Prepare for Loan Signing Certification Exam

Many of the best earn over $50k per year

Written By:
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Notary Loan Signing Agent Course

This guide includes:

Notary Law Refresher
The Essentials of Loan Signing
Effective Marketing as a Loan Signer
Negotiating your Fees
Guaranteeing You Get Paid

Samples of Common Loan Package Documents
Useful Tips for New and Experienced Loan Signers

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Chapter 1
What Is A Mobile Notary Loan Signing Agent?

If you have ever purchased a real estate property or refinanced a home, chances are you have used the services of a mobile Notary Loan Signing Agent. Every new home loan, refinance, home equity line of credit, reverse mortgage or recorded property transfer, requires signatures on these documents to be notarized.

Think about that for a minute; within any given day there are many thousands of loans closed or properties successfully transferred within any given state. Most of these documents require signatures to be notarized and the result is that far more notary services are needed than these industries can provide in-house with employee notaries public. Consequently, those industries initiating mortgage loans and property transfers have a need for notary public services in virtually every metropolitan area which has created a significant business opportunity for those entrepreneurs who are commissioned as a notaries public. If you are that entrepreneur notary public looking for ways to capture that market, this book is for you.

The purpose of notarizing signatures is to ensure that a third party who is impartial to the document follows a proper protocol and procedure in identifying the signer as well as ensuring that legislative controls guiding that signing event have been satisfied at the time of notarization. The overall purpose is to provide a significant level of protection for the public by helping to minimize the potential of fraud through standardizing identity claims and signing procedures.

Indeed, there is a specialized industry of notaries public who travel to homes and offices or similar locations specifically for the purposes of notarizing signatures on these types of documents. These professionals are called “Mobile Notary Loan Signing Agents” or more commonly known as, “Notary Signing Agents” or “Loan Signers”. It is not uncommon for a notary who is certified to notate the acronym “NSA” for Notary Signing Agent on their business cards and also indicate the certification or certification acronyms. For example, the certification from this course permits you to use the APN & CSA designation which stands for our own designation called “Association of Professional Notaries and Certified Signing Agents”.

While some lending institutions or escrow companies use their own employees as in-house notaries, most of these employees would need to be diverted from other professional duties to provide these services which can be disruptive to the normal business flow, especially if there is a lot of frequent notary work.

Sometimes it is very inconvenient for a signer to go to the that place of business for signing and sometimes even impossible if, for example, the signing would need to occur out of state. For these reasons and many more, mobile notaries are have stepped in to make these signings easier for everyone.

Mobile Notary Loan Signing Agents provide “signing services,” which result in increased business opportunities for the lending institution, attorneys, a title company, banks and so on since the time-
consuming job of notarizing the many loan documents or property transfer documents generated from that business can be completed outside of that local business, even hundreds of miles away. A simple phone call from the lender to a mobile notary to schedule the signing can be the convenient answer for everyone involved and hopefully, after reading this book, the chances of you being on the other end of that phone number will have improved dramatically!

A notary Loan Signing Agent is a commissioned notary public who receives specialized training or education in the process of notarizing the signatures of the parties agreeing to the terms outlined specifically in Real Estate loan agreements and associated documents. As Loan Signing Agents, our primary function is to attend to the client during the final phases of the loan signing process at either their home, their business, or a location of the lender’s or client’s choosing.

Since the Loan Signing Agent is often the only face-to-face contact the borrower makes during the entire process, the lender is very concerned that the one who actually obtains the all-important signatures on these documents is both knowledgeable and professional with every client, every time! The right presentation and impression is vitally important to all lenders. You will want to make your best presentation through your professional appearance and your confident knowledge! This means that even though the Notary Loan Signing Agent is not directly involved in the loan transaction, clearly they must have an advanced level of knowledge concerning the various forms and their uses.

Sometimes a notary specializing as a “signing agent” is erroneously referred to as a “closing agent” but we are not closing agents. A closing agent prepares and certifies the signed and notarized documents which are then returned to the lender, usually an employee from an escrow or title company, typically the settlement agent. The closing agent disburses the loan proceeds and is licensed and commissioned by the Department of Corporations.

As a Loan Signing Agent, you will want to become very familiar with the loan signing process before you offer your services to potential clients. In the sections to follow, we will help you to increase your knowledge of everything from important notary laws to effective marketing techniques, as well as understanding a variety of loan documents as we help you to meet your own goals.
Chapter 2
Are You A Knowledgeable Notary?

Of course, one of the most important duties of a notary is to verify identity of the document signer. Millions of Americans have been victims of identity theft and according to statistics published by the insurance industry, consumer victims of identity theft report at least five billion dollars in out-of-pocket expenses every year. These incredible losses should point out the essential and important role a sharp-eyed, competent, professional Notary Loan Signing Agent has in ensuring that document signers are properly identified during the loan document signing phase. These documents can financially encumber the signer with property loans for decades or complete property transfers by their signatures alone.

Responding to the need for qualified notaries who are aware of ever-changing laws surrounding notary issues, some states such as California are raising the bar for commissioning standards. For example, the Secretary of State in California is requiring that any person seeking a notary public commission must satisfactorily complete a six-hour course of study approved by the Secretary of State and pass a state proctored administered exam concerning the functions and duties of a notary public. Subsequent commissioning every four years thereafter will require a minimum of a three-hour refresher course. It is likely that with the high occurrences of fraud and identity theft in the U.S. and abroad, other states will follow in requirements for course of studies concerning the functions and duties of a notary public.

Therefore, before we jump directly into loan signing as a profession, we need to review basic notary laws. You may be a brand new notary who just passed your first notary exam or a notary with many years of experience. We all need a little “brushing up” to remind us of the important rules and regulations that must guide our actions as a Notary Loan Signing Agent.

We strongly encourage you to review this entire section carefully. We included this section so that you will remember what you can do, what you cannot do and what you must do in fulfilling your notarial obligations.

Notary Law Review Part 1
The essential purpose of the notary public

A notary public is a public servant whose office exists as a measure to help protect the public from fraud and whose notary actions guarantee or “certify” that certain minimum required standards were met when the notary seal was placed onto the document. What are these minimum required standards?

- The signer personally appeared before the notary at the time of notarization;
- The signer was properly identified at the time of notarization;
- That if the document required the signer to swear to the truthfulness of the statements within the document, that the signer did so before the notary;
- That if the signature requires an acknowledgment, the signer acknowledged signing the document before the notary;
- That the notary properly created
an official record of that signing event in their official notary journal.

As we will see later, this description does not cover all of the notary duties, but the underlying principle remains in that notaries are public servants whose important and careful actions provide an essential layer of protection for the general public.

As an example of how notary procedures might benefit the public, let us suppose that someone signed a Grant Deed transferring property from one person to another, but later, the grantor claims that the signature on the Grant Deed was not his and the property was illegally transferred! How could the new owner ever prove that indeed the signature on the Grant Deed was legitimate?

Since property transfer documents must adhere to notarial standards prior to recording, two important goals are accomplished with notarization: 1) notarization makes it more difficult to engage in fraudulent transactions since personal identifying information is gathered from the signer at the time of notarization, and 2) since the notary retains a formal record of all notarized acts performed in an approved notary journal, the legal system has concrete evidence to offer should the need arise.

The recourse is to locate the notary for that particular signing event and request a copy of the journal information regarding that particular transaction. Since the notary is always required to obtain very specific identifying information from the document signer, including a thumbprint for the most important types of document such as a Power of Attorney, most real estate documents including mortgage agreements and security agreements, the journal record could be pressed in further legal proceedings should it become necessary. You can see that properly completed notary services can be an important public benefit.

Notaries are impartial witnesses which means that the notary may not be named within the document as a principal, or benefit personally or financially from the signing of the document. Since this is the case, notarizing documents for a spouse or relative might even be illegal if the document notarized could have a direct beneficial or financial interest to the notary. Notaries in community property states such as California should exercise caution when notarizing documents for a spouse because of this potential that the notary spouse may indeed have a beneficial or financial interest.

For instance, if the spouse is requiring a notarized signature on a Deed of Trust or a property transfer document, you can easily see that the notary in California would likely have a direct beneficial or financial interest in the document to be notarized, even though he or she may not be named in the document.

The general duties of a notary public

Most people associate a notary’s job solely with obtaining proper identification for the one executing a signature on the document, but as stated earlier, that is only a part of the notary’s duties. In fact, aside from verifying identity, other significant aspects of notarization will almost always include a notary to fully complete one of the two most common legal protocols for that signing event: taking an Acknowledgment or administering a Jurat. These are more often referred to as completing a notary act.

**Taking Acknowledgments**

Of the two most common duties of a notary, the most often completed
notary act is to take an Acknowledgment. Taking an Acknowledgment means that the document signer personally appeared before the notary at the time of notarization and either signs the document in front of the notary or, if signed prior to presentation to the notary, acknowledges to the notary that he signed the document. The acknowledgment process of course also includes the requirement that the notary properly identifies the document signer at the time of notarization.

**Administering a Jurat**

The second most often completed notary act is executing a Jurat. A Jurat is a specific notary act in which the signer must personally appear before the notary, swear an oath or affirmation to the notary regarding the truthfulness of the contents within the document and must sign the document in front of the notary. Of course, once again, the notary must verify the identity of the document signer who in this type of notary act is sometimes referred to as an affiant since he or she is making an affidavit pertaining to the truthfulness of the document’s contents.

The notary is never responsible for the accuracy of the information within the document nor does the notary ever guarantee the document’s veracity. This assumes, of course, that the notary is not aware of any fraudulent information contained within the document at the time of notarization. A notary who notarizes signatures on a document that contains information known by the notary to be false can be subject to criminal prosecution as a misdemeanor or, if the document relates to a Deed of Trust, a felony, both of which carries the potential for incarceration and suspension or revocation of their commission. The notary may also be financially liable for any losses incurred because of his or her illegal action.

**Part 2: How to Complete Notary Acts**

**How to take an Acknowledgment**

This notarial act means that the person who signed the document to be notarized must:

- Personally appear before the notary at the time of the notary request;
- Be properly identified by the notary;
- Acknowledge to the notary that he or she signed the document.

**Personal appearance**

If the notary is required to complete an Acknowledgment, the document signer must always personally appear before the notary at the time the document is to be notarized. The document may be signed by the principal at the time of notarization or may have been signed prior to appearing before the notary. If it has been signed prior to bringing the document before the notary, the notary must ask the signer to acknowledge that the signature is indeed his or hers. Simply ask the signer to verbally acknowledge that the signature is indeed his or hers.

**Identity verification**

Whether the document was signed previously or in front of the notary at the time of notarization, the notary is always required to verify the identity of the person signing the document. We will discuss proper identification procedures a little further on in this chapter.

**Intent to execute**

A portion of the wording within an Acknowledgment is that the signature on the document represents the signer’s desire to have the stipulations or instructions within a document executed.
This implies that the signer has a reasonable understanding of the intent, conditions and stipulations of the document and that with his or her signature, agrees with those intents, stipulations and conditions and wishes to proceed with its execution.

There is no legislation in California as of this printing requiring the notary to make a determination as to the signer’s competency to understand the legal ramifications of signing the document; however, if the notary reasonably believes that a signer is being coerced, or is not signing the document of their own free will, the notary should not notarize the signature. Similarly, if the signer clearly demonstrates that they do not understand what they are being asked to sign, we may reasonably conclude that some form of coercion is likely in effect.

The notary cannot notarize for anyone unless the notary and the signer can directly communicate, and sometimes, a signer is not able to reasonably communicate with the notary because of a physical ailment or medication. Taking an Acknowledgment of someone under heavy medication or from a stroke victim is sometimes a difficult call to make. Notaries are not necessarily familiar with psychological conditions or other health issues that may result in limited mental functionality, but notaries should remember that we indeed are a line of defense for those who may otherwise fall victim to unscrupulous transactions.

When a document signer can communicate effectively with the notary and that signer makes it apparent that he is requesting that his signature be notarized, and, if not signed in front of the notary, that signer otherwise acknowledges that the signature on the document is indeed their signature, the notary should assume that the signer intends to execute the document unless the notary has sufficient reason to believe otherwise.

Relatives for people in a hospital or convalescent home often require notaries for documents such as a Power of Attorney or a property transfer document. Often, the notary is requested to notarize during a time when the document signer is too medicated or otherwise not able to comprehend the nature of the documents they are being requested to sign. If the notary witnesses coercion or it is obvious to any reasonable person that the document signer is not mentally competent, there is a strong likelihood that the signer's actions are not voluntary or that the signer is in some manner signing under illegal duress.

State law prohibits non-attorney notaries from giving legal advice or providing legal assistance of any kind. If, however, the notary is confident that the document signer is under coercion or otherwise demonstrates mental incompetence, the notary should refer the signer to an attorney and note in his or her journal the reasons for refusing to notarize the document. Otherwise, the notary is obligated to notarize the document if requested by the document signer and the signer can present proper identification as well as the required fees.

Keep in mind that the notary is not to play a role of an advisor or counselor in those cases when a document signer is unsure if he or she really intends for the document to be executed. Again, it should be pointed out that the typical standard notaries use to steer through these difficult decisions is whether or not the notary is reasonably certain that mutual communication can take place. Notaries must be able to directly communicate with the signer or they cannot proceed with the notary act. If a
signer is unable to communicate verbally with the notary, but is able to communicate by writing in a language common to both the signer and the notary, (hearing impaired signers, for example) than that form of communication is acceptable. If a notary is attempting to communicate with someone in a hospital bed or an elderly person in a home, and it is clear and obvious that reasonable communication is not possible because of mental incapacity or even as a result of medication, the notary and that signer has not met the legal obligation for direct communication. Although very often violated in practice, it is an absolute legal requirement that the notary be able to speak the language of the signer. This is in part because notarial law assumes that a notary who is unable to communicate directly with the document signer is also unable to reach a reasonable conclusion that the signer indeed acknowledged his or her intent to have the stipulations of the document executed. If a person signing a document cannot communicate to the notary in a language that the notary understands, the notary must refuse to notarize that document. The signer should be directed to another notary who does speak his or her language. Utilizing an interpreter brought in by the client is not allowed since that interpreter might have ulterior motives and render an inaccurate translation. Something could also be lost in the translation itself.

**Authorized capacity**

In some states like California, part of taking an Acknowledgment is the presumption that the document signer is signing in his or her authorized capacity. For example, if a document is to be signed by a corporate officer, the specific wording of the Acknowledgment presumes that the signer is the corporate officer and no further evidence is required. Not all states follow this presumption, so you need to be aware of your state’s specific requirements regarding authorized capacity of the signer. There is no issue at all with a signer including his or her authorized capacity title with their signature, i.e. John Signer, Trustee or Mary Williams, CEO, but notaries in California do not verify that title. Some states require their notaries to look at the Articles of Incorporation or Trust documents for example, but not in California.

**Signers with Power of Attorney**

We just noted that the notary in California does not verify title or authorized capacity but what about when someone claims that they hold the title of Power of Attorney for a document principal? Should the notary require verification of that particular authorized capacity? A Power of Attorney is a document that is signed and notarized by one party granting the right to another party to sign a document in his or her behalf. There are different types of Power of Attorney documents but essentially, there is a desire or need for a person to appoint someone else as Power of Attorney, commonly referred to as Attorney in Fact in order to legally sign documents.

For example, suppose a husband and wife who are in the military are selling a house but one spouse, the husband, is being transferred out of the country before the house sells. The husband being transferred can grant a Power of Attorney to the wife so she can sign the documents for him since he will not be there once the sale is ready to close.

We will cover the procedure for how a signer holding a Power of Attorney for someone else actually records the name of the signer onto the document, but let’s first answer the question we just
posed. If someone claims to hold a Power of Attorney for someone, and wishes to sign documents on behalf of the principal who is not present, notaries are often unsure how to proceed. In California, as we stated, it is not the notary’s legal responsibility to verify that the signer verifies their authorized capacity; however, let’s examine this a little further.

When a principal of the document signs, that principal tacitly acknowledges with their signature that they indeed hold the authorized capacity to sign that document. They do not need to prove that capacity to the notary public. For example, suppose a property is being transferred from a trust to another party, the transferor’s authorized capacity would be a Trustee named within that Trust.

In California, notaries do not require the signer verify that they indeed are a Trustee. We do not ask to see the Trust that created that capacity. The signature of the principal alone is a tacit implication that they hold that title and we simply move on to identifying that signer.

When someone is signing a document who is claiming to hold a Power of Attorney for the principal named within the document, the signer holding the Power of Attorney is in no way acknowledging that he or she also holds the authorized capacity of the principal named within the document. In reality, the Power of Attorney creates the authority for them to sign for the one who actually holds the authorized capacity. This authority is created outside of the original document being signed and in the notary’s best interest of fulfilling their overall objective of helping to protect the public against fraud, should never permit the signing of a document by someone claiming to hold Power of Attorney without requiring the presentation of that Power of Attorney document unless otherwise directed by an attorney.

If Leslie Dutton wanted her husband James Dutton to sign a document on her behalf, Leslie, some time in the past, would have completed a Power of Attorney and signed that Power of Attorney before a notary which granted James Dutton the authority to sign for her. Once the notary has completed the notary process for that Power of Attorney document, James Dutton has the authority to sign for his wife, but keep in mind that the authority is subject to limitations indicated within the Power of Attorney such as specific types of documents that can be signed or validity based on any kind of time or date limitations.

When James signs a document on behalf of his wife, Leslie, he must include his name in that signature. Since James Dutton has been given Power of Attorney by his wife Leslie Dutton (let’s say for a specific purpose like the sale of property), the person granted the Power of Attorney is called an “Attorney in Fact”. James Dutton must indicate this title in his signature when signing for his wife Leslie.

So, where Leslie would have signed her name, “Leslie Dutton”, James will sign on her behalf in one of the following manners:

"James Dutton for Leslie Dutton as her Attorney in Fact";
"Leslie Dutton by James Dutton as her Attorney in Fact";
"James Dutton, Attorney in Fact for Leslie Dutton, Principal”;
"Leslie Dutton, by James Dutton, Attorney in Fact”.

The notary will be identifying James Dutton in the notary journal and when completing the Acknowledgment wording, does not include the title “Attorney in Fact” as the notary never includes the title or authorized capacity.
of the document signer in the Acknowledgment.

**No blank or incomplete documents**

When someone brings a notary a document for notarization, the notary should first look the document over to ensure that it is not blank or incomplete as it is illegal to notarize blank or incomplete documents. If the document is blank or incomplete, except for any areas that are to be completed after notarization such as the recording information by the county clerk's office, return the document to the client for completion. Remember that you as a notary, unless you are also an attorney, may never give legal advice so filling out the contents in the document for the client can be illegal.

The notary wording to be present or attached

The second piece of information to look for on the document is if the proper notary verbiage is already printed on the document. Depending on the type of documents you will be notarizing you will need to fill this portion out and seal it with your notary stamp. However, some documents either do not have proper verbiage or will not have any notary verbiage pre-printed on the form.

If there is no notary verbiage preprinted on the form, and the document signer asks you to complete an acknowledgment, or the instructions attached to the document states that an acknowledgment is needed, you will need to add the verbiage. If you need to add Acknowledgment verbiage to a document, you will use an additional form called an "All Purpose Acknowledgment" form. All California notaries should carry these forms because many documents do not have the proper verbiage for California.

It is not important that the notary be familiar with every kind of document requiring notarization as that would be rather impractical. There are hundreds if not thousands of different documents out there. Simply look the document over to ensure that it is not obviously blank or incomplete. The only portion that may be incomplete is the notary verbiage. If it has not been signed, request the signature or signatures of the clients and obtain proper identification prior to completing the notary verbiage portion.

Proper notarization includes the requirement that the notary fill out specific information in a particular format. If you are a new notary, you may at this point be wondering how to tell when a document requires an Acknowledgment and particularly whether or not the wording is correct. Before we get too far in helping you to perform these functions, you might want to know that the verbiage for either an Acknowledgment or a Jurat is usually pre-printed on the form to be signed. However, interestingly enough, the notary is not allowed to select which notary act to perform because to do so may place the notary in a position of illegally practicing law. When a client brings a document to a notary, if the verbiage is not preprinted on the form indicating which notary act to perform, the notary is supposed to ask the client which notary act he or she requires. If the client does not know, then the notary is legally required to have the client obtain an answer from the originators of the document. Fortunately, this rarely ever happens.
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____________________________
COUNTY OF ___________________________

On ____________________________ before me,

______________________________________, Notary Public

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____________________________________
(Signature)

Correct Acknowledgment wording for California as of January 1, 2015 which includes the disclaimer statement on top.

Acknowledgment verbiage is very important especially with documents to be filed in California. California’s proper wording for Acknowledgments and Jurats (as well as another notary act called a Proof of Execution) requires a specific disclaimer statement appear above the venue section in an enclosed box with a legible font. This disclaimer statement essentially demonstrates to anyone reading it that the notary verifies identity of the signer and that the notary process in no way “legalizes” the document itself.

All documents presented to a notary within California requiring an acknowledgment must use this precise wording including the presence of the disclaimer box unless the document is going to be sent to a different state. As of the time of this printing, no other state uses California acknowledgment wording, especially since no other state requires this disclaimer statement. If a document is going to be sent to another state, be assured that that state’s acknowledgment will not be exactly the same as a California acknowledgment but we may complete that state’s acknowledgment wording as long as it does not require the California notary to do anything that is prohibited by California notary law such as verifying authorized capacity. Read through the acknowledgment if it is from another state and once you determine that the acknowledgment for that state is not requiring you to do something illegal, you may complete that acknowledgment and will not need to add the disclaimer.

Let’s return to completing the California acknowledgment. If the disclaimer is not present on the acknowledgment, you may add the wording by using a disclaimer stamp that has the disclaimer wording in an enclosed box.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

The disclaimer wording may be added if necessary with a ”Disclaimer Stamp” impression directly above the venue.

You may not hand-write the disclaimer wording or hand-draw the surrounding box, but as just noted, a Disclaimer stamp may be used to correct acknowledgment wording. If you add the disclaimer statement by using a disclaimer stamp, the impression must go above the State and County section which is called the venue. It cannot go anywhere else so if there is no room to add the disclaimer statement above the venue, you must use an All Purpose
Acknowledgment form that includes this disclaimer statement.

Begin completing the notarial verbiage by filling in the state and the county in which you are physically located at the time of notarization. Again, this section is called the venue.

STATE OF ___________________
COUNTY OF ________________
Venue portion of the notary wording

Many mobile notaries travel to different counties when completing a notary act. If you are commissioned in California, for example, you may notarize documents drawn either in California or anywhere outside of California but you must be physically located somewhere within California at the time you notarize the document. Regardless of the county where your bond and oath is on file, you must indicate the county where you are completing the notary act in this venue section.

Sometimes, the venue will be already filled in because an escrow company or a third party drew up the document and completed the venue for another state or county which is not the state or county that you are in when you notarize. For example, if loan documents originated in the state of Texas, the escrow company filling out the form to be notarized may have already typed in the state of Texas in the venue. Simply cross out the wrong venue and write in the correct state and county. When you cross out any notary wording on a document for correction such as the venue, use a single line and then initial. Some notaries also date the initial but that is really a matter of preference. The important thing is that you never correct a document with white-out because it will not be recorded.

On ______________________________ before me,

(Enter today’s date and your name as it appears on your notary seal)

Now you will fill out the correct date of notarization. This is always the date that the person or persons appeared in front of you and the notary act was completed. You may never notarize a document for someone who does not appear personally before you and you must never comply with any request to enter in a date other than the actual date of notarization. To do so is to make you subject to criminal prosecution as well as personal liability.

Whenever you complete a date, a good practice is to write out or at least abbreviate the month. There are many reasons for this but consider that if you notarized a document on December 10, 2017, for example, and entered in the date of 12/10/17 instead of writing it out, it may be possible that a document sent to another country could conclude that the person appeared in front of you on October 12, 2017 and not December 10. Writing out the month avoids confusion, misinterpretation and even assists in reducing the potential for possible manipulation of your notary act by someone after you complete the service.

Follow this by clearly printing your name as the notary as it appears on your commission and do not forget to follow this by your title, “notary public”. Most California recorders will not record a notarized document without the title of the notary following the notary’s name. Many notaries are not accustomed to this procedure and it has caused many clients delays while waiting for documents to be re-notarized properly.

Personally appeared

(Enter signer or signers name(s) only)
who proved to me on the basis of satisfactory
evidence...

