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# NOTARY SIGNING AGENT COURSE

## Sample Forms

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Dina Elardo  
Complete Legal Forms  
[www.NotaryPublicCentral.Com](http://www.NotaryPublicCentral.Com)

Ph. 516-797-0022

Fx. 516-804-9770

eMail: [Notary@NotaryPublicCentral.Com](mailto:Notary@NotaryPublicCentral.Com)

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# Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower," as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when  the income or assets of a person other than the Borrower (including the Borrower's spouse) will be used as a basis for loan qualification or  the income or assets of the Borrower's spouse or other person who has community property or similar rights pursuant to applicable state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person who has community property or similar rights and the Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Co-Borrower

## I. TYPE OF MORTGAGE AND TERMS OF LOAN

<b>Mortgage Applied for:</b>	<input type="checkbox"/> VA <input type="checkbox"/> USDA/Rural Housing Service <input type="checkbox"/> FHA <input type="checkbox"/> Conventional <input type="checkbox"/> Other (explain):	Agency Case Number	Lender Case Number
Amount \$	Interest Rate %	No. of Months	<b>Amortization Type:</b> <input type="checkbox"/> Fixed Rate <input type="checkbox"/> Other (explain): <input type="checkbox"/> GPM <input type="checkbox"/> ARM (type):

## II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state & ZIP)	No. of Units
Legal Description of Subject Property (attach description if necessary)	Year Built
Purpose of Loan <input type="checkbox"/> Purchase <input type="checkbox"/> Refinance <input type="checkbox"/> Construction <input type="checkbox"/> Construction-Permanent <input type="checkbox"/> Other (explain):	Property will be: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment

***Complete this line if construction or construction-permanent loan.***

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
	\$	\$	\$	\$	\$

***Complete this line if this is a refinance loan.***

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements <input type="checkbox"/> made <input type="checkbox"/> to be made
	\$	\$		

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)
------------------------------------	------------------------------------	--

Source of Down Payment, Settlement Charges, and/or Subordinate Financing (explain)

Borrower				III. BORROWER INFORMATION				Co-Borrower			
Borrower's Name (include Jr. or Sr. if applicable)				Co-Borrower's Name (include Jr. or Sr. if applicable)							
Social Security Number	Home Phone (incl. Area code)	DOB (mm/dd/yyyy)	Yrs. School	Social Security Number	Home Phone (incl. Area code)	DOB (mm/dd/yyyy)	Yrs. School				
<input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (include single, divorced, widowed)		Dependents (not listed by Co-Borrower) no.    ages		<input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (include single, divorced, widowed)		Dependents (not listed by Borrower) no.    ages					
Present Address (street, city, state, ZIP)		<input type="checkbox"/> Own <input type="checkbox"/> Rent    ___ No. Yrs.		Present Address (street, city, state, ZIP)		<input type="checkbox"/> Own <input type="checkbox"/> Rent    ___ No. Yrs.					
Mailing Address, if different from Present Address				Mailing Address, if different from Present Address							

***If residing at present address for less than two years, complete the following:***

Former Address (street, city, state, ZIP)		<input type="checkbox"/> Own <input type="checkbox"/> Rent    ___ No. Yrs.		Former Address (street, city, state, ZIP)		<input type="checkbox"/> Own <input type="checkbox"/> Rent    ___ No. Yrs.					
---	--	--	--	---	--	--	--	--	--	--	--

Borrower		IV. EMPLOYMENT INFORMATION				Co-Borrower	
Name & Address of Employer <input type="checkbox"/> Self Employed	Yrs. on this job	Yrs. employed in this line of work/profession	Name & Address of Employer <input type="checkbox"/> Self Employed	Yrs. on this job	Yrs. employed in this line of work/profession		
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)				

***If employed in current position for less than two years or if currently employed in more than one position, complete the following:***

Name & Address of Employer <input type="checkbox"/> Self Employed	Dates (from - to)	Name & Address of Employer <input type="checkbox"/> Self Employed	Dates (from - to)		
	Monthly Income \$		Monthly Income \$		
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)		
Name & Address of Employer <input type="checkbox"/> Self Employed	Dates (from - to)	Name & Address of Employer <input type="checkbox"/> Self Employed	Dates (from - to)		
	Monthly Income \$		Monthly Income \$		
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)		

**V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION**

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$	\$	\$	Rent	\$	
Overtime				First Mortgage (P&I)		\$
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/ Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income," below)				Homeowner Assn. Dues		
				Other:		
<b>Total</b>	\$	\$	\$	<b>Total</b>	\$	\$

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income

*Notice:* Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a non-applicant spouse or other person, this Statement and supporting schedules must be completed about that spouse or other person also.

Completed  Jointly  Not Jointly

ASSETS	Cash or Market Value	<b>Liabilities and Pledged Assets.</b> List the creditor's name, address, and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities, which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.			
Description		LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance	
Cash deposit toward purchase held by:	\$				
<b>List checking and savings accounts below</b>					
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payment/Months	\$	
		Acct. no.			
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$	
Name and address of Bank, S&L, or Credit Union		Acct. no.			
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$	
Name and address of Bank, S&L, or Credit Union		Acct. no.			
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$	
Name and address of Bank, S&L, or Credit Union		Acct. no.			
Acct. no.	\$	Name and address of Company	\$ Payment/Months	\$	
Stocks & Bonds (Company name/number & description)	\$	Name and address of Company	\$ Payment/Months	\$	
		Acct. no.			
Life insurance net cash value	\$	Name and address of Company	\$ Payment/Months	\$	
Face amount: \$		Acct. no.			
<b>Subtotal Liquid Assets</b>	<b>\$</b>				
Real estate owned (enter market value from schedule of real estate owned)	\$	Alimony/Child Support/Separate Maintenance Payments Owed to:	\$		
Vested interest in retirement fund	\$				
Net worth of business(es) owned (attach financial statement)	\$	Job-Related Expense (child care, union dues, etc.)	\$		
Automobiles owned (make and year)	\$				
Other Assets (itemize)	\$				
		<b>Total Monthly Payments</b>	<b>\$</b>		
<b>Total Assets a.</b>	<b>\$</b>	<b>Net Worth (a minus b)</b>	<b>\$</b>	<b>Total Liabilities b.</b>	<b>\$</b>

**Schedule of Real Estate Owned** (If additional properties are owned, use continuation sheet.)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
		\$	\$	\$	\$	\$	\$
	Totals	\$	\$	\$	\$	\$	\$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

VII. DETAILS OF TRANSACTION		VIII. DECLARATIONS					
a. Purchase price	\$	<b>If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.</b>		<b>Borrower</b>		<b>Co-Borrower</b>	
b. Alterations, improvements, repairs				<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
c. Land (if acquired separately)		a. Are there any outstanding judgments against you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Refinance (incl. debts to be paid off)		b. Have you been declared bankrupt within the past 7 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Estimated prepaid items		c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Estimated closing costs		d. Are you a party to a lawsuit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. PMI, MIP, Funding Fee		e. Have you directly or indirectly been obligated on any loan of which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment?  (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Discount (if Borrower will pay)		f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee?  If "Yes," give details as described in the preceding question.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. <b>Total costs</b> (add items a through h)		g. Are you obligated to pay alimony, child support, or separate maintenance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Subordinate financing		h. Is any part of the down payment borrowed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**VII. DETAILS OF TRANSACTION (cont'd)**

**VIII. DECLARATIONS (cont'd)**

k. Borrower's closing costs paid by Seller		i. Are you a co-maker or endorser on a note?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Other Credits (explain)		----- j. Are you a U.S. citizen?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		k. Are you a permanent resident alien?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Loan amount (exclude PMI, MIP, Funding Fee financed)		l. <b>Do you intend to occupy the property as your primary residence?</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n. PMI, MIP, Funding Fee financed		If "Yes," complete question m below.				
o. Loan amount (add m & n)		m. Have you had an ownership interest in a property in the last three years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		(1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)?	___	___	___	___
p. Cash from/to Borrower (subtract j, k, l & o from i)		(2) How did you hold title to the home— by yourself (S), jointly with your spouse or jointly with another person (O)?	___	___	___	___

**IX. ACKNOWLEDGMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Acknowledgement. Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

<b>Borrower's Signature</b> X	<b>Date</b>	<b>Co-Borrower's Signature</b> X	<b>Date</b>
<div style="border: 1px solid black; padding: 5px; display: inline-block;">Sign &amp; Date</div>			



**X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<b>BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information		<b>CO-BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information	
<b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino		<b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	
<b>Race:</b> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White		<b>Race:</b> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	
<b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male		<b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male	
<b>To be Completed by Interviewer</b> This application was taken by: <input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input type="checkbox"/> Telephone <input type="checkbox"/> Internet	Interviewer's Name (print or type)	Name and Address of Interviewer's Employer	
	Interviewer's Signature	Date	
	Interviewer's Phone Number (incl. area code)		

## CONTINUATION SHEET/RESIDENTIAL LOAN APPLICATION

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark **B** for Borrower or **C** for Co-Borrower.

Borrower:

Agency Case Number:

Co-Borrower:

Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature <b>X</b>	Date	Co-Borrower's Signature <b>X</b>	Date
----------------------------------	------	-------------------------------------	------

Sign & Date

## NOTE

\_\_\_\_\_,  
[Date]

\_\_\_\_\_,  
[City]

\_\_\_\_\_,  
[State]

\_\_\_\_\_  
[Property Address]

### 1. **BORROWER'S PROMISE TO PAY**

In return for a loan that I have received, I promise to pay U.S. \$ \_\_\_\_\_ (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is \_\_\_\_\_. I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

### 2. **INTEREST**

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of \_\_\_\_\_%.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

### 3. **PAYMENTS**

#### (A) **Time and Place of Payments**

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the \_\_\_\_\_ day of each month beginning on \_\_\_\_\_, \_\_\_\_\_. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on \_\_\_\_\_, 20\_\_\_\_\_, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at \_\_\_\_\_ or at a different place if required by the Note Holder.

#### (B) **Amount of Monthly Payments**

My monthly payment will be in the amount of U.S. \$ \_\_\_\_\_.

### 4. **BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

### 5. **LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

### 6. **BORROWER'S FAILURE TO PAY AS REQUIRED**

#### (A) **Late Charge for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of \_\_\_\_\_ calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be \_\_\_\_\_% of my overdue payment of principal and interest. I will pay this late

charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

**(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

**(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

**7. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

**8. 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. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**9. 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.

**10. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

Lender may require immediate payment in full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. If Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred without Lender's prior written permission, Lender also may require immediate payment in full. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender requires immediate payment in full under this Section 18, Lender will give me a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is given to me in the manner required by Section 15 of this Security Instrument. If I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Borrower and/or Co-  
Borrower's Signatures only.  
No seal required by Notary

\_\_\_\_\_ (Seal)  
- Borrower

\_\_\_\_\_ (Seal)  
- Borrower

\_\_\_\_\_ (Seal)  
- Borrower

*[Sign Original Only]*

After Recording Return To:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

← **For Recorder Not Notary**

\_\_\_\_\_ **[Space Above This Line For Recording Data]** \_\_\_\_\_

## MORTGAGE

### WORDS USED OFTEN IN THIS DOCUMENT

- (A) **“Security Instrument.”** This document, which is dated \_\_\_\_\_, \_\_\_\_\_, together with all Riders to this document, will be called the “Security Instrument.”
- (B) **“Borrower.”** \_\_\_\_\_, whose address is \_\_\_\_\_ sometimes will be called “Borrower” and sometimes simply “I” or “me.”
- (C) **“Lender.”** \_\_\_\_\_ will be called “Lender.” Lender is a corporation or association which exists under the laws of \_\_\_\_\_. Lender’s address is \_\_\_\_\_.
- (D) **“Note.”** The note signed by Borrower and dated \_\_\_\_\_, \_\_\_\_\_, will be called the “Note.” The Note shows that I owe Lender \_\_\_\_\_ Dollars (U.S. \$ \_\_\_\_\_) plus interest and other amounts that may be payable. I have promised to pay this debt in Periodic Payments and to pay the debt in full by \_\_\_\_\_.
- (E) **“Property.”** The property that is described below in the section titled “Description of the Property,” will be called the “Property.”
- (F) **“Loan.”** The “Loan” means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.
- (G) **“Sums Secured.”** The amounts described below in the section titled “Borrower’s Transfer to Lender of Rights in the Property” sometimes will be called the “Sums Secured.”

**(H) “Riders.”** All Riders attached to this Security Instrument that are signed by Borrower will be called “Riders.” The following Riders are to be signed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Balloon Rider
- 1-4 Family Rider
- Condominium Rider
- Planned Unit Development Rider
- Biweekly Payment Rider
- Second Home Rider
- Other(s) [specify] \_\_\_\_\_

See if any are checked

**(I) “Applicable Law.”** All controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable, judicial opinions will be called “Applicable Law.”

**(J) “Community Association Dues, Fees, and Assessments.”** All dues, fees, assessments, and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization will be called “Community Association Dues, Fees, and Assessments.”

**(K) “Electronic Funds Transfer.”** “Electronic Funds Transfer” means any transfer of money, other than by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Some common examples of an Electronic Funds Transfer are point-of-sale transfers (where a card such as an asset or debit card is used at a merchant), automated teller machine (or ATM) transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

**(L) “Escrow Items.”** Those items that are described in Section 3 will be called “Escrow Items.”

**(M) “Miscellaneous Proceeds.”** “Miscellaneous Proceeds” means any compensation, settlement, award of damages, or proceeds paid by any third party (other than Insurance Proceeds, as defined in, and paid under the coverage described in, Section 5) for: (i) damage to, or destruction of, the Property; (ii) Condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of Condemnation or sale to avoid Condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property. A taking of the Property by any governmental authority by eminent domain is known as “Condemnation.”

**(N) “Mortgage Insurance.”** “Mortgage Insurance” means insurance protecting Lender against the nonpayment of, or default on, the Loan.

**(O) “Periodic Payment.”** The regularly scheduled amount due for (i) principal and interest under the Note, and (ii) any amounts under Section 3 will be called “Periodic Payment.”

