



REAFFIRMATION OF MORTGAGOR – HOMEOWNERSHIP PROGRAMS

(To Be Executed at the Time of Closing)

STATE OF _____)

) ss.

COUNTY OF _____)

TSAHC Loan Number: _____

Property Address: _____

The undersigned (jointly and severally, the “Mortgagor”) being duly sworn according to Law, deposes and says under penalty of perjury:

I hereby reaffirm that the statements and information contained in the Program Affidavit which I executed on the closing date of the above referenced loan were true, accurate and complete when made and remain true, accurate, complete and unchanged.

Mortgagor’s Signature

Mortgagor’s Signature

Mortgagor’s Printed Name

Mortgagor’s Printed Name

Before me on this day personally appeared the foregoing individual(s) known to me to be the person(s) whose true and genuine signature(s) were subscribed to the foregoing instrument in my presence.

[SEAL]

Notary Public

My Commission Expires:

11/19/2024

Date

Texas State Affordable Housing Corporation

3-year Deferred Forgivable 2nd Lien

DPA Deed of Trust

A MIN# is no longer required with TSAHC second liens.

TSAHC's 3-year deferred forgivable second lien has been determined to have a "complete" TRID exemption therefore no additional disclosures are required.

Field 1 Date: Should match 2nd lien Note date.

Field 2 Grantors: The persons signing the Deed of Trust. For example: John Doe and Jane Doe, Must add Non-Purchasing Spouse. *(DO NOT include Co-signers/Non-Occupying Borrowers)*

Field 3 Grantor Mailing Address: The mailing address of the property purchased. For example: 123 Main Street, Dallas, TX 12345

Field 4 Date: Signing date of Note. Same value as Field 1. For example: January 1, 2019

Field 5 Original Principal Amount: Principal Amount of Note as numerical value. For example: \$9,243. *(This is the 2nd lien DPA amount, no cents required)*

Field 6 Maker: Person(s) signing the Note. For example: John Doe. Add Co-signers/Non-Occupying Borrowers *(Do not add NPS.)*.

Field 7 Maturity Date: The Maturity Date is third anniversary of the 2nd lien Note date. *(Entering the date on the first field will populate the correct 3-year maturity date on this field. This Date must match maturity date on the TSAHC Note).*

Field 8 Property Commonly Known As: Mailing address of property purchased. Should be same as Grantor Mailing Address and Mailing Address on Note. For example: **123 Main Street, Dallas, TX 12345**

Fields 9 to 15 Property Legal Description: The Next section involves information from the Senior Lien (First Loan/Mortgage). Most of this information is pre-populated from the loan reservation, except for the following:

***Non-Purchasing Spouses** need to be manually added to the 2nd name filed, see example below.

***Lender Trustee** from the related first mortgage deed of trust needs to be manually entered in this section, not TSAHC's Trustee.

For Example:

Property:

Legal Description: **See attached Exhibit "A"**

Commonly known as (Purchase property address. For example, 123 Main Street)

Senior Loan: Loan in the amount of (1st Lien loan Amount) made by (Lender Name) to (Name of Borrower(s)) secured by a vendor's lien retained and assigned to (Lender Name) and additionally secured by a deed of trust made by (Name of borrower with vesting (include any NPS)) to (Lender's Trustee Name) trustee with Property as collateral.

Field 16 Deed of Trust Signature Lines: All Grantors on the DOT must sign. If there is only one Grantor, delete the second line. If there are more than two Grantors, add more lines. Non-Purchasing Spouses must sign. *(Co-signers/Non-Occupying Borrowers must not sign DOT)*

Field 17 Deed of Trust Notary Acknowledgment—If there are more than two Grantors add extra names. Include NPS. Enter closing date, Month, Day and Year for example: June 14, 2021. The Notary can manually fill out the County of Closing. Must be signed at dated by borrowers and Notary at closing. *(Remote online notarizations NOT allowed)*

After recording mail to:
Indecomm Global Services
FD-BV-9902
1427 Energy Park Drive
St. Paul, MN 55108
Bayview.Viewpoint@indecomm.net
651-766-2364

