

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**
Order Number: **201210180135**

PeirsonPatterson, LLP
Loan Transmittal Memorandum

www.ppdocs.com

NOTE TO TITLE COMPANY: PeirsonPatterson's fee will not change if our warranty deed is not used or is not provided. PeirsonPatterson still needs to review the deed unless this *review* is waived by the lender.

This loan package was prepared by: **Ambra Costner**

Comments:

Thanks, have a great day!

Recording Requested By/Return To:

**Best Bank
Ambra
2310 Interstate 20 W
Arlington, TX 76017**

-----[Space Above This Line For Recording]-----

ASSIGNMENT OF DEED OF TRUST

**FHA Case # 000-444-555555
Loan # 123456**

For Value Received, the undersigned holder of a Deed of Trust (herein "Assignor") whose address is **2310 Interstate 20 W, Arlington, TX 76017**, does hereby grant, sell, assign, transfer and convey, unto **Investor Bank**, (herein "Assignee"), whose address is **P.O. Box 1111, Somewhere, IA 00000**, all beneficial interest under a certain Deed of Trust dated **October 15, 2012**, made and executed by **John Smith and wife, Jane Smith**, to **Michael H. Patterson**, Trustee, upon the following described property situated in **Tarrant County**, State of **Texas**:

LOT 30, BLOCK 6, PERFECT ADDITION, AN ADDITION TO THE CITY OF ARLINGTON, TARRANT COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN VOLUME 111, PAGE 111, PLAT RECORDS, TARRANT COUNTY, TEXAS.

such Deed of Trust having been given to secure payment of **\$102,767.00**, which Deed of Trust (Original Amount of Principal) is of record in the Real Property Records of **Tarrant** County, State of **Texas**, together with the note(s) and obligations therein described, the money due and to become due thereon with interest, and all rights accrued or to accrue under such Deed of Trust.

TO HAVE AND TO HOLD the same unto Assignee, its successor and assigns, forever, subject only to the terms and conditions of the above-described Deed of Trust.

IN WITNESS WHEREOF, the undersigned Assignor has executed and made to be effective this Assignment of Deed of Trust on _____, 2____.

Best Bank

By: _____

Witness

STATE OF TEXAS

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by
_____ of Best Bank, on behalf of said federal savings bank.

Notary Public

Printed Name: _____

My commission expires: _____

This instrument prepared by:

PeirsonPatterson, LLP.

2310 Interstate 20 West, Suite 100

Arlington, TX 76017-1668

Multistate Deed of Trust Assignment - Single Family

Attorney Invoice
PeirsonPatterson, LLP
2310 Interstate 20 W, Suite 100
Arlington, TX 76017
Phone: (817) 461-5500 Fax: (817) 856-6060

Invoice To: Jane Doe
Busy Bee Title
111 Oak Drive
Arlington, TX 76017
Phone: (817) 555-7979 Fax:
GF Number: 12080826CC

Date	Order #	Description	Amount
10/18/2012	201210180135	For professional services in connection with the preparation of real estate documents.	\$150.00

Lender:
Best Bank
2310 Interstate 20 W
Arlington, TX 76017
Phone: (817) 784-2010 Fax:
Closer: Ambra Costner
Loan # 123456

Property:
111 Maple Avenue
Arlington, TX 76017

Borrower(s):
John Smith and Jane Smith

TO INSURE PROPER CREDIT, PLEASE RETURN COPY OF INVOICE WITH REMITTANCE AND PLEASE REFERENCE OUR INVOICE NUMBER ON YOUR CHECK.

**MAKE CHECK PAYABLE TO: * PeirsonPatterson, LLP. - ARLINGTON *
DO NOT MAIL TO DALLAS - MAIL CHECK TO ARLINGTON**

If the loan is insured by HUD, or guaranteed HUD by the VA, the Borrower(s) may not pay a fee in excess of the applicable authorized charges. VA There has been no charge made for any disclosures or information required by the Real Estate Settlement and Procedures Act, the Truth-in-Lending Act, the Homeowner's Protection Act or any state required consumer disclosures.

The fee(s) on this invoice must be separately itemized on the closing statement and shown as a fee to the Lender's attorney. Please contact this office immediately should the transaction be cancelled so that our billing department can close this account. Please make your payment within three days following the closing.

Please do not staple checks to this invoice.
THANK YOU FOR YOUR BUSINESS.

To Settlement Agent:
Busy Bee Title
111 Oak Drive
Arlington, TX 76017
 Attn: **Jane Doe**
 Phone No.: **(817) 555-7979**
 Fax No.:
 Email: **janedoe@something.com**

From Lender:
Best Bank
2310 Interstate 20 W
Arlington, TX 76017
 Attn: **Ambra Costner**
 Phone No.: **(817) 784-2010**
 Fax No.:
 Email:

Supplemental Closing Instructions

SECTION I. LOAN INFORMATION

Borrower(s): **John Smith and Jane Smith**
 Property Address: **111 Maple Avenue, Arlington, TX 76017**
 Loan Amount: **\$102,767.00**
 Initial Payment: **\$760.16**
 Loan Type: **First Lien-FHA-Refinance**
 Case No.: **000-444-555555**

Loan # **123456**
 GF No: **12080826CC**
 Order Number: **201210180135**
 Invoice Number: **2-10-02499**
 Initial Interest Rate: **4.000%**
 Term of Loan: **180 months P&I**
 Closing Date: **October 15, 2012**
 Document Exp. Date: **November 24, 2012**
 First Payment Date: **December 1, 2012**
 Final Payment Date: **November 1, 2027**

SECTION II. LOAN FEES AND ESCROWS

Settlement agent fees are provided as an estimate. Final settlement fees must comply with applicable federal laws, rules and regulations; and any applicable state laws or local ordinances.

A. Fees Paid at Closing.

The following fees must be indicated on the HUD-1 Settlement Statement. Collect same unless indicated as "POC" (Paid Outside Closing). Show all "POC"s as such on the HUD-1 Settlement Statement.

100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract sales price		401. Contract sales price	
102. Personal Property		402. Personal property	
103. Settlement charges to Borrower (line 1400)	\$5,141.42	403.	
104. Loan payoff	\$92,500.00	404.	
105. 2012 taxes to be paid at closing	\$1,722.87	405.	
106. City/town taxes to		406. City/town taxes to	
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due From Borrower	\$99,364.29	420. Gross Amount Due To Seller	
200. Amounts Paid by or in Behalf of Borrower		500. Reductions in Amount Due to Seller	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	\$102,767.00	502. Settlement charges to seller (line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	

Supplemental Closing Instructions

218.	
219.	
300. Case at Settlement from/to Borrower	
301. Gross amount due from borrower (line 120)	\$99,364.29
302. Less amounts paid by/for Borrower (line 220)	(\$102,767.00)
303. Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	-\$3,402.71

518.	
519.	
600. Case at Settlement to/from Seller	
601. Gross amount due to Seller (line 420)	\$0.00
602. Less reductions in amount due seller (line 520)	\$0.00
603. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Seller	\$0.00

700. Total Real Estate Broker Fees			
Division of commission (line 700) as follows:			
701. \$0.00		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
702. \$0.00			
703. Commission paid at settlement		\$0.00	\$0.00
704.		\$0.00	\$0.00

800. Items Payable in Connection with Loan				
801. Our origination charge (Includes Origination Point 0.990% or \$1,000.00)	\$1,868.75	(GFE #1)		
802. Credit or charge for interest rate	-\$795.68	(GFE #2)		
803. Your adjusted origination charges		(GFE A)	\$1,073.07	
804. Appraisal fee to Appraisal Source		(GFE #3) \$375.00 (POC B)	\$50.00	
805. Credit report to Credit Company		(GFE #3)	\$25.00	
806. Tax service				
807. Flood certification to Flood Company		(GFE #3)	\$12.00	
808. Document preparation to PeirsonPatterson, LLP \$150.00 (included in 801)		(GFE #1)		
809.				
810.				
811.				
812.				
813.				
814.				

900. Items Required by Lender to Be Paid in Advance				
901. Daily interest charges from 10/19/2012 to 11/1/2012 @ \$11.2621 /day		(GFE #10)	\$146.41	
902. Mortgage insurance premium for 0 months to FHA		(GFE #3)	\$1,767.50	
903. Homeowner's insurance for years				
904.				
905.				
906.				

1000. Reserves Deposited with Lender				
1001. Initial deposit for your escrow account		(GFE #9)	\$419.74	
1002. Homeowner's insurance 9 mo. @ \$66.28 per month	\$596.52			
1003. Mortgage insurance 0 mo. @ \$50.50 per month				
1004. Property taxes				
1005. County Property Tax 2 mo. @ \$143.57 per month	\$287.14			
1006.				
1007. Aggregate Escrow Adjustment	-\$463.92			
1008.				
1009.				
1010.				

1100. Title Charges			
1101. Title services and lender's title insurance to Busy Bee Title		(GFE #4)	\$1,142.70
1102. Settlement or closing fee to Busy Bee Title	\$300.00		
1103. Owner's title insurance			
1104. Lender's title insurance to Busy Bee Title	\$674.00		
1105. Lender's title policy limit \$102,767.00			
1106. Owner's title policy limit			
1107. Agent's portion of the total title insurance premium			
1108. Underwriter's portion of the total title insurance premium			
1109.			
1110.			
1111.			
1112.			

1200. Government Recording and Transfer Charges			
1201. Government recording charges to Busy Bee Title		(GFE #7)	\$130.00
1202. Deed Mortgage \$130.00 Releases			
1203. Transfer Taxes			
1204. City/County tax/stamps Deed Mortgage			
1205. State tax/stamps Deed Mortgage			

Supplemental Closing Instructions

1206.		
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1300. Additional Settlement Charges		
1301. Additional services that you can shop for	(GFE #6)	\$375.00
1302.		
1303.		
1304. Survey to Survey Company	\$375.00 (GFE #6)	
1305.		
1306.		
1307.		

Comparison of Good Faith Estimate (GFE) and HUD-1 Charges	
Charges That Cannot Increase	HUD-1 Line Number
Our origination charge	# 801
Your credit or charge (points) for the specific interest rate chosen	# 802
Your adjusted origination charges	# 803
Transfer taxes	# 1203

Good Faith Estimate	HUD-1
\$1,868.75	\$1,868.75
-\$795.68	-\$795.68
\$1,073.07	\$1,073.07
\$0.00	\$0.00

Charges That in Total Cannot Increase More Than 10%	
Government recording charges	# 1201
Appraisal fee	# 804
Credit report	# 805
Flood certification	# 807
Mortgage insurance premium	# 902

Good Faith Estimate	HUD-1
\$130.00	\$130.00
\$425.00	\$425.00
\$25.00	\$25.00
\$12.00	\$12.00
\$1,600.00	\$1,767.50

Total
Increase between GFE and HUD-1 Charges

\$2,192.00	\$2,359.50
\$167.50	or 7.641%

Charges That Can Change	
Initial deposit for your escrow account	# 1001
Daily interest charges	# 901 \$11.2621 /day
Homeowner's insurance premium	# 903
Title services and lender's title insurance	# 1101
Survey	# 1304

Good Faith Estimate	HUD-1
\$2,262.99	\$419.74
\$159.14	\$146.41
\$0.00	\$0.00
\$1,142.70	\$1,142.70
\$375.00	\$375.00

Loan Terms

Your initial loan amount is	\$102,767.00
Your loan term is	15 years
Your interest rate is	4.000%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$810.66 includes: X Principal X Interest X Mortgage Insurance
Can your interest rate rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of ____%. The first change will be on ____ and can change again every ____ after _____. Every change date, your interest rate can increase or decrease by ____%. Over the life of the loan, your interest rate is guaranteed to never be lower than ____% or higher than ____%.
Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of \$_____.
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, the first increase can be on _____ and the monthly amount owed can rise to \$_____. The maximum amount it can ever rise to is \$_____.
Does your loan have a prepayment penalty?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is \$_____.
Does your loan have a balloon payment?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$_____ due in _____ years on _____.
Total monthly amount owed including escrow account payments	<p><input type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself.</p> <p><input checked="" type="checkbox"/> You have an additional monthly escrow payment of \$209.85 that results in a total initial monthly amount owed of \$ 1,020.51. This includes principal, interest, any mortgage insurance and any items checked below:</p> <p><input checked="" type="checkbox"/> Property taxes <input checked="" type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> _____</p>

Supplemental Closing Instructions

Itemization of Our Origination Fee (Line 801)	
Loan origination fee to Best Bank	\$1,000.00
Underwriting fee to Best Bank	\$375.00
Processing fee to Best Bank	\$300.00
Attorney fee for docprep to PeirsonPatterson, LLP	\$150.00
Appraisal Ordering Fee to Best Bank	\$13.75
Courier Fee to Best Bank	\$30.00

Itemization of Credit/Charge for Specific Interest Rate Chosen (Line 802)	
Credit For Interest Rate to Borrower	\$(795.68)

Itemization of Title Services and Lender's Title Insurance (Line 1101)	
Document preparation to Busy Bee Title	\$45.00
Guaranty Fee to Busy Bee Title	\$5.00
Lenders Title-Endorsements to Busy Bee Title	\$33.70
Title Services-Courier Fee to Busy Bee Title	\$40.00
Endorsement - Tax Deletion to Busy Bee Title	\$20.00
Endorsement-Environmental to Busy Bee Title	\$25.00

B. Per Diem Interest and Escrows:

Per Diem Interest is **11.2621** per day. Collect per diem interest from the date of funding (including date of funding) to **11/1/2012**. Collect from **Borrower(s)** and remit by separate check to **Lender**.

Aggregate Analysis. Borrower must sign enclosed initial escrow account disclosure statement. Collect and illustrate escrows on HUD-1 Settlement Statement according to the top half of the enclosed Aggregate Escrow Entry Sheet. Do not close if "Payments From Escrow Account" is not accurate.

C. Issuance of Separate Checks:

Lender requires the issuance of additional separate checks for the following, which have not been deducted from the loan proceeds.

- Invoice number 2-10-02499 to PeirsonPatterson LLP. For professional services in connection with the preparation of real estate documents. \$150.00

SECTION III. LOAN DOCUMENTS

We are enclosing the following documents in connection with the above-referenced loan. Do not allow anyone to execute the loan documents before the date indicated on the Note. ALL PAPERS MUST BE SIGNED AS THE LEGAL DOCUMENTATION HAS BEEN TYPED. IF YOU HAVE INFORMATION THAT THE TYPED NAMES OR OTHER FACTUAL INFORMATION ARE INCORRECT, PLEASE CONTACT LENDER IMMEDIATELY. All documents requiring execution in the presence of a notary public shall be so executed, and this notary shall complete the proper notary acknowledgment and affix the proper seal to such documents. If there is any question as to the identity of the person executing any document, the responsibility of determining that person's identity is that of the notary public and the Settlement Agent. No corrections, erasures, changes or substitutions may be made to the documents without Lender's prior written approval. Such documents are conditionally delivered to Settlement Agent only for loan settlement and should under no circumstances leave Settlement Agent's possession or control except for delivery to Lender unless Settlement Agent is in receipt of written instructions otherwise from Lender. Powers of Attorney are not allowed unless specifically approved in writing by Lender. If you have information that the typed names are incorrect, please contact Lender immediately. Please follow the respective instructions for the disposition of each document.

Loan Transmittal Memorandum

Assignment of Deed of Trust (MUL) File of record immediately after Security Instrument (Mortgage / Deed of Trust). Return certified copy and original to Lender after recording.

Attorney Invoice Return with payment to PeirsonPatterson, LLP. @ 2310 W. Interstate-20, Suite 100, Arlington, Texas, 76017-1668.

Supplemental Closing Instructions Originals to be signed by Settlement Agent and returned to Lender.

Master Closing Instructions (Texas) Originals to be signed by Settlement Agent and returned to Lender.

Aggregate Escrow Account Entry Use these calculations to establish the initial escrow account.

Initial Escrow Disclosure Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Texas Notice of Penalties for Making False or Misleading Written Statement Borrower(s) must sign. Signatures must be acknowledged. Return Original(s) to Lender. Give Borrower(s) one (1) copy.

Truth in Lending Disclosure Statement Each Borrower must sign original counterpart prior to signing the Note and Security Instrument (Mortgage / Deed of Trust). Return Original and one (1) certified copy to Lender. Give each Borrower one (1) copy.

APR & Finance Charge Summary Give to Borrower(s).

Itemization of Amount Financed Borrower(s) must initial. Return original to Lender. Give One (1) copy to Borrower(s).

Periodic Amortization Schedule Borrower(s) to initial each page of amortization schedule. Return original to Lender.

Multistate FHA Fixed Rate Note Borrower(s) must sign original and initial each page. Return original and one (1) certified copy to Lender. Give Borrower(s) one (1) copy.

Allonge to Promissory Note Attach to note. Return original and one (1) certified copy to Lender.

FHA Deed of Trust (MERS Modified) (TX) The indicated Borrower(s) must sign original Security Instrument (Mortgage / Deed of Trust). Obtain acknowledgements and file original. After recording, return original and one (1) certified copy to Lender. Give Borrower(s) one (1) copy.

Supplemental Closing Instructions

RDR: Renewal and Extension Exhibit Attach the rider to original Security Instrument (Mortgage / Deed of Trust) and file of record. Borrower(s) must sign each page. Return one (1) certified copy.

Assignment and Transfer of Lien After obtaining and receiving executed Assignment and Transfer of Lien, file of record after Deed of Trust. Recorded original to Lender after recording.

Warning Regarding Notice of Right to Cancel ATTENTION CLOSER - Please read.

Notice of Right to Cancel (H-8) - Borrower 1 Give each Borrower two (2) Originals. Borrower must acknowledge (by signature) receipt of Notice(s) at time of consummation. The Borrower must not execute the election until the three (3) day period has expired. Return the Original Notice(s) signed and dated by each Borrower to Lender. Amend and have initialled by all Borrowers the "date of the transaction" on the Notice(s) and Election(s) to reflect the later of the date last Borrower signed or any other condition that is satisfied that is necessary for consummation. Extend the rescission date in paragraph 2 of the Notice(s) by a like amount of days and have initialled by all Borrowers.

Notice of Right to Cancel (H-8) - Borrower 2 Give each Borrower two (2) Originals. Borrower must acknowledge (by signature) receipt of Notice(s) at time of consummation. The Borrower must not execute the election until the three (3) day period has expired. Return the Original Notice(s) signed by each Borrower to Lender. If closing date has changed, amend and have initialled by all Borrowers the "date of the transaction" on the Notice(s) and Election(s) to reflect the later of the date last Borrower signed or any other condition that is satisfied that is necessary for consummation. Extend the rescission date in paragraph 2 of the Notice(s) by a like amount of days and have initialled by all Borrowers.

1st Payment Letter & Mailing Add Cert/Coupons Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Flood Insurance Coverage Subject to Possible Change Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Affidavit of Reasonable Closing Costs-Refinance Borrower(s) must sign and swear to the truth of the matter(s) stated. Signatures must be acknowledged. Return original(s) to Lender. Give Borrower(s) one (1) copy.

Borrower(s) Acknowledgement of Receipt of Disclosures Borrower(s) must acknowledge disclosures indicated therein. Return original to Lender. Give Borrower(s) one (1) copy.

Appraisal Receipt Borrower(s) must complete date and name of appraiser if not already complete. Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Appraisal Report Disclosure Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Attorney Representation Notice Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Borrower Affidavit The indicated Borrower(s) must sign original Security Instrument (Mortgage / Deed of Trust). Obtain acknowledgements and file original. After recording, return original and one (1) certified copy to Lender. Give Borrower(s) one (1) copy.

Borrower's Closing Affidavit Borrower(s) must sign and swear to the truth of the matter(s) stated. Signatures must be acknowledged. Return Original(s) to Lender. Give Borrower(s) one (1) copy.

Certification and Authorization to Release Information Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Change of Address Form (Omni) Title Company must complete this form at closing.

Customer Identification Form (Borrower 1) Borrower must complete and sign. Return original to Lender. Give Borrower one (1) copy.

Customer Identification Form (Borrower 2) Borrower must complete and sign. Return original to Lender. Give Borrower one (1) copy.

Disclosure of Right to Receive a Copy of an Appraisal Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Document Correction Agreement Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Error & Omissions/Compliance Agreement Borrower(s) must sign and signature(s) notarized. Return original to Lender. Give Borrower(s) one (1) copy.

Fair Credit Reporting Act Notice Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Important Notice to Homebuyers Borrower(s) must sign and date. Return original to Lender. Give Borrower(s) one (1) copy.

Mineral Rights Acknowledgment Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Mortgage Fraud Warning FBI Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Name Affidavit - Borrower 1 Borrower(s) must sign and swear to the truth of the matter(s) stated. Signatures must be acknowledged. Return Original(s) to Lender. Give Borrower(s) one (1) copy.

Name Affidavit - Borrower 2 Borrower(s) must sign and swear to the truth of the matter(s) stated. Signatures must be acknowledged. Return Original(s) to Lender. Give Borrower(s) one (1) copy.

Notice of No Oral Agreements All Parties must sign. Return original to Lender. Give each Party one (1) copy.

Notice to Homeowner re Assumption Policy Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Collateral Protection Insurance Notice (Texas) Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

4506-T Cover Sheet

Form 4506-T Request for Transcript LINES 1b, 2b, 6 - 9 MUST BE COMPLETED. *** COMPLETE LINE 4 (if applicable).** Borrower(s) to complete, fully execute and return original to Lender.

W-9 Cover Sheet

Request for Taxpayer Identification Number and Certification - Borrower 1 Each Borrower must complete and sign a separate W-9. Return Original(s) to Lender.

Request for Taxpayer Identification Number and Certification - Borrower 2 Each Borrower must complete and sign a separate W-9. Return Original(s) to Lender.

SECTION IV. ADDITIONAL REQUIREMENTS

Title Insurance.

* Mortgagee's Clause in Title Policy (T-2) must read: "(Lender's name as appearing in the Note), and/or (the Secretary of Housing and Urban Development) (the Administrator of the Department of Veteran's Affairs, an officer of The United States of America) (the Veteran Land Board of the State of Texas), "and each successor in ownership of the indebtedness secured by the insured mortgage, except a successor who is an obligor under the provisions of Section 12(c) of the Conditions and Stipulations" depending on the type of loan as indicated in the Master Closing Instructions.

* Provide T-30 endorsement to the Loan Policy of Title Insurance at the Borrower's expense. Real estate taxes must be shown as being current or as being future taxes that are not yet due and payable. Any situation in which taxes are not current is not acceptable.

* Provide T-36 Environmental Protection Lien Endorsement to Loan Policy of Title Insurance at Borrower's expense. If provided, see Master Instructions No. 4.13(p)

* As to any encroachment that is an exception or any exclusion to coverage with respect to minerals in either Schedule A, Item 2 or Schedule B in the Loan Policy of Title Insurance which falls under the provisions of Procedural Rule 50 of the MANUAL OF RULES, RATES AND FORMS FOR THE WRITING OF TITLE INSURANCE IN THE STATE OF TEXAS ("Texas Title Rules"), the Lender hereby requests that any such matter be insured by providing a T-19 Restrictions, Encroachments, Mineral Rights Endorsement at borrower's expenses. If provided, see Master Closing Instructions 4.13(h).

If, however, the title company does not issue the above-referenced T-19 Restrictions, Encroachments, Minerals Endorsement without amendment for any reason, Lender requests the title company to issue, as applicable and pursuant to Texas Title Rules P-5.1, and P-50.1, its Minerals and Surface Damage Endorsement (T-19.2) if the Property insured is one acre or less and is improved or intended to be improved for one-to-four family residential use. If

the Property is improved or intended to be improved for office, industrial, retail, mixed use retail/residential or multifamily purposes, lender requests that the title company issue the Minerals and Surface Damage Endorsement (T-19.3). Please see Master Closing Instructions 4.13(i), 4.13(j), and 4.18.

* Delete Section 13 of the conditions and stipulations of the Loan Policy of Title Insurance relating to Arbitration.

Corrected Title Commitment. In addition to the requirements contained in the Master Closing Instructions, if provided, the Commitment must be amended as follows: (WE REQUIRE THE FOLLOWING ITEMS WITHIN TWENTY-FOUR HOURS OF THE EXECUTION OF THE DOCUMENTATION.)

Schedule A: Proposed Insured to read "Best Bank" and add FHA verbiage.

Schedule B: Reflect Survey and Tax deletions. Guarantee all taxes are paid current.

Schedule B: Locate and Note ALL Building Lines, Easements and/or Right of Ways on Survey or delete.

Schedule B: Delete Items #10a and 10b

Schedule C: Clear ALL Items. All Liens MUST be paid in full and transfer lien #5. Show LENDER in first lien position.

