

# Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information		Transaction Information		Loan Information	
Date Issued	1/6/2016	Borrower	Joe Borrower	Loan Term	30 years
Closing Date	1/19/2016		987 Any Street	Purpose	Purchase
Disbursement Date	1/20/2016		Newark, NJ 07101	Product	Fixed Rate
Settlement Agent	ABC Settlement	Seller	Sue Seller	Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA
File #	987213546545	Lender	PPDocs		<input type="checkbox"/> VA <input type="checkbox"/> _____
Property	555 Main Street			Loan ID #	987654321
	Newark, NJ 07101			MIC #	
Sales Price	\$175,000				

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$125,000	NO
Interest Rate	4%	NO
Monthly Principal & Interest See Projected Payments below for your Estimated Total Monthly Payment	\$596.77	NO
Does the loan have these features?		
Prepayment Penalty		NO
Balloon Payment		NO

Projected Payments	
Payment Calculation	Years 1 - 30
Principal & Interest	\$596.77
Mortgage Insurance	+ 0
Estimated Escrow Amount can increase over time	+ 0
<b>Estimated Total Monthly Payment</b>	<b>\$596.77</b>
Estimated Taxes, Insurance & Assessments Amount can increase over time See page 4 for details	\$300.00 a month
	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: See Escrow Account on page 4 for details. You must pay for other property costs separately.
	In escrow? NO NO

Costs at Closing	
Closing Costs	\$756.38 Includes \$75.00 in Loan Costs + \$681.38 in Other Costs - \$0.00 in Lender Credits. See page 2 for details.
Cash to Close	\$50,756.38 Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

# Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid By Others
	At Closing	Before Closing	At Closing	Before Closing	
<b>A. Origination Charges</b>	\$0.00				
01 % of Loan Amount (Points)					
02 Origination Fee					\$450.00(L)
03					
04					
05					
<b>B. Services Borrower Did Not Shop For</b>	\$75.00				
01 Doc Prep APR to PeirsonPatterson, LLP	\$75.00				
02 Title - Lender's Title Policy to ABC Settlement			\$1,014.00		
03					
04					
05					
<b>C. Services Borrower Did Shop For</b>	\$0.00				
01					
02					
03					
04					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	\$75.00				
Loan Costs Subtotals (A + B + C)	\$75.00				
<b>Other Costs</b>					
<b>E. Taxes and Other Government Fees</b>	\$140.00				
01 Recording Fees Deed:\$20.00 Mortgage:\$120.00	\$140.00				
<b>F. Prepays</b>	\$164.38				
01 Homeowner's Insurance Premium to ABC					
02 Mortgage Insurance Premium					
03 Prepaid Interest (\$13.70 per day for 12 days @ 4%) to PPDocs	\$164.38				
04 Property Taxes					
05					
<b>G. Initial Escrow Payment at Closing</b>	\$0.00				
01 Homeowner's Insurance					
02 Mortgage Insurance					
03 Property Taxes					
04 Aggregate Adjustment					
05					
06					
<b>H. Other</b>	\$377.00				
01 Title - Owner's Title Insurance (optional) to ABC Settlement	\$377.00				
02					
03					
04					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	\$681.38				
Other Costs Subtotals (E + F + G + H)	\$681.38				
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	\$756.38				
Closing Costs Subtotals (D + I)	\$756.38	\$0.00	\$1,014.00	\$0.00	\$450.00(L)
Lender Credits					

### Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$756.00	\$756.38	NO
Closing Costs Paid Before Closing	\$0	\$0.00	NO
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0.00	NO
Down Payment/Funds from Borrower	\$50,000.00	\$50,000.00	NO
Deposit	\$0	\$0.00	NO
Funds for Borrower	\$0	\$0.00	NO
Seller Credits	\$0	\$0.00	NO
Adjustments and Other Credits	\$0	\$0.00	NO
<b>Cash to Close</b>	<b>\$50,756.38</b>	<b>\$50,756.38</b>	

### Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION		SELLER'S TRANSACTION	
K. Due from Borrower at Closing	\$175,756.38	M. Due to Seller at Closing	\$175,000.00
01 Sale Price of Property	\$175,000.00	01 Sale Price of Property	\$175,000.00
02 Sale Price of Any Personal Property Included in Sale		02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$756.38	03	
04		04	
Adjustments		05	
05		06	
06		07	
07		08	
Adjustments for Items Paid by Seller in Advance		Adjustments for Items Paid by Seller in Advance	
08 City/Town Taxes to		09 City/Town Taxes to	
09 County Taxes to		10 County Taxes to	
10 Assessments to		11 Assessments to	
11		12	
12		13	
13		14	
14		15	
15		16	
L. Paid Already by or on Behalf of Borrower at Closing	\$125,000.00	N. Due from Seller at Closing	\$1,014.00
01 Deposit		01 Excess Deposit	
02 Loan Amount	\$125,000.00	02 Closing Costs Paid at Closing (J)	\$1,014.00
03 Existing Loan(s) Assumed or Taken Subject to		03 Existing Loan(s) Assumed or Taken Subject to	
04		04 Payoff of First Mortgage Loan	
05 Seller Credit		05 Payoff of Second Mortgage Loan	
Other Credits		06	
06		07	
07		08 Seller Credit	
Adjustments		09	
08		10	
09		11	
10		12	
11		13	
Adjustments for Items Unpaid by Seller		Adjustments for Items Unpaid by Seller	
12 City/Town Taxes to		14 City/Town Taxes to	
13 County Taxes to		15 County Taxes to	
14 Assessments to		16 Assessments to	
15		17	
16		18	
17		19	
<b>CALCULATION</b>		<b>CALCULATION</b>	
Total Due from Borrower at Closing (K)	\$175,756.38	Total Due to Seller at Closing (M)	\$175,000.00
Total Paid Already by or on Behalf of Borrower at Closing (L)	-\$125,000.00	Total Due from Seller at Closing (N)	-\$1,014.00
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$50,756.38	Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$173,986.00

# Additional Information About This Loan

## Loan Disclosures

### Assumption

If you sell or transfer this property to another person, your lender

- will allow, under certain conditions, this person to assume this loan on the original terms
- will not allow assumption of this loan on the original terms.

### Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- does not have a demand feature.

### Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 3.000% of the monthly principal and interest payment.

### Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- do not have a negative amortization feature.

### Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

### Security Interest

You are granting a security interest in  
555 Main Street, Newark, NJ 07101

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

### Escrow Account

For now, your loan

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs:  You may have other property costs.
Initial Escrow Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment		The amount included in your total monthly payment.

- will not have an escrow account because  you declined it  your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1	\$3,600.00	Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

### In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

## Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$215,075.94
Finance Charge. The dollar amount the loan will cost you.	\$90,592.94
Amount Financed. The loan amount available after paying your upfront finance charge.	\$124,243.62
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	4.039%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	72.001%

## Other Disclosures

### Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

### Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

### Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.

state law does not protect you from liability for the unpaid balance.

### Loan Acceptance

You do not have to accept this loan because you have received this form or signed a loan application

### Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

### Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/mortgage-closing](http://www.consumerfinance.gov/mortgage-closing)

## Contact Information

	Lender	Settlement Agent
Name	ABC Lender	ABC Settlement
Address	2310 Interstate 20 W, Suite 100, Newark, NJ 07101	123 Elm Street, Newark, NJ 07101
NMLS ID	1234567	1234656
ST License ID	TN 654654	AK
Contact	Carrie Goff	Carrie Goff
Contact NMLS ID	157965	123456
Contact ST License ID	TX 646454	AK
Email	carrie@ppdocs.com	carrie@ppdocs.com
Phone	(817) 461-5500	(584) 561-0658

# Closing Disclosure Addendum

**Confirm Receipt**

Signature

**Sue Seller**

Date

# PPDocs, Inc. Compliance Certificate

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Date Printed: January 12, 2016**

**Lender:** PPDocs  
**Borrower(s):** Joe Borrower  
**Property:** 555 Main Street, Newark, NJ 07101  
**Loan Type:** First Lien Fixed Rate Conventional Loan  
**Loan Purpose:** Purchase  
**Loan Number:** 987654321  
**Closing Date:** 01/19/2016  
**Ordered By:** PPDocs  
**Investor:** \* No Investor \*  
**Loan Term:** 360 months P&I  
**Order Number:** 201601070181

HCML	HPML	QM	State High Cost	MDIA	Tolerance
✓	✓	✓	✓	✓	✓

**Legend**

- ✓ Passed
- ✗ Failed

## Section 32: High-Cost Mortgage Analysis:

The following points and fees test methodology, format, and terminology directly tracks the points and fees calculation text published by the CFPB on pages 37 through 41 of the Ability-to-Repay And Qualified Mortgage Rule Small Entity Compliance Guide, the most recent version of which is located at: [http://files.consumerfinance.gov/f/201310\\_cfpb\\_atr-qm-small-entity-compliance-guide.pdf](http://files.consumerfinance.gov/f/201310_cfpb_atr-qm-small-entity-compliance-guide.pdf). PPDocs, Inc. has only added applicable calculations to support the CFPB's published methodology.

### Points and Fees Test

- Finance Charges. In general, include all items included in the finance charge (see § 1026.32(b)(1)(i))

<u>Description</u>	<u>Amount</u>
Origination Fee	\$450.00
Doc Prep APR	\$75.00
Prepaid Interest	\$164.38
Title - Lender's Title Policy	\$1,014.00
Title - Owner's Title Insurance (optional)	\$377.00
Recording Fees	<u>\$140.00</u>
TOTAL	<b>\$2,220.38</b>
	<b>\$2,220.38</b>

However, you may **exclude** the following types and amounts of charges, even if they normally would be included in the finance charge:

-Interest or the time-price differential: (\$164.38)

-Private mortgage insurance (PMI) premiums: Exclude monthly or annual PMI premiums. You may also exclude up-front PMI premiums if the premium is refundable on a prorated basis and a refund is automatically issued upon loan satisfaction. However, even if the premium is excludable, you must include any portion that exceeds the up-front MIP for FHA loans. Those amounts are published in HUD Mortgagee Letters. \$0.00

-Bona fide third-party charges not retained by the creditor, loan originator, or an affiliate of either.

<u>Description</u>	<u>Amount</u>
Doc Prep APR	(\$75.00)
Title - Lender's Title Policy	(\$1,014.00)
Title - Owner's Title Insurance (optional)	(\$377.00)
Recording Fees	(\$140.00)
TOTAL	(\$1,606.00)
	(\$1,606.00)

-Bona fide discount points (§ 1026.32(b)(1)(i)(E) and (F) and (b)(3)).

--None, because there are no discount fees or the fees are not bona fide, discount fees may not be excluded.

\$0.00

**Total charges that must be included in the calculations** \$450.00

2. Loan originator compensation (§ 1026.32(b)(1)(ii))

Include compensation paid directly or indirectly by a consumer or creditor to a loan originator other than compensation paid by a mortgage broker or creditor to an employee. Include compensation that is attributable to the transaction, to the extent that such compensation is known as of the date the interest rate for the transaction is set.

Total Compensation paid directly by a consumer to a mortgage broker:	\$0.00
Total Compensation paid by a creditor to a mortgage broker:	\$0.00
Total Compensation paid by a consumer or creditor to a manufactured home retailer:	\$0.00
Total Compensation included in the sales price of a manufactured home:	\$0.00

**Total compensation that must be included in the calculations** \$0.00

3. Real estate-related fees (§ 1026.32(b)(1)(iii))

The following categories of charges are **excluded** from points and fees **only if**:

- a. The charge is reasonable;
- b. The creditor receives no direct or indirect compensation in connection with the charge; and
- c. The charge is not paid to an affiliate of the creditor.

If one or more of those three conditions is **not** satisfied, **you must include** these charges in points and fees even if they would be excluded from the finance charge:

**Total fees that must be included in the calculations** \$0.00

4. Premiums for credit insurance; credit property insurance, other life, accident, health, or loss-of-income insurance where the creditor is beneficiary; or debt cancellation or suspension coverage payments (§ 1026.32(b)(1)(iv)) \$0.00

5. Maximum prepayment penalty (§ 1026.32(b)(1)(v)) \$0.00

6. Prepayment penalty paid in a refinance (§ 1026.32(b)(1)(vi)) \$0.00

7. Charges paid by third parties. (Comment 32(b)(1)-2) \$0.00

8. Creditor-paid charges. (Comment 32(b)(1)-2)  
Charges paid by the creditor, other than loan originator compensation paid by the creditor that is required to be included in points and fees under § 1026.32(b)(1)(ii), can be excluded from points and fees.

<u>Description</u>	<u>Amount</u>
--------------------	---------------

**Compliance Certificate**



Lender credit for Origination Fee	_(\$450.00)	(\$450.00)
<b>TOTAL ACTUAL POINTS AND FEES</b>		<b>\$0.00</b>

Note amount: \$125,000.00

"Amount Financed" per Truth-In-Lending (Regulation Z): \$124,243.62

"Total Loan Amount" per Truth-In-Lending (Regulation Z): \$124,243.62

Limits on points and fees for High-Cost Mortgage Loan:

- (i) 5 percent of the total loan amount for a transaction with a loan amount of \$20,391 or more; or
- (ii) The lesser of 8 percent of the total loan amount or \$1,020 for a transaction with a loan amount of less than \$20,391;

	Amount	Percent
<b>ALLOWED MAXIMUM POINTS AND FEES</b>	<b>\$6,212.18</b>	<b>5.00%</b>
<b>LESS TOTAL ACTUAL POINTS AND FEES</b>	<b>\$0.00</b>	
<b>CUSHION</b>	<b>\$6,212.18</b>	<b>100.00%</b>
<b>POINTS AND FEES TEST</b>		<b>PASSED</b>

**Prepayment Penalty Test**

No prepayment penalty may be charged after 36 months	<b>Passed</b>
Prepayment penalty may not exceed 2% of amount prepaid	<b>Passed</b>
<b>PREPAYMENT PENALTY TEST</b>	<b>PASSED</b>

**APR Test**

APR (According to 32(a)(3)): 4.0395

APOR: 4.0600%

Maturity Term: 30 Year

Published Date: Monday, January 4, 2016

Lien Position: First lien

APR - APOR: -0.0205

The APR must not exceed the Average Prime Offer Rate (APOR) by:

- (i) 6.5% if the loan is a first lien
- (ii) 8.5% if the loan is a subordinate lien

**APR TEST PASSED**

**Section 35: Higher-Priced Mortgage Analysis:**

If the loan's APR exceeds the Average Prime Offer Rate as published by the Federal Reserve Board in effect when the rate is set by 1.5% or more (2.5% for 1st lien jumbo, 3.5% for 2nd liens), this loan is a higher-priced mortgage loan.

Loan Amount	\$125,000.00
Lien Position	First
Application Date	01/06/2016
Lock Date	01/06/2016
Annual Percentage Rate	4.04 %
Average Prime Offer Rate (30-year maturity published on 01/04/2016)	<del>- 4.06 %</del>
<b>APR minus Average Prime Offer Rate</b>	<b>-0.02 %</b>

**Compliance Certificate**

**SUMMARY**

This loan is not an HPML loan.

**Section 43: Qualified Mortgage Analysis:**

**Loan Information**

Target QM Type: General QM  
Lien Position: First Lien  
Rate Type: Fixed Rate  
This Loan has a 30 year term.  
The interest rate on this Loan was set on Wednesday, January 6, 2016  
The applicable APOR date is: Wednesday, January 6, 2016  
The APOR to compare this Loan to is: 4.0600%  
This Loan's APR is: 4.0395%  
This Loan is not an HPCT loan

The following points and fees test methodology, format, and terminology directly tracks the points and fees calculation text published by the CFPB on pages 37 through 41 of the Ability-to-Repay And Qualified Mortgage Rule Small Entity Compliance Guide, the most recent version of which is located at: [http://files.consumerfinance.gov/f/201310\\_cfpb\\_atr-qm-small-entity\\_compliance-guide.pdf](http://files.consumerfinance.gov/f/201310_cfpb_atr-qm-small-entity_compliance-guide.pdf). PPDocs, Inc. has only added applicable calculations to support the CFPB's published methodology.

**Points and Fees Test**

1. Finance Charges. In general, include all items included in the finance charge (see § 1026.32(b)(1)(i))

<u>Description</u>	<u>Amount</u>
Origination Fee	\$450.00
Doc Prep APR	\$75.00
Prepaid Interest	\$164.38
Title - Lender's Title Policy	\$1,014.00
Title - Owner's Title Insurance (optional)	\$377.00
Recording Fees	<u>\$140.00</u>
TOTAL	<b>\$2,220.38</b>
	<b>\$2,220.38</b>

However, you may **exclude** the following types and amounts of charges, even if they normally would be included in the finance charge:

-Interest or the time-price differential: **(\$164.38)**

-Private mortgage insurance (PMI) premiums: Exclude monthly or annual PMI premiums. You may also exclude up-front PMI premiums if the premium is refundable on a prorated basis and a refund is automatically issued upon loan satisfaction. However, even if the premium is excludable, you must include any portion that exceeds the up-front MIP for FHA loans. Those amounts are published in HUD Mortgagee Letters. **\$0.00**

-Bona fide third-party charges not retained by the creditor, loan originator, or an affiliate of either.

<u>Description</u>	<u>Amount</u>
Doc Prep APR	(\$75.00)
Title - Lender's Title Policy	(\$1,014.00)
Title - Owner's Title Insurance (optional)	(\$377.00)
Recording Fees	<u>(\$140.00)</u>
TOTAL	<b>(\$1,606.00)</b>
	<b>(\$1,606.00)</b>

-Bona fide discount points (§ 1026.32(b)(1)(i)(E) and (F) and (b)(3)).

--None, because there are no discount fees or the fees are not bona fide, discount fees may not be excluded. **\$0.00**

**Compliance Certificate**

**Total charges that must be included in the calculations      \$450.00**

2. Loan originator compensation (§ 1026.32(b)(1)(ii))

Include compensation paid directly or indirectly by a consumer or creditor to a loan originator other than compensation paid by a mortgage broker or creditor to an employee. Include compensation that is attributable to the transaction, to the extent that such compensation is known as of the date the interest rate for the transaction is set.

Total Compensation paid directly by a consumer to a mortgage broker:	\$0.00
Total Compensation paid by a creditor to a mortgage broker:	\$0.00
Total Compensation paid by a consumer or creditor to a manufactured home retailer:	\$0.00
Total Compensation included in the sales price of a manufactured home:	\$0.00

**Total compensation that must be included in the calculations      \$0.00**

3. Real estate-related fees (§ 1026.32(b)(1)(iii))

The following categories of charges are **excluded** from points and fees **only if**:

- a. The charge is reasonable;
- b. The creditor receives no direct or indirect compensation in connection with the charge; and
- c. The charge is not paid to an affiliate of the creditor.

If one or more of those three conditions is **not** satisfied, **you must include** these charges in points and fees even if they would be excluded from the finance charge:

**Total fees that must be included in the calculations      \$0.00**

4. Premiums for credit insurance; credit property insurance, other life, accident, health, or loss-of-income insurance where the creditor is beneficiary; or debt cancellation or suspension coverage payments (§ 1026.32(b)(1)(iv))

**\$0.00**

5. Maximum prepayment penalty (§ 1026.32(b)(1)(v))

**\$0.00**

6. Prepayment penalty paid in a refinance (§ 1026.32(b)(1)(vi))

**\$0.00**

7. Charges paid by third parties. (Comment 32(b)(1)-2)

**\$0.00**

8. Creditor-paid charges. (Comment 32(b)(1)-2)

Charges paid by the creditor, other than loan originator compensation paid by the creditor that is required to be included in points and fees under § 1026.32(b)(1)(ii), can be excluded from points and fees.

<u>Description</u>	<u>Amount</u>
Lender credit for Origination Fee	_(\$450.00)
	<b>(\$450.00)</b>
<b>TOTAL ACTUAL POINTS AND FEES</b>	<b>\$0.00</b>

Note amount: \$125,000.00

"Amount Financed" per Truth-In-Lending (Regulation Z): \$124,243.62

"Total Loan Amount" per Truth-In-Lending (Regulation Z): \$124,243.62

Limits on points and fees for QM:

(i) A covered transaction is not a qualified mortgage unless the transaction's total points and fees, as defined in § 1026.32(b)(1), do not exceed:

- (A) For a loan amount greater than or equal to \$100,000 (indexed for inflation): 3 percent of the total loan amount;
- (B) For a loan amount greater than or equal to \$60,000 (indexed for inflation) but less than \$100,000 (indexed for inflation): \$3,000 (indexed for inflation);
- (C) For a loan amount greater than or equal to \$20,000 (indexed for inflation) but less than \$60,000 (indexed for inflation): 5 percent of the total loan amount;
- (D) For a loan amount greater than or equal to \$12,500 (indexed for inflation) but less than \$20,000 (indexed for inflation): \$1,000 (indexed for inflation);
- (E) For a loan amount less than \$12,500 (indexed for inflation): 8 percent of the total loan amount.

**Compliance Certificate**

(ii) The dollar amounts, including the loan amounts, in paragraph (e)(3)(i) of this section shall be adjusted annually on January 1 by the annual percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) that was reported on the preceding June 1.

	Amount	Percent
ALLOWED MAXIMUM POINTS AND FEES	\$3,727.31	3.00%
LESS TOTAL ACTUAL POINTS AND FEES	\$0.00	
CUSHION	\$3,727.31	100.00%

POINTS AND FEES TEST PASSED

#### Toxic Features Test

Loan term must be 30 years or less.	Passed
Loan may not contain negative amortization	Passed
Loan must have substantially equal payments, fixed interest rate, and loan term of 5 years or longer for a balloon.	Passed

TOXIC FEATURES TEST PASSED

### State High Cost Analysis:

The following points and fees test methodology, format, and terminology directly tracks the points and fees calculation text published by the CFPB on pages 37 through 41 of the Ability-to-Repay And Qualified Mortgage Rule Small Entity Compliance Guide, the most recent version of which is located at: [http://files.consumerfinance.gov/f/201310\\_cfpb\\_atr-qm-small-entity\\_compliance-guide.pdf](http://files.consumerfinance.gov/f/201310_cfpb_atr-qm-small-entity_compliance-guide.pdf). PPDocs, Inc. has only added applicable calculations to support the CFPB's published methodology.

#### Points and Fees Test

1. Finance Charges. In general, include all items included in the finance charge (see § 1026.32(b)(1)(i))

<u>Description</u>	<u>Amount</u>
Origination Fee	\$450.00
Doc Prep APR	\$75.00
Prepaid Interest	\$164.38
Title - Lender's Title Policy	\$1,014.00
Title - Owner's Title Insurance (optional)	\$377.00
Recording Fees	<u>\$140.00</u>
TOTAL	<b>\$2,220.38</b>
	<b>\$2,220.38</b>

However, you may **exclude** the following types and amounts of charges, even if they normally would be included in the finance charge:

-Interest or the time-price differential:	( <b>\$164.38</b> )
-Private mortgage insurance (PMI) premiums: Exclude monthly or annual PMI premiums. You may also exclude up-front PMI premiums if the premium is refundable on a prorated basis and a refund is automatically issued upon loan satisfaction. However, even if the premium is excludable, you must include any portion that exceeds the up-front MIP for FHA loans. Those amounts are published in HUD Mortgage Letters.	<b>\$0.00</b>
-Bona fide third-party charges not retained by the creditor, loan originator, or an affiliate of either.	

<u>Description</u>	<u>Amount</u>
Doc Prep APR	(\$75.00)
Title - Lender's Title Policy	(\$1,014.00)

#### Compliance Certificate

Title - Owner's Title Insurance (optional)	(\$377.00)
Recording Fees	<u>(\$140.00)</u>
TOTAL	(\$1,606.00)
	(\$1,606.00)

-Bona fide discount points (§ 1026.32(b)(1)(i)(E) and (F) and (b)(3)).

--None, because there are no discount fees or the fees are not bona fide, discount fees may not be excluded.

\$0.00

**Total charges that must be included in the calculations \$450.00**

2. Loan originator compensation (§ 1026.32(b)(1)(ii))

Include compensation paid directly or indirectly by a consumer or creditor to a loan originator other than compensation paid by a mortgage broker or creditor to an employee. Include compensation that is attributable to the transaction, to the extent that such compensation is known as of the date the interest rate for the transaction is set.

Total Compensation paid directly by a consumer to a mortgage broker: \$0.00

Total Compensation paid by a creditor to a mortgage broker: \$0.00

Total Compensation paid by a consumer or creditor to a manufactured home retailer: \$0.00

Total Compensation included in the sales price of a manufactured home: \$0.00

**Total compensation that must be included in the calculations \$0.00**

3. Real estate-related fees (§ 1026.32(b)(1)(iii))

The following categories of charges are **excluded** from points and fees **only if**:

- a. The charge is reasonable;
- b. The creditor receives no direct or indirect compensation in connection with the charge; and
- c. The charge is not paid to an affiliate of the creditor.