_____[Space Above This Line For Recording Data]_____

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

Deed of Trust

Terms

Date: _____

Grantor(s): _____ and/or NPS

Grantor Mailing Address: _____

Trustee[s]: David Long

Trustee's Mailing Address[es]: 6701 Shirley Avenue, Austin, Texas 78752

Lender: Texas State Affordable Housing Corporation

Lender's Mailing Address: 6701 Shirley Avenue, Austin, Texas 78752, or such other address as specified by the Lender

Obligation: Promissory Note ("Note") with following terms:

Date:

Original Principal Amount:

Maker: _____ and cosigner _____, if applicable

Lender: Texas State Affordable Housing Corporation

Maturity Date: (Third Anniversary of 2nd lien Note Date)

Property: **Legal Description: See attached Exhibit "A"**

Commonly known as:

Information From Senior Loan:

Senior loan (first mortgage loan) in the amount of _____ made by _____
to _____ secured by a vendor's lien retained
and assigned to _____ and additionally secured by a deed of trust made by
and/or NPS _____ to _____, trustee with Property as collateral.

The lien created by this Deed of Trust will be subordinate to lien of the Senior Loan.

Other Exceptions to Conveyance and Warranty: Validly existing easements, rights-of-way, and restrictive covenants of record or not that affect the Property.

Transfer of Rights in the Property

For value received and to secure payment of the Obligation, Borrower conveys the Property to Trustee in trust. Borrower warrants and agrees to defend the title to the Property, subject to the Other Exceptions to Conveyance and Warranty. On full payment, or cancellation or forgiveness of the Obligation and all other amounts secured by this Deed of Trust, this Deed of Trust will have no further effect. Upon payment or forgiveness (cancellation) of all sums secured by this Deed of Trust, Lender shall provide a release of this Deed of Trust to Borrower or Borrower's designated agent without charge, in accordance with applicable law.

Loan Forgiveness

If on the third anniversary of the date of the Note, there has not been a Repayment Event (as defined in the Note) or a default under the Note or this Deed of Trust, then the Lender will forgive the entire outstanding Principal Amount of the Note, and Borrower will not be responsible for any further payment due under the Note. If, however, on or before the third anniversary of the date of the Note, there has been a Repayment Event (as defined in the Note) or a default under the Note or this Deed of Trust, then the Lender will not forgive any of the outstanding Principal Amount of the Note, and the Lender may exercise its rights under the Note and this Deed of Trust.

Clauses and Covenants

A. Borrower's Obligations

Borrower agrees to—

1. keep the Property in good repair and condition;
2. pay all taxes and assessments on the Property before delinquency, not authorize a taxing entity to transfer its tax lien on the Property to anyone other than Lender, and not request a deferral of the collection of taxes pursuant to section 33.06 of the Texas Tax Code; and furnish to Lender, upon written request, evidence satisfactory to Lender that all taxes and assessments on the Property have been paid on or before their due date;

3. defend title to the Property subject to the Other Exceptions to Conveyance and Warranty and preserve the lien's priority as it is established in this Deed of Trust;
4. defend generally any foreclosure sale purchaser's title to the Property against all claims and demands;
5. maintain all insurance coverages with respect to the Property, revenues generated by the Property, and operations on the Property that Lender reasonably requires ("Required Insurance Coverages"), issued by insurers and written on policy forms acceptable to Lender, and deliver evidence of the Required Insurance Coverages in a form acceptable to Lender at least ten days before the expiration of the Required Insurance Coverages; and if the Property is transferred by foreclosure under this Deed of Trust, the transferee will take title to all insurance policies on the Property, including all paid but unearned premiums;
6. obey all laws, ordinances, and restrictive covenants applicable to the Property;
7. keep any buildings occupied as required by the Required Insurance Coverages;
8. pay or cause to be paid all prior lien notes and otherwise comply with their terms, including the Senior Loan, and abide by or cause to be abided by all prior lien instruments, including the deed of trust for the Senior Loan; and
9. notify Lender of any change of address.