STRICTLY ADHERE TO THE MASTER CLOSING INSTRUCTIONS.

Provide a full T-19 endorsement without deletion.

Provide all applicable Endorsements @ Borrower's expense.

Provide an amended, original and countersigned Title Commitment, updated within 30 days of closing.

Borrower's HUD-1 Settlement Statement. HUD-1 must reference SETTLEMENT AGENT NAME, ADDRESS and PHONE NUMBER in Section H "Settlement Agent" and at least SETTLEMENT AGENT ADDRESS in "Place of Settlement" box. Three (3) certified copies. The Borrower(s) cannot receive any credit against the Sales Price for repairs or any other matter(s) without Lender's specific approval. Must reflect the name and address, including zip code of the Borrower(s), the Lender and the Settlement Agent.

One (1) Certified Copy of Restrictions and/or Easements. of record is required.

Three (3) Blue Line Copies. of survey are required. One of the surveys is required in Lender's office prior to funding. Each Borrower must sign and date the other two (2) surveys. Return the two (2) signed and dated surveys to Lender with the remainder of the submission package. See Master Closing instructions regarding survey requirements.

FHA Certificate of Commitment. Borrower(s) must sign. Return Original to Lender. Give Borrower(s) one (1) copy.

Loan Application. Borrower(s) must sign. Return Original to Lender. Give Borrower(s) one (1) copy.

Survey. Obtain a survey. Follow requirements of the Master Closing Instructions if provided. Determine that the description matches the Property description used in the loan documents. New or existing, whichever is applicable.

Lender's Privacy Requirements. Maintaining public confidence is important to the success and well-being of Lender. Additionally, Lender is bound by certain state and federal laws and regulations that require Lender and Lender's employees to transact business mindful that information shall be properly safeguarded. These closing instructions hereby put Settlement Agent on notice that the laws, regulations and safeguards that apply to Lender and its employees equally apply to vendors, agents and service providers [VASPs] of Lender. In conducting the business of Lender, certain customer information is obtained, used, created, stored and disposed. It is expected and required that all persons or entities with access to Lender's customer information shall keep that information confidential. VASPs are not authorized to access Lender's customer information except as is minimally necessary to complete assigned work. VASPs are not to make unauthorized copies of customer information. VASPs are not to discuss customer information with anyone other than authorized persons. Casual conversation about customers and customer information is prohibited and should be avoided even with other VASPs or Lender employees. VASPs shall not sell or otherwise share any customer information with any third party persons or companies. It is understood by Settlement Agent that Lender's customer information shall only be obtained, used, stored and disposed by methods and means that are necessary and permitted in order to conduct the business of Lender and Settlement Agent. All such access shall be in a safe guarded manner consistent with Lender's business practices and generally accepted professional business standards.

Other Items:

- **Borrower(s) must complete Social Security Number(s) or Tax ID number on any applicable documents.**
- **Provide any and all other state specific documents necessary to properly close and insure this transaction.**
- **HUD-1 must reference SETTLEMENT AGENT NAME, ADDRESS and PHONE NUMBER in Section H "Settlement Agent" and at least SETTLEMENT AGENT ADDRESS in "Place of Settlement" box.**
- **Name Affidavit for Borrower(s)**
- **Borrower(s) to sign 1003, 4506-T & W9**
- **CIP for Co-B (Home#)**
- **Escrows are required on all loans with LTV/CLTV/HCLTV greater than 80% unless waived by CCO in writing and an exception for escrows being logged by U/W. (Note: Escrows are to include all HOI, Taxes, HO-6 coverage and MI. Partial coverage will not be allowed and cannot be waived.)**
- **Borrower(s) are to sign and date returns at closing.**
- **3 Day Right of Rescission required on this loan.**
- **According to information provided to Lender, settlement agent will charge Borrower(s) an escrow fee of \$300.00 and a wire/courier/Fed-X fee (to meet Lender's requirements) of \$40.00. Do not increase or decrease these fees without Lender's prior written consent. These fees have been included as a prepaid finance charge in Borrower(s)' Truth in Lending Disclosure.**
- **Fax HUD-1 to (817) 737-6713 for review and approval PRIOR to closing.**
- **Hazard Insurance Mortgagee Clause to read as follows: Best Bank, its successors and/or assigns, Loan # 123456.**
- **NO CASH BACK TO BORROWERS.**
- **Title Company to complete the enclosed Borrower's Closing Affidavit (#6 on Page 3 Hold Harmless) with ANY/ALL ADDITIONAL Survey violations, if any. Return executed original to Lender.**

SECTION V: LOAN FUNDING

All papers must be signed as the legal documentation has been typed. If you have information that the typed names or other factual information are incorrect, please contact Lender immediately. All fees and charges required to be paid and known by Settlement Agent must be reflected on the Settlement Statement. The Settlement Statement must be faxed to Lender for approval prior to Closing. After Lender approval, no charges or fees can be added to the Settlement Statement without lender's written consent. The loan must close and fund by the Document Expiration Date indicated on page one of these Instructions. Do not file the Deed of Trust prior to

Supplemental Closing Instructions

Lender's funding authorization. The Closing of this loan is contingent upon the Sales Price captioned herein being true and correct. Should you have information indicating a lesser Sales Price or any secondary financing not shown above, do not close this loan and contact Lender immediately.

- **No Table Funding. Return the entire closing package to Lender for review and approval within the Rescission Period.**

The escrow agent shall prepare the HUD-1 Settlement Statement in accordance with these instructions and provide it to us for our approval at least 24 hours before the real estate settlement transaction is closed. Then, the escrow agent shall close the transaction and disburse funds only in accordance with the approved HUD-1 Settlement Statement. If any party to the transaction requests that his/her funds be disbursed in any manner different from the approved HUD-1, the escrow agent shall advise us of the request and obtain prior approval from us before any funds are disbursed in a manner different from the approved HUD-1 Settlement Statement.

SUBJECT TO ANY LIMITATIONS IMPOSED BY PROCEDURAL RULE P-35 OF THE BASIC MANUAL OF TITLE INSURANCE IN THE STATE OF TEXAS, THE UNDERSIGNED AS AUTHORIZED AGENT FOR SETTLEMENT AGENT HEREBY ACKNOWLEDGES RECEIPT OF AND AGREES TO FOLLOW ALL THE TERMS CONTAINED IN THESE SUPPLEMENTAL CLOSING INSTRUCTIONS, THE COMMITMENT FOR TITLE INSURANCE ISSUED FOR THIS LOAN AND THE MASTER CLOSING INSTRUCTIONS WHICH ARE INCORPORATED HEREIN BY REFERENCE PRIOR TO THE REQUEST FOR LOAN FUNDING, UNLESS OTHERWISE AUTHORIZED HEREIN. THIS ACKNOWLEDGEMENT DOES NOT OTHERWISE IMPLY A CERTIFICATION OR GUARANTY OF FACT, INSURANCE COVERAGE OR CONCLUSION OF LAW.

Busy Bee Title

By: _____

Settlement Agent Signature

[ORIGINAL SIGNATURE, NOT STAMP, REQUIRED AS A CONDITION OF FUNDING.]

MASTER CLOSING INSTRUCTIONS

Loan # 123456
FHA Case # 000-444-555555

These Master Closing Instructions are for closing the loan referenced in the Supplemental Closing Instructions. Do not proceed unless you accept full responsibility for following these instructions. All Master and Supplemental Closing Instructions must be strictly followed. Do Not Close The Loan Otherwise. Have any questions answered prior to commencement of closing. Any modifications must be in writing and signed by the Lender. SETTLEMENT AGENT IS NOT AUTHORIZED TO MAKE ANY CHANGES ON THE NOTE, SECURITY INSTRUMENT OR TRUTH-IN-LENDING DISCLOSURE STATEMENT. THE DOCUMENTS MUST BE REORDERED BY THE LENDER.

If any ambiguities, obvious errors, or questions arise in connection with the loan or any matter contained in the Master or Supplemental Closing Instructions, the Closing Coordinator specified in the Supplemental Closing Instructions must be contacted prior to closing. The Settlement Agent will be liable for losses incurred by the Lender as a result of the agent closing the loan with knowledge that errors were contained in any documents or instructions. If the Settlement Agent determines that the loan cannot be closed in accordance with these Master Closing Instructions, do not proceed to closing without further instructions from the Lender. An attempt has been made to provide complete and correct forms necessary to close the loan. However, if any required forms are missing, obviously incorrect, or obsolete, contact the Lender.

1. FRAUD PREVENTION.

- 1.1 Settlement Agent has special knowledge that the Lender cannot obtain from any other source. Lender is relying on Settlement Agent to communicate any material information, such as, by way of example, an adverse change of the value or title of the property, changes to the sales contract (if purchase), changes to the financing, bankruptcy, or enforcement of creditor's rights are material to Lender. If Settlement Agent receives any such material information, the Settlement Agent shall suspend loan closing and immediately disclose the information to Lender.
- 1.2 If Settlement Agent has knowledge that anyone in Settlement Agent's office is a party to the transaction, is a family member or relative of any of the parties to the transaction, or has a conflict of interest, obtain Lender's written consent before closing.
- 1.3 If Settlement Agent has reason to believe there is a fraud or scheme related to the transaction, Settlement Agent shall suspend loan closing and immediately contact Lender.
- 1.4 Information related to the Borrower, Seller, Real Estate Broker, Builder, Mortgage Broker, Title Insurer, Settlement Agent, or property may be a material inducement to Lender for making the loan. If Settlement Agent knows any party to the transaction made a material misstatement or discovers a falsehood, Settlement Agent shall suspend the closing and immediately contact the Lender.
- 1.5 If Settlement Agent has knowledge or belief that any document has been tampered with, falsely generated, bears an incorrect or falsified date, bears different names and addresses for the same party, bears a fictitious name, or a party's handwriting is inconsistent throughout the file, suspend closing and immediately contact the Lender.

- 1.6 If the Borrower or Seller appear to be coerced, under undue influence, or lack capacity to understand the transaction, suspend closing and immediately contact the Lender.
- 1.7 The Borrower(s) must appear to be able to read the loan documents and the nature of the transaction.
- 1.8 To comply with the US Patriot Act, the Bank Secrecy Act, and regulations promulgated by the Secretary of the Treasury, Lender has established a customer identification program. The reason for this program is to ascertain and verify the Borrower's, and any Signatory's, true identity. To this end, and because the Settlement Agent has face-to-face contact with the Borrower, perform the following activities for each Borrower and Signatory:
- (a) explain to the Borrower that information is being obtained to verify identity;
 - (b) complete the Identity Affidavit, either electronically or manually, in accordance with the instructions accompanying it;
 - (c) for U.S. residents, obtain a copy of an **unexpired** government-issued identification that bears a photograph or similar safeguard;
 - (d) for non-U.S. residents, obtain a copy of one or more of the following: a copy of an **unexpired** government-issued document evidencing nationality or residence and bearing a photograph; and/or an **unexpired** passport with passport number and country of issuance; and/or an **unexpired** alien identification card;
 - (e) if a customer is unable to produce an unexpired form of identification, contact the Lender for assistance in independently verifying the true identity of the customer;
 - (f) for corporations, partnerships, trusts, and other persons that are not individuals, obtain from the state of incorporation certification of good standing and a copy of the authorizing resolution duly certified by a corporate official, a government-issued business license, Partnership Agreement, or Trust Agreement;
 - (g) if Settlement Agent cannot form a reasonable belief that the true identity of the Borrower is known, suspend closing and immediately contact the Lender; and
 - (h) include in the closing package returned to Lender copies of all identifying information provided by the Borrower, copies of all documents relied on to establish the Borrower's true identity, and any documents pertaining to the resolution of any discrepancy in the identifying information obtained.
- 1.9 Settlement Agent must obtain Borrower's acknowledgement supplied by Lender, that no third party is paying the Borrower to lend credit or identity to the transaction.
- 1.10 If Settlement Agent has knowledge that there is, or will be, a "silent second mortgage" placed on the property, or that any monies Borrower is required to pay or deposit at closing are not from the Borrower's own funds or a bona fide gift, the Settlement Agent shall suspend loan closing and immediately contact Lender.
- 1.11 Settlement Agent is only to accept Borrower funds from Borrower's deposited accounts in the financial institutions verified and disclosed on Fannie Mae Form 1003, Freddie Mac Form 65, or from the account and institution specified elsewhere in these Closing Instructions. Settlement Agent must verify the source of funds; if Borrower funds come from a different institution or an out-of-state institution, suspend closing and immediately contact Lender.
- 1.12 All funds must pass through escrow and should be noted on the HUD-1 Settlement Statement.

Copies of down payment checks or funds needed to close must be sent to Lender. The name and address on the deposit check must match Borrower's name and address.

- 1.13 If the property has been subject to a closing within one year of the current transaction, Settlement Agent is to contact Lender and obtain Lender's written consent to close. Settlement Agent must obtain Lender's written consent to close if there have been any transfers of the property within the last 180 days.
- 1.14 If this is an owner-occupied property transaction and Settlement Agent has knowledge of the Borrower owning and occupying another residence not subject to sale, or that the Borrower does not intend to occupy the property, the Settlement Agent shall obtain the written consent of Lender.
- 1.15 If the Mortgage Broker and the property Seller are the same, or the Settlement Agent has knowledge that are owned or controlled by the same person, do not proceed with closing and immediately contact Lender.
- 1.16 Immediately inform the Lender if the Borrower had a former interest in the property, or if other parties to the transaction such as the Real Estate Agent, Mortgage Broker, Appraiser, or Settlement Agent had an interest in the property.
- 1.17 If a business entity is acting as the Seller, confirm that the Borrower does not control, and is not related to, the Owner or the Seller.
- 1.18 If this is a purchase transaction, have Borrower confirm a property inspection has occurred on form supplied by Lender; if no real estate commission is payable, provide the Lender with an explanation if the sales contract provides otherwise.
- 1.19 If the real estate commission appears excessive for the market area, contact the Lender prior to closing.
- 1.20 All Borrowers must execute IRS Form 4506.
- 1.21 Confirm the preliminary Title Commitment or Binder is correct for insuring purposes, or issue a corrected Title Commitment or Binder to Lender. Immediately contact the Lender if the owner, as shown on the Title Commitment, is different from the Seller on the Purchase Contract. The sale must not be subject to Seller acquiring title.
- 1.22 Settlement Agent must be an approved agent with the Title Insurer whose name appears on the Title Commitment and Binder.
- 1.23 If there are material or significant changes to the sales price or the escrow, Lender must approve the same prior to closing. Confirm the sales price on the contract matches the sales price on the HUD-1 Settlement Statement.
- 1.24 If the property tax assessment is less than or greater than 10% of the sales price, contact Lender, if other than new home sale.
- 1.25 Contact Lender immediately if there are any unusual payouts denoted on the Seller's column on

the HUD-1 Settlement Statement.

- 1.26 Settlement Agent must sign the HUD-1 or HUD-1A Settlement Statement.
 - 1.27 Settlement Agent must sign the Closing Instructions to acknowledge receipt and to affirm that the Settlement Agent has read, understood and accepts all conditions of conducting the settlement.
 - 1.28 Borrower must sign all verification documents and certify that the information in the verifications is accurate.
 - 1.29 Settlement Agent must return recordable documents and the final Title Policy in a timely manner, but no later than 30 days from the date of closing. Failure to deliver these documents in a timely manner will result in a claim being filed with the Title Insurer.
 - 1.30 Do not allow the Borrower to sign any document containing blanks.
 - 1.31 If actual settlement charges on the HUD-1 Settlement Statement exceed the Good Faith Estimate supplied at closing by 10% or more, contact the Lender prior to closing.
 - 1.32 If the legal documents are incomplete or inconsistent with other information in the mortgage file, immediately contact the Lender.
 - 1.33 Ensure all documents have proper signatures.
 - 1.34 **The escrow agent shall prepare the HUD-1 Settlement Statement in accordance with these instructions and provide it to us for our approval at least 24 hours before the real estate settlement transaction is closed. Then, the escrow agent shall close the transaction and disburse funds only in accordance with the approved HUD-1 Settlement Statement. If any party to the transaction requests that his/her funds be disbursed in any manner different from the approved HUD-1, the escrow agent shall advise us of the request and obtain prior approval from us before any funds are disbursed in a manner different from the approved HUD-1 Settlement Statement.**
2. **INSURED CLOSING.** Request is hereby made pursuant to Article 9.49 of the Texas Insurance Code that an Insured Closing Service Letter in the form authorized by the State Board of Insurance be issued in connection with the closing and settlement of the loan closing through an agent for a title insurance company authorized to do business in the State of Texas. All Settlement Agents should confirm that such a letter is on file with the Lender before closing the loan.
 3. **CLOSE AS INSTRUCTED AND REQUIRED.** As Settlement Agent, you must close the transaction in strict accordance with these Closing Instructions. If this transaction involves a sale, all applicable terms and conditions of the sales contract furnished to Lender must be followed. Immediately advise the Lender if any of the sales contract provisions conflict with these Closing Instructions. Immediately advise the Lender of any recent (within the last year (1 year)) or impending change in ownership or material change in the sales price or valuation. Approval must be granted by the Lender prior to closing. Prior to request for funding, you must have written authorization from Lender approving any deviation from the Master and Supplemental Closing Instructions. No credits, debits, secondary financing, or third party contributions are allowed unless specifically authorized in the Supplemental Closing Instructions. All

persons signing both the note and the deed of trust must be vested in title unless the Lender indicates that an individual is acting pro forma or as a cosigner or guarantor.

4. **TITLE COMMITMENT AND POLICY.** The title policy must be written through the same company that issued the Commitment for Title Insurance (“Title Commitment”) previously furnished to the Lender. Lender’s loan documents have been prepared based upon the Title Commitment. If the Title Commitment does not comply with the following requirements, Settlement Agent must either (i) amend it, (ii) provide a new Title Commitment, or (iii) agree to provide Lender a subsequent Loan Title Policy (“Title Policy”) in accordance with the following requirements:

- 4.1 The date of the Title Commitment may not be more than ninety (90) days before the settlement date. If the Title Commitment has expired, do not close the loan, and contact the Lender immediately. The Title Commitment must have an authorized counter signature.
- 4.2 The Title Policy must insure a first and superior deed of trust lien. The Short Form Residential Mortgage Policy (T-2R) may be issued if available and requested by the Lender. Procedural Rule P-51 regulates the Title Policy.
- 4.3 The “Proposed Insured” must read exactly as Lender’s loan documents, with the following additional phrase:

If a Conventional Loan: “And each successor in ownership of the indebtedness secured by the insured mortgage except a successor who is an obligor under the provisions of Section 12(C) of the Conditions and Stipulations.”

If an FHA Loan: “And/or the Secretary of Housing and Urban Development of Washington, D.C., and each successor in ownership of the indebtedness secured by the insured mortgage except a successor who is an obligor under the provisions of Section 12(C) of the Conditions and Stipulations.”

If a VA Loan: “And/or the Administrator of Veterans Affairs, an Officer of the United States of America, and each successor in ownership of the indebtedness secured by the insured mortgage except a successor who is an obligor under the provisions of Section 12(C) of the Conditions and Stipulations.”

If a Texas Veteran Land Board Loan: “And/Or the Veteran Land Board of TEXAS, and each successor in ownership of the indebtedness secured by the insured mortgager except a successor who is an obligor under the provisions of Section 12(C) of the Conditions and Stipulations.”

- 4.4 The amount of the coverage in the Title Policy should at least equal the loan amount indicated in the Supplemental Closing Instructions. If the loan has either capitalized interest or negative amortization, the coverage should equal the highest outstanding balance indicated in the loan documents, not to exceed one hundred twenty-five percent (125%) of the original principal amount.
- 4.5 “Title to the estate or interest in land is insured as vested in” in the Title Policy (Loan Policy of Title Insurance) must exactly match the Borrower’s name(s) indicated on the loan documents.
- 4.6 The legal description in the Title Policy must conform to the loan documentation and the survey.

- 4.7 The “estate or interest in land that is insured as encumbered by the insured mortgage” stated in the Title Policy (Loan Policy of Title Insurance) must read FEE SIMPLE unless provided otherwise in the Supplemental Closing Instructions. The Title Policy (Loan Policy of Title Insurance) must insure against any loss or damage sustained or incurred by reason of a lack of a right of access to and from the land. Any easements providing access to the property must be insured as part of the estate, and not shown as an exception on Schedule “B.”
- 4.8 Item 2 of Schedule “B” must read “shortages in area.”
- 4.9 The portion of Schedule “B,” Number 5, which refers to “subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership” must be deleted pursuant to Procedural Rule P-20 and Rate Rule R-19. The following language “Company insures that standby fees, taxes, and assessments by any taxing authority for the applicable year are not yet due and payable.” must be added to the standard tax exception, pursuant to Procedural Rule P-29 and Rate R-24. The Borrower should pay the expense associated with such coverage.
- 4.10 Any easement, encroachment, and right-of-way or restriction constituting an exception must be specifically described on Schedule “B.” Any easement or right-of-way indicated on Schedule “B” must be located on the survey unless Lender approves otherwise. If the survey does not show easements which are on the Title Commitment, either (i) remove said item(s) from Title Commitment or (ii) have surveyor locate and identify on amended survey and obtain Lender’s approval of said location. A surveyor’s letter is not sufficient in lieu of removing the exception.
- 4.11 Remove any “visible and apparent” or similar exception to coverage. Remove any “rights to parties in possession,” “tenants in possession,” or similar exceptions to coverage unless such exception has been specifically authorized in the Supplemental Closing Instructions.
- 4.12 All items mentioned on Schedule “C” of the Title Commitment must be disposed of prior to requesting funding authorization. By disbursing the loan funds, Settlement Agent certifies to Lender that all matters disclosed on Schedule “C” will be paid or disposed of to the satisfaction of the title insurer prior to the date of the issuance of the Title Policy, and that no exceptions for any item on Schedule “C” will be contained therein.
- 4.13 TLTA Endorsements: Provide all appropriate endorsements and collect all corresponding premiums and expenses from among the following, as promulgated by the Texas Department of Insurance in the currently effective “Basic Manual of Rules, Rates, and Forms for the Writing of Title Insurance in the State of Texas”:
- (a) T-2R Short Form Residential Policy of Title
 - (b) T-3 General Endorsement
 - (c) T-4R Residential Leasehold Endorsement
 - (d) T-5 Leasehold Mortgagee Policy Endorsement
 - (e) T-13 Mortgagee Title Policy Binder on Interim Construction Loan
 - (f) T-16 Mortgagee Policy Aggregation Endorsement
 - (g) T-17 Planned Unit Development Endorsement
 - (h) T-19 Restrictions, Encroachments, Minerals Endorsement
 - (i) T-19.2 Minerals and Surface Damage Endorsement
 - (j) T-19.3 Minerals and Surface Damage Endorsement

- (k) T-30 Tax Deletion Endorsement
 - (l) T-31 Manufactured Housing Endorsement
 - (m) T-31.1 Supplemental Coverage Manufactured Housing Unit Endorsement
 - (n) T-33 Adjustable Mortgage Loan Endorsement
 - (o) T-35 Revolving Credit Endorsement
 - (p) T-36 Environmental Protection Lien Endorsement
 - (q) T-38 Mortgage Policy of Title Insurance P-9.b.(3) Endorsement Form
 - (r) T-39 Balloon Mortgage Endorsement
 - (s) T-42 Equity Loan Mortgage Endorsement
 - (t) T-42.1 Supplemental Coverage Equity Loan Mortgage Endorsement
 - (u) T-43 Texas Reverse Mortgage Endorsement
 - (v) T-47 Residential Real Property Affidavit
- 4.14 (a) If the Title Commitment references any restrictions containing homeowners association dues, maintenance charges, and/or assessment language, Lender requires that such lien(s) be itemized and shown in Schedule "B." The Settlement Agent must obtain a letter signed by a representative of the homeowners association, or appropriate entity, indicating that there are no past due homeowners association fees, maintenance charges or assessments.
- (b) If the maintenance charge or assessment is not subordinated to the Lender's lien, do not close the loan without Lender's written authorization. If Lender authorizes the closing, obtain a letter from the appropriate entity agreeing to provide Lender or its assigns with notice of any default or unpaid dues, charges or fees. In addition, the holder of any superior encumbrance must agree in writing to provide the Lender or its assigns with sixty (60) days advance notice (at Lender's address as set forth in the deed of trust or a different address if so provided) of any pending sale, foreclosure action, or litigation regarding the property.
- 4.15 Unless provided to the contrary in the Supplemental Closing Instructions, the property may not be located on a private road, and there may not be any limitations or conditions affecting access to a public road.
- 4.16 Without Lender approval, no exceptions may be taken for adverse possession claims, bankruptcies, fraudulent transfers, filed lis pendens claims, unpaid liens or assessments. Provided that an acceptable survey is furnished to the Settlement Agent, **no exception may be taken** for any titles or rights asserted by anyone to tidelands; or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans; or to any land extending from the line of mean low tide to the line of vegetation; or to lands beyond the line of the harbor or bulkhead lines as established or changed by any government; or to filled-in lands; or artificial islands; or to riparian rights; or the rights or interests of the State of Texas or the public generally in the area extending from the line of mean low tide to the line of vegetation or their right of access, thereto, or right of easement along and across the same without locating a vegetation line on the survey without obtaining Lender's written consent to closing the transaction. Any inspection fees required for such coverage must be paid by the Borrower.
- 4.17 If a Title Policy (Loan Policy of Title Insurance) is issued to include the cost of immediately contemplated improvements, an exception may be made for any and all liens arising by reason of unpaid bills or claims for work performed or materials furnished in connection with improvements to be placed on the property. An exception may also be taken for "pending

disbursements.” Upon completion of the improvements, the owner’s acceptance thereof and satisfactory evidence that all bills for labor and materials have been paid, those exceptions must be eliminated from the Title Policy, and mechanics’ and materialmen’s lien coverage amended by issuance of the appropriate endorsement, the cost of which shall be paid by the Borrower. In no other event are such exceptions acceptable. If a satisfactory survey is required, after completion of the contemplated improvements to provide the survey coverage provided in Procedural Rules P-16 and P-2, then collect the cost of obtaining such survey from the Borrower at closing.