If one or more of those three conditions is **not** satisfied, **you must include** these charges in points and fees even if they would be excluded from the finance charge:

**Total fees that must be included in the calculations \$0.00**

4. Premiums for credit insurance; credit property insurance, other life, accident, health, or loss-of-income insurance where the creditor is beneficiary; or debt cancellation or suspension coverage payments (§ 1026.32(b)(1)(iv))

\$0.00

5. Maximum prepayment penalty (§ 1026.32(b)(1)(v))

\$0.00

6. Prepayment penalty paid in a refinance (§ 1026.32(b)(1)(vi))

\$0.00

7. Charges paid by third parties. (Comment 32(b)(1)-2)

\$0.00

8. Creditor-paid charges. (Comment 32(b)(1)-2)

Charges paid by the creditor, other than loan originator compensation paid by the creditor that is required to be included in points and fees under § 1026.32(b)(1)(ii), can be excluded from points and fees.

<u>Description</u>	<u>Amount</u>
Lender credit for Origination Fee	<u>(\$450.00)</u>
	(\$450.00)
<b>TOTAL ACTUAL POINTS AND FEES</b>	<b>\$0.00</b>

Note amount: \$125,000.00

"Amount Financed" per Truth-In-Lending (Regulation Z): \$124,243.62

"Total Loan Amount" per Truth-In-Lending (Regulation Z): \$124,243.62

Limits on points and fees for High-Cost Mortgage Loan:

- (i) 4.5 percent of the total loan amount for a transaction with a loan amount of \$40,000.00 or more; or
- (ii) 6 percent of the total loan amount for a transaction with a loan amount of \$20,000.00 or more but less

**Compliance Certificate**

that \$40,000.00; or

(iii) The lesser of 6 percent of the total loan amount or \$1,020.00 for a transaction with a loan amount of less than \$20,000.00;

	Amount	Percent
ALLOWED MAXIMUM POINTS AND FEES	\$6,212.18	4.50%
LESS TOTAL ACTUAL POINTS AND FEES	\$0.00	
CUSHION	\$6,212.18	100.00%
POINTS AND FEES TEST		PASSED

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#### APR Test

APR (According to 32(a)(3)): 4.0395

APOR: 4.0600%

Maturity Term: 30 Year

Published Date: Monday, January 4, 2016

Lien Position: First lien

APR - APOR: -0.0205

The APR must not exceed the Average Prime Offer Rate (APOR) by:

(i) 6.5% if the loan is a first lien

(ii) 8.5% if the loan is a subordinate lien

APR TEST PASSED

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#### MDIA Summary:

##### APR Summary

<u>Interest Rate</u>	<u>APR</u>	<u>Disclosed APR</u>	<u>Point Difference</u>
4.0000%	4.0395%	3.9900%	0.0495

This loan was **UNDERDISCLOSED** by 0.0495%

##### Date Analysis

Application Date:	1/6/2016
Initial Sent Date:	1/7/2016
Last Received Date:	1/11/2016
Earliest Allowable Closing Date:	1/15/2016
Closing Date:	1/19/2016

##### SUMMARY

Point difference between Disclosed APR and actual APR is within tolerance. Closing Date timing is valid.

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#### Tolerance Summary:

##### APR Summary

<u>Interest Rate</u>	<u>APR</u>	<u>Disclosed APR</u>	<u>Point Difference</u>
4.0000%	4.0395%	3.9900%	0.0495

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##### Compliance Certificate

This loan was **UNDERDISCLOSED** by 0.0495%

**Date Analysis**

Application Date: 1/6/2016  
 Initial Sent Date: 1/7/2016  
 Last Received Date: 1/11/2016  
 Earliest Allowable Closing Date: 1/15/2016  
 Closing Date: 1/19/2016

**SUMMARY**

Point difference between Disclosed APR and actual APR is within tolerance. Closing Date timing is valid.

**Charges That Cannot Increase**

<u>Fee Description</u>	<u>Section</u>	<u>Estimated</u>	<u>Final</u>	<u>Cure</u>
Origination Fee	A	450.00	0.00	N/A
Doc Prep APR	B	75.00	75.00	N/A
Title - Lender's Title Policy	B	0.00	0.00	N/A
<b>Total</b>				<b>0.00</b>

**Charges That in Total Cannot Increase More Than 10%**

<u>Fee Description</u>	<u>Section</u>	<u>Estimated</u>	<u>Final</u>
Recording Fees	E	140.00	140.00

Estimated: 140.00  
 Final: 140.00  
 Increased: 0.00  
 Maximum Allowed: 14.00  
 Cure: 0.00

**Charges That Can Change**

<u>Fee Description</u>	<u>Section</u>	<u>Estimated</u>	<u>Final</u>
Prepaid Interest	F	0.00	164.38
Title - Owner's Title Insurance (optional)	H	0.00	377.00

**Baseline Calculation:**

Fees Subject to Zero Tolerance

Closing Disclosure 1/6/2016 4:36:07 PM		Baseline
Fee Description	Amount	Amount
Origination Fee	\$0.00	\$450.00
Doc Prep APR	\$75.00	\$75.00
Title - Lender's Title Policy	\$0.00	\$0.00

**Compliance Certificate**

Total	\$75.00	\$525.00
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**Fees Subject to a 10% Cumulative Tolerance**

Closing Disclosure 1/6/2016 4:36:07 PM		Baseline
Fee Description	Amount	Amount
Recording Fees	\$0.00	\$140.00
<b>Total</b>	<b>\$0.00</b>	<b>\$140.00</b>
Baseline Increase		
Adjusted Bucket	\$0.00	

**Fees Not Subject to Tolerance**

Closing Disclosure 1/6/2016 4:36:07 PM		Baseline
Fee Description	Amount	Amount
Prepaid Interest	\$0.00	\$0.00
Title - Owner's Title Insurance (optional)	\$0.00	\$0.00
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>

PPDocs, Inc. certifies that the above calculations are accurate based on the information the user has entered.

**NOTICE:** This Compliance Certificate is the product of the various tests that PPDocs, Inc. analyzed for this transaction. The findings above are intended to act as a tool to correct any potential errors before a package is generated for closing and to assist in understanding the various rules and regulations currently in place. This includes certain audits we have programmed where appropriate to warn the user if the loan created exceeds limits or thresholds for federal high cost (Section 32/HCML); higher-priced mortgage loans (Section 35/HPML); qualified mortgage (Section 43); state high cost home loans; or Texas home equity loans (also referred to as Texas 50(a)6 loans) requiring a 3% fee maximum and 80% LTV maximum. Please be aware that audits may change periodically due to client input, and updates to both federal and state regulations.

It should be noted that our audits are only as good as the information entered and is ultimately the user's responsibility. Our closers are not responsible for determining which fees are to be included and which are not. Our system uses certain assumptions based on standard requirements to include or exclude items in these calculations such as discount points (which may be considered "bona fide"), or lender and affiliate fees to be included in high cost calculations. However, the user may flag or un-flag any item as needed and at their discretion. Because the calculations may subject to various investor interpretations and depend upon accurate and complete data input from Client, PPDocs, Inc. does not make any representation or warranty regarding the marketability of the loan.



# Fee Details Form

Borrower Name: Joe Borrower

Investor Loan Number: \_\_\_\_\_ Date: 1/12/2016

**Affiliated Business Relationship Information:**

Were any of the points and fees paid to an affiliate of the broker and/or lender on this transaction? \_\_\_\_\_ YES  X  NO

If yes, list names of affiliates paid in association with this transaction below:

**Summary:**

Total Fees Paid to Broker:	0.00	Amount of PPP included in Fees:	0.00
Total Fees Paid to Lender:	614.38	Total Fees Included in HOEPA/QM Test:	0.00
Total Fees Paid to Affiliate:	0.00	Total Fees Excluded from HOEPA/QM Test:	2,220.38
		Total Loan Amount:	124,243.62
Total Fees Paid By Lender/ Broker/Seller (credits):	1,464.00	HOEPA APR:	4.0395

**Paid By/Paid To Key**

B Borrower   L Lender   BR Broker   LA Lender Affiliate   BA Broker Affiliate   3 3rd Party   S Seller

**Other Fees Itemization:**

	Description	FHA MIP Comparable Factor (%)	Bona Fide Discount Points (%)	Fully Adjusted Par Rate	APOR at Time Rate Is Set	\$ Amount	Paid By	Paid To	Amount of Fee Excluded from HOEPA/QM	Amount of Fee Excluded from State High Cost
	Broker Comp at Time Int. Rate Set					0.00				
	Broker Comp from CD					0.00				
	Bona Fide Discount Points									
Refundable <input type="checkbox"/>	Conv Upfront MI Premium	1.75								
	Conv Upfront MI Premium (if split)									

**Recording Fees:**

Section Letter	Fee Name	Financed	Included in APR	Paid Outside of Closing (POC)	\$ Amount	Paid To	Amount of Fee Excluded from HOEPA/QM	Amount of Fee Excluded from State High Cost

**Borrower Fees Paid with Seller Credits (Purchase transactions only):**

Section Letter	Fee Name	Included in APR	Paid Outside of Closing (POC)	\$ Amount	Paid To	Amount of Fee Excluded from HOEPA/QM	Amount of Fee Excluded from State High Cost
B	Title - Lender's Title Policy	X		1,014.00	3	1,014.00	1,014.00

**Borrower Fees Paid with Lender Credits:**

Section Letter	Fee Name	Included in APR	Paid Outside of Closing (POC)	\$ Amount	Paid To	Amount of Fee Excluded from HOEPA/QM	Amount of Fee Excluded from State High Cost
A	Origination Fee			450.00	L	450.00	450.00

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

**SUPPLEMENTAL INSTRUCTIONS TO THE SETTLEMENT AGENT**

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**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

**COMPLETION OF HUD-1 AND HUD-1A SETTLEMENT STATEMENT**

Certain revisions to the regulations for the Real Estate Settlement Procedures Act of 1974 (RESPA), commonly known as Regulation X (24 CFR Part 3500), are effective as of May 24, 1995.

Provisions pertinent to the use and completion of the HUD-1 or HUD-1A Settlement Statement are set out in sections 3500.8 to 3500.10, inclusive, 3500.17, Appendix A to Part 3500, and in Example 13 of Appendix B to Part 3500.

You are instructed to complete the HUD-1 or HUD-1A Settlement Statement in accordance with these provisions of Regulation X, as revised.

Under Section L of the HUD-1 or HUD-1A Settlement Statement, for all items except those paid to and retained by the Lender, the name of the person or firm ultimately receiving the payment should be shown. In the case of "no cost" or "no point" loans or of indirect payments or back-funded payments, the charge to be paid by the lender to a third-party provider should be shown as P.O.C. (Paid Outside of Closing) and FBO (for the benefit of) next to the identified item and should not be used in computing totals.

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

**DO NOT AMEND ANY FEES PREVIOUSLY APPROVED BY THE LENDER WITHOUT CONTACTING LENDER. CHANGES MAY REQUIRE LENDER TO PREPARE A CORRECTED TRUTH-IN-LENDING STATEMENT PRIOR TO CLOSING.**

**Attorney Invoice**  
**PeirsonPatterson, LLP**

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

Invoice To: Carrie Goff  
 ABC Settlement  
 123 Elm Street  
 Arlington, TX 76017  
 Phone: (584) 561-0658 Fax:  
 GF Number: 987213546545

Date	Order #	Description	Amount
1/7/2016	201601070181	For preparation and/or review of Warranty Deed.	\$125.00

**Lender:**  
 PPDocs  
 2310 W INTERSTATE 20, Suite 100  
 ARLINGTON, TX 76017  
 Phone: (817) 461-5500 Fax:  
 Closer: Gail Knight  
 Loan # 987654321

**Property:**  
 555 Main Street  
 Newark, NJ 07101

**Borrower(s):**  
 Joe Borrower

**Seller(s):**  
 Sue Seller

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

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

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

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

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

**Loan # 987654321**

## **Itemization of Credit**

The Lender, Seller of the Property, or third party have agreed to pay certain fees on behalf of the borrower. The following is an itemization of credits paid by Lender, Seller, or Third Party (as indicated in your real estate sales contract or in a separate writing to us) toward Borrower's closing costs.

If the amount credited is less than the full amount of the fee, Borrower will be responsible for the remaining, or net, amount at the time of closing.

### **Credit Itemization (Affecting APR)**

<u>Description</u>	<u>Credit Paid By</u>	<u>Fee Amount</u>	<u>Credit Amount</u>	<u>Net Amount</u>
Origination Fee	Lender	\$450.00	\$450.00	\$0.00
Title - Lender's Title Policy	Seller	\$1,014.00	\$1,014.00	\$0.00
<b>Total:</b>		<b>\$1,464.00</b>	<b>\$1,464.00</b>	<b>\$0.00</b>

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

\_\_\_\_\_  
Signature Date  
**Sue Seller**

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

**Loan # 987654321**

## **Itemization of Lender Credit**

The Lender has agreed to pay certain fees on behalf of the borrower. The following is an itemization of credits paid by Lender toward Borrower's closing costs.

If the amount credited is less than the full amount of the fee, Borrower will be responsible for the remaining, or net, amount at the time of closing.

### **Lender Credit Itemization**

<u>Description</u>	<u>Fee Amount</u>	<u>Credit Amount</u>	<u>Net Amount</u>
Origination Fee	\$450.00	\$450.00	\$0.00
<b>Total:</b>	<b>\$450.00</b>	<b>\$450.00</b>	<b>\$0.00</b>

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

To Settlement Agent:  
**ABC Settlement**  
**123 Elm Street**  
**Newark, NJ 07101**  
Attn: **Carrie Goff**  
Phone No.:(584) 561-0658  
Fax No.:  
Email: **carrie@ppdocs.com**

From Lender:  
**PPDocs**  
**2310 W INTERSTATE 20, Suite 100**  
**ARLINGTON, TX 76017**  
Attn: **Gail Knight**  
Phone No.:(817) 461-5500  
Fax No.:  
Email: **gail@ppdocs.com**

## Supplemental Closing Instructions

### SECTION I. LOAN INFORMATION

Borrower(s):	<b>Joe Borrower</b>	Loan #	<b>987654321</b>
Mailing Address:	<b>987 Any Street, Newark, NJ 07101</b>	GF No:	<b>987213546545</b>
		Order Number:	<b>201601070181</b>
		Invoice Number:	<b>6-01-01055</b>
Seller(s):	<b>Sue Seller</b>	Closing Date:	<b>January 19, 2016</b>
Property Address:	<b>555 Main Street, Newark, NJ 07101</b>	Final Payment Date:	<b>February 1, 2046</b>
Sales Price:	<b>\$175,000.00</b>	First Payment Date:	<b>March 1, 2016</b>
Down Payment:	<b>\$50,000.00</b>		
Loan Amount:	<b>\$125,000.00</b>	Initial Interest Rate:	<b>4.000%</b>
Loan Type:	<b>First Lien-Conventional-Purchase- Uninsured</b>	Terms of Loan:	<b>360 months P&amp;I</b>
Initial Payment:	<b>\$596.77</b>		

### SECTION II. LOAN FEES AND ESCROWS

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

#### A. Fees Paid at Closing.

See Closing Disclosure

#### B. Per Diem Interest and Escrows:

Per Diem Interest is **13.6986** per day. Collect per diem interest from the date of funding (including date of funding) to **2/1/2016**. Collect from **Borrower(s)**.

#### C. Issuance of Separate Checks:

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

- **Invoice number 6-01-01056 to PeirsonPatterson LLP. For preparation and/or review of Warranty Deed. \$125.00**

### SECTION III. LOAN DOCUMENTS

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

Closing Disclosure Borrower(s) must acknowledge receipt of notices indicated therein. Return Original to Lender. Give Borrower(s) one (1) copy. For purchase transactions where Settlement Agent prepares the Seller Closing Disclosure, a copy of same should also be delivered to Lender.

Closing Disclosure Addendum Give to Borrower(s).

Compliance Certificate

Fee Details Form

Supplemental Instructions to the Settlement Agent Settlement Agent must follow additional instructions. Return original to Lender.

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

Itemization of Credit (with seller signing) Borrower(s) and Seller(s) must sign. Return Original to Lender.

Itemization of Lender Credit Borrower(s) must sign. Return Original to Lender.

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

Affidavit Regarding Loan Estimate and Closing Disclosure Settlement Agent to complete all blank lines. Borrower(s) must sign and swear to the truth of the matter(s) stated. Signatures must be acknowledged. Return Original(s) to Lender. Give Borrower(s) one (1) copy.

SSN Verification Borrower(s) to complete and sign form. Return Original to Lender. Give Borrower(s) one (1) copy.

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

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

First Payment Letter Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

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

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

Agreement to Provide Financial Information Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

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

Automatic Transfer Authorization Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

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

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

Certification of Parties Regarding Sales Contract (VA/CONV) All indicated Parties must sign. Return original to Lender. Give each Party one (1) copy.

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

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

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

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

Multistate Initial Escrow Account Waiver for Hazard Insurance Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Multistate Initial Escrow Account Waiver for Any and All Property Taxes Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

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

Important Applicant Information (U.S. Patriot Act Notice) Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

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

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

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

No Undisclosed Debt Affidavit Borrower(s) must sign. Return Original to Lender. Give Borrower(s) one (1) copy.

Notice of Servicing Transfer Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

Property Tax Information Settlement Agent must complete. Return original to Lender.

Quality Control Release Borrower(s) to sign and date. Return original to Lender. Give Borrower(s) one (1) copy.

Septic/Water/Well/Propane/Termite Inspection Waiver Borrower(s) must sign. Return original to Lender. Give Borrower(s) one (1) copy.

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

W-9 Cover Sheet

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**Supplemental Closing Instructions**



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

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

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

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

Fixed Rate Note FNMA/FHLMC 3200 Borrower(s) must sign original and initial each page. Return original and one (1) certified copy to Lender. Give Borrower(s) one (1) copy.

MTG: Conventional 2000 (NJ) The indicated Borrower(s) must sign original Security Instrument (Mortgage / Deed of Trust). Obtain acknowledgements and file original. After recording, return original and one (1) certified copy to Lender. Give Borrower(s) one (1) copy.

#### SECTION IV. ADDITIONAL REQUIREMENTS

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

#### Other Items:

- **Borrower(s) must complete Social Security Number(s) or Tax ID number on any applicable documents.**
- **Provide any and all other state specific documents necessary to properly close and insure this transaction.**
- **Private transfer fees, capital recovery fees, reconveyance fees, marketing fees, residential transfer fees, legacy covenant fees, "Freehold" licensing transfer fees and similar covenants and/or restrictions going by other names attached to real property by the property developer, but may also be attached by the property owner or another private party paid to an identified third party, such as the developer or its trustee, that cause a fee to be due upon each transfer or resale of the Property ARE NOT ALLOWED EXCEPTIONS TO LENDER'S TITLE INSURANCE COVERAGE WITHOUT THE SPECIFIC WRITTEN APPROVAL BY THE LENDER.**
- **Closing Disclosure must reference SETTLEMENT AGENT NAME, ADDRESS and PHONE NUMBER if prepared by the Settlement Agent.**
- **For purchase transactions where Borrower(s) and Seller(s) Closing Disclosures are provided on separate documents, Settlement Agent must provide to Lender a copy of the disclosure provided to Seller.**
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#### SECTION V: LOAN FUNDING

All papers must be signed as the legal documentation has been typed. If you have information that the typed names or other factual information are incorrect, please contact Lender immediately. All fees and charges required to be paid and known by Settlement Agent must be reflected on the Closing Disclosure. The Closing Disclosure must be faxed to Lender for approval prior to Closing if prepared by Settlement Agent. After Lender approval, no charges or fees can be added to the Closing Disclosure without lender's written consent. Do not file the Security Instrument prior to Lender's funding authorization. If applicable, the Closing of this loan is contingent upon the Sales Price captioned herein being true and correct. Should you have information indicating a lesser Sales Price or any secondary financing not shown above, do not close this loan and contact Lender immediately.

If requested by Lender, the escrow agent shall prepare the Closing Disclosure in accordance with these instructions and provide it to us for our approval at least 4 business days before the real estate settlement transaction is closed. Then, the escrow agent shall close the transaction and disburse funds only in accordance with the approved Closing Disclosure. If any party to the transaction requests that his/her funds be disbursed in any manner different from the approved Closing Disclosure, the escrow agent shall advise us of the request and obtain prior approval from us before any funds are disbursed in a manner different from the approved Closing Disclosure.

The undersigned as authorized agent for Settlement Agent hereby states that all the terms and conditions contained in these Supplemental Closing Instructions, the Commitment for Title Insurance issued for this loan and the Master Closing Instructions (if applicable) which are incorporated herein by reference have or will be complied with prior to the request for loan funding, unless otherwise authorized herein.

**ABC Settlement**

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

**Settlement Agent Signature**

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

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## **AFFIDAVIT REGARDING LOAN ESTIMATE AND CLOSING DISCLOSURE**

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

State of \_\_\_\_\_

Before me, the undersigned authority, a Notary Public in and for the State of \_\_\_\_\_, on this day personally appeared **Joe Borrower** and on oath such individual, or each of them, swears that the following statements are true:

I am a borrower named in the Note (the "Note") or the owner or spouse of an owner of the property described in the Security Instrument (the "Security Instrument" which term includes any riders to the Security Instrument), both bearing date of **January 19, 2016**, evidencing and securing a loan (the "Loan") and providing for a lien on the following described property (the "Property") located in **Essex County, New Jersey**:

**See Exhibit "A" attached hereto and made a part hereof.**

[Legal Description]

which has the address of: **555 Main Street Newark, NJ 07101** ("Property Address").

I understand that the lender making the Loan is **PPDocs** (the "Lender").

### **I. REPRESENTATIONS AND WARRANTIES REGARDING LOAN ESTIMATE ACCURACY:**

I represent and warrant that the Loan Estimate ("LE") dated **1/7/2016** is the LE that Lender provided me in connection with this Loan. If a subsequent LE was given to me by Lender or any agent of Lender, any variance (if any) from the LE was due to one of the following legally allowed "Changed Circumstances" or other circumstance allowing Lender or their agent to give a revised LE disclosure:

**Loan Estimate expiration.** If the borrower indicates an intent to proceed with the transaction more than ten business days after the LE is provided, the lender may provide a revised LE to the borrower.

**Changed circumstances affecting settlement costs.** If changed circumstances result in increased costs for any settlement services such that the charges at settlement would exceed the tolerances for those charges, the lender may provide a revised LE to the borrower. If a revised LE is to be provided, the lender must do so within 3 business days of receiving information sufficient to establish changed circumstances. The revised LE may increase charges for services listed on the LE only to the extent that the changed circumstances actually resulted in higher charges.

**Changed circumstances affecting loan.** If changed circumstances result in a change in the borrower's eligibility for the specific loan terms identified in the LE, or affect the value of the security for the loan, the lender may provide a revised LE to the borrower. If a revised LE is to be provided, the lender must do so within 3 business

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**Affidavit Regarding Loan Estimate and Closing Disclosure**

days of receiving information sufficient to establish changed circumstances.

**Borrower-requested changes.** If a borrower requests changes to the mortgage loan identified in the LE that change the settlement charges or the terms of the loan, the lender may provide a revised LE to the borrower. If a revised LE is to be provided, the lender must do so within 3 business days of the borrower's request.

**Rate lock.** If the interest rate was not locked at the time the previous LE was provided by lender, then the lender may provide a revised LE to the borrower upon the occurrence of a subsequent rate lock. If the borrower locks the interest rate, a new LE must be provided within 3 business days of the rate lock showing the revised interest rate-dependent charges and terms. All other charges and terms must remain the same as on the original LE, except as otherwise allowed.

**New construction.** In transactions involving new home construction, where settlement is anticipated to occur more than 60 calendar days from the time a LE is provided, the lender may provide the LE to the borrower with a clear and conspicuous disclosure in the LE stating that at any time up until 60 calendar days prior to closing, the lender may issue a revised LE. If no such disclosure is provided, the lender cannot issue a revised LE, except as otherwise allowed.

## **II. REPRESENTATIONS AND WARRANTIES REGARDING CLOSING DISCLOSURE ACCURACY:**

I represent and warrant that the Closing Disclosure ("CD") dated **January 6, 2016** is the CD that Lender provided me in connection with this Loan. If a subsequent CD was given by Lender or any agent of Lender to me, any variance (if any) from the CD was due to one of the following legally allowed circumstance allowing or requiring Lender or their agent to give a revised CD:

**Changes not requiring a new waiting period.** Except as provided below, if the CD becomes inaccurate before closing, the lender shall provide a corrected CD reflecting any changed terms to the consumer so that the consumer receives the corrected CD at or before closing. The lender shall permit the consumer to inspect the revised CD during the business day immediately preceding closing if the consumer wishes to inspect the disclosure.