B. Lender's Rights

1. Lender or Lender's mortgage servicer, at its option and with or without cause, may from time to time, by power of attorney or otherwise, remove or substitute any Trustee, add one or more Trustees, or appoint a successor trustee to any Trustee without the necessity of any formality other than a designation by Lender in writing. Without any further act or conveyance of the Property the substitute, additional or successor trustee shall become vested with the title, rights, remedies, powers and duties conferred upon Trustee herein and by Applicable Law.
2. Proceeds of the Note used to take up outstanding liens against all or any part of the Property, if any, have been advanced by Lender at Borrower's request and upon Borrower's representation that such amounts are due and are secured by valid liens against the Property. Lender is, and shall be, subrogated to any and all rights, superior titles, liens and equities owned or claimed by any owner or holder of any outstanding liens and debts, regardless of whether said liens or debts are acquired by Lender by assignment or are released by the holder thereof upon payment.
3. Lender may apply any proceeds received under the property insurance policies covering the Property either to reduce the Obligation or to repair or replace damaged or destroyed improvements covered by the policy. If the Property is Borrower's primary residence and Lender reasonably determines that repairs to the improvements are economically feasible, Lender will make the property insurance proceeds available to Borrower for repairs, subject to reasonable requirements to ensure the use of such proceeds for such purpose.

4. Notwithstanding the terms of the Note to the contrary, and unless applicable law prohibits, all payments received by Lender from Borrower with respect to the Obligation or this Deed of Trust may, at Lender's discretion, be applied first to amounts payable under this Deed of Trust and then to amounts due and payable to Lender with respect to the Obligation, to be applied to late charges, principal, or interest (if any) in the order Lender in its discretion determines.

5. If Borrower fails to perform any of Borrower's obligations, Lender may perform those obligations and be reimbursed by Borrower on demand for any amounts so paid, including attorneys' fees, plus interest on those amounts from the dates of payment at the rate stated in the Note (if any) for matured, unpaid amounts. The amount to be reimbursed will be secured by this Deed of Trust.

6. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Deed of Trust. 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; and (d) that failure to cure the default on or before the date specified in the notice will result in (i) acceleration of the sums secured by this Deed of Trust and (ii) sale of the Property. The notice shall further inform Borrower of the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. 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 Deed of Trust without further demand and may invoke the power of sale and any other remedies permitted by applicable law.

7. If a default exists in payment of the Obligation or performance of Borrower's obligations under the Note or this Deed of Trust, and the default continues after any required notice of the default and the time allowed to cure, if any, Lender may, subject to the terms and conditions of the Senior Loan or any other prior liens —

- a. declare the unpaid principal balance and earned interest, if any, on the Obligation immediately due;
- b. exercise Lender's rights with respect to rent under the Texas Property Code as then in effect;
- c. direct Trustee to foreclose this lien, in which case Lender, its designee, or Trustee shall give notice of the date, time, place and terms of sale by posting and filing the notice as provided by applicable law. Lender or its designee shall mail a copy of the notice to Borrower in the manner prescribed by applicable law. Sale shall be public, occurring between the hours of 10 a.m. and 4 p.m. on the first Tuesday of a month (unless the first Tuesday of the month is January 1 or July 4, in which event the sale shall be on the first Wednesday of the month) at a location permitted by applicable law. The time of sale must begin at the time stated in the notice of sale or not later than three hours after the stated time. Borrower authorizes Trustee to sell the Property to the highest bidder for cash in one or more parcels and in any order Trustee determines;
- d. purchase the Property at any foreclosure sale by offering the highest bid and then have the bid credited on the Obligation.

8. Lender may remedy any default without waiving it and may waive any default without waiving any prior or subsequent default.

C. Trustee's Rights and Duties

All rights, remedies and duties of Trustee under this Deed of Trust may be exercised or performed by one or more trustees acting alone or together. Trustee shall not be liable if acting upon any notice, request, consent, demand, statement or other document believed by Trustee to be correct. Trustee shall not be liable for any act or omission unless such act or omission is willful.

If directed by Lender to foreclose this lien, Trustee will—

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then in effect;
2. sell and convey all or part of the Property "AS IS" to the highest bidder for cash with a general warranty binding Borrower, subject to the lien of the Senior Loan or any other prior liens and to the Other Exceptions to Conveyance and Warranty and without representation or warranty, express or implied, by Trustee;
3. from the proceeds of the sale, pay, in this order—
 - a. expenses of foreclosure, including a reasonable commission to Trustee;
 - b. to Lender, the full amount of principal, interest, attorneys' fees, and other charges due and unpaid under the Note or this Deed of Trust;
 - c. any amounts required by law to be paid before payment to Borrower; and
 - d. to Borrower, any balance; and
4. be indemnified, held harmless, and defended by Lender against all costs, expenses, and liabilities incurred by Trustee for acting in the execution or enforcement of the trust created by this Deed of Trust, which includes all court and other costs, including attorneys' fees, incurred by Trustee in defense of any action or proceeding taken against Trustee in that capacity.