- 4.18 If, pursuant to Rule P-5.1 of the Basic Manual of Rules, Rates and Forms for the Writing of Title Insurance in the State of Texas ("Texas Title Rules"), either an exclusion to coverage is made in Schedule A, Item 2 or an exception to coverage is made in Schedule B, the lender hereby requests pursuant to Rule P-50.1 of the Texas Title Rules for the title company to issue its Minerals and Surface Damage Endorsement (T-19.2) if the Property insured is one acre or less and is improved or intended to be improved for one-to-four family residential use. If the Property is improved or intended to be improved for office, industrial, retail, mixed use retail/residential or multifamily purposes, lender requests that the title company issue the Minerals and Surface Damage Endorsement (T-19.3).
 - 4.19 If a mineral lease term has expired, no exception may be made for mineral leases. If the lease term is still in effect, there must be a designated drilling site or an Affidavit of Non-Production must be signed by the seller/owner of the property.
 - 4.20 If an exception is being taken for a joint drive-way, or party or common wall agreement filed of record, the agreement must be approved by Lender prior to closing.
 - 4.21 The effective date of the Title Policy must be the date of the recording of the security instrument(s). If any documents must be re-recorded, the Settlement Agent agrees to provide an endorsement showing both the original and re-recorded documents.
 - 4.22 In the refinance of homestead property, the Title Policy must not take exception to outstanding liens, which must be paid in full. The outstanding principal balance, including accrued but unpaid interest on an existing mechanic’s lien or deed of trust, must not be less than Lender’s loan amount excluding financed closing costs. Any balance owing at the time of closing on the existing lien which is being renewed and extended must be paid in full.
 - 4.23 If the Owner’s Title Policy is rejected by Borrower, the Borrower must sign a rejection statement acknowledging that the Mortgage Title Policy does not provide title insurance to the Borrower.
 - 4.24 **NO REVERSIONARY INTEREST, RIGHTS OF FIRST REFUSAL, OR RIGHTS OF RE-ENTRY THAT COULD RESULT IN A FORFEITURE OF TITLE OR ANY PART OF TITLE TO THE PROPERTY WHICH IS NOT SUBORDINATED TO LENDER’S INSURED LIEN ARE ALLOWED.**
 - 4.25 Delete Section 13 of the Conditions and Stipulations relating to arbitration.
 - 4.26 **Title Policy must be received by Lender no later than 30 days from date of closing.**
5. **SURVEY REQUIREMENTS.** On all loans covering individual units and approved PUDs, one (1)

original location survey certified by a licensed surveyor will be required prior to issuing closing papers. The following survey requirements must be met:

- 5.1 Survey must be no more than 120 days old as of the date of closing.
 - 5.2 Survey must show the location of buildings, driveways, fences, easements, encroachments, setback lines, beginning point, relation to adjacent properties and street intersections, north point, surveyor's original seal, lot and block number, recorded map information and indicate where property abuts public street with permanent access.
 - 5.3 Survey must contain certification by surveyor as to whether property is located in a flood hazard area. If survey indicates flood insurance is required, refer to paragraph on Flood Insurance Requirements. If survey does not contain certification as to flood insurance, a separate certification must be furnished from the surveyor.
 - 5.4 If the survey shows a discrepancy from the property description of more than 2% in the front lot line or 5% in any other lot line, or a change in the description from that appearing in the Supplemental Closing Instructions, you should obtain the Lender's approval prior to closing.
 - 5.5 The Survey must show the name of the Borrower.
 - 5.6 For Condominium Loans, a copy of the recorded map showing the location of the unit is required in lieu of a Survey.
6. **HAZARD INSURANCE.** A comprehensive Texas Homeowner's Form-B policy insuring the property in an amount at least equal to the loan amount is required.
- 6.1 The original hazard insurance policy with the first year's premium paid receipt must be obtained by Settlement Agent prior to disbursement. Binders are not acceptable unless: (a) (i) issued by a "licensed local recording agent" (as defined by of the Texas Insurance Code), who has been (ii) appointed to represent and (iii) authorized to issue binders by the insurance company whose name appears on the binder, and (iv) such agent has furnished appropriate evidence to the Lender confirming (i) through (iii) above;
(b) the binder is accompanied by evidence of payment of the required premium; and (c) the binder will be replaced by an original insurance policy for the required coverage within 30 days of the date of issuance of the binder. The property's legal description, street address, city, county, state, zip, and Borrower's name indicated on the hazard insurance binder and hazard insurance policy must be identical to that contained within the loan documents. Unless instructed otherwise in the Supplemental Closing Instructions, the mortgagee clause of the binder and hazard insurance policy should exactly match the name and address of Lender indicated in the deed of trust, unless a different Lender name and address is specified in the Supplemental Closing Instructions. Additionally, the loan number must be included on the binder and hazard insurance policy. If any errors are found, the Settlement Agent agrees to obtain, prior to funding, a binder or endorsement correcting such error.
 - 6.2 The Settlement Agent must confirm that the hazard insurance obtained by the Borrower is through a company acceptable to the Lender prior to closing. The binder and policy inception date must be on or before the date of the loan documents. The binder and policy must be signed by the insuring agent, and not contain any coinsurance clauses.

- 6.3 On condominium units, provide an original Certificate of Insurance with the original signature of the insuring agent. The certificate must be dated prior to or on the date of disbursement.
- 6.4 Lender does not escrow for hazard insurance for condominium loans, but will require the Settlement Agent to obtain: (i) an endorsement showing that the condominium unit (property) is included in the condominium association's master fire insurance policy; (ii) an acceptable endorsement adding Lender to the mortgagee clause; (iii) evidence of fidelity insurance on the Owners Association; and (iv) evidence that the policy was in effect on or before the date of the loan documents.
7. **FLOOD INSURANCE.** If any portion of the property is located within a Flood Hazard Area (Zone A or V), flood insurance is required.
- 7.1 Either the original flood insurance policy or a copy of the application, along with the paid receipt for the first year's premium, must be obtained before disbursement. The insured amount should be the lesser of the loan amount or maximum amount obtainable.
- 7.2 The property's legal description, street address, city, county, state, zip, and Borrower's name indicated on the flood insurance policy must be identical to that contained within the loan documents. The mortgagee clause of the flood insurance policy (unless instructed otherwise in the Supplemental Closing Instructions) must exactly match the name and address of Lender indicated in the deed of trust.
8. **TRUTH-IN-LENDING.** All closings are subject to compliance with the Truth-in-Lending Act and Regulation Z, as amended. The Settlement Agent is expected to be familiar with Regulation Z. As required under the Truth-in-Lending Act and Regulation Z, a Disclosure Statement with estimates has been delivered to the Borrower(s) within three (3) days of loan application. It is the Lender's practice to make a new Truth-in-Lending Disclosure Statement at closing, based on exact figures. If the closing will take place on a day other than that set forth in the Truth-in-Lending Disclosure Statement, call the Closing Coordinator for correct figures and information. Prior to consummation, a copy of the Truth-in-Lending Disclosure Statement must be provided to the Borrower(s) for keeping by the Borrower(s). The completed Truth-in-Lending Disclosure Statement must be signed by the Borrower(s) at closing prior to the execution of any of the other documents. The Borrower(s) must be given a copy of this Disclosure Statement. Contact the Closing Department if any portion of the Truth-in-Lending Disclosure Statement appears to be inaccurate.

RIGHT OF RESCISSION: When a loan is closed to refinance a lien on the Borrower's primary residence, the Borrower has the right to rescind the transaction until midnight of the third business day following the signing of all closing documents. **The Settlement Agent is not authorized to accept a rescission on behalf of the Lender, unless required by state law.**

Three (3) business days prior to disbursement of the loan, the Settlement Agent shall give a completed copy of the security instrument and two (2) copies of the Notice of Right of Rescission to each obligor (and each person holding an ownership interest in the property subject to the security interest). If an Election Not to Cancel or Rescind was provided, it must be signed and dated by each obligor after three (3) business days have elapsed, then the disbursement of the loan may be completed. The Notice of Right of Rescission forms containing the executed Election Not to Cancel or Rescind must be forwarded to the Lender with the other closing documents. **The rescission period may not be waived unless approved in**

writing by the Lender.

If any of the Signatories elect to rescind the transaction, do not disburse funds. **Take no further action except** to immediately notify the Lender and return loan proceeds. Right of Rescission forms, where applicable, should be completed, executed, and enclosed with the loan document package.

9. **TERMITE CERTIFICATION.** A wood destroying insect report authorized in the jurisdiction in which the property is located, signed by the inspector, and showing no active infestation or proof of treatment for the property which does show active infestation must be furnished prior to closing for homes over one (1) year old. A Termite Soil Treatment Guarantee must be furnished prior to closing for newly constructed homes (one (1) year and under). **Applicable only if requested in Supplemental Closing Instructions Section IV. Additional Requirements.**
 - 9.1 All structures on the property, including any detached garage, must be inspected. The report must not be more than ninety (90) days old and must contain a certification that the property is “free from evidence of active infestation, infection or adverse conditions.”
 - 9.2 On Conventional, FHA and VA insured loans, the Borrower must sign the Texas Wood Destroying Insect Report.
10. **HUD-1 SETTLEMENT STATEMENT.** Furnish three (3) certified copies of the HUD-1 Settlement Statement with original signatures by Borrower, Seller and Settlement Agent.
 - 10.1 The HUD-1 Settlement Statement form promulgated by the U.S. Department of Housing and Urban Development with a certification that it reflects an accurate statement of all receipts and disbursements must be used in all transactions (including refinance loans). For loan with no Seller, use the HUD-1A Settlement Statement form.
 - 10.2 The HUD-1 or HUD-1A Settlement Statement must be typed. The type of loan, general file number, loan or process number, and mortgagee insurance case number, if applicable, must be indicated. The correct name and address, including street, city, county, state, and zip code must be shown for Borrower, Seller, Lender and Settlement Agent. The settlement date should be the date that the security instrument/deed of trust becomes effective as between the Borrower and the Lender. The date funding is authorized by the Lender must also be shown.
 - 10.3 Recording fees must itemize the charges for each instrument being recorded. Property taxes must be broken down for each taxing authority paid. If taxes are assessed at an unimproved and improved rate during the tax year, indicate on the HUD-1 Settlement Statement the charges as follows: “Unimproved taxes for ____ months at \$____; and improved taxes for ____ months at \$____.”
 - 10.4 All settlement charges listed on page 2 of the HUD-1 Settlement Statement must show the party to whom the charge is paid. All POCs (Paid Outside of Closing items) must be shown on the HUD-1 Settlement Statement. Unless indicated otherwise in the Supplemental Closing Instructions, collect per diem interest from the date of funding authorization (not the date of execution of the documents) up to and including the end of the month in which the loan closed. Do not collect per diem interest for the first day of the month following the closing. Interest charges must be accurately reflected in the HUD-1 Settlement Statement. If necessary, amend and initial the statement to reflect the correct funding date, interest amount due, and totals.

10.5 Borrower(s) must pay all recurring closing costs (i.e., "prepaids") at closing on FHA and conventional loans. Recurring closing costs include prorated and escrow reserves for taxes, initial premium and escrow reserves for hazard insurance, flood insurance and mortgage insurance premiums and per diem interest. On VA transactions, and only if specified in the sales contract, the Seller is allowed to pay for Borrower's prepaid items. Regardless of any contrary statement in these Master Closing Instructions, on FHA and VA loans, Borrower must not be allowed to pay more than the government allowed closing costs. If you have any doubt or question regarding what is an appropriate FHA or VA closing cost, please contact the Lender. On FHA and VA refinances, Borrower must at least pay the prepaids IN CASH at closing. If escrow accounts are waived, there must be a hazard insurance policy for twelve (12) months (with a paid receipt) in effect at closing.

10.6 Unless instructed otherwise in the Supplemental Closing Instructions, collect the following prepaids:

- (a) Property tax escrow: Collect from October 1st through the month of closing, plus two (2) months escrow reserve. Prorate taxes between the Borrower/Buyer and Seller according to the terms of their sales contract.
 - (i) New construction — If assessed value is available, collect pro rata amount based on improved basis, otherwise base proration on estimate.
 - (ii) Existing structure — If available, collect pro rata amount based on current assessed value, otherwise use prior year's taxes for estimate.
- (b) First year's hazard insurance premium plus two (2) months for escrow reserve.

If the Lender has indicated an aggregate accounting adjustment, collect the following escrow items:

- (a) First year's flood insurance premium plus two (2) months for escrow reserve.
- (b) First year's mortgage insurance premium plus two (2) months for escrow reserve or FHA MIP indicated.
- (c) FHA MIP for transactions using periodic payments of mortgage insurance (i.e., condominium units) - collect the amount indicated in the Supplemental Closing Instructions.
- (d) Annual Assessments - If a homeowners association or municipal authority has not subordinated its lien, collect from date last paid through the settlement date plus two (2) months reserve.

10.7 The Settlement Agent responsible for closing the transaction must furnish a Form 1099 to the appropriate Internal Revenue Service Center reporting the gross proceeds of the sale and any other necessary information. The Lender will not report the transaction for the Settlement Agent.

11. WARRANTY OF COMPLETION OF CONSTRUCTION. If FHA or VA approves plans and

Master Closing Instructions (Texas)

specifications prior to beginning of construction, and inspects property during construction, the Warranty of Completion of Construction in Substantial Conformity with Approved Plans and Specifications (VA Form 26-1859; HUD Form 92544) will be required. The name of the builder must be included in the specifications.

12. **ESCROW FOR COMPLETION.** No loan should close with funds escrowed for completion unless prior approval has been given. If approved, escrowed funds must be held by the Settlement Agent who will act as escrow agent. Requirements for escrow documentation will vary based on the type of loan.

13. **VA LOANS.** In addition to other closing requirements, the following will apply on VA loans:

Vesting of Title: The title encumbered with a VA loan must be vested **in the name of the veteran** or the veteran and spouse. If title is vested in any other manner, approval must be given by The Department of Veteran Affairs and the Lender's Closing Department prior to closing.

VA Form 26-1820 (Report and Certification of Loan Disbursement): This form will be required on each VA loan. The form must be completed accurately and signed by the veteran and the Lender or an officer of the Settlement Agent's firm. Be sure all blanks are completed.

14. **FHA LOANS.** In addition to other closing requirements, the following will apply on FHA loans:

FHA Firm Commitment (FHA Form 92900-A): The Mortgagors should read, then sign both copies in the space provided under the Borrower's Certificate. Care should be taken to ensure that the appropriate blocks and blanks have been completed prior to signing. All parties signing the note and/or taking title must sign. Names and initials of signers must be the same as shown at top of the Firm Commitment and other closing documents. No loan should close after the expiration date of the Firm Commitment. Any contingencies included in the commitment must be complied with prior to closing. **Both copies of the signed Firm Commitment must be returned with the closing documents.**

NOTICE ON FHA LOANS: IF USING YOUR HUD-1 SETTLEMENT STATEMENT RATHER THAN THE ONE SENT WITH THIS CLOSING PACKAGE, BE SURE THE FOLLOWING LANGUAGE IS INCLUDED ON THE LAST PAGE:

Application for Commitment for Insurance Under the National Housing Act

I have carefully read the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Borrower

Seller

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent

Date

Applicable to FHA Insured and VA Guaranteed Loans:

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine or imprisonment. For details see Title 18 U.S.

Code Section 1001 and Section 1010.

BORROWERS CANNOT PAY COURIER/DELIVERY COSTS ON VA LOANS. THESE COSTS CANNOT APPEAR ON THE HUD-1 SETTLEMENT STATEMENT.

15. EXECUTION OF DOCUMENTATION.

- 15.1 Settlement Agent must verify by pictorial identification the identity of all the parties (as more fully described in Section 1).
- 15.2 Lender requires prior notification of all powers of attorney to be used in the transaction. The Department of Veterans Affairs must approve any powers of attorney to be used in a VA-guaranteed transaction. If the use of a power of attorney is requested prior to documents being prepared, certified copies of the power of attorney for the Borrower must be reviewed and approved by the Lender. Original powers of attorney must be recorded in the same county(ies) as the security instrument is recorded, and returned to the Lender. In addition, if a durable power of attorney providing for third party indemnification is used, the power of attorney must also be recorded in the county in which the principal resides. The returned original(s) will be kept by the Lender. After closing, certified copies of all powers of attorney should be sent along with the rest of the loan package to the Lender.

Unless Lender authorizes in writing otherwise, any Power of Attorney used by a Borrower must meet the following requirements:

BORROWER(S) POWER-OF-ATTORNEY (POA)

A Power-of-Attorney (POA) is a written instrument authorizing an individual to act on a person's or entity's behalf as his/her/its agent or Attorney-in-Fact (AIF). The following rules apply when reviewing Borrower(s) POA document/signatures (also see attached sample POA):

1. POA must be signed by the Borrower(s) and name must match Borrower(s) name on Note;
2. POA must state the name of the designated AIF;
3. The designated AIF must be the same person signing the Note on behalf of the Borrower(s);
4. The effective date of the POA must be the day of or before the date of the Note (cannot be dated *after* Note date); and
5. POA must be properly notarized.

The signature of an Attorney-in-Fact (AIF) is acceptable as long as "Attorney-in-Fact" (AIF) or "Power-of-Attorney" (POA) is indicated beside the AIF's printed or signed name and an acceptable matching POA document is received.

PASS
<u>Jane Smith as Attorney-in-Fact for Chris Jones pursuant to POA dated XX xx, XXXX</u> Chris Jones
<u>Chris Jones by Jane Smith, Attorney-in-Fact (or POA)</u> Chris Jones
<u>Chris Jones by Jane Smith, Attorney-in-Fact (or POA)</u> Chris Jones, by Jane Smith as his Attorney-in-Fact (or POA)
<u>Jane Smith, Attorney-in-Fact for Chris Jones</u> Chris Jones by Jane Smith as his Attorney-in-Fact (or POA)
<u>Jane Smith, Attorney-in-Fact (or POA)</u> Chris Jones
<u>Chris Jones by Jane Smith*</u> Chris Jones, by Jane Smith as his Attorney-in-Fact (or POA)
<u>Jane Smith*</u> Chris Jones, by Jane Smith as his Attorney-in-Fact (or POA)
FAIL
<u>Jane Smith</u> Chris Smith
<u>Jane Smith</u> Jane Smith, Attorney-in-Fact
<u>Chris Jones</u> Chris Jones by: Jane Smith, Attorney-in-Fact

*While it is not always required to reflect AIF or POA on the signature line, it is strongly preferred.

Please use the following language for acknowledgments for individuals using a power of attorney:

This instrument was acknowledged before me on the _____ day of _____, _____ by JANE SMITH AS ATTORNEY-IN-FACT FOR JOHN DOE.

- 15.3 The documents must be signed in the order indicated in the Supplemental Closing Instructions attached hereto. Specifically, all truth-in-lending disclosures, Texas state-specific disclosures and the Notice of No Oral Agreements **must be signed prior** to the note, deed of trust or other loan documents.
- 15.4 All documents and riders must be signed exactly as the name is typed. Do not make any deletions, amendments, erasures, strikeouts, or additions to the documents without Lender's approval. If possible, a deletion should be made by marking one line through the language to be deleted. If approved, said deletions, amendments, erasures, additions and/or strikeouts must be initialed by all parties required to sign that document. Pages of the note and deed of trust which

do not contain an original signature must be initialed by the Borrowers. Obtain the initials of an appropriate party on all other documents indicating a place for party initialing. Do not allow the Borrower to sign any documents containing blanks.

- 15.5 Acknowledgments should be dated on or after the date of document execution. Documents must not be signed or notarized prior to the date of the documents. **All documents must be signed and the transaction otherwise closed and funded prior to the “Document Expiration Date” indicated on the first page of the Supplemental Closing Instructions.** All notarized documents must bear the seal, expiration date and printed name of the notary, and be signed by the notary, in accordance with Texas law.
- 15.6 Record the Deed (with vendor’s lien assigned to Lender), if applicable, and any other documents required to vest title in the Borrower. If any excess funds are collected, but are not required to record or insure title, the funds must be returned to the party that paid the fees. Record the deed of trust (and assignment, concurrently, if applicable). Pay off, with loan proceeds if necessary, and obtain the release, discharge or reconveyance of all items shown on Schedule “C” of the Title Commitment.
- 15.7 Documents to be recorded in this transaction must be presented to the county clerk in the following order:
- (a) Power of Attorney
 - (b) Deed
 - (c) Deed of Trust (with any Rider(s))
 - (d) Assignment of Lien
 - (e) Supporting documents required to be filed
 - (f) Secondary financing (if any)
- 15.8 If a UCC-1 Financing Statement is included in the document package, it must be filed according to Uniform Commercial Code revised Article 9.

Settlement Agent must properly file the documents requested by Lender to be recorded, and obtain from Borrower and/or Seller the required filing fees. Any deed used in this transaction must be returned to the Borrower. Powers of attorney, the deed of trust, and any assignment of lien must be returned after recording to Lender or the party indicated by Lender.

16. **COPIES.** Unless more than one (1) copy is required by these Closing Instructions, each Borrower must be provided with one (1) copy of the note, deed of trust, rider(s) (if applicable), warranty deed (if applicable), survey, HUD-1 Settlement Statement, disclosures and all other documents required by the Lender or Settlement Agent to be signed by Borrower. Prior to funding approval, Settlement Agent must provide a certified copy of each restriction, easement, mineral reservation or lease, and each and every recorded item shown on Schedule “B” of the Title Commitment and deliver same to Lender unless specified otherwise in the Supplemental Closing Instructions. Lender must be provided with two (2) certified copies of all documents required as a condition of the loan closing. Do not bill the Lender for additional certified copies.
17. **FUNDING AND DISBURSEMENT.** After a satisfactory review, the loan will be funded pursuant to the procedure stated in the Supplemental Closing Instructions. The complete package is due in Lender’s office on the business day indicated in the Supplemental Closing Instructions.

Forward a check to Lender in an amount equal to the sum of all Lender fees and escrows which have not/or will not be deducted from Lender's funds, including the indicated monthly escrows and interest adjustment, less any refund items referenced. Indicate the amounts used for monthly prorations. Also, itemize the amounts being remitted to Lender on the check being sent to Lender or by separate letter. Directly pay all other items according to the Supplemental Closing Instructions and invoice(s). On the back of the HUD-1 (Line 205 for Borrower and Line 508 for Seller), show any "Escrows to Lender" as indicated above. If the recordable documents have not been recorded within 72 hours of disbursement of funds to you, or you are aware that the loan will not fund within 72 hours of disbursement of loan proceeds, you are responsible for contacting the Lender and returning the loan proceeds. You will be responsible for daily interest on these proceeds from the date of disbursement.

THERE IS TO BE NO EXPENSE TO LENDER IN CONNECTION WITH THIS TRANSACTION, UNLESS SPECIFICALLY AUTHORIZED BY THE LENDER. THE LENDER RESERVES THE RIGHT TO CANCEL OR MODIFY THESE INSTRUCTIONS AT ANY TIME WITH PROPER WRITTEN NOTICE TO SETTLEMENT AGENT.