Next you will clearly print the
name or names of the persons who
appeared before you and requested that
their signatures be notarized. You may
use a single acknowledgment form for
multiple signers as long as the signers
appear before you at the same time. If
you have two signers on a grant deed, for
example, and both signers personally
appear before you at the same time, it
is fine to use the single acknowledgment
form for both. If they appear at different
times, you must use separate
acknowledgment forms for the person or
persons appearing for notarization at
different times.

Of course, even if you use a single
acknowledgment form for two, three or
even four signers, you are still
completing two, three or four separate
notary acts and will record each notary
act for each person in your journal.

The reason why this is important is
because completing the entire notary act
includes properly identifying the
signer, completing the notary wording,
filling out the notary journal and placing
the notary seal on the document. The
entire notary act must be completed
before your signer leaves your presence
which is why you are permitted to use a
single acknowledgment form for more
than one person, but only if they all
appear at the same time, can be properly
identified and are able to acknowledge
that they signed the document
individually.

One last note on this subject:
There may be occasions when a
document is to be signed by more than
one individual and not everyone is able
to have their signature notarized at the
same time or even in front of the same
notary. The signers, for example may live
in various parts of the world or it could
be as simple as a husband and wife have
scheduling conflicts and must appear to
have their signatures notarized at
different times. What we are stating most
emphatically here is that you are not
permitted to add another persons name
to this acknowledgment if they arrived at
a later time period. You must attach a
separate California All-Purpose
Acknowledgment form for that person.
Another name for this form is a “loose
certificate”. Whenever you attach a loose
certificate, you should always attach that
with a staple and not with a paper clip.

Handling name variations and
other identification problems
As a reminder, we are at the
portion of completing the acknowledgment
wording where the notary is notating the
names of the person or persons who are
having their signature(s) notarized.
Remember that you must be able to
identify the person as being the same
person named within the document so
the name that you write in this section
should be exactly as their name is spelled
within the document. BUT, THIS
ASSUMES THAT YOU ARE ABLE TO
IDENTIFY THAT PERSON WITH THAT
NAME! This can get rather complicated
on occasion so lets deal with some of
these issues. What do we do when we
have name variations between
identification documents and the
documents for signature? What if the
document signer looks nothing at all like
the photo on the identification document?
What if the name is spelled incorrectly
on the document being signed or on the
actual identity document?

There are a number of
circumstances that can cause havoc for a
notary for identification. There is another
chapter whereby we will more closely
deal with proper identification documents
and methods, but this section is really
about how to spell the name of the signer,
or what to include or exclude when entering the name of the signer in the acknowledgment portion.

Suppose we have a signer in front of us whose name appears in the document being notarized as George H. Landers and his identification document, a driver’s license, has his name as George Harry Landers. The rule that most notaries follow is, in general, the identification document can contain the same information or more information than the name on the document to be notarized, but never less or never different. So, if we apply this rule in this case with George H. Landers on the document and the H. is represented as Harry on the identification, we would accept the identification as satisfactory.

So, which name do you write in the acknowledgment portion? The name as it appears within the document being notarized or the name as it appears in the driver’s license? This is a point which is essential for you to follow! You will record the name as it appears within the document, not the name as it appears on the identification, but only because you were indeed able to identify that person with the information supplied from the identification document.

Let’s be sure we understand this important concept before moving on to more complex situations. Our signer’s name appears in the document as Ruth A. Dale and the driver’s license has Ruth Anne Dale. Clearly, if we follow the general rule that we can use an identification document containing the same information or more information but not less and not different, we can use the driver’s license listing her as Ruth Anne Dale to properly identify the signer whose name appears in the document as Ruth A. Dale. Which name do we put into the acknowledgment? The name as it appears in the document; Ruth A. Dale.

Now you are going to see why we spent some time on this. Suppose we have the same signers, George and Ruth, but this time the documents list them as George Harry Landers and Ruth Anne Dale and suppose the identification documents only have their middle initials rather than their middle names? Of course, applying our general rule of the same or more but not less and not different will rule out the acceptability of these identification documents. So, here is where the notary begins making their own reasonable decisions. You see, this rule that we are using is quite convenient and useful for most circumstances but it is not a legislated procedure and often the notary needs to apply additional subjective strategies for identification. In fact, although this rule works quite nicely for most circumstances, there are circumstances when this rule will simply not apply at all.

Keep in mind that the ultimate goal here is for the notary to notate within the acknowledgment portion that the person proved their identity to the notary on the basis of “satisfactory evidence”. First, the notary must require an identity document or other method (the oath of credible witnesses) that is permitted by the California state notary legislation and that is satisfactory to the notary. Just because someone presents a driver’s license at the time of signing does not necessarily mean the notary is required to use that driver’s license as satisfactory evidence. What is important is that the notary is applying common sense and a sense of what is “reasonable” in addition to the identification documentation.

Is the notary satisfied that the identity document for George H. Landers satisfactorily proves George’s identity as George Harry Landers? Most notaries would say this is not sufficient and you need to obtain a different form of identification, but others will take into account the physical description of the
signer, the age of the document signer as noted on the identification document and perhaps even ask for alternate forms of identification which may not even be acceptable for use by themselves as identification for a California notary, but are used as a way to supplement a conclusion concerning identity that is “reasonable”.

The point here is that there is no legislation for California in particular that the identification document must have the same information in the name on the identification document as is within the document being notarized, nor is there legislation that allows for more information but not less and not different. Ultimately the notary must be satisfied and there are occasions that demand the notary to use a standard of what is reasonable.

For this particular circumstance where George is presenting an identification as George H. Landers and the document says George Harry Landers, we would caution the notary to take careful and extra steps for obtaining “satisfactory” evidence which may even mean using credible witnesses. Being careless in this area can really subject the notary to possible problems many years after the notarization is complete. Err on the side of caution here and don’t overlook the obvious signs of misrepresentation.

To make this point, suppose we have a signer whose name is Michelle Johnston and when the signer appears for notarization, the signer in front of you clearly appears to be a male. Now suppose the signer presents a driver’s license that has the name Michelle Johnston but the picture is of a blonde woman and the gender is noted on the driver’s license as female. You get the idea. Just because you have a driver’s license present, and just because the name there is indeed correct, this fact alone does not mean you automatically state within the acknowledgment that the signer “proved to me upon satisfactory evidence”. A sense of being reasonable would suggest to you to obtain a different form of identification that more closely resembles the person you see in front of you or at least use an oath from credible witnesses. It is not impossible that the person in front of you is not Michelle Johnston, but a reasonable notary needs reasonable evidence.

The same is true when a document is presented without titles such as “Jr. or a similar title, and the signer’s identity is using a title after the name. We have Samuel Dearborn on the document but Samuel’s identification document lists him as Samuel Dearborn, Jr. or Samuel Dearborn, III. There is a very real issue here as to whether or not these identification document should be used. If we follow our rule of thumb for identity documents in that they can have the same information or more but not less and not different, we can see that we have different information here (possible generational differences) which would most likely lead us to require a different form of identification or credible witnesses.

There are many instances of name variations between documents to be notarized and identity documents and the notary should establish some rules they can apply quickly and consistently. Hyphenated last names and abbreviation of names are also common problems with identification documents. Maria is often shortened to Ma. on a driver’s license or George to Geo. With regard to hyphenated last names, if a signer is only using one of the hyphenated last names within the document to be notarized but has both on their identification, that is usually sufficient. Of course the other way around would not be sufficient.
Sometimes the name variations are due to misspellings either on the document or within the identification document. Never use the misspelled variation in your acknowledgment. If, for example Reagan McDonald presents a driver’s license with the same name spelling but document being notarized has the name misspelled as Regan McDonald, you would not put the misspelled name in the acknowledgment section. You need to contact the originator of the document to ask them how to proceed. They will sometimes correct the document by redrawing the document altogether or there may be a Signature Affidavit inserted which includes the name variations or they may ask the signer to hand-correct the misspelled names wherever they appear.

In this case, option one was to redraw the documents from Regan McDonald to the correct name, Reagan McDonald and then sign and notarize. Never use the incorrect name in the acknowledgment. The second option was to use a Signature Affidavit. This happens quite often and it is a document that is meant to be included in the package of documents which states that, in this case, the person named in the documents as Reagan McDonald is the same person as Regan McDonald and Reagan McDonald should sign that document with her correct name.

The final option was for the signer to hand-correct the document itself by changing every instance of the incorrect spelling to the correct spelling. Ensure that this procedure is acceptable to those who the document will ultimately be sent before proceeding with this method.

The bottom line is that you never identify the signer my using the misspelled version. The acknowledgment needs to contain the correct name version and that is the name version you must have verified by satisfactory evidence.

Often, a document requires the signatures of two or more parties, but only one party can appear personally at the time of notarization or can prove their identity satisfactorily. In this case, you may only indicate the name of the person or persons who personally appear at the time of notarization and are able to prove their identification though satisfactory evidence. If this section has already been filled out for you, say once again by an escrow company, you will need to cross the name of the party who did not appear before you or could not provide proper identification before completing the Acknowledgment.

Once you are satisfied of the identity of the signer or signers and you have printed his/her or their names, you will complete the Acknowledgment by indicating the correct responses by circling or crossing out the incorrect responses and continue.

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

Throughout this acknowledgment, you will indicate the correct singular or plural forms as well as the correct pronouns. Completing this section helps to protect you and your client by someone who later commits forgery by manipulating the document with the intent to commit fraud.

As you read this section, you will notice the phrase "executed the same in his/her/their authorized capacity(ies)". As discussed previously, California law does not permit a notary to certify the
capacity of a signer. That means if someone is claiming to sign a document as CEO of a company or a partner of a company, California notaries do not require the signer to prove to the notary that he or she holds the capacity claimed by the signer. Part of the Acknowledgment in California is that the signer must simply “claim” his or her authorized capacity. There are still some states that require a notary to verify the capacity of a signer.

As a notary in the state of California, you may NOT complete any notary act, which requires the notary to comply with a request that is not legal for a California notary to perform. One of these requests may be for a notary to either know or otherwise certify the capacity claimed by a document signer. If you are ever presented with a document, which has notary verbiage requiring this kind of certification, you may not complete this Acknowledgment. Simply cross it out and attach a California All-Purpose Acknowledgment form to the document and place your notary seal on this completed Acknowledgment instead.

Of course, we may not place the notary seal impression on any document that does not contain proper notarial wording but again, you may use Acknowledgment wording from another state, but only if the document will be recorded in that state, and the wording does not require you to certify the authorized capacity of the signer or do anything else illegal as a California notary.

A very good example of an Acknowledgment used by another state, which the notary should not complete, is shown below. This is an excerpt from a corporate Acknowledgment used in a different state.

STATE OF ______________
COUNTY OF ______________

On this ________day of ________, ______, before me, the undersigned, a Notary Public in and for the State of ___________, duly commissioned and sworn, personally appeared ______________________, who proved to me through satisfactory evidence to be the person(s) named in the document, and also proved to me to be the _______________ and _______________ of _______________ corporation.

California notaries are not permitted to state the authorized capacity of a signer(s) in their acknowledgments, therefore, we may not complete an acknowledgment that has this requirement such as the one above.

WITNESS my hand and official seal indicates that you, as the notary, should sign as your name appears on the commission and place the notary seal close to the name.

You will undoubtedly find it necessary to complete separate All-Purpose Acknowledgment forms so carry these proper loose Acknowledgments in your briefcase to every appointment.

Attach the Acknowledgment to the document you are notarizing. Be sure to fill out the optional information section as well. Although not required legally, if you do need to complete an All-Purpose Acknowledgment form, you should fill out as much of this section as you can because it helps to further insure against potential fraudulent activities. This is crucial when filling out a loose certificate, since without your remarks indicating the referencing document, the loose certificate may be attached to any form inadvertently or because someone is trying to take advantage of the signer.

When you sign a California Acknowledgment, you are declaring under Penalty of Perjury that the information in the Acknowledgment you just completed is true.

Just a quick reminder that if you are using a loose acknowledgment certificate, always use one with optional information and be sure to fill that section.
out. Leaving this section blank, even though it is option can provide a greater opportunity for someone to misuse that Acknowledgment form.

Filling out the optional section is quite simple. If the signer is claiming to be the president of a corporation, you should indicate that title as well as the name of the corporation in the indicated areas. If the signer is one or more individuals, indicate self or individual(s) in this section. Also, be sure to fill out the areas requesting the title of the document and the date of the document, and perhaps a loan number and property address.

Acknowledgments for other states

As previously noted, individual states may have forms with different Acknowledgment verbiage. We have already mentioned that a notary is permitted to notarize documents from another state so long as the notary complies with California notary law. As long as the verbiage in the Acknowledgment form does not require to notary to do something illegal, such as certify the capacity of the signer, the notary is permitted to use the Acknowledgment verbiage provided on the form. The big exception to this is that ANY document which will be recorded in the state of California, regardless of where it was drawn, MUST have the proper California Acknowledgment verbiage, including the section, which indicates that the signer acknowledges signing the document in his or her “authorized capacity”. Many states do not have this on the form and even older forms from California do not have this verbiage. The recorder’s office will reject the filing if the Acknowledgment verbiage is not complete. If the form does not have this verbiage, use an All-Purpose Acknowledgment form.

Completing Acknowledgments for faxed documents

Remember that the document must be present before the notary, and the notary must complete the notary act at the time of notarization. It is permissible for a notary to notarize a document, which has been photocopied, faxed or delivered in any other similar manner, as long as the signer is present before the notary at the time the notary seal is affixed, and the notarial verbiage is completed. It is illegal to notarize any document, whether faxed, mailed or otherwise delivered if the document signer is not present before the notary at the time of notarization. It is also illegal for a notary to fail to complete the notary act at the time of notarization. This includes the filling out of the notarial verbiage, sealing with the notary seal, signing the document as the notary and attaching the notary seal to the document, if necessary.

During your career as a notary, you may be asked to “backdate” a notarization or complete a notarization, such as an Acknowledgment for someone who is not personally appearing before you at the time you complete the notarization. This request is illegal and can subject the person making the request to criminal prosecution, as it is a misdemeanor to request that a notary perform illegal services. It is, of course, also illegal for you to comply with such a request.

For example, suppose you notarize a set of loan documents for someone the day before and the lender calls to inform you that they forgot to include an important form, which also must be notarized. The lender informs you that they have had the borrowers sign the document and may request you to allow the new document to be faxed to you so you can complete the Acknowledgment and fax it back to them so the loan will
close on time. If you comply with this request, you are violating notary law and subjecting yourself to criminal prosecution, as well as personal liability should the documents be contested at a later time.

**Administering a Jurat**

Now let’s talk about how to complete a Jurat properly. The Jurat means that the notary has required that the party swear under an oath or affirmation that the contents of the document being notarized are true. The difference between an affirmation and an oath is the reference to God or a supreme being.

There is no exact requirement for Jurat wording. A sample affirmation might be worded as follows: "Do you swear under penalty of perjury that the information contained in this document is true and correct to the best of your knowledge?"

A sample oath might be, "Do you swear that the information contained in this document is true and correct to the best of your knowledge, so help you God?"

You might have them raise their right hand but this action is not required. Whether you wish to administer an oath or affirmation is up to you as the notary, but you notarization, that you issued the oath or affirmation, and that the signer responded affirmatively.

A Jurat is identified by the wording "Subscribed and Sworn to" immediately above the place where the notary public signs his/her name. Please note the following requirements:

- The signer must personally appear before the notary on the date and in the county indicated.
- The signer must sign in the presence of the notary public.
- The notary public must administer the oath, “Do you swear/affirm that the statements in this document are true?”

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**Proper Jurat wording for California**

Jurats completed in California must include the “Disclaimer Statement” as noted below.

ADisclaimer Statement must be in a typed-faced font and enclosed in a box. They cannot be hand-drawn in.

**Completing Jurat Wording continued...**

Complete the venue section which again, indicates where the notary act occurred.

State of ___________
County of ___________

Venue section of notary wording

Subscribed and sworn to (or affirmed) before me on this _____ day of __________, ____, by ______________________ proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

_________________  (Signature of Notary)  (Seal)

As you can see, this process is
intended to appeal to the conscience of the signer. You as the notary do not have to have evidence that the contents in the document are true, as an affirmative statement from the document signer is sufficient. Remember that you, the notary never guarantee the truthfulness of the document in either an Acknowledgment or a Jurat. With a Jurat, you are guaranteeing that the person appeared before you at the time of notarization and that the signer took an oath pertaining to the truthfulness of the document’s contents.

Effective 2015, this wording is the proper verbiage for a Jurat, and if it is not preprinted on the form, you will need to write it in or use a Jurat stamp on the form. For Acknowledgments, if the verbiage needs to be added, we usually use an All-Purpose Acknowledgment form, but Jurat verbiage is small enough that you can usually get away with stamping the verbiage on the document itself. For this, we use a stamp conveniently known as a “Jurat stamp”. You will then sign it as the notary and seal it with your notary stamp.

Another reminder is that since a Jurat is meant to appeal to the conscience of the signer because the signer must swear to the truthfulness of the contents of the documents, the document MUST be signed at the time of notarization, not beforehand. If it has been signed before, you must require re-signing after you give the oath or affirmation and prior to placing your notary seal on the document.

**The clear distinction between Jurats and Acknowledgments**

The difference between the two is quite apparent. In an Acknowledgment, the signer must acknowledge that they signed the document in his or her authorized capacity and that he or she intended to execute the document with his or her signature. Additionally, the document may have been signed prior to presentation before the notary or at the time of notarization.

The essential purpose of a Jurat differs from an Acknowledgment in that the signer must swear an oath or affirmation that the contents of the document are true. This is not the case with documents requiring an Acknowledgment. Additionally, a document requiring a Jurat may only be signed in front of a notary since the notary must require the oath or affirmation from the document signer(s). If the document was signed beforehand, it must be re-signed at that time of notarization.

It is important to point out once again that for both Acknowledgments and Jurats, the signer or signers must personally appear before the notary at the time of notarization and must provide proper identification to the notary.

Unlike Acknowledgments, all Jurats completed in California must have California verbiage without regard to where they will be recorded. If a document, which requires a Jurat, does not have the new California verbiage, you will need to add it to or attach it to the document before sealing with the notary seal.

**How will you know if a document requires an Acknowledgment or Jurat?**

Remember that this decision is not yours, it is up to the client. However, the intent is that if the document to be notarized contains wording in which the signer is swearing to the truthfulness of the contents within the document, you will use a Jurat unless otherwise instructed. In almost every instance, every other form requiring notarization will require an Acknowledgment. Most documents presented before a notary will already include the proper verbiage; however, as previously discussed, not all
documents have the right verbiage. The notary is not supposed to advise the client as to which act to perform and to do so is considered to be the unauthorized practice of law. Of course, few people who are not notaries will know which act to perform, but remember that if you direct the client to a specific notary act and it turns out to be the wrong one, you may be held liable for losses arising from the improper act. You are supposed to require your client to refer to the advice of the originator of the document.

Part 3
Essential Items You Will Need As A Notary
The most important “tools of the notary trade” are listed below. A notary should never attend a notarization appointment without these essential tools.

The Notary Journal
Every notarial act requires the notary to record certain information in an official Journal of Notary Acts. You will need to have a journal before you complete your first notarization. Once you have passed your exam, vendors of notary supplies will solicit you by mail. As with anything else you buy, contact several for pricing as they really do vary among vendors. Perhaps even more important is the style of journal you purchase. All journals will have entries for required information, but you may find some styles more useful than others.

Acknowledgment and Jurat Forms
You will want to purchase or download these prior to your first notary assignment. You can usually use the same vendor as used for the notary journal, as that vendor will likely have all of the necessary items required.

Jurat Stamp
The Jurat stamp will be a notary tool you will use many times. Find one with a good price, but be confident of the quality before you purchase. They are really not very expensive, but a faulty Jurat stamp can be an absolute headache.

Fingerprinting Device
Some notary acts require a fingerprinting device more commonly referred to as a thumbprint pad. Look for one, which is referred to as “inkless”, or “disappearing” which means that while the thumbprint is permanent on the paper, the ink should rub off of the thumb leaving little or no residue or staining. Your client will thank you and you will not have to take a supply of tissues with you to each appointment.

The Notary Seal
Finally, you will need your notary seal. While you may purchase the other items listed prior to receiving your commission, you may not have your notary seal manufactured until you have received your letter of commission from the Secretary of State. The letter of commission will include an authorization to have your notary seals manufactured. This must be done through a company licensed to do so by the Secretary of State. No stamp manufacturer may solicit or manufacture a notary seal without first being approved to do so by the Secretary of State. A listing of authorized seal manufacturers will be included in your letter of commission.

Errors & Omissions Insurance
As stated earlier, notaries are personally and financially liable for any improperly executed notary act. For this reason, notaries often choose to obtain errors and omissions insurance for financial protection. This is not a legal requirement, but it is a very good idea to
have this insurance policy. Be sure to shop around for this and when comparing prices, find out whether the price quoted is for one year or for four years. Many companies quote a price for their E&O policy but do not disclose that the renewal is yearly, thus quadrupling the price over the term of your commission. Some Loan Signing Agents feel more comfortable with a high amount of insurance such as a $100,000 policy, but remember, while E&O insurance will protect you financially up to the amount of your policy, you will still be legally liable if you perform illegal or negligent notarial actions. Some lenders and escrow agents will not engage notaries unless they carry $100,000. Signing services carry anywhere from $500,000 to multiple millions of dollars in E&O insurance, hence their fees paid to notaries are understandably less for overhead costs.

Part 4

The Notary Journal

An important duty of a notary is to properly complete the Notary Journal records so that anyone questioning a signed document, whether it is soon after the signing or years later, can request a copy of the notary’s recorded information. Since the notary must retain specific information about every document signed in a Journal of Notarial Records, the notary journal becomes important evidence for the public. This notary procedure alone does much to assist in minimizing such fraudulent claims.

Sequential order

A notary is required to obtain and use an official Journal of Notarial Records, which will retain certain information concerning any notary act, performed during the notary’s commission. A notary public is only permitted to keep one active sequential journal at a time, which records all official acts performed as a notary public. The journal must be kept in a locked and secured area, under the direct and exclusive control of the notary because failure to secure the journal may be cause for the Secretary of State to take administrative action against your commission. This means that your commission may be suspended or revoked at their discretion.

The journal should include the required information as listed below as well as any additional information the notary feels may benefit him or her should a notarial act be questioned in the future. For example, if a notary refuses to notarize a document, the notary may wish to record the details of that in their journal for later reference.

The journal must contain the following information:

- Date and time the document was notarized
- The type of notary act performed (Acknowledgment or Jurat)
- The character (almost always the name) of the document notarized (such as Grant Deed)
- A statement as to whether the person who acknowledged the signature was personally known to you or proved their identity to you.
- Name of the identification document (such as driver’s license) or an indication that credible witnesses were used, and pertinent identification information about the credible witness when required (see part 5). If personal knowledge was used, the notary must indicate that in the journal.
- Serial number of the identification document, i.e., driver’s license number
- Date of issue or expiration of the identifying document
• Signature of the person
• Fees charged for notary services
• Right thumbprint for Powers of Attorney, Deeds (for example, Warranty Deeds, Quitclaim deeds, Grant Deeds) or Deeds of Trust affecting real property. ***Please note that not all documents containing the word deed in their title require a right thumbprint! For example, Thumbprints are not required for deeds of Reconveyance or for a trustee’s deed if the property is in foreclosure. (When a property loan is paid in full, a Deed of Reconveyance is issued; a trustee’s deed is issued for transfer of property placed into foreclosure.

If the right thumbprint is unavailable, use a left thumbprint or any available finger but be sure to indicate what was used. If the signer is unable to provide a print, the notary must document the inability and state an explanation as to why the fingerprint was unavailable. Also, note that addresses and birth dates are not required for a journal entry. Do not complete the notary act for someone if the thumbprint (or fingerprint) is required and you simply do not have a thumbprint pad with you. You must find a thumbprint pad or reschedule the signing. DON’T forget your thumbprint pad!

Lost, Damaged or Surrendered Journals
If the journal is stolen, lost, destroyed, damaged, or otherwise rendered unusable, the notary public must immediately notify the Secretary of State by certified mail or by any means whereby you obtain a receipt for mailing. The notification must include 1) the period of the journal entries, 2) the notary public commission number, and 3) the expiration date of the commission, and 4) when applicable, a photocopy of any police report which may have been taken.

Any member of the public may request a copy of a journal entry, but they must include in their request the 1) name of the parties, 2) the type of document, and 3) the month and year in which notarized. The notary must provide a photocopy of the line item only and may not charge more than thirty cents ($0.30) per page. Simply cover the remaining entries on the page before photocopying.