**(P) “RESPA.”** “RESPA” means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, “RESPA” refers to all requirements and restrictions that are imposed in regard to a “federally related mortgage loan” even if the Loan does not qualify as a “federally related mortgage loan” under RESPA.

**BORROWER’S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY**

I mortgage, grant and convey the Property to Lender subject to the terms of this Security Instrument. This means that, by signing this Security Instrument, I am giving Lender those rights that are stated in this Security Instrument and also those rights that Applicable Law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:

- (A) Pay all the amounts that I owe Lender as stated in the Note including, but not limited to, all renewals, extensions and modifications of the Note;
- (B) Pay, with interest, any amounts that Lender spends under this Security Instrument to protect the value of the Property and Lender’s rights in the Property; and
- (C) Keep all of my other promises and agreements under this Security Instrument and the Note.

**DESCRIPTION OF THE PROPERTY**

I give Lender rights in the Property described in (A) through (G) below:

(A) The Property which is located at \_\_\_\_\_,  
 \_\_\_\_\_ [Street]  
 \_\_\_\_\_, New York \_\_\_\_\_.  
 \_\_\_\_\_ [City, Town or Village] \_\_\_\_\_ [Zip Code]

This Property is in \_\_\_\_\_ County. It has the following legal description:

**Sometimes attached as exhibit**

- (B) All buildings and other improvements that are located on the Property described in subsection (A) of this section;
- (C) All rights in other property that I have as owner of the Property described in subsection (A) of this section. These rights are known as “easements and appurtenances attached to the Property;”
- (D) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subsection (A) of this section;
- (E) All fixtures that are now or in the future will be on the Property described in subsections (A) and (B) of this section;
- (F) All of the rights and property described in subsections (B) through (E) of this section that I acquire in the future; and
- (G) All replacements of or additions to the Property described in subsections (B) through (F) of this section and all Insurance Proceeds for loss or damage to, and all Miscellaneous Proceeds of the Property described in subsections (A) through (F) of this section.



## **BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY**

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

## **PLAIN LANGUAGE SECURITY INSTRUMENT**

This Security Instrument contains promises and agreements that are used in real property security instruments all over the country. It also contains other promises and agreements that vary in different parts of the country. My promises and agreements are stated in "plain language."

## **COVENANTS**

I promise and I agree with Lender as follows:

**1. Borrower's Promise to Pay.** I will pay to Lender on time principal and interest due under the Note and any prepayment, late charges and other amounts due under the Note. I will also pay all amounts for Escrow Items under Section 3 of this Security Instrument.

Payments due under the Note and this Security Instrument shall be made in U.S. currency. If any of my payments by check or other payment instrument is returned to Lender unpaid, Lender may require my payment be made by: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location required in the Note, or at another location designated by Lender under Section 15 of this Security Instrument. Lender may return or accept any payment or partial payment if it is for an amount that is less than the amount that is then due. If Lender accepts a lesser payment, Lender may refuse to accept a lesser payment that I may make in the future and does not waive any of its rights. Lender is not obligated to apply such lesser payments when it accepts such payments. If interest on principal accrues as if all Periodic Payments had been paid when due, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until I make payments to bring the Loan current. If I do not do so within a reasonable period of time, Lender will either apply such funds or return them to me. In the event of foreclosure, any unapplied funds will be applied to the outstanding principal balance immediately prior to foreclosure. No offset or claim which I might have now or in the future against Lender will relieve me from making payments due under the Note and this Security Instrument or keeping all of my other promises and agreements secured by this Security Instrument.

**2. Application of Borrower's Payments and Insurance Proceeds.** Unless Applicable Law or this Section 2 requires otherwise, Lender will apply each of my payments that Lender accepts in the following order:

First, to pay interest due under the Note;

Next, to pay principal due under the Note; and

Next, to pay the amounts due Lender under Section 3 of this Security Instrument.

Such payments will be applied to each Periodic Payment in the order in which it became due.

Any remaining amounts will be applied as follows:

First, to pay any late charges;

Next, to pay any other amounts due under this Security Instrument; and

Next, to reduce the principal balance of the Note.

If Lender receives a payment from me for a late Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the late Periodic Payment and the late charge. If more than one Periodic Payment is due, Lender may apply any payment received from me: First, to the repayment of the Periodic Payments that are due if, and to the extent that, each payment can be paid in full; Next, to the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due.

Voluntary prepayments will be applied as follows: First, to any prepayment charges; and Next, as described in the Note.

Any application of payments, Insurance Proceeds, or Miscellaneous Proceeds to principal due under the Note will not extend or postpone the due date of the Periodic Payments or change the amount of those payments.

### **3. Monthly Payments For Taxes And Insurance.**

**(a) Borrower's Obligations.** I will pay to Lender all amounts necessary to pay for taxes, assessments, water charges, sewer rents and other similar charges, ground leasehold payments or rents (if any), hazard or property insurance covering the Property, flood insurance (if any), and any required Mortgage Insurance, or a Loss Reserve as described in Section 10 in the place of Mortgage Insurance. Each Periodic Payment will include an amount to be applied toward payment of the following items which are called "Escrow Items:"

- (1) The taxes, assessments, water charges, sewer rents and other similar charges, on the Property which under Applicable Law may be superior to this Security Instrument as a Lien on the Property. Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "Lien;"
- (2) The leasehold payments or ground rents on the Property (if any);
- (3) The premium for any and all insurance required by Lender under Section 5 of this Security Instrument;
- (4) The premium for Mortgage Insurance (if any);
- (5) The amount I may be required to pay Lender under Section 10 of this Security Instrument instead of the payment of the premium for Mortgage Insurance (if any); and
- (6) If required by Lender, the amount for any Community Association Dues, Fees, and Assessments.

After signing the Note, or at any time during its term, Lender may include these amounts as Escrow Items. The monthly payment I will make for Escrow Items will be based on Lender's estimate of the annual amount required.

I will pay all of these amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless Applicable Law requires otherwise. I will make these payments on the same day that my Periodic Payments of principal and interest are due under the Note.

The amounts that I pay to Lender for Escrow Items under this Section 3 will be called "Escrow Funds." I will pay Lender the Escrow Funds for Escrow Items unless Lender waives my obligation to pay the Escrow Funds for any or all Escrow Items. Lender may waive my obligation to pay to Lender Escrow Funds for any or all Escrow Items at any time. Any such waiver must be in writing. In the event of such waiver, I will pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Escrow Funds has been waived by Lender and, if Lender requires, will promptly send to Lender receipts showing such payment within such time period as Lender may require. My obligation to make such payments and to provide receipts will be considered to be a promise and agreement contained in this Security Instrument, as the phrase "promises and agreements" is used in Section 9 of this Security Instrument. If I am obligated to pay Escrow Items directly, pursuant to a waiver, and I fail to pay the amount due for an Escrow Item, Lender may pay that amount and I will then be obligated under Section 9 of this Security Instrument to repay to

Lender. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 of this Security Instrument and, upon the revocation, I will pay to Lender all Escrow Funds, and in amounts, that are then required under this Section 3.

I promise to promptly send to Lender any notices that I receive of Escrow Item amounts to be paid. Lender will estimate from time to time the amount of Escrow Funds I will have to pay by using existing assessments and bills and reasonable estimates of the amount I will have to pay for Escrow Items in the future, unless Applicable Law requires Lender to use another method for determining the amount I am to pay.

Lender may, at any time, collect and hold Escrow Funds in an amount sufficient to permit Lender to apply the Escrow Funds at the time specified under RESPA. Applicable Law puts limits on the total amount of Escrow Funds Lender can at any time collect and hold. This total amount cannot be more than the maximum amount a lender could require under RESPA. If there is another Applicable Law that imposes a lower limit on the total amount of Escrow Funds Lender can collect and hold, Lender will be limited to the lower amount.

**(b) Lender's Obligations.** Lender will keep the Escrow Funds in a savings or banking institution which has its deposits insured by a federal agency, instrumentality, or entity, or in any Federal Home Loan Bank. If Lender is such a savings or banking institution, Lender may hold the Escrow Funds. Lender will use the Escrow Funds to pay the Escrow Items no later than the time allowed under RESPA or other Applicable Law. Lender will give to me, without charge, an annual accounting of the Escrow Funds. That accounting will show all additions to and deductions from the Escrow Funds and the reason for each deduction.

Lender may not charge me for holding or keeping the Escrow Funds, for using the Escrow Funds to pay Escrow Items, for making a yearly analysis of my payment of Escrow Funds or for receiving, or for verifying and totaling assessments and bills. However, Lender may charge me for these services if Lender pays me interest on the Escrow Funds and if Applicable Law permits Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Escrow Funds unless either (1) Lender and I agree in writing that Lender will pay interest on the Escrow Funds, or (2) Applicable Law requires Lender to pay interest on the Escrow Funds.

**(c) Adjustments to the Escrow Funds.** Under Applicable Law, there is a limit on the amount of Escrow Funds Lender may hold. If the amount of Escrow Funds held by Lender exceeds this limit, then there will be an excess amount and RESPA requires Lender to account to me in a special manner for the excess amount of Escrow Funds.

If, at any time, Lender has not received enough Escrow Funds to make the payments of Escrow Items when the payments are due, Lender may tell me in writing that an additional amount is necessary. I will pay to Lender whatever additional amount is necessary to pay the Escrow Items when the payments are due, but the number of payments will not be more than 12.

When I have paid all of the Sums Secured, Lender will promptly refund to me any Escrow Funds that are then being held by Lender.

**4. Borrower's Obligation to Pay Charges, Assessments And Claims.** I will pay all taxes, assessments, water charges, sewer rents and other similar charges, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make ground rents or payments due under my lease if I am a tenant on the Property and Community Association Dues, Fees, and Assessments (if any) due on the Property. If these items are Escrow Items, I will do this by making the payments as described in Section 3 of this Security Instrument. In this Security Instrument, the word "Person" means any individual, organization, governmental authority or other party.

I will promptly pay or satisfy all Liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior Lien if: (a) I agree, in writing, to pay the obligation which gave rise to the superior Lien and Lender approves the way in which I agree to pay that obligation, but only so long as I am performing such agreement; (b) in good faith, I argue or defend against the superior Lien in a lawsuit so that in Lender's opinion, during the

lawsuit, the superior Lien may not be enforced, but only until the lawsuit ends; or (c) I secure from the holder of that other Lien an agreement, approved in writing by Lender, that the Lien of this Security Instrument is superior to the Lien held by that Person. If Lender determines that any part of the Property is subject to a superior Lien, Lender may give Borrower a notice identifying the superior Lien. Within 10 days of the date on which the notice is given, Borrower shall pay or satisfy the superior Lien or take one or more of the actions mentioned in this Section 4.

Lender also may require me to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with the Loan, unless Applicable Law does not permit Lender to make such a charge.

**5. Borrower's Obligation to Maintain Hazard Insurance or Property Insurance.** I will obtain hazard or property insurance to cover all buildings and other improvements that now are, or in the future will be, located on the Property. The insurance will cover loss or damage caused by fire, hazards normally covered by "Extended Coverage" hazard insurance policies, and any other hazards for which Lender requires coverage, including, but not limited to earthquakes and floods. The insurance will be in the amounts (including, but not limited to, deductible levels) and for the periods of time required by Lender. What Lender requires under the last sentence can change during the term of the Loan. I may choose the insurance company, but my choice is subject to Lender's right to disapprove. Lender may not disapprove my choice unless the disapproval is reasonable. Lender may require me to pay either (a) a one-time charge for flood zone determination, certification and tracking services, or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect the flood zone determination or certification. If I disagree with the flood zone determination, I may request the Federal Emergency Management Agency to review the flood zone determination and I promise to pay any fees charged by the Federal Emergency Management Agency for its review.

If I fail to maintain any of the insurance coverages described above, Lender may obtain insurance coverage, at Lender's option and my expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage will cover Lender, but might or might not protect me, my equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. I acknowledge that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that I could have obtained. Any amounts disbursed by Lender under this Section 5 will become my additional debt secured by this Security Instrument. These amounts will bear interest at the interest rate set forth in the Note from the date of disbursement and will be payable with such interest, upon notice from Lender to me requesting payment.

All of the insurance policies and renewals of those policies will include what is known as a "Standard Mortgage Clause" to protect Lender and will name Lender as mortgagee and/or as an additional loss payee. The form of all policies and renewals will be acceptable to Lender. Lender will have the right to hold the policies and renewal certificates. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If I obtain any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy will include a Standard Mortgage Clause and will name Lender as mortgagee and/or as an additional loss payee.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company for loss or damage to the Property is called "Insurance Proceeds." Unless Lender and I otherwise agree in writing, any Insurance Proceeds, whether or not the underlying insurance was required by Lender, will be used to repair or to restore the damaged Property unless: (a) it is not economically feasible to make the repairs or restoration; (b) the use of the Insurance Proceeds for that purpose would lessen the protection given to Lender by this Security

Instrument; or (c) Lender and I have agreed in writing not to use the Insurance Proceeds for that purpose. During the period that any repairs or restorations are being made, Lender may hold any Insurance Proceeds until it has had an opportunity to inspect the Property to verify that the repair work has been completed to Lender's satisfaction. However, this inspection will be done promptly. Lender may make payments for the repairs and restorations in a single payment or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires otherwise, Lender is not required to pay me any interest or earnings on the Insurance Proceeds. I will pay for any public adjusters or other third parties that I hire, and their fees will not be paid out of the Insurance Proceeds. If the repair or restoration is not economically feasible or if it would lessen Lender's protection under this Security Instrument, then the Insurance Proceeds will be used to reduce the amount that I owe to Lender under this Security Instrument. Such Insurance Proceeds will be applied in the order provided for in Section 2. If any of the Insurance Proceeds remain after the amount that I owe to Lender has been paid in full, the remaining Insurance Proceeds will be paid to me.