IF YOU ARE UNABLE TO CLOSE AND FUND THE LOAN AS SPECIFIED, CONTACT THE LENDER IMMEDIATELY.

18. **LENDER'S PRIVACY REQUIREMENTS.** Maintaining public confidence is important to the success and well-being of Lender. Additionally, Lender is bound by certain state and federal laws and regulations that require Lender and Lender's employees to transact business mindful that information shall be properly safeguarded. These closing instructions hereby put Settlement Agent on notice that the laws, regulations and safeguards that apply to Lender and its employees equally apply to vendors, agents and service providers [VASPs] of Lender. In conducting the business of Lender, certain customer information is obtained, used, created, stored and disposed. It is expected and required that all persons or entities with access to Lender's customer information shall keep that information confidential. VASPs are not authorized access to Lender's customer information except as is minimally necessary to complete assigned work. VASPs are not to make unauthorized copies of customer information. VASPs are not to discuss customer information with anyone other than authorized persons. Casual conversation about customers and customer information is prohibited and should be avoided even with other VASPs or Lender employees. VASPs shall not sell or otherwise share any customer information with any third party persons or companies. It is understood by Settlement Agent that Lender's customer information shall only be obtained, used, stored and disposed by methods and means that are necessary and permitted in order to conduct the business of Lender and Settlement Agent. All such access shall be in a safe guarded manner consistent with Lender's business practices and generally accepted professional business standards.

CALCULATION OF AGGREGATE ESCROW ACCOUNT

Borrower(s) Name and Address: John Smith and Jane Smith 111 Maple Avenue Arlington, TX 76017	Lender/Service Name and Address Best Bank 2310 Interstate 20 W, Arlington, TX 76017 Phone: (817) 784-2010
Loan # 123456	Mortgage Insurance/Case Number FHA Case # 000-444-555555

HUD-1 Reserve Account Entries

Based on information available to preparer, the following can be used for computing HUD-1 Settlement Statement.

HUD ACCOUNT	ACCOUNT DESCRIPTION	RESERVE MONTHS	AMOUNT PER MONTH	TOTAL RESERVE
1002	Homeowner's insurance	9	66.28	596.52
1003	Mortgage insurance	0	50.50	0.00
1005	County Property Tax	2	143.57	287.14
	Aggregate reserve adjustment			(463.92)
	Total escrow required			419.74

Initial Escrow Account Disclosures

MONTH	PAYMENTS TO ESCROW ACCT	PAYMENTS FROM ESCROW ACCT	DESCRIPTION	ESCROW ACCT. BALANCE
Escrow Computation Year Beginning Balance:				419.74
Dec 2012	260.35	50.50	Mortgage insurance	629.59
Jan 2013	260.35	50.50	Mortgage insurance	839.44
Feb 2013	260.35	50.50	Mortgage insurance	1,049.29
Mar 2013	260.35	50.50	Mortgage insurance	1,259.14
Apr 2013	260.35	795.37	Homeowner's insurance	724.12
		50.50	Mortgage insurance	673.62
May 2013	260.35	50.50	Mortgage insurance	883.47
Jun 2013	260.35	50.50	Mortgage insurance	1,093.32
Jul 2013	260.35	50.50	Mortgage insurance	1,303.17
Aug 2013	260.35	50.50	Mortgage insurance	1,513.02
Sep 2013	260.35	50.50	Mortgage insurance	1,722.87
Oct 2013	260.35	50.50	Mortgage insurance	1,932.72
Nov 2013	260.35	50.50	Mortgage insurance	2,142.57
		1,722.87	County Property Tax	419.70

Escrow Cushion	For Mtg Insurance	0 Mo.	Payments Beginning	Amount Owed	\$760.16
	For Other Items	2 Mo.	12/01/2012	Escrow Payment	\$260.35
	Cushion Amount	\$419.70			\$0.00
				Total Payment	\$1,020.51

Aggregate Escrow Account Entry

INITIAL ESCROW ACCOUNT DISCLOSURE STATEMENT

Borrower(s) Name and Address John Smith and Jane Smith 111 Maple Avenue Arlington, TX 76017	Lender/Servicer Name and Address Best Bank 2310 Interstate 20 W, Arlington, TX 76017 Phone: (817) 784-2010
Loan # 123456	Mortgage Insurance/Case Number FHA Case # 000-444-555555

Your first payment is due December, 1 2012 and will be \$1,020.51, of which \$760.16 will be for the amount owed, and \$260.35 will go into your escrow account.

This is an estimate of activity in your escrow account during the next 12 months based on payments anticipated to be made from your account.

MONTH	PAYMENTS TO ESCROW ACCT	PAYMENTS FROM ESCROW ACCT	DESCRIPTION	ESCROW ACCT. BALANCE
Escrow Computation Year Beginning Balance:				419.74
Dec 2012	260.35	50.50	Mortgage insurance	629.59
Jan 2013	260.35	50.50	Mortgage insurance	839.44
Feb 2013	260.35	50.50	Mortgage insurance	1,049.29
Mar 2013	260.35	50.50	Mortgage insurance	1,259.14
Apr 2013	260.35	795.37	Homeowner's insurance	724.12
		50.50	Mortgage insurance	673.62
May 2013	260.35	50.50	Mortgage insurance	883.47
Jun 2013	260.35	50.50	Mortgage insurance	1,093.32
Jul 2013	260.35	50.50	Mortgage insurance	1,303.17
Aug 2013	260.35	50.50	Mortgage insurance	1,513.02
Sep 2013	260.35	50.50	Mortgage insurance	1,722.87
Oct 2013	260.35	50.50	Mortgage insurance	1,932.72
Nov 2013	260.35	50.50	Mortgage insurance	2,142.57
		1,722.87	County Property Tax	419.70

(Please keep this statement for comparison with the actual activity in your account at the end of the escrow accounting computation year.)

Cushion selected by servicer: \$419.70

By signing below, I/we acknowledge receipt of a copy of this Initial Escrow Account Disclosure Statement.

Signature
John Smith

Date

Signature
Jane Smith

Date

[Sign Originals Only]

Initial Escrow Disclosure

Texas Notice of Penalties for Making False or Misleading Written Statement

Loan # 123456
FHA Case # 000-444-555555

Warning:

Intentionally or knowingly making a materially false or misleading written statement to obtain property or credit, including a mortgage loan, is a violation of Section 32.32, Texas Penal Code, and, depending on the amount of the loan or value of the property, is punishable by imprisonment for a term of 2 years to 99 years and a fine not to exceed \$10,000.

I/we, the undersigned home loan applicant(s), represent that I/we have received, read, and understand this notice of penalties for making a materially false or misleading written statement to obtain a home loan.

I/we represent that all statements and representations contained in my/our written home loan application, including statements or representations regarding my/our **identity, employment, annual income, and intent to occupy the residential real property** secured by the home loan, are true and correct as of the date of loan closing.

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

STATE OF TEXAS
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by **John Smith and Jane Smith.**

Notary Public
Printed Name: _____
My commission expires: _____

Texas Notice of Penalties for Making False or Misleading Written Statement

TRUTH-IN-LENDING DISCLOSURE STATEMENT
(THIS IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND)

Version: 01/30/2011

Loan Officer: na
CREDITOR:

Best Bank
2310 Interstate 20 W
Arlington, TX 76017

Loan Number: 123456

BORROWER(S): John Smith and Jane Smith
MAILING ADDRESS: 111 Maple Avenue, Arlington, TX 76017
PROPERTY ADDRESS: 111 Maple Avenue, Arlington, TX 76017

Closing Date: 10/15/2012
Type of Loan: FHA

FHA Case #: 000-444-555555

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate	The dollar amount the credit will cost you	The amount of credit provided to you on your behalf	The amount you will have paid after you have made all payments as scheduled
4.5337%	\$37,854.15	\$99,428.02	\$137,282.17

INTEREST RATE AND PAYMENT SUMMARY

	Rate & Monthly Payment
Interest Rate	4.000%
Principal + Interest Payment	\$760.16
Est. Taxes + Insurance (Escrow) Includes Mortgage Insurance	\$260.35
Total Est. Monthly Payment	\$1,020.51

There is no guarantee that you will be able to refinance to lower your rate and payments.

VARIABLE RATE FEATURE: Your loan does not have a variable rate feature.

SECURITY: You are giving a security interest in the property located at:
111 Maple Avenue, Arlington, TX 76017

ASSUMPTION: Someone buying the property may, subject to conditions, be allowed to assume the remainder of the loan.

LATE CHARGE: If your payment is more than 15 days late, you will be charged a late charge of 4.000% of the overdue payment.

PREPAYMENT: If you pay off early, you will not have to pay a penalty. If you pay off an FHA insured loan, on a date other than the regular installment date, you may be assessed interest charges until the end of the month. You may be entitled to a refund of part of the finance charge.

DEMAND FEATURE: N/A

REQUIRED DEPOSIT: N/A

FILING / RECORDING FEES: \$130.00(e)

TRUTH-IN-LENDING DISCLOSURE STATEMENT CONTINUED

INSURANCE:

The following insurance is required to obtain credit:

Property insurance

You may obtain the insurance from anyone you want that is acceptable to Lender.

(e) means an estimate

I/We have received these disclosures

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

APR & FINANCE CHARGE SUMMARY

Lender:
Best Bank
2310 Interstate 20 W
Arlington, TX 76017

Borrower(s): John Smith and Jane Smith

Mailing Address: 111 Maple Avenue, Arlington, TX 76017
Property Address: 111 Maple Avenue, Arlington, TX 76017

Closing: 10/15/2012
Funding: 10/19/2012
Loan Amount: \$102,767.00
Loan Term: 180
Note Rate: 4.000%
Type of Loan: FHA
1st Payment: 12/1/2012
Loan # 123456
FHA Case # 000-444-555555
Loan Officer: na

Annual Percentage Rate	Finance Charge (1)	Amount Financed (2)	Total of Payments (3)	Total Sales Price (4)
4.5337%	\$37,854.15	\$99,428.02	\$137,282.17	

1. Finance Charges:	
Flood certification	12.00
Daily interest charges	146.41
Mortgage insurance premium	1,767.50
Settlement or closing fee	300.00
Loan origination fee	1,000.00
Underwriting fee	375.00
Processing fee	300.00
Attorney fee for docprep	150.00
Appraisal Ordering Fee	13.75
Courier Fee	30.00
Title Services-Courier Fee	40.00
Credit For Interest Rate	-795.68
Total Prepaid Finance Charges	3,338.98
Plus Monthly MI Renewals	454.50
Plus Interest for life of loan	34,060.67
TOTAL FINANCE CHARGE	37,854.15
2. Calculation of Amount Financed:	
Total Loan Amount	102,767.00
Less Prepaid Finance Charges	3,338.98
TOTAL AMOUNT FINANCED	99,428.02
3. Calculation of Total of Payments:	
Finance Charge	37,854.15
Plus Amount Financed	99,428.02
TOTAL OF PAYMENTS	137,282.17
4. Calculation of Total Sales Price:	
N/A	
5. APR Tolerance	
Disclosed APR	4.512%
Ending APR	4.534%
Difference	0.022%
Result	IN TOLERANCE

AMOUNT FINANCED ITEMIZATION

FHA Case # 000-444-555555

LENDER:
Best Bank
2310 Interstate 20 W
Arlington, TX 76017

Date: **10/15/2012**

Funding: **10/19/2012**

Mortgage Ins: **Yes**

BORROWERS:
John Smith and Jane Smith

Loan Amount: **\$102,767.00**

Loan Term: **180 months**

ADDRESS:
111 Maple Avenue
Arlington, TX 76017

Note Rate: **4.000%**

PROPERTY ADDRESS:
111 Maple Avenue, Arlington, TX 76017

Type of Loan: **FHA**

1st Payment: **12/01/2012**

Loan # 123456

SETTLEMENT AGENT MUST COMPLETE APPLICABLE BLANKS INDICATED WITH "***" FOR ALL THIRD PARTY CHARGES PAID BY BORROWER AND SHOWN ON THE SETTLEMENT STATEMENT PRIOR TO BORROWER'S EXECUTION.

Itemization of the Amount Financed of **\$99,428.02** (per Truth in Lending)

\$ _____ * Amount given to you directly

\$ _____ * Amount paid on your account

Amount(s) paid to others on your behalf (excluding Prepaid Finance Charges):

\$425.00	Appraisal fee to Appraisal Source
\$25.00	Credit report to Credit Company
\$596.52	Homeowner's insurance
\$287.14	County Property Tax
(\$463.92)	Aggregate Escrow Adjustment
\$674.00	Lender's title insurance to Busy Bee Title
\$375.00	Survey to Survey Company
\$45.00	Document preparation to Busy Bee Title
\$5.00	Guaranty Fee to Busy Bee Title
\$33.70	Lenders Title-Endorsements to Busy Bee Title
\$20.00	Endorsement - Tax Deletion to Busy Bee Title
\$25.00	Endorsement-Environmental to Busy Bee Title
\$130.00	Government recording charges - Mortgage to Busy Bee Title

Amount of Prepaid Finance Charges paid to other on your behalf:

\$12.00	Flood certification to Flood Company
\$146.41	Daily interest charges
\$1,767.50	Mortgage insurance premium to FHA
\$300.00	Settlement or closing fee to Busy Bee Title
\$1,000.00	Loan origination fee to Best Bank
\$375.00	Underwriting fee to Best Bank
\$300.00	Processing fee to Best Bank

Itemization of Amount Financed

\$150.00	Attorney fee for docprep to PeirsonPatterson, LLP
\$13.75	Appraisal Ordering Fee to Best Bank
\$30.00	Courier Fee to Best Bank
\$40.00	Title Services-Courier Fee to Busy Bee Title
(\$795.68)	Credit For Interest Rate to Borrower

PERIODIC AMORTIZATION SCHEDULE

Loan # 123456
FHA Case # 000-444-
555555
Date: 10/15/12

Borrower(s): John Smith and wife, Jane Smith
Mailing Address: 111 Maple Avenue, Arlington, TX 76017
Property Address: 111 Maple Avenue, Arlington, TX 76017

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
Beg								102,767.00	82.21
1	12/1/2012	760.16	4.000	342.56	417.60	50.50	0.00	102,349.40	81.88
2	1/1/2013	760.16	4.000	341.16	419.00	50.50	0.00	101,930.40	81.54
3	2/1/2013	760.16	4.000	339.77	420.39	50.50	0.00	101,510.01	81.21
4	3/1/2013	760.16	4.000	338.37	421.79	50.50	0.00	101,088.22	80.87
5	4/1/2013	760.16	4.000	336.96	423.20	50.50	0.00	100,665.02	80.53
6	5/1/2013	760.16	4.000	335.55	424.61	50.50	0.00	100,240.41	80.19
7	6/1/2013	760.16	4.000	334.13	426.03	50.50	0.00	99,814.38	79.85
8	7/1/2013	760.16	4.000	332.71	427.45	50.50	0.00	99,386.93	79.51
9	8/1/2013	760.16	4.000	331.29	428.87	50.50	0.00	98,958.06	79.17
10	9/1/2013	760.16	4.000	329.86	430.30	0.00	0.00	98,527.76	78.82
11	10/1/2013	760.16	4.000	328.43	431.73	0.00	0.00	98,096.03	78.48
12	11/1/2013	760.16	4.000	326.99	433.17	0.00	0.00	97,662.86	78.13
13	12/1/2013	760.16	4.000	325.54	434.62	0.00	0.00	97,228.24	77.78
14	1/1/2014	760.16	4.000	324.09	436.07	0.00	0.00	96,792.17	77.43
15	2/1/2014	760.16	4.000	322.64	437.52	0.00	0.00	96,354.65	77.08
16	3/1/2014	760.16	4.000	321.18	438.98	0.00	0.00	95,915.67	76.73
17	4/1/2014	760.16	4.000	319.72	440.44	0.00	0.00	95,475.23	76.38
18	5/1/2014	760.16	4.000	318.25	441.91	0.00	0.00	95,033.32	76.03
19	6/1/2014	760.16	4.000	316.78	443.38	0.00	0.00	94,589.94	75.67
20	7/1/2014	760.16	4.000	315.30	444.86	0.00	0.00	94,145.08	75.32
21	8/1/2014	760.16	4.000	313.82	446.34	0.00	0.00	93,698.74	74.96
22	9/1/2014	760.16	4.000	312.33	447.83	0.00	0.00	93,250.91	74.60
23	10/1/2014	760.16	4.000	310.84	449.32	0.00	0.00	92,801.59	74.24
24	11/1/2014	760.16	4.000	309.34	450.82	0.00	0.00	92,350.77	73.88
25	12/1/2014	760.16	4.000	307.84	452.32	0.00	0.00	91,898.45	73.52
26	1/1/2015	760.16	4.000	306.33	453.83	0.00	0.00	91,444.62	73.16
27	2/1/2015	760.16	4.000	304.82	455.34	0.00	0.00	90,989.28	72.79
28	3/1/2015	760.16	4.000	303.30	456.86	0.00	0.00	90,532.42	72.43
29	4/1/2015	760.16	4.000	301.77	458.39	0.00	0.00	90,074.03	72.06
30	5/1/2015	760.16	4.000	300.25	459.91	0.00	0.00	89,614.12	71.69
31	6/1/2015	760.16	4.000	298.71	461.45	0.00	0.00	89,152.67	71.32
32	7/1/2015	760.16	4.000	297.18	462.98	0.00	0.00	88,689.69	70.95
33	8/1/2015	760.16	4.000	295.63	464.53	0.00	0.00	88,225.16	70.58
34	9/1/2015	760.16	4.000	294.08	466.08	0.00	0.00	87,759.08	70.21
35	10/1/2015	760.16	4.000	292.53	467.63	0.00	0.00	87,291.45	69.83
36	11/1/2015	760.16	4.000	290.97	469.19	0.00	0.00	86,822.26	69.46
37	12/1/2015	760.16	4.000	289.41	470.75	0.00	0.00	86,351.51	69.08
38	1/1/2016	760.16	4.000	287.84	472.32	0.00	0.00	85,879.19	68.70
39	2/1/2016	760.16	4.000	286.26	473.90	0.00	0.00	85,405.29	68.32
40	3/1/2016	760.16	4.000	284.68	475.48	0.00	0.00	84,929.81	67.94
41	4/1/2016	760.16	4.000	283.10	477.06	0.00	0.00	84,452.75	67.56
42	5/1/2016	760.16	4.000	281.51	478.65	0.00	0.00	83,974.10	67.18
43	6/1/2016	760.16	4.000	279.91	480.25	0.00	0.00	83,493.85	66.80
44	7/1/2016	760.16	4.000	278.31	481.85	0.00	0.00	83,012.00	66.41
45	8/1/2016	760.16	4.000	276.71	483.45	0.00	0.00	82,528.55	66.02
46	9/1/2016	760.16	4.000	275.10	485.06	0.00	0.00	82,043.49	65.63
47	10/1/2016	760.16	4.000	273.48	486.68	0.00	0.00	81,556.81	65.25
48	11/1/2016	760.16	4.000	271.86	488.30	0.00	0.00	81,068.51	64.85

Periodic Amortization Schedule

PERIODIC AMORTIZATION SCHEDULE

Loan # 123456
FHA Case # 000-444-
555555
Date: 10/15/12

Borrower(s): John Smith and wife, Jane Smith
Mailing Address: 111 Maple Avenue, Arlington, TX 76017
Property Address: 111 Maple Avenue, Arlington, TX 76017

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
49	12/1/2016	760.16	4.000	270.23	489.93	0.00	0.00	80,578.58	64.46
50	1/1/2017	760.16	4.000	268.60	491.56	0.00	0.00	80,087.02	64.07
51	2/1/2017	760.16	4.000	266.96	493.20	0.00	0.00	79,593.82	63.68
52	3/1/2017	760.16	4.000	265.31	494.85	0.00	0.00	79,098.97	63.28
53	4/1/2017	760.16	4.000	263.66	496.50	0.00	0.00	78,602.47	62.88
54	5/1/2017	760.16	4.000	262.01	498.15	0.00	0.00	78,104.32	62.48
55	6/1/2017	760.16	4.000	260.35	499.81	0.00	0.00	77,604.51	62.08
56	7/1/2017	760.16	4.000	258.68	501.48	0.00	0.00	77,103.03	61.68
57	8/1/2017	760.16	4.000	257.01	503.15	0.00	0.00	76,599.88	61.28
58	9/1/2017	760.16	4.000	255.33	504.83	0.00	0.00	76,095.05	60.88
59	10/1/2017	760.16	4.000	253.65	506.51	0.00	0.00	75,588.54	60.47
60	11/1/2017	760.16	4.000	251.96	508.20	0.00	0.00	75,080.34	60.06
61	12/1/2017	760.16	4.000	250.27	509.89	0.00	0.00	74,570.45	59.66
62	1/1/2018	760.16	4.000	248.57	511.59	0.00	0.00	74,058.86	59.25
63	2/1/2018	760.16	4.000	246.86	513.30	0.00	0.00	73,545.56	58.84
64	3/1/2018	760.16	4.000	245.15	515.01	0.00	0.00	73,030.55	58.42
65	4/1/2018	760.16	4.000	243.44	516.72	0.00	0.00	72,513.83	58.01
66	5/1/2018	760.16	4.000	241.71	518.45	0.00	0.00	71,995.38	57.60
67	6/1/2018	760.16	4.000	239.98	520.18	0.00	0.00	71,475.20	57.18
68	7/1/2018	760.16	4.000	238.25	521.91	0.00	0.00	70,953.29	56.76
69	8/1/2018	760.16	4.000	236.51	523.65	0.00	0.00	70,429.64	56.34
70	9/1/2018	760.16	4.000	234.77	525.39	0.00	0.00	69,904.25	55.92
71	10/1/2018	760.16	4.000	233.01	527.15	0.00	0.00	69,377.10	55.50
72	11/1/2018	760.16	4.000	231.26	528.90	0.00	0.00	68,848.20	55.08
73	12/1/2018	760.16	4.000	229.49	530.67	0.00	0.00	68,317.53	54.65
74	1/1/2019	760.16	4.000	227.73	532.43	0.00	0.00	67,785.10	54.23
75	2/1/2019	760.16	4.000	225.95	534.21	0.00	0.00	67,250.89	53.80
76	3/1/2019	760.16	4.000	224.17	535.99	0.00	0.00	66,714.90	53.37
77	4/1/2019	760.16	4.000	222.38	537.78	0.00	0.00	66,177.12	52.94
78	5/1/2019	760.16	4.000	220.59	539.57	0.00	0.00	65,637.55	52.51
79	6/1/2019	760.16	4.000	218.79	541.37	0.00	0.00	65,096.18	52.08
80	7/1/2019	760.16	4.000	216.99	543.17	0.00	0.00	64,553.01	51.64
81	8/1/2019	760.16	4.000	215.18	544.98	0.00	0.00	64,008.03	51.21
82	9/1/2019	760.16	4.000	213.36	546.80	0.00	0.00	63,461.23	50.77
83	10/1/2019	760.16	4.000	211.54	548.62	0.00	0.00	62,912.61	50.33
84	11/1/2019	760.16	4.000	209.71	550.45	0.00	0.00	62,362.16	49.89
85	12/1/2019	760.16	4.000	207.87	552.29	0.00	0.00	61,809.87	49.45
86	1/1/2020	760.16	4.000	206.03	554.13	0.00	0.00	61,255.74	49.00
87	2/1/2020	760.16	4.000	204.19	555.97	0.00	0.00	60,699.77	48.56
88	3/1/2020	760.16	4.000	202.33	557.83	0.00	0.00	60,141.94	48.11
89	4/1/2020	760.16	4.000	200.47	559.69	0.00	0.00	59,582.25	47.67
90	5/1/2020	760.16	4.000	198.61	561.55	0.00	0.00	59,020.70	47.22
91	6/1/2020	760.16	4.000	196.74	563.42	0.00	0.00	58,457.28	46.77
92	7/1/2020	760.16	4.000	194.86	565.30	0.00	0.00	57,891.98	46.31
93	8/1/2020	760.16	4.000	192.97	567.19	0.00	0.00	57,324.79	45.86
94	9/1/2020	760.16	4.000	191.08	569.08	0.00	0.00	56,755.71	45.40
95	10/1/2020	760.16	4.000	189.19	570.97	0.00	0.00	56,184.74	44.95
96	11/1/2020	760.16	4.000	187.28	572.88	0.00	0.00	55,611.86	44.49
97	12/1/2020	760.16	4.000	185.37	574.79	0.00	0.00	55,037.07	44.03

