

OWNER'S AFFIDAVIT OF COMPLIANCE

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

BORROWER NAME(S): _____

Loan #: _____

Serv. #: _____

Min: _____

BORROWER(S): _____

LENDER: _____

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 to refinance what is commonly known as an "equity loan," as set forth in Section 50(a)(6), Article XVI, Texas Constitution, which "equity loan" ("Equity Loan") is secured by a lien on the Homestead Property. The loan for such refinance (the "Loan") will also be secured by a lien on the Homestead Property. The Loan may also be used to refinance other debts. 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>Compliance with Timing Requirements</i> | 1. The Loan is not closed before the first anniversary of the closing date of the Equity Loan; |
| <i>No Other Advancements of Funds</i> | 2. The Loan does not include the advancement of any additional funds other than: (i) funds advanced to refinance a debt described in Subsections 50(a)(1) through (a)(7), Article XVI, Texas Constitution; or (ii) actual costs and reserves required by the Lender to refinance the Equity Loan; |
| <i>80% Loan to Value</i> | 3. The Loan is of a principal amount that, when added to the aggregate total of the outstanding principal balances of all other debts secured against the Homestead Property, does not exceed 80% of the fair market value of the Homestead Property as of the date the Loan is made; and |
| <i>Receipt of Constitutionally -Required Notice</i> | 4. The Lender has provided us with a "Notice Concerning the Refinancing of Loans Defined By Section 50(a)(6), Article XVI, Texas Constitution", which is required under Section 50(f)(2)(D), Article XVI, Texas Constitution: <ul style="list-style-type: none"> (i) no later than three business days after we submitted our loan application; and (ii) at least 12 days before the Loan is closed. |
| <i>Inducement to Lender and Actual Fraud</i> | 5. 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 SUBSECTIONS 50(a)(4) & (f)(2), 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 COULD SUBJECT ANY OWNER, OR THE SPOUSE OF ANY OWNER, TO CRIMINAL AND CIVIL LIABILITIES UNDER APPLICABLE FEDERAL AND STATE LAWS. |

Serv. #: _____

Loan #: _____

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.

Signature: _____

- Borrower Name: _____ **- Date:** _____ -

Signature: _____

- Borrower Name: _____ **- Date:** _____ -

SWORN TO AND SUBSCRIBED BEFORE ME, this _____ day of _____.

(Seal)

Notary Public, State of Texas

Notary's typed or printed name

My Commission Expires: _____