If I abandon the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 of this Security Instrument or otherwise, I give Lender my rights to any Insurance Proceeds in an amount not greater than the amounts unpaid under the Note and this Security Instrument. I also give Lender any other of my rights (other than the right to any refund of unearned premiums that I paid) under all insurance policies covering the Property, if the rights are applicable to the coverage of the Property. Lender may use the Insurance Proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

**6. Borrower's Obligations to Occupy The Property.** I will occupy the Property and use the Property as my principal residence within 60 days after I sign this Security Instrument. I will continue to occupy the Property and to use the Property as my principal residence for at least one year. The one-year period will begin when I first occupy the Property. However, I will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if Lender agrees in writing that I do not have to do so. Lender may not refuse to agree unless the refusal is reasonable. I also will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if extenuating circumstances exist which are beyond my control.

**7. Borrower's Obligations to Maintain And Protect The Property And to Fulfill Any Lease Obligations.**

**(a) Maintenance and Protection of the Property.** I will not destroy, damage or harm the Property, and I will not allow the Property to deteriorate. Whether or not I am residing in the Property, I will keep the Property in good repair so that it will not deteriorate or decrease in value due to its condition. Unless it is determined under Section 5 of this Security Instrument that repair is not economically feasible, I will promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or Condemnation (as defined in the definition of Miscellaneous Proceeds) proceeds are paid because of loss or damage to, or Condemnation of, the Property, I will repair or restore the Property only if Lender has released those proceeds for such purposes. Lender may pay for the repairs and restoration out of proceeds in a single payment or in a series of progress payments as the work is completed. If the insurance or Condemnation proceeds are not sufficient to repair or restore the Property, I promise to pay for the completion of such repair or restoration.

**(b) Lender's Inspection of Property.** Lender, and others authorized by Lender, may enter on and inspect the Property. They will do so in a reasonable manner and at reasonable times. If it has a reasonable purpose, Lender may inspect the inside of the home or other improvements on the Property. Before or at the time an inspection is made, Lender will give me notice stating a reasonable purpose for such interior inspection.

**8. Borrower's Loan Application.** If, during the application process for the Loan, I, or any Person or entity acting at my direction or with my knowledge or consent, made false, misleading, or inaccurate statements to Lender about information important to Lender in determining my eligibility for the Loan (or did not provide Lender with such information), Lender will treat my actions as a default under this Security Instrument. False, misleading, or inaccurate statements about information important to Lender would include a misrepresentation of my intention to occupy the Property as a principal residence. This is just one example of a false, misleading, or inaccurate statement of important information.

**9. Lender's Right to Protect Its Rights in The Property.** If: (a) I do not keep my promises and agreements made in this Security Instrument; (b) someone, including me, begins a legal proceeding that may significantly affect Lender's interest in the Property or rights under this Security Instrument (such as a legal proceeding in bankruptcy, in probate, for Condemnation or Forfeiture (as defined in Section 11), proceedings which could give a Person rights which could equal or exceed Lender's interest in the Property or under this Security Instrument, proceedings for enforcement of a Lien which may become superior to this Security Instrument, or to enforce laws or regulations); or (c) I have abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and Lender's rights under this Security Instrument.

Lender's actions may include, but are not limited to: (a) protecting and/or assessing the value of the Property; (b) securing and/or repairing the Property; (c) paying sums to eliminate any Lien against the Property that may be equal or superior to this Security Instrument; (d) appearing in court; and (e) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Lender can also enter the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, have utilities turned on or off, and take any other action to secure the Property. Although Lender may take action under this Section 9, Lender does not have to do so and is under no duty to do so. I agree that Lender will not be liable for not taking any or all actions under this Section 9.

I will pay to Lender any amounts, with interest, which Lender spends under this Section 9. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will pay interest on those amounts at the interest rate set forth in the Note. Interest on each amount will begin on the date that the amount is spent by Lender. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

If I do not own, but am a tenant on the Property, I will fulfill all my obligations under my lease. I also agree that, if I acquire the full title (sometimes called "Fee Title") to the Property, my lease interest and the Fee Title will not merge unless Lender agrees to the merger in writing.

**10. Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, I will pay the premiums for the Mortgage Insurance. If, for any reason, the Mortgage Insurance coverage ceases to be available from the mortgage insurer that previously provided such insurance and Lender required me to make separate payments toward the premiums for Mortgage Insurance, I will pay the premiums for substantially equivalent Mortgage Insurance coverage from an alternate mortgage insurer. However, the cost of this Mortgage Insurance coverage will be substantially equivalent to the cost to me of the previous Mortgage Insurance coverage, and the alternate mortgage insurer will be selected by Lender.

If substantially equivalent Mortgage Insurance coverage is not available, Lender will establish a non-refundable "Loss Reserve" as a substitute for the Mortgage Insurance coverage. I will continue to pay to Lender each month an amount equal to one-twelfth of the yearly Mortgage Insurance premium (as of the time the coverage lapsed or ceased to be in effect). Lender will retain these payments, and will use these payments to pay for losses that the Mortgage Insurance would have covered. The Loss Reserve is non-refundable even if the Loan is ultimately paid in full and Lender is not required to pay me any interest on the Loss Reserve. Lender can no longer require Loss Reserve payments if: (a)

Mortgage Insurance coverage again becomes available through an insurer selected by Lender; (b) such Mortgage Insurance is obtained; (c) Lender requires separately designated payments toward the premiums for Mortgage Insurance; and (d) the Mortgage Insurance coverage is in the amount and for the period of time required by Lender.

If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separate payments toward the premiums for Mortgage Insurance, I will pay the Mortgage Insurance premiums, or the Loss Reserve payments, until the requirement for Mortgage Insurance ends according to any written agreement between Lender and me providing for such termination or until termination of Mortgage Insurance is required by Applicable Law. Lender may require me to pay the premiums, or the Loss Reserve payments, in the manner described in Section 3 of this Security Instrument. Nothing in this Section 10 will affect my obligation to pay interest at the rate provided in the Note.

A Mortgage Insurance policy pays Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance policy.

Mortgage insurers assess their total risk on all Mortgage Insurance from time to time. Mortgage insurers may enter into agreements with other parties to share or change their risk, or to reduce losses. These agreements are based on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include Mortgage Insurance premiums).

As a result of these agreements, Lender, any owner of the Note, another insurer, any reinsurer, or any other entity, may receive (directly or indirectly) amounts that come from a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or changing the mortgage insurer's risk, or reducing losses. If these agreements provide that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance."

It also should be understood that: (a) any of these agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. These agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund; and (b) any of these agreements will not affect the rights Borrower has – if any – regarding the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right (a) to receive certain disclosures, (b) to request and obtain cancellation of the Mortgage Insurance, (c) to have the Mortgage Insurance terminated automatically, and/or (d) to receive a refund of any Mortgage Insurance premiums that were not earned at the time of such cancellation or termination.

**11. Agreements About Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are assigned to and will be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds will be applied to restoration or repair of the Property, if (a) the restoration or repair is economically feasible, and (b) Lender's security given in this Security Instrument is not lessened. During such repair and restoration period, Lender will have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect the Property to verify that the work has been completed to Lender's satisfaction. However, the inspection will be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless Lender and I agree otherwise in writing or unless Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender will not be required to pay Borrower any interest or earnings on the Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security given in this Security Instrument would be lessened, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The

excess, if any, will be paid to me. Such Miscellaneous Proceeds will be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds will be applied to the Sums Secured, whether or not then due. The excess, if any, will be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Sums Secured will be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the Sums Secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to me.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the Sums Secured immediately before the partial taking, destruction, or loss in value, the Miscellaneous Proceeds will be applied to the Sums Secured whether or not the sums are then due.

If I abandon the Property, or if, after Lender sends me notice that the Opposing Party (as defined in the next sentence) offered to make an award to settle a claim for damages, I fail to respond to Lender within 30 days after the date Lender gives notice, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the Sums Secured, whether or not then due. "Opposing Party" means the third party that owes me Miscellaneous Proceeds or the party against whom I have a right of action in regard to Miscellaneous Proceeds.

I will be in default under this Security Instrument if any civil or criminal action or proceeding that Lender determines could result in a court ruling (a) that would require Forfeiture of the Property, or (b) that could damage Lender's interest in the Property or rights under this Security Instrument. "Forfeiture" is a court action to require the Property, or any part of the Property, to be given up. I may correct the default by obtaining a court ruling that dismisses the court action, if Lender determines that this court ruling prevents Forfeiture of the Property and also prevents any damage to Lender's interest in the Property or rights under this Security Instrument. If I correct the default, I will have the right to have enforcement of this Security Instrument discontinued, as provided in Section 19 of this Security Instrument, even if Lender has required Immediate Payment in Full (as defined in Section 22). The proceeds of any award or claim for damages that are attributable to the damage or reduction of Lender's interest in the Property are assigned, and will be paid, to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property will be applied in the order provided for in Section 2.

## **12. Continuation of Borrower's Obligations And of Lender's Rights.**

**(a) Borrower's Obligations.** Lender may allow me, or a Person who takes over my rights and obligations, to delay or to change the amount of the Periodic Payments. Even if Lender does this, however, I will still be fully obligated under the Note and under this Security Instrument unless Lender agrees to release me, in writing, from my obligations.

Lender may allow those delays or changes for me or a Person who takes over my rights and obligations, even if Lender is requested not to do so. Even if Lender is requested to do so, Lender will not be required to (1) bring a lawsuit against me or such a Person for not fulfilling obligations under the Note or under this Security Instrument, or (2) refuse to extend time for payment or otherwise modify amortization of the Sums Secured.

**(b) Lender's Rights.** Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under Applicable Law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if: (1) Lender obtains insurance, pays taxes, or pays other claims, charges or Liens against the Property; (2) Lender accepts payments from third Persons; or (3) Lender accepts payments in amounts less than the amount then due, Lender will have the right under



Section 22 below to demand that I make Immediate Payment in Full of any amounts remaining due and payable to Lender under the Note and under this Security Instrument.

**13. Obligations of Borrower And of Persons Taking Over Borrower's Rights or Obligations.** If more than one Person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured. However, if one of us does not sign the Note: (a) that Person is signing this Security Instrument only to give that Person's rights in the Property to Lender under the terms of this Security Instrument; (b) that Person is not personally obligated to pay the Sums Secured; and (c) that Person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights, to modify, or make any accommodations with regard to the terms of this Security Instrument or the Note without that Person's consent.

Subject to the provisions of Section 18 of this Security Instrument, any Person who takes over my rights or obligations under this Security Instrument in writing, and is approved by Lender in writing, will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Borrower will not be released from Borrower's obligations and liabilities under this Security Instrument unless Lender agrees to such release in writing. Any Person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's promises and agreements made in this Security Instrument except as provided under Section 20.

**14. Loan Charges.** Lender may charge me fees for services performed in connection with my default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. With regard to other fees, the fact that this Security Instrument does not expressly indicate that Lender may charge a certain fee does not mean that Lender cannot charge that fee. Lender may not charge fees that are prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to Applicable Law which sets maximum loan charges, and that Applicable Law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed permitted limits: (a) any such loan charge will be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (even if a prepayment charge is provided for under the Note). If I accept such a refund that is paid directly to me, I will waive any right to bring a lawsuit against Lender because of the overcharge.

**15. Notices Required under this Security Instrument.** All notices given by me or Lender in connection with this Security Instrument will be in writing. Any notice to me in connection with this Security Instrument is considered given to me when mailed by first class mail or when actually delivered to my notice address if sent by other means. Notice to any one Borrower will be notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address is the address of the Property unless I give notice to Lender of a different address. I will promptly notify Lender of my change of address. If Lender specifies a procedure for reporting my change of address, then I will only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender will be given by delivering it or by mailing it by first class mail to Lender's address stated on the first page of this Security Instrument unless Lender has given me notice of another address. Any notice in connection with this Security Instrument is given to Lender when it is actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

**16. Law That Governs this Security Instrument; Word Usage.** This Security Instrument is governed by federal law and the law of New York State. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might allow the parties to agree by contract or it might be silent, but such silence does not mean that Lender and I cannot agree by contract. If any term of this Security Instrument or of the Note conflicts with Applicable Law, the conflict will not affect other provisions of this Security Instrument or the Note which can operate, or be given effect, without the conflicting provision. This means that the Security Instrument or the Note will remain as if the conflicting provision did not exist.

As used in this Security Instrument: (a) words of the masculine gender mean and include corresponding words of the feminine and neuter genders; (b) words in the singular mean and include the plural, and words in the plural mean and include the singular; and (c) the word “may” gives sole discretion without any obligation to take any action.

**17. Borrower’s Copy.** I will be given one copy of the Note and of this Security Instrument.

**18. Agreements about Lender’s Rights If the Property Is Sold or Transferred.** Lender may require Immediate Payment in Full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender’s prior written permission. If Borrower is not a natural Person and a beneficial interest in Borrower is sold or transferred without Lender’s prior written permission, Lender also may require Immediate Payment in Full. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender requires Immediate Payment in Full under this Section 18, Lender will give me a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is given to me in the manner required by Section 15 of this Security Instrument. If I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

**19. Borrower’s Right to Have Lender’s Enforcement of this Security Instrument Discontinued.** Even if Lender has required Immediate Payment in Full, I may have the right to have enforcement of this Security Instrument stopped. I will have this right at any time before the earliest of: (a) five days before sale of the Property under any power of sale granted by this Security Instrument; (b) another period as Applicable Law might specify for the termination of my right to have enforcement of the Loan stopped; or (c) a judgment has been entered enforcing this Security Instrument. In order to have this right, I will meet the following conditions:

- (a) I pay to Lender the full amount that then would be due under this Security Instrument and the Note as if Immediate Payment in Full had never been required;
- (b) I correct my failure to keep any of my other promises or agreements made in this Security Instrument;
- (c) I pay all of Lender’s reasonable expenses in enforcing this Security Instrument including, for example, reasonable attorneys’ fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender’s interest in the Property and rights under this Security Instrument; and
- (d) I do whatever Lender reasonably requires to assure that Lender’s interest in the Property and rights under this Security Instrument and my obligations under the Note and under this Security Instrument continue unchanged.

Lender may require that I pay the sums and expenses mentioned in (a) through (d) in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer’s check or cashier’s check drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer.