Periodic Amortization Schedule

PERIODIC AMORTIZATION SCHEDULE

Loan # 123456
FHA Case # 000-444-
555555
Date: 10/15/12

Borrower(s): John Smith and wife, Jane Smith
Mailing Address: 111 Maple Avenue, Arlington, TX 76017
Property Address: 111 Maple Avenue, Arlington, TX 76017

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
98	1/1/2021	760.16	4.000	183.46	576.70	0.00	0.00	54,460.37	43.57
99	2/1/2021	760.16	4.000	181.53	578.63	0.00	0.00	53,881.74	43.11
100	3/1/2021	760.16	4.000	179.61	580.55	0.00	0.00	53,301.19	42.64
101	4/1/2021	760.16	4.000	177.67	582.49	0.00	0.00	52,718.70	42.17
102	5/1/2021	760.16	4.000	175.73	584.43	0.00	0.00	52,134.27	41.71
103	6/1/2021	760.16	4.000	173.78	586.38	0.00	0.00	51,547.89	41.24
104	7/1/2021	760.16	4.000	171.83	588.33	0.00	0.00	50,959.56	40.77
105	8/1/2021	760.16	4.000	169.87	590.29	0.00	0.00	50,369.27	40.30
106	9/1/2021	760.16	4.000	167.90	592.26	0.00	0.00	49,777.01	39.82
107	10/1/2021	760.16	4.000	165.92	594.24	0.00	0.00	49,182.77	39.35
108	11/1/2021	760.16	4.000	163.94	596.22	0.00	0.00	48,586.55	38.87
109	12/1/2021	760.16	4.000	161.96	598.20	0.00	0.00	47,988.35	38.39
110	1/1/2022	760.16	4.000	159.96	600.20	0.00	0.00	47,388.15	37.91
111	2/1/2022	760.16	4.000	157.96	602.20	0.00	0.00	46,785.95	37.43
112	3/1/2022	760.16	4.000	155.95	604.21	0.00	0.00	46,181.74	36.95
113	4/1/2022	760.16	4.000	153.94	606.22	0.00	0.00	45,575.52	36.46
114	5/1/2022	760.16	4.000	151.92	608.24	0.00	0.00	44,967.28	35.97
115	6/1/2022	760.16	4.000	149.89	610.27	0.00	0.00	44,357.01	35.49
116	7/1/2022	760.16	4.000	147.86	612.30	0.00	0.00	43,744.71	35.00
117	8/1/2022	760.16	4.000	145.82	614.34	0.00	0.00	43,130.37	34.50
118	9/1/2022	760.16	4.000	143.77	616.39	0.00	0.00	42,513.98	34.01
119	10/1/2022	760.16	4.000	141.71	618.45	0.00	0.00	41,895.53	33.52
120	11/1/2022	760.16	4.000	139.65	620.51	0.00	0.00	41,275.02	33.02
121	12/1/2022	760.16	4.000	137.58	622.58	0.00	0.00	40,652.44	32.52
122	1/1/2023	760.16	4.000	135.51	624.65	0.00	0.00	40,027.79	32.02
123	2/1/2023	760.16	4.000	133.43	626.73	0.00	0.00	39,401.06	31.52
124	3/1/2023	760.16	4.000	131.34	628.82	0.00	0.00	38,772.24	31.02
125	4/1/2023	760.16	4.000	129.24	630.92	0.00	0.00	38,141.32	30.51
126	5/1/2023	760.16	4.000	127.14	633.02	0.00	0.00	37,508.30	30.01
127	6/1/2023	760.16	4.000	125.03	635.13	0.00	0.00	36,873.17	29.50
128	7/1/2023	760.16	4.000	122.91	637.25	0.00	0.00	36,235.92	28.99
129	8/1/2023	760.16	4.000	120.79	639.37	0.00	0.00	35,596.55	28.48
130	9/1/2023	760.16	4.000	118.66	641.50	0.00	0.00	34,955.05	27.96
131	10/1/2023	760.16	4.000	116.52	643.64	0.00	0.00	34,311.41	27.45
132	11/1/2023	760.16	4.000	114.37	645.79	0.00	0.00	33,665.62	26.93
133	12/1/2023	760.16	4.000	112.22	647.94	0.00	0.00	33,017.68	26.41
134	1/1/2024	760.16	4.000	110.06	650.10	0.00	0.00	32,367.58	25.89
135	2/1/2024	760.16	4.000	107.89	652.27	0.00	0.00	31,715.31	25.37
136	3/1/2024	760.16	4.000	105.72	654.44	0.00	0.00	31,060.87	24.85
137	4/1/2024	760.16	4.000	103.54	656.62	0.00	0.00	30,404.25	24.32
138	5/1/2024	760.16	4.000	101.35	658.81	0.00	0.00	29,745.44	23.80
139	6/1/2024	760.16	4.000	99.15	661.01	0.00	0.00	29,084.43	23.27
140	7/1/2024	760.16	4.000	96.95	663.21	0.00	0.00	28,421.22	22.74
141	8/1/2024	760.16	4.000	94.74	665.42	0.00	0.00	27,755.80	22.20
142	9/1/2024	760.16	4.000	92.52	667.64	0.00	0.00	27,088.16	21.67
143	10/1/2024	760.16	4.000	90.29	669.87	0.00	0.00	26,418.29	21.13
144	11/1/2024	760.16	4.000	88.06	672.10	0.00	0.00	25,746.19	20.60
145	12/1/2024	760.16	4.000	85.82	674.34	0.00	0.00	25,071.85	20.06
146	1/1/2025	760.16	4.000	83.57	676.59	0.00	0.00	24,395.26	19.52

Periodic Amortization Schedule

PERIODIC AMORTIZATION SCHEDULE

Loan # 123456
FHA Case # 000-444-
555555
Date: 10/15/12

Borrower(s): John Smith and wife, Jane Smith
Mailing Address: 111 Maple Avenue, Arlington, TX 76017
Property Address: 111 Maple Avenue, Arlington, TX 76017

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
147	2/1/2025	760.16	4.000	81.32	678.84	0.00	0.00	23,716.42	18.97
148	3/1/2025	760.16	4.000	79.05	681.11	0.00	0.00	23,035.31	18.43
149	4/1/2025	760.16	4.000	76.78	683.38	0.00	0.00	22,351.93	17.88
150	5/1/2025	760.16	4.000	74.51	685.65	0.00	0.00	21,666.28	17.33
151	6/1/2025	760.16	4.000	72.22	687.94	0.00	0.00	20,978.34	16.78
152	7/1/2025	760.16	4.000	69.93	690.23	0.00	0.00	20,288.11	16.23
153	8/1/2025	760.16	4.000	67.63	692.53	0.00	0.00	19,595.58	15.68
154	9/1/2025	760.16	4.000	65.32	694.84	0.00	0.00	18,900.74	15.12
155	10/1/2025	760.16	4.000	63.00	697.16	0.00	0.00	18,203.58	14.56
156	11/1/2025	760.16	4.000	60.68	699.48	0.00	0.00	17,504.10	14.00
157	12/1/2025	760.16	4.000	58.35	701.81	0.00	0.00	16,802.29	13.44
158	1/1/2026	760.16	4.000	56.01	704.15	0.00	0.00	16,098.14	12.88
159	2/1/2026	760.16	4.000	53.66	706.50	0.00	0.00	15,391.64	12.31
160	3/1/2026	760.16	4.000	51.31	708.85	0.00	0.00	14,682.79	11.75
161	4/1/2026	760.16	4.000	48.94	711.22	0.00	0.00	13,971.57	11.18
162	5/1/2026	760.16	4.000	46.57	713.59	0.00	0.00	13,257.98	10.61
163	6/1/2026	760.16	4.000	44.19	715.97	0.00	0.00	12,542.01	10.03
164	7/1/2026	760.16	4.000	41.81	718.35	0.00	0.00	11,823.66	9.46
165	8/1/2026	760.16	4.000	39.41	720.75	0.00	0.00	11,102.91	8.88
166	9/1/2026	760.16	4.000	37.01	723.15	0.00	0.00	10,379.76	8.30
167	10/1/2026	760.16	4.000	34.60	725.56	0.00	0.00	9,654.20	7.72
168	11/1/2026	760.16	4.000	32.18	727.98	0.00	0.00	8,926.22	7.14
169	12/1/2026	760.16	4.000	29.75	730.41	0.00	0.00	8,195.81	6.56
170	1/1/2027	760.16	4.000	27.32	732.84	0.00	0.00	7,462.97	5.97
171	2/1/2027	760.16	4.000	24.88	735.28	0.00	0.00	6,727.69	5.38
172	3/1/2027	760.16	4.000	22.43	737.73	0.00	0.00	5,989.96	4.79
173	4/1/2027	760.16	4.000	19.97	740.19	0.00	0.00	5,249.77	4.20
174	5/1/2027	760.16	4.000	17.50	742.66	0.00	0.00	4,507.11	3.61
175	6/1/2027	760.16	4.000	15.02	745.14	0.00	0.00	3,761.97	3.01
176	7/1/2027	760.16	4.000	12.54	747.62	0.00	0.00	3,014.35	2.41
177	8/1/2027	760.16	4.000	10.05	750.11	0.00	0.00	2,264.24	1.81
178	9/1/2027	760.16	4.000	7.55	752.61	0.00	0.00	1,511.63	1.21
179	10/1/2027	760.16	4.000	5.04	755.12	0.00	0.00	756.51	0.61
180	11/1/2027	759.03	4.000	2.52	756.51	0.00	0.00	0.00	0.00

NOTE

Loan # 123456

October 15, 2012

[Date]

Arlington

[City]

TX

[State]

111 Maple Avenue, Arlington, Texas 76017

[Property Address]

1. PARTIES

“Borrower” means each person signing at the end of this Note, and the person’s successors and assigns.
 “Lender” means **Best Bank** and its successors and assigns.

2. BORROWER’S PROMISE TO PAY; INTEREST

In return for a loan received from Lender, Borrower promises to pay the principal sum of **One Hundred Two Thousand Seven Hundred Sixty Seven and 00/100 Dollars (U.S.\$102,767.00)**, plus interest, to the order of the Lender. Interest will be charged on unpaid principal, from the date of disbursement of the loan proceeds by Lender, at the rate of **Four** per cent (**4.000%**) per year until the full amount of principal has been paid.

3. PROMISE TO PAY SECURED

Borrower’s promise to pay is secured by a mortgage, deed of trust or similar security instrument that is dated the same date as this Note and called the “Security Instrument.” That Security Instrument protects the Lender from losses which might result if Borrower defaults under this Note.

4. MANNER OF PAYMENT**(A) Time**

Borrower shall make a payment of principal and interest to Lender on the first day of each month beginning on **December 1, 2012**. Any principal and interest remaining on the **first** day of **November, 2027**, will be due on that date, which is called the maturity date.

(B) Place

Payment shall be made at **2310 Interstate 20 W, Arlington, TX 76017** or at such other place as Lender may designate in writing by notice to Borrower.

(C) Amount

Each monthly payment of principal and interest will be in the amount of U.S. **\$760.16**. This amount will be part of a larger monthly payment required by the Security Instrument that shall be applied to principal, interest and other items in the order described in the Security Instrument.

(D) Allonge to this Note for payment adjustments

If an allonge providing for payment adjustments is executed by Borrower together with this Note, the covenants of the allonge shall be incorporated into and shall amend and supplement the covenants of this Note as if the allonge were a part of this Note. [Check applicable box]

☐ Graduated Payment Allonge
☐ Other

☐ Growing Equity Allonge

5. BORROWER’S RIGHT TO PREPAY

Borrower has the right to pay the debt evidenced by this Note, in whole or in part, without charge or penalty, on the first day of any month. Lender shall accept prepayment on other days provided that Borrower pays

interest on the amount prepaid for the remainder of the month to the extent required by Lender and permitted by regulations of the Secretary. If Borrower makes a partial prepayment, there will be no changes in the due date or in the amount of the monthly payment unless Lender agrees in writing to those changes.

6. BORROWER'S FAILURE TO PAY

(A) Late Charge for Overdue Payments

If Lender has not received the full monthly payment required by the Security Instrument, as described in Paragraph 4(c) of this Note, by the end of **15** calendar days after the payment is due, Lender may collect a late charge in the amount of **Four** percent (**4.000%**) of the overdue amount of each payment.

(B) Default

If Borrower defaults by failing to pay in full any monthly payment, then Lender may, except as limited by regulations of the Secretary in the case of payment defaults, require immediate payment in full of the principal balance remaining due and all accrued interest. Lender may choose not to exercise this option without waiving its rights in the event of any subsequent default. In many circumstances regulations issued by the Secretary will limit Lender's rights to require immediate payment in full in the case of payment defaults. This Note does not authorize acceleration when not permitted by HUD regulations. As used in this Note, "Secretary" means the Secretary of Housing and Urban Development or his or her designee.

(C) Payment of Costs and Expenses

If Lender has required immediate payment in full, as described above, Lender may require Borrower to pay costs and expenses including reasonable and customary attorneys' fees for enforcing this Note to the extent not prohibited by applicable law. Such fees and costs shall bear interest from the date of disbursement at the same rate as the principal of this Note.

7. WAIVERS

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by first class mail to Borrower at the property address above or at a different address if Borrower has given Lender a notice of Borrower's different address.

Any notice that must be given to Lender under this Note will be given by first class mail to Lender at the address stated in Paragraph 4(B) or at a different address if Borrower is given a notice of that different address.

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. Lender may enforce its rights under this Note against each person individually or against all signatories together. Anyone person signing this Note may be required to pay all of the amounts owed under this Note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Note.

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

Allonge to Promissory Note

Loan # 123456
FHA Case # 000-444-555555

For purposes of further endorsement of the following described Note, this Allonge is affixed and becomes a permanent part of said Note:

Note Date: October 15, 2012

Original Amount: \$102,767.00

Borrower Name(s): John Smith and wife, Jane Smith

Property Address: 111 Maple Avenue, Arlington, Texas 76017

PAY TO THE ORDER OF

Investor Bank, N.A.

WITHOUT RECOURSE

Best Bank

By: _____

AFTER RECORDING, RETURN TO:

Best Bank
2310 Interstate 20 W
Arlington, TX 76017
Ambra

_____[Space Above This Line For Recording Data]_____

FHA Case # 000-444-555555

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DEED OF TRUST

Loan # 123456

THIS DEED OF TRUST ("Security Instrument") is made on **October 15, 2012**. The grantor is **John Smith and wife, Jane Smith**, whose address is **111 Maple Avenue, Arlington, TX 76017** ("Borrower").

The trustee is **Michael H. Patterson** whose address is **2310 Interstate 20 W, Suite 100, Arlington, TX 76017** ("Trustee"). The lender is **Best Bank**, which is organized and existing under the laws of **Texas**, and whose address is **2310 Interstate 20 W, Arlington, TX 76017** ("Lender").

The beneficiary under this Security Instrument is **Mortgage Electronic Registration Systems, Inc. ("MERS")**. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

Borrower owes Lender the principal sum of **One Hundred Two Thousand Seven Hundred Sixty Seven and 00/100 Dollars (U.S. \$102,767.00)**. This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on **November 1, 2027**. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under Paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably warrants grants and conveys to Trustee, in trust, with power of sale, the following described property located in **Tarrant County, Texas**:

LOT 30, BLOCK 6, PERFECT ADDITION, AN ADDITION TO THE CITY OF ARLINGTON, TARRANT COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN VOLUME 111, PAGE 111, PLAT RECORDS, TARRANT COUNTY, TEXAS.

which has the address of **111 Maple Avenue, Arlington, Texas 76017** ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any actions required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest and Late Charge. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. Monthly Payment of Taxes, Insurance, and Other Charges. Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under Paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. Application of Payments. All payments under Paragraphs 1 and 2 shall be applied by Lender as follows:

First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note; and

Fifth, to late charges due under the Note.

4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in Paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in Paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

6. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness

that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in Paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in Paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

7. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in Paragraph 2.

Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender shall be immediately due and payable.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which is in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

9. Grounds for Acceleration of Debt.

(a) Default. Lender may, except as limited by regulations issued by the Secretary in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) Sale Without Credit Approval. Lender shall, if permitted by applicable law (including section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and
- (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property, but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) No Waiver. If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) Regulations of HUD Secretary. In many circumstances regulations issued by the Secretary will limit

Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(e) Mortgage Not Insured. Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within sixty (60) days from the date hereof, Lender may, at its option require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to sixty (60) days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorney's fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the term of this Security Instrument or the Note without that Borrower's consent.

13. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

14. Governing Law; Severability. This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

15. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

16. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in the paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

17. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this Paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. Foreclosure Procedure. If Lender requires immediate payment in full under Paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence. For the purposes of this Paragraph 18, the term "Lender" includes any holder of the Note who is entitled to receive payments under the Note.

If Lender invokes the power of sale, Lender or Trustee shall give notice of the time, place and terms of sale by posting and filing the notice at least 21 days prior to sale as provided by applicable law. Lender shall mail a copy of the notice to Borrower in the manner prescribed by applicable law. Sale shall be made at public venue. The sale must begin at the time stated in the notice of sale or not later than three hours after that time and between the hours of 10 a.m. and 4 p.m. on the first Tuesday of the month. Borrower authorizes Trustee to sell the Property to the highest bidder for cash in one or more parcels and in any order

Trustee determines. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying indefeasible title to the Property with covenants of general warranty from Borrower. Borrower covenants and agrees to defend generally the purchaser's title to the Property against all claims and demands. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

If the Property is sold pursuant to this paragraph 18, Borrower or any person holding possession of the Property through Borrower shall immediately surrender possession of the Property to the purchaser at that sale. If possession is not surrendered, Borrower or such person shall be a tenant at sufferance and may be removed by writ of possession.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Paragraph 18 or applicable law.

19. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument to Borrower or Borrower's designated agent in accordance with applicable law. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under applicable law.

20. Substitute Trustee; Trustee Liability. All rights, remedies and duties of Trustee under this Security Instrument may be exercised or performed by one or more trustees acting alone or together. Lender, at its option and with or without cause, may from time to time, by power of attorney or otherwise, remove or substitute any trustee, add one or more trustees, or appoint a successor trustee to any Trustee without the necessity of any formality other than a designation by Lender in writing. Without any further act or conveyance of the Property the substitute, additional or successor trustee shall become vested with the title, rights, remedies, powers and duties conferred upon Trustee herein and by applicable law.

Trustee shall not be liable if acting upon any notice, request, consent, demand, statement or other document believed by Trustee to be correct. Trustee shall not be liable for any act or omission unless such act or omission is willful.

21. Subrogation. Any of the proceeds of the Note used to take up outstanding liens against all or any part of the Property have been advanced by Lender at Borrower's request and upon Borrower's representation that such amounts are due and are secured by valid liens against the Property. Lender shall be subrogated to any and all rights, superior title, liens and equities owned or claimed by any owner or holder of any outstanding liens and debts, regardless of whether said liens or debts are acquired by Lender by assignment or are released by the holder thereof upon payment.

22. Partial Invalidity. In the event any portion of the sums intended to be secured by this Security Instrument cannot be lawfully secured hereby, payments in reduction of such sums shall be applied first to those portions not secured hereby.

23. Purchase Money; Owelty of Partition; Renewal and Extension of Liens Against Property; Acknowledgment of Cash Advanced Against Non-Homestead Property. [Check box as applicable].

☐

Purchase Money.

The funds advanced to Borrower under the Note were used to pay all or part of the purchase price of the Property. The Note also is primarily secured by the vendor's lien retained in the deed of even date with this Security Instrument conveying the Property to Borrower, which vendor's lien has been assigned to Lender, this Security Instrument being additional security for such vendor's lien.

☐

Owelty of Partition.

The Note represents funds advanced by Lender at the special instance and request of Borrower for the purpose of acquiring the entire fee simple title to the Property and the existence of an owelty of partition imposed against the entirety of the Property by a court order or by a written agreement of the parties to the partition to secure the payment of the Note is expressly acknowledged, confessed and granted.

☒ **Renewal and Extension of Liens Against Property.**

The Note is in renewal and extension, but not in extinguishment, of the indebtedness described on the attached Renewal and Extension Exhibit which is incorporated by reference. Lender is expressly subrogated to all rights, liens and remedies securing the original holder of a note evidencing Borrower's indebtedness and the original liens securing the indebtedness are renewed and extended to the date of maturity of the Note in renewal and extension of the indebtedness.

☐ **Acknowledgment of Cash Advanced Against Non-Homestead Property.**

The Note represents funds advanced to Borrower on this day at Borrower's request and Borrower acknowledges receipt of such funds. Borrower states that Borrower does not now and does not intend ever to reside on, use in any manner, or claim the Property secured by this Security Instrument as a business or residential homestead. Borrower disclaims all homestead rights, interests and exemptions related to the Property.

24. Loan Not a Home Equity Loan. The Loan evidenced by the Note is not an extension of credit as defined by Section 50(a)(6) or Section 50(a)(7), Article XVI, of the Texas Constitution. If the Property is used as Borrower's residence, then Borrower agrees that Borrower will receive no cash from the Loan evidenced by the Note and that any advances not necessary to purchase the Property, extinguish an owelty lien, complete construction, or renew and extend a prior lien against the Property, will be used to reduce the balance evidenced by the Note or such Loan will be modified to evidence the correct Loan balance, at Lender's option. Borrower agrees to execute any documentation necessary to comply with this Paragraph 24.

25. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

☐ Adjustable Rate Rider

☐ Condominium Rider

☐ Second Home Rider

☐ Balloon Rider

☐ Planned Unit Development Rider

☐ Biweekly Payment Rider

☐ 1-4 Family Rider

☐ Rate Improvement Rider

☐ Graduated Payment Rider

☐ VA Loan Rider

☐ Manufactured Home Rider

☐ Other(s):

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Signature

Date

John Smith

Signature

Date

Jane Smith

Witness

Witness

[Sign Originals Only]

STATE OF TEXAS
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by **John Smith and Jane Smith.**

Notary Public
Printed Name: _____
My commission expires: _____

RENEWAL AND EXTENSION EXHIBIT

This Renewal and Extension Exhibit is incorporated into and shall amend and supplement the Security Instrument of even date herewith. The Note is in renewal and extension, but not in extinguishment, of the indebtedness, whether one or more, described as follows:

VENDOR'S LIEN RETAINED IN DEED DATED APRIL 27, 2004, EXECUTED BY ROGER RABBIT TO JOHN SMITH AND JANE SMITH, FILED FOR RECORD IN VOLUME 1111, PAGE 111, OF THE REAL RECORDS OF TARRANT COUNTY, TEXAS, SECURING MERS MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., IN THE PAYMENT OF ONE NOTE OF EVEN DATE THEREWITH IN THE PRINCIPAL SUM OF \$125,000.00, DUE AND PAYABLE AND BEARING INTEREST A THEREIN PROVIDED, SAID NOTE BEING ADDITIONALLY SECURED BY A DEED OF TRUST OF EVEN DATE THEREWITH TO MISTER MANN, JR., TRUSTEE, FILED FOR RECORD IN VOLUME 1111, PAGE 111, OF THE REAL RECORDS, OF TARRANT COUNTY, TEXAS; AND ALL THE TERMS, CONDITIONS AND STIPULATIONS CONTAINED THEREIN, INCLUDING, BUT NOT LIMITED TO, ANY ADDITIONAL INDEBTEDNESS, IF ANY, SECURED BY SAID INSTRUMENT.

Lender is expressly subrogated to all rights, liens, equities and remedies securing the original holder(s) of the above debt(s) and the original lien(s) securing the same are renewed and extended to the date of maturity of the Note secured by the Security Instrument in renewal and extension of the indebtedness. Borrower acknowledges that the lien(s) securing the prior debt(s) is valid, that the lien(s) subsists against the Property, and that by this instrument it is renewed and extended in full force until the Note is paid, even though the original lien(s) is released and not assigned to Lender.

This renewal and extension is not a refinance of a debt any portion of which is an extension of credit as defined by Section 50(a)(6) or Section 50(a)(7), Article XVI, of the Texas Constitution.

In addition to the refinance of principal and any interest, if Lender is advancing all or a portion of the costs necessary to refinance debt on the Property, Borrower acknowledges that these costs are reasonable and necessary costs to refinance such debt. Borrower has received no funds from this Loan but only the benefit of those sums advanced for the payment of 1) principal and any interest on loans being refinanced, 2) any reasonable and necessary closing costs, and 3) any refund to Borrower of closing costs escrowed in connection with the Loan advanced by Borrower. If any portion of the Loan secures a debt for work or material used in constructing improvements on the Property, Borrower understands that funds not used in such construction, if any, must first be used to reduce the unpaid principal of the Loan or, at Lender's option, the Note must be modified to evidence the actual funds advanced.

