the Close of Escrow | Current use of the Property and any proposed change in use after closing. |
|----------------|---------------|----------------------------------|---------------|---|---|
| Property # 1: | | \$ _____ (pmt) \$ _____ (bal) | | <input type="checkbox"/> To be paid off <input type="checkbox"/> To remain on Property | |
| Property # 2: | | \$ _____ (pmt) \$ _____ (bal) | | <input type="checkbox"/> To be paid off <input type="checkbox"/> To remain on Property | |

Will any person other than the Borrower or Co-Borrower (who will sign the note), provide security for the loan? Yes No
 If "yes", please have such person(s) providing the security complete Addendum B-4 (Guarantors).

* If more than one loan, provide information on additional loan(s) here:

Use Additional Sheet if Necessary

SECTION D: Details of Transaction (if a purchase)

| | |
|---|----|
| A. Purchase Price | \$ |
| B. Alterations, improvements, repairs | \$ |
| C. Land (if acquired) | \$ |
| D. Refinance (incl. debts to be paid off) | \$ |
| E. Estimated prepaid items | \$ |
| F. Estimated closing costs | \$ |
| G. PMI, MIP, Funding Fee | \$ |
| H. Discount (if Borrower will pay) | \$ |
| I. Total costs (add items A through H together) | \$ |

SECTION E: Declarations

| If you answer "Yes" to any questions below, A through E, please use continuation sheet for explanation. | Borrower | | Co-Borrower | |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|
| | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| A. Are there any outstanding judgments against you? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| B. Have you filed for bankruptcy within the past 7 years? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| C. Have you had property foreclosed upon or given title or a deed in lieu thereof in the past 7 years? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| D. Are you a party to a lawsuit? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| E. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, short sale or judgment? * | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

*This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes", provide details on an attached signed page, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.

SECTION F: List all authorized signers (Borrower, Co-Borrower or Others) for this application

| | | | | |
|----------------|-------|--|-------|-------------|
| Name | Title | <input type="checkbox"/> Borrower <input type="checkbox"/> Other (identify) | | SSN or TIN# |
| Street Address | | City | State | Zip Code |
| Name | Title | <input type="checkbox"/> Borrower <input type="checkbox"/> Other (identify) | | SSN or TIN# |
| Street Address | | City | State | Zip Code |

If any person or entity must approve of or authorize the above signatories to sign for this loan, list their names and capacities, and provide their written authorization for the above signatories to sign. By signing this application, the undersigned warrant and represent that all necessary approvals and authorizations from any other third party have been, or will be, obtained in writing and provided to Lender to close the proposed loan.

NAMES AND CAPACITIES and CONTACT INFORMATION:

Please list the names, addresses and phone numbers of all partners, limited partners, managing members, members, shareholders (as the case may be) of any Entity Borrower.

Use Additional Sheet if Necessary

SECTION G: Warranties, Representations, Acknowledgements and Agreements

Each of the undersigned specifically represents and warrants the following to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, investors, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage(s) or deed(s) of trust on the property or properties described in this application; (3) the property or properties will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a business purpose loan; (5) the property or properties will be occupied or used as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, investors, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor anyone on Lender's behalf has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property. I understand that, even if I was provided with a copy of the Lender's appraisal, I cannot rely on that appraisal which was obtained solely for the Lender's information and use; (11) this application, so long as it is prepared by me (or at my direction) and submitted by me, shall entitle Lender to rely upon it, even if not signed by me, and my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature; (12) Lender will retain this application and any other credit information Lender receives, even if no loan or credit is granted; (13) Lender is authorized by me to provide to any insurer, lender, or investor, or their successors, with any information and documentation they may request with respect to my/our application, credit or loan; (14) Lender may rely on the representations set forth herein without verifying the information provided by the Borrower/Co-Borrower; (15) the term "Lender" shall include the plural ("Lenders") where more than one Lender makes, funds or purchase my loan; (16) *Other than the Borrower or Co-Borrower signing below, there are no other individuals or entities whose consent, written or otherwise, is required before the Loan can be made.*

The undersigned declare under the penalty of perjury under the laws of the State of California and the laws of the United States of America that the foregoing is true and correct and that this declaration is executed this _____ day of _____, 20____, at _____, California.