The notary public may not surrender the journal to any person except the county clerk or to a peace officer who is acting in his or her official capacity and within his or her authority in response to a criminal search warrant signed by a magistrate and served upon the notary public by the peace officer.

If the notary is required to surrender his or her journal, the notary must obtain a receipt for the journal and notify the Secretary of State within 10 days by certified mail that the journal was relinquished to a peace officer. The notification must include: 1) the period of journal entries 2) the commission number of the notary public, 3) the expiration date of the commission, 4) and a photocopy of the receipt. If that journal is later returned, the notary may not make any additional entries in that journal.

The Notary Seal
Upon receiving your letter of commission from the Secretary of State, you will also receive two authorizations to have a notary seal manufactured. Finding an authorized stamp manufacturer will be simply a matter of responding to one of the many solicitations you will receive once you have received a notification of passing the exam. Prices vary widely, so shop around. Your seal must be obtained
from an “Authorized Seal Manufacturer.” In order for a document to be properly notarized, you must imprint your seal on the document. Any notarized document must contain the imprint of the seal in a clear, photographically reproducible manner.

Requirements for the Notary Seal
The notary seal image must be photographically reproducible when it is affixed to a document which means the seal must be used with ink of some type. The county will not accept the round embossers notaries used in earlier years although many notaries continue to use embossers in addition to their acceptable seal for extra security.

The county clerk will not accept a document if the seal impression is not clear and precise. If you smudge the seal impression, simply re-seal with a clear impression. If the document does not allow enough room for you to place your seal without covering up text or signatures, you should add a loose certificate or place your Jurat stamp on another page and record all of the important information pertaining to the document on that separate page, so it may not be removed and reattached to another document inappropriately.

No notary seal may be manufactured, duplicated, sold, or offered for sale unless first authorized by the Secretary of State with a proper authorization to manufacture a seal.

Seal is for Official Use Only
Of course, the notary may never use the official notarial seal except for the purpose of carrying out the duties of a notary. You would never place your seal in an advertisement, for example nor would you put your seal on photographs or photocopies not containing proper notarial verbiage. Similarly, a notary public also may never use the title “notary public” except for the purpose of rendering notarial services.

As discussed previously, the official seal of a notary public is the exclusive property of that notary public, and may never be surrendered to an employer upon the termination of employment, whether or not the employer paid for the seal, or to any other person. The notary, or his or her representative, must destroy or deface the seal upon termination, resignation, or revocation of the notary’s commission.

As a loan signer, you will be asked to fax over a stamped impression of your commission seal to a signing company. DO NOT COMPLY WITH THIS REQUEST! It is illegal in California and most companies know it is illegal. They are trying to determine if you are either new or dumb! You will receive a letter from our Secretary of State with your commission number; simply fax this letter instead.

What to do if your seal is lost.
If your official seal is lost, destroyed, or damaged, you will need to immediately contact the Secretary of State through certified mail or by any means whereby you obtain a receipt for mailing. A new certificate of authorization will then be issued within five working days after receipt of the notice. You may use the new certificate to obtain a replacement seal. Once your notary commission is expired, you must destroy the seal to prevent possible fraudulent use.

Part 5
Obtaining Identification
Satisfactory Evidence for Proving Identity As you now know, identity must be proven to the notary for Acknowledgments and Jurats. There are two basic means of proving identity during a loan signing session:
- Proven identity through proper identification documents
- Credible witness or witnesses

This, of course assumes that you, the notary, do not have any evidence or reason to believe that the person requesting the notarization is not the person he or she claims to be. In other words, if you know that someone is committing forgery, you obviously may not notarize the document.

**Personal Knowledge**

In California, a notary’s personal knowledge alone is not satisfactory evidence for the identity of a document signer.

**Proven Identity**

The following lists acceptable identification documentation within the state of California.

These documents must be current or if expired, must have been issued within the past five years, must contain a photograph of the person, a signature of the person, a physical description of the person and a government issued ID number.

- An identification card or driver’s license issued by the California Department of Motor Vehicles or any other State DMV or similar office (such as Bureau of Motor Vehicles).
- An identification card issued by any branch of the armed forces of the United States. (Most of these documents do not have all required information such as the physical description and signature, and therefore, if they do not, they cannot be used.)
- A passport issued by a foreign government.
- A valid consular identification document issued by a consulate from the applicant’s country of citizenship.
- An identification card issued by a federally recognized tribal government.
- A driver’s license issued by a state other than California or by a Canadian or Mexican public agency authorized to issue drivers’ licenses.
- An employee identification card issued by an agency or office of the State of California, or by any agency or office of a city, county, or city and county in this state.

The following may be used even though they will not have all of the above required elements but still must be current or if expired, must have been issued within the past five years.

- A passport or passport card issued by the Department of State of the United States. (U.S. Passports do not require a physical description).
- An inmate identification card issued by the Department of Corrections, if the inmate is in custody.
- Any form of inmate identification issued by a sheriff’s department, if the inmate is in custody in a local detention facility.

You should never accept an international driver’s license as proof of identification. An international driver's license can be obtained through the Internet with no verification of identity. In addition, you should note that social security cards cannot be used since they do not meet the above listed criteria, nor should credit cards be used even if they do have a picture of the person.

It is important to again reiterate
that the most widely accepted rule by notaries, although not legislated, is that a signer's identity document should contain at least as much information as contained in the signature. For example, when notarizing the signature, John Smith, Jr., the “Jr.” must also appear on the identity document. The identity document can contain more information than the signature, but never less. If someone signs the document as Mary Ann Smith and her driver’s license only has Mary Smith, you must use an alternate form of identification that has her name in the form of Mary Ann Smith. Similarly, John W. Jones, II must have an identity document with at least John W. Jones, II.

Alternative Forms of Identity

Credible Witnesses

If someone is requiring notarial services but lacks the proper identification, we can use a procedure called “obtaining a credible witness.” The notary may use a single credible witness if the notary personally knows that credible witness, otherwise, the notary will use two credible witnesses. The notary is actually using the oath of the credible witnesses as a substitute form of identification so the credible witness(es) must be given an oath and affirm the oath as true before the notary. The oath must include the following statements of fact:

- That the person making the Acknowledgment is the person named within the document.
- The person signing the document is personally known to the credible witness.
- That it is the reasonable belief of the witness that the circumstances of the person signing the document are such that it would be very difficult or impossible for that person to obtain another form of identification.
- The person signing the document does not possess any of the identification documents named herein.
- The witness does not have a financial interest in the document and is not named in the document.

Once again, if a person cannot be found who knows BOTH the notary and the signer, then two credible witnesses may be used so long as they can swear under oath that they do personally know the document signer. Please also note again that credible witnesses may not have any beneficial or financial interest in the document, nor may they be named within the document!

All credible witnesses must present acceptable identification to the notary. Even though the use of a single credible witness who is known personally by the notary is allowed, the credible witness must still provide a valid form of identification.

The credible witness(es) do not sign the document but must sign the notary journal. If a single credible witness is used, the notary is required to capture either the credible witness’s signature in the journal or the information from the identification document the credible witness uses but not necessarily both. That stated, the best practice is obviously to record both the signature and the identification in the notary journal, even though both are not absolutely required.

While Credible Witnesses are permitted in California when a signer does not have and cannot obtain a proper identification document, loan signers rarely use them for loan signing documents because one requirement that has been a direct result of the Patriot Act is that
signers will need to provide copies of at least two identification documents used during the signing. This will be discussed in greater detail later in the book but realize that you as a loan signing agent will need to obtain permission from the lender to use credible witnesses which will not usually happen with respect to lending documents.

If you are notarizing other types of documents, using credible witnesses is a perfectly acceptable method of identification when necessary.

**Signature by mark procedure**

If the signer of an instrument cannot write (sign) his or her name, that person may sign by mark (x). The requirements for signature by mark are as follows:

The signer’s mark must be witnessed by two persons who must subscribe their own names as witnesses on the document. One witness should write the person’s name next to the person’s mark and then the witness should sign his or her name as a witness. The witnesses are only verifying that they witnessed the individual make his or her mark on the signature line of the document. A notary public is not required to identify the two persons who witnessed the signing by mark or to have the two witnesses sign the notary’s journal.

If the witnesses were acting in the capacity of credible witnesses in establishing the identity of the person signing by mark, then the witnesses’ signatures must be entered in the notary’s journal.

John Smith placed his mark (x) on the document. Peter R. Roberts signs as a witness but does not need to resign Mr. Smith’s name.

It is important to note that when you perform a notarization for a person who is signing by mark, you must still verify the identity of the person signing by mark! In addition, you must have that person also sign the journal with his or her mark. That person must also sign under his or her own power. It may be acceptable for someone to support his or her arm during the signing, but the notary cannot allow the person helping to make the mark or signature for the person by guiding the signer’s hand.

**Conclusion of Notary Law review**

This concludes our review of essential notary knowledge. Since you now have the basics of notary law at your fingertips, you can avoid being caught up in doing something illegal or fail to carry out your duties through negligence, and so it is time to continue our discussion on how to make this career choice exceptional for you!
Chapter 3
Notary Business 101

Starting a mobile notary/loan signing business is much like starting any small business. Yes, you will be your own boss, (thank goodness) but you won't work any less than you did in your previous work and you'll probably wind up working more hours!

There are some nice advantages to starting a Mobile Notary or Notary Loan Signing Agent business in that aside from setting your own schedule, the start-up costs are fairly insignificant in comparison to other businesses. Perhaps the biggest cost you will incur is an asset you already have: your car! Most notaries are mobile which means you will need a reliable car, car insurance and a current driver's license. Keep in mind that you will most likely easily put over the 12,000 or 15,000 mile limit that most car leases allow and will cost you thousands of dollars to return the car after the lease is over, so if you are debating leasing or buying a car, and also thinking about getting into the business of mobile notary work, keep this obvious factor into the equation.

Another factor that is not as obvious to consider is that in this business, we work with the public and a LOT of the public. Working with so many people will expose you to all sorts of situations that you are not typical in your usual set of experiences. An important aspect of this business is your ability to interact and accommodate to reasonable, yet sometimes interesting “people” and for those who are not necessarily “pet” people, keep in mind that there are others out there who certainly are. As your job will necessarily entail communicating with a diverse group of people, you will need to be rather socially adept and have an ability to put your clients at ease during what sometimes is a stressful signing event.

Actually, most people are really nice people and will be extremely hospitable despite all of the varied circumstances and situations. We are usually are treated with respect and kindness when we complete a signing in the borrower's home. We are usually treated as a guest and made to feel very much at home. Many times we are offered bottle water and often coffee or soda. By the way, I have never been offered a martini or a gin cocktail, but I have already decided that I would need to politely decline that kind offer.

In short, you must like people and must remain flexible in all kinds of situations. No two loan signings are the same because people are all very unique. For example, while most signings may take place at their dining room table, sometimes you will need to take a path of least resistance and help the signer clear plates of leftovers, coffee mugs, newspapers and magazines off of a coffee table. Be considerate, kind and most importantly, smile a lot.

On the subject of your client's cats, dogs, birds, lizards, snakes and the like, whether or not you like pets, you will need to at the very minimum be able to tolerate them. Some clients will have one or two pets and others will have many pets. Quite often you will be signing among squawking birds, yappy dogs and purring cats. For the most part, pet owners tend to be quite considerate of over-active pets and if needed will secure a pet in another room if it is being
disruptive to the signing but not all owners are cognizant of when a pet is being disruptive. Pet owners sometimes just think their little Prince or Princess is just being cute.

The point is, if you absolutely hate pets, this will not be the job for you; however, this is a good time to interject that as you are on the initial appointment call with your client, be sure to inquire as to whether or not you will need to avoid a potentially dangerous pet. Don't feel pressured to enter a property if there are dogs running around the yard or you feel in any way threatened. Even if you have already spoken with your client about their pets, if you still feel it is unsafe to enter their property because of aggressive or uncertain pet behavior, contact the borrower and confirm that it is safe to enter. If you are still uncertain, you might need to ask the pet owner to help with securing their pet.

Cats are another matter as no one "controls a cat". They usually are allowed to wander around the house unattended so if you are allergic to cats tell the borrower when you confirm the appointment over the phone. By the way, I have noticed that cats are fascinated by an open briefcase and simply cannot ignore it. Many times I have left my briefcase open on the floor so I can easily drop my notary "tools" into the briefcase as I finish with each notary tool and often found a cat asleep, (or perhaps pretending to nap) in the briefcase. Keep this fun fact in mind if you are allergic to our feline friends.

This is primarily a people business and by dressing professionally, being considerate and maintaining diplomacy, and in short, acting in a professional manner you will be well on your way to a successful loan signing experience. As part of a professional appearance, it is usually advisable to wear your notary identification badge to every signing (available at www.notaryclasses.com) because it makes many clients more comfortable in allowing you, a stranger into their home. Upon arrival, consider maintaining formal salutations as Mr. or Mrs. and even "ma’am" or "sir" unless your instructed differently. Some people expect more formality than others.

As to a signing schedule, keep in mind that most loan signings take place between 5pm and 9pm Monday to Friday or all day long on Saturdays especially in areas that tend to have an older demographic such as the Palm Springs area or the well known senior citizen areas such as Leisure World in Orange county. Of course, you may decide to also provide non-loan signing services such as general mobile notary work and this type of work is generally anywhere between 8am and 9pm, seven days a week.

The Mobile Notary Business

Once you get experience completing a few loan signings, you will find that they become almost routine and are really quite easy, but another side of the notary industry you may find just as interesting is mobile notary work. Mobile notaries handle signing situations for just about anything other than loan signing and are really quite a different specialty. No two days are alike and you will meet some really interesting people. Most people sooner or later need notary services and those who cannot travel or don't want to travel to a notary public appreciate it when a notary can travel to them.

Fees:

This market can be quite lucrative especially as you are also trying to build your loan signing clientele. The reason this works is because, as you already know, California notaries have no statutory limit on travel fees and can charge the travel fee as well as the $15 per notarized signature. This opens up significant possibilities in all
types of situations for those notaries willing to be on-call but one word of caution: do not make the mistake of beginning in this business by undercharging for your services. Sometimes you will get a call from a client who wants you to agree to a ridiculous fee for traveling...say $5 or $10. Do not set your fees to the lowest in the market or you will be working too hard for too little money! It is difficult to say what is reasonable as that is up to each individual and the market but being too low defeats the purpose of starting your own business.

If you incorporate reasonable fees right from the start, you will find your experience to be lot less stressful and overall your business will be more lucrative. Reasonable travel fee depends on where you live, what kind of traffic situations you have, the numbers of potential clients in a day, whether you are working directly for the client or are accepting assignments on behalf of an agency and many other factors. Be sure to also remember that you may have situations out of your control but you will want to charge for that time. For example, possibly a waiting fee for unexpected delays. Also, parking and finding a hospital room can be a challenge. When you arrive at a large parking location, contact the person who called you and ask them to meet you in the lobby. This should give them time to get down to the lobby from the patient's room. If this isn't possible make sure you know the patients name and room number. Also, if the patient is in ICU (intensive care unit), know that you may need extra time as you may be required to dress in a protective medical gown. Be ready to have in mind a fee when you are forced to wait or run into a circumstance that you have no control over but costs you significant time.

When you establish your mobile notary business, and you begin notarizing for clients in these types of facilities, we suggest that you have a minimum fee which may or may not include the notary fee for one signature but keep in mind that the minimum fee needs to include the easy cases and the more difficult situations.

**Mobile Notary Services are different from Loan Signing Services**

There are really many differences between the loan signing notary industry and the mobile notary industry. For example, with mobile notary work, unlike loan signing, you won't be printing documents, except in rare occasions and then it will only be a couple of pages. With mobile notary work, the documents are almost always in the possession of our clients whereas with loan signing we are usually going to bring many of the documents with us to the client. At the end of signing with mobile notary work, we leave the documents with the client, which means no FedEx or UPS return responsibility for us which is very different from the expectations of a notary after signing a loan package. Also, another convenient difference is that mobile notaries are usually paid immediately after the notarization is finished. You might have a few regular clients that you will send an invoice to but that is the exception, not the rule. No waiting for a check in the mail! Nice!

When we complete loan signings, we are expected to ensure that the borrower is signing in the correct places and that we fill out the notarial wording properly and in accordance with instructions if included in the package, but mobile notary work usually does not include instructions. With mobile notary work, we are expected to know when the notary wording is correct, when it needs to be changed, when documents have been filled out completely and which sections are meant to be completed after notarization (such as a county clerk's section for recording) and in general, know how to help our clients and when we are not permitted to help.

For example, most notaries are not
attorneys and as a non-attorney notary, we do not fill out the documents for our clients and we do not help our clients fill out documents. Often, clients expect notaries to assist them in completing the forms but we cannot without special legal authority and if we do anyway, we can be held liable for practicing law without a license. For instance if you help someone fill out a Quit Claim deed and it turns out it is filled incorrectly, who do you think is going to get blamed? YOU!! This issue is never going to stop so be prepared for it.

A mobile notary is similar to a notary loan signer in that in both instances they will be traveling to a signer, but there are significant differences between the two types of businesses including how you advertise your services, what a notary needs to know about document preparation, subsequent mailings when required and of course, how to receive payment for services rendered. As we describe the situations most mobile notaries are involved with, each of these differences will be addressed.

Now let’s describe where you might expect to provide most of your services as a mobile notary.

**Mobile notary work in Hospitals, Convalescent Homes & Nursing Homes**

Providing notary services at these types of facilities is a great service because you are bringing important and necessary convenience to those who need it most and these folks cannot easily travel to the notary. One of the biggest challenges with this type of venue in my experience, is that sometimes hospital or convalescent patients do not have acceptable identification documents. Keep this fact in mind when you book the appointment by making some initial inquiries. Clients in these types of facilities will generally require you to notarize their signature on a Power of Attorney form, an Advanced Health Care Directive and once in a great while a Grant Deed or Quit Claim Deed. Keep in mind that it is almost never the actual document signer who is calling you, rather it is most often a family member and is usually the person who is receiving the Power of Attorney and is the person who will be directing the person’s health care concerns (in some cases it can the Social Director of the facility making the call).

When taking this type of assignment, be mindful that you must be able to identify the signer and that __the signer cannot be coerced into signing and if you see any signs of this you must immediately stop the signing.__

The signer should be able to reasonably communicate with you and should be able to sign the document and the journal under their own power and willingness to do so.

Obtaining proper identification documentation is almost always a concern in these venues so deal with this issue during the initial call requesting your service. I always let the person calling me know that “the identification must be current and ask them to read the expiration date on the I.D. Realistically, you are looking for a driver’s license, state issued identification card, passport, or an “Old Military I.D”. Newer Military identification cards are not acceptable as they are not signed and do not have a physical description. When I am assured that the I.D. is acceptable, I ask the person on the phone to make sure the I.D will be in the room at the signing. If no identification document will be available, you will want to inquire as to whether or not two persons who do not have a beneficial or financial interest in the document can be present and will agree to take the credible witness oaths.

Hospital and nursing home administrators sometimes allow their staff to be credible witnesses but don’t always count on that. It is better to have those lined up in advance if possible. Ensure that the credible witnesses will have their own
acceptable identification and of course, remember that an essential part of defining a credible witness is that they personally know the document signer. Their attendance must be arranged before the signing event and not after you arrive. The most important part of the above paragraph is to remember, you will never accept an assignment at a hospital, convalescent, or nursing home without addressing the issue of the signer having a valid identification document.

Keep in mind that we are not required to determine whether or not the signer understands all of the legal ramifications of signing a document but we are not permitted to notarize if we have reasonable suspicions that the signer is unable to understand the document or is being forced or coerced to sign. If you think coercion is taking place you must leave the signing immediately.

Now we should address the situation when a signer must use a mark for a signature because he or she cannot actually sign with a signature due to perhaps a physical disability or medical condition, for example. While a Signature by Mark is almost never part of a loan signing situation, certainly we would expect to see this in a hospital, convalescent or nursing home location. When one needs to sign with a mark, we need to have two witnesses present who see the mark being placed onto the document. These two witnesses do not need to be identified and can be anyone. It’s not unusual in a Signature by Mark signing for the two witnesses to be family members.

Signature by mark witnesses will sign the document next to the mark and one of the witnesses must subscribe the document signer’s name next to the mark. Only one witness for signature by mark is needed to sign the journal and can be either of the two witnesses or even the notary. Sometimes, if a signer also does not have proper identification documentation, we may need to use credible witnesses and as long as the witnesses for the signature by mark also meet the requirements of credible witnesses, they can also serve in that capacity.

Providing mobile notary services in other locations:

Banks

Most banks have notaries on staff, but some banks like to use mobile notary services to free up staff or even minimize liabilities so it’s truly a branch by branch decision if or when they have an employee notary available. Banks are also open six days a week, so, if only one employee is a notary, that leaves one day a week when there is usually no one else on staff to provide this service, That is where you can fill this gap. Go to every bank in your city, or as far as you want to travel if it’s a big city, and look sharp and ask for their notary business, if their notary is not available. Dress just like the employees at the bank. When you notarize for a bank customer you are a reflection of that bank, because, the client will assume you are an employee of the bank. Some people are more comfortable signing documents at a bank. The bank usually pays you as a vendor and sometimes arrangements can be made to receive payment at the end of the assignment but there are also banks that will need you to submit a bill and wait for payment. Make sure you bring two different invoices: one that says “Paid in full” and one that has a “due date” for those banks that need to go through a more formal accounts payable process.

Law Offices & Attorneys

Sometimes an attorney or legal firm would prefer to have a notary come in for an appointment to notarize for their clients. Most attorneys are not notaries, the exceptions are estate planner’s attorneys
(90%) and defense attorneys (10%). Many other attorneys will have a person on staff who is a notary. Estate planning attorneys should be your main focus to work with as a mobile notary. This attorney specialty is where a mobile notary may find the most work. These are the attorneys who are responsible for the preparation of Living Trusts, Health Directives and Wills (wills are not notarized in California, but you will be asked to witness a will and don’t hesitate to this as you are just verifying that you saw the person sign his/her will). Working with an attorney requires you to dress very professionally all the time…all the time. Time is money for a law firm so keep this in mind. Never be late to any appointment for any reason but most assuredly, do not be late for an appointment at a law firm or you will likely lose a good client.

A little bit of protocol at an attorney’s office goes a long way. Ask the attorney where you should sit when you are escorted into the conference room as they may have specific preferences. The client has hired the attorney to provide their legal services so say little past the cordialities and follow the directives of the attorney. The attorney will be the one to direct which documents require notarization and try to be as efficient and professional as possible. No small talk as talk takes time and time is a valuable commodity at a law firm. Besides, sometimes the wrong comments can affect the signer in a negative way and cause a great deal of difficulties so just stay the quiet and respectful professional and you will do just fine!

Inmate Facilities

Be sure you advertise that you are available to provide mobile notary services to incarceration facilities. An inmate’s family is only comfortable calling a notary who mentions in an advertisement or their profile: “jail visits available”. I personally advertise “100’s of jail visits, call me”. The inmate is never going to make the phone call to you. The call will probably come from a family member, and occasionally a defense attorney, and once in a great while a friend of the inmate. The person who calls you is the person who will pay you. This is where being able to take a credit card is essential. Many times, the person calling you, lives in another city, or out of state, and all communication and payment will be done over the phone or the Internet.

What types of documents will you be notarizing at an incarceration facility? Probably 95% of the time it will be a Power of Attorney document. Occasionally the inmate needs a car released, because their car was towed. On occasion, you may also have to notarize the inmates signature on a document which is called “The Inability to Appear for a Marriage Ceremony”.

What about protocol at these kinds of facilities? In some California counties, such as Orange County, a notary is required to register with the orange county court system to do this type of notary work, but, most counties don’t require any type of registration process. Check with the counties you want to work for and ask if they have any particular regulations for a notary to visit one of their facilities? A California notary can visit an inmate at any time the jail is open for inmate’s visits. No appointment is necessary. Leave your cell phone in your car, dress business casual, bring a copy of your Commission letter from our Secretary of State, your driver’s license, and be prepared to open your briefcase for inspection. The most important part of this is never take your cell phone into the facility.