D. General Provisions

1. If any of the Property is sold under this Deed of Trust, Borrower must immediately surrender possession to the purchaser. If Borrower fails to do so, Borrower will become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.

2. Recitals in any trustee's deed conveying the Property will be presumed to be true.

3. Proceeding under this Deed of Trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

4. This lien will remain superior to liens later created even if the time of payment of all or part of the Obligation is extended or part of the Property is released.

5. If any portion of the Obligation cannot be lawfully secured by this Deed of Trust, payments will be applied first to discharge that portion.

6. Borrower assigns to Lender all amounts payable to or received by Borrower from condemnation of all or part of the Property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. After deducting any expenses incurred, including attorneys' fees and court and other costs, Lender will either release any remaining amounts to Borrower or apply such amounts to reduce the Obligation. Lender will not be liable for failure to collect or to exercise diligence in collecting any such amounts. Borrower will immediately give Lender notice of any actual or threatened proceedings for condemnation of all or part of the Property.

7. Borrower collaterally assigns to Lender all present and future rent from the Property and its proceeds. Borrower warrants the validity and enforceability of the assignment. Borrower will apply all rent to payment of the Obligation and performance of this Deed of Trust, but if the rent exceeds the amount due with respect to the Obligation and this Deed of Trust, Borrower may retain the excess. If a default exists in payment of the Obligation or performance of this Deed of Trust, Lender may exercise Lender's rights with respect to rent under the Texas Property Code as then in effect. Lender neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Lender may exercise Lender's rights and remedies under this paragraph without taking possession of the Property. Lender will apply all rent collected under this paragraph as required by the Texas Property Code as then in effect. Lender is not required to act under this paragraph, and acting under this paragraph does not waive any of Lender's other rights or remedies. If Borrower becomes a voluntary or involuntary debtor in bankruptcy, Lender's filing a proof of claim in bankruptcy will be deemed equivalent to the appointment of a receiver under Texas law.

8. Interest on the debt secured by this Deed of Trust will not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess will be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides any conflicting provisions in this and all other instruments concerning the debt.

9. In no event may this Deed of Trust secure payment of any debt that may not lawfully be secured by a lien on real estate or create a lien otherwise prohibited by law.

10. If any portion of the sums intended to be secured by this Deed of Trust cannot be lawfully secured hereby, payments in reduction of such sums shall be applied first to those portions not secured hereby.

11. If Borrower transfers any part of the Property without Lender's prior written consent, Lender may declare the Obligation immediately payable and invoke any remedies provided in this Deed of Trust for default. Notwithstanding the foregoing, if the Senior Loan is a loan extended under a federal government program, such as a loan insured by the United States Department of Housing and Urban Development (a FHA loan), a loan insured by the United States Department of Veterans Affairs (a VA loan), or a loan insured by the United States Department of Agriculture (a USDA loan), then Borrower may transfer the Property if the transfer is made in accordance with the obligations of the Senior Loan.

12. When the context requires, singular nouns and pronouns include the plural.

13. The term “Note” includes all extensions, modifications, and renewals of the Note and all amounts secured by this Deed of Trust.

14. This Deed of Trust binds, benefits, and may be enforced by the successors in interest of all parties. Any successor holder of the Note will succeed to all rights and obligations of Lender under this Deed of Trust.

15. Borrower and each surety, endorser, and guarantor of the Obligation waive, to the extent permitted by law, all rights to require (a) demand for payment, (b) presentation for payment, (c) notice of intention to accelerate maturity, (d) notice of acceleration of maturity, (e) protest, (f) notice of protest, (g) dishonor, and (h) rights under sections 51.003, 51.004, and 51.005 of the Texas Property Code.

16. Borrower agrees, and is obligated, to pay reasonable attorneys’ fees, trustees’ fees, and court and other costs of enforcing Lender’s rights under this Deed of Trust if this Deed of Trust is placed in the hands of an attorney who is not an employee of Lender for enforcement.