If I fulfill all of the conditions in this Section 19, then this Security Instrument will remain in full effect as if Immediate Payment in Full had never been required. However, I will not have the right to

have Lender's enforcement of this Security Instrument discontinued if Lender has required Immediate Payment in Full under Section 18 of this Security Instrument.

**20. Note Holder's Right to Sell the Note or an Interest in the Note; Borrower's Right to Notice of Change of Loan Servicer; Lender's and Borrower's Right to Notice of Grievance.** The Note, or an interest in the Note, together with this Security Instrument, may be sold one or more times. I might not receive any prior notice of these sales.

The entity that collects the Periodic Payments and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law is called the "Loan Servicer." There may be a change of the Loan Servicer as a result of the sale of the Note. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. Applicable Law requires that I be given written notice of any change of the Loan Servicer. The notice will state the name and address of the new Loan Servicer, and also tell me the address to which I should make my payments. The notice also will contain any other information required by RESPA or Applicable Law. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to me will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither I nor Lender may commence, join or be joined to any court action (as either an individual party or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other has not fulfilled any of its obligations under this Security Instrument, unless the other is notified (in the manner required under Section 15 of this Security Instrument) of the unfulfilled obligation and given a reasonable time period to take corrective action. If Applicable Law provides a time period which will elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to me under Section 22 and the notice of the demand for payment in full given to me under Section 22 will be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20. All rights under this paragraph are subject to Applicable Law.

**21. Continuation of Borrower's Obligations to Maintain and Protect the Property.** The federal laws and the laws of New York State that relate to health, safety or environmental protection are called "Environmental Law." Environmental Law classifies certain substances as toxic or hazardous. There are other substances that are considered hazardous for purposes of this Section 21. These substances are gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. The substances defined as toxic or hazardous by Environmental Law and the substances considered hazardous for purposes of this Section 21 are called "Hazardous Substances." "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law. An "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

I will not do anything affecting the Property that violates Environmental Law, and I will not allow anyone else to do so. I will not cause or permit Hazardous Substances to be present on the Property. I will not use or store Hazardous Substances on the Property. I also will not dispose of Hazardous Substances on the Property, or release any Hazardous Substance on the Property, and I will not allow anyone else to do so. I also will not do, nor allow anyone else to do, anything affecting the Property that: (a) is in violation of any Environmental Law; (b) creates an Environmental Condition; or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The promises in this paragraph do not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized as appropriate for normal residential use and maintenance of the Property (including, but not limited to, Hazardous Substances in consumer products). I may use or store these small quantities on the Property. In addition,

unless Environmental Law requires removal or other action, the buildings, the improvements and the fixtures on the Property are permitted to contain asbestos and asbestos-containing materials if the asbestos and asbestos-containing materials are undisturbed and “non-friable” (that is, not easily crumbled by hand pressure).

I will promptly give Lender written notice of: (a) 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 I have actual knowledge; (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance; and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If I learn, or any governmental or regulatory authority, or any private party, notifies me that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, I will promptly take all necessary remedial actions in accordance with Environmental Law.

Nothing in this Security Instrument creates an obligation on Lender for an Environmental Cleanup.

## **NON-UNIFORM COVENANTS**

I also promise and agree with Lender as follows:

**22. Lender’s Rights If Borrower Fails to Keep Promises and Agreements. Except as provided in Section 18 of this Security Instrument, if all of the conditions stated in subsections (a), (b) and (c) of this Section 22 are met, Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Security Instrument. Lender may do this without making any further demand for payment. This requirement is called “Immediate Payment in Full.”**

If Lender requires Immediate Payment in Full, Lender may bring a lawsuit to take away all of my remaining rights in the Property and have the Property sold. At this sale Lender or another Person may acquire the Property. This is known as “Foreclosure and Sale.” In any lawsuit for Foreclosure and Sale, Lender will have the right to collect all costs and disbursements and additional allowances allowed by Applicable Law and will have the right to add all reasonable attorneys’ fees to the amount I owe Lender, which fees shall become part of the Sums Secured.

**Lender may require Immediate Payment in Full under this Section 22 only if all of the following conditions are met:**

- (a) I fail to keep any promise or agreement made in this Security Instrument or the Note, including, but not limited to, the promises to pay the Sums Secured when due, or if another default occurs under this Security Instrument;**
- (b) Lender sends to me, in the manner described in Section 15 of this Security Instrument, a notice that states:**
  - (1) The promise or agreement that I failed to keep or the default that has occurred;**
  - (2) The action that I must take to correct that default;**
  - (3) A date by which I must correct the default. That date will be at least 30 days from the date on which the notice is given;**
  - (4) That if I do not correct the default by the date stated in the notice, Lender may require Immediate Payment in Full, and Lender or another Person may acquire the Property by means of Foreclosure and Sale;**
  - (5) That if I meet the conditions stated in Section 19 of this Security Instrument, I will have the right to have Lender’s enforcement of this Security Instrument stopped and to have the Note and this Security Instrument remain fully effective as if Immediate Payment in Full had never been required; and**

(6) That I have the right in any lawsuit for Foreclosure and Sale to argue that I did keep my promises and agreements under the Note and under this Security Instrument, and to present any other defenses that I may have; and

(c) I do not correct the default stated in the notice from Lender by the date stated in that notice.

23. **Lender’s Obligation to Discharge this Security Instrument.** When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument by delivering a certificate stating that this Security Instrument has been satisfied. I will pay all costs of recording the discharge in the proper official records. I agree to pay a fee for the discharge of this Security Instrument, if Lender so requires. Lender may require that I pay such a fee, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted by Applicable Law.

24. **Agreements about New York Lien Law.** I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that I will: (a) hold all amounts which I receive and which I have a right to receive from Lender under the Note as a trust fund; and (b) use those amounts to pay for “Cost of Improvement” (as defined in Section 13 of the New York Lien Law) before I use them for any other purpose. The fact that I am holding those amounts as a trust fund means that for any building or other improvement located on the Property I have a special responsibility under the law to use the amount in the manner described in this Section 24.

25. **Borrower’s Statement Regarding the Property [check box as applicable].**

This Security Instrument covers real property improved, or to be improved, by a one or two family dwelling only.

This Security Instrument covers real property principally improved, or to be improved, by one or more structures containing, in the aggregate, not more than six residential dwelling units with each dwelling unit having its own separate cooking facilities.

This Security Instrument does not cover real property improved as described above.

BY SIGNING BELOW, I accept and agree to the promises and agreements contained in pages 1 through 19 of this Security Instrument and in any Rider signed by me and recorded with it.

Witnesses:

**Witness not needed in NY State  
If so, 2 independent people will  
sign after borrower(s) execute**

\_\_\_\_\_

\_\_\_\_\_  
(Seal)  
- Borrower

\_\_\_\_\_

\_\_\_\_\_  
(Seal)  
- Borrower

\_\_\_\_\_ [Space Below This Line For Acknowledgment] \_\_\_\_\_

County of \_\_\_\_\_}ss:

On this, \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, the undersigned officer, personally appeared \_\_\_\_\_, known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

## NOTICE OF RIGHT TO CANCEL

Loan Number:  
Borrowers:

Date:

Property Address:

### YOUR RIGHT TO CANCEL:

You are entering into a transaction that will result in a mortgage, lien, or security interest on/in 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 \_\_\_\_\_; or
2. the date you receive your Truth in Lending disclosures; or
3. the date you receive this notice of your right to cancel.

**Signer to Fill**

If you cancel the transaction, the mortgage, lien, or 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, or security interest on/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 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,

Name of Creditor:  
At

You must 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 copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send a notice no later than midnight of \_\_\_\_\_ (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

**No Signature here unless canceling!**

**Signing Agent or Lender. 3 Business Days**

\_\_\_\_\_ Date

\_\_\_\_\_ Signature

I/WE ACKNOWLEDGE RECEIPT OF TWO COPIES OF NOTICE OF RIGHT TO CANCEL AND ONE COPY OF THE FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT, ALL GIVEN BY LENDRE IN COMPLIANCE WITH TRUTH-IN-LENDING SIMPLIFICATION AND REFORM ACT OF 1980 (PUBLIC LAW 96-221).

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

**Sign and Date**

\_\_\_\_\_ Borrower's Signature

\_\_\_\_\_ Date

\_\_\_\_\_ Borrower's Signature

\_\_\_\_\_ Date

\_\_\_\_\_ Borrower's Signature

\_\_\_\_\_ Date

\_\_\_\_\_ Borrower's Signature

\_\_\_\_\_ Date

Date:

Loan Number:

Borrower:

Property Address:

**OCCUPANCY AGREEMENT**

I hereby certify that, if my loan application on the above described property is approved, I shall occupy the same as my primary year-round residence within sixty (60) days of recording the Mortgage executed in connection with my loan. This will confirm our understanding and agreement that I intend to occupy the above described property as my primary year-round residence within sixty (60) days of recording the Mortgage and that, if I fail to do so, such failure shall constitute a default under the Not and Mortgage executed in connection with my loan and, upon the occurrence of such default, the whole sum of principal and interest payable pursuant to said note plus costs and fees shall become immediately due at the option of the holder thereof.

The Lender has advised me and I understand that this loan which I have applied for has been made available with the understanding that it will be assigned by the Lender to another mortgage investor, and that a requirement of such assignment is that I will occupy the property as certified in Paragraph 1 above. Further, if I do not so occupy the property or if I , at any time with twelve (12) months after occupying the subject property, cease to occupy the property as my year-round residence \*unless I sell the property within said 12 month period), the Lender may not be able to assign the loan and/or the Lender may be required to repurchase it following an attempt assignment and may be damaged in certain other respects. This will also confirm that I/we shall indemnify the Lender and hold the Lender harmless from and against any and all loss, damage, liability or expense, including costs and reasonable attorneys fees, to which the Lender may be put or which the Lender may incur by reason of or in connection with my failure to so occupy said property.

I am aware of and understand that if at any time it is determined that my occupancy statement is misrepresented, I will be subject to prosecution for fraud under applicable state laws.

Should my plans with respect to occupancy change prior to closing this loan transaction, then it is agreed that the Lender will be immediately notified of that fact; I understand that without this declaration, Lender may refuse to make this loan in connection with the subject property.

I declare under penalty of perjury that the foregoing declaration is true and correct.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Co-Borrower

\_\_\_\_\_

\_\_\_\_\_



# SIGNATURE AFFIDAVIT

Loan Number:

STATE OF NEW YORK        }  
COUNTY OF \_\_\_\_\_ } SS:

The undersigned, upon being duly sworn, states upon his or her oath and certify that my legal signature is an written and printed or typed below. (This signature must EXACTLY match signatures on any Deed, Note, Mortgage or Deed of Trust executed at closing.)

\_\_\_\_\_  
(Print or type name)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Print or type name)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Print or type name)

\_\_\_\_\_  
Signature

AND further state on oath and certify that he or she is one and the same person as \_\_\_\_\_, as set forth in all closing documents relative to the property located at address: \_\_\_\_\_.

WITNESS my signature, this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

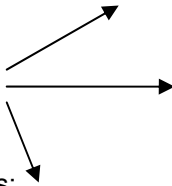
**Borrower to Fill**



\_\_\_\_\_  
Borrower

Sworn to and subscribed before me this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**Notary to Fill**



\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

\_\_\_\_\_

**SIGNATURE AFFIDAVIT**

Loan Number:

To whom it may concern:

The following is my true and correct signature and is how I execute all legal documents.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Co-Borrower

\_\_\_\_\_

\_\_\_\_\_

STATE OF NEW YORK }  
COUNTY OF \_\_\_\_\_ } ss:

On \_\_\_\_\_, before me \_\_\_\_\_, personally appeared,

\_\_\_\_\_

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (seal)

**DOCUMENTATION CORRECTION COMPLIANCE AGREEMENT**

Date:

Loan Number:

Borrower(s)

PROPERTY ADDRESS:

If deemed necessary by XYZ LENDERS, ITS SUCCESSORS AND/OR ASSIGNS (Lender), or the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Authority, the Department of Veterans Affairs, or a Secondary Mortgage Market investor, the undersigned borrower(s), for and in consideration of the funding and closing of this loan, fully agrees to correct and execute any documentation deemed necessary by Lender or closing agent to accurately reflect the true and correct terms and conditions of the loan. Borrower understands that this may mean correction of the existing Note and Security Instrument or execution of a new Note, Security Instrument or additional documents. Borrower agrees that upon the request of the Lender (including persons acting on behalf of the Lender) or Settlement Agent, Borrower will comply with Lender's or closing agent's reasonable request to supply additional documentation and/or pay Lender or closing agent any additional sum previously disclosed to Borrower as a cost or fee associated with the Loan which for whatever reason was not collected at closing.

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

The Borrower does hereby agree and covenant that the terms of this Document Correction Compliance Agreement constitute an additional covenant under the Note and Security Instrument. In the event Borrower does not duly correct, execute or deliver any and all of the additional documents or fees referenced herein above within five (5) days of such request, Lender or the closing agent may, in its sole discretion, deem Borrower's failure to timely cooperate as a default under the terms and conditions of the Note and Security Instrument and other documents executed in connection therewith. Lender or closing agent may then proceed to enforce its rights under the Note and Security Instrument, which enforcement may include acceleration of all sums due under the Note and, in the event such sums are not promptly paid, forced sale of the property secured by the Security Instrument. In the event, Lender or closing agent shall be entitled to recover from the borrower(s) its reasonable costs, expenses and attorney's fees.

If Borrower fails or refuses to execute, acknowledge, initial and deliver the corrected documents or provide the additional documents or fees to Lender more than five (5) days after being requested to do so by Lender, and understanding that Lender is relying on these representations, Borrower agrees to be liable for any and all loss or damage which Lender reasonably sustains thereby, including but not limited to all reasonable attorney's fees and costs incurred by Lender.