Assignment and Transfer of Lien

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF **Tarrant**

FHA Case # 000-444-555555

That **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.** acting herein by and through its duly authorized officers, hereinafter called transferor, for and in consideration of TEN AND NO/100 DOLLARS CASH, AND OTHER GOOD AND VALUABLE CONSIDERATION, to it in hand paid by **Best Bank** hereinafter called transferee, the receipt of which is hereby acknowledged, has this day Sold, Conveyed, Transferred and Assigned and by these presents does Sell, Convey, Transfer and Assign unto the said transferee the hereinafter described indebtedness.

AND transferor further Grants, Sells and Conveys unto the transferee all the rights, title, interest and liens owned or held by transferor in the hereinafter described land by virtue of said indebtedness herein conveyed and assigned.

TO HAVE AND TO HOLD unto the said transferee, transferee's heirs and assigns the following described indebtedness together with all and singular the following mentioned lien and any and all liens, rights, equities, remedies, privileges, titles and interest in and to said land, which transferor has by virtue of being legal holder and owner of said indebtedness. For value received holder of the note and liens transfers/assigns them to Transferee, without warranty and without recourse on the holder.

SAID INDEBTEDNESS, LIENS AND LAND BEING DESCRIBED AS FOLLOWS:

VENDOR'S LIEN RETAINED IN DEED DATED APRIL 27, 2004, EXECUTED BY ROGER RABBIT TO JOHN SMITH AND JANE SMITH, FILED FOR RECORD IN VOLUME 1111, PAGE 111, OF THE REAL RECORDS OF TARRANT COUNTY, TEXAS, SECURING MERS MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., IN THE PAYMENT OF ONE NOTE OF EVEN DATE THEREWITH IN THE PRINCIPAL SUM OF \$125,000.00, DUE AND PAYABLE AND BEARING INTEREST A THEREIN PROVIDED, SAID NOTE BEING ADDITIONALLY SECURED BY A DEED OF TRUST OF EVEN DATE THEREWITH TO MISTER MANN, JR., TRUSTEE, FILED FOR RECORD IN VOLUME 1111, PAGE 111, OF THE REAL RECORDS, OF TARRANT COUNTY, TEXAS; AND ALL THE TERMS, CONDITIONS AND STIPULATIONS CONTAINED THEREIN, INCLUDING, BUT NOT LIMITED TO, ANY ADDITIONAL INDEBTEDNESS, IF ANY, SECURED BY SAID INSTRUMENT.

Said lien secured by the following described property:

LOT 30, BLOCK 6, PERFECT ADDITION, AN ADDITION TO THE CITY OF ARLINGTON, TARRANT COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN VOLUME 111, PAGE 111, PLAT RECORDS, TARRANT COUNTY, TEXAS.

EXECUTED, to be effective the **Fifteenth** day of **October, 2012**.

ATTEST:

MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC.

STATE OF TEXAS

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 2____
by _____.

Notary Public

Printed Name: _____

My Commission Expires: _____

RETURN TO:

Best Bank

2310 Interstate 20 W

Arlington, TX 76017

Ambra

Closing Agent: WARNING REGARDING NOTICE OF RIGHT TO CANCEL

THE NOTICE OF RIGHT TO CANCEL ("NORTC") IS SIGNATURE AND DATE SENSITIVE. YOU MUST MAKE SURE THE DATES ON THE "NORTC" ARE COMPLETED CORRECTLY, AND YOU MUST MAKE SURE THAT THE NOTICE IS PROPERLY SIGNED. If there are any mistakes on this document that are not corrected at closing, Federal Law will require new, redrawn documents to be signed. Such a redraw could cause the funding to be delayed.

ATTENTION CLOSER: If any dates on this form are incorrect, you must correct them by lining through the incorrect date and writing the correct date directly above or beside the correction. The change must be initialed by all persons who sign the NOTICE OF RIGHT TO CANCEL ("NORTC").

If there are multiple signers, who sign on different dates, provide each person who has a right to cancel, with 2 copies of their own NORTC.

Each person who signs the NORTC must be given 2 complete and signed copies with dates #1 and #3 filled in along with their individual copy of the Truth-In-Lending.

Make certain that all dates are accurate and any corrections are initialed by all persons that sign the NORTC before leaving signing/closing.

EXPLANATION OF DATES

#1 Transaction Date

is the date on which the Note and Mortgage or Deed of Trust are signed.

#3 Rescission Midnight Expiration Date

is calculated by counting the next 3 business days after the later of the three events; i #2
Include Saturdays in the calculation, but exclude Sundays and the federal holidays listed below:

New Year's	Jan. 1st
King's Birthday	3rd Mon. in Jan.
President's Day	3rd Mon. in Feb.
Memorial Day	Last Mon. in May
Independence Day	July 4th
Labor Day	1st Mon. in Sept.
Columbus Day	2nd Mon. in Oct.
Veterans Day	Nov. 11
Thanksgiving	4th Thurs. in Nov.
Christmas	Dec. 25th

#4 Signature Date

must be signed by each person who has a right to cancel this loan, this includes non-borrower spouse, if required by the state. Each signature must be dated.

Loan #
Lender:
Borrower:
Property:

NOTICE OF RIGHT TO CANCEL

You are entering into a transaction that will result in a mortgage/lien/security interest on your home. You have a legal right under federal law to cancel this transaction, without cost, within THREE BUSINESS DAYS from whichever of the following events occurs last:

- (1) The date of the transaction, which is i #1 or
i #2 { (2) The date you received your Truth in Lending disclosures; or
(3) The date you received this notice of your right to cancel.

If you cancel the transaction, the mortgage/lien/security interest is also cancelled. Within 20 CALENDAR DAYS after we receive your notice, we must take the steps necessary to reflect the fact that the mortgage/lien/security interest on your home has been cancelled; and we must return to you any money or property you have given us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within 20 CALENDAR DAYS of your offer, you may keep it without further obligation.

HOW TO CANCEL

If you decide to cancel this transaction, you may do so by notifying us in writing at:

You may use any written statement that is signed and dated by you and states your intention to cancel and/or you may use this notice by dating and signing below. Keep one copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than MIDNIGHT of i #3 (or MIDNIGHT of the THIRD BUSINESS DAY following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I WISH TO CANCEL

CONSUMER'S SIGNATURE

DATE

The undersigned each acknowledge receipt of two copies of NOTICE of RIGHT TO CANCEL, one copy of the Federal Truth in Lending Disclosure statement, all given by lender in compliance with Truth In Lending Simplification and Reform Act of 1980 (Public Law 96-221).

Each of the borrowers in this transaction has the right to cancel. The exercise of this right by one borrower shall be effective as to all borrowers.

<u>sample borrower</u>	<u>XX-XX-XXXX</u>		
BORROWER	DATE	BORROWER	DATE
BORROWER	DATE	BORROWER	DATE

HOW TO PERFORM CORRECTIONS:

If any error is made when signing and completing the NORTC, each and every correction must be lined through, corrected above, and initialed by all persons that sign the NORTC.

Example:

10/13/04 BR

Date: 10-12-04

Lender: **Best Bank**
Borrower: **John Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Notice of Right to Cancel

Loan # 123456
FHA Case # 000-444-555555

Your Right To Cancel: You are entering into a transaction that will result in a security interest in your home. You have a legal right under federal law to cancel this transaction, without cost or obligation, within three (3) business days from whichever of the following events occurs last:

1. the date of the transaction, which is **October 15, 2012**; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received this notice of your right to cancel.

If you cancel the transaction, the security interest is also cancelled. Within twenty (20) calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the security interest in your home has been cancelled, and we must return to you any money or property you have given to us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within twenty (20) calendar days of your offer, you may keep it without further obligation.

How To Cancel: If you decide to cancel this transaction, you may do so by notifying us in writing at:

Best Bank
2310 Interstate 20 W, Arlington, TX 76017

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one (1) copy of this notice because it contains important information about your rights. If you cancel by mail or telegram, you must send the notice no later than midnight of **October 18, 2012** (or midnight of the third business day following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I Wish To Cancel: (Only one Consumer's Signature is required to effect a cancellation)

(Borrower) Date: _____

Receipt of Notice: The undersigned hereby represents and warrants that I/we am the only person(s) with an ownership interest in the property who occupy it as a principal dwelling. We hereby acknowledge that the transaction identified on the face of this Notice was consummated and that we have each received one copy of the Federal Truth-in-Lending Disclosure and two copies of this Notice on the date noted beside my signature below.

Signature Date
John Smith

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Election Not to Cancel

Loan # 123456

I/We Do Not Wish to Cancel: (Do not sign the following until after time for cancellation has expired). The undersigned hereby certifies that more than three (3) business days have elapsed since the latest of the events listed below.

1. the date of the transaction, which is **October 15, 2012**; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received your Notice of Right to Cancel.

The undersigned has not exercised his/her right to cancel.

Signature

Date

John Smith

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Notice of Right to Cancel

Loan # 123456

Your Right To Cancel: You are entering into a transaction that will result in a security interest in your home. You have a legal right under federal law to cancel this transaction, without cost or obligation, within three (3) business days from whichever of the following events occurs last:

1. the date of the transaction, which is **October 15, 2012**; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received this notice of your right to cancel.

If you cancel the transaction, the security interest is also cancelled. Within twenty (20) calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the security interest in your home has been cancelled, and we must return to you any money or property you have given to us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within twenty (20) calendar days of your offer, you may keep it without further obligation.

How To Cancel: If you decide to cancel this transaction, you may do so by notifying us in writing at:

Best Bank
2310 Interstate 20 W, Arlington, TX 76017

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one (1) copy of this notice because it contains important information about your rights. If you cancel by mail or telegram, you must send the notice no later than midnight of **October 18, 2012** (or midnight of the third business day following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I Wish To Cancel: (Only one Consumer's Signature is required to effect a cancellation)

(Borrower) Date: _____

Receipt of Notice: The undersigned hereby represents and warrants that I/we am the only person(s) with an ownership interest in the property who occupy it as a principal dwelling. We hereby acknowledge that the transaction identified on the face of this Notice was consummated and that we have each received one copy of the Federal Truth-in-Lending Disclosure and two copies of this Notice on the date noted beside my signature below.

Signature Date
John Smith

[Sign Originals Only]

Notice of Right to Cancel (H-8) - Borrower 1

Lender: **Best Bank**
Borrower: **John Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Election Not to Cancel

Loan # 123456

I/We Do Not Wish to Cancel: (Do not sign the following until after time for cancellation has expired). The undersigned hereby certifies that more than three (3) business days have elapsed since the latest of the events listed below.

1. the date of the transaction, which is **October 15, 2012**; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received your Notice of Right to Cancel.

The undersigned has not exercised his/her right to cancel.

Signature

John Smith

Date

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Notice of Right to Cancel

Loan # 123456
FHA Case # 000-444-555555

Your Right To Cancel: You are entering into a transaction that will result in a security interest in your home. You have a legal right under federal law to cancel this transaction, without cost or obligation, within three (3) business days from whichever of the following events occurs last:

1. the date of the transaction, which is **October 15, 2012**; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received this notice of your right to cancel.

If you cancel the transaction, the security interest is also cancelled. Within twenty (20) calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the security interest in your home has been cancelled, and we must return to you any money or property you have given to us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within twenty (20) calendar days of your offer, you may keep it without further obligation.

How To Cancel: If you decide to cancel this transaction, you may do so by notifying us in writing at:
Best Bank
2310 Interstate 20 W, Arlington, TX 76017

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one (1) copy of this notice because it contains important information about your rights. If you cancel by mail or telegram, you must send the notice no later than midnight of **October 18, 2012** (or midnight of the third business day following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I Wish To Cancel: (Only one Consumer's Signature is required to effect a cancellation)

(Borrower) Date: _____

Receipt of Notice: The undersigned hereby represents and warrants that I/we am the only person(s) with an ownership interest in the property who occupy it as a principal dwelling. We hereby acknowledge that the transaction identified on the face of this Notice was consummated and that we have each received one copy of the Federal Truth-in-Lending Disclosure and two copies of this Notice on the date noted beside my signature below.

Signature Date
Jane Smith

[Sign Originals Only]

Notice of Right to Cancel (H-8) - Borrower 2

Lender: **Best Bank**
Borrower: **Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Election Not to Cancel

Loan # 123456

I/We Do Not Wish to Cancel: (Do not sign the following until after time for cancellation has expired). The undersigned hereby certifies that more than three (3) business days have elapsed since the latest of the events listed below.

1. the date of the transaction, which is **October 15, 2012** ; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received your Notice of Right to Cancel.

The undersigned has not exercised his/her right to cancel.

Signature

Date

Jane Smith

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Notice of Right to Cancel

Loan # 123456

Your Right To Cancel: You are entering into a transaction that will result in a security interest in your home. You have a legal right under federal law to cancel this transaction, without cost or obligation, within three (3) business days from whichever of the following events occurs last:

1. the date of the transaction, which is **October 15, 2012**; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received this notice of your right to cancel.

If you cancel the transaction, the security interest is also cancelled. Within twenty (20) calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the security interest in your home has been cancelled, and we must return to you any money or property you have given to us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within twenty (20) calendar days of your offer, you may keep it without further obligation.

How To Cancel: If you decide to cancel this transaction, you may do so by notifying us in writing at:

Best Bank
2310 Interstate 20 W, Arlington, TX 76017

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one (1) copy of this notice because it contains important information about your rights. If you cancel by mail or telegram, you must send the notice no later than midnight of **October 18, 2012** (or midnight of the third business day following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I Wish To Cancel: (Only one Consumer's Signature is required to effect a cancellation)

(Borrower) Date: _____

Receipt of Notice: The undersigned hereby represents and warrants that I/we am the only person(s) with an ownership interest in the property who occupy it as a principal dwelling. We hereby acknowledge that the transaction identified on the face of this Notice was consummated and that we have each received one copy of the Federal Truth-in-Lending Disclosure and two copies of this Notice on the date noted beside my signature below.

Signature Date
Jane Smith

[Sign Originals Only]

Notice of Right to Cancel (H-8) - Borrower 2

Lender: **Best Bank**
Borrower: **Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Election Not to Cancel

Loan # 123456

I/We Do Not Wish to Cancel: (Do not sign the following until after time for cancellation has expired). The undersigned hereby certifies that more than three (3) business days have elapsed since the latest of the events listed below.

1. the date of the transaction, which is **October 15, 2012** ; or
2. the date you received your Truth-in-Lending disclosures, or
3. the date you received your Notice of Right to Cancel.

The undersigned has not exercised his/her right to cancel.

Signature

Date

Jane Smith

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

First Payment Letter and Mailing Address Certification

Loan # 123456
FHA Case # 000-444-555555

Your first payment will be due **December 1, 2012**.

To assure proper credit on your account, please include your loan number as indicated above on all of your loan payment checks. Unless otherwise indicated in your promissory note, each loan payment is due on the **1st** day of the month. Each payment should be mailed early enough for it to reach the holder of the note on or before that date. Payments received after that date are **DELINQUENT** and could affect your credit rating. Unless otherwise indicated in your note, payments received after the end of the **15th** day of the month due are subject to late charges. Your Payment is itemized below. The payment may change due to changes in any of the components of the Payment (including a possible interest rate change if the loan contains a variable rate feature). New payment coupons (including any adjusted amounts) will be mailed to you at your last known address.

If you do not receive your payment coupons before the date the **FIRST PAYMENT IS DUE AND WE DO NOT NOTIFY YOU TO MAIL SAID PAYMENT DIRECTLY TO US, WHICH WE EXPRESSLY RESERVE THE RIGHT TO DO**, please mail your check along with the temporary payment coupon enclosed.

Your estimated "Payment" amount is **\$1,020.51**, totaled from these payment elements:

Description	Amount
Principal and Interest:	\$760.16
Homeowner's insurance:	\$66.28
Mortgage insurance:	\$50.50
County Property Tax:	\$143.57
Total:	\$1,020.51

In order for Lender to provide Borrower(s) with mortgage coupon payment booklets and to correspond with Borrower(s) on matters of importance, Lender requests Borrower(s) to provide the following information:

Present Mailing Address: _____
City, State & ZIP Code: _____
Present Telephone Number (include area code): _____
Anticipated Moving Date: _____
New Mailing Address: _____
City, State & ZIP Code: _____
New Telephone Number (including area code)(if known): _____

If Borrower(s) desires the mailing address to be different than the address of the Property indicated on the survey, Borrower(s) must provide the correct mailing address above. I/We, the above referenced Borrower(s), certify the above mailing information to be true and correct and further agree to notify the holder or servicer of the note immediately of any change of address by certified mail, return receipt requested, to the address stipulated in the Mortgage/Deed of Trust as being the address where Loan payments are to be mailed. No other knowledge, whether actual or constructive, by the holder of the note or any of its agents or employees, will be sufficient to put the holder of the note on notice of any change of Borrower(s) mailing address and/or telephone number.

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

TEMPORARY PAYMENT COUPON

1st Payment

Loan # 123456 **PAYMENT AMOUNT \$1,020.51** **PAYMENT DUE DATE: 12/1/2012**
BORROWER'S NAME: John Smith and wife, Jane Smith
PROPERTY ADDRESS: 111 Maple Avenue, Arlington, Texas 76017

Note to Borrower: These temporary payment coupons should be used if you have not received your mortgage loan coupon booklet prior to the due date of this payment. The payment amount listed is only an estimate, since all the necessary data for your loan has not been compiled. Please cut out the coupon and remit it with your check to:

Best Bank
2310 Interstate 20 W
Arlington, TX 76017

----- CUT HERE -----

TEMPORARY PAYMENT COUPON

2nd Payment

Loan # 123456 **PAYMENT AMOUNT \$1,020.51** **PAYMENT DUE DATE: 01/1/2013**
BORROWER'S NAME: John Smith and wife, Jane Smith
PROPERTY ADDRESS: 111 Maple Avenue, Arlington, Texas 76017

Note to Borrower: These temporary payment coupons should be used if you have not received your mortgage loan coupon booklet prior to the due date of this payment. The payment amount listed is only an estimate, since all the necessary data for your loan has not been compiled. Please cut out the coupon and remit it with your check to:

Best Bank
2310 Interstate 20 W
Arlington, TX 76017

----- CUT HERE -----

TEMPORARY PAYMENT COUPON

3rd Payment

Loan # 123456 **PAYMENT AMOUNT \$1,020.51** **PAYMENT DUE DATE: 02/1/2013**
BORROWER'S NAME: John Smith and wife, Jane Smith
PROPERTY ADDRESS: 111 Maple Avenue, Arlington, Texas 76017

Note to Borrower: These temporary payment coupons should be used if you have not received your mortgage loan coupon booklet prior to the due date of this payment. The payment amount listed is only an estimate, since all the necessary data for your loan has not been compiled. Please cut out the coupon and remit it with your check to:

Best Bank
2310 Interstate 20 W
Arlington, TX 76017

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Flood Insurance Coverage Subject to Possible Change

Loan # 123456
FHA Case # 000-444-555555

If your property is or becomes zoned for required flood insurance and we assign, sell or transfer the servicing of your mortgage loan, your new lender/servicer may require more flood insurance coverage than the minimum amount that has been identified in your Notice of Special Flood Hazards (NSFH). The new lender/servicer may require coverage in an amount greater than the minimum, and has the right to require flood coverage at least equal to 100% of the insurable value (also known as replacement cost value) of the building(s) used as collateral to secure the loan or the maximum available under the National Flood Insurance Program (NFIP) for the particular type of building. You should review your exposure to flood damage with your insurance provider, as you may wish to increase your coverage above the minimum amount required at the time of closing your loan versus what subsequently the new lender/servicer may require.

Acknowledged by Borrower(s) this **Fifteenth** day of **October, 2012**.

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

**Affidavit of Reasonable and Necessary
Closing Costs for Homestead Property
Refinance**

(Pursuant to Section 50(e), Article XVI of the Texas Constitution)

Loan # **123456**
FHA Case # **000-444-555555**

State of TEXAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **John Smith and wife, Jane Smith** and on oath such individual, or each of them, swears that the following statements are true:

I. REPRESENTATIONS AND WARRANTIES:

A. I am a borrower named in the Note (the "Note") or the owner or spouse of an owner of the property described in the Deed of Trust (the "Security Instrument" which term includes any riders to the Security Instrument), both bearing date of **October 15, 2012**, evidencing and securing a loan (the "Loan") and providing for a lien on the following described property ("Property") located in **Tarrant** County, Texas:

LOT 30, BLOCK 6, PERFECT ADDITION, AN ADDITION TO THE CITY OF ARLINGTON, TARRANT COUNTY, TEXAS, ACCORDING TO THE PLAT RECORDED IN VOLUME 111, PAGE 111, PLAT RECORDS, TARRANT COUNTY, TEXAS.

(Legal Description)

which has the address of:

**111 Maple Avenue
Arlington, TX 76017
("Property Address")**

B. I understand that the lender making the Loan is **Best Bank** (the "Lender").

C. The undersigned includes all owners and spouses of owners of the Property and all borrowers named in the Note.

D. IN ADDITION TO THE REFINANCE OF PRINCIPAL AND INTEREST LENDER IS ADVANCING ALL OR A PORTION OF THE COSTS NECESSARY TO REFINANCE DEBT ON THE PROPERTY. BORROWER ACKNOWLEDGES THESE COSTS TO BE REASONABLE AND NECESSARY COSTS TO REFINANCE SUCH DEBT.

E. BORROWER HAS RECEIVED NO FUNDS (DIRECTLY OR INDIRECTLY) FROM THE LOAN OTHER THAN THOSE ADVANCED FOR THE PAYMENT OF 1) PRINCIPAL AND INTEREST ON ANY LOANS BEING REFINANCED, AND 2) REASONABLE AND NECESSARY CLOSING COSTS, RELATED TO SAID CLOSING.

F. IF ANY PORTION OF THE LOAN AMOUNT SECURES A DEBT FOR WORK AND MATERIAL USED IN CONSTRUCTING IMPROVEMENTS ON THE PROPERTY, I UNDERSTAND THAT FUNDS NOT USED IN SUCH CONSTRUCTING, IF ANY, MUST BE USED TO REDUCE THE

Affidavit of Reasonable Closing Costs-Refinance

UNPAID PRINCIPAL OF THE LOAN. AT LENDER'S OPTION, THE NOTE MUST BE MODIFIED TO EVIDENCE THE ACTUAL FUNDS ADVANCED.

II. AGREEMENT PROVISIONS:

A. Inducement and Reliance. I understand that my execution of this Affidavit is made to induce Lender and its successors and assigns to make or purchase the Loan and that Lender and its assigns will rely on it as additional consideration for making or purchasing the Loan. I also understand that each of the statements made in the Representations and Warranties Section is material and will be acted upon by the Lender and its assigns, and that if such statement is false or made without knowledge of the truth, the Lender and its assigns will suffer injury.

B. Remedies in the Event of Fraud. If any Borrower obtains the Loan by fraud, then borrowers named in the Note agree to indemnify and save Lender and its successors and assigns harmless against any loss, costs, damages, attorneys' fees, expenses and liabilities which Lender may incur or sustain in connection with such fraud and any court action arising therefrom and will pay the same upon demand.

III. STATEMENT UNDER OATH

I/We hereby swear under oath that the representations and warranties referred to and set forth in Section I above are true and correct. I/We understand that this Affidavit is part of the loan documentation. When this Affidavit is executed by only one person, it shall read as if pertinent verbs, nouns, and pronouns were changed accordingly.

[DO NOT SIGN IF THERE ARE BLANKS LEFT TO BE COMPLETED IN THIS DOCUMENT.]

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

SUBSCRIBED AND SWORN TO BEFORE ME on the _____ day of _____, 20____ by **John Smith and Jane Smith.**

Notary Public
Printed Name of Notary:_____
My Commission Expires:_____

ADVISORY NOTICE

ALL STATEMENTS IN THE FOREGOING AFFIDAVIT ARE MADE UNDER OATH. IF ANY SUCH STATEMENT IS MADE WITH KNOWLEDGE THAT SUCH STATEMENT IS FALSE, THE PERSON MAKING SUCH FALSE STATEMENT MAY BE SUBJECT TO CIVIL AND CRIMINAL PENALTIES UNDER APPLICABLE LAW AND MAY BE PERSONALLY LIABLE ON THE NOTE AND MAY CAUSE ALL OTHER BORROWERS NAMED IN THE NOTE TO BE PERSONALLY LIABLE ON THE NOTE.