Be very aware of the time the inmates eat breakfast, lunch, and dinner at every incarceration facility you’re visiting. These hours vary at every institution and can change whenever a new chief administrator takes control. I find the best hours to visit are 9:00 am to 11:00 am & 1:00 pm to 4:00 pm. Actually, I would
rather go to the jails on the weekends, because most attorneys do not visit jails on weekends, and this means the inmate secured visiting room is more likely to be available. At most jails there are large areas for family and friends to visit and talk to an inmate but there are only a few secured rooms where documents can be passed from an attorney or a notary to the inmate. If these secured rooms are occupied, you will be waiting in the lobby until these rooms are vacant. Bring a book or a kindle type device, because if you are using your cell phone in the jail waiting room, and the sheriff tells you can go up to the inmate’s attorney room, you better be ready at that moment to go, or your spot could be given to an attorney or notary who is also waiting and has left their cell phone in their car. Jail visits are almost never routine because the inmate might be getting a haircut (yes, that has happened to me a couple of times) or the entire jail is on lockdown, or inmate is otherwise not available at that time. Other times you walk in the door and you’re with the inmate and finished in ten minutes.

Inmates don’t have driver’s licenses or any other California acceptable identification document available for you to use so you will use to his or her booking number bracelet for identification in your journal. California relaxed the identification laws for inmates in 2017, thank goodness! Many state and federal jails have their own “in-house notaries” and you won’t get phone calls to notarize documents for inmates at these institutions. Inmates who are in “holding tanks” and have not yet been sentenced are our main source of appointments.

Hotels
California is a big tourist destination which means, if you are lucky enough to be located in one of these areas; hotels should be on your radar. Your first step is to make an appointment with the hotel concierge and sell your skills. People who stay in California hotels often need notaries for personal or business reasons. Look sharp, the last thing a concierge needs is recommending a notary that looks less than professional. You will come to the hotel and will do the notarizations in the lobby at a desk. You won’t be asked to go to a person’s room for obvious reasons.

Depositions
A California notary may be hired to be involved in taking an oath during a deposition, often over the phone. We may be hired by the individual who has an appointed time to speak to a judge in another state to give a deposition. If you are asked to provide this service, you will need to verify the identity of the individual while you are physically present with that person who is receiving the oath. You place his or her name in your journal and list the notarial act as a deposition. At the time of the call, while you are in the presence of the client, the judge will ask you to verify the identity of the person, will ask you to describe what identification document was used, the identification number and expiration date. The judge will then ask you to “swear” the person in. I always say “Do you swear or affirm that the statements you are about to make in this deposition are true to the best of your knowledge”? You will be on speaker phone and the person must say “yes”. This is your time to leave and hand over the phone to the person giving the deposition. I charge this as a mobile notary fee and usually charge $85 to $100. If the court calls on time (and they usually do) you will only be there a few minutes.

Essential mobile notary supplies
Smart Phone: This type of phone is nothing new in California and everyone in our notary business has one but don’t overlook one of the phone’s most important features: the CONTACT feature. The
CONTACT feature can be utilized as a true business feature. For example, when inputting a new client into your phone, you should make sure to have their first and last name, address, documents notarized and what you charged for the last appointment. If a client calls us back after the first appointment say a few months later, you want to be able to say without missing a beat, “what time do you want me to come and will we be meeting at the same address; 5555 Maple St in Anaheim? We notarized a Power of Attorney the last time, what kind of document will you want to do today?” This is impressive to anyone and I assure you it really demonstrates a high level of professionalism. It is poor business practice to have someone call you a third time and you have no idea who it is. Be disciplined and do this for every appointment.

Contact information stored on our cell phones is very different for a loan signer’s contact client vs. a mobile notary contact client. In the loan signing industry, we keep all the mortgage company’s information in our contact list and never the borrowers. The difference is you will only be called back occasionally to do mobile notary work for a specific borrower. When a loan signing agent contact calls me and I don’t recognize a phone number, I answer the phone with: “HI its Joan” and let the conversation begin. With mobile notary work though, keep all your mobile clients in your contacts list.

Calendars: Keep your calendar on your phone by appointment time and date and have an alert for every appointment. It’s easy to keep track of one appointment a day but try remembering five appointments a day! Appointments that come over the phone are the most difficult to remember; when you stop the car go to your calendar immediately to fill in the critical information.

Credit Card Reader: The ability to take credit or debit cards is an absolute necessity as a mobile notary. There are many choices available to us including Intuit, Apple, Square, etc. pick your favorite. I use Square because it was the first one available that took all the credit cards: American Express, Visa, Master Card, Discover. Find the company you are comfortable with and sign up with them. Most of the companies are competitive in charges. These companies send you a free scanner that connects to your smart phone to swipe the cards. For instance, with Square, you simply put the “Square app” on your phone, set up the account and you are ready to take credit cards.

We’ll continue to use Square as an example. If the credit/card is “swiped” the charge is 2.7% and if the charge is manually entered the charge is 3.1%. This fee could change and it might not be what your credit/card business charges you. The client can receive an emailed receipt immediately when you complete the charge and your account will receive payment on the next business day. Most people don’t carry checks or cash as they did years ago but if you are working at a business location, there is a much greater likelihood that you will be paid by check.

Briefcase: I use an aluminum briefcase because of its durability. It’s heavy, but, I have all my “notary tools” in my briefcase and never have to go out to my car trunk to get items. Don’t leave people alone because they might change their minds. Have everything you need with you!

What should you carry in your briefcase?

Hard Cover Journal: This type of journal is a must for a mobile notary. We use this type of journal as a “brace” for people who are in bed at hospitals, nursing homes, convalescent, or a person’s home. They very seldom have the ability to sit up and often don’t have anything to sign the
document on. Your journal is the answer to the problem. After you enter their information in your journal explain to them that they can use the hard journal as a brace to sign the documents. You have solved a problem for them without time being spent looking around a room for possible solution for this problem. **HINT** While we are not allowed to have someone assist another person sign a journal/document (such as holding someone’s wrist and helping the person sign); someone is allowed to assist a person with their fingerprints being applied to our journal. This can be very helpful because a person in bed is often attached with medical tubes and devices and getting the thumbprint can be very difficult without some assistance from a family member or friend. Don’t hesitate to ask for help.

**Loose acknowledgment and jurat certificates:** You will be surprised how often these loose certificates are used in the mobile notary business. Often we are presented with documents for notarization but there is no printed notarial certificate included. In my experience, attorneys often do not provide a notary certificate. The instructions may tell us to “attach an acknowledgment or jurat to the document” but if there are no instructions, I would have asked my signer what notary certificate should be attached as a non-attorney notary is not permitted to make that decision.

**Stapler & Stapler Remover, Paper Clips:** The chances of finding a stapler or remover in a home, hospital room or a nursing home is virtually impossible. Just make sure you have these items in your briefcase. **Also, remember when using loose certificates, you must staple the certificate; do not paper clip the loose certificate to the document.** Staple removers are required to take documents apart should the need arise. Some people have documents that are in no particular order (*I'm being polite here*) and if you can quickly put a paper clip on the documents to keep them in some semblance of order, it will be very much appreciated.

**Pens:** Keep a mixed bunch of black and blue ink colored pens. The most popular pens are the Pilot 2 brand. These are a gel pens that won't smear. They are in the $1.00 per pen range. If money is an issue get a mixed supply of inexpensive ink pens at Costco or Sam’s Club. Blue ink is the standard when signing loan documents unless instructions state otherwise or the client insist on using black ink. The important issue is to always have a large supply of pens. If you are not in a business workplace, you will be supplying pens for everyone.

**California Jurat Stamps & Disclaimer Stamps** are always useful to correct incorrect wording on notary certificates. You should carry both. When completing a loan signing we
Mobile Notary Marketing
Advertising your Mobile Notary Services

Convalescent, Hospitals, Nursing Homes: You must go in person to these institutions and talk to the Social Secretary. This person is the “go to person” that families look to get notary recommendations to have Power of Attorney and Health Care Directives notarized. Be sure to bring many business cards with you. The social secretary will hand out your business card to family members.

Jails, Detention Centers: be sure in your google, bing ads, etc, that you state you do jail visits. No one wants to call a notary that is not acceptable to doing these types of notarizations.

Banks  Personally go to your local banks and ask to speak to the bank manager.

Get a Website: This is a must for mobile notary work. The public expects a business to have a website and the absence of one will make the public go elsewhere. The best websites have more than one page and has a page specifically made so that the person can book an appointment instantly. www.NotarySociety.com has websites specifically for notaries!

Sign up with www.google.com/mybusiness for a free ad. Be sure to list what cities you cover and what times you’re available. Make sure you link your ad to your website. I advertise as a “mobile notary in Riverside CA” and not as a “notary in Riverside CA” I don’t want any walk-in business.

Sign up with www.advertise.bingads.microsoft.com for a free ad. You can use the same information you used above.

Sign up www.yelp.com for their free ad. I wouldn’t pay for an ad on this website because I think in the mobile notary section of yelp (in most cities) the free ad should put you on the 1st page of google.

Sign up with www.notary.net.com The owner of this website has some control over the DMOZ that determines who is listed on page 1 of Google. **Disclaimer: this website requires payment for your advertisement.**

Paid Google ad www.googleadwords.com. I advertise in riverside CA and pay about a $100 per month and I find it effective in getting clients.

Sign up for the free listings on these websites

- www.merchantcircle.com
- www.showmelocal.com
- www.backpage.com
- www.city-data.com
- www.hotfrog.com
- www.oodle.com
- www.kudzu.com
- www.insiderpages.com

Let’s get started: what do I need to be a mobile notary or loan signer?

As the saying goes, the only certain thing in life is …., well you know the rest. Paying taxes will be your responsibility since you are not typically working as an employee. Keep your records carefully and if you have
questions on deductions or what is taxable, consult an accountant or a licensed enrolled agent. You will be using your social security number or you will need to obtain an EIN (employer identification number) for your business. Most companies that give us work want us to fill out a 1099 government form for tax purposes. There is good reason to not want to give out your social security number which is why many notaries public opt for obtaining EIN number. This number is a nine-digit number the IRS assigns to businesses. While most apply under the category of a sole proprietors, your situation may be different so if you are unsure about this process, consult a tax professional or an attorney for more information.

If you choose to apply for an EIN number, you can complete the SS-4 form online at www.irs.gov or you can contact your local Social Security office.

**Errors & Omissions insurance**

You know by now that California notaries public are required to obtain and record a bond in the amount of $15,000 prior to their notary commission becoming effective. The bond protects the public should the notary be held financially liable for illegal or grossly negligent misconduct. This means that if the notary is held financially liable, the surety company writing the bond will be required to pay up to the amount posted ($15,000) should the notary be unable to meet that financial obligation immediately but the notary will be required to reimburse the surety company any amounts paid out as a result of that liability. Additionally, the notary is still personally liable for all financial damages which could far exceed the $15,000 bond limit.

People with assets or even potential assets protect those assets with insurance. Insurance is a necessary business expense for any prudent notary which is why most notaries public choose to purchase Errors and Omission Insurance. In fact, if you are marketing yourself as a loan signing agent, you will have no choice but to obtain this type of insurance as no companies or agencies that we know of will accept a notary that cannot demonstrate this potential liability is adequately covered. Some companies or agencies will require a minimum E&O policy of $15,000 but the norm is a minimum of $100,000. In fact, not having this amount will preclude you from working with the best paying companies.

A word of caution regarding when you should purchase this E&O insurance. Most, if not all companies selling bonds will offer an errors and omissions policy together but some will not write an E&O policy if you do not purchase your bond from them at the same time. Virtually all companies will not sell an E&O policy unless the notary has also purchased a bond from them, but the critical difference here is that if you choose to wait and buy your E&O policy after you begin obtaining business, which makes reasonable sense to us as a way to graduate into the expenses of owning your own business, you will want to ask the company you purchase your bond from if they will allow you to purchase your E&O policy later. You will not get any loan assignments if you don't carry E & O insurance. If money is an issue purchase the $15,000 policy and then purchase the $100,000 policy later when money starts coming in. The $25,000 or $50,000 E&O policies are rarely purchased because these amounts are viewed by your potential clients for loan signing purposes as inadequate.

Prices differ greatly particularly for E&O insurance. At the time of this writing, a combination of the Bond and $100,000 E&O from some of the most
prolific advertisers or surety insurers is over $500 for the four years which in our opinion is absurd. Pricing of the $15,000 bond and $100,000 E&O from the lowest cost company we have been able to find is a total of $208. Keep in mind that costs fluctuate with time, but this should suffice to give you an idea that you do not want to buy these products without comparison shopping.

A website that we like for these products is www.CalNotaryBonds.com. This price if effective at the time of this writing and was double-checked but there is no way to assure that by the time you read this, that prices have not changed. Suffice it to say that you should shop around and use these prices as a benchmark.

**Business License**

Most mobile notaries use their home office as their place of business and most cities in California require a business license for a home-based business, however, most notaries do not invite the public to their home office. That stated, we are often asked if a notary public operating a business from their home is required to obtain a business license and our answer is that most likely your city will require the license but you will need to check with your specific city hall for their requirements. Frankly, we have no idea of the actual percentage of notaries public who operate from their home who have actually investigated this issue with their city hall, but we will always recommend staying within compliance of all ordinances, including those we find inconvenient. Keep in mind that your tax advisor may have additional ideas about the advantages from a tax perspective of having a business license but again, you will want to maintain compliance with your city ordinances and if they require a business license, you will want to go through that process.

**The not so obvious tools necessary for your business**

**Jurat Stamps & Disclaimer Stamps**

Both of these stamps are almost a requirement for any California notary loan signer. January 1, 2015 ushered in a major change of verbiage for notary wording as previously discussed during the notary law segment and we doubt very much that any other state will join us with our new verbiage. We have many Acknowledgments and Jurats to notarize in loan packages and often the verbiage is not correct for California. As you will remember, while we have greater flexibility with Acknowledgments that are going to other states, all Jurats taken within California regardless of where the document will be sent must include California Jurat wording which now encompasses the “Disclaimer Statement”. Please review the section on notary law if you are not familiar with this requirement.

Since we are not permitted to handwrite the Disclaimer Statement, we can use either a loose Acknowledgment or loose Jurat certificate or, if the only modification needed for an existing Acknowledgment or Jurat is the addition of the Disclaimer Statement (as opposed to additional missing verbiage), we can simply fix the document by using a Disclaimer stamp.

This is a stamp that has the proper Disclaimer wording and is surrounded by the legislatively required border. It must be placed directly above the venue and if it does not fit there because of wording or other printed material, you will have no choice but to use a loose certificate.

A Jurat stamp has all of the required wording of a California Jurat including the disclaimer statement and is recommended over a loose Jurat certificate because the Jurat stamp can
be used without stapling paper to the signature pages, that a loose Jurat certificate requires. Lenders hate having staples in their loan documents and very often will not give you assignments if you insist on using the “Jurat paper solution” when you could have used a Jurat stamp instead.

**Loose Acknowledgment and Jurat Certificates**

Keep a supply of these forms available because along with Jurat wording. All notary forms offered by www.notaryclasses.com will have all the correct forms available to download and print out with a laser printer. Sometimes these forms are fillable and printable but do not use an ink jet printer to print these forms. Be wary of using loose certificates that do not include the “Optional Information” section as these “non-referencing certificates” can easily be removed from one set of documents and added to another set without the notary’s knowledge. The notary is not held liable should a signer or anyone does this at a later time, but we prefer to take the extra precaution and use the forms that include this optional information. Manipulation after the fact can then be more easily determined based on the information you entered within the optional information section.

**Paper**

Staples, Office Depot and other office supply stores have coupon specials a few times a year. Get on their mailing list as they have free delivery. If you shop at Costco, they usually have excellent prices for paper as does Sam’s Club. The thing to remember about buying paper is that you will go through a lot of it and will want to shop around often. A special this week is not automatically extended to next week and the stores are hoping that once you purchase paper from them once or twice with a special price, you will continue purchasing from them without continuing to compare prices.

You will need paper...lots and lots of paper. Loan signers purchase paper by the case not by the single 500 ream count. You'll need letter (8.5x11) and legal (8.5x14). At this printing in 2017 Costco had discontinued legal size paper in most of their warehouses and will only deliver legal size paper on-line for office or home delivery. Sam’s Club has legal available in some of their warehouses to pick up or have home/ business delivery. www.quill.com (owned by Staples)

**Briefcase**

I switched over to an aluminum briefcase a few years because the leather briefcase didn’t last more than a year or so and I wasn’t buying inexpensive briefcases. My last aluminum briefcase lasted 3 years before I had to replace it. I admit I am hard on a briefcase but the aluminum briefcase can take quite a beating and keep on going! It’s heavier than leather but can be wiped down with a damp rag and look like new. Remember for most signings you are not going to be walking much further than from the curb to the front door. Go to www.overstock.com and buy the deep (4 inches) aluminum briefcase as it can hold any size loan package (including the borrower's copies) and all your notary supplies without a problem.

**Binder Clips**

You must never send documents back in a FedEx/UPS/etc. envelope without putting a binder clip around the documents to secure them. The reason is that you will be picking up cashier checks from borrowers for thousands of dollars and they must be included with the documents. Over the years many loan signers have posted on the different notary message boards that a cashier’s
check they had put in the envelope was lost! Where did it go?

Well, most loan signers throw the loan documents loose in the FedEx or UPS envelope and don’t secure it with a binder clip, when the package is open back at the office the check remains in the bottom of the envelope thrown in the trash. Don’t let this happen to you. Buy some binder clips from and put the check at the very top of the documents and you will never have a “lost check”. Certainly, many borrowers “wire” money to a bank but I have picked up plenty of checks to know how important securing the check can be! You can buy almost 100 clips at Sam’s or Costco for about $5.00. Choosing to forego the purchase of binder clips to save a few pennies is akin to the foolish adage of “walking over a dollar to pick up a dime.”

Cell/Smart Phone

The smart phone seems to been invented for the notary loan signer. It is almost attached to our hip.

Let’s start with the basics that haven’t changed during the last 15 years in our industry; never change your cell number, you can always change your carrier. Next, always answer your phone if possible. The reason is because those who are scheduling appointments in our industry will tend to call the next loan signer on the list if you don’t answer your phone.

One way around this if you absolutely cannot answer your phone is to put a fresh message on every morning that says “Hi, I’m Jane Smith. It’s January 12th and I am available for signings tonight. Please leave your number and I will call you back on my first break at 10 am”. Make sure you make a fresh message every day. This message has to be absolutely current for it to have any meaning. It is a pain in the neck but only takes about three minutes but needs to be done every day so get into the routine quickly and try to have your cell phone with you at all times, but never pick up a call during an actual signing.

Ninety percent of the assignments you get will still be a call on your cell; but, text messages or email requests are becoming more common. It will be interesting to see in the years to come how our loan signing assignments arrive.

By the way, speaking of contact information, try to not change your email address once you get established as your clients will already have your email address in their address book within their mailing program and changing that email address unnecessarily will invite missed emails leading to frustrated clients.

Cell phone hints!

Every time you receive a phone call for a notary/loan signing assignment, be sure to put the company’s name in your contact list and include the name of the person who called. Before you leave for your loan signing appointment put the borrower’s phone number on your cell phone, so if you are running late you can hit the dial button and get in touch with them immediately.

Phone apps

Keep in mind that smart phones also have hundreds of apps that you can customize for your business and will eventually make your job more manageable. For example, loan signers are expected to have a copy of the borrower’s driver’s license returned with every loan signing and to do this, popular scanning apps will become quite useful. While the borrower is usually informed to have this ready when we do the signing, quite often many people don’t provide it and we need to scan or photocopy their license. Turbo Scan and Doc Scan are just a couple of free scans apps that you can use to make a copy. Black & white copies of the front of the drivers license is all
that is needed. If you're not told you need a copy of their driver's license returned with documents, we recommend providing it anyway as it may have been an oversight with your instructions.

There are printer applications that will enable a smart printer to begin printing directly from these applications. The next Brother printer I purchase will be a “Smart printer” and will be wireless. You never know when starting the printing of documents on the road will be handy and being able to walk into your office, grab the documents and go to your appointment.

*Sigalert app* is great for finding another freeway or side street when the roads are jammed. *Wave app* is good way to navigate to a destination and avoid obstacles and be made aware in some cases traffic conditions caused by police presence. The *Gas Buddy app* is a great to find the least expensive gasoline prices in your area. One of our biggest expenses is gasoline and that makes this app more important than you think it is.

There are many options for GPS system apps and I like the free options of Google and Telenav. One problem with these systems is if you have an incoming phone call the voice directions immediately stop until the call is over. You can of course get around this if you absolutely find it necessary by obtaining a fairly inexpensive Garmin GPS system for under $100 and put it on your dash board.

All of the above applications are free!

**Laser Printer**

Keep in mind you will be printing all the loan documents so the printer is critical. There are really only two brands of printers that most loan signers recommend: Brother or Hewlett Packard. They are the work horses of our industry and both have their fans! Ink Jet printers should not be used because the county recorder may in fact refuse to record a Deed of Trust, Grant Deed or Quit Claim Deed printed on an inkjet printer. Laser toner fuses the print on the document while inkjet lays the print on the paper. Technology changes so fast that one never knows how long this recommendation will be necessary but if you are looking for a printer that you should not have problems with getting documents you've printed through a recorder's office, you should stick with a laser printer.

Many loan signers use the cloned or remanufactured toner cartridges because they typically cost about ¼ of the original Brother or Hewlett Packard manufactured cartridge. While we also tend to use these products for the cost savings, we cannot recommend using these products as sometimes their use voids the warranty of the printer. The
cost savings can be significant and we have chosen to accept the risk, but of course, you will decide that for yourself. One option many notaries use is to refill their cartridges and we have successfully tried www.tonerkits.com. The cost can be as low as $10 and we have filled the same cartridges twice or even three times and thereby saved a ton of money. If money is an issue, start with an inexpensive laser printer that prints at least 20 pages per minute. Later on you can always upgrade to a printer that prints 40 pages per minute. Look at refurbished printers as a possibility.

**Multi-function machine**

This is a printer, copy, scanner, fax machine that eventually you may want to purchase but make certain that the scanner part of the multi-function machine has the memory capability to scan 30-100 pages at a time.

Even if you have the multi-function machine for copying or printing you will still need an independent fax machine to send documents back to your clients. You can purchase a high speed fax/scanner such as the SnapScan model that can scan an entire loan package quickly and then you can send the document to your client by email. There are different models that cost between $250-$400. Many companies will not hire us if we don't have a fax phone number. Understand you will never receive any faxes documents but, you absolutely need the ability to send out faxes.

Many new home loan purchases require us to fax back the entire loan to the lender as this type of loan funds immediately after the last signature by borrower(s) strikes the page. Also, you will need to fax over documents required by clients such as the W-9 tax forms, our notary commission certificate, copy of the recorded surety bond, evidence of Errors & Omissions insurance, etc. If you work for annuity companies such as Peachtree or JW Wentworth you will have to fax over the total 40 pages in their contracts. Reverse and refinance mortgage applications often require the entire application be faxed over.

The copy part of this machine can come in handy when you want to copy a few pages. Most of these machines have a duplexing capability (printing on both sides of the paper) and it can also be used to print instructions or confirmation letters. Do not print loan documents duplexed (double-sided) to save paper or you will not receive any more signings from that company.

**Lock Up Your Journal & Seal**

You are responsible for your notary seal and journal security. Keep both in a locked and secure place. Placing it in a drawer without you having the only key for that drawer could subject you to a misdemeanor charge.

**Daily Scheduler**

Most notaries now keep their schedules on their smart phone instead of the old daily planner we all remember from recent days past. It's easy to keep track of one signing per day but when you have 3-5 signings a day it can be overwhelming if your not organized. Utilize the alert system on your smart phone or watch. Do what you need to do to get organized, but get organized! You can't run this business successfully if you don't know for sure that you have printed the documents for that particular client or forget about appointment times because you have too many to keep in your head at one time.

**Websites**

What business do you respect that doesn't have a website? Yet perhaps as many as 80% of the loan signers still do not have a website. There are many
options to getting a website without spending a fortune. www.godaddy.com, www.yahoo.com are just a couple of suggestions. Put a website up and promote that website online to increase the likelihood you will get assignments.

Bluetooth Technology
California requires hand's free cell phone when driving our cars. When you purchase your next car and Bluetooth technology is available as part of the car's accessories, consider taking advantage. With this enabled, if you receive a call, which you need to handle hands-free anyway, the technology automatically silences the radio, CD, aux so you can hear the phone call perfectly. It's a wonderful option, but of course, let’s remember that this is an option only and the best car we have is a car that's paid for, Bluetooth technology enabled or not!
Chapter 4
Marketing Your Services

The phone isn’t going to start ringing for loan assignments until you advertise yourself. Just because you passed the notary exam doesn’t mean you will get any calls. You must advertise yourself and put your name out there to get calls. If you’re not working, your new job is to market yourself full time, all day, everyday.

