



DISCLOSURE STATEMENT COMMERCIAL REAL ESTATE

BUSINESS PURPOSE STATEMENT

As Applicant or Guarantor I represent and warrant to lender that the proceeds of the loan or other extension of credit being applied for will be used primarily (50% or more) for business purposes and shall not be used for or applied to the purchase or maintenance of real estate occupied by Borrower as Borrower's primary residence without Lender's prior written consent. The loan proceeds will not be used for personal, family or household expenses. Additionally, the Applicant and Guarantor acknowledge that, since the loan is for a business purpose, is not subject to the Wisconsin Consumer Act, and disclosures under the Federal Truth and Lending Act and the Federal Reserve Board Regulation Z are not required.

EQUAL CREDIT OPPORTUNITY ACT

The federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is: FDIC Consumer Response Center, 2345 Grand Boulevard, Suite 100, Kansas City, MO 64108.

CUSTOMER IDENTIFICATION AND USA PATRIOT ACT

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies every customer. For individual Applicants or Guarantors, this information will include your name, date of birth, residential or business street address, and social security number as well as a copy of your driver's license, state identification card, passport, military identification card, etc. to be obtained at or prior to loan closing. For entity Applicants and Guarantors, this information will include your name, principal place of business, TIN and/or EIN and supporting documentation such as Articles of Incorporation, Partnership Agreement, etc.

APPRAISAL NOTICE

If the credit applied for will be secured by the primary residence of the Applicant or Guarantor, you have the right to receive a copy of the appraisal report obtained in connection with the loan, provided that you have paid for the appraisal report. We must receive your written request no later than 90 days after we notify you about the action taken on your application or you withdraw your application. If you would like a copy of the appraisal report, please send your request in writing to: WaterStone Bank; ATTN: Commercial Real Estate Lending, 21505 E. Moreland Blvd, Waukesha, WI, 53186.

INFORMATION DISCLOSURE AUTHORIZATION

I hereby authorize WaterStone Bank to order credit reports, verify past and/or present employment information, and verify other credit information including, but not limited to, past and present mortgage and landlord references. My mortgage and/or landlord references and past and/or present employers are hereby authorized to release any information requested. A photocopy of this form also serves as authorization. I agree to cooperate with WaterStone Bank and I hereby authorize any financial institutions, companies, past or present employers, or any other persons named in my application or discovered in my credit review to disclose my financial account status and history, payment or credit record, employment information, and any other information requested to complete this review. This authorization remains in effect now and during the life of my relationship with WaterStone Bank. A copy of this authorization may be deemed to be the equivalent of the original and may be used as a duplicate original. I authorize you to provide to any investor to whom WaterStone Bank may participate this loan with any and all information and documentation that they request. Such documentation includes, but is not limited to, employment history and income; deposit account balances; credit history; loan history and performance; and copies of income tax returns.

ENTITY APPLICANT

I hereby certify that I have read the Notices set forth above and fully understand all of the above.

ENTITY NAME: _____ DATE SIGNED: _____

AUTHORIZED SIGNER: _____

INDIVIDUAL APPLICANT OR GUARANTOR ACKNOWLEDGMENT

I hereby certify that I have read the Notices set forth above and fully understand all of the above.

SIGNATURE: _____ DATE SIGNED: _____

PRINTED NAME: _____