

Eagle Funding

BROKER MEMO

Date: October 21, 2010

Subject: Initial loan file review

We have been reminded by the Washington State Department of Financial Institutions (DFI) to be vigilant in proper use of disclosures during the loan process. As a result, our initial loan file review has become stricter. This has probably not escaped your notice.

Of particular importance to DFI this time around is proper use of the Washington Disclosure Summary and also a Lock Agreement Addendum. In order to be compliant, DFI expects both disclosures to be present at initial application as well as be revised as applicable when the borrower locks in their interest rate. Naturally, the Washington Disclosure Summary applies only to subject properties located in the State of Washington.

In those cases where the loan is locked before we accept your submission, it is our expectation that you will supply all initial and applicable revised disclosures at submission.

In those cases where the loan is locked after we accept your submission, we take responsibility for supplying to the borrower such updated disclosures as the GFE, TIL, Washington Disclosure Summary and a Lock Agreement Addendum.

We appreciate your cooperation as we work together in these challenging times. If you have any questions, please contact your Account Executive. Thank you for your business.

David Baker
VP - Wholesale