

OWNER'S AFFIDAVIT OF COMPLIANCE

(Regarding Compliance with Provisions of Section 50(a)(6), Article XVI, Texas Constitution)

Borrower(s):

Lender:

Loan No

Property Address:

BEFORE ME, the undersigned authority, on this day personally appeared the undersigned person(s), who, first being duly sworn according to law, upon oath depose and say:

We, the undersigned person or persons, are all the owners, or spouses of owners, of the above described Property, who occupy the property as our principal residence and homestead (the "Homestead Property"). We, or one or more of us, have made application with the Lender for an extension of credit commonly known as an "equity loan," as authorized by Section 50(a)(6), Article XVI, Texas Constitution, which equity loan will be secured by a lien on the Homestead Property (the "Loan"). We are all the Borrower(s) named in the certain promissory note (the "Note") and the certain mortgage, deed of trust, or other written agreement (the "Security Instrument") that evidence and secure the Loan, or spouses of Borrower(s) named in the security instrument only, both of which instruments are dated the same day as this affidavit and are being executed by us contemporaneously with this affidavit and delivered to Lender in connection with the closing of the Loan this date. We are all of lawful age and are making each and every of the representations and statements set forth in this affidavit for the purpose of inducing the Lender to make the Loan and any assignee of the Lender to purchase the Loan:

- | | |
|---|--|
| <i>Voluntary
Lien</i> | 1. The Loan is an extension of credit that is secured by a voluntary lien on the Homestead Property created under a written agreement with the consent of each owner and, if applicable, each owner's spouse; |
| <i>No
Agricultural
Use</i> | 2. The Homestead Property is not designated for agricultural use as provided by statutes governing property tax, or, if designated for agricultural use, the Homestead property is used primarily for the production of milk; |
| <i>80%
Loan to Value</i> | 3. The Loan is of a principal amount that when added to the aggregate total of the outstanding balance of all other indebtedness secured by a valid encumbrance of record against the Homestead Property does not exceed 80 percent of the fair market value of the Homestead Property on this date; and, each of us has this day signed a separate written Acknowledgment as to the Fair Market Value of the Homestead property that we believe to represent the true and correct value of the Homestead Property as of the date the Loan is made; |
| <i>Constitutional
Notice
Received</i> | 4. The Lender has provided each of us with a written notice on a separate instrument entitled "Notice Concerning Extensions of Credit Defined by Section 50(a)(6), Article XVI, Texas Constitution" as set forth in the constitution, the receipt of which notice we have each acknowledged by signing and dating a copy thereof; The written notice provided us was in the English language, but, if our discussions with the Lender were conducted primarily in a language other than English, the Lender has additionally provided us a copy of the notice before closing of the Loan that is translated into the written language in which our discussions were conducted. |
| <i>No
Prohibited
Terms or
Provisions</i> | 5. The Note, Security Instrument, and related closing documents represent the entire agreement between Lender and Borrower with respect to the Loan and there exists no oral or unwritten agreements between us. No agreement of any kind (whether written or unwritten, expressed or implied) exists between Lender and Borrower by or under which terms or provisions prohibited by the constitution or laws of the State of Texas are imposed in connection with the Loan (including expressly no agreement of any kind that the Loan is, or will be, secured by any additional real or personal property other than the Homestead Property or that the Loan proceeds are, or will be, required to be applied to pay another debt except a debt secured by the Homestead Property or a debt to another lender). |
| <i>No Other
Equity Loans</i> | 6. The Loan is, or will be when closed this date, the only debt secured by the Homestead property at the time the extension of credit is made, other than any debts secured on the Homestead Property that were made for another purpose authorized by the Texas Constitution. The Loan is, or will be when closed this date, therefore, the only equity loan secured by the Homestead Property of the type defined by the Section 50(a)(6), Article XVI, Texas Constitution and the Loan is being closed on, or after, the first anniversary of the closing date of any other equity loan of that type secured by the same Homestead Property; |
| <i>Office
Closing
Compliance
with Timing
Requirements</i> | 7. The Loan is being closed this date at the offices of the Lender, or, if not the offices of the Lender, at the offices of an attorney at law or title insurance company authorized by the Lender and not before: <ul style="list-style-type: none"> a. the 12th day after the later of the date that we submitted an application to the Lender for the extension of credit or the date that the Lender provided us a copy of the written notice concerning equity loans described in paragraph 4, of this affidavit; and, b. one business day after the date that we received a copy of the loan application (if not provided earlier) and a final itemized disclosure of the actual fees, points, interest, costs, and charges that will be charged at closing; and, c. the first anniversary of the closing date of any other equity loan secured by the Homestead Property as described in paragraph 6 of this affidavit. |