Affidavit of Reasonable Closing Costs-Refinance

**BORROWER ACKNOWLEDGEMENT OF RECEIPT OF
FEDERAL DISCLOSURES
FOR MORTGAGE TRANSACTIONS SUBJECT TO RESPA**

FHA Case # 000-444-555555

Words used in this Acknowledgment are defined below. Words in the singular mean and include the plural and vice versa.

“Borrower” is **John Smith and wife, Jane Smith.**

“Lender” is **Best Bank** , and its successors and assigns.

“Property” means the property commonly known as **111 Maple Avenue, Arlington, Texas 76017.**

Borrower acknowledges receiving the following notices and disclosures at the times indicated:

REAL ESTATE SETTLEMENT PROCEDURES ACT (RESPA) NOTICES

If this is a purchase transaction, consumer booklet entitled Buying Your Home - Settlement Costs and Helpful Information (either at the time of application or by mail postmarked within three (3) business days of Lender’s receipt of the application).

Good Faith Estimate of closing costs (either at the time of application, electronically consistent with the E-Sign Act or by mail postmarked within three (3) business days of Lender’s receipt of the application).

Servicing Disclosure Statement (either at the time of application if there was a face-to-face interview, electronically consistent with the E-Sign Act or by mail postmarked within three (3) business days of Lender’s receipt of the application).

Uniform Settlement Statement HUD-1 or HUD-1A (at or before settlement) in which all charges paid or to be paid by Borrower in connection with the settlement were set forth. The statement was provided for Borrower’s review at least one (1) business day prior to the settlement date, if requested by Borrower.

TRUTH IN LENDING ACT (TILA) NOTICES

Initial Truth in Lending Disclosure Statement (either at the time of application, electronically consistent with the E-Sign Act or by mail postmarked within three (3) business days of Lender’s receipt of the application and before any charges were imposed upon me/us with the exception of a credit report fee).

Final Truth in Lending Statement at least 3 days prior to consummation of the loan if last Truth in Lending was not in tolerance.

If this loan is a refinance transaction and subject to Section 226.32 of Regulation Z, Final Disclosure Required by the Federal Truth in Lending Act and the Federal Reserve Regulation Z for Section 226.32 Mortgages (at least three (3) business days [including Saturdays] prior to consummation of the loan).

If this is a rescindable transaction, two (2) Notices of Right to Cancel (at consummation of the loan). If the loan is to be secured by Borrower’s primary residence and Borrower applied for an adjustable rate feature, Adjustable Rate Mortgage Program Disclosure and consumer booklet entitled Consumer Handbook on Adjustable Rate Mortgages (either at the time of application or before a non-refundable fee was paid, whichever was earlier, or by mail postmarked within three (3) business days of Lender’s receipt of the application from an intermediary agent or broker).

If this transaction was changed to a variable rate program during the processing period, Adjustable Rate Mortgage

Borrower Acknowledgement of Receipt of Federal Disclosures (Multistate)

Program Disclosure and consumer booklet entitled Consumer Handbook on Adjustable Rate Mortgages (before consummation of the loan).

NATIONAL FLOOD INSURANCE ACT (NFIA) NOTICE

If the Property is or will be located in an area designated by the Federal Emergency Management Agency as an area having special flood hazards, Notice of Special Flood Hazards and Availability of Federal Disaster Relief Assistance (at a reasonable time prior to closing).

HOMEOWNERS PROTECTION ACT OF 1998 (HPA) NOTICES

If this transaction has private mortgage insurance to be paid by Lender, Lender Paid Private Mortgage Insurance Notice (at or before the time of loan commitment).

If this transaction has private mortgage insurance to be paid by Borrower, Private Mortgage Insurance Disclosure (at consummation of the loan).

RIGHT TO RECEIVE COPY OF APPRAISAL

Lender has provided me/us with a copy of the appraisal report of the Property either upon completion of the appraisal or at least three business days prior to closing, unless otherwise waived three days before closing not applicable to FHA or VA loans..

GRAMM-LEACH-BLILEY ACT (FINANCIAL PRIVACY) Notice

Lender provided me/us with a copy of Lender's Financial Privacy Notice detailing Lender's policy on the matter.

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

Borrower Acknowledgement of Receipt of Federal Disclosures (Multistate)

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Appraisal Receipt

Loan # 123456
FHA Case # 000-444-555555
Loan Officer: na

I/We, the undersigned Borrower(s), hereby certify that I/we have received, reviewed and approved a copy of the appraisal dated **09/03/2012** prepared by **Appraisal Source**.

(Blanks to be completed by Borrower(s) if not already completed.) I/We will forever hold Lender harmless from any complaint arising as a result of said appraisal.

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**
Date: **October 15, 2012**

Appraisal Report Disclosure

Loan # **123456**
FHA Case # **000-444-555555**
Loan Officer: **na**

The Equal Credit Opportunity Act (15 USC 1691(e)) and the Fannie Mae and Freddie Mac (FNMA/FHLMC) Appraiser Independence Requirements require that:

The lender shall ensure that the borrower is provided a copy of any appraisal report concerning the borrower's subject property promptly upon completion at no additional cost to the borrower, and in any event no less than three business days prior to the closing of the loan. The borrower may waive this three business day requirement. The lender may require the borrower to reimburse the lender for the cost of the appraisal.

- ☒ By signing this document, Borrower acknowledges receipt of the completed appraisal report at least three business days prior to closing of the loan.
- ☐ By signing this document, Borrower acknowledges and agrees that at least three days prior to closing of the loan, Borrower waived the requirement that the completed appraisal report be delivered to Borrower at least three business days prior to the closing of the loan, and consented to delivery of the completed appraisal report at or before closing.

ACKNOWLEDGMENT OF RECEIPT

I hereby acknowledge receipt of this Appraisal Report Disclosure and further acknowledge that I understand its provisions. Words used in this document mean and include the plural and vice versa.

Signature
John Smith

Date

Signature
Jane Smith

Date

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Attorney Representation Notice

Loan # 123456
FHA Case # 000-444-555555

This Attorney Representation Notice ("Notice") is entered into between PeirsonPatterson, LLP ("We", "our" or "us") and John Smith and wife, Jane Smith ("you" or "your" whether one or more), herein referred to as "Borrower".

LOAN DOCUMENTATION. PeirsonPatterson, LLP (We", "us" or "our") has prepared the legal instruments involved in this loan using information supplied by the Lender and other third parties. We have acted only on behalf of the Lender. We and the Lender have not assisted or rendered legal advice to Borrower with respect to the loan or the Property securing it or the documents executed in connection with it. If Borrower has any questions about the meaning of any document or Borrower's legal rights, Borrower should retain personal legal counsel for advice in this transaction.

DESCRIPTION OF LEGAL SERVICES PERFORMED. We may have prepared all or part of the following legal instruments affecting title to the Property: Deed (if a purchase transaction), Note, Security Instrument and Assignment of Lien (if requested).

DISCLAIMER OF REPRESENTATION OR WARRANTY. We have not conducted a title search on the Property, and make no representation or warranty about condition of the title, access to the Property or any other matters that might be revealed from Borrower's examination of a survey, title information, or the Property itself. **Borrower is cautioned to make sure the Deed delivered to Borrower conveys what Borrower has contracted to purchase.**

DATA SUPPLIED BY LENDER. The disclosure calculations and fee data have been supplied by the Lender. We make no representations regarding the value of the Property, conformance with any limitations on fees, waiting periods or any other matters outside our control.

RESPONSIBILITY FOR PAYMENT OF FEES. As part of Borrower's obligation to pay the expenses of the Lender in connection with the preparation of the legal documentation, Borrower agrees to pay directly to us at loan closing, the amount indicated on the Attorney Invoice, unless Lender has noted otherwise in their closing instructions.

BASIS FOR FEE. The document preparation fee charged by us is based on a per transaction charge rather than an hourly fee. This fee is intended to provide fair compensation for our services, taking into consideration the time and labor required, the complexities of the questions involved, and the skill required to perform the services. Other considerations include our expertise in the complexities of the real estate practice, the necessary overhead associated with the rendering of the services and our assumption of risk in the rendering of the services. There has been no charge made for any disclosures or information required by the Real Estate Settlement and Procedures Act, the Truth-in-Lending Act or the Homeowners' Protection Act.

NOTICE TO BORROWER REGARDING DEED PREPARATION. We represent Lender and only Lender in this transaction. If we have prepared a draft deed, it has been at the request of Lender. Borrower is advised to consult its legal counsel with any questions before signing the draft deed. We have provided the draft deed as a

Attorney Representation Notice

convenience. IF THE DRAFT DEED WE PREPARED IS USED, BORROWER (OR ITS ATTORNEY) SHOULD REVIEW AND AMEND IT, IF NECESSARY, TO MAKE CERTAIN THAT IT IS CONSISTENT WITH THE SALES CONTRACT AND CORRECTLY REFLECTS THE CONDITION OF TITLE FOR THE PROPERTY AND THE OBLIGATIONS OF THE PARTIES TRANSFERRING RIGHTS TO REAL PROPERTY, AND IF APPLICABLE RESERVING CERTAIN RIGHTS, FOR EXAMPLE MINERAL INTEREST, IS AN INHERENTLY COMPLEX MATTER AND CONTEMPLATES THE INVOLVEMENT OF ATTORNEYS. IF APPLICABLE, THE DEED SHOULD BE AMENDED TO REFLECT ANY MINERAL OR OTHER RESERVATION. BE CERTAIN THAT THE DEED EXPRESSES THE INTENT OF SELLER AND BORROWER. Another deed, or amendments to the draft deed, must be reviewed and approved by us prior to its execution.

Borrower hereby acknowledges receiving and reading a copy of this Notice and affirms the accuracy of the statements contained herein.

BORROWER(S):

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Borrower Affidavit

Loan # 123456
FHA Case # 000-444-555555

I/We the undersigned Borrower(s) for and in consideration of the above referenced Lender attest that, since the date of my/our original loan application:

1. I/we have not incurred any additional debt obligations and all debt information stated on the original loan application is the only debt I/we have and the credit balances and payments have not increased.

2. The status of my/our employment has not changed; all employment information stated on the original loan application remains true and accurate; and I/we have not received any notifications from my/our employer(s) indicating a change in my/our employment and/or income status.

DATED effective this _____ day of _____.

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

SUBSCRIBED AND SWORN TO BEFORE ME on the _____ day of _____, 20____ by **John Smith and Jane Smith.**

Notary Public
Printed Name of Notary: _____
My Commission Expires: _____

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Borrower's Closing Affidavit

Loan # 123456
FHA Case # 000-444-555555

Before me, the undersigned authority duly authorized to take acknowledgements and administer oaths, personally appeared the above referenced Borrower(s) who, upon being duly sworn depose and says as follows:
Words used in this Affidavit are defined below. Words in the singular mean and include the plural and vice versa.

"Borrower" is **John Smith and wife, Jane Smith**

"Lender" is **Best Bank**, and its successors or assigns.

"Loan" means the debt evidenced by the Note and all sums due under the Security Instrument.

"Note" means the promissory note(s) dated **October 15, 2012**, signed by Borrower in favor of Lender.

"Property" means the property commonly known as **111 Maple Avenue, Arlington, Texas 76017**.

"Security Instrument" means the Deed of Trust/Mortgage/Security Deed/Security Instrument signed by Borrower in favor of Lender, securing payment of the Note.

"Settlement Agent" is **Busy Bee Title**.

BEFORE ME, the undersigned authority, on this day, personally appeared Borrower, known to me to be the person whose name is subscribed below and after being duly sworn by me did each on his or her oath state the following:

1. OCCUPANCY STATUS. [Check applicable box.]

- ☒ **Primary Residence.** The Property is/will be Borrower's primary residence. This means at least one (1) Borrower who executes the Note and Security Instrument will take title to and occupy the Property. The Property is now occupied as Borrower's primary residence or will be occupied as Borrower's primary residence no later than sixty (60) days after this date or the date the Property shall first become ready for occupancy as a habitable dwelling. That Borrower shall continue to occupy the Property as that Borrower's primary residence for at least one (1) year after the execution of the Loan documentation unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond that Borrower's control. Furthermore, all bills for utilities, water, and/or sewerage are in that Borrower's name.

If applicable,

Borrower(s) will not occupy the Property, nor allow any others to occupy the Property, until construction is complete and municipal approvals have been issued, if required, and Lender gives written consent following final inspection. Borrower(s) will not store any item in or on the Property, or allow others, that is not related to the construction of improvements on the Property.

Borrower(s) hereby certify that upon completion the Property will be Borrower's principal residence. This means at least one of the Borrowers who executes the Note and Security Instrument has title to and upon completion, shall occupy the Property. Borrower shall continue to occupy the Property as Borrower's principal residence for at least one year after completion of the improvements unless Lender otherwise agrees in writing, which consent shall not be

unreasonably withheld or unless extenuating circumstances exist which are beyond Borrower's control.

BORROWER(S) ACKNOWLEDGE THAT THIS OCCUPANCY AFFIDAVIT IS GIVEN AS A MATERIAL INDUCEMENT TO CAUSE LENDER TO MAKE A LOAN TO BORROWER(S) AND THAT ANY FALSE STATEMENTS, MISREPRESENTATIONS OR MATERIAL OMISSIONS SHALL CONSTITUTE A BREACH OF THE BORROWER(S) OBLIGATION TO LENDER AND THAT ALL THE PROVISIONS OF THE MORTGAGE/DEED OF TRUST INDENTURE CONCERNING DEFAULT IN THE NOTE WILL THEREUPON BE IN FULL FORCE AND EFFECT.

☐ **Secondary Residence.** The Property is/will be Borrower's secondary residence. A secondary residence is a single-family property that is currently or will be occupied by at least one (1) Borrower in addition to that Borrower's primary residence. **The property will not be income-producing.**

☐ **Investment Property.** The Property is/will be investment property. The Property will not be occupied or claimed as a primary or secondary residence by any Borrower, and may produce revenue. Each Borrower now owns, resides, uses, and claims another property or properties as a primary residential or homestead.

2. **FINANCIAL STATUS.** Borrower understands that Lender is granting the Loan based on the representations made in the Loan application given by Borrower to Lender. Borrower hereby certifies that all statements related to the Loan application, including but not limited to, financial, marital, and employment status, have not changed, and to the best of Borrower's knowledge, will not change in the foreseeable future. If the Property is being purchased by Borrower, the funds for down payment and closing costs are being paid from the source stated on the Loan application. There is no secondary financing in this transaction that has not been disclosed to Lender. Borrower certifies that if the Loan application states that other real estate was to be sold, that such transaction has taken place and Borrower no longer has title to that real estate. If the Property is currently owned by Borrower, Borrower certifies that there are no delinquent state, county, city, school, water district, utility district, or other governmental taxes or assessments due or owing against the Property and that no tax suit has been filed by any state, county, municipality, water district, utility district, or other governmental agency for taxes or assessments levied against Borrower which have not been disclosed in writing to Lender. Borrower also certifies that there are no unpaid paving or utility assessments or delinquent owner association dues. There are no suits filed by or pending against Borrower in any federal or state court which have not been disclosed in writing to Lender.
3. **PROPERTY ACCEPTANCE.** Borrower acknowledges that the Property and all of its improvements, fixtures, appliances, and other parts are in good and satisfactory working order and in the conditions contracted for. If the Property is new construction, Borrower finds that the improvements erected on the Property have been completed substantially in accordance with the plans and specifications. If this is the purchase of an existing dwelling, Borrower has accepted the condition thereof, and all terms of the sales contract (including any required repairs and inspections) have been met. If the Property is or will be initial construction, Borrower will sign an affidavit of completion once Borrower finds the improvements are completed substantially in accordance with the plans and specifications and to Borrower's satisfaction and that the terms of the contract between Borrower and the contractor have been fully carried out. The matters acknowledged in this paragraph are to the best of Borrower's knowledge and belief, and nothing in this Affidavit is to be construed as a waiver of any claims, damages, causes of action, or rights under any warranty, expressed or implied, against any party other than Lender.
4. **SURVEY.**

If a Survey is required then, Borrower hereby certifies that Borrower has received, reviewed, and approved a copy of the survey which is incorporated herein by reference and has signed or initialed and dated same for identification purposes. Borrower is aware of the indicated encroachments, protrusions, easements, limitations, access, dimensions, and/or other conditions shown on the survey. In consideration of Lender making the Loan to Borrower, Borrower hereby indemnifies and holds Lender harmless from any claims, costs, damages, causes of action, and expenses in any way arising as a result of the Property condition or any matters indicated in the survey.

If a current Survey is acceptable then, since the date of the survey provided by Borrower, which survey has been signed or initialed and dated for identification purposes, Borrower certifies and represents that no improvements or structural changes or additions to the Property have been made. Borrower is aware of the indicated encroachments, protrusions, easements, limitations, access, dimensions, and/or other conditions shown on the survey. In consideration of Lender making the Loan to Borrower, Borrower hereby indemnifies and holds Lender harmless from any claims, costs, damages, causes of action, and expenses in any way arising as a result of the Property condition or any matters indicated in the survey.

If a Survey is not required then, Borrower understands that a current survey is not required by Lender for this transaction, however, if Borrower desires, Borrower may have a current survey made. Borrower represents to Lender that Borrower understands that a survey would indicate existing encroachments, protrusions, easements, limitations, access, dimensions, or other conditions.

Borrower represents to Lender that Borrower has not received from any third party any notice or claim of any limitation of the use and enjoyment of the Property not indicated by the most recently obtained survey.

5. **TITLE INSURANCE.** If Title Insurance is required by Lender, Borrower certifies that Settlement Agent has provided Borrower with a copy of the Commitment for Title Insurance and that Borrower has reviewed and consents to all of the exceptions to title which would appear in an Owner's Title Policy for the Property.

In consideration of Lender making the Loan to Borrower, Borrower hereby indemnifies and holds Lender harmless from any claims, costs, damages, causes of action and expenses in any way arising as a result of the Property condition and performance under any contract of sale between Borrower and any Seller of the property, or any matters indicated as exceptions stated in the Commitment for Title Insurance, and the Owner's and Mortgagee's Title Insurance Policies.

6. **HOLD HARMLESS.** Borrower has been made aware of the following specific conditions affecting the Property and does hereby indemnify and hold harmless Lender from any claims, costs, damages, causes of action, and expenses in any way arising from the following conditions or other matters:

ACKNOWLEDGMENT OF RECEIPT

Borrower acknowledges that this Borrower's Closing Affidavit is given as a material inducement to cause Lender to make the Loan to Borrower. Borrower understands that it is illegal to provide false information in an application for a mortgage loan. Mortgage fraud is punishable by up to 30 years in federal prison or a fine up to \$1,000,000 or both under the provisions of title 18, United States Code, Sec. 1001, et seq. The agreements and covenants contained herein shall survive the closing of this Loan transaction.

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

SUBSCRIBED AND SWORN TO BEFORE ME on the _____ day of _____, 20____ by **John Smith and Jane Smith.**

Notary Public
Printed Name of Notary: _____
My Commission Expires: _____

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Certification and Authorization To Release Information

Loan # 123456
FHA Case # 000-444-555555
Loan Officer: na

Words used in this Certification and Authorization are defined below. Words in the singular mean and include the plural and vice versa.

“Borrower” is **John Smith and wife, Jane Smith**.

“Lender” is **Best Bank**, and its successors, assigns or agents.

Borrower certifies the follows:

1. Borrower has applied for a mortgage loan from Lender. In applying for the loan, Borrower completed a loan application containing information on the purpose of the loan, the amount and source of the down payment, employment and income verification, and assets and liabilities. Borrower certifies that all of the information is true and complete. Borrower made no misrepresentations in the loan application or other documents, nor did Borrower omit any pertinent information.
2. Borrower understands and agrees that in the event the loan is processed under a reduced documentation program, Lender reserves the right to change the mortgage loan review process to a full documentation program. This may include verifying the information provided on the application with Borrower’s employer and/or a financial institution.
3. Borrower fully understands that it is a federal crime punishable by fine, or imprisonment, or both to knowingly make any false statements when applying for this mortgage, as applicable under the provisions of Title 18, United States Code, Section 1014.

To Whom It May Concern:

1. Borrower has applied for a mortgage loan from Lender. As part of the application process, Lender may verify information contained in Borrower’s loan application and in other documents required in connection with the loan, either before the loan is closed or as part of its quality control program.
2. Borrower authorizes you to provide to Lender any and all information and documentation that it requests. Such information includes, but is not limited to, employment history and income; bank, money market, and similar account balances; credit history; and copies of income tax returns.
3. Lender may address this authorization to any party named in the loan application.
4. A copy of this authorization may be accepted as an original.

Certification and Authorization to Release Information

5. Your prompt reply to Lender it successors, assigns or agents is appreciated.

NOTICE TO BORROWERS: This notice to you as required by the Right to Financial Privacy Act of 1978 that HUD/FHA has a right to access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to HUD/FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

Certification and Authorization to Release Information

CHANGE OF ADDRESS REQUEST (please print)



For security purposes, OmniAmerican Bank requires each customer to complete and sign an authorization for changes to personal information.

A	CUSTOMER NAME		CUSTOMER NUMBER	
	JOINT OWNER'S NAME (only if all accounts are joint)		CUSTOMER NUMBER	
B	PREVIOUS ADDRESS			
	Street			
	City		State	Zip Code
C	NEW ADDRESS			
	Street			
	City		State	Zip Code
D	MAILING ADDRESS/SEASONAL ADDRESS (if different than address above in section C)			
	Street			
	City		State	Zip Code
	For Seasonal Addresses Only: Start Date ____ - ____ - ____ End Date ____ - ____ - ____			
E	HOME PHONE NUMBER	CELL PHONE NUMBER	BUSINESS PHONE NUMBER	
F	EMAIL ADDRESSES			
	1			
	2			
G	Check One	<input type="checkbox"/>	Change the address on ALL of my accounts.	
		<input type="checkbox"/>	Change ONLY the accounts I have indicated below.	
	1		4	
	2		5	
	3		6	
H	I authorize OmniAmerican Bank to update my address			
	CUSTOMER SIGNATURE(S)		DATE	
	CUSTOMER SIGNATURE(S)		DATE	
BRANCH USE ONLY	Received via:	<input type="checkbox"/> Mail	<input type="checkbox"/> In person	<input type="checkbox"/> Phone (Customer Care/Special Accounts Only)
		<input type="checkbox"/> E-Mail (E-Services Only)	<input type="checkbox"/> Address Correction	
	Person Number:	_____	<input type="checkbox"/> ID Verified	Verification Method: _____
	Received by:	_____		
	Q/A USE ONLY	Reviewed by: <div style="border: 1px solid black; width: 200px; height: 40px; display: inline-block;"></div>		
				Digital signature, if available, in lieu of ink signature

Lender: **Best Bank**
Borrower: **John Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Customer Identification Form

Important Information About Procedures for Opening a New Account

Loan # 123456
FHA Case # 000-444-555555

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 each person who opens an account.

What this means to you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license and/or identifying documents.

Name: **John Smith**

Address: **111 Maple Avenue, Arlington, TX 76017**
(May not be a P.O. Box)

Mailing Address: **111 Maple Avenue, Arlington, TX 76017**

Date of Birth: _____ Social Security No.: _____

Business Employer's Identification No. and State if applicable: _____

Driver's License Information

Driver's License No.: _____ State issued: _____
Date issued (if available): _____
Driver's License Expiration Date: _____

Alternate Form of Identification (ie; State issued ID card)

Type of Identification: _____
State of Issuance: _____ Date Issued: _____
Identification No.: _____ Expiration Date: _____
Government that issued identification if not USA: _____

Customer Acknowledgement: I hereby acknowledge receipt of the notice on this form and state that all of the identifying information I have provided is current and accurate.

Customer Identification Form

Signature

Date

John Smith

[Sign Originals Only]

STATE OF TEXAS

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by **John Smith.**

Notary Public

Printed Name: _____

My commission expires: _____

Customer Identification Form

Lender: **Best Bank**
Borrower: **Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Customer Identification Form

Important Information About Procedures for Opening a New Account

Loan # 123456
FHA Case # 000-444-555555

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 each person who opens an account.

What this means to you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license and/or identifying documents.

Name: **Jane Smith**

Address: **111 Maple Avenue, Arlington, TX 76017**
(May not be a P.O. Box)

Mailing Address: **111 Maple Avenue, Arlington, TX 76017**

Date of Birth: _____ Social Security No.: _____
Business Employer's Identification No. and State if applicable: _____

Driver's License Information

Driver's License No.: _____ State issued: _____
Date issued (if available): _____
Driver's License Expiration Date: _____

Alternate Form of Identification (ie; State issued ID card)

Type of Identification: _____
State of Issuance: _____ Date Issued: _____
Identification No.: _____ Expiration Date: _____
Government that issued identification if not USA: _____

Customer Acknowledgement: I hereby acknowledge receipt of the notice on this form and state that all of the identifying information I have provided is current and accurate.