DATED effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Co-Borrower

State of \_\_\_\_\_ }  
County of \_\_\_\_\_ }ss:

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, before me, \_\_\_\_\_, the undersigned officer, personally appeared \_\_\_\_\_, known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

\_\_\_\_\_

**BORROWER'S ESCROW INSTRUCTIONS**

To: **ABC Title Company**  
**111 Sample Street**  
**Sample, NY 10560**  
**Ph. 1-800-555-1212 Fax: 1-800-555-1211**

**Escrow Officer: Jane Anderson**

**Escrow No.: 1234567**  
**Date:**

**Property Address:**  
**123 Sample Street**  
**Sample, NY 10563**

I/We had you the following:

**Notary Review Each**

- Balance due, as indicated on the settlement statement which has been read and approved. All closing funds to be in the form of a Cashier's Check or Money Order drawn on a New York financial institution or by wire transfer.
- Approved copies of demand(s) and/or beneficiary statement(s)
- Executed Loan Documents from lender
- Fire Insurance Policy Issued by \_\_\_\_\_.
- Agent's Name \_\_\_\_\_ . Agent's Phone No. \_\_\_\_\_
- Any and all other documents in accordance with said Escrow

All of which you may deliver and/or record when you can issue your ALTA/CLTA policy of title insurance in the amount of \_\_\_\_\_ insuring title to the property described in your Preliminary Report No. 78910, dated \_\_\_\_\_ showing title vested of record in:

**John Doe and Jane Doe, husband and wife, as joint tenants**

SUBJECT to the printed provisions, exceptions and stipulations in said policy and subject to:

- Taxes for the year 2006, not yet due and payable
- Any and all supplemental taxes, 2<sup>nd</sup> half remains open, borrowers to pay
- Assessments, not delinquent
- Easements, rights, rights of way, covenants, conditions, restrictions and reservations of record
- New Deed of Trust in favor of XYZ Funding Associates.

You are authorized and instructed to make deductions, adjustments and disbursements in accordance with the settlement statement. All amounts are estimated and may be adjusted dependent upon the date of close of escrow, estimated to be \_\_\_\_\_.

Escrow No. 1234567

**ADDITIONAL INSTRUCTIONS**

**All closing funds to be in the form of a Cashier's Check or by wire transfer.**

Borrower is aware that the new first mortgage loan will be funded at least one business day prior to the date of recordation of documents and close of escrow. That interest shall commence on said loan as of the date of funding and borrower agrees to bear all the cost of said interest. Should the escrow close after a weekend or holiday, borrower is ware that interest will be charged during such weekend or holiday and ABC Title Company shall be held harmless in connection herewith.

**The items indicated by POC on the settlement statement have been included at the direction of the lender for disclosure purposes only. The settlement agent has no direct information concerning these expenditures, other than what has been provided by the lender, nor any obligation to authenticate POC charges. No representation is made by the settlement agent regarding the validity of accuracy thereof.**

These instructions shall remain in full force and effect until rescinded in writing or 6 months from the drawing date of these Escrow Instructions.

All documents, balances and statements due shall be mailed to the address below.

The General Provisions, which are attached hereto are by reference thereto incorporated herein and made a part hereof, have been read, approved and accepted by the undersigned.

**THE ESCROW HOLDER IS ABC Title Company, WHICH IS LICENSED BY THE NEW YORK STATE INSURANCE DEPARTMENT.**

BORROWER(S) SIGNATURE(S):

	Date		Date
Borrower		Co-Borrower	
	Date		Date

Mailing Address at COE: \_\_\_\_\_ ← = Close of Escrow Leave

Phone No: \_\_\_\_\_ ←

Received by: ABC Title Company

Escrow officer to sian leave

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

Jane Anderson

**ADJUSTABLE RATE RIDER**  
**(1 Year Treasury Index -- Rate Caps)**

THIS ADJUSTABLE RATE RIDER is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to \_\_\_\_\_ (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

[Property Address]

**THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.**

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The Note provides for an initial interest rate of \_\_\_\_\_%. The Note provides for changes in the interest rate and the monthly payments as follows:

**4. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The interest rate I will pay may change on the first day of \_\_\_\_\_, \_\_\_\_\_, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding \_\_\_\_\_ percentage points ( \_\_\_\_\_%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than \_\_\_\_\_% or less than \_\_\_\_\_%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one percentage point (1.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than \_\_\_\_\_%.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include

information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

Section 18 of the Security Instrument is amended to read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

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

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

**A. Settlement Statement**

**B. Type of Loan**

1. <input type="checkbox"/> FHA    2. <input type="checkbox"/> FmHA    3. <input type="checkbox"/> Conv. Unins. 4. <input type="checkbox"/> VA    5. <input type="checkbox"/> Conv. Ins.	6. File Number:	7. Loan Number:	8. Mortgage Insurance Case Number:
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**C. Note:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower:	E. Name & Address of Seller:	F. Name & Address of Lender:
--------------------------------	------------------------------	------------------------------

G. Property Location:	H. Settlement Agent:	
	Place of Settlement:	I. Settlement Date:

<b>J. Summary of Borrower's Transaction</b>	<b>K. Summary of Seller's Transaction</b>
<b>100. Gross Amount Due From Borrower</b>	<b>400. Gross Amount Due To Seller</b>
101. Contract sales price	401. Contract sales price
102. Personal property	402. Personal property
<b>103. Settlement charges to borrower (line 1400)</b>	403.
104.	404.
105.	405.
<b>Adjustments for items paid by seller in advance</b>	<b>Adjustments for items paid by seller in advance</b>
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.
<b>120. Gross Amount Due From Borrower</b>	<b>420. Gross Amount Due To Seller</b>
<b>200. Amounts Paid By Or In Behalf Of Borrower</b>	<b>500. Reductions In Amount Due To Seller</b>
201. Deposit or earnest money	501. Excess deposit (see instructions)
202. Principal amount of new loan(s)	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.
<b>Adjustments for items unpaid by seller</b>	<b>Adjustments for items unpaid by seller</b>
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.
218.	518.
219.	519.
<b>220. Total Paid By/For Borrower</b>	<b>520. Total Reduction Amount Due Seller</b>
<b>300. Cash At Settlement From/To Borrower</b>	<b>600. Cash At Settlement To/From Seller</b>
301. Gross Amount due from borrower (line 120)	601. Gross amount due to seller (line 420)
302. Less amounts paid by/for borrower (line 220)      (                      )	602. Less reductions in amt. due seller (line 520)      (                      )
<b>303. Cash</b> <input type="checkbox"/> <b>From</b> <input type="checkbox"/> <b>To Borrower</b>	<b>603. Cash</b> <input type="checkbox"/> <b>To</b> <input type="checkbox"/> <b>From Seller</b>

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: • HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; • Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; • Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper.

The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information requested does not lend itself to confidentiality.



**L. Settlement Charges**

<b>700. Total Sales/Broker's Commission based on price \$</b>				@	% =	Paid From Borrowers Funds at Settlement	Paid From Seller's Funds at Settlement	
Division of Commission (line 700) as follows:								
701.	\$		to					
702.	\$		to					
703.	Commission paid at Settlement							
704.								
<b>800. Items Payable In Connection With Loan</b>								
801.	Loan Origination Fee		%					
802.	Loan Discount		%					
803.	Appraisal Fee		to					
804.	Credit Report		to					
805.	Lender's Inspection Fee							
806.	Mortgage Insurance Application Fee to							
807.	Assumption Fee							
808.								
809.								
810.								
811.								
<b>900. Items Required By Lender To Be Paid In Advance</b>								
901.	Interest from	to	@ \$	/day				
902.	Mortgage Insurance Premium for			months to				
903.	Hazard Insurance Premium for			years to				
904.				years to				
905.								
<b>1000. Reserves Deposited With Lender</b>								
1001.	Hazard insurance	months @ \$		per month				
1002.	Mortgage insurance	months @ \$		per month				
1003.	City property taxes	months @ \$		per month				
1004.	County property taxes	months @ \$		per month				
1005.	Annual assessments	months @ \$		per month				
1006.		months @ \$		per month				
1007.		months @ \$		per month				
1008.		months @ \$		per month				
<b>1100. Title Charges</b>								
1101.	Settlement or closing fee	to						
1102.	Abstract or title search	to						
1103.	Title examination	to						
1104.	Title insurance binder	to						
1105.	Document preparation	to						
1106.	Notary fees	to						
1107.	Attorney's fees	to						
	(includes above items numbers:			)				
1108.	Title insurance	to						
	(includes above items numbers:			)				
1109.	Lender's coverage	\$						
1110.	Owner's coverage	\$						
1111.								
1112.								
1113.								
<b>1200. Government Recording and Transfer Charges</b>								
1201.	Recording fees: Deed \$		; Mortgage \$		; Releases \$			
1202.	City/county tax/stamps: Deed \$		; Mortgage \$					
1203.	State tax/stamps: Deed \$		; Mortgage \$					
1204.								
1205.								
<b>1300. Additional Settlement Charges</b>								
1301.	Survey	to						
1302.	Pest inspection to							
1303.								
1304.								
1305.								
<b>1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)</b>								

**Sample Settlement Statement: Front of form Buyers' Column**

**Line 101:** Contract sales price of \$80,000.

**Line 103:** Buyers' total closing costs (from line 1400 on the back of the form), \$3,371.03:

**Line 120:** The gross amount due from buyers, \$83,371.03.

**Section 200:** Amounts paid by or on behalf of the buyers. These amounts will be subtracted from the total amount due on line 120.

**Line 201:** The \$500 that the buyers paid as earnest money. This amount is now credited to them and deducted from the total that they owe.

**Line 202:** The amount of the buyers' mortgage loan, which will be subtracted from the gross amount.

**Line 210:** The amount that the sellers are paying the buyers to cover property taxes from Jan. 1 through the closing date, \$1,250. At the end of the year, the buyers will have to pay property taxes for the entire year, but will have only owned the property since Oct. 31, so the sellers are paying a pro-rated portion of the taxes for the months they owned and occupied the property that year.

**Line 220:** The total amount paid by or on behalf of the buyers, \$77,750.

**Lines 301-303:** The amount due from the buyers at closing, which the buyers must pay at closing with a certified or cashier's check (\$83,371.03 - \$77,750 = \$5,621.03).

**Sellers' column**

**Line 401:** Sales price, \$80,000.


**Line 420:** Gross amount due to sellers, \$80,000.

**Line 502:** Sellers' closing costs (from line 1400 on back): \$5,225

**Line 510:** The amount due to the buyers to cover taxes from Jan. 1 through the closing date, \$1,250.

**Line 520:** The total withheld from the sales price \$6,475.

**Lines 601-603:** The amount the seller receives from the transaction (\$80,000 - \$6,475 = \$73,525).

A. Settlement Statement		U.S. Department of Housing and Urban Development	
		OMB No. 2502-0265 	
<b>B. Type of Loan</b>			
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv. Unins.	6. File Number
4. <input type="checkbox"/> VA	5. <input checked="" type="checkbox"/> Conv. Ins.		7. Loan Number
			8. Mortgage Insurance Case Number
			711 --- 7,011,011
<b>C. NOTE:</b> This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.			
<b>D. NAME AND ADDRESS OF BORROWER:</b> Thomas and Mary Jackson 1000 North Avenue, #201 Any Town, USA			
<b>E. NAME AND ADDRESS OF SELLER:</b> Robert and Judith Walker 2902 East Washington Street Any Town, USA			
<b>F. NAME AND ADDRESS OF LENDER:</b> Great Service Lending 2121 Easy Avenue Any Town, USA			
<b>G. PROPERTY LOCATION:</b> 2902 East Washington Street Any Town, USA			
<b>H. SETTLEMENT AGENT:</b> Great Service Lending <b>PLACE OF SETTLEMENT:</b> 2121 Easy Avenue Any Town, USA			
<b>I. SETTLEMENT DATE:</b> October 31, 1997			
<b>J. SUMMARY OF BORROWER'S TRANSACTION</b>		<b>K. SUMMARY OF SELLER'S TRANSACTION</b>	
<b>100. GROSS AMOUNT DUE FROM BORROWER:</b>		<b>400. GROSS AMOUNT DUE TO SELLER:</b>	
101. Contract sales price	80,000.00	401. Contract sales price	80,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower: (from line 1400)	3,371.03	403.	
104.		404.	
105.		405.	
<b>ADJUSTMENTS FOR ITEMS PAID BY SELLER IN ADVANCE:</b>		<b>ADJUSTMENTS FOR ITEMS PAID BY SELLER IN ADVANCE:</b>	
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.	
<b>120. GROSS AMOUNT DUE FROM BORROWER:</b>	<b>83,371.03</b>	<b>420. GROSS AMOUNT DUE TO SELLER:</b>	<b>80,000.00</b>
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:</b>		<b>500. REDUCTIONS IN AMOUNT DUE TO SELLER:</b>	
201. Deposit or earnest money	500.00	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	76,000.00	502. Settlement charges to seller (line 1400)	5,225.00
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.	
<b>ADJUSTMENTS FOR ITEMS UNPAID BY SELLER:</b>		<b>ADJUSTMENTS FOR ITEMS UNPAID BY SELLER:</b>	
210. City/town taxes 1-1-97 to 10-31-97	1,250.00	510. City/town taxes 1-1-97 to 10-31-97	1,250.00
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. TOTAL PAID BY/FOR BORROWER:</b>	<b>77,750.00</b>	<b>520. TOTAL REDUCTIONS IN AMOUNT DUE TO SELLER:</b>	<b>6,475.00</b>
<b>300. CASH AT SETTLEMENT FROM/TO BORROWER:</b>		<b>600. CASH AT SETTLEMENT TO/FROM SELLER:</b>	
301. Gross amount due from borrower (line 120)	83,371.03	601. Gross amount due to seller (line 420)	80,000.00
302. Less amount paid by/for borrower (line 220)	( 77,750.00 )	602. Less total reductions in amount due seller (line 520)	( 6,475.00 )
<b>303. CASH ( <input checked="" type="checkbox"/> FROM/ ) TO BORROWER:</b>	<b>5,621.03</b>	<b>603. CASH ( <input checked="" type="checkbox"/> TO ) ( FROM ) SELLER:</b>	<b>73,525.00</b>

**Sample Settlement Statement: Back of form**

**Lines 700, 703:** Real estate commissions paid by the sellers.

**Lines 801, 802:** Loan origination and loan discount fees – actually the “points” that the buyers are paying for their loan.

