

ESCROW ACCOUNT OPTIONS

Borrower Name		Co-Borrower Name		Loan Account Number	
Security Address of Property			City	State	Zip Code
					LTV Ratio %

For Conventional Loans with Loan-to-Value (LTV) Ratios of MORE than 80%:

I, the undersigned, understand that establishment of ongoing payments into an escrow account for property taxes, hazard insurance, mortgage insurance, and (if applicable) flood insurance is REQUIRED as a condition of this loan.

Borrower Signature	Date Signed	Co-Borrower Signature	Date Signed

OR

For Conventional Loans with 80% or LESS Loan-to-Value (LTV) Ratios:

I, the undersigned, understand that an escrow account for property taxes, hazard insurance, and (if applicable) flood insurance is NOT required as a condition of this loan.

(Borrower(s) check applicable box and sign below):

I hereby voluntarily request that the Oregon Department of Veterans' Affairs or its agent establish an escrow account for taxes, hazard insurance, and (if applicable) flood insurance as part of this mortgage, which I will fund at time of closing and into which I will make ongoing payments for the terms of the Deed of Trust.

OR

I hereby request that the Oregon Department of Veterans' Affairs or its agent NOT establish an escrow account for taxes, hazard insurance, and (if applicable) flood insurance. I will make those payments directly, and agree to pay all property taxes to the county and pay all insurance payments to my insurance carrier when due.

I further recognize that this form does NOT revise or amend the terms of the Deed of Trust; it simply provides more detailed consumer disclosures, and the opportunity to specify desired options.

I further understand that the Oregon Department of Veterans' Affairs will revoke this option and will establish an escrow account, if after this application is approved, I fail to pay the taxes according to the payment options provided by the county and I allow the property taxes to become delinquent or to become a lien against the property listed above OR if I fail to pay the hazard or flood insurance and allow the policy to be canceled on the property listed above.

I also understand that the Oregon Department of Veterans' Affairs may revoke the option to allow borrowers to pay their own property taxes and insurance at any time, by sending written notification to all borrowers.

Furthermore I understand that, if this option is revoked for nonpayment I cannot reapply at a later date.

If this option is revoked the Oregon Department of Veterans' Affairs will pay the taxes and insurance according to the appropriate rules governing payment of taxes, hazard insurance, and (if applicable) flood insurance.

I agree that I will not cancel this agreement, except by completing an Application to Pay Through Escrow - Monthly Simple, Form HL2305, and submitting the appropriate monies to deposit in the escrow account.

Borrower Signature	Date Signed	Co-Borrower Signature	Date Signed