**Changes requiring a new waiting period.** If the CD becomes inaccurate in the following manner before closing, the lender shall ensure that the consumer receives a corrected CD containing all changed terms at least 3 business days before closing:

- (A) The annual percentage rate disclosed on the CD increases by more than 1/8 of a percent for a fixed-rate loan or 1/4 of a percent for an adjustable-rate loan.
- (B) The loan product is changed, causing the information disclosed on the CD to become inaccurate.
- (C) A prepayment penalty is added, causing the statement regarding a prepayment penalty on the CD to become inaccurate.

## **III. REPRESENTATIONS AND WARRANTIES REGARDING LOAN ESTIMATE AND CLOSING DISCLOSURE TIMELY RECEIPT:**

### **Loan Estimate Receipt**

**Affidavit Regarding Loan Estimate and Closing Disclosure**

The initial LE was delivered or placed in the mail no later than the third business day after Lender received my application for the Loan.

If the LE was not provided to me in person, I received the LE: (a) three business days after it was delivered or placed in the mail; or (b) sooner than three business days after it was delivered or placed in the mail, and there is evidence of my receipt that Lender has relied on.

If there were any revised LEs, Lender delivered or placed them in the mail to me no later than three business days after receiving the information sufficient to establish that one of the reasons allowed for a revised LE.

I received any revised LE no later than four business days prior to consummation. Lender did not provide a revised LE on or after the date it provided me with the CD.

If Lender mailed a revised LE, Lender placed in the mail the revised LE no later than seven business days before consummation of the transaction to allow three business days for receipt.

I understand that if a revised LE was provided in person, it is considered received by the borrower on the day it is provided. If it is mailed or delivered electronically, the borrower is considered to have received it three business days after it is delivered or placed in the mail. The lender may, alternatively, rely on evidence that the borrower received the LE sooner than three business days. If borrower received the revised LE earlier than three business days after it was mailed or delivered, it is considered received on that date.

I understand that for purposes of providing the initial and any revised LEs, a business day is a day on which the lender's offices are open to the public for carrying out substantially all of its business functions.

### **Closing Disclosure Receipt**

I received the CD no later than three business days before consummation of the Loan.

If Lender subsequently provided a corrected CD, it was provided to me at or before consummation, and Lender gave me the opportunity to inspect the corrected CD during the business day before consummation; or

If Lender issued a corrected CD because of one of the following reasons, an additional three-business-day waiting period was given to me:

- The APR increased by more than 1/8 of a percent if I have a fixed-rate loan or 1/4 of a percent if I have an adjustable rate loan.
- Changes to the loan product; or
- The addition of a prepayment penalty.

I understand that for purposes of providing the CD or a revised CD, business day means all calendar days except Sundays and the legal public holidays specified in 5 U.S.C. 6103(a), such as New Year's Day, the Birthday of Martin Luther King, Jr., Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.

**IV. LENDER INDUCEMENT AND RELIANCE**

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

**V. STATEMENT UNDER OATH**

I hereby swear under oath that the representations and warranties referred to and set forth in Section I above are true and correct. I understand that this Affidavit is part of the Loan documentation.

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

SUBSCRIBED AND SWORN TO BEFORE ME on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by **Joe Borrower.**

\_\_\_\_\_  
Notary Public  
Printed Name of Notary: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**ADVISORY NOTICE**

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

**Authorization for the Social Security Administration (SSA) To Release  
Social Security (SSN) Verification**

**LO Company NMLS ID 1234567  
LO NMLS ID 157965**

Printed Name: <b>Joe Borrower</b>	Date of Birth:	Social Security Number:
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I want this information released because I am conducting the following business transaction:

Reason(s) for using CBSV: (Please select all that apply)

- |   |  |
|---|--|
| <input type="checkbox"/> Mortgage Service | <input type="checkbox"/> Banking Service     |
| <input type="checkbox"/> Background Check | <input type="checkbox"/> License Requirement |
| <input type="checkbox"/> Credit Check     | <input type="checkbox"/> Other               |

with the following company ("the Company"):

Company Name: **PPDocs**

Company Address: **2310 W INTERSTATE 20, Suite 100, ARLINGTON TX 76017**

I authorize the Social Security Administration to verify my name and SSN to the Company and/or the Company's Agent, if applicable, for the purpose I identified.

The name and address of the Company's Agent is Veri-tax, Inc., 17842 Irvine Blvd. Suite 238 Tustin, California 92780.

I am the individual to whom the Social Security number was issued or the parent or legal guardian of a minor, or the legal guardian of a legally incompetent adult. I declare and affirm under the penalty of perjury that the information contained herein is true and correct. I acknowledge that if I make any representation that I know is false to obtain information from Social Security records, I could be found guilty of a misdemeanor and fined up to \$5,000.

**This consent is valid only for 90 days from the date signed, unless indicated otherwise by the individual named above. If you wish to change this timeframe, fill in the following:**

**This consent is valid for \_\_\_\_\_ days from the date signed. \_\_\_\_\_ (Please initial)**

Signature	Date
<b>Joe Borrower</b>	

*[Sign Originals Only]*

Relationship (if not the individual to whom the SSN was issued): \_\_\_\_\_

Contact information of individual signing authorization:

Address: **987 Any Street**  
City/State/Zip: **Newark, NJ 07101**  
Phone Number:

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**Privacy Act Statement**

SSA is authorized to collect the information on this form under Section 205 and 1106 of the Social Security Act and the Privacy Act of 1974 (5 U.S.C. § 552a). We need this information to provide the verification of your name and SSN to the Company and/or the Company's Agent named on this form. Giving us this information is voluntary. However, we cannot honor your request to release this information without your consent. SSA may also use the information we collect on this form for such purposes authorized by law, including to ensure the Company and/or Company's Agent's appropriate use of the SSN verification service.

**Paperwork Reduction Act Statement** – This information collection meets the requirements of 44 U.S.C. § 3507, as amended by section 2 of the Paperwork Reduction Act of 1995. You do not need to answer these questions unless we display a valid Office of Management and Budget control number. We estimate that it will take about 3 minutes to complete the form. *You may send comments on our time estimate above to: SSA, 6401 Security Blvd., Baltimore, MD 21235-6401. Send to this address only comments relating to our time estimate, not the completed form.*

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TEAR OFF

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**NOTICE TO NUMBER HOLDER**

The Company and/or its Agent have entered into an agreement with SSA that, among other things, includes restrictions on the further use and disclosure of SSA's verification of your SSN. To view the copy of the entire model agreement, visit <http://www.ssa.gov/cbsv/docs/SampleUserAgreement.pdf>



# PERIODIC AMORTIZATION SCHEDULE

LO Company

NMLS ID

1234567

LO NMLS ID 157965

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

Loan #

987654321

Date: 01/19/16

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
Beg								125,000.00	
1	3/1/2016	596.77	4.000	416.67	180.10	0.00	0.00	124,819.90	
2	4/1/2016	596.77	4.000	416.07	180.70	0.00	0.00	124,639.20	
3	5/1/2016	596.77	4.000	415.46	181.31	0.00	0.00	124,457.89	
4	6/1/2016	596.77	4.000	414.86	181.91	0.00	0.00	124,275.98	
5	7/1/2016	596.77	4.000	414.25	182.52	0.00	0.00	124,093.46	
6	8/1/2016	596.77	4.000	413.64	183.13	0.00	0.00	123,910.33	
7	9/1/2016	596.77	4.000	413.03	183.74	0.00	0.00	123,726.59	
8	10/1/2016	596.77	4.000	412.42	184.35	0.00	0.00	123,542.24	
9	11/1/2016	596.77	4.000	411.81	184.96	0.00	0.00	123,357.28	
10	12/1/2016	596.77	4.000	411.19	185.58	0.00	0.00	123,171.70	
11	1/1/2017	596.77	4.000	410.57	186.20	0.00	0.00	122,985.50	
12	2/1/2017	596.77	4.000	409.95	186.82	0.00	0.00	122,798.68	
13	3/1/2017	596.77	4.000	409.33	187.44	0.00	0.00	122,611.24	
14	4/1/2017	596.77	4.000	408.70	188.07	0.00	0.00	122,423.17	
15	5/1/2017	596.77	4.000	408.08	188.69	0.00	0.00	122,234.48	
16	6/1/2017	596.77	4.000	407.45	189.32	0.00	0.00	122,045.16	
17	7/1/2017	596.77	4.000	406.82	189.95	0.00	0.00	121,855.21	
18	8/1/2017	596.77	4.000	406.18	190.59	0.00	0.00	121,664.62	
19	9/1/2017	596.77	4.000	405.55	191.22	0.00	0.00	121,473.40	
20	10/1/2017	596.77	4.000	404.91	191.86	0.00	0.00	121,281.54	
21	11/1/2017	596.77	4.000	404.27	192.50	0.00	0.00	121,089.04	
22	12/1/2017	596.77	4.000	403.63	193.14	0.00	0.00	120,895.90	
23	1/1/2018	596.77	4.000	402.99	193.78	0.00	0.00	120,702.12	
24	2/1/2018	596.77	4.000	402.34	194.43	0.00	0.00	120,507.69	
25	3/1/2018	596.77	4.000	401.69	195.08	0.00	0.00	120,312.61	
26	4/1/2018	596.77	4.000	401.04	195.73	0.00	0.00	120,116.88	
27	5/1/2018	596.77	4.000	400.39	196.38	0.00	0.00	119,920.50	
28	6/1/2018	596.77	4.000	399.74	197.03	0.00	0.00	119,723.47	
29	7/1/2018	596.77	4.000	399.08	197.69	0.00	0.00	119,525.78	
30	8/1/2018	596.77	4.000	398.42	198.35	0.00	0.00	119,327.43	
31	9/1/2018	596.77	4.000	397.76	199.01	0.00	0.00	119,128.42	
32	10/1/2018	596.77	4.000	397.09	199.68	0.00	0.00	118,928.74	
33	11/1/2018	596.77	4.000	396.43	200.34	0.00	0.00	118,728.40	
34	12/1/2018	596.77	4.000	395.76	201.01	0.00	0.00	118,527.39	
35	1/1/2019	596.77	4.000	395.09	201.68	0.00	0.00	118,325.71	
36	2/1/2019	596.77	4.000	394.42	202.35	0.00	0.00	118,123.36	
37	3/1/2019	596.77	4.000	393.74	203.03	0.00	0.00	117,920.33	
38	4/1/2019	596.77	4.000	393.07	203.70	0.00	0.00	117,716.63	
39	5/1/2019	596.77	4.000	392.39	204.38	0.00	0.00	117,512.25	
40	6/1/2019	596.77	4.000	391.71	205.06	0.00	0.00	117,307.19	
41	7/1/2019	596.77	4.000	391.02	205.75	0.00	0.00	117,101.44	
42	8/1/2019	596.77	4.000	390.34	206.43	0.00	0.00	116,895.01	
43	9/1/2019	596.77	4.000	389.65	207.12	0.00	0.00	116,687.89	
44	10/1/2019	596.77	4.000	388.96	207.81	0.00	0.00	116,480.08	
45	11/1/2019	596.77	4.000	388.27	208.50	0.00	0.00	116,271.58	
46	12/1/2019	596.77	4.000	387.57	209.20	0.00	0.00	116,062.38	
47	1/1/2020	596.77	4.000	386.87	209.90	0.00	0.00	115,852.48	
48	2/1/2020	596.77	4.000	386.17	210.60	0.00	0.00	115,641.88	

Periodic Amortization Schedule

# PERIODIC AMORTIZATION SCHEDULE

LO Company

NMLS ID

1234567

LO NMLS ID 157965

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

Loan #

987654321

Date: 01/19/16

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
49	3/1/2020	596.77	4.000	385.47	211.30	0.00	0.00	115,430.58	
50	4/1/2020	596.77	4.000	384.77	212.00	0.00	0.00	115,218.58	
51	5/1/2020	596.77	4.000	384.06	212.71	0.00	0.00	115,005.87	
52	6/1/2020	596.77	4.000	383.35	213.42	0.00	0.00	114,792.45	
53	7/1/2020	596.77	4.000	382.64	214.13	0.00	0.00	114,578.32	
54	8/1/2020	596.77	4.000	381.93	214.84	0.00	0.00	114,363.48	
55	9/1/2020	596.77	4.000	381.21	215.56	0.00	0.00	114,147.92	
56	10/1/2020	596.77	4.000	380.49	216.28	0.00	0.00	113,931.64	
57	11/1/2020	596.77	4.000	379.77	217.00	0.00	0.00	113,714.64	
58	12/1/2020	596.77	4.000	379.05	217.72	0.00	0.00	113,496.92	
59	1/1/2021	596.77	4.000	378.32	218.45	0.00	0.00	113,278.47	
60	2/1/2021	596.77	4.000	377.59	219.18	0.00	0.00	113,059.29	
61	3/1/2021	596.77	4.000	376.86	219.91	0.00	0.00	112,839.38	
62	4/1/2021	596.77	4.000	376.13	220.64	0.00	0.00	112,618.74	
63	5/1/2021	596.77	4.000	375.40	221.37	0.00	0.00	112,397.37	
64	6/1/2021	596.77	4.000	374.66	222.11	0.00	0.00	112,175.26	
65	7/1/2021	596.77	4.000	373.92	222.85	0.00	0.00	111,952.41	
66	8/1/2021	596.77	4.000	373.17	223.60	0.00	0.00	111,728.81	
67	9/1/2021	596.77	4.000	372.43	224.34	0.00	0.00	111,504.47	
68	10/1/2021	596.77	4.000	371.68	225.09	0.00	0.00	111,279.38	
69	11/1/2021	596.77	4.000	370.93	225.84	0.00	0.00	111,053.54	
70	12/1/2021	596.77	4.000	370.18	226.59	0.00	0.00	110,826.95	
71	1/1/2022	596.77	4.000	369.42	227.35	0.00	0.00	110,599.60	
72	2/1/2022	596.77	4.000	368.67	228.10	0.00	0.00	110,371.50	
73	3/1/2022	596.77	4.000	367.91	228.86	0.00	0.00	110,142.64	
74	4/1/2022	596.77	4.000	367.14	229.63	0.00	0.00	109,913.01	
75	5/1/2022	596.77	4.000	366.38	230.39	0.00	0.00	109,682.62	
76	6/1/2022	596.77	4.000	365.61	231.16	0.00	0.00	109,451.46	
77	7/1/2022	596.77	4.000	364.84	231.93	0.00	0.00	109,219.53	
78	8/1/2022	596.77	4.000	364.07	232.70	0.00	0.00	108,986.83	
79	9/1/2022	596.77	4.000	363.29	233.48	0.00	0.00	108,753.35	
80	10/1/2022	596.77	4.000	362.51	234.26	0.00	0.00	108,519.09	
81	11/1/2022	596.77	4.000	361.73	235.04	0.00	0.00	108,284.05	
82	12/1/2022	596.77	4.000	360.95	235.82	0.00	0.00	108,048.23	
83	1/1/2023	596.77	4.000	360.16	236.61	0.00	0.00	107,811.62	
84	2/1/2023	596.77	4.000	359.37	237.40	0.00	0.00	107,574.22	
85	3/1/2023	596.77	4.000	358.58	238.19	0.00	0.00	107,336.03	
86	4/1/2023	596.77	4.000	357.79	238.98	0.00	0.00	107,097.05	
87	5/1/2023	596.77	4.000	356.99	239.78	0.00	0.00	106,857.27	
88	6/1/2023	596.77	4.000	356.19	240.58	0.00	0.00	106,616.69	
89	7/1/2023	596.77	4.000	355.39	241.38	0.00	0.00	106,375.31	
90	8/1/2023	596.77	4.000	354.58	242.19	0.00	0.00	106,133.12	
91	9/1/2023	596.77	4.000	353.78	242.99	0.00	0.00	105,890.13	
92	10/1/2023	596.77	4.000	352.97	243.80	0.00	0.00	105,646.33	
93	11/1/2023	596.77	4.000	352.15	244.62	0.00	0.00	105,401.71	
94	12/1/2023	596.77	4.000	351.34	245.43	0.00	0.00	105,156.28	
95	1/1/2024	596.77	4.000	350.52	246.25	0.00	0.00	104,910.03	
96	2/1/2024	596.77	4.000	349.70	247.07	0.00	0.00	104,662.96	

Periodic Amortization Schedule

# PERIODIC AMORTIZATION SCHEDULE

LO Company

NMLS ID

1234567

LO NMLS ID 157965

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

Loan #

987654321

Date: 01/19/16

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
97	3/1/2024	596.77	4.000	348.88	247.89	0.00	0.00	104,415.07	
98	4/1/2024	596.77	4.000	348.05	248.72	0.00	0.00	104,166.35	
99	5/1/2024	596.77	4.000	347.22	249.55	0.00	0.00	103,916.80	
100	6/1/2024	596.77	4.000	346.39	250.38	0.00	0.00	103,666.42	
101	7/1/2024	596.77	4.000	345.55	251.22	0.00	0.00	103,415.20	
102	8/1/2024	596.77	4.000	344.72	252.05	0.00	0.00	103,163.15	
103	9/1/2024	596.77	4.000	343.88	252.89	0.00	0.00	102,910.26	
104	10/1/2024	596.77	4.000	343.03	253.74	0.00	0.00	102,656.52	
105	11/1/2024	596.77	4.000	342.19	254.58	0.00	0.00	102,401.94	
106	12/1/2024	596.77	4.000	341.34	255.43	0.00	0.00	102,146.51	
107	1/1/2025	596.77	4.000	340.49	256.28	0.00	0.00	101,890.23	
108	2/1/2025	596.77	4.000	339.63	257.14	0.00	0.00	101,633.09	
109	3/1/2025	596.77	4.000	338.78	257.99	0.00	0.00	101,375.10	
110	4/1/2025	596.77	4.000	337.92	258.85	0.00	0.00	101,116.25	
111	5/1/2025	596.77	4.000	337.05	259.72	0.00	0.00	100,856.53	
112	6/1/2025	596.77	4.000	336.19	260.58	0.00	0.00	100,595.95	
113	7/1/2025	596.77	4.000	335.32	261.45	0.00	0.00	100,334.50	
114	8/1/2025	596.77	4.000	334.45	262.32	0.00	0.00	100,072.18	
115	9/1/2025	596.77	4.000	333.57	263.20	0.00	0.00	99,808.98	
116	10/1/2025	596.77	4.000	332.70	264.07	0.00	0.00	99,544.91	
117	11/1/2025	596.77	4.000	331.82	264.95	0.00	0.00	99,279.96	
118	12/1/2025	596.77	4.000	330.93	265.84	0.00	0.00	99,014.12	
119	1/1/2026	596.77	4.000	330.05	266.72	0.00	0.00	98,747.40	
120	2/1/2026	596.77	4.000	329.16	267.61	0.00	0.00	98,479.79	
121	3/1/2026	596.77	4.000	328.27	268.50	0.00	0.00	98,211.29	
122	4/1/2026	596.77	4.000	327.37	269.40	0.00	0.00	97,941.89	
123	5/1/2026	596.77	4.000	326.47	270.30	0.00	0.00	97,671.59	
124	6/1/2026	596.77	4.000	325.57	271.20	0.00	0.00	97,400.39	
125	7/1/2026	596.77	4.000	324.67	272.10	0.00	0.00	97,128.29	
126	8/1/2026	596.77	4.000	323.76	273.01	0.00	0.00	96,855.28	
127	9/1/2026	596.77	4.000	322.85	273.92	0.00	0.00	96,581.36	
128	10/1/2026	596.77	4.000	321.94	274.83	0.00	0.00	96,306.53	
129	11/1/2026	596.77	4.000	321.02	275.75	0.00	0.00	96,030.78	
130	12/1/2026	596.77	4.000	320.10	276.67	0.00	0.00	95,754.11	
131	1/1/2027	596.77	4.000	319.18	277.59	0.00	0.00	95,476.52	
132	2/1/2027	596.77	4.000	318.26	278.51	0.00	0.00	95,198.01	
133	3/1/2027	596.77	4.000	317.33	279.44	0.00	0.00	94,918.57	
134	4/1/2027	596.77	4.000	316.40	280.37	0.00	0.00	94,638.20	
135	5/1/2027	596.77	4.000	315.46	281.31	0.00	0.00	94,356.89	
136	6/1/2027	596.77	4.000	314.52	282.25	0.00	0.00	94,074.64	
137	7/1/2027	596.77	4.000	313.58	283.19	0.00	0.00	93,791.45	
138	8/1/2027	596.77	4.000	312.64	284.13	0.00	0.00	93,507.32	
139	9/1/2027	596.77	4.000	311.69	285.08	0.00	0.00	93,222.24	
140	10/1/2027	596.77	4.000	310.74	286.03	0.00	0.00	92,936.21	
141	11/1/2027	596.77	4.000	309.79	286.98	0.00	0.00	92,649.23	
142	12/1/2027	596.77	4.000	308.83	287.94	0.00	0.00	92,361.29	
143	1/1/2028	596.77	4.000	307.87	288.90	0.00	0.00	92,072.39	
144	2/1/2028	596.77	4.000	306.91	289.86	0.00	0.00	91,782.53	

Periodic Amortization Schedule

# PERIODIC AMORTIZATION SCHEDULE

LO Company

NMLS ID

1234567

LO NMLS ID 157965

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

Loan #

987654321

Date: 01/19/16

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
145	3/1/2028	596.77	4.000	305.94	290.83	0.00	0.00	91,491.70	
146	4/1/2028	596.77	4.000	304.97	291.80	0.00	0.00	91,199.90	
147	5/1/2028	596.77	4.000	304.00	292.77	0.00	0.00	90,907.13	
148	6/1/2028	596.77	4.000	303.02	293.75	0.00	0.00	90,613.38	
149	7/1/2028	596.77	4.000	302.04	294.73	0.00	0.00	90,318.65	
150	8/1/2028	596.77	4.000	301.06	295.71	0.00	0.00	90,022.94	
151	9/1/2028	596.77	4.000	300.08	296.69	0.00	0.00	89,726.25	
152	10/1/2028	596.77	4.000	299.09	297.68	0.00	0.00	89,428.57	
153	11/1/2028	596.77	4.000	298.10	298.67	0.00	0.00	89,129.90	
154	12/1/2028	596.77	4.000	297.10	299.67	0.00	0.00	88,830.23	
155	1/1/2029	596.77	4.000	296.10	300.67	0.00	0.00	88,529.56	
156	2/1/2029	596.77	4.000	295.10	301.67	0.00	0.00	88,227.89	
157	3/1/2029	596.77	4.000	294.09	302.68	0.00	0.00	87,925.21	
158	4/1/2029	596.77	4.000	293.08	303.69	0.00	0.00	87,621.52	
159	5/1/2029	596.77	4.000	292.07	304.70	0.00	0.00	87,316.82	
160	6/1/2029	596.77	4.000	291.06	305.71	0.00	0.00	87,011.11	
161	7/1/2029	596.77	4.000	290.04	306.73	0.00	0.00	86,704.38	
162	8/1/2029	596.77	4.000	289.01	307.76	0.00	0.00	86,396.62	
163	9/1/2029	596.77	4.000	287.99	308.78	0.00	0.00	86,087.84	
164	10/1/2029	596.77	4.000	286.96	309.81	0.00	0.00	85,778.03	
165	11/1/2029	596.77	4.000	285.93	310.84	0.00	0.00	85,467.19	
166	12/1/2029	596.77	4.000	284.89	311.88	0.00	0.00	85,155.31	
167	1/1/2030	596.77	4.000	283.85	312.92	0.00	0.00	84,842.39	
168	2/1/2030	596.77	4.000	282.81	313.96	0.00	0.00	84,528.43	
169	3/1/2030	596.77	4.000	281.76	315.01	0.00	0.00	84,213.42	
170	4/1/2030	596.77	4.000	280.71	316.06	0.00	0.00	83,897.36	
171	5/1/2030	596.77	4.000	279.66	317.11	0.00	0.00	83,580.25	
172	6/1/2030	596.77	4.000	278.60	318.17	0.00	0.00	83,262.08	
173	7/1/2030	596.77	4.000	277.54	319.23	0.00	0.00	82,942.85	
174	8/1/2030	596.77	4.000	276.48	320.29	0.00	0.00	82,622.56	
175	9/1/2030	596.77	4.000	275.41	321.36	0.00	0.00	82,301.20	
176	10/1/2030	596.77	4.000	274.34	322.43	0.00	0.00	81,978.77	
177	11/1/2030	596.77	4.000	273.26	323.51	0.00	0.00	81,655.26	
178	12/1/2030	596.77	4.000	272.18	324.59	0.00	0.00	81,330.67	
179	1/1/2031	596.77	4.000	271.10	325.67	0.00	0.00	81,005.00	
180	2/1/2031	596.77	4.000	270.02	326.75	0.00	0.00	80,678.25	
181	3/1/2031	596.77	4.000	268.93	327.84	0.00	0.00	80,350.41	
182	4/1/2031	596.77	4.000	267.83	328.94	0.00	0.00	80,021.47	
183	5/1/2031	596.77	4.000	266.74	330.03	0.00	0.00	79,691.44	
184	6/1/2031	596.77	4.000	265.64	331.13	0.00	0.00	79,360.31	
185	7/1/2031	596.77	4.000	264.53	332.24	0.00	0.00	79,028.07	
186	8/1/2031	596.77	4.000	263.43	333.34	0.00	0.00	78,694.73	
187	9/1/2031	596.77	4.000	262.32	334.45	0.00	0.00	78,360.28	
188	10/1/2031	596.77	4.000	261.20	335.57	0.00	0.00	78,024.71	
189	11/1/2031	596.77	4.000	260.08	336.69	0.00	0.00	77,688.02	
190	12/1/2031	596.77	4.000	258.96	337.81	0.00	0.00	77,350.21	
191	1/1/2032	596.77	4.000	257.83	338.94	0.00	0.00	77,011.27	
192	2/1/2032	596.77	4.000	256.70	340.07	0.00	0.00	76,671.20	