**Lines 803, 804:** Fees for appraisal and credit report, which were paid in advance when the buyers applied for their loan. “P.O.C.” means *paid outside of closing*.

**Line 901:** One day of interest paid for the date of closing. Because this closing fell on Oct. 31, the buyers owed only one day of interest. Their first mortgage payment will be due on Dec. 1 and will cover interest for the entire month of November.

**Line 902:** The premium for mortgage insurance. After that, the buyers will make monthly payments for mortgage insurance as part of their monthly payment.

**Lines 1001 – 1003:** These are reserve amounts that the buyers will leave on deposit with their lender to cover future payments for hazard insurance, mortgage insurance and property taxes.

**Line 1107:** The lender’s attorney fees of \$200 paid by the buyers. The seller’s attorney is also being paid at closing.

**Line 1108:** \$225 for the owner’s title insurance policy, paid by the sellers. The buyers are paying an additional \$60 for a separate title insurance policy for their lender.

**Line 1201:** Fee paid by the buyers to have their Deed recorded with the Registrar of Deeds in the county in which they will be living. After closing, the closing officer will have the Deed recorded.

**Line 1400:** The buyers’ total closing or settlement costs of \$3,371.03. The sellers’ costs come to \$5,225.00.

HUD-1 (Rev. 3/86)		SETTLEMENT CHARGES		OMB No. 2502-0265	
700. TOTAL SALES BROKER'S COMMISSION: BASED ON PRICE \$ 80,000.00 @ 6.0% = 4,800.				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
<b>DIVISION OF COMMISSION (LINE 700) AS FOLLOWS:</b> 701. \$ 2,400. to Listing Agent 702. \$ 2,400. to Selling Agent 703. Commission paid at settlement 704.					
<b>800. ITEMS PAYABLE IN CONNECTION WITH LOAN:</b>					
801.	Loan origination fee	1.0 %		760.00	
802.	Loan discount	1.0 %		760.00	
803.	Appraisal fee to:	True Value Appraisal	\$300.00 (P.O.C.)		
804.	Credit report to:	A-1 Credit Bureau	50.00 (P.O.C.)		
805.	Lender's inspection fee				
806.	Mortgage insurance application fee to				
807.	Assumption fee				
808.					
809.					
810.					
811.					
<b>900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:</b>					
901.	Interest from	10-31-97 to 11-1-97	@ \$ 18.74 /day	18.74	
902.	Mortgage insurance premium for	1 mos. to	MGIC	42.43	
903.	Hazard insurance premium for	1 yrs. to	(P.O.C.)		
904.	Flood insurance Premium for	1 yrs. to			
905.					
<b>1000. RESERVES DEPOSITED WITH LENDER:</b>					
1001.	Hazard Insurance	2 months @ \$	20.00 per month	40.00	
1002.	Mortgage insurance	2 months @ \$	42.43 per month	84.86	
1003.	City property taxes	11 months @ \$	125.00 per month	1,375.00	
1004.	County property taxes	months @ \$	per month		
1005.	Annual assessments	months @ \$	per month		
1006.	Flood insurance	months @ \$	per month		
1007.		months @ \$	per month		
1008.		months @ \$	per month		
<b>1100. TITLE CHARGES:</b>					
1101.	Settlement or closing fee to				
1102.	Abstract or title search to				
1103.	Title examination to				
1104.	Title insurance binder to				
1105.	Document preparation to				
1106.	Notary fees to				
1107.	Attorney's fees to	Atty. Allen Green		200.00	200.00
	<i>(includes above items Numbers:</i>				
1108.	Title insurance to	All American Title Company		60.00	225.00
	<i>(includes above items Numbers:</i>				
1109.	Lender's coverage \$				
1110.	Owner's coverage \$				
1111.					
1112.					
1113.					
<b>1200. GOVERNMENT RECORDING AND TRANSFER CHARGES:</b>					
1201.	Recording fees: Deed \$	5.00 ; Mortgage \$	25.00 ; Releases \$	30.00	
1202.	City/county tax / stamps: Deed \$		Mortgage \$		
1203.	State tax / stamps Deed \$		Mortgage \$		
1204.					
1205.					
<b>1300. ADDITIONAL SETTLEMENT CHARGES:</b>					
1301.	Survey to				
1302.	Pest inspection to				
1303.					
1304.					
1305.					
1306.					
1307.					
<b>1400. TOTAL SETTLEMENT CHARGES (Enter on line 103, Section J and line 502, Section K)</b>				<b>3,371.03</b>	<b>5,225.00</b>
I have carefully reviewed 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: _____ Date: _____		Seller: _____ Date: _____			
Thomas Jackson		Robert Walker			
Borrower: _____ Date: _____		Seller: _____ Date: _____			
Mary Jackson		Judith Walker			
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.					
_____ Date: _____		Settlement Agent: _____ Date: _____			
<b>WARNING:</b> 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 and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.					

# FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENT

(THIS IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND)

Applicants:

Prepared By:

Property Address:

Application No:

Date Prepared:

Check box if applicable:

<p><b>ANNUAL PERCENTAGE RATE</b></p> <p>The cost of your credit as a yearly rate</p> <p style="text-align: right;">%</p>	<p><b>FINANCE CHARGE</b></p> <p>The dollar amount the credit will cost you</p> <p style="text-align: right;">\$</p>	<p>Amount Financed</p> <p>The amount of credit provided to you or on your behalf</p> <p style="text-align: right;">\$</p>	<p>Total of Payments</p> <p>The amount you will have paid after making all payments as scheduled</p> <p style="text-align: right;">\$</p>
--	---	---	---

**REQUIRED DEPOSIT:** The annual percentage rate does not take into account your required deposit  
**PAYMENTS:** Your payment schedule will be:

Number of Payments	Amount of Payments **	When Payments Are Due	Number of Payments	Amount of Payments **	When Payments Are Due
		Monthly Beginning:			Monthly Beginning:

**DEMAND FEATURE:** This obligation has a demand feature.  
 **VARIABLE RATE FEATURE:** This loan contains a variable rate feature. A variable rate disclosure has been provided earlier.

**INSURANCE:** The following insurance is required to obtain credit:  
 Credit life insurance and credit disability     Property insurance     Flood insurance

You may obtain the insurance from anyone you want that is acceptable to creditor  
 If you purchase  property  flood insurance from creditor you will pay \$ \_\_\_\_\_ for a one year term.

**SECURITY:** You are giving a security interest in:  
 The goods or property being purchased     Real property you already own.

**FILING FEES:** \$ \_\_\_\_\_  
**LATE CHARGE:** If a payment is more than \_\_\_\_\_ days late, you will be charged \_\_\_\_\_ % of the payment.

**PREPAYMENT:** If you pay off early, you  
 may  will not have to pay a penalty.  
 may  will not be entitled to a refund of part of the finance charge.

**ASSUMPTION:** Someone buying your property  
 may  may, subject to conditions  may not assume the remainder of your loan on the original terms.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date and prepayment refunds and penalties  
 \* means an estimate     all dates and numerical disclosures except the late payment disclosures are estimates.

THE UNDERSIGNED ACKNOWLEDGE RECEIVING A COMPLETED COPY OF THIS DISCLOSURE.

(Applicant) (Date)	(Applicant) (Date)
(Applicant) (Date)	(Applicant) (Date)
(Lender) (Date)	

\*\* NOTE: PAYMENTS SHOWN ABOVE DO INCLUDE RESERVE DEPOSITS FOR MORTGAGE INSURANCE (IF APPLICABLE) BUT NOT PROPERTY TAXES OR INSURANCE.  
 CALYX Til.hp 2/95

**RECORDING REQUESTED BY:**

\_\_\_\_\_  
\_\_\_\_\_

**WHEN RECORDED MAIL TO:**

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State, Zip \_\_\_\_\_

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**UNI FORM STATUTORY FORM POWER OF ATTORNEY  
(California Probate Code Section 4401)**

**NOTICE: THE POWERS GRANTED BY THIS DOCUMENT ARE BROAD AND SWEEPING. THEY ARE EXPLAINED IN THE UNIFORM STATUTORY FORM POWER OF ATTORNEY ACT (CALIFORNIA PROBATE CODE SECTIONS 4400-4465). IF YOU HAVE ANY QUESTIONS ABOUT THESE POWERS, OBTAIN COMPETENT LEGAL ADVICE. THIS DOCUMENT DOES NOT AUTHORIZE ANYONE TO MAKE MEDICAL AND OTHER HEALTH-CARE DECISIONS FOR YOU. YOU MAY REVOKE THIS POWER OF ATTORNEY IF YOU LATER WISH TO DO SO.**

I, \_\_\_\_\_  
(your name and address)

appoint \_\_\_\_\_  
(name and address of the person appointed, or of each person appointed if you want to designate more than one)

as my agent (attorney-in-fact) to act for me in any lawful way with respect to the following initialed subjects:

TO GRANT ALL OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF (N) AND IGNORE THE LINES IN FRONT OF THE OTHER POWERS.

TO GRANT ONE OR MORE, BUT FEWER THAN ALL, OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF EACH POWER YOU ARE GRANTING.

TO WITHHOLD A POWER, DO NOT INITIAL THE LINE IN FRONT OF IT. YOU MAY, BUT NEED NOT, CROSS OUT EACH POWER WITHHELD.

INITIAL

- \_\_\_\_\_ (A) Real property transactions.
- \_\_\_\_\_ (B) Tangible personal property transactions.
- \_\_\_\_\_ (C) Stock and bond transactions.
- \_\_\_\_\_ (D) Commodity and option transactions.
- \_\_\_\_\_ (E) Banking and other financial institution transactions.
- \_\_\_\_\_ (F) Business operating transactions.
- \_\_\_\_\_ (G) Insurance and annuity transactions.
- \_\_\_\_\_ (H) Estate, trust, and other beneficiary transactions.
- \_\_\_\_\_ (I) Claims and litigation.
- \_\_\_\_\_ (J) Personal and family maintenance.
- \_\_\_\_\_ (K) Benefits from social security, medicare, medicaid, or other governmental programs, or civil or military service.
- \_\_\_\_\_ (L) Retirement plan transactions.
- \_\_\_\_\_ (M) Tax matters.
- \_\_\_\_\_ (N) ALL OF THE POWERS LISTED ABOVE.

YOU NEED NOT INITIAL ANY OTHER LINES IF YOU INITIAL LINE (N).

SPECIAL INSTRUCTIONS: ON THE FOLLOWING LINES YOU MAY GIVE SPECIAL INSTRUCTIONS LIMITING OR EXTENDING THE POWERS GRANTED TO YOUR AGENT.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

UNLESS YOU DIRECT OTHERWISE ABOVE, THIS POWER OF ATTORNEY IS EFFECTIVE IMMEDIATELY AND WILL CONTINUE UNTIL IT IS REVOKED.

This power of attorney will continue to be effective even though I become incapacitated.

**STRIKE THE PRECEDING SENTENCE IF YOU DO NOT WANT THIS POWER OF ATTORNEY TO CONTINUE IF YOU BECOME INCAPACITATED.**

EXERCISE OF POWER OF ATTORNEY WHERE MORE THAN ONE AGENT DESIGNATED

If I have designated more than one agent, the agents are to act \_\_\_\_\_.

IF YOU APPOINTED MORE THAN ONE AGENT AND YOU WANT EACH AGENT TO BE ABLE TO ACT ALONE WITHOUT THE OTHER AGENT JOINING, WRITE THE WORD "SEPARATELY" IN THE BLANK SPACE ABOVE. IF YOU DO NOT INSERT ANY WORD IN THE BLANK SPACE, OR IF YOU INSERT THE WORD "JOINTLY", THEN ALL OF YOUR AGENTS MUST ACT OR SIGN TOGETHER.

I agree that any third party who receives a copy of this document may act under it. Revocation of the power of attorney is not effective as to a third party until the third party has actual knowledge of the revocation. I agree to indemnify the third party for any claims that arise against the third party because of reliance on this power of attorney.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
(your signature)

BY ACCEPTING OR ACTING UNDER THE APPOINTMENT, THE AGENT ASSUMES THE FIDUCIARY AND OTHER LEGAL RESPONSIBILITIES OF AN AGENT.

STATE OF CALIFORNIA }  
COUNTY OF \_\_\_\_\_ } ss

On \_\_\_\_\_ before me

\_\_\_\_\_, Notary Public,

personally appeared \_\_\_\_\_

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

RECORDING REQUESTED BY:

\_\_\_\_\_  
\_\_\_\_\_

WHEN RECORDED MAIL TO:

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State, Zip \_\_\_\_\_

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: \_\_\_\_\_

### QUITCLAIM DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S):

DOCUMENTARY TRANSFER TAX is \$ \_\_\_\_\_ CITY TAX is \$ \_\_\_\_\_

- computed on the full value of the property conveyed, or
- computed on full value less value of liens or encumbrances remaining at the time of sale,
- Realty not sold
- Unincorporated area       City of \_\_\_\_\_, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

\_\_\_\_\_  
\_\_\_\_\_

do(es) hereby remise, release and forever quitclaim to

\_\_\_\_\_  
\_\_\_\_\_

the following described real property in the County of \_\_\_\_\_, State of California:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

commonly known as \_\_\_\_\_

Dated: \_\_\_\_\_

STATE OF CALIFORNIA } ss  
COUNTY OF \_\_\_\_\_ }

On \_\_\_\_\_ before me

personally appeared \_\_\_\_\_

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
NOTARY SIGNATURE

SPACE ABOVE RESERVED FOR NOTARY SEAL

# ITEMIZATION OF AMOUNT FINANCED

Applicants:

Lender:

Property Addr:

Application No: 123

Date Prepared: 09/13/2006

Total Loan Amount \$	Prepaid Finance Charge \$	Amount Financed \$
----------------------	---------------------------	--------------------

***ITEMIZATION OF PREPAID FINANCE CHARGE***

**Total Prepaid Finance Charge** **0.00**

***AMOUNT PAID ON YOUR ACCOUNT / PAID TO OTHERS ON YOUR BEHALF***

- Loan Origination Fee
- Loan Discount
- Appraisal Fee
- Credit Report
- Lender's Inspection Fee
- Mortgage Broker Fee
- Tax Related Service Fee
- Processing Fee
- Underwriting Fee
- Wire Transfer Fee

- Interest for
- Mortgage Insurance Premium
- Hazard Insurance Premium

VA Funding Fee

- Hazard Insurance Premium
- Mortgage Ins. Premium Reserves
- School Tax
- Taxes and Assessment Reserves
- Flood Insurance Reserves

- Closing or Escrow Fee:
- Document Preparation Fee
- Notary Fees
- Attorney Fees
- Title Insurance:

- Recording Fees:
- City/County Tax/Stamps:
- State Tax/Stamps

Pest Inspection

**Total Estimated Settlement Charge** **0.00**

Applicant

Date

Applicant

Date



# Borrower Signature Authorization

**Privacy Act Notice:** This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not your application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37 (if VA); by 12 USC, Section 1701 et. seq. (if HUD/FHA); by 42 USC, Section 1452b (if HUD/CPD); and Title 42 USC, 1471 et. seq., or 7 USC, 1921 et. seq. (if USDA/FmHA).