We recommend only four websites to advertise as a loan signing agent because you are going to be flooded with advertisements by companies to spend your money with assurances that you will obtain larger market shares. Our experience is that most of the other companies cannot deliver with any reasonable consistency and in fact, in reality, those other companies in our experience have resulted in a net return of our investment of less than 0%! Less than 0%? How is that possible? We are convinced that the primary purpose of some of these other companies is to get you on mailing lists so aside from collecting your money up front as a fee for listing with them, additional money is generated for them, not for you in terms of selling your email along with others who use the same scheme. We cannot state with certainty that this is the case, but our experience has made us skeptical of any company other than the ones we name herein.

www.123notary.com
The best website to get signings but also the most expensive. Call their office phone at 323-734-2494 to see where you can place yourself and for what cost.

www.notarycafe.com
Pay the premium price for the ability to list in five zip codes you want to list yourself. The cost is $36 per year. The free listing only allows you to list 1 zip code. Certain loan signing companies and title/escrow/lenders pay for this website’s software and only hire loan signers that advertise on this site. We estimate there are approximately 100+ companies that hire off this site. Once you sign up, you have simultaneously signed up with all of these companies. This is a good way to get started at an inexpensive cost. Payment problems never seems to be issue with any company listed on this website.

www.notaryrotary.com
Sign up for a premium membership if you are in the center of your particular city. The notary who gets the number one position usually receives the most calls. The “free” membership puts you too far down the list to receive loan signings but will get you access to “Signing Central toolbar” on the website and you can check the reputation of different companies. The best companies have five stars down to one star. We have found that it is not a perfectly accurate rating system but at least a place to check. It also has the most active message board for loan signers in the United States.

www.thenotarylist.com
is www.notaryclasses.com loan signing advertising site. Many of our notary students purchased our notary kit and a free listing is included in the purchase.
Make sure you take advantage of this listing.

**Networking**
Networking is a great way to build your business and if you can find a loan signer in your area you can refer signings who does the same high quality work you do so you can refer signings when your not available, this is even better. Companies love the idea of a referral if they don't have another name available. Of course, they will ultimately choose whether or not to use this networked friend of yours, but you have been helpful and the company will remember you tried to be helpful. Your reputation is on the line with this referral so be careful who you refer.

**Your Clients Need You**
Answer your phone and let them know in advance when your not going to be available. This business takes a lot of work, marketing, tenacity and diligence, along with good marketing strategies. You can't control the housing market in the United States but you can control your marketing endeavors and customer service. Doing 100% accurate work on the loan documents will give you a big leg up towards being the “go to signer” the company will hire every time. Just tonight I got an assignment from a loan signing company, who I have worked for a few times, and the last thing he said to me was “don't cancel as this is a new title company.” I said “I never cancel appointments” and you won't either unless you have a very serious emergency. You never accept another signing for the same time slot because you've been offered more money. NEVER!

Be honest about the hours you are available; don't accept signings at 3 pm if you are not available until 5 pm. If you do, you will work your way out of our industry. If you are not interested in working weekends or holidays be up front about it! If you will be available during holiday weekends when most notaries are not, call your favorite companies and tell them your available. Also call companies you haven't received calls from recently as this keeps you on their company's radar!

**Getting and Keeping Clients**
Sign up with a minimum of 200 companies. We have included a 100 companies in this book to get you started. Anything less is too little effort. Every business takes effort and time and loan signing is no different. The good news is that once you have good accounts, it is a lot easier to keep them, as long as your performance always exceeds their expectations. Be the best, start out aggressive, and never give up if you want your business to grow. Begin signing up now! Either sign up on their websites, telephone, or email the company. If the company wants you to email them to sign up, this is the method they want you to respond to them. The same goes for website sign-up or direct phone contact with a company. Once again, your new mantra is, “if I am not working, then marketing myself is my permanent "job". If you are already working, then you still need to sign up with one new company every day. Keep after your quest until you are working enough assignments to make the amount of money you want.

**TIPS**
Often when you sign up with different companies, they will ask you to pass their own particular exam. Be sure to comply, as you will probably not be hired if you don't.

Your next task is to call them, and make sure you are on their current preferred notary contact list. When should you call a title/ lender/ escrow/ signing
company? Call between the 5th and the 20th of each month and if it is a large title company ask to talk to vendor management. If it is a midsized company, say 5-25 employees, ask to talk to the person who schedules notaries in California. In a small company, start by talking to the person who answers the phone. In some of the smaller home-based signing companies you'll hear dogs barking or kids talking; nothing is unusual about that in our industry. Sometimes when I get calls my dog is also barking and no one thinks anything about it.

We cannot overstate how vital this is to your success in the business; make the call! Be sure to write down the name of the person whom you make contact. We recommend you make up a phone sales pitch to make sure your grammar is correct and you hit all of your message points to sell yourself. Use the same “pitch” every time you call but don't chat up the scheduler. Practice your message, keep it professional and on point! Take out all the “yeahs”, “yups” and “you know” colloquialisms as they portray a negative image of your level of professionalism.

Finally, get to know your competition! What is it about their listing profile that makes them stand out ahead of the others? If you want to be outstanding in this business, find out what the vendors are looking for? Most lenders and escrow officers are looking for competent, knowledgeable, flexible, reliable and amicable notary loan signing agent to handle their valuable clients documents.

**Your Professional Profile or Bio**

All of these companies expect you to supply a profile of yourself. If you do not include a profile, you stand little chance of gaining the assignment. Put your heart and soul into crafting your profile. Too many notaries give this little time or effort, and it is your internet calling card. It should be extremely effective in making people want to call you to meet with their valuable clients. Some features you should include are in the following example below.

**Loan Document Signing Service**

**Services Provided by:**

Joan Bergstrom  
Certified Mobile Loan Signing Specialist & California Notary Public

**Office Address:** 123 Main Street  
Riverside, CA 92508  
Cell: 951-555-1045  
Fax: 951-224-7788

email: joan.bergstrom@yahoo.com  
www.joanbergstromnotarypublic.com

Edoc ready: thousands of loans successfully printed  
Familiar with all types of loan document signings  
All documents signed and notarized correctly!  
I will travel wherever required.  
Available 24/7

Qualifications and Accomplishments  
APN&CSA  
Certificated Signing Agent by www.notaryclasses.com  
NSA Certified & Background Checked California Commission number  
(#2074576 Expires June 18 2019)  
Membership Affiliations APC&CSA NNA  
More Than 6,000 loans signed

Servicing Riverside & San Bernardino Counties  
Your client is my main concern!  
Call Me!
If you are not available 24/7 be honest about the hours you are available. Mention you can accept and print electronic documents. Write something to personalize yourself such as; you will handle all their notary needs in a professional manner, etc. Your profile is expected to include:

Home or business address must be included to make it easy to be hired! Remember if you live in an apartment your address is Suite 103 not apartment 103. Companies no longer send documents via FedEx or UPS to our office but you do want your check for services to arrive at your correct address.

Cell phone number: (this is the only phone number that matters)
Email address: Remember to make it a professional email address and an easy one for the scheduler to use. Best advice is to use your name (if it's a common name put numbers behind your first name) the scheduler has your name in front of them. Gmail is used by many notaries, but, others are acceptable. Use this email for your business and keep your personal, friends and family out it. Do not use 1, o, 0,-,_. We have an illustration of a great email signature address in the appendix at the back of this book.

Marketing
Website and Email

Be sure if your going to use this vehicle to not violate any “junk mail or spamming regulations”. This will cause your internet provider to cancel your account. Here is a great idea and it virtually free: send the same email letter to every company. Copy & paste the form letter and send it to a new company email address. Normally you should do this e-mailing on Monday so the person will see it first thing Tuesday morning, when the office has settled down from last week’s issues.

We have had very good results doing this. I personally include a short introduction about my service and ask to be placed on their notary call list. I include all my information: name, address, cell, etc. You must call these companies to follow up with your email solicitation. When to call? Many of the companies who give me assignments, are located back east, so take your lunch hour (if your employed) and call them. Remember, when it is 12 pm in California, it is and 2:00pm and 3:00pm in central and eastern time. Call two or three companies Tuesday, Wednesday, or Thursday. Forget Monday or Friday. Remember you will be hired by companies in almost all 50 states. There are many companies located in California, but, the largest title, escrow, lenders, signing companies are located in Pennsylvania, Ohio, Texas and Florida.

Local Title, Lenders & Escrow Companies

When you are comfortable handling loan signings, the next step might be to call directly on local title, lenders and escrow companies. These signings are usually more business structured in nature than signings done in a home environment where you are often treated as a guest.

Signings done in an office or bank can run the gauntlet; they can be the same structure as you are used to doing such as printing the documents and then processing the shipping back to the company using FedEx or UPS. You might be called to just do notary work and a loan or escrow officer will conduct the actual signing of the documents. The company might print the documents and an officer will take the documents and be in charge of returning the documents. You might be called to do 2-3 loans for different borrowers or it could be just one borrower. As you can see these “in house” signings can be all over the
place and you need to charge what you think is acceptable as there is no standard rates for type of signings.

How do you get to the person who would make the call if your needed at the office? Ask the person who greets you at the door a couple of questions to see if this office would be a good fit for you. Tell the person you are a local loan signer and you are available to help out during the busy time or the month or when the notary that works there is not available for signings. The response you get will tell you how to proceed. If the response is “we already have two notaries who work here”, this is not the office for you! If the response is “we don't have a notary employed here”, then this is where your response is going to be “who would I need to talk to that would make the call for a mobile notary loan signer?”

Look sharp and make sure you have a business flyer and business cards available. A good time to do this type of cold calling is Tuesday-Thursday 9-11 am. Put together an organized list of 5-10 local companies so your not wasting time driving around.

If you can afford it bring something to hand out like letter openers with your information laser printed so it won't wear off is always a good choice to hand out and are very inexpensive. Bring a profession flier with all your information to hand out is a great idea.

Business Cards
A business card is still a professional way to advertise yourself. www.vistaprint.com has great prices and your cards will look professional. Spend the money and don't make a business card from your home computer. Look sharp don't look cheap as this card is a direct reflection on you! Always include your business card when returning loan documents. More than one card should be returned when doing a first assignment with a company, because, if you did a great job, your cards will be passed around to other agents in the office. Put your cards right on the top of the loan documents so it is the first item seen. Never be without your business card to hand out on a moment's notice and make sure it of the highest quality. One suggestion is to put a calendar on the back side as it gives people another reason to keep your card. When the month of October is near, consider that it is approaching the time to get new cards made with the next year calendar on the back. Never leave a borrower without leaving your business card! The calendar on the back of a business card will probably not be as important in years to come because of the smart phone; but for the next few years it's a great idea.

Buy the highest quality card you can afford. greatfxbusinesscards.com is a great website to learn about business cards and how to put together the correct business card for you. Also their prices are good. Business cards are emphasized as an advertising tool. It is how people remember you. Spend the necessary time in uniquely designing yours.

Car Signs
Vistaprint.com makes adhesive car signs for your car doors. If you are going to be spending a lot of time on the road, you might as well be advertising your business and service while you are on the roadways. I get four to five notary jobs a year from this type of advertising and while that's not a huge amount of money, it's also very inexpensive to buy these car signs. By the way, an unexpected perk of these car signs is you can always find your car when parked among others of the same type, color and model.
**Message Boards**

Click on the message boards on a daily basis, as time permits, you can learn about which companies you could be working for, which companies you don't want to work for, and companies who are quitting the business, or not paying their notaries throughout the United States. You will learn of ways other notaries on a national level get business and some personal experiences. These boards are a great way for the person who is trying to take command of their own business marketing strategies. Often on these message boards you can even get you the latest “paper deals” and save a bunch of money. There are a many notaries that have a lot of experience in the technical arena so often they are able to help with your situations such as a printer problem. [www.notaryrotary.com](http://www.notaryrotary.com) has the most active message board on the Internet. Check out [123notary.com](http://123notary.com) for their message board as well.

**What About Fees?**

First of all we can't tell you how much to charge as we are all working in different environments and geographical areas. You will need to determine the fee you are going to charge. I won't do a signing for less than $100 but if you are offered $90 and not doing anything else anyway, maybe you should consider it if it meets your financial needs. Remember the fee you are offered for completing a loan signing is for all parts of the signing. There will not be any additional fees permitted later for Jurats, Acknowledgments, mileage, printing, ect. in the loan package. It's one fee covers all!

Don't Negotiate against yourself. What this means if you are asked what you would charge for the loan signing never offer an amount right away. Always have the caller offer you a fee for your services. You will usually get a higher fee if you force their hand! What do we mean by this? If they want you to suggest a fee, ask, “What is the top fee you are authorized to pay for this loan signing?” Another reply would be “How much do you usually pay for this type of signing?” Both of these responses keep you in control, The person offering the fee will often say “we pay anywhere from $100-$200 and you immediately stop them and say $200 would be fine.

As of this printing, 2016, we recommend not accepting a loan signing for less than $90 as you ramp up and are new to this industry. We believe that currently this is the minimum amount you can work for and still earn a profit and this minimum amount you can work for and still earn a profit and this minimum rate should be increased to $100 as soon as you begin establishing new clients. If you are reading this five years from today, adjust upwards accordingly. Home equity loans (HELOCs), Sellers packages and 2nd mortgages usually pay less because they typically are under 50 pages. You will have to decide what you want to charge for these signings.

Do not try to lure new clients with cheap pricing; impress them with over-the-top service! Good service demands reasonable prices. Your client know from experience that finding someone who is dedicated, dependable, knowledgeable, courteous, and professional and who always turns in the package error-free is worth much more than any other loan signer who happens to be available and will work for less than profitable fees.

Be prepared to drive long distances (50 miles round trip) for this amount of money, as you need to gain experience starting out. As the number of loans you have completed increases, you should move out of the $90 range and market yourself more to title companies
and direct lenders. If you are reliable, trustworthy, and complete the assignment the way the company requested, you will be able to demand more than $90 for a signing. Once you have enough experience and enough clients, raise your minimum fee even higher than $100.

You will market your services as a loan signing agent and will work full time or part time around their schedule. Most appointments are available in the evenings and on Saturday during the hours of 9 am to 5 pm. There are very few signings done Saturday night or on Sunday at anytime. There are many daytime opportunities, particularly if you are in a retirement area or you are located in an area where there are relatively few daytime loan signers available. Appointments are conducted in the borrower’s home, office or a mutual location as designated by the lender or title representative. Agents work in a local area they designate.

As the old saying goes, don’t risk everything on one endeavor. Spread them around. Just because two or three companies are keeping you busy today, that does not guarantee they will be still calling six months from now. It is better to diversify and have several clients. In addition, it is a good idea to do other kinds of notary work as well - for law offices, hospitals, jails, etc. You need to be working with a minimum of 10 or more title or signing companies. If you haven’t heard from one of your companies in a while, contact them and make sure you are still in good standing. You always to make sure you’re at the top of their list of preferred signing agents. The point is if you haven’t been called by them in three weeks or so, call and find out if there is a problem! The problem sometimes is not you at all but their focus is on another part of the country and they will return to area in the future.

Title, escrow, and lending companies do not ask loan signers to pass a notary/loan signing test, as they usually only hire signing agents already “certified loan signers” and have the skill necessary to conduct the loan signing without any “hand holding”.

Certified loan signing agents have the ability to earn from $100 to $250 per loan transaction although, admittedly, $250 is not likely for most clients. Most of these signings take 30 - 60 minutes to complete; this doesn't include printing documents, travel time, or returning the documents/etc. Our peers have earned as much as $10,000 per month working and even more with national lenders who use their service continually. Certainly those lenders could find less expensive signers, but once you’re established and known as being one of the best, signing fees become much less of an issue.

Can I earn more as a Certified Notary Signing Agent?

Notaries can usually command higher rates because they have obtained the status of being a certified signing agents. It signals to the company that is interested in your services that you went the extra step and learned more about your craft and want to do a signing correctly. Mistakes with certified signing agents are not expected and simply are not tolerated. Becoming certified is not a state requirement, but, most companies requiring the services of loan signers will want to see that you are certified with one of the more certifying entities. Many signing service companies have their own certification programs but many accept loan signers who can demonstrate certification from other entities.

Your certification with our course means that you have taken our exam and passed it with a minimum score of
80%. Reading through this book will prove to be an incredible help to you. Carrying our APN & CSA certification is an achievement and demonstrates to anyone engaging your services that you have the competency and accuracy skills close the loan. There could be other organizations you wish to join to get certified such as the background and certification test given by the National Notary Association. This is a year by year decision you need to decide whether it is needed as a marketing tool for you.

Once you impress a loan officer, escrow officer, lender representative, or the borrower, you are well on your way to building your business based on the best marketing possible, stellar performance and word of mouth.

Be polite at all times and keep all controversial subjects, such as politics and religion completely out your vocabulary. You are going to be notarizing for people who want to sign very quickly and get the signing over as quickly as they can sign. You will also get signers who want to take a longer look at the documents so let them take their time, as long as it is reasonable and does not go on forever. You will get a feel for people as you move along and remember that everyone has their own idiosyncrasies...even you. As an example, when the door opens and you see shoes lined up at the doorway, you are probably going to wind up taking your shoes off! Consider this when putting on socks with gaping holes as you never know.

You can do this full time or part-time and choose when you want to work. It's never boring because every signing is different and the reason for this is that no two signers are alike. Your going to be involved with a broad variety of people from every walk of life.
Chapter 5
Complete a Loan Signing Error-Free

Congratulations! You have followed the suggestions in this guide and have finally received your first call! Now what?

The Assignment

More than your email, your cell phone, is your primary contact to the loan signing world. The vast majority of assignments will come via cell phone. Never change your cell number no matter where you live. You can always change your carrier but changing your phone number will certainly impact your business. Even though technology changes rapidly, currently only about ten percent of the loan signing requests are made through text message or an email blast. An email blast means the company is sending the work order out to many loan signers in a 50 mile radius and the first notary to respond will get the assignment in most cases. Most of the time, once a notary has established a relationship with a particular client, assuming the client is satisfied with error-free and flexible work of a particular notary, that notary is the most likely to be called upon in the future for his or her geographical area.

Secondly, whenever possible, answer your phone! Most companies want to talk with you immediately and will not wait for a return call; they will call the next notary on the list. The company wants to get the signing assignment filled as quickly as possible and go on to the next one. The first question asked will be concerning your availability and the second question, unless you are already an established provider for that client, will concern fees. Before you discuss fees, let the caller know that you are available, particularly if the assignment is open-ended, meaning you and the signer will be expected to mutually arrange the location and time specifics of the assignment so long as the signing is delivered by a particular deadline. Normally an open-ended signing needs to be done on a particular day.

If this is a new client, this is the time to address the subject of fees. This hiring process over the phone can often be completed in less than a minute. As soon as you affirm your availability, be proactive in asking about the fees. Remember don't negotiate against yourself. Once you confirm availability, ask "how much are you authorized to pay for this signing"? If you like the fee offered accept it straight out. If you don't like the fee offered, offer another amount and see if they agree. If you do like the offer, thank the caller for this assignment and assure him or her that you will take care of it professionally. If you don't like their offer, and they refuse to increase that offer, you will need to decide whether that offer is reasonable for you, your time, your expenses and so on. If not, this is the time to thank them for their call and move on to the next assignment. This is the moment I ask them to notate my minimum fee next to my name on their list, so we both understand if they call me in the future, we already have established a minimum amount. Of course, I do this politely without any sarcasm as the person calling is just doing their job and I do not want to leave them with the impression that I did not appreciate their call.

If you do accept the
assignment, tell the caller that you will call the borrower(s) as soon as you receive the confirmation for the signing. The information provided to you will have the client’s phone number included. You’ll receive a confirmation letter by email so print it out and take it to the assignment.

One way to check out a company’s rating is to log into www.notaryrotary.com and click on Signing Central and check out the company rating. Five stars is the highest rating and one star is the lowest which means the poster or person(s) rating the company probably had issues with non-payment. If there are payment issues, I suggest you give a second thought as to whether or not to continue that signing. Sometimes, notaries will call the company back and decline the assignment based on that rating but we leave that decision up to you. We do not automatically suggest a “knee-jerk” reaction to a bad rating, but if there seems to be multiple indications that this particular company has a reputation for not paying for these services, red flags should be streaming all around you. Your experience is what your get anyway when you do not get paid but the bottom line is that you still do not get paid. Don’t ignore these ratings altogether as they can be a big help in determining which assignments to take, and which assignments to decline.

**Contact the Borrower Immediately**

Once you have reached an agreement, take charge of the signing right away. Confirm the appointment immediately. If there are two phones numbers available call the cell number first and leave your information for the signer. Consider putting some notes together based in the following suggestions regarding your message:

“Hi. This is (your name) and I am the notary public who will be handling the Bank Of America loan signing with you.”

Let them know that you are a notary but you do not need to explain that you are a loan signer as very few people actually understand this category; but everyone knows about a notary public.

“The lender has scheduled a loan signing time for us, but don’t worry, I am going to bring the loan documents with me”.

Let them know the following: “You will need a copy of your driver’s license to send back with the loan documents and if there is a problem with you being able to make that available, I can scan your license with my phone.”

“We are meeting at 125 Elm St, Riverside, CA”.

Always repeat the signing location and time, to make sure you are both on the same page and let them know about how long they should expect to take with the signing.

“Kindly confirm this with me at my cell phone number which is (xxx) (xxx) (xxxx).”

Say this slowly as not everyone will have the service that shows your number on their phone or voice mail. If you leave a voice message with the borrower, that is sufficient for confirmation so be sure to reply to the company that gave you the assignment that the appointment is confirmed. Do this as soon as you can after receiving the assignment.

Be sure to also let the borrower know if they need to have a check or money order available at the time of signing and keep the borrower informed if you are going to be late or the documents are late getting to you for printing.

Hint: be sure to search for the directions before you leave and remember that Google has most of the United States on a map. With the street
view, you can even see the actual home, office, or restaurant where the meeting has been scheduled. This is particularly helpful when it's dark outside or in a rural area that the addresses are hard to find.

Printing the documents
Working with Email Documents
To get started in this business, you MUST have the ability to download emailed documents, print them out and make a copy for the borrower. First, determine what email account you are going to use for your loan signing business and never change it. Keep all your personal life in another email account. The point is to make sure that every email that hits your in box has something to do with this business and this business only. The industry likes Gmail and it's free with enough storage for all your needs. Make sure your email address is easy to understand. We recommend you open an account with your first and last name, and if your name is very common, put some other number or even the word 'notary' in the email name.

Make sure you utilize your signature options available for your individual information. Go into signature in the options link in your email; after you enter the information below, click on “save”. This a way to put your advertising information out there without any expense and makes it easy to get hired. All your info is there for the taking!

- Your name
- Your address
- Cell
- Email address
- Website link
- Commission number and expiration date

Do this in bold colors: reds, dark blues, dark green, & black. Stay completely away from soft colors; pinks, lavender, & light blues.

**$SAVINGS HINTS:**
The more money you can save on printing supplies, the more money you can put in your pocket. Go into printer properties and change the DPI to 300. The 600 default DPI uses too much toner. Check off the toner saver option and print some documents, to see if the documents print looks dark enough. One printer I use is great with toner saver and another one looks too light so I don't use it for the documents that are to be signed and returned. I do use 300 toner saver for the borrower's copies, because, if I have to swap/trade out a page or two the quality of a particular document won't matter in a 100+ page loan package.

Paper should only be purchased by the case. Get an account at Sam's Club or Costco and buy their brand name paper. These companies have the cheapest paper available on a day to day basis. Sometimes you can catch really good sale prices at Staples or Office Depot. If you do get a coupon special buy as much paper as the store allows.

**Printer Hints:**
Purchase a 2\textsuperscript{nd} tray for your printing as soon as possible. This 2\textsuperscript{nd} tray will print legal paper only and the 1\textsuperscript{st} tray will print the letter size only. Very few new printers come with a 2\textsuperscript{nd} tray already installed because so few industries use legal size paper, so you will need to purchase it separately. Check out Amazon or Ebay and put the printer model number and 2\textsuperscript{nd} tray. I do not suggest buying the 2\textsuperscript{nd} tray from Brother or Hewlett Packard, because you will pay twice as much as a generic choice. Go into properties to set it up to choose “letter & legal paper by paper size” and you will save a lot of money because legal paper costs twice as
much as letter size. The 2nd tray will pay for itself over a very short period of time.