Periodic Amortization Schedule

# PERIODIC AMORTIZATION SCHEDULE

LO Company

NMLS ID

1234567

LO NMLS ID 157965

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

Loan #

987654321

Date: 01/19/16

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
193	3/1/2032	596.77	4.000	255.57	341.20	0.00	0.00	76,330.00	
194	4/1/2032	596.77	4.000	254.43	342.34	0.00	0.00	75,987.66	
195	5/1/2032	596.77	4.000	253.29	343.48	0.00	0.00	75,644.18	
196	6/1/2032	596.77	4.000	252.15	344.62	0.00	0.00	75,299.56	
197	7/1/2032	596.77	4.000	251.00	345.77	0.00	0.00	74,953.79	
198	8/1/2032	596.77	4.000	249.85	346.92	0.00	0.00	74,606.87	
199	9/1/2032	596.77	4.000	248.69	348.08	0.00	0.00	74,258.79	
200	10/1/2032	596.77	4.000	247.53	349.24	0.00	0.00	73,909.55	
201	11/1/2032	596.77	4.000	246.37	350.40	0.00	0.00	73,559.15	
202	12/1/2032	596.77	4.000	245.20	351.57	0.00	0.00	73,207.58	
203	1/1/2033	596.77	4.000	244.03	352.74	0.00	0.00	72,854.84	
204	2/1/2033	596.77	4.000	242.85	353.92	0.00	0.00	72,500.92	
205	3/1/2033	596.77	4.000	241.67	355.10	0.00	0.00	72,145.82	
206	4/1/2033	596.77	4.000	240.49	356.28	0.00	0.00	71,789.54	
207	5/1/2033	596.77	4.000	239.30	357.47	0.00	0.00	71,432.07	
208	6/1/2033	596.77	4.000	238.11	358.66	0.00	0.00	71,073.41	
209	7/1/2033	596.77	4.000	236.91	359.86	0.00	0.00	70,713.55	
210	8/1/2033	596.77	4.000	235.71	361.06	0.00	0.00	70,352.49	
211	9/1/2033	596.77	4.000	234.51	362.26	0.00	0.00	69,990.23	
212	10/1/2033	596.77	4.000	233.30	363.47	0.00	0.00	69,626.76	
213	11/1/2033	596.77	4.000	232.09	364.68	0.00	0.00	69,262.08	
214	12/1/2033	596.77	4.000	230.87	365.90	0.00	0.00	68,896.18	
215	1/1/2034	596.77	4.000	229.65	367.12	0.00	0.00	68,529.06	
216	2/1/2034	596.77	4.000	228.43	368.34	0.00	0.00	68,160.72	
217	3/1/2034	596.77	4.000	227.20	369.57	0.00	0.00	67,791.15	
218	4/1/2034	596.77	4.000	225.97	370.80	0.00	0.00	67,420.35	
219	5/1/2034	596.77	4.000	224.73	372.04	0.00	0.00	67,048.31	
220	6/1/2034	596.77	4.000	223.49	373.28	0.00	0.00	66,675.03	
221	7/1/2034	596.77	4.000	222.25	374.52	0.00	0.00	66,300.51	
222	8/1/2034	596.77	4.000	221.00	375.77	0.00	0.00	65,924.74	
223	9/1/2034	596.77	4.000	219.75	377.02	0.00	0.00	65,547.72	
224	10/1/2034	596.77	4.000	218.49	378.28	0.00	0.00	65,169.44	
225	11/1/2034	596.77	4.000	217.23	379.54	0.00	0.00	64,789.90	
226	12/1/2034	596.77	4.000	215.97	380.80	0.00	0.00	64,409.10	
227	1/1/2035	596.77	4.000	214.70	382.07	0.00	0.00	64,027.03	
228	2/1/2035	596.77	4.000	213.42	383.35	0.00	0.00	63,643.68	
229	3/1/2035	596.77	4.000	212.15	384.62	0.00	0.00	63,259.06	
230	4/1/2035	596.77	4.000	210.86	385.91	0.00	0.00	62,873.15	
231	5/1/2035	596.77	4.000	209.58	387.19	0.00	0.00	62,485.96	
232	6/1/2035	596.77	4.000	208.29	388.48	0.00	0.00	62,097.48	
233	7/1/2035	596.77	4.000	206.99	389.78	0.00	0.00	61,707.70	
234	8/1/2035	596.77	4.000	205.69	391.08	0.00	0.00	61,316.62	
235	9/1/2035	596.77	4.000	204.39	392.38	0.00	0.00	60,924.24	
236	10/1/2035	596.77	4.000	203.08	393.69	0.00	0.00	60,530.55	
237	11/1/2035	596.77	4.000	201.77	395.00	0.00	0.00	60,135.55	
238	12/1/2035	596.77	4.000	200.45	396.32	0.00	0.00	59,739.23	
239	1/1/2036	596.77	4.000	199.13	397.64	0.00	0.00	59,341.59	
240	2/1/2036	596.77	4.000	197.81	398.96	0.00	0.00	58,942.63	

Periodic Amortization Schedule

# PERIODIC AMORTIZATION SCHEDULE

LO Company

NMLS ID

1234567

LO NMLS ID 157965

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

Loan #

987654321

Date: 01/19/16

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
241	3/1/2036	596.77	4.000	196.48	400.29	0.00	0.00	58,542.34	
242	4/1/2036	596.77	4.000	195.14	401.63	0.00	0.00	58,140.71	
243	5/1/2036	596.77	4.000	193.80	402.97	0.00	0.00	57,737.74	
244	6/1/2036	596.77	4.000	192.46	404.31	0.00	0.00	57,333.43	
245	7/1/2036	596.77	4.000	191.11	405.66	0.00	0.00	56,927.77	
246	8/1/2036	596.77	4.000	189.76	407.01	0.00	0.00	56,520.76	
247	9/1/2036	596.77	4.000	188.40	408.37	0.00	0.00	56,112.39	
248	10/1/2036	596.77	4.000	187.04	409.73	0.00	0.00	55,702.66	
249	11/1/2036	596.77	4.000	185.68	411.09	0.00	0.00	55,291.57	
250	12/1/2036	596.77	4.000	184.31	412.46	0.00	0.00	54,879.11	
251	1/1/2037	596.77	4.000	182.93	413.84	0.00	0.00	54,465.27	
252	2/1/2037	596.77	4.000	181.55	415.22	0.00	0.00	54,050.05	
253	3/1/2037	596.77	4.000	180.17	416.60	0.00	0.00	53,633.45	
254	4/1/2037	596.77	4.000	178.78	417.99	0.00	0.00	53,215.46	
255	5/1/2037	596.77	4.000	177.38	419.39	0.00	0.00	52,796.07	
256	6/1/2037	596.77	4.000	175.99	420.78	0.00	0.00	52,375.29	
257	7/1/2037	596.77	4.000	174.58	422.19	0.00	0.00	51,953.10	
258	8/1/2037	596.77	4.000	173.18	423.59	0.00	0.00	51,529.51	
259	9/1/2037	596.77	4.000	171.77	425.00	0.00	0.00	51,104.51	
260	10/1/2037	596.77	4.000	170.35	426.42	0.00	0.00	50,678.09	
261	11/1/2037	596.77	4.000	168.93	427.84	0.00	0.00	50,250.25	
262	12/1/2037	596.77	4.000	167.50	429.27	0.00	0.00	49,820.98	
263	1/1/2038	596.77	4.000	166.07	430.70	0.00	0.00	49,390.28	
264	2/1/2038	596.77	4.000	164.63	432.14	0.00	0.00	48,958.14	
265	3/1/2038	596.77	4.000	163.19	433.58	0.00	0.00	48,524.56	
266	4/1/2038	596.77	4.000	161.75	435.02	0.00	0.00	48,089.54	
267	5/1/2038	596.77	4.000	160.30	436.47	0.00	0.00	47,653.07	
268	6/1/2038	596.77	4.000	158.84	437.93	0.00	0.00	47,215.14	
269	7/1/2038	596.77	4.000	157.38	439.39	0.00	0.00	46,775.75	
270	8/1/2038	596.77	4.000	155.92	440.85	0.00	0.00	46,334.90	
271	9/1/2038	596.77	4.000	154.45	442.32	0.00	0.00	45,892.58	
272	10/1/2038	596.77	4.000	152.98	443.79	0.00	0.00	45,448.79	
273	11/1/2038	596.77	4.000	151.50	445.27	0.00	0.00	45,003.52	
274	12/1/2038	596.77	4.000	150.01	446.76	0.00	0.00	44,556.76	
275	1/1/2039	596.77	4.000	148.52	448.25	0.00	0.00	44,108.51	
276	2/1/2039	596.77	4.000	147.03	449.74	0.00	0.00	43,658.77	
277	3/1/2039	596.77	4.000	145.53	451.24	0.00	0.00	43,207.53	
278	4/1/2039	596.77	4.000	144.03	452.74	0.00	0.00	42,754.79	
279	5/1/2039	596.77	4.000	142.52	454.25	0.00	0.00	42,300.54	
280	6/1/2039	596.77	4.000	141.00	455.77	0.00	0.00	41,844.77	
281	7/1/2039	596.77	4.000	139.48	457.29	0.00	0.00	41,387.48	
282	8/1/2039	596.77	4.000	137.96	458.81	0.00	0.00	40,928.67	
283	9/1/2039	596.77	4.000	136.43	460.34	0.00	0.00	40,468.33	
284	10/1/2039	596.77	4.000	134.89	461.88	0.00	0.00	40,006.45	
285	11/1/2039	596.77	4.000	133.35	463.42	0.00	0.00	39,543.03	
286	12/1/2039	596.77	4.000	131.81	464.96	0.00	0.00	39,078.07	
287	1/1/2040	596.77	4.000	130.26	466.51	0.00	0.00	38,611.56	
288	2/1/2040	596.77	4.000	128.71	468.06	0.00	0.00	38,143.50	

Periodic Amortization Schedule

# PERIODIC AMORTIZATION SCHEDULE

LO Company

NMLS ID

1234567

LO NMLS ID 157965

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

Loan #

987654321

Date: 01/19/16

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
289	3/1/2040	596.77	4.000	127.15	469.62	0.00	0.00	37,673.88	
290	4/1/2040	596.77	4.000	125.58	471.19	0.00	0.00	37,202.69	
291	5/1/2040	596.77	4.000	124.01	472.76	0.00	0.00	36,729.93	
292	6/1/2040	596.77	4.000	122.43	474.34	0.00	0.00	36,255.59	
293	7/1/2040	596.77	4.000	120.85	475.92	0.00	0.00	35,779.67	
294	8/1/2040	596.77	4.000	119.27	477.50	0.00	0.00	35,302.17	
295	9/1/2040	596.77	4.000	117.67	479.10	0.00	0.00	34,823.07	
296	10/1/2040	596.77	4.000	116.08	480.69	0.00	0.00	34,342.38	
297	11/1/2040	596.77	4.000	114.47	482.30	0.00	0.00	33,860.08	
298	12/1/2040	596.77	4.000	112.87	483.90	0.00	0.00	33,376.18	
299	1/1/2041	596.77	4.000	111.25	485.52	0.00	0.00	32,890.66	
300	2/1/2041	596.77	4.000	109.64	487.13	0.00	0.00	32,403.53	
301	3/1/2041	596.77	4.000	108.01	488.76	0.00	0.00	31,914.77	
302	4/1/2041	596.77	4.000	106.38	490.39	0.00	0.00	31,424.38	
303	5/1/2041	596.77	4.000	104.75	492.02	0.00	0.00	30,932.36	
304	6/1/2041	596.77	4.000	103.11	493.66	0.00	0.00	30,438.70	
305	7/1/2041	596.77	4.000	101.46	495.31	0.00	0.00	29,943.39	
306	8/1/2041	596.77	4.000	99.81	496.96	0.00	0.00	29,446.43	
307	9/1/2041	596.77	4.000	98.15	498.62	0.00	0.00	28,947.81	
308	10/1/2041	596.77	4.000	96.49	500.28	0.00	0.00	28,447.53	
309	11/1/2041	596.77	4.000	94.83	501.94	0.00	0.00	27,945.59	
310	12/1/2041	596.77	4.000	93.15	503.62	0.00	0.00	27,441.97	
311	1/1/2042	596.77	4.000	91.47	505.30	0.00	0.00	26,936.67	
312	2/1/2042	596.77	4.000	89.79	506.98	0.00	0.00	26,429.69	
313	3/1/2042	596.77	4.000	88.10	508.67	0.00	0.00	25,921.02	
314	4/1/2042	596.77	4.000	86.40	510.37	0.00	0.00	25,410.65	
315	5/1/2042	596.77	4.000	84.70	512.07	0.00	0.00	24,898.58	
316	6/1/2042	596.77	4.000	83.00	513.77	0.00	0.00	24,384.81	
317	7/1/2042	596.77	4.000	81.28	515.49	0.00	0.00	23,869.32	
318	8/1/2042	596.77	4.000	79.56	517.21	0.00	0.00	23,352.11	
319	9/1/2042	596.77	4.000	77.84	518.93	0.00	0.00	22,833.18	
320	10/1/2042	596.77	4.000	76.11	520.66	0.00	0.00	22,312.52	
321	11/1/2042	596.77	4.000	74.38	522.39	0.00	0.00	21,790.13	
322	12/1/2042	596.77	4.000	72.63	524.14	0.00	0.00	21,265.99	
323	1/1/2043	596.77	4.000	70.89	525.88	0.00	0.00	20,740.11	
324	2/1/2043	596.77	4.000	69.13	527.64	0.00	0.00	20,212.47	
325	3/1/2043	596.77	4.000	67.37	529.40	0.00	0.00	19,683.07	
326	4/1/2043	596.77	4.000	65.61	531.16	0.00	0.00	19,151.91	
327	5/1/2043	596.77	4.000	63.84	532.93	0.00	0.00	18,618.98	
328	6/1/2043	596.77	4.000	62.06	534.71	0.00	0.00	18,084.27	
329	7/1/2043	596.77	4.000	60.28	536.49	0.00	0.00	17,547.78	
330	8/1/2043	596.77	4.000	58.49	538.28	0.00	0.00	17,009.50	
331	9/1/2043	596.77	4.000	56.70	540.07	0.00	0.00	16,469.43	
332	10/1/2043	596.77	4.000	54.90	541.87	0.00	0.00	15,927.56	
333	11/1/2043	596.77	4.000	53.09	543.68	0.00	0.00	15,383.88	
334	12/1/2043	596.77	4.000	51.28	545.49	0.00	0.00	14,838.39	
335	1/1/2044	596.77	4.000	49.46	547.31	0.00	0.00	14,291.08	
336	2/1/2044	596.77	4.000	47.64	549.13	0.00	0.00	13,741.95	

Periodic Amortization Schedule

# PERIODIC AMORTIZATION SCHEDULE

**LO Company**

**NMLS ID**

**1234567**

**LO NMLS ID 157965**

**Borrower(s):** Joe Borrower

**Mailing Address:** 987 Any Street, Newark, NJ 07101

**Property Address:** 555 Main Street, Newark, NJ 07101

**Loan #**

**987654321**

**Date: 01/19/16**

Payment Period	Date	Periodic Payment	Accrual Rate	Interest Paid	Principal Paid	Mortgage Ins	Buydown	Total Balance	LTV
337	3/1/2044	596.77	4.000	45.81	550.96	0.00	0.00	13,190.99	
338	4/1/2044	596.77	4.000	43.97	552.80	0.00	0.00	12,638.19	
339	5/1/2044	596.77	4.000	42.13	554.64	0.00	0.00	12,083.55	
340	6/1/2044	596.77	4.000	40.28	556.49	0.00	0.00	11,527.06	
341	7/1/2044	596.77	4.000	38.42	558.35	0.00	0.00	10,968.71	
342	8/1/2044	596.77	4.000	36.56	560.21	0.00	0.00	10,408.50	
343	9/1/2044	596.77	4.000	34.70	562.07	0.00	0.00	9,846.43	
344	10/1/2044	596.77	4.000	32.82	563.95	0.00	0.00	9,282.48	
345	11/1/2044	596.77	4.000	30.94	565.83	0.00	0.00	8,716.65	
346	12/1/2044	596.77	4.000	29.06	567.71	0.00	0.00	8,148.94	
347	1/1/2045	596.77	4.000	27.16	569.61	0.00	0.00	7,579.33	
348	2/1/2045	596.77	4.000	25.26	571.51	0.00	0.00	7,007.82	
349	3/1/2045	596.77	4.000	23.36	573.41	0.00	0.00	6,434.41	
350	4/1/2045	596.77	4.000	21.45	575.32	0.00	0.00	5,859.09	
351	5/1/2045	596.77	4.000	19.53	577.24	0.00	0.00	5,281.85	
352	6/1/2045	596.77	4.000	17.61	579.16	0.00	0.00	4,702.69	
353	7/1/2045	596.77	4.000	15.68	581.09	0.00	0.00	4,121.60	
354	8/1/2045	596.77	4.000	13.74	583.03	0.00	0.00	3,538.57	
355	9/1/2045	596.77	4.000	11.80	584.97	0.00	0.00	2,953.60	
356	10/1/2045	596.77	4.000	9.85	586.92	0.00	0.00	2,366.68	
357	11/1/2045	596.77	4.000	7.89	588.88	0.00	0.00	1,777.80	
358	12/1/2045	596.77	4.000	5.93	590.84	0.00	0.00	1,186.96	
359	1/1/2046	596.77	4.000	3.96	592.81	0.00	0.00	594.15	
360	2/1/2046	596.13	4.000	1.98	594.15	0.00	0.00	0.00	



Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

**First Payment Letter and Mailing Address Certification**

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

Your first payment will be due **March 1, 2016**.

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

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

Your "Payment" amount is **\$596.77**, totaled from these payment elements:

<b>Description</b>	<b>Amount</b>
Principal and Interest:	\$596.77
<b>Total:</b>	<b>\$596.77</b>

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

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

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

\_\_\_\_\_  
Signature Date

**Joe Borrower**

*[Sign Originals Only]*

**TEMPORARY PAYMENT COUPON**  
**1st Payment**

**Loan # 987654321**      **PAYMENT AMOUNT \$596.77**      **PAYMENT DUE DATE: 03/1/2016**  
**BORROWER'S NAME: Joe Borrower**  
**PROPERTY ADDRESS: 555 Main Street, Newark, New Jersey 07101**

**Note to Borrower:** These temporary payment coupons should be used if you have not received your mortgage loan billing statement prior to the due date of this payment. Please cut out the coupon and remit it with your check to:

**PPDocs**  
**2310 W INTERSTATE 20, Suite 100**  
**ARLINGTON, TX 76017**

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

**TEMPORARY PAYMENT COUPON**  
**2nd Payment**

**Loan # 987654321**      **PAYMENT AMOUNT \$596.77**      **PAYMENT DUE DATE: 04/1/2016**  
**BORROWER'S NAME: Joe Borrower**  
**PROPERTY ADDRESS: 555 Main Street, Newark, New Jersey 07101**

**Note to Borrower:** These temporary payment coupons should be used if you have not received your mortgage loan billing statement prior to the due date of this payment. Please cut out the coupon and remit it with your check to:

**PPDocs**  
**2310 W INTERSTATE 20, Suite 100**  
**ARLINGTON, TX 76017**

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

**TEMPORARY PAYMENT COUPON**  
**3rd Payment**

**Loan # 987654321**      **PAYMENT AMOUNT \$596.77**      **PAYMENT DUE DATE: 05/1/2016**  
**BORROWER'S NAME: Joe Borrower**  
**PROPERTY ADDRESS: 555 Main Street, Newark, New Jersey 07101**

**Note to Borrower:** These temporary payment coupons should be used if you have not received your mortgage loan billing statement prior to the due date of this payment. Please cut out the coupon and remit it with your check to:

**PPDocs**  
**2310 W INTERSTATE 20, Suite 100**  
**ARLINGTON, TX 76017**

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## First Payment Letter

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

First Payment Due: **March 1, 2016**

Description	Amount
Principal and Interest:	\$596.77
<b>Total:</b>	<b>\$596.77</b>

\_\_\_\_\_  
Signature Date

**Joe Borrower**

*[Sign Originals Only]*

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## **Flood Insurance Coverage Subject to Possible Change**

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

Acknowledged by Borrower(s) this **Nineteenth** day of **January, 2016**.

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Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

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

**LO Company NMLS ID 1234567  
LO NMLS ID 157965**

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

“Borrower” is **Joe Borrower**.

“Lender” is **PPDocs**, and its successors and assigns.

“Property” means the property commonly known as **555 Main Street, Newark, New Jersey 07101**.

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

**TRUTH IN LENDING ACT (TILA) / REAL ESTATE SETTLEMENT PROCEDURES ACT (RESPA)  
INTEGRATED DISCLOSURE NOTICES**

If this is a purchase transaction, consumer booklet entitled Your Home Loan Toolkit (either at the time of application or by mail postmarked within three (3) business days of Lender’s receipt of the application).

Loan Estimate (either at the time of application, electronically consistent with the E-Sign Act or by mail postmarked within three (3) business days of Lender’s receipt of the application and before any charges were imposed upon me/us with the exception of a credit report fee). The Loan Estimate may be subject to an additional 3 day waiting period if most recent disclosure was not within tolerance.

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

Closing Disclosure (3) business days prior to consummation) in which all charges paid or to be paid by Borrower in connection with the settlement were set forth. The disclosure was received by the Borrower for review at least three (3) business days prior to loan consummation. The Closing Disclosure may be subject to an additional 3 day waiting period if the annual percentage rate disclosed in the most recent disclosure was not within tolerance, if the loan product changes, and/or if a prepayment penalty is added to the loan.

**TRUTH IN LENDING ACT (TILA) NOTICES**

If this loan is a refinance transaction and subject to Section 1026.32 of Regulation Z, Final Disclosure Required by the Federal Truth in Lending Act and the Federal Reserve Regulation Z for Section 1026.32 Mortgages (at least three (3) business days [including Saturdays] prior to consummation of the loan).

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

If this transaction was changed to a variable rate program during the processing period, Adjustable Rate Mortgage Program Disclosure and consumer booklet entitled Consumer Handbook on Adjustable Rate Mortgages (before Borrower Acknowledgement of Receipt of Federal Disclosures (Multistate))

consummation of the loan).

**NATIONAL FLOOD INSURANCE ACT (NFIA) NOTICE**

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

**HOMEOWNERS PROTECTION ACT OF 1998 (HPA) NOTICES**

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

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

**RIGHT TO RECEIVE COPY OF APPRAISAL**

Lender provided me/us with a copy of the appraisal report of the Property upon the earlier of: (1) completion of the appraisal; or (2) at least three business days prior to closing, unless I/we waived the three business day advance requirement and agreed to receive it at or before closing.

**GRAMM-LEACH-BLILEY ACT (FINANCIAL PRIVACY) NOTICE**

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

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

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**Borrower Acknowledgement of Receipt of Federal Disclosures (Multistate)**

AGREEMENT TO PROVIDE FINANCIAL INFORMATION

THIS AGREEMENT dated **January 19, 2016** is between **Joe Borrower** whose address is **555 Main Street, Newark, NJ 07101** (hereinafter referred to as "Borrower"); and **TEXAS CAPITAL BANK, N.A., a national banking association**, whose address is **2350 Lakeside Boulevard, Suite 600, Loan Operations, Richardson, Texas 75082** (hereinafter referred to as "Lender):

WITNESSETH:

WHEREAS, Borrower has made application to Lender for a loan in the amount of **\$125,000.00**, to be secured by property located in **Essex County, Texas** and being described as follows (the "Property"), to-wit:

**See Exhibit "A" attached hereto and made a part hereof.**

and

WHEREAS, Lender, at the request of Borrower and in reliance upon the representations made by Borrower herein and in other instruments to be executed in connection with the loan herein described, has agreed to lend such amount;

NOW, THEREFORE, in consideration of the foregoing and the promises herein contained, the parties agree that until all indebtedness referred to herein has been paid in full:

Borrower covenants and agrees that it:

1. Will furnish Lender:

(a) With reasonable promptness, but not later than ten (10) days after Lender's request, Borrower's personal financial statements (consisting of at least a balance sheet, income statement, statement of actual and contingent liabilities and related statement of cash flows) for the period required by Lender in a form acceptable to Lender and certified as to accuracy by Borrower; and

(b) With reasonable promptness, but not later than ten (10) days after Lender's request, such additional financial statements, and such data and information concerning the financial condition of Borrower as may reasonably be requested by Lender, including, but not limited to cash flow statements and projections.