## Part I - General Information

1. Borrower		2. Name and address of Lender/Broker	
3. Date	4. Loan Number		
09/13/2006	123		

## Part II - Borrower Authorization

I hereby authorize the Lender/Broker to verify my past and present employment earnings records, bank accounts, stock holdings, and any other asset balances that are needed to process my mortgage loan application. I further authorize the Lender/Broker to order a consumer credit report and verify other credit information, including past and present mortgage and landlord references. It is understood that a copy of this form will also serve as authorization.

The information the Lender/Broker obtains is only to be used in the processing of my application for a mortgage loan.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

# Borrowers' Certification and Authorization

## CERTIFICATION

The Undersigned certify the following:

1. I/We have applied for a mortgage loan through \_\_\_\_\_. In applying for the loan, I/We completed a loan application containing various information on the purpose of the loan, the amount and source of the down payment, employment and income information, and the assets and liabilities. I/We certify that all of the information is true and complete. I/We made no misrepresentations in the loan application or other documents, nor did I/We omit any pertinent information.
2. I/We understand and agree that \_\_\_\_\_ reserves the right to change the mortgage loan review processes to a full documentation program. This may include verifying the information provided on the application with the employer and/or the financial institution.
3. I/We fully understand 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.

## AUTHORIZATION TO RELEASE INFORMATION

To Whom It May Concern:

1. I/We have applied for a mortgage loan through \_\_\_\_\_. As part of the application process, \_\_\_\_\_ and the mortgage guaranty insurer (if any), may verify information contained in my/our 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. I/We authorize you to provide to \_\_\_\_\_ and to any investor to whom \_\_\_\_\_ may sell my mortgage, any and all information and documentation that they request. 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. \_\_\_\_\_ or any investor that purchases the mortgage may address this authorization to any party named in the loan application.
4. A copy of this authorization may be accepted as an original.

Borrower Signature \_\_\_\_\_

Co-Borrower Signature \_\_\_\_\_

SSN: \_\_\_\_\_ Date: \_\_\_\_\_

SSN: \_\_\_\_\_ Date: \_\_\_\_\_

## EQUAL CREDIT OPPORTUNITY ACT

APPLICATION NO: 123

Date: 09/13/2006

PROPERTY ADDRESS:

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this company is the Office of the Comptroller of the Currency, Customer Assistance Group, 1301 McKinney Street, Suite 3710, Houston, Texas 77010

We are required to disclose to you that you need not disclose income from alimony, child support or separate maintenance payment if you choose not to do so.

Having made this disclosure to you, we are permitted to inquire if any of the income shown on your application is derived from such a source and to consider the likelihood of consistent payment as we do with any income on which you are relying to qualify for the loan for which you are applying.

\_\_\_\_\_  
(Applicant) (Date)

\_\_\_\_\_  
(Applicant) (Date)

\_\_\_\_\_  
(Applicant) (Date)

\_\_\_\_\_  
(Applicant) (Date)

# PATRIOT ACT INFORMATION DISCLOSURE

---

Applicant Name	_____
Co-Applicant Name	_____
Present Address	_____
Mailing Address	_____

---

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 for 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 or other identifying documents.

I/we acknowledge that I/we received a copy of this disclosure.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

# Customer Identification Documentation Patriot Act

The USA Patriot Act requires all financial institutions to obtain, verify and record information that identifies every customer. Completion of this documentation is required in order to comply with the USA Patriot Act. A completed copy of this information must be retained with the loan file.

Application Number 123 Date \_\_\_\_\_

Name of Applicant \_\_\_\_\_

Social Security # \_\_\_\_\_ Date of Birth \_\_\_\_\_

Present Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

## Primary Identification Documentation

Document Type \_\_\_\_\_ Other Document Type \_\_\_\_\_

Document Number \_\_\_\_\_

Issue Date \_\_\_\_\_ Expiration Date \_\_\_\_\_

Issued by \_\_\_\_\_

## Secondary Identification Documentation

Document Type \_\_\_\_\_ Other Document Type \_\_\_\_\_

Document Number \_\_\_\_\_

Issue Date \_\_\_\_\_ Expiration Date \_\_\_\_\_

Issued by \_\_\_\_\_

## Discrepancies and Resolution

Completed by \_\_\_\_\_

# DISCLOSURE NOTICES

Date: 09/13/2006

<b>Applicant(s):</b>	<b>Property Address:</b>
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## AFFIDAVIT OF OCCUPANCY

Applicant(s) hereby certify and acknowledge that, upon taking title to the real property described above, their occupancy status will be as follows:

- Primary Residence - Occupied by Applicant(s) within 30 days of closing.
- Secondary Residence - To be occupied by Applicant(s) at least 15 days yearly, as second home (vacation, etc.), while maintaining principal residence elsewhere. [Please check this box if you plan to establish it as your primary residence at a future date (e.g., retirement)].
- Investment Property - Not owner occupied. Purchased as an investment to be held or rented.

The Applicant(s) acknowledge it is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statement concerning this loan application as applicable under the provisions of Title 18, United States Code, Section 1014.

\_\_\_\_\_  
APPLICANT SIGNATURE

\_\_\_\_\_  
CO-APPLICANT SIGNATURE

## ANTI-COERCION STATEMENT

The insurance laws of this state provide that the lender may not require the applicant to take insurance through any particular insurance agent or company to protect the mortgaged property. The applicant, subjected to the rules adopted by the Insurance Commissioner, has the right to have the insurance placed with an insurance agent or company of his choice, provided the company meets the requirement of the lender. The lender has the right to designate reasonable financial requirements as to the company and the adequacy of the coverage.

I have read the foregoing statement, or the rules of the Insurance Commissioner relative hereto, and understand my rights and privileges and those of the lender relative to the placing of such insurance.

I have selected the following agencies to write the insurance covering the property described above:

\_\_\_\_\_  
Insurance Company Name

\_\_\_\_\_  
Agent

\_\_\_\_\_  
Agent's Address

\_\_\_\_\_  
Agent's Telephone Number

\_\_\_\_\_  
APPLICANT SIGNATURE

\_\_\_\_\_  
CO-APPLICANT SIGNATURE

## FAIR CREDIT REPORTING ACT

An investigation will be made as to the credit standing of all individuals seeking credit in this application. The nature and scope of any investigation will be furnished to you upon written request made within a reasonable period of time. In the event of credit denial due to an unfavorable consumer report, you will be advised of the identity of the Consumer Reporting Agency making such report and of your right to request within sixty (60) days the reason for the adverse action, pursuant to provisions of section 615(b) of the Fair Credit Reporting Act.

\_\_\_\_\_  
APPLICANT SIGNATURE

\_\_\_\_\_  
CO-APPLICANT SIGNATURE

## FHA LOANS ONLY

IF YOU PREPAY YOUR LOAN ON OTHER THAN THE REGULAR INSTALLMENT DATE, YOU MAY BE ASSESSED INTEREST CHARGES UNTIL THE END OF THAT MONTH.

## GOVERNMENT LOANS ONLY

RIGHT TO FINANCIAL PRIVACY ACT OF 1978 - This is a notice to you as required by the Right to Financial Privacy Act of 1978 that the Department of Housing and Urban Development or Department of Veterans Affairs has a right of access to financial records held by a financial institution in connection with the consideration of administration of assistance to you. Financial records involving your transaction will be available to the Department of Housing and Urban Development or Department of Veterans Affairs without further notice or authorization but will not be disclosed or released to another Government agency or Department without your consent except as required or permitted by law.

\_\_\_\_\_  
APPLICANT SIGNATURE

\_\_\_\_\_  
CO-APPLICANT SIGNATURE

**NOTICE TO APPLICANT OF RIGHT  
TO RECEIVE COPY OF APPRAISAL REPORT**

APPLICATION NO: 123

Date: 09/13/2006

PROPERTY ADDRESS:

You have the right to receive a copy of the appraisal report to be obtained in connection with the loan for which you are applying, provided that you have paid for the appraisal. We must receive your written request no later than 90 days after we notify you about the action taken on your application or you withdraw your application. If you would like a copy of the appraisal report, contact :

\_\_\_\_\_  
(Applicant) (Date)

\_\_\_\_\_  
(Applicant) (Date)

\_\_\_\_\_  
(Applicant) (Date)

\_\_\_\_\_  
(Applicant) (Date)

## Request for Copy of Tax Return

**Do not sign this form unless all applicable lines have been completed.  
Read the instructions on page 2.  
Request may be rejected if the form is incomplete, illegible, or any required  
line was blank at the time of signature.**

**TIP:** You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a **Tax Return Transcript** for many returns free of charge. The transcript provides most of the line entries from the tax return and usually contains the information that a third party (such as a mortgage company) requires. See **Form 4506-T**, Request for Transcript of Tax Return, or you can call 1-800-829-1040 to order a transcript.

<b>1a</b> Name shown on tax return. If a joint return, enter the name shown first.	<b>1b</b> First social security number on tax return or employer identification number (see instructions)
<b>2a</b> If a joint return, enter spouse's name shown on tax return.	<b>2b</b> Second social security number if joint tax return
<b>3</b> Current name, address (including apt., room, or suite no.), city, state, and ZIP code	
<b>4</b> Previous address shown on the last return filed if different from line 3	
<b>5</b> If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax return.	

**CAUTION:** If a third party requires you to complete Form 4506, **do not** sign Form 4506 if lines 6 and 7 are blank.

**6 Tax return requested** (Form 1040, 1120, 941, etc.) and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. \_\_\_\_\_

**Note:** If the copies must be certified for court or administrative proceedings, check here.

**7 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 eight years or periods, you must attach another Form 4506.

____/____/____	____/____/____	____/____/____	____/____/____
____/____/____	____/____/____	____/____/____	____/____/____

<b>8 Fee.</b> There is a \$39 fee for each return requested. <b>Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN or EIN and "Form 4506 request" on your check or money order.</b>	
<b>a</b> Cost for each return . . . . .	\$ <b>39.00</b>
<b>b</b> Number of returns requested on line 7 . . . . .	
<b>c</b> Total cost. Multiply line 8a by line 8b . . . . .	\$

**9** If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here.

**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 return 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 on behalf of the taxpayer.

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



## NOTICE TO THE HOME LOAN APPLICANT CREDIT SCORE INFORMATION DISCLOSURE

APPLICANT(S) NAME AND ADDRESS	LENDER NAME AND ADDRESS (ORIGINATOR):
-------------------------------	---------------------------------------

In connection with your application for a home loan, the lender must disclose to you the score that a consumer reporting agency distributed to users and the lender used in connection with your home loan, and the key factors affecting your credit scores.

The credit score is a computer-generated summary calculated at the time of the request and based on information a consumer reporting agency or lender has on file. The scores are based on data about your credit history and payment patterns. Credit scores are important because they are used to assist the lender in determining whether you will obtain a loan. They may also be used to determine what interest rate you may be offered on the mortgage. Credit scores can change over time, depending on your conduct, how your credit history and payment patterns change, and how credit-scoring technologies change.

Because the score is based on information in your credit history, it is very important that you review the credit related information that is being furnished to make sure it is accurate. Credit records may vary from one company to another.

If you have questions about your credit score or the credit information that is furnished to you, contact the consumer reporting agency at the address and telephone number provided with this notice, or contact the lender, if the lender developed or generated the credit score. The consumer reporting agency plays no part in the decision to take any action on the loan application and is unable to provide you with specific reasons for the decision on a loan application.

If you have questions concerning the terms of the loan, contact the lender.

The consumer reporting agencies listed below provided a credit score that was used in connection with your home loan application.

<b>Consumer Reporting Agency #1</b>  <b>Experian</b> <b>P.O. Box 2002</b> <b>Allen, TX 75013</b> <b>(P)888-397-3742</b>	Borrower <hr style="border: 0; border-top: 1px solid black;"/> Score: _____ Created: _____	Factors:
	Co-Borrower <hr style="border: 0; border-top: 1px solid black;"/> Score: _____ Created: _____	Factors:
Model Used: <hr style="border: 0; border-top: 1px solid black;"/> Range of Possible Scores _____ to _____		
<b>Consumer Reporting Agency #2</b>  <b>TransUnion</b> <b>P.O. Box 1000</b> <b>Chester, PA 19022</b> <b>(P)800-888-4213</b>	Borrower <hr style="border: 0; border-top: 1px solid black;"/> Score: _____ Created: _____	Factors:
	Co-Borrower <hr style="border: 0; border-top: 1px solid black;"/> Score: _____ Created: _____	Factors:
Model Used: <hr style="border: 0; border-top: 1px solid black;"/> Range of Possible Scores _____ to _____		
<b>Consumer Reporting Agency #3</b>  <b>Equifax</b> <b>P.O. Box 740241</b> <b>Atlanta, GA 30374</b> <b>(P)800-685-1111</b>	Borrower <hr style="border: 0; border-top: 1px solid black;"/> Score: _____ Created: _____	Factors:
	Co-Borrower <hr style="border: 0; border-top: 1px solid black;"/> Score: _____ Created: _____	Factors:
Model Used: <hr style="border: 0; border-top: 1px solid black;"/> Range of Possible Scores _____ to _____		

I/We have received a copy of this disclosure.