Signature Date
Jane Smith

Customer Identification Form

[Sign Originals Only]

STATE OF TEXAS

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by **Jane Smith.**

Notary Public

Printed Name: _____

My commission expires: _____

Customer Identification Form

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Disclosure of Right to Receive a Copy of an Appraisal

Loan # **123456**
FHA Case # **000-444-555555**

Applicant(s) name(s) / Address(es) ("You", "Your") John Smith and wife, Jane Smith 111 Maple Avenue Arlington, TX 76017	Lenders name / Address ("We", "Us") Best Bank 2310 Interstate 20 W Arlington, Texas 76017
---	---

DATE: **October 15, 2012**

Under the Equal Credit Opportunity Act (ECOA) you have the right to receive a copy of the appraisal report used in connection with your application for credit. If you wish to receive a copy, please follow the instructions provided below.

We must hear from you no later than 90 days after we notify you about the action taken on your loan application (the credit decision). If you withdraw your application before we take action, we must hear from you no later than 90 days after you withdraw your application.

To request a copy of the appraisal report, you must contact us by writing to us at the address provided above. Please provide us with the following information at the time you make your request:

- The names of the applicant(s)
- The date of your application
- The address of the appraised property
- The address to which we should send the copy of the report

The ECOA requires that we mail or deliver a copy of the appraisal report promptly (generally within 30 days) after we receive your request, receive the appraisal report, or receive reimbursement from you for the report, whichever occurs last.

Signature **John Smith** Date

Signature **Jane Smith** Date

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Document Correction Agreement

Loan # 123456
FHA Case # 000-444-555555

AGREEMENT TO CORRECT OR PROVIDE ADDITIONAL DOCUMENTATION OR FEES: In consideration of Lender disbursing funds for the closing of the Loan secured by the Property being encumbered, and regardless of the reason for any loss, misplacement, or inaccuracy in any loan documentation, Borrower(s) agrees as follows: That, should a document be lost or misplaced, misstated or inaccurately reflect the true and correct terms and conditions of the Loan, upon the request of the Lender (including persons acting on behalf of the Lender) or Settlement Agent, Borrower(s) will comply with Lender's request to execute, acknowledge, initial and deliver to Lender any documentation Lender deems necessary to replace or correct the lost, misplaced, misstated or inaccurate documents(s). Borrower's completed and accepted final application and any disclosure statements provided by Lender shall be evidence of Borrower's and Lender's intent regarding the agreed terms and conditions of the loan. If a replacement note is executed, the Lender hereby indemnifies the Borrower(s) against any loss associated with a demand on the original executed note. The documents Lender requests Borrower(s) to execute, acknowledge, initial and deliver pursuant to this Paragraph shall hereinafter be referred to as "Replacement Documents." Borrower(s) agrees to deliver the Replacement Documents within ten (10) days after receipt by Borrower(s) of a written request from Lender for such replacement. Borrower(s) also agrees that upon the request of the Lender (including persons acting on behalf of the Lender) or Settlement Agent, Borrower(s) will comply with Lender's reasonable request to supply additional documentation and/or to pay Lender any additional sums previously disclosed to Borrower(s) as a cost or fee associated with the Loan which for whatever reason was not collected at closing. The documents or fees Lender requests Borrower(s) to provide pursuant to this Paragraph shall hereinafter be referred to as "Additional Documents or Fees."

REQUEST BY LENDER: Any request by the Lender, (including persons acting on behalf of the Lender) or Settlement Agent for any Additional Documents or Fees shall be prima facie evidence of the necessity for same. A written statement from Lender, (including persons acting on behalf of the Lender) or Settlement Agent, addressed to Borrower(s) at the address indicated in the documentation shall be considered conclusive evidence of the necessity for said Additional Documents or Fees or corrections thereof.

FAILURE TO DELIVER REPLACEMENT OF ADDITIONAL DOCUMENTS OR FEES MAY CONSTITUTE DEFAULT: Borrower(s)'s failure or refusal to comply with the terms of the Lender's request may, at Lender's election, constitute a default under the note and/or mortgage/deed of trust and give Lender the option of declaring all sums secured by the loan documents immediately due and payable.

BORROWER LIABILITY: If Borrower(s) fails or refuses to execute, acknowledge, initial and deliver the Replacement Documents or provide the Additional Documents or Fees to Lender more than ten (10) days after being requested to do so by Lender, and understanding that Lender is relying on these representations, Borrower(s) agree(s) to be liable for any and all loss or damage which Lender sustains thereby including but not limited to all attorney's fees and costs incurred by Lender.

This Agreement shall inure to the benefit of Lender's successors and assigns and be binding upon the heirs, devisees, personal representatives, successors and assigns of Borrower(s).

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

Document Correction Agreement

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Error and Omissions / Compliance Agreement

Loan # 123456
FHA Case # 000-444-555555

The undersigned borrower(s) for and in consideration of the above-referenced Lender this date funding the closing of this loan agrees, if requested by Lender or Closing Agent for Lender, to fully cooperate and adjust for clerical errors, any or all loan closing document if deemed necessary or desirable in the reasonable discretion of Lender to enable Lender to sell, convey, seek guaranty or market said loan to any entity, including but not limited to an investor, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Federal Housing Authority, Department of Veterans Affairs or the Federal Agricultural Mortgage Corporation (FAMC).

The undersigned borrower(s) do hereby so agree and covenant in order to assure that this loan documentation executed this date will conform and be acceptable in the marketplace in the instance of transfer, sale or conveyance by Lender of its interest in and to said loan documentation.

DATED effective this **Fifteenth** day of **October, 2012**.

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

STATE OF TEXAS
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by **John Smith and Jane Smith**.

Notary Public
Printed Name: _____
My commission expires: _____

Lender: **Best Bank**
Lender Address: **2310 Interstate 20 W, Arlington, TX 76017**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Fair Credit Reporting Act Notice
(Prior to Furnishing Negative Information to
Nationwide Consumer Reporting Agency)

Loan # 123456
FHA Case # 000-444-555555
Loan Officer: na

Pursuant to the Fair Credit Reporting Act and Regulation V, we are required to provide you with the following information:

We may report information about your loan and/or account to credit bureaus. Late payments, missed payments, or other defaults on your loan and/or account may be reflected in your credit report.

ACKNOWLEDGMENT

I/We have read the above statement and acknowledge receiving a copy by signing and dating below.

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

Important Notice to Homebuyers

U.S. Department of Housing and
Urban Development
Office of Housing - Federal Housing
Commissioner

FHA Case # 000-444-555555

OMB Approval No. 2502-0059
(Expires 11/30/2010)

You must read this entire document at the time you apply for the loan.
Return one copy to lender as proof of notification and keep one copy for your records.

Condition of Property

The property you are buying is not HUD/FHA approved and HUD/FHA does not warrant the condition or the value of the property. An appraisal will be performed to estimate the value of the property, but this appraisal does not guarantee that the house is free of defects. You should inspect the property yourself very carefully or hire a professional inspection service to inspect the property for you.

Interest Rate and Discount Points

HUD does not regulate the interest rate or the discount points that may be paid by you or the seller or other third party. You should shop around to be sure you are satisfied with the loan terms offered and with the service reputation of the lender you have chosen.

The interest rate, any discount points and the length of time the lender will honor the loan terms are all negotiated between you and the lender.

The seller can pay the discount points, or a portion thereof, if you and the seller agree to such an arrangement.

Lenders may agree to guarantee or “lock-in” the loan terms for a definite period of time (i.e., 15, 30, 60 days, etc.) or may permit your loan to be determined by future market conditions, also known as “floating”. Lenders may require a fee to lock in the interest rate or the terms of the loan, but must provide a written agreement covering a minimum of 15 days before the anticipated closing. Your agreement with the lender will determine the degree, if any, that the interest rate and discount points may rise before closing.

If the lender determines you are eligible for the mortgage, your agreement with the seller may require you to complete the transaction or lose your deposit on the property.

Don't Commit Loan Fraud

It is important for you to understand that you are required to provide complete and accurate information when applying for a mortgage loan.

Do not falsify information about your income or assets.

Disclose all loans and debts (including money that may have been borrowed to make the downpayment).

Do not provide false letters-of-credit, cash-on-hand statements, gift letters or sweat equity letters.

Do not accept funds to be used for your downpayment from any other party (seller, real estate salesperson, builder, etc.).

Do not falsely certify that a property will be used for your primary residence when you are actually going to use it as a rental property.

Do not act as a “strawbuyer” (somebody who purchases a property for another person and then transfers title of the property to that person), nor should you give that person personal or credit information for them to use in any such scheme.

Do not apply for a loan by assuming the identity of another person.

Do not sign an incomplete or blank document; that is, one missing the name and address of the recipient and/or other important identifying information.

Penalties for Loan Fraud: Federal laws provide severe penalties for fraud, misrepresentation, or conspiracy to influence wrongly the issuance of mortgage insurance by HUD. You can be subject to a possible prison term and fine of up to \$10,000 for providing false information. Additionally, you could be prohibited from obtaining a HUD-insured loan for an indefinite period.

Report Loan Fraud: If you are aware of any fraud in HUD programs or if an individual tries to persuade you to make false statements on a loan application, you should report the matter by calling your nearest HUD office or the HUD Regional Inspector General, or call the HUD Hotline on 1 (800) 347-3735.

Warning: It is a crime to knowingly make false statements to the United States Government on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Discrimination

If you believe you have been subject to discrimination because of race, color, religion, sex, handicap, familial status, or national origin, you should call HUD's Fair Housing & Equal Opportunity Complaint Hotline: 1 (800) 669-9777.

Previous editions are obsolete

form HUD-92900-B (12/2004)
ref. Handbooks 4150.1 & 4155.1

About Prepayment

This notice is to advise you of the requirements that must be followed to accomplish a prepayment of your mortgage, and to prevent accrual of any interest after the date of prepayment.

You may prepay any or all of the outstanding indebtedness due under your mortgage at any time, without penalty. However, to avoid the accrual of interest on any prepayment, the prepayment must be received on the installment due date (the first day of the month) if the lender stated this policy in its response to a request for a payoff figure.

Otherwise, you may be required to pay interest on the amount prepaid through the end of the month. The lender can refuse to accept prepayment on any date other than the installment due date.

FHA Mortgage Insurance Information

Who May be Eligible for a Refund?

Premium Refund: You may be eligible for a refund of a portion of the insurance premium if you paid an upfront mortgage insurance premium at settlement and are refinancing with another FHA mortgage.

Review your settlement papers or check with your mortgage company to determine if you paid an upfront premium.

Exceptions:

Assumptions: When a FHA insured loan is assumed the insurance remains in force (the seller receives no refund). The owner(s) of the property at the time the insurance is terminated is entitled to any refund.

Important: The rules governing the eligibility for premium refunds are based on the financial status of the FHA insurance fund and are subject to change.

SI USTED HABLA ESPANOL Y TIENE DIFICULTAD LEYENDO O HABLANDO INGLES, POR FAVOR LLAME A ESTE NUMERO TELEFONICO 800 697-6967.

You, the borrower(s), must be certain that you understand the transaction. Seek professional advice if you are uncertain.

Acknowledgment: I acknowledge that I have read and received a copy of this notice at the time of loan application. This notice does not constitute a contract or binding agreement. It is designed to provide current HUD/FHA policy regarding refunds.

Signature _____ Date _____
John Smith

Signature _____ Date _____
Jane Smith

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, TX 76017**

Mineral Rights Acknowledgment

Loan # 123456
FHA Case # 000-444-555555

Words used in this Acknowledgment are defined below. Words in the singular mean and include the plural and vice versa.

“Borrower” is **John Smith and wife, Jane Smith**

“Lender” is **Best Bank**, and its successors or assigns.

“Loan” means the debt evidenced by the Note and all sums due under the Security Instrument.

“Note” means the promissory note(s) dated **October 15, 2012**, signed by Borrower in favor of Lender.

“Property” means the property commonly known as **111 Maple Avenue, Arlington, Texas 76017**.

“Security Instrument” means the deed of trust/mortgage/security deed/security instrument signed by Borrower in favor of Lender, securing payment of the Note.

Borrower understands that the Property may be subject to mineral development rights held by others and the exercise of those rights could result in a taking of or damage to some or all of the Property. Borrower further understands that the party desiring to exercise its mineral development rights may be liable to Borrower and Lender for reimbursement for exercising such mineral development rights.

The Reimbursement may be considered “Miscellaneous Proceeds” under the Security Instrument.

Borrower hereby acknowledges that Borrower has read this Acknowledgment and fully understands its terms and implications and Borrower is executing it the same day as the Note and Security Instrument, as a material inducement to Lender to make this Loan.

Signature Date
John Smith

Signature Date
Jane Smith

[Sign Originals Only]

MORTGAGE FRAUD IS INVESTIGATED BY THE FBI



Mortgage Fraud is investigated by the Federal Bureau of Investigation and is punishable by up to 30 years in federal prison or \$1,000,000 fine, or both. It is illegal for a person to make any false statement regarding income, assets, debt, or matters of identification, or to willfully overvalue any land or property, in a loan and credit application for the purpose of influencing in any way the action of a financial institution.

Some of the applicable Federal criminal statutes which may be charged in connection with Mortgage Fraud include:

- 18 U.S.C. § 1001 - Statements or entries generally
- 18 U.S.C. § 1010 - HUD and Federal Housing Administration Transactions
- 18 U.S.C. § 1014 - Loan and credit applications generally
- 18 U.S.C. § 1028 - Fraud and related activity in connection with identification documents
- 18 U.S.C. § 1341 - Frauds and swindles by Mail
- 18 U.S.C. § 1342 - Fictitious name or address
- 18 U.S.C. § 1343 - Fraud by wire
- 18 U.S.C. § 1344 - Bank Fraud
- 42 U.S.C. § 408(a) - False Social Security Number

Unauthorized use of the FBI seal, name, and initials is subject to prosecution under Sections 701, 709, and 712 of Title 18 of the United States Code. This advisement may not be changed or altered without the specific written consent of the Federal Bureau of Investigation, and is not an endorsement of any product or service.

Signature
John Smith

Date

Signature
Jane Smith

Date

[Sign Originals Only]

Mortgage Fraud Warning

Lender: **Best Bank**
Borrower: **John Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Name Affidavit

Loan # 123456
FHA Case # 000-444-555555

In reference to the above-described loan transaction, I the undersigned, and being named party in the loan documents for said transaction, on oath do swear that I am one and the same person as:

Signature Date
John Smith

[Sign Originals Only]

SUBSCRIBED AND SWORN TO BEFORE ME on the _____ day of _____, 20____ by **John Smith.**

Notary Public
Printed Name of Notary: _____
My Commission Expires: _____

Lender: **Best Bank**
Borrower: **Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Name Affidavit

Loan # 123456
FHA Case # 000-444-555555

In reference to the above-described loan transaction, I the undersigned, and being named party in the loan documents for said transaction, on oath do swear that I am one and the same person as:

Signature Date
Jane Smith

[Sign Originals Only]

SUBSCRIBED AND SWORN TO BEFORE ME on the _____ day of _____, 20____ by **Jane Smith.**

Notary Public
Printed Name of Notary: _____
My Commission Expires: _____

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Notice of No Oral Agreements

Loan # 123456
FHA Case # 000-444-555555
Loan Officer: na

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Receipt of Notice: The undersigned hereby represents and warrants that I/we have each received and read a copy of this Notice on or before the execution of the "Loan Agreement." "Loan Agreement" means one or more promises, promissory notes, agreements, undertakings, security agreements, deeds of trust or other documents, or commitments, or any combination of those actions or documents, pursuant to which a financial institution loans or delays repayment of or agrees to loan or delay repayment of money, goods, or any other thing of value or to otherwise extend credit or make a financial accommodation.

Signature

John Smith

Date

Signature

Jane Smith

Date

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Notice to Homeowner Assumption of HUD/FHA Insured Mortgages

**Loan # 123456
FHA Case # 000-444-555555**

You are legally obligated to make the monthly payments required by your mortgage (deed of trust) and promissory note.

The Department of Housing and Urban Development (HUD) has acted to keep investors and non-creditworthy purchasers from acquiring one-to-four family residential properties covered by certain FHA-insured mortgages. There are minor exceptions to the restriction on investors: loans to public agencies and some non-profit organizations, Indian tribes or service persons; and loans under special mortgage insurance programs for property sold by HUD, rehabilitation loans or refinancing of insured mortgages. Your lender can advise you if you are included in one of these exceptions.

HUD will therefore direct the lender to accelerate this FHA-insured mortgage loan if all or part of the property is sold or transferred to a purchaser or recipient (1) who will not occupy the property as his or her principal residence, or (2) who does occupy the property but whose credit has not been approved in accordance with HUD requirements. This policy will apply except for certain sales or transfers where acceleration is prohibited by law.

When a loan is accelerated, the entire balance is declared "immediately due and payable." Since HUD will not approve the sale of property covered by this mortgage to an investor or to a person whose credit has not been approved, you, the original homeowner, would remain liable for the mortgage debt even though the title to the property might have been transferred to the new buyer.

Even if you sell your home by letting an approved purchaser (that is, a creditworthy owner-occupant) assume your mortgage, you are still liable for the mortgage debt unless you obtain a release from liability from your mortgage lender. FHA-approved lenders have been instructed by HUD to prepare such a release when an original homeowner sells his or her property to a creditworthy purchaser who executes an agreement to assume and pay the mortgage debt and thereby agrees to become the substitute mortgagor. The release is contained in Form HUD-92210-1, ("Approval of Purchaser and Release of Seller"). You should ask for it if the mortgage lender does not provide it to you automatically when you sell your home to a creditworthy owner-occupant purchaser who executes an agreement to assume personal liability for the debt. When this form is executed, you are no longer liable for the mortgage debt.

The undersigned acknowledges receipt of this Notice on or before settlement of the transaction and understands its provisions.

Signature Date
John Smith

Signature Date
Jane Smith

Notice to Homeowner re Assumption Policy

[Sign Originals Only]

Lender: **Best Bank**
Borrower: **John Smith and wife, Jane Smith**
Property: **111 Maple Avenue, Arlington, Texas 76017**

Collateral Protection Insurance Notice (Texas)

Loan # 123456
FHA Case # 000-444-555555
Loan Officer: na

Pursuant to Texas law (Tex. Finance Code § 307.052), Lender is required to give the following notice at the time the credit agreement is executed.

You have entered into a credit agreement that requires you to maintain Collateral Protection Insurance for the above property. As part of this agreement, you are required to:

1. **Keep the collateral insured against damage in the amount the Lender specifies;**
2. **Purchase the insurance from an insurer that is authorized to do business in this state or an eligible surplus lines insurer;**
3. **Name Lender as the party to be paid under the policy in the event of a loss; and**
4. **If required by Lender, deliver to Lender a copy of the policy and proof of the payment of premiums.**

If you fail to meet any requirement listed above, Lender may obtain Collateral Protection Insurance on your behalf and at your expense.

ACKNOWLEDGMENT

I/We hereby acknowledge receipt of this Collateral Protection Insurance Notice and further acknowledge that I/we understand its provisions.

Signature **John Smith** Date

Signature **Jane Smith** Date

[Sign Originals Only]

Settlement Agent:

Please complete Social Security Number(s) in
LINES 1b, 2b (if applicable) and Previous
Address in Line 4 (if applicable and not present)
for all 4506-T to follow.

Thank you.

Request for Transcript of Tax Return• **Request may be rejected if the form is incomplete or illegible.**

OMB No. 1545-1872

TIP: Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Order a Transcript" or call 1-800-908-9946. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first. John Smith	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return Jane Smith	2b Second social security number or individual taxpayer identification number if joint tax return

3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (See instructions)
John Smith - 111 Maple Avenue, Arlington, TX 76017

4 Previous address shown on the last return filed if different from line 3 (See instructions)

5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.
Best Bank Its Successors and/or Assigns, 2310 Interstate 20 W, Arlington, TX 76017

Caution: If the tax transcript is being mailed to a third party, ensure that you have filled in lines 6 through line 9 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy. Once the IRS discloses your IRS transcript to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your transcript information, you can specify this limitation in your written agreement with the third party.

6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. •

a Return Transcript, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days ☐

b Account Transcript, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 30 calendar days ☐

c Record of Account, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 30 calendar days ☐

7 Verification of Nonfiling, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days ☐

8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2010, filed in 2011, will not be available from the IRS until 2012. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 45 days ☐

Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

Check this box if you have notified the IRS or the IRS has notified you that one of the years for which you are requesting a transcript involved **identify theft** on your federal tax return ☐

Caution. Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, **either** husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note.** For transcripts being sent to a third party, this form must be received within 120 days of signature date.

Sign Here	Signature (see instructions)	Date	Telephone number of taxpayer on line 1a or 2a ()
	Title (if line 1a above is a corporation, partnership, estate, or trust)		
	Spouse's signature	Date	

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about Form 4506-T at www.irs.gov/form4506. Information about any recent developments affecting Form 4506-T (such as legislation enacted after we released it) will be posted on that page.

General Instructions

CAUTION: Do not sign this form unless all applicable lines have been completed.

Purpose of form. Use Form 4506-T to request tax return information. You can also designate (on line 5) a third party to receive the information. Taxpayers using a tax year beginning in one calendar year and ending with the following year (fiscal tax year) must file Form 4506-T to request a return transcript.

Note. If you are unsure of which type of transcript you need, request the Record of Account, as it provides the most detailed information.

Tip. Use Form 4506, Request for Copy of Tax Return, to request copies of tax returns.

Where to file. Mail or fax Form 4506-T to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual transcripts (Form 1040 series and Form W-2) and one for all other transcripts.

If you are requesting more than one transcript or other product and the chart below shows two different addresses, send your request to the address based on the address of your most recent return.

Automated transcript request: You can quickly request transcripts by using our automated self help-service tools. Please visit us at IRS.gov and click on "Order a Transcript" or call 1-800-908-9946.

Chart for individual transcripts (Form 1040 series and Form W-2 and Form 1099)

If you filed an individual return and lived in:	Mail or fax to the "Internal Revenue Service" at:
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address	RAIVS Team Stop 6716 AUSC Austin, TX 73301 512-460-2272
Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	RAIVS Team Stop 37106 Fresno, CA 93888 559-456-5876
Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania,	RAIVS Team Stop 6705 P-6 Kansas City, MO 64999 816-292-6102

Rhode Island, South Carolina, Vermont, Virginia, West Virginia

Chart for all other transcripts

If you lived in or your business was in:	Mail or fax to the "Internal Revenue Service" at:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, a foreign country or A.P.O. or F.P.O. address	RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409 801-620-6922
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	RAIVS Team P.O. Box 145500 Stop 2800 F Cincinnati, OH 45250 859-669-3592

Line 1b. Enter your employer identification number (EIN) if your request relates to a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 3. Enter your current address. If you use a P.O. box, include it on this line.

Line 4. Enter the address shown on the last return filed if different from the address entered on line 3.

Note. If the address on Lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address.

Line 6. Enter only one tax form number per request.

Signature and date. Form 4506-T must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the information be sent to a third party, the IRS must receive Form 4506-T within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines are completed before signing.

Individuals. Transcripts of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506-T exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by

the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

Partnerships. Generally, Form 4506-T can be signed by any person who was a member of the partnership during any part of the tax period requested on line 9.

All others. See Internal Revenue Code section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the Letters Testamentary authorizing an individual to act for an estate.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. You are not required to request any transcript; if you do request a transcript, sections 6103 and 6109 and their regulations require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-T will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 12 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-T simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Products Coordinating Committee
SE:W:CAR:MP:T:T:SP
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send the form to this address. Instead, see *Where to file* on this page.

Settlement Agent:

Please complete Social Security Number(s) on each W-9 attached.

Thank you.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

John Smith

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:

☒ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

☐ Other (see instructions) ▶

☐ Exempt payee

Address (number, street, and apt. or suite no.)

111 Maple Avenue

City, state, and ZIP code

Arlington, TX 76017

Requester's name and address (optional)

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

			-			-				
--	--	--	---	--	--	---	--	--	--	--

Employer identification number

		-								
--	--	---	--	--	--	--	--	--	--	--

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

**Sign
Here**

Signature of
U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Jane Smith

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:

☒ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

☐ Other (see instructions) ▶

☐ Exempt payee

Address (number, street, and apt. or suite no.)

111 Maple Avenue

City, state, and ZIP code

Arlington, TX 76017

Requester's name and address (optional)

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

			-			-				
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Employer identification number

		-							
--	--	---	--	--	--	--	--	--	--

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

**Sign
Here**

Signature of
U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

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