The term "Lender" shall include the present owner of the loan.

EXECUTED this **January 19, 2016**.

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

Agreement to Provide Financial Information



**PPDocs**

\_\_\_\_\_

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

---

**Agreement to Provide Financial Information**

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**  
Date: **January 19, 2016**

## Appraisal Receipt

LO Company NMLS ID 1234567  
LO NMLS ID 157965  
Loan # 987654321

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

**The lender shall ensure that the borrower is provided a copy of any appraisal report and other written valuation developed in connection with an application for credit that is to be secured by a first lien on a dwelling. The lender shall provide a copy of each such appraisal or other written valuation, at no additional cost to the borrower, promptly upon completion, or no less than three business days prior to the closing of the loan, whichever is earlier. The borrower may waive this three business day requirement. The lender may require the borrower to reimburse the lender for the cost of the appraisal or other valuation performed, unless otherwise provided by law.**

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

### ACKNOWLEDGMENT OF RECEIPT

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Joe Borrower**

*[Sign Originals Only]*

Appraisal Receipt

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Automatic Transfer Authorization

Loan # 987654321

**DATE AND PARTES.** The date of this Automatic Transfer Authorization is **January 19, 2016**. The parties and their address are:

ACCOUNT HOLDER:

LENDER:

PPDocs  
2310 W INTERSTATE 20, Suite 100  
ARLINGTON, TX 76017

The pronouns “you” or “your” refer to the Lender. The pronouns “I”, “me” and “my” refer to the Account Holder.

TRANSFER AUTHORIZATION.

From Debited Account:

Account No.  
Account Title.  
Account Type

To Credited Account (Loan):

Loan/Account No.  
Loan/Account Title.  
Loan/Account Type.

You will make transfers on the following basis:

Amount to be Transferred.  
Effective Date.  
Termination Date.  
Frequency.

---

Automatic Transfer Authorization

**AMENDMENTS AND TERMINATION.**

I authorize you to charge by Debited Account (Account) for all payments due on the above described Credited Account (Loan). You may continue to charge the Account until the Loan is paid or until I provide you with written notice of cancellation.

I understand and agree that if a payment due date falls on a non-business day, the payment amount will be debited from the Account and credited to the Loan as a loan payment on the next day you are open for regular business.

I further understand and agree that if the Account does not have a sufficient balance on a day that a payment is to be debited from the Account and credited to the Loan, you may, at your option, suspend further efforts to debit the Account and look to me for the payment and all subsequent payments until such time as all payments under the Loan are current. In no event will availability of any credit line that I may have with you be used in determining whether the Account has a sufficient balance.

At your option and sole discretion, you may resume charging the Account without further instructions from me once all payments are current. In the event that you do not resume charging to the Account, you will notify me in writing that this authorization has been cancelled. Such cancellation of this authorization does not excuse me from making timely payment under the terms of the Loan.

In any event, you, at your option, may cancel this authorization at any time.

**SIGNATURES.** By signing, I agree to the terms contained in this Authorization. I also acknowledge receipt of a copy of this Authorization.

---

Signature \_\_\_\_\_ Date \_\_\_\_\_  
**Joe Borrower**

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

### Borrower's Closing Affidavit

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

Before me, the undersigned authority duly authorized to take acknowledgements and administer oaths, personally appeared the above referenced Borrower(s) who, upon being duly sworn depose and says as follows:

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

**"Borrower"** is **Joe Borrower**

**"Lender"** is **PPDocs**, and its successors or assigns.

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

**"Note"** means the promissory note(s) dated **January 19, 2016**, signed by Borrower in favor of Lender.

**"Property"** means the property commonly known as **555 Main Street, Newark, New Jersey 07101**.

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

**"Settlement Agent"** is **ABC Settlement**.

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

1. **OCCUPANCY STATUS.** [Check applicable box.]

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

If applicable,

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

Borrower(s) hereby certify that upon completion the Property will be Borrower's principal residence. This means at least one of the Borrowers who executes the Note and Security Instrument has title to and upon completion, shall occupy the Property. Borrower shall continue to occupy the Property as Borrower's principal residence for at least one year after completion of

the improvements unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld or unless extenuating circumstances exist which are beyond Borrower's control.

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

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

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

2. **FINANCIAL STATUS.** Borrower understands that Lender is granting the Loan based on the representations made in the Loan application given by Borrower to Lender. Borrower hereby certifies that all statements related to the Loan application, including but not limited to, financial, marital, and employment status, have not changed, and to the best of Borrower's knowledge, will not change in the foreseeable future. If the Property is being purchased by Borrower, the funds for down payment and closing costs are being paid from the source stated on the Loan application. There is no secondary financing in this transaction that has not been disclosed to Lender. Borrower certifies that if the Loan application states that other real estate was to be sold, that such transaction has taken place and Borrower no longer has title to that real estate. If the Property is currently owned by Borrower, Borrower certifies that there are no delinquent state, county, city, school, water district, utility district, or other governmental taxes or assessments due or owing against the Property and that no tax suit has been filed by any state, county, municipality, water district, utility district, or other governmental agency for taxes or assessments levied against Borrower which have not been disclosed in writing to Lender. Borrower also certifies that there are no unpaid paving or utility assessments or delinquent owner association dues. There are no suits filed by or pending against Borrower in any federal or state court which have not been disclosed in writing to Lender.

3. **PROPERTY ACCEPTANCE.** Borrower acknowledges that the Property and all of its improvements, fixtures, appliances, and other parts are in good and satisfactory working order and in the conditions contracted for. If the Property is new construction, Borrower finds that the improvements erected on the Property have been completed substantially in accordance with the plans and specifications. If this is the purchase of an existing dwelling, Borrower has accepted the condition thereof, and all terms of the sales contract (including any required repairs and inspections) have been met. If the Property is or will be initial construction, Borrower will sign an affidavit of completion once Borrower finds the improvements are completed substantially in accordance with the plans and specifications and to Borrower's satisfaction and that the terms of the contract between Borrower and the contractor have been fully carried out. The matters acknowledged in this paragraph are to the best of Borrower's knowledge and belief, and nothing in this Affidavit is to be construed as a waiver of any claims, damages, causes of action, or rights under any warranty, expressed or implied, against any party other than Lender.

4. **SURVEY.**

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

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

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

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

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

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

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

#### **ACKNOWLEDGMENT OF RECEIPT**

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Joe Borrower**

*[Sign Originals Only]*

SUBSCRIBED AND SWORN TO BEFORE ME on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by **Joe Borrower.**

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

Printed Name of Notary: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_



Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## **Certification and Authorization To Release Information**

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

“Borrower” is **Joe Borrower**.

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

Borrower certifies the follows:

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

To Whom It May Concern:

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

---

**Certification and Authorization to Release Information**

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

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

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

---

**Certification and Authorization to Release Information**

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Certification of Parties Regarding Sales Contract

LO Company NMLS ID 1234567  
LO NMLS ID 157965  
Loan # 987654321

The undersigned parties hereby swear that they have no side agreements relating to the purchase of the above referenced Property and that there are no agreements for rebates, cash down payments, second mortgage agreements, carrybacks of commissions, or any other related incentives in lieu of a cash down payment required by the Borrower and/or as given as incentives to induce the purchase of the above referenced Property.

The parties understand that any falsification of the referenced information is punishable in civil and criminal court proceedings. Evidence of violation will be forwarded to all related agencies and Attorney Generals Office.

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

\_\_\_\_\_  
Signature Date  
**Sue Seller**

STATE OF NEW JERSEY  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared **Joe Borrower**, known or proved to me according to law to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she/they voluntarily executed the same for the purposes of consideration therein expressed, and in the capacity stated.

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

\_\_\_\_\_  
Notary, State of \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

STATE OF NEW JERSEY  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared **Sue Seller**, known or proved to me according to law to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she/they voluntarily executed the same for the purposes of consideration therein expressed, and in the capacity stated.

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

\_\_\_\_\_  
Notary, State of \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## **Customer Identification Form Important Information About Procedures for Opening a New Account**

**LO Company NMLS ID 1234567  
LO NMLS ID 157965  
Loan # 987654321**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

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

Name: **Joe Borrower**

Address: **555 Main Street, Newark, NJ 07101**  
(May not be a P.O. Box)

Mailing Address: **987 Any Street, Newark, NJ 07101**

Date of Birth: \_\_\_\_\_ Social Security No.: \_\_\_\_\_

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

### **Driver's License Information**

Driver's License No.: \_\_\_\_\_ State issued: \_\_\_\_\_

Date issued (if available): \_\_\_\_\_

Driver's License Expiration Date: \_\_\_\_\_

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

Type of Identification: \_\_\_\_\_

State of Issuance: \_\_\_\_\_ Date Issued: \_\_\_\_\_

Identification No.: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Government that issued identification if not USA: \_\_\_\_\_

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

---

**Customer Identification Form**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Joe Borrower**

*[Sign Originals Only]*

STATE OF NEW JERSEY

COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared **Joe Borrower**, known or proved to me according to law to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she/they voluntarily executed the same for the purposes of consideration therein expressed, and in the capacity stated.

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

\_\_\_\_\_  
Notary, State of \_\_\_\_\_

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

---

**Customer Identification Form**

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Document Correction Agreement

LO Company NMLS ID 1234567

LO NMLS ID 157965

Loan # 987654321

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

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

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

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

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

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*



Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Error and Omissions / Compliance Agreement

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

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

DATED effective this **Nineteenth** day of **January, 2016**.

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

STATE OF NEW JERSEY  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared **Joe Borrower**, known or proved to me according to law to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she/they voluntarily executed the same for the purposes of consideration therein expressed, and in the capacity stated.

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

\_\_\_\_\_  
Notary, State of \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

## INITIAL ESCROW ACCOUNT WAIVER

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

“Borrower” is **Joe Borrower**.

“Escrow Items” means: (a) taxes and assessments and other items which can attain priority over the Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all property insurance required by Lender; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums.

“Funds” means the sum included in Borrower’s periodic payment to provide for Escrow Items.

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

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

“Mortgage Insurance” means insurance protecting Lender against the non-payment of, or default on, the Loan.

“Note” means the instrument evidencing the debt dated **January 19, 2016**, signed by Borrower in favor of Lender.

“Property” means the property commonly known as **555 Main Street, Newark, NJ 07101**.

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

WHEREAS, Borrower is or will become indebted as evidenced by the Note and Security Instrument securing the Property;

WHEREAS, the Security Instrument provides that Borrower shall pay to Lender on the day periodic payments are due under the Note, until the Note is paid in full, the Funds for payment of Escrow Items;

WHEREAS, Lender is willing to waive payment of the Funds;

WHEREAS, Borrower has paid Lender the sum of associated with this Escrow Account Waiver;

NOW THEREFORE, in consideration of a promise from Borrower to pay the Escrow Items in full when due, Borrower and Lender agree that Borrower will pay Escrow Items when they become due and payable and remit receipts marked “paid” for the Escrow Items to Lender. Upon Borrower’s failure to remit paid receipts to Lender, Lender may require that Borrower’s periodic payments will immediately be increased to include the Funds for the Escrow Items to the extent and on the conditions required by applicable law; and this waiver will be of no further force and effect.

It is expressly understood that by entering into this Initial Escrow Account Waiver, Borrower shall personally and directly pay any and all Escrowed Items in addition to paying the periodic payments due under the Note. If Borrower wishes to establish an escrow account after closing their loan, they may contact the Servicer to whom they are making their payments.

It is expressly understood that by entering into this Initial Escrow Account Waiver, Lender does not waive or modify in any way any rights or remedies for default it may have under the Security Instrument, including specifically, without limiting the generality of this waiver, rights or remedies for default arising from untimely or incomplete payment of the Escrow Items, or any other matters to be paid or performed pursuant to the Security Instrument. Nothing in this waiver supersedes or limits the Lender’s right to revoke this Waiver, at any time, by notice given to the Borrower, as granted

in the terms of the Security Instrument.

It is expressly understood that Borrower's failure to pay insurance premiums may result in Lender placement of insurance at a potentially higher cost to Borrower, including but not limited to, commission payments to the servicer and/or reduced coverage for Borrower of Lender-placed insurance.

It is further understood that no waiver by Lender or non-compliance by Borrower with the requirement for timely and complete payment of the Escrow Items will constitute more than a waiver of that single failure. As used herein, "timely and complete payment" means, as the context requires, payment so as to prevent delinquency, cancellation or lapse of coverage, or landlord default notice or remedies.

Borrower acknowledges receipt of this Waiver and understands its provisions.

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

## INITIAL ESCROW ACCOUNT WAIVER FOR PREMIUMS FOR ANY AND ALL HAZARD INSURANCE

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

“Borrower” is **Joe Borrower**.

“Escrow Items for hazard insurance” means: premiums for hazard, flood, earthquake, mud slides or any other insurance required by lender to insure the collateral for any and all damage that may occur.

“Funds” means the sum included in Borrower’s periodic payment to provide for Escrow Items.

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

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

“Note” means the instrument evidencing the debt dated **January 19, 2016**, signed by Borrower in favor of Lender.

“Property” means the property commonly known as **555 Main Street, Newark, NJ 07101**.

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

WHEREAS, Borrower is or will become indebted as evidenced by the Note and Security Instrument securing the Property. The Security Instrument provides that the borrower shall pay to Lender on an established date periodic payments under the note. The scheduled payment includes funds for payment of escrow items;

WHEREAS, Lender is willing to waive payment of only the hazard insurance monthly escrow funds;

WHEREAS, Borrower has paid Lender the sum of associated with this partial Escrow Account Waiver;

NOW THEREFORE, in consideration of a promise from Borrower to pay the hazard insurance escrow items in full when due, Borrower and Lender agree that Borrower will pay those premiums when they become due and payable and remit the insurance receipts marked “paid” for those items to Lender. Upon Borrower’s failure to remit paid receipts to Lender, Lender may require that Borrower’s periodic payments to immediately be increased to include the funds for the insurance policies to the extent and on the conditions required by applicable law; and this waiver will be of no further force and effect.

It is expressly understood that Borrower’s failure to pay insurance premiums may result in Lender placement of insurance at a potentially higher cost to Borrower, including but not limited to, commission payments to the servicer and/or reduced coverage for Borrower of Lender-placed insurance.

If Borrower wishes to add the insurance premiums to the escrow account after closing their loan, they may contact the Servicer to whom they are making their payments.

Borrower acknowledges receipt of this Waiver and understands its provisions.

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

## INITIAL ESCROW ACCOUNT WAIVER FOR ANY AND ALL PROPERTY TAXES

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

“Borrower” is **Joe Borrower**.

“Escrow Items” means: taxes and assessments and other items which can attain priority over the Security Instrument as a lien or encumbrance on the Property.

“Funds” means the sum included in Borrower’s periodic payment to provide for Escrow Items.

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

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

“Note” means the instrument evidencing the debt dated **January 19, 2016**, signed by Borrower in favor of Lender.

“Property” means the property commonly known as **555 Main Street, Newark, NJ 07101**.

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

WHEREAS, Borrower is or will become indebted as evidenced by the Note and Security Instrument securing the Property. The Security Instrument provides that the borrower shall pay to Lender on an established date periodic payments under the note. The scheduled payment includes funds for payment of escrow items;

WHEREAS, the Security Instrument provides that Borrower shall pay to Lender on the day periodic payments are due under the Note, until the Note is paid in full, the Funds for payment of Escrow Items;

WHEREAS, Lender is willing to waive payment of the Funds for any and all property taxes;

WHEREAS, Borrower has paid Lender the sum of associated with this partial Escrow Account Waiver;

NOW THEREFORE, in consideration of a promise from Borrower to pay the Escrow Items in full when due, Borrower and Lender agree that Borrower will pay Escrow Items when they become due and payable and remit receipts marked “paid” for the Escrow Items to Lender. Upon Borrower’s failure to remit paid receipts to Lender, Lender may require that Borrower’s periodic payments will immediately be increased to include the Funds for the Escrow Items to the extent and on the conditions required by applicable law; and this waiver will be of no further force and effect.

It is expressly understood that by entering into this Initial Escrow Account Waiver, Borrower shall personally and directly pay any and all property taxes in addition to paying the escrow for insurance premium and periodic payments due under the Note. If Borrower wishes to escrow for any and all property taxes establish in the existing escrow account for insurance after closing their loan, they may contact the Servicer to whom they are making their payments.

It is expressly understood that by entering into this Initial Escrow Account Waiver, Lender does not waive or modify in any way any rights or remedies for default it may have under the Security Instrument, including specifically, without limiting the generality of this waiver, rights or remedies for default arising from untimely or incomplete payment of the Escrow Items, or any other matters to be paid or performed pursuant to the Security Instrument. Nothing in this waiver supersedes or limits the Lender’s right to revoke this Waiver, at any time, by notice given to the Borrower, as granted in the terms of the Security Instrument.

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Multistate Initial Escrow Account Waiver for Any and All Property Taxes

It is expressly understood that Borrower's failure to pay insurance premiums may result in Lender placement of insurance at a potentially higher cost to Borrower, including but not limited to, commission payments to the servicer and/or reduced coverage for Borrower of Lender-placed insurance.

It is further understood that no waiver by Lender or non-compliance by Borrower with the requirement for timely and complete payment of the Escrow Items will constitute more than a waiver of that single failure. As used herein, "timely and complete payment" means, as the context requires, payment so as to prevent delinquency, cancellation or lapse of coverage, or landlord default notice or remedies.

Borrower acknowledges receipt of this Waiver and understands its provisions.

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

Lender: **PPDocs**  
Lender Address: **2310 W INTERSTATE 20, Suite 100, ARLINGTON, TX 76017**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

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

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

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

**ACKNOWLEDGMENT**

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

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*



Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## **U.S. Patriot Act Notice Important Applicant Information**

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT OR REQUESTING A LOAN**

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 or requests a loan.

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

---

Signature \_\_\_\_\_ Date \_\_\_\_\_  
**Joe Borrower**

*[Sign Originals Only]*

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, NJ 07101**

## Mineral Rights Acknowledgment

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

“**Borrower**” is **Joe Borrower**

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

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

“**Note**” means the promissory note(s) dated **January 19, 2016**, signed by Borrower in favor of Lender.

“**Property**” means the property commonly known as **555 Main Street, Newark, New Jersey 07101**.

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

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

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

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Joe Borrower**

*[Sign Originals Only]*

# MORTGAGE FRAUD IS INVESTIGATED BY THE FBI



LO Company NMLS ID 1234567  
LO NMLS ID 157965

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

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

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

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

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

**Mortgage Fraud Warning**

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

### Name Affidavit

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

\_\_\_\_\_  
Signature Date

**Joe Borrower**

*[Sign Originals Only]*

SUBSCRIBED AND SWORN TO BEFORE ME on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_ by **Joe Borrower.**

\_\_\_\_\_  
Notary Public  
Printed Name of Notary: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## No Undisclosed Debt Affidavit

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

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

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

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

*It is illegal for a person to knowingly withhold debt obligation information regarding a credit application to a financial institution. Withholding such information is bank fraud. Bank fraud is investigated by the Federal Bureau of Investigation (FBI) and is punishable by fines of up to \$1,000,000, or up to 30 years in federal prison, or both.*

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

\_\_\_\_\_  
Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

SUBSCRIBED AND SWORN TO BEFORE ME on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by **Joe Borrower.**

\_\_\_\_\_  
Notary Public  
Printed Name of Notary: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Notice of Servicing Transfer

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

The servicing of your mortgage loan is being transferred, effective\_\_\_\_\_. This means that after this date, a new servicer will be collecting your mortgage loan payments from you. Nothing else about your mortgage loan will change.

**PPDocs** is now collecting your payments. **PPDocs** will stop accepting payments received from you after \_\_\_\_\_.

\_\_\_\_\_ will collect your payments going forward. Your new servicer will start accepting payments received from you on\_\_\_\_\_.

**Send all payments due on or after \_\_\_\_\_ to \_\_\_\_\_ at this address: \_\_\_\_\_.**

If you have any questions for either your present servicer, **PPDocs** or your new servicer \_\_\_\_\_ about your mortgage loan or this transfer, please contact them using the information below:

Current Servicer:

**PPDocs**

**Gail Knight**

**(817) 461-5500**

**2310 W INTERSTATE 20, Suite 100,**

**ARLINGTON, TX 76017**

New Servicer:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_.

Important Notice about Insurance: If you have mortgage life or disability insurance, or any other type of optional insurance, the transfer of servicing rights may affect the terms or continued availability of your insurance. In order to maintain coverage, please contact your insurance carrier promptly and provide the updated servicers contact information above. You may additionally be required to provide the updated mortgage clause, and any other information requested by the carrier.

Under Federal law, during the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer on or before its due date may not be treated by the new servicer as late, and a late fee may not be imposed on you.

**PPDocs**

---

Notice of Servicing Transfer

By signing below I acknowledge receipt of this disclosure.

---

Signature Date  
**Joe Borrower**

*[Sign Originals Only]*

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

SHORT LEGAL DESCRIPTION:  
See Exhibit "A" attached hereto and made a part hereof.

### Property Tax Information

(This form must be typed)

---

TAX AUTHORITY:

TAX INFORMATION:

---

**State and County**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Tax ID/Account No.: \_\_\_\_\_

Estimated Annual Tax: \_\_\_\_\_  
Monthly Escrow Amount: \_\_\_\_\_  
Taxes Paid Through: \_\_\_\_\_  
Amount of Taxes Last Paid: \_\_\_\_\_  
Discount Date: \_\_\_\_\_  
Due Dates in Sequence: \_\_\_\_\_  
Penalty Date: \_\_\_\_\_

**City**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Tax ID/Account No.: \_\_\_\_\_

Estimated Annual Tax: \_\_\_\_\_  
Monthly Escrow Amount: \_\_\_\_\_  
Taxes Paid Through: \_\_\_\_\_  
Amount of Taxes Last Paid: \_\_\_\_\_  
Discount Date: \_\_\_\_\_  
Due Dates in Sequence: \_\_\_\_\_  
Penalty Date: \_\_\_\_\_

**School**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Tax ID/Account No.: \_\_\_\_\_

Estimated Annual Tax: \_\_\_\_\_  
Monthly Escrow Amount: \_\_\_\_\_  
Taxes Paid Through: \_\_\_\_\_  
Amount of Taxes Last Paid: \_\_\_\_\_  
Discount Date: \_\_\_\_\_  
Due Dates in Sequence: \_\_\_\_\_  
Penalty Date: \_\_\_\_\_

---

Property Tax Information



TAX AUTHORITY:

TAX INFORMATION:

**Municipal Utility**

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Zip: \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Tax ID/Account No.: \_\_\_\_\_

Estimated Annual Tax: \_\_\_\_\_  
 Monthly Escrow Amount: \_\_\_\_\_  
 Taxes Paid Through: \_\_\_\_\_  
 Amount of Taxes Last Paid: \_\_\_\_\_  
 Discount Date: \_\_\_\_\_  
 Due Dates in Sequence: \_\_\_\_\_  
 Penalty Date: \_\_\_\_\_

**Other**

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Zip: \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Tax ID/Account No.: \_\_\_\_\_

Estimated Annual Tax: \_\_\_\_\_  
 Monthly Escrow Amount: \_\_\_\_\_  
 Taxes Paid Through: \_\_\_\_\_  
 Amount of Taxes Last Paid: \_\_\_\_\_  
 Discount Date: \_\_\_\_\_  
 Due Dates in Sequence: \_\_\_\_\_  
 Penalty Date: \_\_\_\_\_

“Estimated Annual Tax” amounts specified above are based upon the improved value of the Property (and without exemption(s) if the exemption(s) will no longer apply). If the Property is new construction (or subject to exemptions that will no longer apply), please place an “E” for Estimate beside the “Estimated Annual Tax: amount. If the Property is not occupied by the Borrower(s), please furnish the correct mailing address for the Borrower(s):

**ABC Settlement**

By: \_\_\_\_\_  
 Settlement Agent

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Quality Control Release

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

We, the undersigned applicants, understand that our mortgage application may be selected by the Lender and/or its Assigns or Agent for a Quality Control Review. This review is designed to produce and maintain quality service for our borrowers and to comply with agency and Investor guidelines. The quality control review will involve verification of all of the credit information (including employment history, income, bank accounts, and credit references) as well as the property valuation.

We agree to cooperate with the Lender and/or its assigns or its agents to the extent necessary to accomplish this review. It is understood that the information may be verified with third parties such as our employees, depository institutions or a credit reporting agency.

We therefore have signed below authorizing the release of employment and/or financial information to assist in the Quality Control review process.