\_\_\_\_\_  
Applicant    Date    Applicant    Date

## Request for Taxpayer Identification Number and Certification

**Give form to the  
 requester. Do not  
 send to the IRS.**

<b>Print or type See Specific Instructions on page 2</b>	Name (as shown on your income tax return)		
	Business name, if different from above		
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ .....	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)	
	City, state, and ZIP code		
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 Line 1 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.

<b>Social security number</b>								

**or**

<b>Employer identification number</b>								

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

### 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. person (including a U.S. resident alien).

**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.)

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

### 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.

**U.S. person.** 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.

In 3 above, 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.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**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,

**ABC Title Company  
 111 Sample Street  
 Sample, NY 10560  
 Ph. 1-800-555-1212  
 Fx. 1-800-555-1211**

**BUYER'S/BORROWER'S CLOSING STATEMENT  
 Estimated**

Buyer/Borrower:                      John Doe  
    Jane Doe

Escrow No: 78910  
 Close Date:  
 Proration Date:  
 Date Prepared: 5/12/06

Property:                                123 Sample Street  
    Sample, NY 10539

Description	Debit	Credit
<b>PAYOFFS:</b> Payoff to XYZ Funding	\$250,000	
<b>NEW AND EXISTING ENCUMBRANCES:</b> Refinance from XYZ Funding		
<b>LENDERS AND LOAN RELATED CHARGES:</b> Loan Origination Fee at 5.00% to XYZ Funding Credit Report to XYZ Funding Tax Service Contract to XYZ Flood Cert. Fee to XYZ Funding Wire Fee to XYZ Funding Fees paid by Lender to XYZ Funding Administrative Fee to XYZ Funding Prepaid Interest to XYZ Funding @50.63 per day From 6/15/06 To 7/15/06		
<b>TITLE AND ESCROW CHARGES:</b> Lenders Policy to ABC Title Company Messenger/Courier to ABC Title Company Escrow Fee to ABC Title Company Servicing/Document Prep to ABC Title Company Notary Fee to Notary Public		
<b>RECORDING FEES:</b> Recording Fees to ABC Title Company		
Sub Totals Balance Due From Buyer/Borrower Totals		

\_\_\_\_\_  
 John Doe

\_\_\_\_\_  
 Jane Doe

**ADDENDUM TO ESCROW INSTRUCTIONS**  
**BORROWER/ESCROW INSTRUCTIONS**

Date: 6/15/06  
Loan Number: 1234567  
Escrow Number: 78910

Borrower(s): John Doe  
Jane Doe

The following conditions must be met prior to closing. Include all necessary documentation with the funding package.

ALL LOAN DOCUMENTS MUST BE SIGNED IN THE PRESENCE OF, AND NOTARIZED BY, A NOTARY EMPLOYED BY THE TITLE COMPANY. FAILURE TO FOLLOW THESE ESCROW INSTRUCTIONS WILL RESULT IN AN AUTOMATIC REDRAW OF LOAN DOCUMENTS AT A CHARGE OF \$400.00 TO BE PAID BY THE ESCROW COMPANY. NO EXCEPTIONS.

ALL LOAN DOCUMENTS MUST BE RECEIVED 48 HOURS PRIOR TO FUNDING ON ALL REFINANCE TRANSACTIONS.

SHOULD THE LOAN BE SCHEDULED FOR RECORDING ON A MONDAY, OR ON THE DAY FOLLOWING A LEGAL HOLIDAY, XYZ FUNDING MUST DISBURSE FUNDS ON THE PREVIOUS BUSINESS DAY, INTEREST WILL BE CHARGED AT \$50.63 PER DIEM BEGINNING ON THAT DAY. YOU MAY CHOOSE TO DELAY RECORDING ONE DAY (PROVIDING THE TERMS OF YOUR LOCK PERMIT) SO THAT FUNDS MAY BE DISBURSED ON AN IMMEDIATELY PRIOR BUSINESS DAY (PFC SECTION 5024).

ALL LOAN CONDITIONS MUST BE CLEARED BEFORE FUNDING IN ORDER FOR FUNDING TO BE SET-UP.

\_\_\_\_\_  
ESCROW OFFICER, JANE ANDERSON

I/We acknowledge that we have read and understand the Addendum to Escrow Instructions.

\_\_\_\_\_  
JOHN DOE

\_\_\_\_\_  
JANE DOE

**XYZ Funding Corp.**  
**211 Sample Street**  
**Sample, NY 11783**  
**Ph. 516-555-1212**  
**Fx. 516-555-1111**

Loan Number: 1234567  
Doc Date: 7/15/06

**BROKER AND BORROWER DOCUMENT CERTIFICATION**

The undersigned Broker and borrower(s) hereby certify that all copies of documents provided to XYZ Funding Corp, (Lender), for the purpose of underwriting and closing borrower(s) loan, are true and exact copies of the original documents provided by the borrower(s). Broker and borrower(s) further certify that the original documents do not contain any **alterations, revisions, erasures or whiteouts.**

For purposes of this Broker and Borrower Document Certification, Broker and borrower(s) acknowledge that such certification pertains to any and all documents provided by borrower(s) to Broker for purposes of loan processing, underwriting and closing, and may include but are not limited to the following:

- Paystubs/earning statements
- W-2 Forms
- Individual Income Tax Returns (IRS Form 1040)
- Partnership Tax Returns (IRS Form 1065)
- Corporate Tax Returns (IRS Form 1120)
- Bank/ Savings/ Credit Union account statements
- Cancelled Checks
- Business Balance Sheet and Income Statement
- Divorce Decree
- Trust Agreement
- Bankruptcy Papers
- Automobile Ownership Papers
- Rental Agreements
- Purchase Contracts / Agreements
- Residency Documentation (Non-Permanent Resident Alien Card, Visa, Passport)

NOTE: In order to comply with investor requirements for sale of loans, XYZ will require the borrower(s) to provide original signatures on the first two pages of any tax returns.

Acknowledged by:

_____ Broker Company Name	_____ Authorized Employee and Title	_____ Date
_____ John Doe	_____ Signature	_____ Date
_____ Jane Doe	_____ Signature	_____ Date



## NOTICE OF NO ORAL AGREEMENTS

7/15/06

Loan Number: 1234567

Borrower(s): John Doe  
Jane Doe

**THE 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 another thing of value or to otherwise extend credit or make a financial accommodation.

\_\_\_\_\_  
John Doe

\_\_\_\_\_  
Jane Doe

Lender  
XYZ FUNDING CORP.

By: \_\_\_\_\_

Title: \_\_\_\_\_

## LOAN SERVICING DISCLOSURE STATEMENT

Property Address:     123 Sample Street  
                              Sample, NY 10538

7/15/06

Loan Number: 1234567

### Servicing Transfer Estimated by Lender

The following is the best estimate of what will happen to the servicing of your mortgage loan:

1.        We do not service Mortgage loans. We intend to assign, sell, or transfer the servicing of your loan to another party. You will be notified at settlement regarding the servicer.

OR

2.   XX   We are able to service this loan and presently intend to do so. However, that may change in the future. For all of the loans that we make in the 12-month period after your loan is funded, we estimate that the chances we will transfer the servicing of those loans is between 70% and 90%.
3. This is our record of transferring the servicing of the loans we have made in the past:

<u>YEAR</u>	<u>PERCENTAGE OF LOANS TRANSFERRED</u>
2003	85%
2004	87%
2005	89%

This information includes assignments, sales or transfers to affiliates or subsidiaries.

### ACKNOWLEDGMENT OF MORTGAGE APPLICANT

I/we have read this disclosure form, and understand its contents, as evidenced by my/our signature(s) below.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date



# SIGNATURE AFFIDAVIT AND AKA STATEMENT

I \_\_\_\_\_  
certify that this is my true and correct signature.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Sample Signature

**Applicant to Fill & Sign**

## AKA STATEMENT

I \_\_\_\_\_ further certify that I am also known as:

\_\_\_\_\_  
Name Variation (Print)

\_\_\_\_\_  
Sample Signature (Variation)

\_\_\_\_\_  
Name Variation (Print)

\_\_\_\_\_  
Sample Signature (Variation)

\_\_\_\_\_  
Name Variation (Print)

\_\_\_\_\_  
Sample Signature (Variation)

State of \_\_\_\_\_, County of \_\_\_\_\_ } SS:

On this day personally appeared before me \_\_\_\_\_ to me known to be the individual or individuals described in and who executed the within and foregoing instrument, and acknowledged to me that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned.

Give under my hand and official seal this  
day of \_\_\_\_\_, 20\_\_\_\_\_.

Signature \_\_\_\_\_

(Reserved for official seal)

\_\_\_\_\_  
Name (typed or printed)

**Notary to Fill, Complete Name on**

## Additional Escrow Instructions

**RETURN SIGNED LOAN DOCUMENTS TO:**

XYZ Funding Corp.  
 111 Sample Street  
 Sample, NY 10593  
 (Phone) 1-800-555-1212 (Fax) 1-800-555-1221

LOAN NO: 1234567  
 Name: John Doe  
 Document Date 7/15/06

**FUNDING DATE: To Follow**

TO: ABC Title Company  
 112 Sample Street  
 Sample, NY 10552  
 Phone: 866-555-1212  
 Officer: Jane Anderson  
 Reference No: 8910

**MONTHLY PAYMENT**

P & I  
 County Tax

**X = Docs that should be included in loan package. Double check that they are in packet.**

INS	0.00
Flood	0.00
PMI	0.00
Total	0.00

We enclose the following documents necessary to complete the above-captioned loan. Return all documents completed as shown at the time of funds are requested. **Return two copies of Note, Security Instrument and all applicable riders/attachments.**

- (x) Note: original and two copies ( ) Riders to Note/Security Instrument
- (x) Security Instrument: two copies ( ) Impound Authorization
- ( ) Condo/PUD Rider (x) Occupancy Statement
- (x) Disclosure Statement (x) Rescission Notice
- (x) Payment Letter (x) Borrowers Cert.
- (x) Escrow Addendum
- (x) Borrowers Instructions
- (x) Other Documents as Necessary to Complete Loan Records.
- (x) RESPA Settlement Statement – Complete and return after recordation.
- ( ) Insurance Requirements

**IN ADDITION TO THE ABOVE FURNISH US WITH THE FOLLOWING WHEN REQUESTING FUNDS (X) \*\*\* SEE ATTACHED ADDENDUM TO ESCROW INSTRUCTIONS – ALL CONDITIONS MUST BE CLEARED PRIOR TO RECORDING/RELEASE OF FUNDS \*\*\***

**Escrow Officer to provide Borrower with one complete copy of signed loan documents.**

**THIS LOAN MUST BE RECORDED PRIOR TO 7/16/06**

**RECEIPT OF OUR WIRE DIES NOT CONSTITUTE AUTHORIZATION TO RELEASE FUNDS AND/OR RECORD OUR SECURITY INSTRUMENT, YOU MAY NOT DO SO WITHOUT OUR PRIOR VERBAL AUTHORIZATION.**

1992 EFG POLICY with Survey Coverage must contain Endorsements 100, 116, 8.1 with liability in the amount of our loan on property described herein, LIABILITY SUBJECT ONLY TO: (Gen. & Prop. Taxes) Fiscal Year 2005-2006  
 Funds may be used for account of the vestees, and you will record all instruments when you comply with the following;

1. Issue said form of Policy showing title vested as shown below.
2. Issue said form of Policy free from encumbrances except items A-D PAY CURRE. 1-3, 5 of preliminary Title Report dated 5/14/06 Secondary financing in the amount of \$0.00 has been approved.

Address: John Doe and Jane Doe, Husband and Wife  
 123 Sample Street  
 Sample, NY 10536

County: Nassau  
 Int. Rate: 5.00%

First Payment Date: 9/12/2006 Last Payment Date: 9/12/2026 Term 240 months

THE TOTAL CONSIDERATION IN THIS TRANSACTION EXCEPT FOR OUR LOAN AND APPROVED SECONDARY FINANCING IF ANY, MUST PASS THE FORM OF CASH THROUGH YOUR ESCROW. DO NOT RECORD OUR SECURITY INSTRUMENT IF YOU HAVE KNOWLEDGE OF A CONCURRENT OR SUBSEQUENT ESCROW TO BE OPENED OR CLOSED UPON COMPLETION OF THIS ESCROW, WHICH WILL TRANSFER SUBJECT PROPERTY. IF, FOR ANY REASON, YOU CANNOT RECORD OUR DEED, MORTGAGE, OR SECURITY INSTRUMENT, FUNDS RECEIVED BY YOU MUST BE RETURNED IMMEDIATELY, OTHERWISE YOU WILL BE CHARGED INTEREST AT THE WALL STREET PRIME RATE FOR EACH DAY THAT YOU HOLD THE FUNDS BEYOND THE INTENDED RECORDING DATE.

By \_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_  
 Escrow Officer: Jane Anderson

**PAYMENT LETTER TO BORROWER**

From: XYZ Funding Corporation  
111 Sample Street  
Sample, NY 10536

**PROPERTY ADDRESS:**  
123 Sample Street  
Sample, NY 10566

To: John Doe and Jane Doe  
123 Sample Street  
Sample, NY 10566

Dear Borrower(s):

The monthly, payments on the above referred to loan are to begin on September 12, 2006 will continue monthly until September 12, 2026.

Your monthly payments will consist of the following:

Principal and Interest.....	\$1,100
PMI Insurance.....	\$0.00
Reserve for County Tax.....	\$0.00
*Reserve for Insurance.....	\$0.00

- These figures are estimates and may change upon receipt of your insurance policy(ies). Any change in these amounts will result in a change in your total monthly payment.

You are to make payments to:  
**XYZ Funding Corporation – Loan Servicing**  
**111 Sample Street**  
**Sample, NY 10536**

Please refer to the above loan number in any correspondence or calls – 1-800-555-1212

Copy received and acknowledged.      Date \_\_\_\_\_

\_\_\_\_\_  
John Doe

\_\_\_\_\_  
Jane Doe