17. **The Obligation evidenced by the Note is not an extension of credit as defined by Section 50(a)(6) or Section 50(a)(7), Article XVI, of the Texas Constitution.**

18. Interest payable (or deemed payable) under the Note will not exceed the maximum rate or amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the Principal Amount or, if the Principal Amount has been paid, refunded. On any acceleration or required or permitted prepayment, any excess interest will be canceled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the Principal Amount or, if the Principal Amount has been paid, refunded. This provision overrides any conflicting provisions in the Note and all other instruments concerning the debt.

All calculations of the rate of interest contracted for, charged, taken, reserved or received in connection with the Note that are made for the purpose of determining whether such rate exceeds the maximum non-usurious rate of interest permitted by law shall be made, to the extent permitted by applicable laws, by spreading, during the full term of the Note, all interest at any time contracted for, charged, taken, reserved, or received by Lender.

19. Texas Finance Code 307.052 Notice. (A) BORROWER IS REQUIRED TO:

(I) KEEP THE COLLATERAL INSURED AGAINST DAMAGE IN THE AMOUNT SPECIFIED IN A.5 ABOVE BY LENDER;

(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 THE 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 SUBPARAGRAPH (A) OR (B) ABOVE, LENDER MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF BORROWER AT BORROWER'S EXPENSE.

20. If any provision of this Deed of Trust is determined to be invalid or unenforceable, the validity or enforceability of any other provision will not be affected.

21. THIS DEED OF TRUST AND THE NOTE COLLECTIVELY CONSTITUTE A WRITTEN LOAN AGREEMENT WHICH REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

22. The term "Lender" includes any mortgage servicer for Lender.

STATE OF TEXAS) _____ (NPS)
COUNTY OF _____)

This instrument was acknowledged before me on _____, by

Notary Public, State of Texas
My commission expires: _____

PROMISSORY NOTE

Closing Date: _____

Borrower (1): _____

Borrower (2): _____

Borrower (3): _____

Borrower (4): _____

Cosigner: _____ (if applicable)

Property Address: _____

Lender: Texas State Affordable Housing Corporation

Place for Payment: 6701 Shirley Ave., Austin, Texas 78752, or such other place as required by Lender.

Principal Amount: _____

Interest Rate: 0% per annum

Maturity Date: _____ (Third Anniversary of Note Date)

Promise to Pay: The Borrower promises to pay to the order of Lender the Principal Amount and all other amounts payable under this Promissory Note ("Note") when due. This Note is payable at the Place for Payment and according to the Terms of Payment and other terms of this Note. All amounts becoming due on this note shall be payable without setoff or deduction for any reason.

The Borrower understands that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and is entitled to receive payments under this Note will be the holder and will have all rights of Lender under this Note. The Borrower also understands that the Lender may sell or transfer the servicing of this Note.

Terms of Payment: The outstanding Principal Amount of this Note is due and payable on the Maturity Date. The outstanding Principal Amount of this Note may be repaid by the Borrower at any time in whole or in part without penalty or premium.

In addition, the outstanding Principal Amount of this Note is due and payable if any of the following events (each a "Repayment Event") occurs prior to the Maturity Date:

- (a) Sale or other Transfer of Property. If all or any part of the Property (defined below), or any interest in the Property (including a beneficial interest), is sold, conveyed or transferred, whether voluntary, involuntary or by operation of law, unless such conveyance results from the death of the Borrower.
- (b) Refinancing of Senior Loan. If all or any part of the Senior Loan (defined below), is refinanced.
- (c) Payoff of the Senior Loan. If the Senior Loan is paid in full.
- (d) Failure to Occupy Property as Principal Residence. If the Borrower fails to occupy the Property as the Borrower's principal residence for a period of more than sixty (60) days.

(e) Events of Default under this Note or the Deed of Trust. If an event of default described under this Note or Deed of Trust (defined below) occurs.

The Lender may require payment of the Principal Amount upon a Repayment Event by notice to the Borrower any time after the Repayment Event. The notice shall provide a period of not less than 30 days from the date the notice is given within which the Borrower must pay the Principal Amount in full. If the Borrower fails to pay these sums by the end of this period, the Lender may take action to enforce this Note without further notice or demand. This action may include seeking to enforce the Deed of Trust.