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## **Septic / Water / Well / Propane / Termite Inspection Waiver**

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

At the request of the Borrower(s), it is hereby UNDERSTOOD AND AGREED by and between **PPDocs** (Lender) and **Joe Borrower** (Borrowers), that the inspection(s) have hereby been waived on the above-referenced property. We do hereby indemnify and agree to hold said lender, its successors and/or assigns harmless from any and all liabilities, claims, causes of action and cost and expenses, known and unknown which may arise.

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

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

Thank you

# Request for Transcript of Tax Return

- Do not sign this form unless all applicable lines have been completed.
- Request may be rejected if the form is incomplete or illegible.
- For more information about Form 4506-T, visit [www.irs.gov/form4506t](http://www.irs.gov/form4506t).

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

<b>1a</b> Name shown on tax return. If a joint return, enter the name shown first. <b>Joe Borrower</b>	<b>1b</b> First social security number on tax return, individual taxpayer identification number, 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 or individual taxpayer identification number if joint tax return
<b>3</b> Current name, address (including apt., room, or suite no.), city, state, and ZIP code (See instructions) <b>Joe Borrower - 987 Any Street, Newark, NJ 07101</b>	
<b>4</b> Previous address shown on the last return filed if different from line 3 (See instructions)	
<b>5</b> If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. <b>PPDocs, Its Successors and/or Assigns, 2310 W INTERSTATE 20 Suite 100, ARLINGTON, TX 76017 (817) 461-5500</b>	

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

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

- a Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days .....
- b Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days .....
- c Record of Account**, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days .....

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

**8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2011, filed in 2012, will not be available from the IRS until 2013. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days.....

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

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

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

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

Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-T. See instructions

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

Sign Here

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

## Future Developments

For the latest information about Form 4506-T and its instructions, go to [www.irs.gov/form4506t](http://www.irs.gov/form4506t). Information about any recent developments affecting Form 4506-T (such as legislation enacted after we released it) will be posted on that page.

## General Instructions

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

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

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

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

**Automated transcript request:** You can quickly request transcripts by using our automated self-help service tools. Please visit us at [IRS.gov](http://IRS.gov) and click on "Get Transcript of Your Tax Records" under "Tools" or call 1-800-908-9946.

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

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

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

If you filed an individual return and lived in:	Mail or fax to:
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address	Internal Revenue Service RAIVS Team Stop 6716 AUSC Austin, TX 73301  512-460-2272
Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	Internal Revenue Service RAIVS Team Stop 37106 Fresno, CA 93888  559-456-7227
Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia	Internal Revenue Service RAIVS Team Stop 6705 P-6 Kansas City, MO 64999  817-292-6102

## Chart for all other transcripts

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

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

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

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

**Note.** If the address on Lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address. For a business address, file Form 8822-B, Change of Address or Responsible Party-Business.

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

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



*You must check the box in the signature area to acknowledge you have the authority to sign and request the information. The form will not be processed and returned to you if the box is unchecked.*

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

**Corporations.** Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

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

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

**Note:** If you are Heir at law, Next of kin, or Beneficiary you must be able to establish a material interest in the estate or trust.

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

**Signature by a representative.** A representative can sign Form 4506-T for a taxpayer only if the taxpayer only if the taxpayer has specifically delegated this authority by the representative on Form 2848, line 5. The representative must attach Form 2848 showing the delegation to Form 4506-T.

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

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

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

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

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

Internal Revenue Service  
Tax Forms and Publications Division  
1111 Constitution Ave. NW, IR-6526  
Washington, DC 20224

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

Settlement Agent:

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

Thank you.

# Request for Taxpayer Identification Number and Certification

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

<b>Print or type See Specific Instructions on page 2.</b>	<b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>Joe Borrower</b>	
	<b>2</b> Business name/disregarded entity name, if different from above	
	<b>3</b> Check appropriate box for federal tax classification; check only <b>one</b> of the following seven boxes: <input checked="" type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <b>Note.</b> For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	
	<b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	<b>5</b> Address (number, street, and apt. or suite no.) <b>987 Any Street</b>	
	<b>6</b> City, state, and ZIP code <b>Newark, NJ 07101</b>	
	<b>7</b> 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 generally 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>		
	-	
	-	
<b>or</b>		
<b>Employer identification number</b>		

**Note.** If the account is in more than one name, see the instructions for line 1 and 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. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**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 3.

<b>Sign Here</b>	<b>Signature of U.S. person ▶</b>	<b>Date ▶</b>
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## General Instructions

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

**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/fw9](http://www.irs.gov/fw9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.



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

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

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

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 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 section 1446 withholding on your share of partnership income.

In the cases below, the following person must give 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:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

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

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

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

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

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

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

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

## What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

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

## Penalties

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

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

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

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

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note. ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

**Line 2**

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

**Line 3**

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

**Limited Liability Company (LLC).** If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

**Line 4, Exemptions**

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

**Exempt payee code.**

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

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

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note.** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

**Line 5**

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

**Line 6**

Enter your city, state, and ZIP code.

**Part I. Taxpayer Identification Number (TIN)**

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

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

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

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

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

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

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

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

**Part II. Certification**

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

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

- 1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
- 2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
- 3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
- 4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
- 5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

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

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

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

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

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

\*Note. Grantor also must provide a Form W-9 to trustee of trust.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records from Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 1-877-IDTHEFT (1-877-438-4338).

Visit [IRS.gov](http://IRS.gov) to learn more about identity theft and how to reduce your risk.

**Privacy Act Notice**

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

# MASTER CLOSING INSTRUCTIONS

LO Company NMLS ID 1234567

LO NMLS ID 157965

Loan # 987654321

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

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

## 1. FRAUD PREVENTION.

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

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

- 1.11 Settlement Agent is only to accept Borrower funds from Borrower's deposited accounts in the financial institutions verified and disclosed on Fannie Mae Form 1003, Freddie Mac Form 65, or from the account and institution specified elsewhere in these Closing Instructions. Settlement Agent must verify the source of funds; if Borrower funds come from a different institution or an out-of-state institution, suspend closing and immediately contact Lender.
- 1.12 All funds must pass through escrow and should be noted on the HUD-1 Settlement Statement. Copies of down payment checks or funds needed to close must be sent to Lender. The name and address on the deposit check must match Borrower's name and address.
- 1.13 If the property has been subject to a closing within one year of the current transaction, Settlement Agent is to contact Lender and obtain Lender's written consent to close. Settlement Agent must obtain Lender's written consent to close if there have been any transfers of the property within the last 180 days.
- 1.14 If this is an owner-occupied property transaction and Settlement Agent has knowledge of the Borrower owning and occupying another residence not subject to sale, or that the Borrower does not intend to occupy the property, the Settlement Agent shall obtain the written consent of Lender.
- 1.15 If the Mortgage Broker and the property Seller are the same, or the Settlement Agent has knowledge that are owned or controlled by the same person, do not proceed with closing and immediately contact Lender.
- 1.16 Immediately inform the Lender if the Borrower had a former interest in the property, or if other parties to the transaction such as the Real Estate Agent, Mortgage Broker, Appraiser, or Settlement Agent had an interest in the property.
- 1.17 If a business entity is acting as the Seller, confirm that the Borrower does not control, and is not related to, the Owner or the Seller.
- 1.18 If this is a purchase transaction, have Borrower confirm a property inspection has occurred on form supplied by Lender; if no real estate commission is payable, provide the Lender with an explanation if the sales contract provides otherwise.
- 1.19 If the real estate commission appears excessive for the market area, contact the Lender prior to closing.
- 1.20 All Borrowers must execute IRS Form 4506.
- 1.21 Confirm the preliminary Title Commitment or Binder is correct for insuring purposes, or issue a corrected Title Commitment or Binder to Lender. Immediately contact the Lender if the owner, as shown on the Title Commitment, is different from the Seller on the Purchase Contract. The sale must not be subject to Seller acquiring title.
- 1.22 Settlement Agent must be an approved agent with the Title Insurer whose name appears on the Title Commitment and Binder.
- 1.23 If there are material or significant changes to the sales price or the escrow, Lender must approve

the same prior to closing. Confirm the sales price on the contract matches the sales price on the HUD-1 Settlement Statement.

- 1.24 If the property tax assessment is less than or greater than 10% of the sales price, contact Lender, if other than new home sale.
  - 1.25 Contact Lender immediately if there are any unusual payouts denoted on the Seller's column on the HUD-1 Settlement Statement.
  - 1.26 Settlement Agent must sign the HUD-1 or HUD-1A Settlement Statement.
  - 1.27 Settlement Agent must sign the Closing Instructions to acknowledge receipt and to affirm that the Settlement Agent has read, understood and accepts all conditions of conducting the settlement.
  - 1.28 Borrower must sign all verification documents and certify that the information in the verifications is accurate.
  - 1.29 Settlement Agent must return recordable documents and the final Title Policy in a timely manner, but no later than 30 days from the date of closing. Failure to deliver these documents in a timely manner will result in a claim being filed with the Title Insurer.
  - 1.30 Do not allow the Borrower to sign any document containing blanks.
  - 1.31 If actual settlement charges on the HUD-1 Settlement Statement exceed the Good Faith Estimate supplied at closing by 10% or more, contact the Lender prior to closing.
  - 1.32 If the legal documents are incomplete or inconsistent with other information in the mortgage file, immediately contact the Lender.
  - 1.33 Ensure all documents have proper signatures.
  - 1.34 **The escrow agent shall prepare the HUD-1 Settlement Statement in accordance with these instructions and provide it to us for our approval at least 24 hours before the real estate settlement transaction is closed. Then, the escrow agent shall close the transaction and disburse funds only in accordance with the approved HUD-1 Settlement Statement. If any party to the transaction requests that his/her funds be disbursed in any manner different from the approved HUD-1, the escrow agent shall advise us of the request and obtain prior approval from us before any funds are disbursed in a manner different from the approved HUD-1 Settlement Statement.**
2. **INSURED CLOSING.** An Insured Closing Protection Letter in the form authorized for use in your state must be issued in connection with the closing and settlement of any loan closing. All Issuing Agents and approved attorneys must confirm that such a letter is on file with the Lender before closing the loan.
  3. **CLOSE AS INSTRUCTED AND REQUIRED.** As Settlement Agent, you must close the transaction in strict accordance with these Closing Instructions. If this transaction involves a sale, all applicable terms and conditions of the sales contract furnished to Lender must be followed. Immediately advise the Lender if any of the sales contract provisions conflict with these Closing Instructions. Prior to request for

funding, you must have written authorization from Lender approving any deviation from the Master and/or Supplemental Closing Instructions. No credits, debits, secondary financing, or third party contributions are allowed unless specifically authorized in the Supplemental Closing Instructions. All persons signing both the note and the deed of trust must be vested in title unless the Lender states in writing that an individual is acting pro forma or as a cosigner or guarantor.

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

- 4.1 The date of the Title Commitment or Binder may not be more than ninety (90) days before the settlement date. If the Title Commitment or Binder has expired, do not close the loan, and contact the Lender immediately. The Title Commitment or Binder must have an authorized counter-signature by a validating officer or authorized signatory.
- 4.2 The Title Policy must insure a first and superior deed of trust, mortgage lien, or other specified security instrument and insure over all title exceptions that would jeopardize the marketability of title. Unless authorization is granted by Lender, the policy must be on the standard ALTA Loan Policy (Rev. 10-17-1992).
- 4.3 If, pursuant to the Lender's direction, the policy is written on a form other than the standard ALTA Loan Policy, the ALTA Short Form Residential Loan Policy should be used. In conjunction with the Master Policy, the coverage provided by the short-form policy must be at least as broad, providing at least the amount and scope of coverage given by the standard ALTA Loan Policy. In addition, by issuing a short-form policy, you acknowledge that the Lender may, in the future, request that a full, individual, standard ALTA Loan Policy be provided in its place.
- 4.4 The effective date of the policy coverage may be no earlier than the later of the date of the final disbursement of the loan proceeds or the date the Security instrument is recorded.
- 4.5 The "Proposed Insured" must read exactly as Lender's loan documents with the following additional phrase:

**If a Conventional Loan:** "Its successors and/or assigns as defined in Paragraph 1(a) of the Conditions and Stipulations of this policy."

**If an FHA Loan:** "And/Or the Secretary of Housing and Urban Development of Washington, D.C., their respective successors and assigns, as defined in Paragraph 1(a) of the Conditions and Stipulations of this policy."

**If a VA Loan:** "And/Or the Secretary of the Department of Veterans Affairs, an officer of the United States of America, their respective successors and assigns."



- 4.4 The amount of the coverage should at least equal the loan amount indicated in the Supplemental Closing Instructions. If the loan has potential capitalized interest or negative amortization, the coverage should equal the highest outstanding balance possible under the terms of the loan.
- 4.5 The “Proposed Borrower” must exactly match the Borrower’s name(s) indicated in the loan documents.
- 4.6 The legal description in the Title Policy and loan documentation must conform to the survey, if a survey is available.
- 4.7 The “Estate Insured” must read FEE SIMPLE unless provided otherwise in the Supplemental Closing Instructions. The Mortgagee Title Insurance Policy must insure against any loss or damage sustained or incurred by reason of a lack of a right of access to and from the land. Any easements providing access to the property must be insured as part of the estate, and not shown as an exception on Schedule “B.”
- 4.8 The policy cannot contain:
- (a) Any exception for taxes, assessments or other charges currently due and payable.
  - (b) Any exception for mechanic’s, materialman’s, artisan’s or similar liens.
  - (c) General exceptions as to unrecorded easements or rights of way.
  - (d) General exceptions as to matters of survey including unrecorded easements or rights of way.
  - (e) Any exceptions to the dower, curtesy, homestead, community property or other statutory material rights, if any, of the spouse of any individual insured. In all cases where any rights of dower or curtesy may affect the taking of title to the property, the policy is to provide affirmative title insurance that the lien of our deed of trust, mortgage, or other security instrument has priority over any statutory rights of dower or curtesy. In those situations, the following language is to be included in the policy/binder: “This policy/binder insures, up to the face amount hereof, that the Insured shall incur no loss or damage as a result of the exercise or attempted exercise, of dower or curtesy rights.”
  - (f) **NO REVERSIONARY INTEREST, RIGHTS OF FIRST REFUSAL, OR RIGHTS OF RE-ENTRY THAT COULD RESULT IN A FORFEITURE OF TITLE OR ANY PART OF TITLE TO THE PROPERTY WHICH IS NOT SUBORDINATED TO LENDER’S INSURED LIEN ARE ALLOWED.**
- 4.9 Any easement, encroachment, right-of-way or restriction constituting an exception must be specifically described on Schedule “B.” Any easement or right-of-way indicated on Schedule “B” must be located on the survey unless Lender approves otherwise. If the survey does not show easements which are on the Title Commitment or Binder, either (i) remove said item(s) from Title Commitment or Binder or (ii) have surveyor locate and identify said items on an amended survey and obtain Lender’s approval of said location. A surveyor’s letter is not sufficient in lieu of removing the exception.

4.10 **The Title Policy must be received by Lender no later than 30 days from date of closing.**

5. **TITLE POLICY EXCEPTIONS.** If the title policy will contain exceptions other than those listed below, contact the Closing Coordinator prior to closing of loan. In addition to the survey, it may be necessary for you to forward a copy of recorded documentation to determine whether a waiver will be required before closing and disbursement.

- (a) Taxes not yet due and payable.
- (b) Restrictions that are not violated and insurance that future violations will not cause a forfeiture or reversion of title.
- (c) Above-surface public utility easements along one or more of the property lines, provided the exercise of the rights thereunder do not interfere with any of the buildings or improvements located on the subject property.

**Note: On FHA and conventional loans, if above-surface public utility easements exceed ten (10) feet from any property line (twelve (12) feet on conventional loans), a waiver from FHA or conventional appraiser and PMI Company, if applicable, must be obtained prior to closing.**

- (d) Customary public utility subsurface easements which are in place and do not extend under any buildings or other improvements on subject property.
- (e) Mutual easement agreements recorded in the public records which establish joint driveways, joint garages, party walls, water wells, septic systems, or other private utility systems constructed partly on the subject property and partly on adjoining property, provided the easement agreement allows all future owners, their heirs and assigns forever, unlimited use without restriction of these joint driveways, garages, party walls, wells and other systems. (A copy of **recorded agreements** must be forwarded with closing documents.)

**Note: If survey reveals joint driveway, garage, water well, septic system or other private utility system, then such an agreement must be recorded.**

- (f) Encroachments:
  - (i) On subject property by improvements on adjoining property where such encroachments do not exceed one (1) foot, do not touch any buildings and do not interfere with the use of any improvements on subject property.
  - (ii) On adjoining property by driveways belonging to subject property where such encroachments do not exceed one (1) foot, provided there exists a clearance of at least ten (10) feet between the buildings on the subject property and the property line affected by the encroachment.
  - (iii) On adjoining property by eaves and overhanging projections attached to improvements on subject property where such encroachments do not exceed one

(1) foot provided there exists a clearance of at least ten (10) feet between the buildings on the subject property and the property line affected by the encroachment

**VA Loans:** This exception not acceptable unless written waiver obtained from VA **prior to closing).**

(iv) On adjoining property by hedges and removable wooden or wire fences belonging to the subject property.

(iv) By garages or improvements, other than those which are attached to or a portion of the main dwelling structure, over easements for public utilities, provided such encroachment does not interfere with the use of the easement or the exercise of the rights of repair and maintenance in connection therewith.

**VA Loans:** This exception not acceptable unless written waiver obtained from VA **prior to closing).**

5.1 If subject property is served by a private water and/or sewer system, Schedule “B” of the Title Policy must contain the following affirmative coverage: “With respect to the private utility system documents of public record, there are no provisions that could result in a superior lien on the subject property ahead of the insured mortgage, or that could create a lien that would take priority over the interest of the mortgagee acquired through a deed in lieu of foreclosure.” Prior to closing the loan, please confirm with the title company that it will provide the foregoing affirmative coverage prior to closing the loan. If you are unable to satisfy this requirement, notify Lender’s Closing Coordinator. **DO NOT** close the loan.

5.2 Standard ALTA endorsements as shown below **must be issued** as applicable.

ALTA Endorsement	Form 1	Street Assessments
	Form 2	Truth-in-Lending
	Form 3	Zoning
	Form 3.1	Zoning – Completed Structure
	Form 4	Condominium
	Form 4.1	Condominium
	Form 5	Planned Unit Development
	Form 5.1	Planned Unit Development
	Form 6	Variable Rate Mortgage
	Form 6.1	Variable Rate Mortgage – Regulations
	Form 6.2	Variable Rate Mortgage – Negative Amortization
	Form 7	Manufactured Housing Unit
	Form 8.1	Environmental Protection
	Form 9	Restrictions, Encroachments, Minerals
	Form 9.1	Restrictions, Encroachments, Minerals – Owners Policy Unimproved Land
	Form 9.2	Restrictions, Encroachments, Minerals – Owners Policy Improved Land
	Form 10	Assignment
	Form 10.1	Assignment and Date Down

State-specific endorsements must be issued where required.

An exception for rights of tenants in possession or rights of tenants under unrecorded or recorded leases is **unacceptable** except as follows:

- (a) Remaining term of lease is less than twelve (12) months and Title Policy so states.
- (b) The rights of tenants under unrecorded or recorded leases must be **fully subordinated** to Lender's security instrument.
- (c) The title policy must **affirmatively insure the priority of our lien over the rights of tenants under leases** (the title company will require evidence of subordination for this coverage).
- (c) If leases are not already in existence, delay consummation thereof until after execution and recordation of the Security instrument.

The Settlement Agent **must** determine **prior** to loan closing that these requirements are met in order to prevent the Lender from entering into a transaction that will deprive the Lender of what has been bargained for, and render a loan unsalable. If the Settlement Agent is unable to comply with these requirements, notify Lender's Closing Department. **DO NOT** close the loan.

If the policy will contain an exception for oil, water, mineral or other subsurface rights, the policy must affirmatively insure that the exercise of such rights will not result in damage to the property or impairment of the use of the property for residential purposes. In addition, a certification as follows will be required from the Settlement Agent: "The known facts do not import exercise, or impending exercise, of such outstanding rights in such a manner as to materially alter the contour of the mortgaged property or impair its value or usefulness for its intended purposes, and generally that such outstanding rights are similar to those customarily acceptable to prudent lending institutions, informed buyers, and lending attorneys in the community."

5.3 NO REVERSIONARY INTEREST, RIGHTS OF FIRST REFUSAL, OR RIGHTS OF RE-ENTRY THAT COULD RESULT IN A FORFEITURE OF TITLE OR ANY PART OF TITLE TO THE PROPERTY WHICH IS NOT SUBORDINATED TO LENDER'S INSURED LIEN ARE ALLOWED.

6. **SURVEY REQUIREMENTS.** On all loans covering individual units and approved PUDs, one (1) original location survey certified by a licensed surveyor will be required prior to issuing closing papers. The following survey requirements must be met:

6.1 Survey must show the location of buildings, driveways, fences, easements, encroachments, setback lines, beginning point, relation to adjacent properties and street intersections, north point, surveyor's original seal, lot and block number, recorded map information and indicate where property abuts public street with permanent access.

6.2 Survey must contain certification by surveyor as to whether property is located in a flood hazard

area. If survey indicates flood insurance is required, refer to paragraph on Flood Insurance Requirements. If survey does not contain certification as to flood insurance, a separate certification must be furnished from the surveyor.

- 6.3 If the survey shows a discrepancy from the property description of more than 2% in the front lot line or 5% in any other lot line, or a change in the description from that appearing in the Supplemental Closing Instructions, you should obtain the Lender's approval prior to closing.
- 6.4 The Survey must show the name of the Borrower.

For Condominium Loans, a copy of the recorded map showing the location of the unit is required in lieu of a Survey.

7. **HAZARD INSURANCE REQUIREMENTS.** It is the responsibility of the Settlement Agent to determine that coverage, as specified, is in force **on or prior to** the date of closing. Original Homeowner's Policy or Statement of Coverage for amount indicated in Supplemental Closing Instructions is required with a paid receipt for first year's premium. Except when required by state law, **binders are unacceptable.** (Note: If the property is located in the state of New York, state law requires the acceptance of binders.) Minimum coverage is fire and extended coverage. The insuring company must have an Alfred M. Best rating of Class III or better and be acceptable to Lender. Maximum deductible is the greater of \$1,000.00 or 1.00% of the loan amount. Names of insured and address of property are to be identical to closing papers.
8. **PUDS.** In addition to the hazard insurance on the living unit required in the Supplemental Closing Instructions, the Settlement Agent must verify that we have received, prior to closing, evidence that the Owners Association has secured adequate coverage of hazard and liability on the common areas, and fidelity insurance on the Owners Association.

**Condominiums:** If a copy of the policies has not been received, a copy must be forwarded with the closing documents. Before closing the loan, the Settlement Agent must verify that the following coverage exists:

- (a) A "Master" or "Blanket" policy of property insurance equal to full replacement value of the condominium project affording coverage for loss or damage by fire and other hazards.
- (b) A comprehensive policy of public liability insurance covering all of the common areas and commercial spaces in the condominium project.
- (c) Adequate fidelity coverage on the Owners Association to protect against dishonest acts by its officers, directors, trustees, employees and all others who are responsible for handling funds of the Association.
- (d) The insured must be the Owners Association of the condominium project, on behalf of the owners of the condominium unit and their mortgagees.
- (e) The Lender requires that the Settlement Agent provide a Certificate of Insurance or Memorandum from the insurance carrier as to the unit in the condominium, and evidence the Lender is a named mortgagee.

9. **FLOOD INSURANCE.** Federal flood legislation specifies that lenders **must** require flood insurance on properties located in Special Flood Hazard Areas (A, V) once such areas have been identified and coverage is available through community participation in the program. **Compliance with this legislation is very important.** Please call the Closing Coordinator if you have any questions.

Where a survey is applicable, the Survey Requirements specify that surveyors are to furnish, either on or with the survey, a certification indicating whether or not the property is in a flood hazard area. **If flood insurance is not required in the Supplemental Closing Instructions and the Surveyor indicates property is in a flood hazard area, contact the Closing Coordinator for further instructions prior to closing.** Where flood insurance is required, names, address of property, and loss payable should be the same as in hazard insurance policy and closing documents. The following should be included with closing documents:

- (a) A copy of Application for Flood Insurance dated on or prior to the date of closing or original Flood Insurance Policy. (On condominium loans, a “blanket” policy of flood insurance in the name of the Owners Association and designated trustee must be provided with closing documents.)
  - (b) Receipt indicating payment of first annual premium.
  - (c) If original policy is not enclosed, certification by Flood Insurance Agent that original policy, when issued, will be forwarded.
  - (d) Refinance cases (no transfer of title): If property is located in Special Flood Hazard Area and the property is not already covered, there will be a five-day waiting period from the date of application for insurance before coverage will be in effect. Loan closing should not occur until flood insurance is in effect.
10. **TRUTH-IN-LENDING.** All closings are subject to compliance with the Truth-in-Lending Act and Regulation Z, as amended. The Settlement Agent is expected to be familiar with Regulation Z. As required under the Truth-in-Lending Act and Regulation Z, a Disclosure Statement with estimates has been delivered to the Borrower(s) within three (3) days of loan application. It is the Lender’s practice to make a new Truth-in-Lending Disclosure Statement at closing, based on exact figures. If the closing will take place on a day other than that set forth in the Truth-in-Lending Disclosure Statement, call the Closing Coordinator for correct figures and information. Prior to consummation, a copy of the Truth-in-Lending Disclosure Statement must be provided to the Borrower(s) for keeping by the Borrower(s). The completed Truth-in-Lending Disclosure Statement must be signed by the Borrower(s) at closing prior to the execution of any of the other documents. The Borrower(s) must be given a copy of this Disclosure Statement. Contact the Closing Department if any portion of the Truth-in-Lending Disclosure Statement appears to be inaccurate.