Borrower: _____ **Date:** _____ **By:** _____
 (Print Name) (Signature)

Co-Borrower: _____ **Date:** _____ **By:** _____
 (Print Name) (Signature)

Information for Government Monitoring Program

DATA COLLECTION FORM FOR THE HOME MORTGAGE DISCLOSURE ACT (HMDA)

DEMOGRAPHIC INFORMATION OF APPLICANT AND CO-APPLICANT

The purpose of collecting this information is to help ensure that all applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. For residential mortgage lending, Federal law requires that we ask applicants for their demographic information (ethnicity, race, and sex) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. You may select one or more designations for "Ethnicity" and one or more designations for "Race."

The law provides that we may not discriminate on the basis of this information, or on whether you choose to provide it. However, if you choose not to provide the information and you have made this application in person, Federal regulations require us to note your ethnicity, race, and sex on the basis of visual observation or surname. If you do not wish to provide some or all of this information, please check below.

| | |
|---|---|
| Applicant: | Co-Applicant: |
| Ethnicity: – <i>Check one or more</i> | Ethnicity: – <i>Check one or more</i> |
| <input type="checkbox"/> Hispanic or Latino | <input type="checkbox"/> Hispanic or Latino |
| <input type="checkbox"/> Mexican <input type="checkbox"/> Puerto Rican <input type="checkbox"/> Cuban | <input type="checkbox"/> Mexican <input type="checkbox"/> Puerto Rican <input type="checkbox"/> Cuban |
| <input type="checkbox"/> Other Hispanic or Latino – <i>Print origin, for example, Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on:</i> | <input type="checkbox"/> Other Hispanic or Latino – <i>Print origin, for example, Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on:</i> |
| <input type="checkbox"/> Not Hispanic or Latino | <input type="checkbox"/> Not Hispanic or Latino |
| <input type="checkbox"/> I do not wish to provide this information | <input type="checkbox"/> I do not wish to provide this information |

| | |
|---|---|
| Race: – <i>Check one or more</i> | Race: – <i>Check one or more</i> |
| <input type="checkbox"/> American Indian or Alaska Native – <i>Print name of enrolled or principal tribe:</i> | <input type="checkbox"/> American Indian or Alaska Native – <i>Print name of enrolled or principal tribe:</i> |
| <input type="checkbox"/> Asian | <input type="checkbox"/> Asian |
| <input type="checkbox"/> Asian Indian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino | <input type="checkbox"/> Asian Indian <input type="checkbox"/> Chinese <input type="checkbox"/> Filipino |
| <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Vietnamese | <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Vietnamese |
| <input type="checkbox"/> Other Asian – <i>Print race, for example, Hmong, Laotian, Thai, Pakistani, Cambodian, and so on:</i> | <input type="checkbox"/> Other Asian – <i>Print race, for example, Hmong, Laotian, Thai, Pakistani, Cambodian, and so on:</i> |
| <input type="checkbox"/> Black or African American | <input type="checkbox"/> Black or African American |

| | |
|--|--|
| <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> Guamanian or Chamorro <input type="checkbox"/> Samoan <input type="checkbox"/> Other Pacific Islander – <i>Print race, for example, Fijian, Tongan, and so on:</i> | <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> Guamanian or Chamorro <input type="checkbox"/> Samoan <input type="checkbox"/> Other Pacific Islander – <i>Print race, for example, Fijian, Tongan, and so on:</i> |
| <input type="checkbox"/> White | <input type="checkbox"/> White |
| <input type="checkbox"/> I do not wish to provide this information | <input type="checkbox"/> I do not wish to provide this information |
| Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male <input type="checkbox"/> I do not wish to provide this information | Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male <input type="checkbox"/> I do not wish to provide this information |

| To Be Completed by Financial Institution (for an application taken in person): | |
|--|---|
| Was the ethnicity of the applicant collected on the basis of visual observation or surname? <input type="checkbox"/> Yes <input type="checkbox"/> No | Was the ethnicity of the co-applicant collected on the basis of visual observation or surname? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Was the race of the applicant collected on the basis of visual observation or surname? <input type="checkbox"/> Yes <input type="checkbox"/> No | Was the race of the co-applicant collected on the basis of visual observation or surname? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Was the sex of the applicant collected on the basis of visual observation or surname? <input type="checkbox"/> Yes <input type="checkbox"/> No | Was the sex of the co-applicant collected on the basis of visual observation or surname? <input type="checkbox"/> Yes <input type="checkbox"/> No |

(The above form was obtained and adapted from Attachment A to CFPB Dec 2015 Small Entity Compliance Guide, Home Mtg Disclosure (Reg C) OMB Cntrl number 3170-0008).