Don't print loan documents on an ink jet printer as ink jet lays the ink on the paper and laser fuses the toner onto the paper. The Deed of Trust, Grant Deed, Quit Claim & Inter-Spousal documents must be printed on a laser printer to be recorded by the County Recorders.

**How Do You Print These Documents?**

The loan documents will arrive in your email address in three different methods and it is different with different senders. First, they might arrive as one PDF Adobe Acrobat download and the entire loan will be in this download. All notaries love this because it is the fastest and easiest. Print your documents to be signed and the borrower's copy and your done.

The second method is that it may arrive as several PF files (possibly as many as four to eight) and you will need to open each one and print for you and borrower. It's more time consuming and you need to pay attention that you have printed all documents.

Finally, there are several lender-printing programs on the Internet. You will not have to purchase any of these lender-printing programs as they are free for notary loan signing agents. There are approximately a dozen key programs used by the different lenders and escrow or settlement companies. The first time you download documents by email, you will be instructed how to open their program and print the loan package. You will be given a user I.D. and password to open the loan package on your confirmation page. Once you have opened the program and successfully printed the package, you will not have to go through this setup process again until they do a revision, which companies very seldom do. The time it takes for setting up these programs is usually under two minutes.

Do not object to using their preferred program because you would prefer PDF files. We all prefer PDF files but these programs usually keep documents more secure and these companies pay a steep price for this security.

**Most Common Email-Printer Driver Programs**

Adobe Acrobat (PDF) is widely used for transmitting edocs to notaries. Easy to use; just make sure you update this program when needed.

**Elynx:** You must be invited by the sender. They will give you a user name and password. Once you have it, it is permanent, so you won't have to worry about it again unless it needs an update. This program is widely used by Wells Fargo Bank.

**Desertdocs:**
Go to [www.desertdocs.com](http://www.desertdocs.com) – go to downloads and click on web print utility.

**Docmaster (AKA DocMagic)**
Go to [www.docmagic.com](http://www.docmagic.com) click on complete install.

**Swiftview:**
Go to [www.swiftview.com](http://www.swiftview.com) and “install the viewer”

There are other on-line print vendors but these four above are the most often used.

**After you print**

Once the documents are printed, review the package to make sure everything is there. This means you should consider emailing the person who sent the documents and confirm delivery.
of all of the documents necessary for the loan. Next, flag the pages with post-it stickers with the appropriate labels for your to follow later such as sign, date, notarize, initials and so on. You can use these flags over and over again until eventually you won't need them because familiarity after experience will eventually leave you confident that you can perform correctly without them.

Never use “white out and NEVER highlight loan documents!”

What to wear?

Many signers don't realize the first time they work for a company someone at that company will call the borrower and ask “ do you think the signer was dressed properly and did the signer handle the signing in a professional manner”? Some companies send out a list of clothing that are not to be worn to signings.

Men should wear a collared shirt, dress slacks, dress shoes. Women should consider professional wear as well and I have found that black, brown, or gray colors are perfect. I think of a Realtor dress code or your local bank dress code and that makes me think of being “dressed for success”. I also always wear the badge that www.notaryclasses.com provides which is quite useful in many situations.

What not to wear?

During summer months, never wear shorts, tee-shirts, tank-top, flip-flops...well you get the idea. Also do not wear perfume as some people are allergic and above all, don't smell of tobacco smoke as you walk through their door. If you smoke, try to refrain well in advance of your appointment as some clients are very sensitive to the residue odor that smoking leaves behind.

The bottom line is that if you arrive at someone's home looking unprofessional, unkempt or sloppy, you are going to have one difficult signing after another. If your first impression potentially could leave the signer thinking to themselves, “good grief I hope this person knows what they are doing, but they sure don't look like they do”, then you are presenting yourself improperly. One last item: make sure your nails are clipped and clean. When the actual signing begins the entire focus is on your hands pointing the signers where to sign. Ladies no chipped nail polish! Enough nagging: lets move on!

Be On Time

It's not always possible with traffic, but you will try your best. The best time to arrive is 10 minutes early. If you are going to be late at all, even a minute or two, you need to call the borrower. Being prompt is a part of expected professional protocol and being late suggests that the signer's time is less important than your time. That is not the impression to send, even if you cannot help from being late. Sometimes the notary is held up for reasons that are not the fault of the notary, but when that happens, call right away. You might put the signer's phone number on your cell so all you have to do is hit the send button. If you get their answer machine leave a message as many people just don't answer their phones.

Ready to Ring the Door Bell

Don't park in a client's driveways if possible and don't walk on their lawns. Pay attention to your surroundings. If there is a garden hose across the walk way when you go into the house and it's daylight, remember it's going to be there when you walk out and it's dark. Bring a flash light or use the flashlight app on your smart phone to see where you are
going when its dark outside. The signing experience during daylight can yield altogether different situations in the dark. Not every home has a light available at their front door. Once again pay attention to your surroundings because it is really important.

**Always Introduce Yourself**

After you introduce yourself ask the signers where they would like to complete the signing event. Hopefully it will be the typical dining room table or perhaps a breakfast bar where you might wind up standing but often we are regulated to the bad choice of a littered coffee table. Ten minutes of bending over a coffee table will remind you of why your back would thank you if there is any way to sit at an actual table. With all that in mind, eventually you will sign documents in many types of situations, some comfortable and others not so comfortable, but that is the way the business works. Most of the time, if at all possible, try to get yourself to a comfortable setting.

**Let the Signing Begin**

Understand that the borrowers always assume you are an employee of their lender whether that lender is the Bank of America, Citi Bank, and Chase or any other lender. Most borrowers have no idea what a notary loan signing agent involves and unless there is an imperative reason to correct the misperception, it really becomes irrelevant to the over-all signing.

Supply everyone with blue ink pens and always be sure you have pens for everyone. The vast majority of signers don’t come to the table with a pen in hand. Begin by asking your signers if they have a copy of their driver’s license available to send back with the documents? If they do not, you will scan a copy of it with your smart phone and email it to yourself so you can print it out when you return to your office. Check the photo quality of the driver’s license to make sure the license can be read clearly when you print it out.

Once you have established that you will be able to complete the notary process, it is time to get your journal out and put their ID information in it. Have your signer sign the journal place a right thumbprint and complete the notary journal entry. Of course, you will need to administer the oath or affirmation for any Jurats included in your package, which are in ninety-nine percentage of loan packages.

Be sure to record all of the pertinent information from the identification document in your notary journal. I used to have many problems in previous years with people who did not have proper identification documents, but these problems have slowly diminished significantly. It is important to realize that although the State of California allows the use of Credible Witnesses, many lenders will not allow the loan to proceed without a copy of a current identification document.

All “small talk” is stopped; the focus is entirely on getting the documents signed correctly. Do not comment on the interest rate, the loan origination fee or anything else concerning this loan. If the phone rings and the borrower leaves the room stay seated and do not move. Do not even ask to use a restroom if it disrupts the signing.

Verbally address the borrowers as Mr. & Mrs. when appropriate unless you are told differently. Signatures matching the name typed on the documents have changed dramatically over the last several years. Signers should always sign as their name appears in the document unless the name typed in the document has an error. Never allow a signer to sign
their name in a way that is not correct just to match the documents. The rule of thumb has always been that if you can read the signature, the signer must sign the documents exactly as typed. Explain that they must sign exactly as their name is typed but if their signature is illegible, ask them if that signature indeed matches their name as typed. When your signer affirms that is the case, continue with signing.

Always verbally state the date, but let them format the date in way they are comfortable doing. There really is no date protocol, but be careful about signers using a protocol from Europe as day, month and year instead of month, day and year. The date noted as 6-7-16 in Europe protocol would be July 6, 2016, but in the United States it is June 7, 2016. There is no need for a signer to date documents where no date is required as that is referred to in the industry as “over signing”.

**Errors/typos on documents and how to proceed.**

There is no industry consensus concerning the proper way to correct typos in a loan package. For example, say the middle initial is incorrect and your signer is not able to sign their name as it is spelled within the document. The signer must sign the document with their correct name, never the incorrect spelling of their name. If there are typos on documents, rest assured that the signer will usually find the error.

Once your signer discloses the error, call the loan officer and ask how you should proceed. If you are unable to reach this person on the phone, call the escrow company and even the title company to ask how you should proceed? If you are unable to reach anyone, leave a message with the situation and ask them to call you back.

At this point, your signer will need to sign their name correctly and move on. If no one calls you back by the end of signing, put a post-it note on the top of the returned documents.

If a signer wants to change or alter a document in the package; stop the signing and call the loan officer immediately. If you cannot contact the loan officer, leave a message and put the document at the bottom of the pile. If the loan officer doesn't call you back by the time you get to that document, let the borrower know that the loan probably won't fund if the document is altered without the loan officer’s authorization. Of course, the same is true if signer simply refuses to sign. Without the signature, the loan will not fund.

The only document your signer may alter is for an incorrect date within The Right To Cancel document. Most lenders put the last date to cancel on the document, so increasingly we are not required to write the date on this document. Sometimes the signing will not occur on a date indicated because the borrower wasn't available on that date for some reason. If the date needs to be changed, have the borrower write the new date on the Right To Cancel and initial the change. The Right To Cancel document is only available on a lending documents for a borrower’s primary place of residence.

**When the borrower wants to read all the documents**

There are some signers who want to pour over all of the wording within each document before signing. With the recent changes whereby the borrowers are now receiving the Closing Disclosure document three days before the signing takes place you probably will very seldom encounter this type of person. You are expected to stay a maximum of an hour and fifteen minutes
and not four to five hours while the borrower reads all of the documents. If a borrower insists on reading everything first, slowly and carefully, let them know that you will need to attend to your other appointments and will need to reschedule the signing event.

Do not leave without calling the loan officer and the company that hired you (could be the same person or not) and tell them about the situation and that you have another appointment and will need to leave. Be polite and ask the person on the phone “how do you want me to proceed with the loan package”? “Take it with me or leave it with the borrower to read”? Do not make this call out in car, rather do it in the borrowers’ presence.

**All The Documents Are Signed**

Do not leave the signing until you have gone over every document in the loan package. You are looking for missed dates, signatures, initials, and double-check that your notary certificates are filled out correctly. The lender doesn't have a pecking order that says it okay to miss an initial compared to a missing signature. The lender considers any of the above missed as equally important. Never leave a signing without going over each document. I have done over 7,000 loan signings, and I still double-check each one.

Try to refrain from engaging in discussion with the borrowers when you are checking for errors. If they have additional questions, stop checking and engage their questions, then go back to checking. Multitasking can lead to errors which could mean that you will be returning free of charge or worse yet, potentially lose your client for other signings as you were not careful enough with the detail.

**Call-backs**

What do you do if you make a mistake and the lender calls you in a few days informing you of the error? Start with apologizing and quickly go back to borrowers and get it signed correctly and return the document promptly. The real problem is when a mistake is made on the Acknowledgment or Jurat certificate. When you return, you are legally required complete a new notary act which will require the personal presence of the signer and will require a new journal entry and a new date on the certificate. The issue here is that most companies will want you to re-complete a loose Acknowledgment or Jurat certificate and send it back to them without going back to the signer. They will also expect that you will put the original date on this new certificate.

As the authors of this book, we are herein stating that following this common practice is absolutely illegal in California although many notaries commonly comply with this request as a path of least resistance. Once again, double-check your Acknowledgment & Jurat certificates to make sure they are filled out correctly and you will avoid this very difficult problem.

Some notaries choose to complete the Acknowledgment and Jurat wording when they have more time back at their office but again, this common practice is not legal in California. The notary act must be completed in its entirety including the completion of certificates and the placement of the notary seal in front of the signer and at the time the notary event occurs. All documents including the certificates are to be signed and stamped before you leave the borrowers presence.

**Time to go**

Let the borrowers know when you are going to drop the documents at FedEx or UPS. People like to know the next step and many don't have any working
history with FedEx or UPS. Give them your business card as you leave and when you are in your car, call the company that hired you to let them know that the documents were signed successfully and will be dropped off for shipping. If no one answers leave a message. Be sure to also send an email to the company that hired you with tracking number for FedEx or UPS. Many companies have specific instructions on how to proceed after a signing and they will tell you in big bold print what you are to do after the signing.

Returning The Package

If the signing is after 3 pm you will drop the documents off for shipping the next day. If the signing is completed before 3 pm, try to drop the documents the same day. Unlike previous years, thank goodness the return shipping label is now usually sent to us as part of the loan package and we no longer have to hand write this label.

If the signing is completed before 3 pm find the closest drop box or store front location nearest to the borrower's location. It is important to note that the drop boxes for FedEx or UPS centers are never picked up on the weekends and neither are the small independently owned mail box stores. If you have a late signing on Friday night, you will need to physically bring it to a FedEx or UPS store location (or a major hub of these companies) on Saturday so it arrives by Monday. If you wait on shipping, such as waiting for Monday for a Tuesday delivery, you will not be hired again.

You may not have the signed package picked at your office on a Saturday because the air bills we are provided with in the loan package cannot be adjusted for the higher rate that is charged for a Saturday pick-up. Make sure you get a receipt when you drop it off at a hub or store location. The supplies for these companies are free so stock up. Return all loan packages in the large size envelopes; don't try to cram them into a letter size envelope. If you are completing multiple signings and cannot get to a UPS or FedEx store location on time, (or drop box during the week days) be sure to keep these packaged and labeled loan signing documents in a prominent place so there is no way to miss them. It is critical that you get them returned on time.

How To Get Paid

To get paid by a title, lender, or escrow company put an invoice at the top of the returned documents. To get paid by a loan signing company you will be instructed how to invoice and receive payment from them. Don't include an invoice with the documents when you are completing an assignment for a loan signing company. If you have our Notary Forms CD from www.notaryclasses.com, you will find an invoice form on that CD. We have an illustration of an invoice in the appendix in the back of this book of a suggested way to complete this form. I always ensure that this invoice is on the very top of the documents and there is always a specific order in the way I return documents. I always clip the following list together along with my invoice:

- My business card so they can contact me immediately if needed;
- Any check or cashier’s check I picked up from the borrow;
- My completed invoice;
- The copy of the borrowers’ drivers licenses;
- The balance of signed loan documents.

This order never changes and the above are clipped together. The only exception to this format is that when you
are working for a signing company, you will not include an invoice with the documents; the signing company will tell you how to respond to them to get paid.

Payment For Work
There are many ways to keep track of payments. I keep an electronic spreadsheet and will note payment by a particular company with an asterisk in the middle of the company name. You can spend money on Quicken Home & Business or you could do an Excel spreadsheet to keep track of payments. The typical time for payment for signing company is thirty to forty-five days which can be very difficult when you are just starting out and have been spending money on your business and gas with no return for an assignments for this many days. As in any business you need to have some working capital to get you through this period of time. When you work with the “big 3 as I call them”; title, escrow or lender, the payment time is 7-10 days. My own personal rule is that if, after a period of reasonable time, say thirty to forty-five days, I am not paid and have to call a company to get paid, I simply never work for them again. I will not “chase my money”.

In my experience, the greatest potential for a problem receiving payment is from a signing agency, but working for signing agencies are a necessary part of the business. Keep a lookout on message boards regarding specific signing company’s track record for payment and if you have problems getting paid from a particular signing company, or any client, consider sharing your experience on message boards as well keeping in mind that your post should relate specifically to your experience and not an overall slam against any particular company. For instance, if you have a problem receiving payment from a particular company, refrain from posting a message that suggests that no one should ever work for this company as they never pay. Rather, in your post, indicate that you have not received payment and anyone interested should scour other posts regarding the same possible experience with other notary loan signing agents. I have never had a payment issue when I work directly with one of the “big 3” and I doubt you will either, although in reality, getting on board with the “big 3” is much more difficult than getting assignments from a signing company. Most signing companies do pay on time, but again, my experience is that if I have an issue with payments, it is usually from a signing company that I had never worked with previously.

Taxes
You are going to be an independent contractor in this business and will have to make quarterly tax payments. I strongly recommend you get professional tax advise for your business. For many of you, this will be your first business as you may have been used to working as an employee and received a paycheck every week or two. It is much different when you run your own business. Taking a class at a local community college on how to run a business is a great way to start.

Building Blocks For A Successful Signing.
Not one of these individual items alone will help you conduct a successful signing but put them all together and you are well on your way to getting the loan signed successfully and every new successful signing has potential for more future signings! Let’s summarize the list below as a possible check list to use until your experience renders this list routine.

• Immediately after accepting the assignment call the borrow and confirm.
• Arrive on time and if your running late, call the borrower and give them an estimated time you think you will arrive.
• Dress professionally and be sure to wear your ID badge and introduce yourself to borrowers when they open the door. “Hello, I'm Joan Bergstrom, and we have an appointment to sign some documents.”
• Have a briefcase that is organized and looks professional. When you open it, the briefcase should be organized and not have lots of loose papers and other unrelated things rolling around it in.
• Give everyone a blue ink pen to use.
• Give the borrower's copy to the signers and tell them they have a copy of every document they are signing and their copies are all in the same order.
• Take care of ID's and have them sign the journal and fingerprint them. Take a photo or scan their drivers license if they haven't provided a copy.
• Give an oath or affirmation for Jurats.
• Once you begin the signing, avoid any “small talk” in order to concentrate on the job at hand.
• At the conclusion, check your loan documents page by page for any missed dates, initials, signatures, and your notary certificates.
• Inform them of when you are going to drop the documents at FedEx or UPS.
• Leave your business card with the signers.

Some States Require Witnesses for Loan Documents

Sometime our loan signing documents originate from a state where witnesses are required for the signing event. This could be because the property being financed is in that other state or the lender is located geographically in that state. Most of these states are in the South with the exception of Connecticut. Here are the requirements:

Georgia - Two witnesses and one must be the notary.
Florida - Two witnesses and one can be the notary. No witnesses are required for refinance documents in Florida but when a new property is purchased you will need to have at least one other witness present at the signing.
South Carolina - Two witnesses and the notary can be one.
Connecticut - Two witnesses and the notary can be one.
Louisiana - Two witnesses and the notary cannot be one of the witnesses.

Realistically how many loans are going to notarize signatures which will be returned to these states? My experience is very few. Of the states listed, Florida will be the one that most California notaries will deal with and refinancing loans in that state do not require witnesses anyway. Louisiana is the only state where the notary cannot be one of the witnesses and I have only done one notarization for Louisiana in 13 years.
Chapter 6
Types of Documents in a Typical Loan Package

In reality, there probably are no “typical” loan packages as every lender has their own unique requirements which go beyond state regulatory requirements, but we included the documents in this book that are most often included for loan signings.

Of all the document included in a loan signing package, the documents the client is most focused on are the documents containing dollar amounts and these documents in the past caused us as loan signing agents the greatest headache because the borrower sometimes disagrees with the amounts due at the time of signing, the interest rate or even the final costs of obtaining the loan called funding fees.

These are the documents that are most often contested at a signing and we will help you arrive at solutions for dealing with these objections. For now, let’s get into a general discussion of the documents themselves and then we can approach how to deal with difficult scenarios.

Fortunately for us as loan signing agents in California, state law now requires that before signing loan documents for new purchases or before signing documents for refinancing an existing loan, that a document called a Closing Disclosure be sent to the borrowers by the lender or escrow at least three days prior to the signing of the documents. The requirement that the borrower is to be given at least three days before signing to look over the terms of the loan which gives the signer ample opportunity to review before the notary arrives. This opportunity should make our facilitating the loan signing much easier.

As of the time of this writing in 2017, this requirement is not required if the borrower obtains a Home Equity Line of Credit, often referred to with the acronym, “HELOC”. A HELOC loan is essentially an open line of credit based on a maximum amount of the loan availability which can be used on an as-needed basis. Obviously, this line of credit is also secured by the property itself as collateral, as with any other more typical mortgage loan, but the balance of the loan can fluctuate depending on the needs and repayment strategies of the borrower.

The Closing Disclosure is also not sent to the borrower if the documents are for a reverse mortgage or financing on manufactured homes. For these types of loans, since the borrower will not receive these types of documents before the signing, you are more likely to encounter a borrower’s objection to details than with a more traditional loan package, but there are ways we can easily deal with that kind of situation if necessary. Part of the discussion in this section will cover our suggestions but we wanted to introduce to you the purpose for this important Closing Disclosure document and why most signers of most types of loans will already (or should have already) reviewed that document before you arrive for the signing.

There are many other types of documents included in a loan package and different lenders have different requirements so not all loan signing packages contain the same types of documents and most lenders have some documents that are unique to that
particular lender. The nice thing about this is that any company who has special requirements will usually, if not always, notate their instructions within the first or second page of the loan package. Be sure to read these instructions before proceeding.

One of the requirements of loan signing agents will be to present the documents to their clients at the signing event and while the loan signing agent may inform the signer what a particular document is and how it relates to the package as a whole, loan signing agents must be careful that they do not overstep their legal authority when presenting loan documents to clients. Non-attorney loan signing agents are not permitted to offer legal advice so if your signer asks you to offer an opinion on any aspect of the loan that would require you to render an opinion, you may not give that opinion.

If, for example, a borrower asks whether or not the interest rate offered on the loan is a “good” interest rate, you as the loan signer must deflect the question or perhaps inform them that you are not permitted to communicate opinions about the details of the loan nor are you allowed to suggest advice regarding any aspect of the loan. You may answer “when” questions, such as “when is my first payment due” but you are not permitted to answer questions that should have been communicated by their lender. Other examples of questions you may not answer might be, “Why was this fee included?” or “Can I use the equity to refinance this loan in a few years to reduce the interest rate of my loan?”
Chapter 7
Presenting the Documents

The order of presentation will be much more important during your first one hundred loans than later down the road when you become so familiar with these packages that they become routine. Prior to October 1, 2015, the key document in loan packages was without a doubt, the HUD Settlement Statement. Now, as previously indicated, that document was replaced in most new loans and refinance loans by the Closing Disclosures document.

Although the client should have already received the Closing Disclosure and hopefully has already reviewed it, put the Closing Disclosure at the top of the loan package. In fact, consider the listing below a good strategy to take when ordering loan signing documents as these are the important documents and will satisfy 99% of signers questions during the signing process.

- Closing Disclosures
- The Note
- Right To Cancel (not all loans include this document; for instance it not in loan packages for new home purchases.)
- Deed of Trust
- Rider documents
- The First Payment Letter

The more confident and familiar you become with these documents the more confidence the borrower will have in you.

Closing Disclosures

The loan industry has recently combined two important forms as of October, 2015. Two critical documents which prior to this date called The Truth in Lending and the HUD Settlement statement have now been combined in one document called a TILA-RESPA INTEGRATED DISCLOSURE more often referred to with the acronym TRID. This fairly new combination includes the loan estimate information and the other closing disclosures that previously were in disclosed in a Truth in Lending form and a HUD settlement statement.

This new disclosure form changes the way we do business because, as previously noted, the borrowers should have received a copy of this form three days before the documents are signed. We should expect to receive much fewer last minute signings and will probably get three or more days notice for a loan signing assignment. Of course, once again, a few exceptions to this will be for Reverse Mortgages, Home Equity Loans & Manufactured Home Loans as they will still use the old HUD Settlement Statement and the old Truth in Lending forms so we have included these forms in this book as well.

The Closing Disclosure lists the cost of the loan, fees charged, the cost of the services provided, how much the borrower(s) will pay over the terms of the loan, and lender’s affiliates.

Included in the section that details these documents is a five page illustration and detailed explanation of this document.

The Note

The note is a promise or agreement that the loan will be repaid. It is the basic
contract between the borrower and the lender and contains basic terms and conditions.

The information in the Note is summarized in the new Closing Disclosures. The note can be either fixed period of time or an adjustable period of time. The fixed Note is usually for 10 years, 15 years or the most common by far the 30 year time period. Fixed means the interest rate can’t be changed during these three different periods of time. Adjustable Notes means that the interest rate on the loan adjusts with the market based on whatever financial instrument they are tied to and can be due in full in as little as a year or much later.

Adjustable rate loans usually begin at an interest rate lower than the fixed rate market and often are limited in their movement based on time or circumstance. The typical characteristic of these loans is that at a point in time, the borrowers will have an option to refinance the loan at a fixed rate which hopefully works to the buyer’s advantage as interest rates for fixed loans come down.

When you get to the Note, the only information you need to explain to the signer is when the first payment is due.

There are many complexities with loans and there are certain advantages and disadvantages between fixed rate loans and adjustable rate loans and sometimes you will be asked for your opinion about the loan. As stated earlier, unless you are an attorney, you will refrain from giving your opinion and certainly the last thing you would want is the borrower later using that opinion as a factor in choosing to cancel their loan.