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

**Three (3) business days prior to disbursement of the loan,** the Settlement Agent shall give a completed copy of the security instrument and two (2) copies of the Notice of Right of Rescission to each obligor (and each person holding an ownership interest in the property subject to the security interest). If an Election

Not to Cancel or Rescind was provided, it must be signed and dated by each obligor after three (3) business days have elapsed, then the disbursement of the loan may be completed. The Notice of Right of Rescission forms containing the executed Election Not to Cancel or Rescind must be forwarded to the Lender with the other closing documents. **The rescission period may not be waived unless approved in writing by the Lender.**

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

11. **TERMITE INSPECTION REPORTS.** It is the Settlement Agent's responsibility to send the Termite Report to the Closing Coordinator for review prior to closing the loan. Any infestation indicated on the report must be treated; any damage must be evaluated by a licensed building expert and all recommended repairs completed prior to closing. Requirements by VA and FHA will vary from state to state. On VA loans, the veteran must sign the report accepting and acknowledging receipt of the Termite Report. On newly completed construction, Soil Treatment Guarantee is required of FHA, VA, and Conventional loans. The forms must be completed in detail and signed by the builder and applicator (exterminator). These forms may not be altered in any way. The originals must be forwarded to the Lender.
12. **HUD-1 SETTLEMENT STATEMENT.** Furnish three (3) certified copies of the HUD-1 Settlement Statement with original signatures by Borrower, Seller and Settlement Agent.
  - 12.1 The HUD-1 or HUD-1A Settlement Statement forms promulgated by the U.S. Department of Housing and Urban Development with a certification that it reflects an accurate statement of all receipts and disbursements must be used in all transactions. For a loan with no Seller, use the HUD-1A Settlement Statement form.
  - 12.1.1 The HUD-1 or HUD-1A Settlement Statement must be typed. The type of loan, general file number, loan or process number, and mortgagee insurance case number, if applicable, must be indicated. The correct name and address, including street, city, county, state, and zip code must be shown for Borrower, Seller, Lender and Settlement Agent. The settlement date must be the date that the security instrument/deed of trust becomes effective as between the Borrower and the Lender. The date funding is authorized by the Lender must also be shown.
  - 12.3 Recording fees must itemize the charges for each instrument being recorded. Property taxes must be broken down for each taxing authority paid. If taxes are assessed at an unimproved and improved rate during the tax year, indicate on the HUD-1 Settlement Statement the charges as follows: "Unimproved taxes for \_\_\_ months at \$ \_\_\_\_; and improved taxes for \_\_\_ months at \$ \_\_\_\_."
  - 12.4 All settlement charges listed on page 2 of the HUD-1 Settlement Statement must show the party to whom the charge is paid. All POCs (Paid Outside of Closing items) must be shown on the HUD-1 Settlement Statement. Unless indicated otherwise in the Supplemental Closing Instructions, collect per diem interest from the date of funding authorization (not the date of execution of the documents) up to and including the end of the month in which the loan closed. Do not collect per diem interest for the first day of the month following the closing. Interest charges must be accurately reflected in the HUD-1 Settlement Statement. If necessary, amend and initial the statement to reflect the correct funding date, interest amount due, and totals.

12.5 Borrower(s) must pay all recurring closing costs (i.e., “prepaids”) at closing on FHA and conventional loans. Recurring closing costs include prorated and escrow reserves for taxes, initial premium and escrow reserves for hazard insurance, flood insurance and mortgage insurance premiums and per diem interest. On VA transactions, and only if specified in the sales contract, the Seller is allowed to pay for Borrower’s prepaid items. Regardless of any contrary statement in these Master Closing Instructions, on FHA and VA loans, Borrower must not be allowed to pay more than the government allowed closing costs. If you have any doubt or question regarding what is an appropriate FHA or VA closing cost, contact the Closing Coordinator. On FHA and VA refinances, Borrower must at least pay the prepaids IN CASH at closing.

If escrow accounts are waived, there must be a hazard insurance policy for twelve (12) months (with a paid receipt) in effect at closing.

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

13. **WARRANTY OF COMPLETION OF CONSTRUCTION.** If FHA or VA approves plans and specifications prior to beginning of construction, and inspects property during construction, the Warranty of Completion of Construction in Substantial Conformity with Approved Plans and Specifications (VA Form 26-1859; HUD Form 92544) will be required. The name of the builder must be included in the specifications.

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

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

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

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

**BORROWERS CANNOT PAY MAILING COSTS ON VA LOANS. THESE COSTS CANNOT APPEAR ON THE HUD-1 SETTLEMENT STATEMENT.**

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

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



**must be returned with closing documents.**

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

**Application for Commitment for Insurance Under the National Housing Act**

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

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Seller

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

\_\_\_\_\_  
Settlement Agent

\_\_\_\_\_  
Date

Applicable to FHA Insured and VA Guaranteed Loans:

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

17. **POWER OF ATTORNEY.** No loan should close through power of attorney unless prior written approval is obtained from the Lender, since some investors will not purchase loans closed on this basis. If your jurisdiction requires the acceptance of a power of attorney, contact the Closing Coordinator. If the use of power of attorney is approved, the following minimum requirements (plus any additional requirements necessary to satisfy investors, FHA and VA) must be met:
- (a) Title Policy must contain affirmative coverage as to the enforceability of the security instrument and the authority of the attorney-in-fact.
  - (b) The power of attorney must be recorded prior to the recording of the security instrument and a copy of the recorded form must be forwarded with closing documents. (If a recorded copy is not available, a copy of the executed instrument and recorder's receipt will be acceptable.)
  - (c) The power of attorney form should grant the authority to purchase, execute a note, and encumber real estate, naming the specific property. On a VA loan, if the veteran is granting authority, it must give the power to use the veteran's VA entitlement. It must be valid at closing.
  - (d) The closing attorney must provide the Closing Coordinator with evidence that Borrower is alive as of date of closing. Example: On a VA loan, if veteran is in service, a letter from his commanding officer or telegram or letter from Borrower dated on or after closing date confirming veteran is alive.

- (e) All closing documents must be signed by the attorney-in-fact.
- (f) All requirements of state law concerning the form, execution, and acknowledgment of powers of attorney, must be complied with. For North Carolina loans, the power of attorney must be executed under seal.

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

<b>BORROWER(S) POWER-OF-ATTORNEY (POA)</b>
--

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

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

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

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

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

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

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

**18. EXECUTION OF DOCUMENTS.**

- 18.1 Settlement Agent must verify by pictorial identification the identity of all the parties (as more fully described in Section 1).
- 18.2 All documents and riders must be signed exactly as the name is typed. Do not make any deletions, amendments, erasures, strikeouts, or additions to the documents without Lender's approval. If possible, a deletion should be made by marking one line through the language to be deleted. If approved, said deletions, amendments, erasures, additions and/or strikeouts must be initialed by all parties required to sign that document. Pages of the note and deed of trust which do not contain an original signature must be initialed by the Borrowers. Obtain the initials of an

appropriate party on all other documents indicating a place for party initialing. Do not allow the Borrower to sign any documents containing blanks.

- 18.3 Acknowledgments should be dated on or after the date of document execution. **Documents must not be signed or notarized prior to the date of the documents.** All documents must be signed and the transaction otherwise closed and funded prior to the “Document Expiration Date” indicated on the first page of the Supplemental Closing Instructions. All notarized documents must bear the seal, expiration date and printed name of the notary, and be signed by the notary, in accordance with applicable law.
- 18.4 If a UCC-1 Financing Statement is included in the document package, it must be filed according to Uniform Commercial Code revised Article 9.

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

19. **MINORS.** If any or all of the parties to the loan are minors as defined by the laws of the state in which the subject property is located, the loan cannot close unless we have the closing attorney’s certification that all parties to the loan are bound by the documents they execute as if they had reached their majority, and the title insurance obtained affirmatively insures same.
20. **SIGNING WITH MARK.** If it is necessary for Borrower to sign with his/her mark, the signatures of two witnesses (with names of witnesses typed under signatures) will be required.
21. **SECONDARY FINANCING.** No loan is to close with secondary financing without the Lender’s explicit written approval. Secondary financing may be contrary to the approval of the loan by the VA, FHA and/or investor.
22. **HOUSING AUTHORITY LOANS.** Housing Authorities have been established in a number of states to purchase low interest rate loans to persons meeting certain criteria. Because of the low interest yield and limited time in which the Lender has to deliver the loans to an Authority, it is mandatory that these loans are closed accurately as they cannot generally be sold elsewhere without substantial loss. Unlike normal FHA and VA loans, these cases may not qualify if Borrower’s incomes exceed a certain amount or if composition of household changes between the time of filing application and loan closing. If the Settlement Agent has reason to believe any such change in income or household composition has occurred since Borrower filed application for the loan, notify the Lender prior to closing so that the Lender may determine if the loan will be eligible for delivery to the Authority.
23. **FUNDING AND DISBURSEMENT.** After a satisfactory review, the loan will be funded pursuant to the procedure stated in the Supplemental Closing Instructions. The completed closing package is due in Lender’s office on the business day indicated in the Supplemental Closing Instructions.

Forward a check to Lender in an amount equal to the sum of all Lender fees and escrows which have not/or will not be deducted from Lender’s funds, including the indicated monthly escrows and interest adjustment, less any refund items referenced. Indicate the amounts used for monthly prorations. Also, itemize the amounts being remitted to Lender on the check being sent to Lender or by separate letter. Directly pay all other items according to the Supplemental Closing Instructions and invoice(s). If the

recordable documents have not been recorded within 72 hours of disbursement of funds to you, or you are aware that the loan will not fund within 72 hours of disbursement of loan proceeds, you are responsible for contacting the Lender and returning the loan proceeds. You will be responsible for daily interest on these proceeds from the date of disbursement.

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

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

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

# MASTER CLOSING INSTRUCTIONS

LO Company NMLS ID 1234567

LO NMLS ID 157965

Loan # 987654321

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

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

## 1. FRAUD PREVENTION.

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

understand the transaction, suspend closing and immediately contact the Lender.

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

Agent must verify the source of funds; if Borrower funds come from a different institution or an out-of-state institution, suspend closing and immediately contact Lender.

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



- 1.25 Contact Lender immediately if there are any unusual payouts denoted on the Seller's column on the Closing Disclosure.
- 1.26 Settlement Agent must sign the Closing Instructions to acknowledge receipt and to affirm that the Settlement Agent has read, understood and accepts all conditions of conducting the settlement.
- 1.27 Borrower must sign all verification documents and certify that the information in the verifications is accurate.
- 1.28 Settlement Agent must return recordable documents and the final Title Policy in a timely manner, but no later than 30 days from the date of closing. Failure to deliver these documents in a timely manner will result in a claim being filed with the Title Insurer.
- 1.29 Do not allow the Borrower to sign any document containing blanks.
- 1.30 If actual settlement charges on the Closing Disclosure exceed the Loan Estimate supplied at closing by 10% or more, contact the Lender prior to closing.
- 1.31 If the legal documents are incomplete or inconsistent with other information in the mortgage file, immediately contact the Lender.
- 1.32 Ensure all documents have proper signatures.
- 1.33 In addition to your obligation to comply with the delivery and receipt requirements for the Closing Disclosure under federal Regulation Z, Section 1026.19(f), if prepared by the Settlement Agent the Closing Disclosure must be provided to the Creditor for final approval before being delivered to the Borrower(s). **The final approved Closing Disclosure must be received by each consumer entitled to receive it at least 3 business days prior to closing.**

**In the event there are changes to the terms of the transaction, fees, payoffs, or other matters disclosed on the Closing Disclosure which requires provision of a revised disclosure, then the Settlement Agent must make the revised Closing Disclosure available to the consumer for review the business day before closing. IN THE EVENT A REVISED CLOSING DISCLOSURE IS PREPARED DUE TO ONE OF THE FOLLOWING REASONS: (1) THE ANNUAL PERCENTAGE RATE (APR) OF THE LOAN BECOMES INACCURATE AS DEFINED IN REGULATION Z; (2) A CHANGE IN LOAN PRODUCT; OR (3) THE ADDITION OF A PREPAYMENT PENALTY TO THE LOAN, THEN THE REVISED CLOSING DISCLOSURE MUST BE RECEIVED BY EACH CONSUMER ENTITLED TO RECEIVE IT AT LEAST 3 BUSINESS DAYS PRIOR TO CLOSING.**

Then, the escrow agent shall close the transaction and disburse funds only in accordance with the approved Closing Disclosure. **If any party to the transaction requests that his/her funds be disbursed in any manner different from the approved Closing Disclosure, the escrow agent shall advise us of the request and obtain prior approval from us before any funds are disbursed in a manner different from the approved Closing Disclosure.**

2. **INSURED CLOSING.** An Insured Closing Protection Letter in the form authorized for use in your state must be issued in connection with the closing and settlement of any loan closing. All Issuing Agents and approved attorneys must confirm that such a letter is on file with the Lender before closing the loan.
3. **CLOSE AS INSTRUCTED AND REQUIRED.** As Settlement Agent, you must close the transaction in

strict accordance with these Closing Instructions. If this transaction involves a sale, all applicable terms and conditions of the sales contract furnished to Lender must be followed. Immediately advise the Lender if any of the sales contract provisions conflict with these Closing Instructions. Prior to request for funding, you must have written authorization from Lender approving any deviation from the Master and/or Supplemental Closing Instructions. No credits, debits, secondary financing, or third party contributions are allowed unless specifically authorized in the Supplemental Closing Instructions. All persons signing both the note and the security instrument must be vested in title unless the Lender states in writing that an individual is acting pro forma or as a cosigner or guarantor.

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

- 4.1 The date of the Title Commitment or Binder may not be more than ninety (90) days before the settlement date. If the Title Commitment or Binder has expired, do not close the loan, and contact the Lender immediately. The Title Commitment or Binder must have an authorized counter-signature by a validating officer or authorized signatory.
- 4.2 The Title Policy must insure a first and superior deed of trust, mortgage lien, or other specified security instrument and insure over all title exceptions that would jeopardize the marketability of title. Unless authorization is granted by Lender, the policy must be on the standard ALTA Loan Policy (Rev. 10-17-1992).
- 4.3 If, pursuant to the Lender's direction, the policy is written on a form other than the standard ALTA Loan Policy, the ALTA Short Form Residential Loan Policy should be used. In conjunction with the Master Policy, the coverage provided by the short-form policy must be at least as broad, providing at least the amount and scope of coverage given by the standard ALTA Loan Policy. In addition, by issuing a short-form policy, you acknowledge that the Lender may, in the future, request that a full, individual, standard ALTA Loan Policy be provided in its place.
- 4.4 The effective date of the policy coverage may be no earlier than the later of the date of the final disbursement of the loan proceeds or the date the security instrument is recorded.
- 4.5 The "Proposed Insured" must read exactly as Lender's loan documents with the following additional phrase:

**If a Conventional Loan:** "Its successors and/or assigns as defined in Paragraph 1(a) of the Conditions and Stipulations of this policy."

**If an FHA Loan:** "And/Or the Secretary of Housing and Urban Development of Washington, D.C., their respective successors and assigns, as defined in Paragraph 1(a) of the Conditions and Stipulations of this policy."

**If a VA Loan:** "And/Or the Secretary of the Department of Veterans Affairs, an officer of the United States of America, their respective successors and assigns."

- 4.6 The amount of the coverage should at least equal the loan amount indicated in the Supplemental Closing Instructions. If the loan has potential capitalized interest or negative amortization, the coverage should equal the highest outstanding balance possible under the terms of the loan.
- 4.7 The “Proposed Borrower” must exactly match the Borrower’s name(s) indicated in the loan documents.
- 4.8 The legal description in the Title Policy and loan documentation must conform to the survey, if a survey is available.
- 4.9 The “Estate Insured” must read FEE SIMPLE unless provided otherwise in the Supplemental Closing Instructions. The Mortgagee Title Insurance Policy must insure against any loss or damage sustained or incurred by reason of a lack of a right of access to and from the land. Any easements providing access to the property must be insured as part of the estate, and not shown as an exception on Schedule “B.”
- 4.10 The policy cannot contain:
- (a) Any exception for taxes, assessments or other charges currently due and payable.
  - (b) Any exception for mechanic’s, materialman’s, artisan’s or similar liens.
  - (c) General exceptions as to unrecorded easements or rights of way.
  - (d) General exceptions as to matters of survey including unrecorded easements or rights of way.
  - (e) Any exceptions to the dower, curtesy, homestead, community property or other statutory material rights, if any, of the spouse of any individual insured. In all cases where any rights of dower or curtesy may affect the taking of title to the property, the policy is to provide affirmative title insurance that the lien of our deed of trust, mortgage, or other security instrument has priority over any statutory rights of dower or curtesy. In those situations, the following language is to be included in the policy/binder: “This policy/binder insures, up to the face amount hereof, that the Insured shall incur no loss or damage as a result of the exercise or attempted exercise, of dower or curtesy rights.”
  - (f) **NO REVERSIONARY INTEREST, RIGHTS OF FIRST REFUSAL, OR RIGHTS OF RE-ENTRY THAT COULD RESULT IN A FORFEITURE OF TITLE OR ANY PART OF TITLE TO THE PROPERTY WHICH IS NOT SUBORDINATED TO LENDER’S INSURED LIEN ARE ALLOWED.**
- 4.11 Any easement, encroachment, right-of-way or restriction constituting an exception must be specifically described on Schedule “B.” Any easement or right-of-way indicated on Schedule “B” must be located on the survey unless Lender approves otherwise. If the survey does not show easements which are on the Title Commitment or Binder, either (i) remove said item(s) from Title Commitment or Binder or (ii) have surveyor locate and identify said items on an amended survey and obtain Lender’s approval of said location. A surveyor’s letter is not sufficient in lieu of removing the exception.
- 4.12 **The Title Policy must be received by Lender no later than 30 days from date of closing.**

5. **TITLE POLICY EXCEPTIONS.** If the title policy will contain exceptions other than those listed below, contact the Closing Coordinator prior to closing of loan. In addition to the survey, it may be necessary for you to forward a copy of recorded documentation to determine whether a waiver will be required before closing and disbursement.

- (a) Taxes not yet due and payable.
- (b) Restrictions that are not violated and insurance that future violations will not cause a forfeiture or reversion of title.
- (c) Above-surface public utility easements along one or more of the property lines, provided the exercise of the rights thereunder do not interfere with any of the buildings or improvements located on the subject property.

**Note: On FHA and conventional loans, if above-surface public utility easements exceed ten (10) feet from any property line (twelve (12) feet on conventional loans), a waiver from FHA or conventional appraiser and PMI Company, if applicable, must be obtained prior to closing.**

- (d) Customary public utility subsurface easements which are in place and do not extend under any buildings or other improvements on subject property.
- (e) Mutual easement agreements recorded in the public records which establish joint driveways, joint garages, party walls, water wells, septic systems, or other private utility systems constructed partly on the subject property and partly on adjoining property, provided the easement agreement allows all future owners, their heirs and assigns forever, unlimited use without restriction of these joint driveways, garages, party walls, wells and other systems. (A copy of **recorded agreements** must be forwarded with closing documents.)

**Note: If survey reveals joint driveway, garage, water well, septic system or other private utility system, then such an agreement must be recorded.**

- (f) Encroachments:
  - (i) On subject property by improvements on adjoining property where such encroachments do not exceed one (1) foot, do not touch any buildings and do not interfere with the use of any improvements on subject property.
  - (ii) On adjoining property by driveways belonging to subject property where such encroachments do not exceed one (1) foot, provided there exists a clearance of at least ten (10) feet between the buildings on the subject property and the property line affected by the encroachment.
  - (iii) On adjoining property by eaves and overhanging projections attached to improvements on subject property where such encroachments do not exceed one (1) foot provided there exists a clearance of at least ten (10) feet between the buildings on the subject property and the property line affected by the encroachment

**VA Loans:** This exception not acceptable unless written waiver obtained from VA **prior to closing**).

- (iv) On adjoining property by hedges and removable wooden or wire fences belonging to the subject property.
- (iv) By garages or improvements, other than those which are attached to or a portion of the main dwelling structure, over easements for public utilities, provided such encroachment does not interfere with the use of the easement or the exercise of the rights of repair and maintenance in connection therewith.

**VA Loans:** This exception not acceptable unless written waiver obtained from VA **prior to closing**).

5.1 If subject property is served by a private water and/or sewer system, Schedule “B” of the Title Policy must contain the following affirmative coverage: “With respect to the private utility system documents of public record, there are no provisions that could result in a superior lien on the subject property ahead of the insured mortgage, or that could create a lien that would take priority over the interest of the mortgagee acquired through a deed in lieu of foreclosure.” Prior to closing the loan, please confirm with the title company that it will provide the foregoing affirmative coverage prior to closing the loan. If you are unable to satisfy this requirement, notify Lender’s Closing Coordinator. **DO NOT** close the loan.

5.2 Standard ALTA endorsements as shown below **must be issued** as applicable.

ALTA Endorsement	Form 1	Street Assessments
	Form 2	Truth-in-Lending
	Form 3	Zoning
	Form 3.1	Zoning – Completed Structure
	Form 4	Condominium
	Form 4.1	Condominium
	Form 5	Planned Unit Development
	Form 5.1	Planned Unit Development
	Form 6	Variable Rate Mortgage
	Form 6.1	Variable Rate Mortgage – Regulations
	Form 6.2	Variable Rate Mortgage – Negative Amortization
	Form 7	Manufactured Housing Unit
	Form 8.1	Environmental Protection
	Form 9	Restrictions, Encroachments, Minerals
	Form 9.1	Restrictions, Encroachments, Minerals – Owners Policy Unimproved Land
	Form 9.2	Restrictions, Encroachments, Minerals – Owners Policy Improved Land
	Form 10	Assignment
	Form 10.1	Assignment and Date Down
	Form 11	Mortgage Modification
	Form 12	Aggregation

State-specific endorsements must be issued where required.

An exception for rights of tenants in possession or rights of tenants under unrecorded or recorded

leases is **unacceptable** except as follows:

- (a) Remaining term of lease is less than twelve (12) months and Title Policy so states.
- (b) The rights of tenants under unrecorded or recorded leases must be **fully subordinated** to Lender's security instrument.
- (c) The title policy must **affirmatively insure the priority of our lien over the rights of tenants under leases** (the title company will require evidence of subordination for this coverage).
- (c) If leases are not already in existence, delay consummation thereof until after execution and recordation of the Security instrument.

The Settlement Agent **must** determine **prior** to loan closing that these requirements are met in order to prevent the Lender from entering into a transaction that will deprive the Lender of what has been bargained for, and render a loan unsalable. If the Settlement Agent is unable to comply with these requirements, notify Lender's Closing Department. **DO NOT** close the loan.

If the policy will contain an exception for oil, water, mineral or other subsurface rights, the policy must affirmatively insure that the exercise of such rights will not result in damage to the property or impairment of the use of the property for residential purposes. In addition, a certification as follows will be required from the Settlement Agent: "The known facts do not import exercise, or impending exercise, of such outstanding rights in such a manner as to materially alter the contour of the mortgaged property or impair its value or usefulness for its intended purposes, and generally that such outstanding rights are similar to those customarily acceptable to prudent lending institutions, informed buyers, and lending attorneys in the community."

5.3 NO REVERSIONARY INTEREST, RIGHTS OF FIRST REFUSAL, OR RIGHTS OF RE-ENTRY THAT COULD RESULT IN A FORFEITURE OF TITLE OR ANY PART OF TITLE TO THE PROPERTY WHICH IS NOT SUBORDINATED TO LENDER'S INSURED LIEN ARE ALLOWED.