If the Lender agrees, in its sole discretion, to permit any of the Repayment Events without requiring full payment of the outstanding Principal Amount, that agreement shall not waive the Lender's right to require full payment of the Principal Amount for any future Repayment Event.

***The section immediately below relates to the security instrument (Deed of Trust) ***

Security for Payment of Note: This Note is secured by a deed of trust ("Deed of Trust") of even date from

And the Non-Purchasing Spouse (NPS) _____, if applicable, to David Long, trustee, which covers the real property and all of the buildings and improvements thereon ("Property").

LEGAL DESCRIPTION OF PROPERTY:

See attached Exhibit "A"

The lien of the Deed of Trust is subordinate in all respects to the liens in favor of one or more senior lien holders with respect to one or more senior loans (collectively, "Senior Loan").

Loan Forgiveness: If on the third anniversary of the date of this Note, there has not been a Repayment Event or a default under this Note or the Deed of Trust, then the Lender will forgive the entire outstanding Principal Amount of this Note, and Borrower will not be responsible for any further payment hereunder. If, however, on or before the third anniversary of the date of this Note, there has been a Repayment Event or a default under this Note or the Deed of Trust, then the Lender will not forgive any of the outstanding Principal Amount of this Note, and the Lender may exercise its rights under this Note and the Deed of Trust.

Other Terms: The following additional terms apply with respect to this Note:

If there is more than one Borrower, references to the Borrower in this Note shall mean each Borrower individually and the Borrowers collectively. Each Borrower is responsible for all obligations represented by this Note. Any person who is a guarantor, surety or endorser of this Note also is responsible for all such obligations. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, also is responsible for all such obligations. The Lender may enforce its rights under this Note against each person individually or against all such persons together. This means that any one of the persons signing this Note or assuming the obligations under this Note may be required to pay all of the amounts owed under this Note.

If the Borrower defaults in the payment of this Note or in the performance of any obligation under the Deed of Trust or in any other instrument securing or collateral to this Note, the Lender may declare the unpaid Principal Amount and any other amounts owed on this Note immediately due. The Borrower and each surety, endorser, and guarantor waive, to the extent permitted by law: (1) demand for payment, (2) presentation for payment, (3) notice of intention to accelerate maturity, (4) notice of acceleration of maturity, (5) protest, (6) notice of protest, (7) dishonor, and (8) rights under sections 51.003 and 51.004 of the Texas Property Code.

The Borrower promises, and is obligated, to pay reasonable attorneys' fees and court and other costs and fees incurred if this Note is placed in the hands of an attorney who is not an employee of the Lender to collect or enforce the Note. The Borrower will pay the Lender such expenses on demand at the Place for Payment. These expenses will become part of the debt evidenced by this Note and will be secured by the Deed of Trust.

Unless applicable law requires a different method, any notice to the Borrower may be given by delivering it or by mailing it by first class mail at the Borrower Mailing Address above or at a different address if the Borrower gives the Lender written notice of a different address, provided that notice from the Lender may be given in any other manner permitted by applicable law. If there is more than one Borrower, then the Lender may send a single notice addressed to all Borrowers unless the Lender has received notice of a different address for one or more of the Borrowers. Any notice that must be given to the Lender under this Note will be given by delivering it or by mailing it by first class mail to the Lender at the Place for Payment, or at a different address if the Lender sends the Borrower notice of that different address.

This Note shall be governed by the law of the State of Texas, without regard to the conflict of law rules of such State. When the context requires, singular nouns and pronouns include the plural.