The Note will indicate the date that the first payment for the loan is due. Typically, first payments are due on the 1st day of the second month following the signing but the Note specifically states the due date for payment. For instance, if loan documents were signed in October, the first payment due will be indicated on the Note as due on December 1st. Most lenders (if not all) provide a few days after the due date for receiving that payment and if it is not received within that time period, an additional late payment penalty will be added and must be paid. One of the unintended consequences of showing the borrower this document is that quite often, the borrower is pleasantly surprised by the idea that they can “skip” a month in payments and so this document is often one that is signed with enthusiasm. We like enthusiasm!

Right To Cancel

Aside from the borrower being required to receive the Closing Disclosures (TRID) three days before the signing, if the lending documents are for refinancing an existing loan on principal place of residence or for a HELOC loan, (often referred to as a “second” which stands for a second mortgage agreement if indeed it is a secondary mortgage agreement, but must be on the principal place of residence), the borrower also will have three days from the day of signing to change their mind and cancel the loan agreement in its entirety. The document that communicates this right is called a Right of Rescission and perhaps more commonly known as a 3-day Right of Rescission. The buyer’s understanding of this document can be quite helpful with instilling confidence during the loan signing, especially if the signer is having some doubts or questions about the loan or especially if the signer is demanding to read all documents carefully and methodically at the time of signing. Some signers insist on not signing documents until they have read every word and have had every question answered which can frankly take a loan signing from 45 minutes or so to hours.
The borrower has a legal protection built in the package with this 3-day right of rescission so that even after signing, there is plenty of time later to read all of the documents carefully or to call the lender with questions. The signer does not always realize this protection is built in so if you start receiving lots of questions that you cannot answer or the signer begins to plod through every word of a Deed of Trust for example, you should point to this document and often this will be enough to move the signing along at a reasonable pace.

As noted above, not all loan signings include this 3-day right of rescission and is not part of a package for new purchases. For loan documents that do include a Right of Rescission or Right to Cancel, you will need to point out the correct time-frame in which the borrower can exercise this right as it is not necessarily three calendar days.

First, locate the date as noted for the date of signing as designate in the Right To Cancel document. There is a specific notation on that document informing the signer who to contact if they wish to cancel the loan. Another section will be the indication of the last day at 11:59 pm the signer can cancel the loan. There was a time when the loan signing agent was always expected to calculate the last day to cancel and write that date in the section but many lenders in the past few years have begun doing that for us (perhaps too many loan signers were making calculation errors?).

This is not always the case, however; so you will need to look on this document and in fact, if the date is there already, double-check these dates as we are ultimately still expected to confirm that they indeed are the correct dates. For example, perhaps a signing was pushed off to another day but the documents were not re-drawn so we may need to calculate the date anyway and verify the date notated is indeed correct. If incorrect, we will need to have the borrower correct this date in the first field mentioned and then have the borrower initial any changes.

As stated previously, the 3-day right of rescission is not always three calendar days. The rules for calculating the 3-day right of rescission is that we count three days from the date of signing and if the third date lies on an “excluded date”, we need to adjust. Excluded dates include all Sundays and federal holidays.

If, for example the signer is signing on Friday the 3rd of a particular month, we count Saturday the 4th, skip Sunday the 5th, count Monday the 6th and Tuesday the 7th.

Remember also that if the signers are signing this form within two different dates, for example, one spouse on one day and the other spouse on a different day, the three-day right to cancel begins with the date the last signer completes the signing. To assist us in finding the correct right of rescission date, you can find a link at https://notaryclasses.com/student/login.aspx

Some lenders put in multiple copies of this document and if there are multiple copies, you will need to ensure that they all are signed. This form can have two signers on the form or will require individual signers to sign their own form. If the lender only provides one single copy for both signers, which would not be typical, then just use that copy for both.

If one of the borrowers changes their mind later on a loan which required, a signature from that one signer is sufficient to cancel the loan. For this reason, you must check and double-check that one of the signers did not erroneously sign in the space for cancellation. The document must be signed at the time of the loan signing but the signature that is
needed is for the signer to attest that they have been informed of this right. So there will be two places for a signer to sign: one for the attestment and the other to be signed at a later date if the signer truly does wish to cancel the loan.

There is a way to correct an erroneous signing of this document. At the time of signing of the loan documents, borrowers always receive a second copy of everything included in the loan signing package. If a borrower accidentally signs the 3-day right of rescission page at the time of loan signing, left unattended, the loan will be canceled, so you will need to go into the borrower’s copy and get a fresh copy and ensure that he or she signs in the correct place at the bottom of the document. Then use this document in place of the document incorrectly signed. Please note, that the borrower will need to date his or her signature on this page whether it is in the section meant for attestment or for the section signed on purpose wishing to cancel the loan.

**Deed of Trust**

A Deed of Trust is also known as a Mortgage Agreement but in reality, it is the Note that actually is the agreement to repay the loan on property. The Deed of Trust or Mortgage Agreement is the document that places the property up as collateral should the borrower default on the loan. This brings up an important point: there are important differences between a Deed, a Deed of Trust, and a Note, and it is important to understand these differences as a loan signing agent. While the notary never makes value judgements in front of the signer concerning the terms of these documents, the notary is usually expected to give a brief overall description of the document that is being signed.

Let’s talk about the differences between these three documents before we proceed. When someone wishes to borrow money to purchase property, the lender will require the borrower to agree in writing to various stipulations of the loan. This agreement is called a Note. It will list all of the repayment terms and must be signed by the borrower. These terms will reflect interest rates and interest terms, prepayment penalties (if any), future extra payments called “balloon payments” (if any), the number of years for which the loan must be repaid and any other agreed-to stipulations. Think of a Note as a “Promissory Note”; the borrower promises to repay the loan in accordance with the agreement. The Note is essentially an “IOU” statement that has been agreed to and signed by both parties. The Note is not a recordable document but is retained by the lender after signing.

But what if the borrower cannot pay back that loan at a later date? The lender will need security at the time the signer makes the original agreement so that the lender’s value is protected. That security is documented in a document called a Deed of Trust. This is the document that guarantees the repayment of the loan for property by placing the property into collateral should events occur whereby the loan payment goes into default. When a borrower obtains a loan on property, a Deed of Trust will be signed, notarized and recorded with the county recorder in the county where the property is located.

A separate document altogether called a Deed is the document that is also recorded to demonstrate legal evidence that the property ownership has been transferred or “granted” to another party such as the borrower. So the borrower, even though an outstanding debt remains on the property, is the actual owner of the property and has all legal rights to the property as the owner except for the rights that been relinquished in obtaining
the loan for the property. For example, while the borrower may sell a property later, the borrower does not have automatic rights to permit someone else to “take over” the remaining debt.

There are many kinds of Deeds including Grant Deeds, Warranty Deeds, Quitclaim Deeds, Interspousal Transfer Deeds and others, but they all are meant to legally point to the new owner or owners of a particular property.

Now that you know the difference between these three documents, let’s return to our discussion on the Deed of Trust. The first page of the Deed Of Trust will indicate how the grantees, (almost always the borrower(s)) are taking title to this property. This is called “vesting” and the borrower(s) will want to confirm this information with you at the time of signing as vesting is absolutely critical. Vesting has significant implication and possible tax consequences later and the lender, or at least the escrow company would have discussed vesting with the borrowers.

If there are questions about vesting at the time of signing, you will want to remind the signers that you are not allowed to help them make any kinds of decision regarding the loan or vesting, but if a 3-day right of rescission is part of the package, point to that and remind them that the loan can be legally canceled within the appropriate time period if they choose to after talking with their lender later after signing. If the loan does not have a 3-day right of rescission, the borrower will need to contact the lender and it could involve rescheduling the loan.

Fortunately, if everyone does a thorough job before you arrive for the signing, this will not be a problem. Unfortunately, if the signer wants to re-negotiate the terms and ends up rescheduling the signing, sometimes the notary is unfairly blamed for not talking the signer into completing the signing. As with many things in life, there are some things we have no control over and this may be one of those. Try to get the lender on the phone if possible, but if it is impossible and the borrower absolutely objects to “vesting” or any other issues within the package, and especially if there is no 3-day right of rescission, don’t try to talk the borrower into signing anyway! Fortunately, this happens in far fewer loans now that the closing disclosures are sent 3 days in advance, but it does happen.

Be sure the borrowers have initialed the bottom of all the pages on the Deed of Trust as most lenders require initials. In obtaining initials, a good practice is to give instructions to the person closest to you first, and then if there are multiple signers, husband and wife for example, let them decide if they are going to initial all the pages at once of or hand them one by one to their spouse.

As stated before, the Deed of Trust is always notarized and must be recorded with the County Recorder. Use extra caution when notarizing signatures on recordable documents as you do not want a county recorder to reject your document because you did not properly complete the notarial wording or your notary seal is covering typed words, lines or signatures. Again, be very careful that you notarize this document correctly. Sometimes a separate Acknowledgment certificate is used so check your instructions if that is the case as you might also need the borrower to initial that page along with the others.

Assignment of a Deed of Trust
Quite often lenders will “sell” or transfer a loan amount to another lender after the loan has closed. Part of the process in the lender reserving this right to do that will be to include as a separate document in the original loan documents something called an Assignment of Deed
The current lender (A) may sell the loan to another lender (B) for example so that lender (A) does not need to wait for the entire term of the loan to receive at least some of the profits dictated by interest terms. Instead, the lender (A) may reach an agreement with another lender (B) (simplified explanation here) whereby that new lender buys the loan by paying some of the interest not yet paid by the borrower in advance. This way the current lender has made some money from the loan origination fees and will make in advance at least some of the interest but now has been paid the entire sum due by the borrower plus some interest.

The Assignment of Deed of Trust document often included behind the Deed of Trust and is not intended to be signed or notarized during the loan signing process. That document will eventually be signed later by the lender representative should that loan be sold or transferred. You will not need to do anything with this document.

Riders
These Riders accompany the Deed Of Trust to the County Recorder, but are not notarized. The most common Riders are Condominiums & Planned Development, Adjustable Rate and Balloon payments. Quite often a Balloon payment rider usually accompanies “hard money loans” which has an interest rate far higher than typical market rates. This type of rider requires the loan to be due and payable in full in a particular time which means that often, a large principal amount will be due and payable at that time. Balloon riders are not as common in the current market as they were during the crazy days of negative amortization lending but a common Rider would be a Condominium/ Planned Development Rider.

First Payment Letter
This is an informative voucher which states when the first payment is due and that even if the borrower does not receive a payment coupon in the mail from the lender before then, the borrower must still make the payment on time and can submit payment by using the payment voucher included on this page.

There Are Other documents that May Be In A Loan Package

Settlement Statement (HUD)
Remember that not all loans require the TRID to be sent to the borrower three days in advance of signing so this document combined with the more traditional Truth-in-Lending document is included in the loan package instead. Again, this is true for reverse mortgage loans, HELOC loans and loans on manufactured homes.

The first two pages deal with the borrower's cost for this loan. Line 303 on the bottom left hand column indicates whether or not the borrower is going to be expecting a refund or if the borrower will need to submit a payment to the lender. With Reverse mortgages and HELOCs there will usually be “refund” going to the borrower(s). The third page is the Good Faith Estimate and the terms of the loan. Fourth page is the signature page the borrower(s) will sign.

Truth-In Lending Statement
This document will only be in a loan package if there is also an included HUD Settlement Statement. A common cause for concern by the borrower with this document is that the annual percentage interest rate disclosed is higher than the expected annual interest rate quoted to the borrower by the lender. The acronym for the annual percentage rate is “APR” and it is higher because it includes
and amounts finance above the actual loan amount. If, for example, a home equity loan amount of $300,000 required a 1% origination fee in order to “buy down” an overall interest rate of a half of a percentage point, and if the borrower does not wish to pay that $3,000 origination fee at the time of closing, the lender may agree to add that amount to the $3,000 loan amount. There are other amounts associated with obtaining a loan which may also be “rolled” into the loan. This is why some lenders state in advertising that there are no “up-front” costs to obtaining a loan with that particular lender.

Since the original amount borrowed in our example was $300,000 but the actual amount is now above $300,000, quite often thousands of dollars above the original loan amount, the amount paid back must include that extra amount, so while the actual interest rate is not altered except by the terms of the contract, the “effective interest rate” to reach that higher sum total due is higher. In other words, the interest rate has not changed, but the industry uses this “APR” terminology to refer to the total amount due and because that amount is more than $300,000 plus the quoted interest rate at the time the loan was paid in full, the “effective” interest rate or the total amount due must include that extra money carried within the loan by the lender.

This disclosure is included so that the borrower receives a fair comparison of the actual costs of the loan when shopping for loans. As you might guess, this sometimes causes confusion but simply letting the borrower know that this interest rate includes all costs associated with the loan that they have agreed not to be paid up front at the time of closing, but that the quoted interest rate on the loan is still in effect, helps to alleviate the concerns. Be careful here as you are not permitted to give legal or financial advice here. We are only providing the basic general information and if advice is requested, the borrower must contact the lender or legal representative.

**Grant Deeds**

As noted before, a Grant Deed is the legal written document that transfers ownership of property from one entity to either the same entity or to additional entities or a different entity altogether. For example, sale of the property or even correction of an owner’s name would required a new Grant Deed or other type of property transfer document.

The Grant Deed will have the name of the Grantors and the Grantees. This document will be included in a new home purchase for example and will have been signed by the Grantors. The important part of this document for your borrowers is the way the borrowers choose to hold title. This is known as “vesting” and typically escrow has already worked out the details of this section. Of course, it will also delineate the legal description of the property, indicate the assessor’s parcel number and indicate where tax statements are to be mailed.

Once again, do not offer advice on this document, particularly with vesting! Vesting title results in considerable tax or inheritance consequences so if the signer has questions about the way their names are vested, call the loan officer immediately in the borrower presence. If you need to call the loan officer, use your own cell phone and address the problem with the loan officer. Be sure your phone is on the “speaker” phone mode and let the loan officer know that up front. The borrower(s) will then take over and talk to the loan officer. Let the borrower(s) talk through a problem.

**Preliminary Change of Ownership Document**

This document is used by the
County Assessor primarily to determine if the transfer will result in a tax increase on that property. This document will have been completed by escrow and the borrower will sign the document at the bottom of this form, and date it. The signer will print his/her name under his/her signature. It accompanies a Grant Deed and will be submitted with the Grant Deed to County Recorder but is not notarized.

**Errors and Omissions Affidavits**

This document allows the lender to correct any typographical errors that have been made and indicates that the borrower(s) will co-operate in allowing the lender to fix the error. The changes will be made before the loan closes and it usually it has a Jurat certificate accompanying it but if not, just have them sign and move on.

**Compliance Agreement**

The purpose of this document allows the lender to fix any mistakes that are found after the loan has closed. I can give a personal insight into a situation which personally happened to me. I refinanced years ago and live in town-home condominium and the lender did not send the Condominium Rider along with my Deed of Trust to the County Recorder. The lender discovered it months later and since, I had signed a Compliance Agreement whereby I extended my cooperation with this document in rectifying this problem.

**Limited Power Of Attorney**

The borrower(s) agree to allow the lender to correct small errors such as wrong addresses, social security numbers, etc. The lender can only correct small mistakes and must send the borrower(s) a copy of any correction made.

**The Housing Financial Discrimination Act Of 1977**

The borrower(s) always sign this document without much comment or concern. As it states in the title, a lender is legislatively prohibited in discriminating against borrower(s) due to race, gender, religion and so on. At this point, it seems a bit superfluous since the loan has already been approved, and perhaps that is the reason that no one has an issue with this document and frankly, no one that I have ever signed actually reads it. Move on and turn the page!

**Occupancy Affidavit and Financial Status**

The borrower(s) state on this document whether the borrower(s) will occupy the property or not as a primary residence. Part of this document includes a “financial statement” which states that the borrower(s) has not falsified any financial information within their application as there are significant financial penalties to borrower(s) if they falsify the lending application. The document is usually notarized, but not always.

**Closing Instructions**

The pages are never shown to the borrower(s) or signed by them. Simply turn the pages over and go on with the rest of the documents in the loan package.

**Flood Hazard Notification**

The borrower should have been aware before you present this document as to whether or not the property is located in a flood hazard zone. Typically, the borrower(s) will sign this document without much of a second look. Let’s just move on.

**Identity Statement**

Often a document called an
identity statement is included whereby the notary attests to verifying the signer’s identity. It is not usually signed by the borrower(s) but it filled out by us and signed by us. When the document requires two forms of identification, I have found that most lenders simply want us to report the signer’s social security number.

**Photo Identification Copy**

Virtually every company wants a black and white copy of the signer’s drivers license sent back with the loan package. If the lender requires a second ID to accompany the first, you might have extend to identification documents that are not acceptable for purposes of notarization.

Let me be clear at this point: we must always use an acceptable identification document or method to notarize a signature, but the state of California only requires a single acceptable identification document. If a lender requires an additional identification document, we are not bound to ensure that the second identification document complies with notary requirements.

If you can, try to obtain a government identification as a second form of identification, but many people do not have a passport or any additional type of governmental issued ID. I have found that if you get some badge or credit card with a picture of the person on it, lenders will be satisfied. I ask if they are members of Sam’s Club or Costco (most homeowners are members) and take a front and back photo of those cards. If you use a credit card with picture on it to ID make sure you cross out all the numbers on the card. Please note that we are in no way suggesting that you can use these forms of identification for the purposes of identifying your document signer in your notary journal!

The Patriot Act passed in 2001 and in effect fairly soon after that requires lenders to obtain specific information and identification documents (two) on borrowers in order to minimize the potential of money laundering especially as it relates to international terrorists. The point about this is that lenders will not permit you to use credible witnesses because this procedure of identification is not in compliance with Patriot Act regulations. This will be important to remember since although California generally permits credible witnesses to be used with any type of document when necessary, as the notary loan signing agents who provide notary signing services on loan documents, we do not use credible witnesses for these types of documents.

**Signature Affidavit**

Many people have name variations. For example, married women usually have had a maiden name prior to marriage or sometimes people who immigrated will have a former name that has been legally changed. This document will list all of those names that the lender knows about and will require the signer to sign each variation. Finally, the signer, as identified now will need to have his or her signature notarized. This signature will be their current variation which must exactly match name indicated on the Note and Mortgage Agreement/Deed of Trust.

**RESPA Disclosures**

This document discloses what percentage of loans are serviced or sold in the “open market.” The original loan terms can’t be changed if sold. If there is an indication of 025%, this means that no loans are sold but an indication of 75-100% means that all the loans are sold. This isn’t a document most borrower(s)
pay much attention to and usually signed without hesitation.

**Federal Tax Form**

This form is usually filled out by the lender although on a few occasions I’ve been given a blank form and it is easy to fill out the top part of the form. It is signed and dated on the first page around the middle of the document. The rest of the pages only need to be checked to see if those pages need the borrower(s) initials. This form is required by the IRS and will allow the lender to send the amount of interest paid on their loan to necessary entities including the borrower(s) for tax deduction purposes. If there are two or more borrowers, there will be an individual form for each person.

**The Good Faith Estimate**

This is usually only included on HUD Settlement Statements. Very seldom is it included in the loan package as a separate document. When people apply for a loan they are given an estimate of the fees for the loan. It can be very close to the final HUD or the new Disclosure Document fees. The amount that is on the HUD or Disclosure Document is the actual fees paid by the borrower(s).

**4506 or 4506-T Request for Copy of Tax Return**

This Federal document is filled out by the lender and is signed, dated and a phone number is written or typed at the bottom of the document. All signers can be on the same document and whoever’s name is listed on the top of the document is the first person to sign on the bottom. If there is a spouse listed as well for example, that spouse signs and dates under the first signature. Many lenders now supply an individual document for individual signers so they swap out their own documents and become the spouse on the other person’s form. The form is good for 60 days after the borrower(s) date the document.

This form allows the lender to check the entire Federal Income Tax form filed by the borrower(s) 4506 form or just the first page with the 4506-T form. It is used on a random basis or most often used when the lender is concerned about fraudulent claims used in obtaining the loan.

**Hazard Insurance Requirements and Authorization**

Borrowers recognize this document as the lender’s requirement they maintain a home owner’s insurance policy for hazards therein disclosed. The borrower(s) will agree to maintain this hazard insurance until the loan is paid in full and if they do not purchase a policy, or allow that policy to lapse, the lender will purchase it for them. A policy purchased by a lender will be far more expensive than a traditional insurance provider. This form only requires signatures at the bottom as a different form usually requires the policy information. If the homeowner is able to locate the policy information, have them fill out the information such as policy number, address of insurer, etc. If they cannot locate the policy information, ask them for the contact information of the insurance agent and list the name of the company and agent at the top. This shows the lender you attempted to get filled. Often the borrower will object to completing this form and will indicate that they have already provided the information to escrow or the loan officer, but even if they did so previously, it still needs to be completed as best as possible.

**Statement Of Information**

This form is filled out by
borrower(s) and will list the borrower’s personal information including addresses for 10 years, job history, former marriages, name of children and birth dates, etc. It needs to be completed and signed and dates by all borrowers. I usually put this document at the bottom of the loan documents so they can fill it out while I am going over page by page looking for any mistakes on the loan documents.

**Form 1003 Uniform Residential Loan Application**

Most often, when a borrower first makes contact with a lender or a broker to obtain a loan, a loan application is created by the lender or broker based on the information provided to them over the phone or during the interview. This document should reflect that information in a typed format. This document needs to be signed at the very top of the first page but you may need to have the signer initial the bottom of each page as well. It’s is normally about four to six pages and the other pages need to be signed and dated more towards the middle of the page. We have this form in this book with arrows showing where it is to be signed. The initial information is often taken over the phone and may have errors; don’t let the borrower(s) get upset about this as this document is simply placed into the file and is typically not used again. If the borrower(s) does call the lender with questions, sometimes the lender will pull out this document and record the questions on the last page in the blank section of this 1003 form.

**Wire Transfer Form**

If the borrower(s) need to wire money in order to close the loan, give them this form and tell them to take it to their bank. There will be wiring instructions included for the bank personnel. This form does not need to be signed.

**Automated Payment Document**

Some lenders give the borrower(s) an option to have their payment taken automatically out of their checking accounts. Wells Fargo, for instance, usually always has this form included and there will be a section on that form for the borrower to accept or decline this service. Ensure that any borrowers on a Wells Fargo loan affirms or declines this option with a check mark. Most other lenders will not have a place for the borrower(s) to decline the offer so the best option is to have them put N/A for not applicable anywhere on the form and have your signer initial the N/A. It’s best to have the borrower(s) sign the documents also, so it doesn’t look like you have missed a signature.

**Addendum To The Good Faith Estimate**

If this document is included, it explains to the borrower how they can request a free copy of their home appraisal. The loan package almost never includes the appraisal, but usually, this is of high interest to the borrower(s).

**Borrower’s Certification and Authorization.**

By signing this document the borrower(s) are stating he/she gave correct information to the lender in order to get the loan funded and permits the lender to also check their credit history.

**Check from the Borrower(s) or Check to the Borrower(s)**

When you need to pick up a check or a cashier check from borrower(s), tear off the bottom of the check, if present and give it the borrower(s) as a receipt. Do make sure it is at the very
top of the documents when you return the loan package.

If money is going to be sent back to the borrower(s) in any significant amounts, say over $5,000, I always suggest they elect to have it wired to their account as often the bank institution has a policy of keeping a check written to the borrower(s) for 10 days or more before they have access to their money. If they choose to have it wired, I ask them for a “voided” check and staple it to the form. Yes, I always carry a stapler with me.

Reverse Mortgages
These loans for people over 62 years of age and own their home outright (no Mortgage) or owe very little on the home. They can take a lump sum payment or receive monthly payments or write a check when they want the money.

The borrower has been thoroughly instructed on expectations during the process of receiving the loan so I have found that there are very few questions that come up during the actual signing of the documents. The only difference in these loans is that there are two Notes in the loan package.

Home Equity Loans (HELOCS)
Now that people are beginning to have equity in their homes we will all see many more of this type of loan in the future. They are usually in the range of thirty to forty pages with only a few of the documents requiring notarization. These types of loan documents are very easy to do. The amounts on these loans is generally in the $25,000 to $50,000 range and the borrower(s) can write checks on this amount when they want.
Email Signature Option For Your Email Address

Put all your business information (include your commission number and expiration date) in your signature and make sure you include your address. Make it easy for people to contact you!