6. **SURVEY REQUIREMENTS.** On all loans covering individual units and approved PUDs, one (1) original location survey certified by a licensed surveyor will be required prior to issuing closing papers. The following survey requirements must be met:

- 6.1 Survey must show the location of buildings, driveways, fences, easements, encroachments, setback lines, beginning point, relation to adjacent properties and street intersections, north point, surveyor's original seal, lot and block number, recorded map information and indicate where property abuts public street with permanent access.
- 6.2 Survey must contain certification by surveyor as to whether property is located in a flood hazard area. If survey indicates flood insurance is required, refer to paragraph on Flood Insurance Requirements. If survey does not contain certification as to flood insurance, a separate certification must be furnished from the surveyor.
- 6.3 If the survey shows a discrepancy from the property description of more than 2% in the front lot line or 5% in any other lot line, or a change in the description from that appearing in the Supplemental Closing Instructions, you should obtain the Lender's approval prior to closing.

6.4 The Survey must show the name of the Borrower.

For Condominium Loans, a copy of the recorded map showing the location of the unit is required in lieu of a Survey.

7. **HAZARD INSURANCE REQUIREMENTS.** It is the responsibility of the Settlement Agent to determine that coverage, as specified, is in force **on or prior to** the date of closing. Original Homeowner's Policy or Statement of Coverage for amount indicated in Supplemental Closing Instructions is required with a paid receipt for first year's premium. Except when required by state law, **binders are unacceptable.** (Note: If the property is located in the state of New York, state law requires the acceptance of binders.) Minimum coverage is fire and extended coverage. The insuring company must have an Alfred M. Best rating of Class III or better and be acceptable to Lender. Maximum deductible is the greater of \$1,000.00 or 1.00% of the loan amount. Names of insured and address of property are to be identical to closing papers.
8. **PUDS.** In addition to the hazard insurance on the living unit required in the Supplemental Closing Instructions, the Settlement Agent must verify that we have received, prior to closing, evidence that the Owners Association has secured adequate coverage of hazard and liability on the common areas, and fidelity insurance on the Owners Association.

**Condominiums:** If a copy of the policies has not been received, a copy must be forwarded with the closing documents. Before closing the loan, the Settlement Agent must verify that the following coverage exists:

- (a) A "Master" or "Blanket" policy of property insurance equal to full replacement value of the condominium project affording coverage for loss or damage by fire and other hazards.
  - (b) A comprehensive policy of public liability insurance covering all of the common areas and commercial spaces in the condominium project.
  - (c) Adequate fidelity coverage on the Owners Association to protect against dishonest acts by its officers, directors, trustees, employees and all others who are responsible for handling funds of the Association.
  - (d) The insured must be the Owners Association of the condominium project, on behalf of the owners of the condominium unit and their mortgagees.
  - (e) The Lender requires that the Settlement Agent provide a Certificate of Insurance or Memorandum from the insurance carrier as to the unit in the condominium, and evidence the Lender is a named mortgagee.
9. **FLOOD INSURANCE.** Federal flood legislation specifies that lenders **must** require flood insurance on properties located in Special Flood Hazard Areas (A, V) once such areas have been identified and coverage is available through community participation in the program. **Compliance with this legislation is very important.** Please call the Closing Coordinator if you have any questions.

Where a survey is applicable, the Survey Requirements specify that surveyors are to furnish, either on or with the survey, a certification indicating whether or not the property is in a flood hazard area. **If flood insurance is not required in the Supplemental Closing Instructions and the Surveyor indicates property is in a flood hazard area, contact the Closing Coordinator for further instructions prior to closing.** Where flood insurance is required, names, address of property, and loss payable should be the

same as in hazard insurance policy and closing documents. The following should be included with closing documents:

- (a) A copy of Application for Flood Insurance dated on or prior to the date of closing or original Flood Insurance Policy. (On condominium loans, a “blanket” policy of flood insurance in the name of the Owners Association and designated trustee must be provided with closing documents.)
- (b) Receipt indicating payment of first annual premium.
- (c) If original policy is not enclosed, certification by Flood Insurance Agent that original policy, when issued, will be forwarded.
- (d) Refinance cases (no transfer of title): If property is located in Special Flood Hazard Area and the property is not already covered, there will be a five-day waiting period from the date of application for insurance before coverage will be in effect. Loan closing should not occur until flood insurance is in effect.

10. **TRUTH-IN-LENDING.**

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

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

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

11. **TRUTH IN LENDING/RESPA INTEGRATED DISCLOSURES: CLOSING**

**DISCLOSURE.** furnish three (3) certified copies of the Closing Disclosure with original signatures by Borrower and, as applicable, Seller. For a purchase transaction where Settlement Agent prepares a separate Seller Closing Disclosure, Settlement Agent must also provide Lender copies of the Closing Disclosure provided to Seller.

11.1 All closings are subject to compliance with the Truth-in-Lending Act and Regulation Z, as amended. The Settlement Agent is expected to be familiar with Regulation Z. As required under the Truth-in-Lending Act and Regulation Z, a Loan Estimate has been delivered to the Borrower(s) within three (3) business days of loan application. Per Regulation Z the Creditor is required to deliver a Closing Disclosure to the Consumer so that the Consumer receives it three (3) business days prior to consummation, based on exact figures. If the closing will take place on a day other than that set forth in the Closing Disclosure, call the Closing Coordinator for correct



figures and information. The completed Closing Disclosure may or may not be signed by the Borrower(s) at closing prior to the execution of any of the other documents, based on Lender requirement. The Borrower(s) must be given a copy of this Closing Disclosure. Contact the Closing Department if any portion of the Closing Disclosure appears to be inaccurate.

- 11.2 The Closing Disclosure forms promulgated by the Consumer Finance Protection Bureau that reflect an accurate statement of all receipts and disbursements must be used in all transactions. For a loan with no Seller, use the alternative Closing Disclosure form.
- 11.3 The Closing Disclosure must be typed. The type of loan, general file number, loan or process number, and mortgagee insurance case number, if applicable, must be indicated. The correct name and address, including street, city, county, state, and zip code must be shown for Borrower, Seller, Lender and Settlement Agent. The settlement date must be the date that the security instrument/deed of trust becomes effective as between the Borrower and the Lender. The date funding is authorized by the Lender must also be shown.
- 11.4 Property taxes must be broken down for each taxing authority paid. If taxes are assessed at an unimproved and improved rate during the tax year, indicate on the Closing Disclosure the charges as follows: "Unimproved taxes for \_\_\_ months at \$\_\_\_\_; and improved taxes for \_\_\_ months at \$\_\_\_\_."
- 11.5 All settlement charges listed on page 2 of the Closing Disclosure in Loan Costs- Section B (Services Borrower Did Not Shop For), Section C (Services Borrower Did Shop For), and Section H (Other) must show the party to whom the charge is paid. All POCs (Paid Outside of Closing items) must be shown on the Closing Disclosure. Unless indicated otherwise in the Supplemental Closing Instructions, collect per diem interest from the date of funding authorization (not the date of execution of the documents) up to and including the end of the month in which the loan closed. Do not collect per diem interest for the first day of the month following the closing. Interest charges must be accurately reflected in the Closing Disclosure. If the funding date has changed, a corrected Closing Disclosure will be produced and provided to all parties post-closing.
- 11.6 Borrower(s) must pay all recurring closing costs (i.e., "prepaids") at closing on FHA and conventional loans. Recurring closing costs include prorated and escrow reserves for taxes, initial premium and escrow reserves for hazard insurance, flood insurance and mortgage insurance premiums and per diem interest. On VA transactions, and only if specified in the sales contract, the Seller is allowed to pay for Borrower's prepaid items. Regardless of any contrary statement in these Master Closing Instructions, on FHA and VA loans, Borrower must not be allowed to pay more than the government allowed closing costs. If you have any doubt or question regarding what is an appropriate FHA or VA closing cost, contact the Closing Coordinator. On FHA and VA refinances, Borrower must at least pay the prepaids IN CASH at closing.  
  
If escrow accounts are waived, there must be a hazard insurance policy for twelve (12) months (with a paid receipt) in effect at closing.
- 11.7 The Settlement Agent responsible for closing the transaction must furnish a Form 1099 reporting the gross proceeds of the sale and any other necessary information to the appropriate Internal Revenue Service Center. The Lender will not report the transaction for the Settlement Agent.
- 11.8 If the Settlement Agent chooses to use a Settlement Statement or similar form to supplement the Closing Disclosure, Lender encourages use of the ALTA model forms (or similar state-specific

forms) when applicable. If a Settlement Statement is provided to the Borrower, the final figures must reconcile to the Closing Disclosure and the Settlement Statement (any and all versions given to Borrower) must be provided to Lender in the final document package.

- 11.9 Both Lender and Settlement Agent must approve the Closing Disclosure used for consummation/closing. Changes may only be made with Lender's approval. If changes are approved, Lender will generate a revised Closing Disclosure or request Settlement Agent to do so.
- 11.10 Lender will review all changes to the loan terms and fees to determine if an update to the Closing Disclosure is necessary and if so, whether a new waiting period is required.
- 11.11 Settlement Agent must notify Lender immediately when a signing does not take place as scheduled, Similarly, Lender will notify the Settlement Agent when a signing date is rescheduled.
- 11.12 **SETTLEMENT AGENT SHALL NOT PERMIT ANY EARLY SIGNING OF DOCUMENTS BY BORROWER WITHOUT LENDER'S EXPRESS WRITTEN APPROVAL. UNLESS OTHERWISE INSTRUCTED BY LENDER IN WRITING, ALL CLOSINGS MUST OCCUR ON THE SCHEDULED CLOSING DATE.**
- 11.13 All updates to the Closing Disclosure fee information and data post-disbursement must be requested by Lender. If the Settlement Agent identifies the need for an adjustment, Settlement Agent must request Lender to review the requested change. Lender will determine if a new Closing Disclosure is required. If Lender revises and approves the Closing Disclosure, the party in possession of excess funds will be responsible for sending any refunds to the Borrower while Lender will send the revised Closing Disclosure to the Borrower. The Settlement Agent will be responsible for preparing and delivering any revised Closing Disclosure to the Seller, as needed. Lender will also mail a revised Closing Disclosure to the Borrower in the case of changes due to clerical errors.
- 11.14 Settlement Agent shall provide the Closing Disclosure to the Seller no later than the day of consummation, and must provide copies of same to Lender. If during the 30-day period following consummation, an event in connection with the settlement of the transaction occurs that causes the Closing Disclosure to become inaccurate, and such inaccuracy results in a change to the amount actually paid by the Seller from the amount disclosed on the Closing Disclosure, the Settlement Agent shall deliver or place in the mail corrected disclosures not later than 30 days after receiving information sufficient to establish that such event has occurred and will send a copy to Lender.
12. **TERMITE INSPECTION REPORTS.** It is the Settlement Agent's responsibility to send the Termite Report to the Closing Coordinator for review prior to closing the loan. Any infestation indicated on the report must be treated; any damage must be evaluated by a licensed building expert and all recommended repairs completed prior to closing. Requirements by VA and FHA will vary from state to state. On VA loans, the veteran must sign the report accepting and acknowledging receipt of the Termite Report. On newly completed construction, Soil Treatment Guarantee is required of FHA, VA, and Conventional loans. The forms must be completed in detail and signed by the builder and applicator (exterminator). These forms may not be altered in any way. The originals must be forwarded to the Lender.
13. **WARRANTY OF COMPLETION OF CONSTRUCTION.** If FHA or VA approves plans and specifications prior to beginning of construction, and inspects property during construction, the Warranty of Completion of Construction in Substantial Conformity with Approved Plans and Specifications (VA Form 26-1859; HUD Form 92544) will be required. The name of the builder must be included in the specifications.

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

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

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

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

**BORROWERS CANNOT PAY MAILING COSTS ON VA LOANS. THESE COSTS CANNOT APPEAR ON THE CLOSING DISCLOSURE.**

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

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

**NOTICE ON FHA LOANS: IF USING YOUR CLOSING DISCLOSURE RATHER THAN THE ONE PREPARED AND SENT WITH THIS CLOSING PACKAGE, BE SURE THE FOLLOWING LANGUAGE IS INCLUDED ON AN ADDENDUM TO THE CLOSING DISCLOSURE :**

**Application for Commitment for Insurance Under the National Housing Act**

I have carefully read the Closing Disclosure 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 Closing Disclosure.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Seller

The Closing Disclosure which I have prepared and/or reviewed is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

\_\_\_\_\_  
Settlement Agent

\_\_\_\_\_  
Date

Applicable to FHA Insured and VA Guaranteed Loans:

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

Code Section 1001 and Section 1010.

17. **POWER OF ATTORNEY.** No loan should close through power of attorney unless prior written approval is obtained from the Lender, since some investors will not purchase loans closed on this basis. If your jurisdiction requires the acceptance of a power of attorney, contact the Closing Coordinator. If the use of power of attorney is approved, the following minimum requirements (plus any additional requirements necessary to satisfy investors, FHA and VA) must be met:
- (a) Title Policy must contain affirmative coverage as to the enforceability of the security instrument and the authority of the attorney-in-fact.
  - (b) The power of attorney must be recorded prior to the recording of the security instrument and a copy of the recorded form must be forwarded with closing documents. (If a recorded copy is not available, a copy of the executed instrument and recorder's receipt will be acceptable.)
  - (c) The power of attorney form should grant the authority to purchase, execute a note, and encumber real estate, naming the specific property. On a VA loan, if the veteran is granting authority, it must give the power to use the veteran's VA entitlement. It must be valid at closing.
  - (d) The closing attorney must provide the Closing Coordinator with evidence that Borrower is alive as of date of closing. Example: On a VA loan, if veteran is in service, a letter from his commanding officer or telegram or letter from Borrower dated on or after closing date confirming veteran is alive.
  - (e) All closing documents must be signed by the attorney-in-fact.
  - (f) All requirements of state law concerning the form, execution, and acknowledgment of powers of attorney, must be complied with. For North Carolina loans, the power of attorney must be executed under seal.

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

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

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

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

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

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

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

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

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

**18. EXECUTION OF DOCUMENTS.**

18.1 Settlement Agent must verify by pictorial identification the identity of all the parties (as more fully described in Section 1).

- 18.2 All documents and riders must be signed exactly as the name is typed. Do not make any deletions, amendments, erasures, strikeouts, or additions to the documents without Lender's approval. If approved by Lender, a deletion should be made by marking one line through the language to be deleted. If approved, said deletions, amendments, erasures, additions and/or strikeouts must be initialed by all parties required to sign that document. Obtain the initials of an appropriate party on all other documents indicating a place for party initialing. Do not allow the Borrower to sign any documents containing blanks.
- 18.3 Acknowledgments should be dated on or after the date of document execution. **DOCUMENTS MUST NOT BE SIGNED OR NOTARIZED PRIOR TO THE DATE OF THE DOCUMENTS.** All documents must be signed and the transaction otherwise closed and funded prior to the "Document Expiration Date" indicated on the first page of the Supplemental Closing Instructions. All notarized documents must bear the seal, expiration date and printed name of the notary, and be signed by the notary, in accordance with applicable law.
- 18.4 If a UCC-1 Financing Statement is included in the document package, it must be filed according to Uniform Commercial Code revised Article 9.

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

19. **MINORS.** If any or all of the parties to the loan are minors as defined by the laws of the state in which the subject property is located, the loan cannot close unless we have the closing attorney's certification that all parties to the loan are bound by the documents they execute as if they had reached their majority, and the title insurance obtained affirmatively insures same.
20. **SIGNING WITH MARK.** If it is necessary for Borrower to sign with his/her mark, the signatures of two witnesses (with names of witnesses typed under signatures) will be required.
21. **SECONDARY FINANCING.** No loan is to close with secondary financing without the Lender's explicit written approval. Secondary financing may be contrary to the approval of the loan by the VA, FHA and/or investor.
22. **HOUSING AUTHORITY LOANS.** Housing Authorities have been established in a number of states to purchase low interest rate loans to persons meeting certain criteria. Because of the low interest yield and limited time in which the Lender has to deliver the loans to an Authority, it is mandatory that these loans are closed accurately as they cannot generally be sold elsewhere without substantial loss. Unlike normal FHA and VA loans, these cases may not qualify if Borrower's incomes exceed a certain amount or if composition of household changes between the time of filing application and loan closing. If the Settlement Agent has reason to believe any such change in income or household composition has occurred since Borrower filed application for the loan, notify the Lender prior to closing so that the Lender may determine if the loan will be eligible for delivery to the Authority.
23. **FUNDING AND DISBURSEMENT.** After a satisfactory review, the loan will be funded pursuant to the procedure stated in the Supplemental Closing Instructions. The completed closing package is due in Lender's office on the business day indicated in the Supplemental Closing Instructions.

Forward a check to Lender in an amount equal to the sum of all Lender fees and escrows which have not/or

will not be deducted from Lender's funds, including the indicated monthly escrows and interest adjustment, less any refund items referenced. Indicate the amounts used for monthly proration. Also, itemize the amounts being remitted to Lender on the check being sent to Lender or by separate letter. Directly pay all other items according to the Supplemental Closing Instructions and invoice(s). If the recordable documents have not been recorded within 72 hours of disbursement of funds to you, or you are aware that the loan will not fund within 72 hours of disbursement of loan proceeds, you are responsible for contacting the Lender and returning the loan proceeds. You will be responsible for daily interest on these proceeds from the date of disbursement.

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

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

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

Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Notice of No Oral Agreements

LO Company NMLS ID 1234567  
LO NMLS ID 157965  
Loan # 987654321

**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 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.

### Acknowledgment of Receipt

I hereby acknowledge receipt of this Notice of No Oral Agreements and further acknowledge that I understand its provisions. Words used in this Notice of No Oral Agreements mean and include the plural and vice versa.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Joe Borrower**

*[Sign Originals Only]*



Lender: **PPDocs**  
Borrower: **Joe Borrower**  
Property: **555 Main Street, Newark, New Jersey 07101**

## Collateral Protection Insurance Notice

**LO Company NMLS ID 1234567**  
**LO NMLS ID 157965**  
**Loan # 987654321**

The following notice is given to Borrower by Lender.

- A. Borrower is required to:
- (i) keep property insured against damage in the amount Lender specifies;
  - (ii) purchase the insurance from an insurer that is authorized to do business in this state or an eligible surplus lines insurer; and
  - (iii) name Lender as the person to be paid under the policy in the event of a loss;
- B. Borrower must, if required by Lender, deliver to Lender a copy of the policy and proof of the payment of premiums; and
- C. If Borrower fails to meet any requirement listed in Paragraph (A) or (B), Lender may obtain collateral protection insurance on behalf of Borrower at Borrower's expense.

---

Signature

Date

**Joe Borrower**

*[Sign Originals Only]*

# NOTE

Loan # 987654321

January 19, 2016  
[Date]

Newark,  
[City]

NJ  
[State]

555 Main Street, Newark, New Jersey 07101  
[Property Address]

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. **\$125,000.00** (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is **PPDocs**. 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 **4.000%**.

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 payments every month.

I will make my monthly payments on the **First** day of each month beginning on **March 1, 2016**. 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 **February 1, 2046**, 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 **2310 W INTERSTATE 20, Suite 100, ARLINGTON, TX 76017** 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 **\$596.77**.

## 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 **15** 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 **3.000%** 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:

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.

If Lender exercises this option, 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.

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

\_\_\_\_\_  
Signature

**Joe Borrower**

*[Sign Originals Only]*

MLO Organization: ABC Lender

ID: 1234567

MLO Individual: Carrie Goff

ID: 157965

After recording please return to:  
**PPDocs**  
**2310 W INTERSTATE 20, Suite 100**  
**ARLINGTON, TX 76017**  
**Gail Knight**

Prepared by:



\_\_\_\_\_  
[Signature of Natural Person]

**Michael D. Carroll, Esquire**  
**605 New Road, Second Floor**  
**Linwood, NJ 08221**  
**(609) 601-9500**

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

## MORTGAGE

**Loan # 987654321**

### DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

- (A) **“Security Instrument”** means this document, which is dated **January 19, 2016**, together with all Riders to this document.
- (B) **“Borrower”** is **Joe Borrower, single man**. Borrower is the mortgagor under this Security Instrument.
- (C) **“Lender”** is **PPDocs**. Lender is a organized and existing under the laws of . Lender’s address is **2310 W INTERSTATE 20, Suite 100 ARLINGTON, TX 76017**. Lender is the mortgagee under this Security Instrument.
- (D) **“Note”** means the promissory note signed by Borrower and dated **January 19, 2016**. The Note states that Borrower owes Lender **One Hundred Twenty Five Thousand and 00/100 Dollars (U.S. \$125,000.00)** plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **February 1, 2046**.
- (E) **“Property”** means the property that is described below under the heading “Transfer of Rights in the Property.”
- (F) **“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) **“Riders”** means all Riders to this Security Instrument that are executed by Borrower. The following

New Jersey Mortgage-Single Family-Fannie Mae/Freddie Mac Uniform  
Instrument

Form 3031 01/01

14001NJ 08/00 Rev. 07/29/13

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1559120116 [Doc Id 6648 M09032013]

Riders are to be executed by Borrower [check box as applicable]:

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider              | <input type="checkbox"/> Second Home Rider       |
| <input type="checkbox"/> Balloon Rider         | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider  |
| <input type="checkbox"/> 1-4 Family Rider      | <input type="checkbox"/> Rate Improvement Rider         | <input type="checkbox"/> Graduated Payment Rider |
| <input type="checkbox"/> VA Loan Rider         | <input type="checkbox"/> Manufactured Home Rider        | <input type="checkbox"/> Other(s):               |

**(H) “Applicable Law”** means 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.

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

**(J) “Electronic Funds Transfer”** means any transfer of funds, other than a transaction originated 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. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

**(K) “Escrow Items”** means those items that are described in Section 3.

**(L) “Miscellaneous Proceeds”** means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages 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 (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

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

**(N) “Periodic Payment”** means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

**(O) “RESPA”** means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), 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.

**(P) “Successor in Interest of Borrower”** means any party that has taken title to the Property, whether or not that party has assumed Borrower’s obligations under the Note and/or this Security Instrument.

## TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower’s covenants and agreements under this Security

Instrument and the Note. For these purposes, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the **County** [Type of Recording Jurisdiction] of **Essex** [Name of Recording Jurisdiction]:

**See Exhibit "A" attached hereto and made a part hereof.**

which currently has the address of

**555 Main Street  
Newark, New Jersey 07101**  
("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

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

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

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

**1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.**

Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made 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, provided any such check is 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 designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future. If Lender accepts such payments, it shall apply such payments at the time such payments are accepted. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

**2. Application of Payments or Proceeds.**

Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. 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 shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

**3. Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by



RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

**5. Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, 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 such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's 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. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may

make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then 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 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such 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. Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

**7. Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration 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, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

**8. Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

**9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument.**

If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) 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. Securing the Property includes, but is not limited to, entering 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, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

**If the Property is subject to a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument, Borrower shall promptly provide written notice to Lender of any attempt to acquire the Property by a third-party instituting such legal proceeding.**

**If the Property is subject to a condemnation action, Lender shall be allowed to participate in any negotiations between the condemning authority and the Borrower. Lender shall also be allowed to participate in any subsequent valuation proceedings.**

**If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or abandons the Property, Lender shall have the authority to control or approve any decisions regarding the acceptance or rejection of any condemnation award.**

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall 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, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage

Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses 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.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are 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 funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides 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." Further:

**(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.**

**(b) Any such agreements will not affect the rights Borrower has – if any – with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.**

**11. Assignment of Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall 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 an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall 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 shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

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 by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall 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 Borrower.

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, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

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

**12. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

**13. Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

**14. Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's 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. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that

the interest or other loan charges collected or to be collected in connection with the 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 Borrower which exceeded permitted limits will be refunded to Borrower. 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 (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

**15. Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall 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 shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until 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. Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

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

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

**18. 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.

If Lender exercises this option, 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.

**19. Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the

earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, 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) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses 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, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

**20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. 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 Borrower 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 Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant 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 party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must 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 Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

**21. Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law,

(b) which 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 preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall 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 Borrower has 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 Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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

**22. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property; (e) the Borrower's right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure; and (f) any other disclosure required under the Fair Foreclosure Act, codified at §§ 2A:50-53 et seq. of the New Jersey Statutes, or other Applicable Law. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, attorneys' fees and costs of title evidence permitted by Rules of Court.

**23. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall cancel this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

**24. No Claim of Credit for Taxes.** Borrower will not make deduction from or claim credit on the principal or interest secured by this Security Instrument by reason of any governmental taxes, assessments or charges. Borrower will not claim any deduction from the taxable value of the Property by reason of this Security Instrument.

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

Signed, sealed and delivered in the presence of:



\_\_\_\_\_  
Signature Date  
**Joe Borrower**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

Mailing address:  
987 Any Street  
Newark, NJ 07101

*[Sign Originals Only]*

STATE OF NEW JERSEY  
COUNTY OF \_\_\_\_\_

Before me, the undersigned authority, on this day personally appeared **Joe Borrower**, known or proved to me according to law to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she/they voluntarily executed the same for the purposes of consideration therein expressed, and in the capacity stated.

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

\_\_\_\_\_  
Notary, State of \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

MLO Organization: ABC Lender  
ID: 1234567  
MLO Individual: Carrie Goff  
ID: 157965

**LAST PAGE  
OF THE PACKAGE**