PROPERTY INSURANCE ESCROW DISCLOSURE

Date:	**Loan No:**

Borrower: **Lender: AFG Mortgage**

Property Address:

This disclosure is provided to you pursuant to New York law (N.Y. Banking Law § 6-k.2(f)).

The mortgage investing institution is obligated to make all payments for insurance for which the real property insurance escrow account is maintained. If any such payments are not timely, the mortgage investing institution is responsible for making such payments including any penalties and interest and shall be liable for all future damages to the mortgagor resulting from its failure to make timely payment;

In the event that a real property insurance premium notice is sent directly to the mortgagor by the insurer, the mortgagor shall have the obligation to promptly transmit such premium notice to the mortgage investing institution, or such other institution or agent as may be designated in writing by the mortgage investing institution, for payment. Failure to do so may jeopardize the mortgagor's insurance coverage an may excuse the mortgage investing institution from liability for failure to make timely such real property insurance payments.

The mortgagor is obligated to pay one-twelfth of the insurance each month to the mortgage investing institution for deposit into the real property insurance escrow account, unless there is a deficiency or surplus in the account, in which case a greater or lesser amount may be required;

The mortgage investing institution must deposit the escrow payments made by the mortgagor in a banking institution or a licensed branch of a foreign banking corporation whose deposits are insure by a federal agency.

By signing below, you hereby acknowledge reading and understanding all of the information disclosed above, and receiving a copy of this disclosure on the date indicated below.

_____ _____

Borrower Date Borrower Date

_____ _____

Borrower Date Borrower Date