Borrower 1: _____

Borrower 2: _____

Borrower 3: _____

Borrower 4: _____

Cosigner: _____

*** THIS NOTICE IS TO BE INCLUDED IN THE LOAN FILE
SUBMITTED TO THE SERVICER FOR PURCHASE ***



NOTICE OF LOAN FOR DOWN PAYMENT/CLOSING COST ASSISTANCE

DATE: _____
TO: _____
FROM: Texas State Affordable Housing Corporation
6701 Shirley Avenue, Austin, Texas 78752

This letter is to evidence compliance with certain requirements set forth in the HUD Handbook 4000.1 II.A.4.d.iii.(J).(1).(c). Texas State Affordable Housing Corporation (TSAHC) is providing funds to the below-named Borrower(s) towards the Borrower's Minimum Required Investment (MRI) and closing costs in the form of a second-lien mortgage loan ("Second Mortgage Loan") made in the name of TSAHC to the Borrower, with no repayment required, in conjunction with a first-lien mortgage loan made to the Borrower under the terms of a TSAHC down payment assistance program. TSAHC is a "Governmental Entity" within the meaning of HUD Mortgagee Letter 19-06 and the MRI is provided in TSAHC's governmental capacity in the jurisdiction in which the property is located. The provision of the MRI is not contingent upon any future transfer of the first mortgage loan (if the first mortgage loan is insured by FHA). TSAHC has at or before closing incurred a legally enforceable obligation to provide the funds towards the Borrower's MRI. The Borrower understands, acknowledges and accepts that the interest rate on the Senior Loan may be higher as a result of the loan of the Assistance Funds to the Borrower. The Borrower has reviewed other available loan and/or assistance options and has determined in his/her/their sole discretion to accept the terms of the Senior Loan and the Second Mortgage Loan. The Borrower has made a determination that this is in the best financial interest of the Borrower.

Borrower Name (s): _____
Senior Loan #: _____
Property Address: _____
Borrower Telephone Number(s): _____

Certain Second Mortgage Loan Terms:

Principal Amount: \$ _____

Interest Rate: 0%

Maturity Date: _____ (Third Anniversary of Note Date)

General Repayment Terms: The outstanding Principal Amount of the Second Mortgage Loan is due on the Maturity Date, but is subject to repayment in whole upon any of the following events if they occur prior to the Maturity Date: (1) sale or transfer of any or all of the property securing the Second Mortgage Loan, or any interest in such property, (2) refinancing of all or any part of the Senior Loan, (3) payment in full of the Senior Loan, (4) failure to occupy such property as the Borrower's principal residence for a period of more than sixty (60) days, or (5) an event of default under the Second Mortgage Loan promissory note or deed of trust.

Loan Forgiveness: If on the third anniversary of the date of this Note, there has not been a Repayment Event or a default under this Note or the Deed of Trust, then the Lender will forgive the entire outstanding Principal Amount of this Note, and Borrower will not be responsible for any further payment hereunder. If, however, on or before the third anniversary of the date of this Note, there has been a Repayment Event or a default under this Note or the Deed of Trust, then the Lender will not forgive any of the outstanding Principal Amount of this Note, and the Lender may exercise its rights under this Note and the Deed of Trust.

Please see the promissory note and deed of trust for the Second Mortgage Loan for a more complete statement of the terms of the Second Mortgage Loan.

Texas State Affordable Housing Corporation

Joniel LeVeque
Joniel LeVeque, Senior Director of Single Family

Borrower's Printed Name

Borrower's Signature

Co-Borrower's Printed Name

Co-Borrower's Signature

SAMPLE

SAMPLE

LOAN #:

Notice of Transfer of Servicing Rights

Borrower Name & Address:

The servicing of your mortgage loan is being transferred, effective _____ (**Loan Closing Date**). 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.

Texas State Affordable Housing Corporation is now collecting your payments.

Texas State Affordable Housing Corporation will stop accepting payments received from you after _____ (**Loan Closing Date**).

Loan Care, LLC (on behalf of Texas State Affordable Housing Corporation) will collect your payments going forward. Your new servicer will start accepting payments received from you on _____ (**Loan Closing Date**).

Send all payments due on or after _____ (**Loan Closing Date**) to **Loan Care, LLC** at this address:

Loan Care
P.O. Box 60509
City of Industry, CA 91716-0509

If you have any questions for either your present servicer, **Texas State Affordable Housing Corporation** or your new servicer **Loan Care, LLC**, about your mortgage loan or this transfer, please contact them using the information below:

Current Servicer:
Texas State Affordable Housing Corporation
6701 Shirley Avenue
Austin, TX 78752
877-508-4611

New Servicer:
Loan Care, LLC
Attn: Consumer Solutions Department
3637 Sentara Way
Virginia Beach, VA 23452
1-800-274-6600

LOAN #:

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.

DATE

DATE

SAMPLE