<i>No Blanks Copies Received</i>	8. We have examined the Note, Security Instrument, and all other documents signed by us in connection with the Loan and verify that we did not sign any instrument in which blanks are left to be filled in, and that we each have been provided a copy of all documents signed by us related to the Loan and the Loan closing, including this affidavit;
<i>Other Debts to Lender</i>	9. We have not been asked or required by the Lender to apply the proceeds of the Loan to repay any other debt we may owe to the Lender except, if applicable, proceeds used to refinance an existing debt to the Lender that is secured by the Homestead Property. Should we elect after closing of the Loan to apply any part of the proceeds of the Loan to repay another debt to the Lender in whole or in part, we acknowledge that such payment will have been made voluntarily and not as a requirement of the Lender or as a condition of the Loan;
<i>Other owners or Undisclosed liens</i>	10. Other than us, there are no other persons and no entities that hold legal title to the Homestead Property. Except as we disclosed in our loan application to the Lender, there are no other encumbrances of record securing debt to anyone or any entity against the Homestead Property, including any second mortgages, home improvement liens or federal tax liens;
<i>Constitutional Right to Rescind</i>	11. We acknowledge and understand that under the Texas Constitution ANY OWNER OF THE HOMESTEAD PROPERTY, AND ANY SPOUSE OF ANY OWNER, MAY, WITHIN THREE (3) DAYS AFTER THIS EXTENSION OF CREDIT IS MADE, RESCIND THE LOAN WITHOUT PENALTY OR CHARGE;
<i>Inducement to Lender</i>	12. WE ACKNOWLEDGE AND UNDERSTAND THAT THE REPRESENTATIONS AND STATEMENTS OF FACT CONTAINED IN THIS AFFIDAVIT ARE MADE UNDER OATH FOR THE PURPOSE OF INDUCING THE LENDER TO MAKE AN EXTENSION OF CREDIT OF THE TYPE DEFINED BY SECTION 50(A)(6), ARTICLE XVI, TEXAS CONSTITUTION, THAT WILL BE SECURED BY A LIEN ON OUR HOMESTEAD PROPERTY AND THAT LENDER IS RELYING ON THE TRUTH AND ACCURACY OF ALL SUCH REPRESENTATIONS AND STATEMENTS OF FACT IN ITS DETERMINATION TO MAKE THE EXTENSION OF CREDIT AND TO DISBURSE LOAN PROCEEDS TO US OR TO OTHERS FOR OUR ACCOUNT. WE FURTHER ACKNOWLEDGE AND UNDERSTAND THAT THE KNOWING MISREPRESENTATION OF A MATERIAL FACT, WHETHER BY ASSERTION OR OMISSION, THAT IS CONTAINED OR SET FORTH IN OUR LOAN APPLICATION, THE ACKNOWLEDGMENT OF FAIR MARKET VALUE, THIS AFFIDAVIT OF COMPLIANCE, OR THE NOTE, SECURITY INSTRUMENT, OR RELATED DOCUMENTS SIGNED BY US IN CONNECTION WITH THE PROCESSING AND CLOSING OF THE LOAN, AND UPON WHICH THE LENDER HAS RELIED IN ITS DETERMINATION TO MAKE THIS EXTENSION OF CREDIT, MAY CONSTITUTE ACTUAL FRAUD THAT WOULD SUBJECT ANY OWNER, OR THE SPOUSE OF ANY OWNER, TO RECOURSE FOR PERSONAL LIABILITY TO LENDER TO KEEP ALL THE PROMISES CONTAINED IN THE NOTE AND SECURITY INSTRUMENT, INCLUDING THE PROMISE TO PERSONALLY PAY THE FULL AMOUNT DUE, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 50(a)(6)(C), ARTICLE XVI, TEXAS CONSTITUTION.
<i>Actual Fraud</i>	

CAUTION: THIS IS A SWORN STATEMENT. DO NOT SIGN THIS AFFIDAVIT UNLESS YOU HAVE READ IT AND, ON OATH, YOU BELIEVE IT TO BE TRUE AND ACCURATE. SIGN THIS AFFIDAVIT ONLY AFTER YOU HAVE SIGNED THE NOTE, SECURITY INSTRUMENT AND ALL OTHER LOAN DOCUMENTS.

_____	_____
-Owner/Borrower	-Owner/Borrower
_____	_____
-Owner/Borrower	-Owner/Borrower
_____	_____
-Owner/Borrower	-Owner/Borrower

Sworn to and Subscribed before me, this _____ day of _____

(Seal) _____

My Commission Expires: _____

Notary Public, State of _____

Notary's typed or printed name: _____