

HAZARD INSURANCE DISCLOSURE

BORROWER:

LENDER:

PREFERRED BANK
601 S. Figueroa Street, 29th Floor
Los Angeles, California 90017

Hazard Insurance Disclosure

Made Pursuant to California Civil Code Section 2955.5

IMPORTANT

**DO NOT SIGN THIS FORM UNTIL YOU CAREFULLY
READ IT AND UNDERSTAND ITS CONTENT**

Borrower has applied for a loan or credit accommodation that will be secured by real property. As a condition of the loan or credit accommodation, Lender may require Borrower to maintain hazard insurance coverage for the real property. California law provides that Lender cannot require Borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the property (such as fire and other perils) in an amount exceeding the replacement value of the building or structures attached to the property.

BY SIGNING BELOW, BORROWER ACKNOWLEDGES THAT IT HAS READ AND RECEIVED, AND UNDERSTANDS THIS HAZARD INSURANCE DISCLOSURE. THIS HAZARD INSURANCE DISCLOSURE IS DATED SEPTEMBER __, 2010.

Borrower:

_____,
a _____

By: _____

Name: _____

Its: _____