*Use bold colors: dark red, blue, and black*

*Don't Move I'll Be Right There!*
Joan Bergstrom Mobile Notary/Loan-Signer
830 Via Mesa Verde Riverside, CA 92507
Cell: 951-522-4919 Fax: 951-224-9952
CA Commission Number: 2067304 Exp: 06/04/2018
joan.bergstrom@yahoo.com
www.joanbergstromnotarypublic.com
CA State Notary Instructor for: www.notaryclasses.com
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**Notes/Comments:**

Thank you,

Joan Bergstrom
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<tr>
<td>Safe Signing Escrow and Lenders Services</td>
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<td><a href="http://www.slbsigningservices.com">www.slbsigningservices.com</a></td>
</tr>
<tr>
<td>US Certified Signers</td>
<td><a href="http://www.uscertifiedsigners.com">www.uscertifiedsigners.com</a></td>
</tr>
<tr>
<td>Peachtree Settlement Funding</td>
<td><a href="http://www.peachtreesettlementfunding.com">www.peachtreesettlementfunding.com</a></td>
</tr>
<tr>
<td>MeyMax Title</td>
<td>Email: <a href="mailto:docs@meymax.com">docs@meymax.com</a></td>
</tr>
<tr>
<td>Diamond Star Notaries</td>
<td><a href="http://www.diamondstarnotaries.com">www.diamondstarnotaries.com</a></td>
</tr>
<tr>
<td>Title Processing Center</td>
<td><a href="http://www.directcloser.com">www.directcloser.com</a></td>
</tr>
<tr>
<td>Homefront Escrow</td>
<td><a href="http://www.hfescrow.com">www.hfescrow.com</a></td>
</tr>
<tr>
<td>Netco</td>
<td><a href="http://www.netcotitle.com">www.netcotitle.com</a></td>
</tr>
<tr>
<td>RM Signing</td>
<td><a href="http://www.rmsigning.com">www.rmsigning.com</a></td>
</tr>
<tr>
<td>Brook Closing Service</td>
<td><a href="http://www.brooksclosingservice.com">www.brooksclosingservice.com</a></td>
</tr>
<tr>
<td>Statewide Document Service</td>
<td><a href="http://www.statewidedocument.com">www.statewidedocument.com</a></td>
</tr>
<tr>
<td>ATS Document Services</td>
<td>Email: <a href="mailto:info@atsdocs.com">info@atsdocs.com</a></td>
</tr>
<tr>
<td>Orange Coast Title</td>
<td><a href="http://www.octitle.com">www.octitle.com</a></td>
</tr>
<tr>
<td>The Ink</td>
<td><a href="http://www.theinksignings.com">www.theinksignings.com</a></td>
</tr>
<tr>
<td>Old Republic National Title</td>
<td><a href="http://www.oldrepublictitle.com">www.oldrepublictitle.com</a></td>
</tr>
<tr>
<td>True Concept Title</td>
<td><a href="http://www.trueconcepttitle.com">www.trueconcepttitle.com</a></td>
</tr>
<tr>
<td>Loan Doc Express</td>
<td><a href="http://www.loandocexpress.com">www.loandocexpress.com</a></td>
</tr>
<tr>
<td>Elite Signing Services</td>
<td><a href="http://www.elitesignings.com">www.elitesignings.com</a></td>
</tr>
<tr>
<td>A Quality Signing Services</td>
<td><a href="http://www.aqualitysigningservices.com">www.aqualitysigningservices.com</a></td>
</tr>
<tr>
<td>Champion Title &amp; Settlements</td>
<td><a href="http://www.championtitle.com">www.championtitle.com</a></td>
</tr>
<tr>
<td>Business Name</td>
<td>Website</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Xpress Title Services</td>
<td><a href="http://www.xpresstitle.com">www.xpresstitle.com</a></td>
</tr>
<tr>
<td>Midwest Mortgage Services</td>
<td><a href="http://www.mobilemoorgtageclosing.com">www.mobilemoorgtageclosing.com</a></td>
</tr>
<tr>
<td>Patriot Title Agency</td>
<td><a href="http://www.ptagencyinc.com">www.ptagencyinc.com</a></td>
</tr>
<tr>
<td>Apat Real Estate Settlement Services</td>
<td><a href="http://www.apatsettlementservices.com">www.apatsettlementservices.com</a></td>
</tr>
<tr>
<td>Ocean Pacific Notary Services</td>
<td><a href="http://www.opnnotary.com">www.opnnotary.com</a></td>
</tr>
<tr>
<td>Performance Title</td>
<td><a href="http://www.performanceitle.com">www.performanceitle.com</a></td>
</tr>
<tr>
<td>Blue Sky Closings</td>
<td><a href="http://www.blueskyelclosings.com">www.blueskyelclosings.com</a></td>
</tr>
<tr>
<td>Central Escrow</td>
<td><a href="http://www.Centralescrow.com">www.Centralescrow.com</a></td>
</tr>
<tr>
<td>Equity National Title Insurance Co.</td>
<td><a href="http://www.equitynational.com">www.equitynational.com</a></td>
</tr>
<tr>
<td>Pro Link Signing Services</td>
<td><a href="http://www.theprolink.com">www.theprolink.com</a></td>
</tr>
<tr>
<td>Silk Title Abstract</td>
<td><a href="http://www.silktitle.com">www.silktitle.com</a></td>
</tr>
<tr>
<td>East Coast Abstract</td>
<td>Email:<a href="mailto:beth@brokerabstract.com">beth@brokerabstract.com</a></td>
</tr>
<tr>
<td>TCC Notary</td>
<td><a href="http://www.tccnotary.com">www.tccnotary.com</a></td>
</tr>
<tr>
<td>XP Notary Closings</td>
<td>305-903-9442</td>
</tr>
<tr>
<td>Seneca One</td>
<td><a href="http://www.senecaone.com">www.senecaone.com</a></td>
</tr>
<tr>
<td>DRI Title &amp; Escrow</td>
<td><a href="http://www.Drititle.com">www.Drititle.com</a></td>
</tr>
<tr>
<td>Os National LLC</td>
<td><a href="http://www.Osnational.com">www.Osnational.com</a></td>
</tr>
<tr>
<td>123 Lump Sum Structured Asset Funding</td>
<td>Email:<a href="mailto:zmiller@structuredassetservices.com">zmiller@structuredassetservices.com</a></td>
</tr>
</tbody>
</table>
Invoice and Sample Loan Documents
**Bill to:**

Acme Mortgage Company  
12345 Hill Street Suite #100  
Riverside, CA 92508  
Attn: Closing Department

**Bill To:**

Acme Mortgage Company  
12345 Hill Street Suite #100  
Riverside, CA 92508  
Attn: Closing Department

<table>
<thead>
<tr>
<th>DATE OF SERVICE</th>
<th>DESCRIPTION OF SERVICE(S)</th>
<th>AMOUNT DUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/01/2017</td>
<td>Notary signing fee John &amp; Mary Smith Loan number 123456 and Escrow number 1024984 Signed Nov 01, 2017.</td>
<td>$150.00</td>
</tr>
</tbody>
</table>

**ADDITIONAL INFORMATION:**

Please make checks payable to:  
Joan Bergstrom

**Total Due**  
$150.00

It has been a pleasure working with you!
Borrower: Scott M. Taylor

Order#: 05417
Notary Fee: $150.00
Signing Date: 3/02/2016
Signing Time: 6:30pm
Loan/Escrow: 030905
Order Date: 2/28/2016

Company Information
Customer: NC Title
ID: 77970
Primary Contact: Julia Sterne
Email: j_sterne@nctitle.net
Phone: (866)555-3900 Fax: (771) 555-3444

Address: 324 Major Ave
City: Weston
State: CA Zip: 95007

Signing Type: Single
Other Services: Edocs
jnotary@email.com

Borrower Information
Borrower: Taylor, Scott M.
Co-Borrower: Taylor, Cynthia J

Home: 714-555-4444
Cell:
Work: 866-555-1111

Signing Location
Location: 17 Hemlock Ct
City: Beech
State: CA Zip: 90001

Notary Information:
Documents to be emailed to jnotary@email.com

Notary Assigned
Name: Jesse Notary
Address: 12 Easy St
City: Yourtown, CA 90033

Home:
Cell: 714-555-5555
Fax: 714-555-6677
Work: 714-555-7222

Other Notes:
Lender requires BLACK INK. Borrowers must provide two forms of government ID.

For payment FAX this form as soon as the signing is complete, but not later than 8:00am the following morning. Do NOT include an invoice with the loan documents. FAX TO: 888-000-8888

SIGNING DATE: ________________ WAS THE SIGNING COMPLETE: Y N IF NO WHY NOT: ________________
FEE: ________________ COURIER: ________________ TRACKING NUMBER: ________________
Comments: ________________

Notary Signature: ___________________________ DATE: ___________________________
# Closing Disclosure

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

<table>
<thead>
<tr>
<th>Closing Information</th>
<th>Transaction Information</th>
<th>Loan Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Issued</td>
<td>Date Issued</td>
<td>Loan Term</td>
</tr>
<tr>
<td>4/15/17</td>
<td>Date Issued</td>
<td>30 years</td>
</tr>
<tr>
<td>Closing Date</td>
<td>Closing Date</td>
<td>Purpose</td>
</tr>
<tr>
<td>4/15/17</td>
<td>Closing Date</td>
<td>Purchase</td>
</tr>
<tr>
<td>Disbursement Date</td>
<td>Disbursement Date</td>
<td>Product</td>
</tr>
<tr>
<td>4/15/17</td>
<td>Disbursement Date</td>
<td>Fixed Rate</td>
</tr>
<tr>
<td>Settlement Agent</td>
<td>Settlement Agent</td>
<td>Loan Type</td>
</tr>
<tr>
<td>Epsilon Title Co.</td>
<td>Epsilon Title Co.</td>
<td>□ Conventional</td>
</tr>
<tr>
<td>File #</td>
<td>File #</td>
<td>□ FHA</td>
</tr>
<tr>
<td>12-3456</td>
<td>File #</td>
<td>□ VA</td>
</tr>
<tr>
<td>Property</td>
<td>Property</td>
<td>LoanId #</td>
</tr>
<tr>
<td>456 Somewhere Ave</td>
<td>Property</td>
<td>123456789</td>
</tr>
<tr>
<td>Anytown, ST 12345</td>
<td>Anytown, ST 12345</td>
<td>MIC #</td>
</tr>
<tr>
<td>Sale Price</td>
<td>Sale Price</td>
<td>000654321</td>
</tr>
<tr>
<td>$180,000</td>
<td>$180,000</td>
<td></td>
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</tbody>
</table>

## Loan Terms

<table>
<thead>
<tr>
<th>Loan Term</th>
<th>Loan Amount</th>
<th>Can this amount increase after closing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>$162,000</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interest Rate</th>
<th>Monthly Principal &amp; Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>$162,000</td>
<td>NO</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Projected Payments</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Payment Calculation</th>
<th>Years 1-7</th>
<th>Years 8-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal &amp; Interest</td>
<td>$761.78</td>
<td>$761.78</td>
</tr>
<tr>
<td>Mortgage Insurance</td>
<td>82.35</td>
<td></td>
</tr>
<tr>
<td>Estimated Escrow</td>
<td>206.13</td>
<td>206.13</td>
</tr>
<tr>
<td>Estimated Total Monthly Payment</td>
<td>$1,050.26</td>
<td>$967.91</td>
</tr>
</tbody>
</table>

## Estimated Taxes, Insurance & Assessments

<table>
<thead>
<tr>
<th>Estimated Taxes, Insurance &amp; Assessments</th>
<th>Amount can increase over time</th>
<th>In escrow?</th>
</tr>
</thead>
<tbody>
<tr>
<td>$356.13 a month</td>
<td>See page 4 for details</td>
<td>Property Taxes: YES</td>
</tr>
</tbody>
</table>

This estimate includes:
- Property Taxes
- Homeowner’s Insurance
- Other: Homeowner’s Association Dues

See Escrow Account on page 4 for details. You must pay for other property costs separately.

## Costs at Closing

<table>
<thead>
<tr>
<th>Costs at Closing</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing Costs</td>
<td>$9,712.10</td>
</tr>
<tr>
<td>Cash to Close</td>
<td>$14,147.26</td>
</tr>
</tbody>
</table>

Closing Costs includes $4,694.05 in Loan Costs + $5,018.05 in Other Costs – $0 in Lender Credits. See page 2 for details.

Cash to Close includes Closing Costs. See Calculating Cash to Close on page 3 for details.
# Loan Costs

<table>
<thead>
<tr>
<th>A. Origination Charges</th>
<th>Borrower-Paid</th>
<th>Seller-Paid</th>
<th>Paid by Others</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>At Closing</td>
<td>BeforeClosing</td>
<td>At Closing</td>
</tr>
<tr>
<td>01 0.25 % of Loan Amount (Points)</td>
<td>$1,802.00</td>
<td>$405.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>02 Application Fee</td>
<td>$405.00</td>
<td>$300.00</td>
<td>$1,097.00</td>
</tr>
<tr>
<td>03 Underwriting Fee</td>
<td>$29.80</td>
<td>$20.00</td>
<td>$31.75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Services BorrowerDid Not Shop For</th>
<th>$236.55</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Appraisal Fee</td>
<td>$120.50</td>
</tr>
<tr>
<td>02 Credit Report Fee</td>
<td>$20.00</td>
</tr>
<tr>
<td>03 Flood Determination Fee</td>
<td>$31.75</td>
</tr>
<tr>
<td>04 Flood Monitoring Fee</td>
<td>$75.00</td>
</tr>
<tr>
<td>05 Tax Monitoring Fee</td>
<td>$80.00</td>
</tr>
<tr>
<td>06 Tax Status Research Fee</td>
<td>$80.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Services BorrowerDid Shop For</th>
<th>$2,655.50</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Pest Inspection Fee</td>
<td>$120.50</td>
</tr>
<tr>
<td>02 Survey Fee</td>
<td>$85.00</td>
</tr>
<tr>
<td>03 Title – Insurance Binder</td>
<td>$650.00</td>
</tr>
<tr>
<td>04 Title – Lender's Title Insurance</td>
<td>$500.00</td>
</tr>
<tr>
<td>05 Title – Settlement Agent Fee</td>
<td>$500.00</td>
</tr>
<tr>
<td>06 Title – Title Search</td>
<td>$800.00</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>D. TOTAL LOAN COSTS (Borrower-Paid)</th>
<th>$4,694.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Costs Subtotals (A + B + C)</td>
<td>$4,664.25</td>
</tr>
</tbody>
</table>

## Other Costs

<table>
<thead>
<tr>
<th>E. Taxes and Other Government Fees</th>
<th>$85.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Recording Fees</td>
<td>$40.00</td>
</tr>
<tr>
<td>02 Transfer Tax</td>
<td>$45.00</td>
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<tr>
<td>02 Transfer Tax</td>
<td>$85.00</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>F. Prepaids</th>
<th>$120.80</th>
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</thead>
<tbody>
<tr>
<td>01 Homeowner's Insurance Premium (12 mo.) to Insurance Co.</td>
<td>$1,209.96</td>
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<tr>
<td>02 Mortgage Insurance Premium (1 mo.)</td>
<td>$279.04</td>
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<tr>
<td>03 Mortgage Insurance Premium (3 mo.)</td>
<td>$631.80</td>
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</tbody>
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<table>
<thead>
<tr>
<th>G. Initial Escrow Payment at Closing</th>
<th>$412.25</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Homeowner's Insurance $100.83 per month for 2 mo.</td>
<td>$201.66</td>
</tr>
<tr>
<td>02 Mortgage Insurance premium for 3 mo.</td>
<td>$210.60</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>H. Other</th>
<th>$2,400.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 HOA Capital Contribution to HOA Inc.</td>
<td>$500.00</td>
</tr>
<tr>
<td>02 HOA Processing Fee to HOA Inc.</td>
<td>$150.00</td>
</tr>
<tr>
<td>03 Home Inspection Fee to Engineers Inc.</td>
<td>$750.00</td>
</tr>
<tr>
<td>04 Home Warranty Fee to XYZ Warranty Inc.</td>
<td>$450.00</td>
</tr>
<tr>
<td>05 Real Estate Commission to Alpha Real Estate Broker</td>
<td>$5,700.00</td>
</tr>
<tr>
<td>06 Real Estate Commission to Omega Real Estate Broker</td>
<td>$5,700.00</td>
</tr>
<tr>
<td>07 Title – Owner's Title Insurance (optional) to Epsilon Title Co.</td>
<td>$1,000.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>I. TOTAL OTHER COSTS (Borrower-Paid)</th>
<th>$5,018.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Costs Subtotals (E + F + G + H)</td>
<td>$5,018.05</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>J. TOTAL CLOSING COSTS (Borrower-Paid)</th>
<th>$9,712.10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing Costs Subtotals (D + I)</td>
<td>$9,682.30</td>
</tr>
<tr>
<td>Lender Credits</td>
<td>$29.80</td>
</tr>
</tbody>
</table>

CLOSING DISCLOSURE
## Calculating Cash to Close

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

<table>
<thead>
<tr>
<th>Loan Estimate</th>
<th>Final</th>
<th>Did this change?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Closing Costs (J)</strong></td>
<td>$8,054.00</td>
<td>$9,712.10</td>
</tr>
<tr>
<td>Closing Costs Paid Before Closing</td>
<td>$0</td>
<td>– $29.80</td>
</tr>
<tr>
<td>Closing Costs Financed (Paid from your Loan Amount)</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Down Payment/Funds from Borrower</td>
<td>$18,000.00</td>
<td>$18,000.00</td>
</tr>
<tr>
<td>Deposit</td>
<td>– $10,000.00</td>
<td>– $10,000.00</td>
</tr>
<tr>
<td>Funds for Borrower</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Seller Credits</td>
<td>$0</td>
<td>– $2,500.00</td>
</tr>
<tr>
<td>Adjustments and Other Credits</td>
<td>$0</td>
<td>– $1,035.04</td>
</tr>
<tr>
<td><strong>Cash to Close</strong></td>
<td>$16,054.00</td>
<td>$14,147.26</td>
</tr>
</tbody>
</table>

### BORROWER’S TRANSACTION

<table>
<thead>
<tr>
<th>1</th>
<th>Sale Price of Property</th>
<th>$180,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Sale Price of Any Personal Property Included in Sale</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Closing Costs Paid at Closing (J)</td>
<td>$9,682.30</td>
</tr>
<tr>
<td>4</td>
<td>Adjustments</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Adjustments for Items Paid by Seller in Advance</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>City/Town Taxes to 4/15/17 to 5/1/17</td>
<td>$80.00</td>
</tr>
<tr>
<td>9</td>
<td>County Taxes to 4/15/16 to 4/30/16</td>
<td>$80.00</td>
</tr>
<tr>
<td>10</td>
<td>Assessments to</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>HOA Dues 4/15/17 to 5/1/17</td>
<td>$80.00</td>
</tr>
<tr>
<td>12</td>
<td>Deposit</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>13</td>
<td>Loan Amount</td>
<td>$162,000.00</td>
</tr>
<tr>
<td>14</td>
<td>Existing Loan(s) Assumed or Taken Subject to</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Seller Credit</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>16</td>
<td>Rebate from Epsilon Title Co.</td>
<td>$750.00</td>
</tr>
<tr>
<td>17</td>
<td>Adjustments</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Adjustments for Items Unpaid by Seller</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>City/Town Taxes 1/1/17 to 4/1/17</td>
<td>$365.04</td>
</tr>
<tr>
<td>13</td>
<td>County Taxes to</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Assessments to</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Due from Borrower at Closing (K)</td>
<td>$189,762.30</td>
<td></td>
</tr>
<tr>
<td>Total Paid Already by or on Behalf of Borrower at Closing (L)</td>
<td>– $175,615.04</td>
<td></td>
</tr>
<tr>
<td><strong>Cash to Close</strong></td>
<td>$14,147.26</td>
<td></td>
</tr>
</tbody>
</table>

### SELLER’S TRANSACTION

<table>
<thead>
<tr>
<th>1</th>
<th>Sale Price of Property</th>
<th>$180,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Sale Price of Any Personal Property Included in Sale</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Closing Costs Paid at Closing (J)</td>
<td>$12,800.00</td>
</tr>
<tr>
<td>4</td>
<td>Existing Loan(s) Assumed or Taken Subject to</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Payoff of First Mortgage Loan</td>
<td>$100,000.00</td>
</tr>
<tr>
<td>6</td>
<td>Payoff of Second Mortgage Loan</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Adjustments</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Adjustments for Items Unpaid by Seller</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>City/Town Taxes 1/1/17 to 4/1/17</td>
<td>$365.04</td>
</tr>
<tr>
<td>15</td>
<td>County Taxes to</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Assessments to</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Due to Seller at Closing (M)</td>
<td>$180,080.00</td>
<td></td>
</tr>
<tr>
<td>Total Due from Seller at Closing (N)</td>
<td>– $115,665.04</td>
<td></td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td>$64,414.96</td>
<td></td>
</tr>
</tbody>
</table>
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 5% 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
456 Somewhere Ave., Anytown, ST 12345

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.

<table>
<thead>
<tr>
<th>Escrow</th>
<th>Estimated total amount over year 1 for your escrowed property costs:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escrowed Property Costs over Year 1</td>
<td>$2,473.56</td>
</tr>
<tr>
<td>Non-Escrowed Property Costs over Year 1</td>
<td>$1,800.00</td>
</tr>
<tr>
<td>Initial Escrow Payment</td>
<td>$412.25</td>
</tr>
<tr>
<td>Monthly Escrow Payment</td>
<td>$206.13</td>
</tr>
</tbody>
</table>

☒ 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.

<table>
<thead>
<tr>
<th>No Escrow</th>
<th>Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Property Costs over Year 1</td>
<td></td>
</tr>
<tr>
<td>Escrow Waiver Fee</td>
<td></td>
</tr>
</tbody>
</table>

In the future,
Your property costs may change and, as a result, your escrow pay-
ment 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**

<table>
<thead>
<tr>
<th>Total of Payments</th>
<th>$285,803.36</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Charge</td>
<td>$118,830.27</td>
</tr>
<tr>
<td>Amount Financed</td>
<td>$162,000.00</td>
</tr>
<tr>
<td>Annual Percentage Rate (APR)</td>
<td>4.174%</td>
</tr>
<tr>
<td>Total Interest Percentage (TIP)</td>
<td>69.46%</td>
</tr>
</tbody>
</table>

**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

**Contact Information**

<table>
<thead>
<tr>
<th></th>
<th>Lender</th>
<th>Mortgage Broker</th>
<th>Real Estate Broker (B)</th>
<th>Real Estate Broker (S)</th>
<th>Settlement Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Ficus Bank</td>
<td>Omega Real Estate Broker Inc.</td>
<td>Alpha Real Estate Broker Co.</td>
<td>Epsilon Title Co.</td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td>4321 Random Blvd. Som_city, ST 12340</td>
<td>789 Local Lane Some_town, ST 12345</td>
<td>987 Suburb Ct. Some_place, ST 12340</td>
<td>123 Commerce Pl. Som_city, ST 12344</td>
<td></td>
</tr>
<tr>
<td>NMLS ID</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ST License ID</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contact</td>
<td>Joe Smith</td>
<td>Samuel Green</td>
<td>Joseph Cain</td>
<td>Sarah Arnold</td>
<td></td>
</tr>
<tr>
<td>Contact NMLS ID</td>
<td>12345</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contact ST License ID</td>
<td></td>
<td>P16415</td>
<td>P51461</td>
<td>PT1234</td>
<td></td>
</tr>
<tr>
<td>Email</td>
<td>joesmith@fi .com</td>
<td><a href="mailto:sam@omegare.biz">sam@omegare.biz</a></td>
<td><a href="mailto:joe@alphare.biz">joe@alphare.biz</a></td>
<td><a href="mailto:sarah@epsilontitle.com">sarah@epsilontitle.com</a></td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td>123-456-7890</td>
<td>123-555-1717</td>
<td>321-555-7171</td>
<td>987-555-4321</td>
<td></td>
</tr>
</tbody>
</table>

**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.

**Refinance**

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

**Confide Receipt**

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature | Date
--- | ---
Co-Applicant Signature | Date

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# Closing Disclosure

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

## Closing Information
- Date Issued
- Closing Date
- Disbursement Date
- Settlement Agent
- File #

## Transaction Information
- Borrower
- Seller
- Refinances will read “Appraised Property Value”

## Loan Information
- Loan Term
- Purpose
- Product
- Loan Type
  - Conventional
  - FHA
  - VA
  - __________________
- Loan ID #
- MIC #

## Loan Terms
- **Can this amount increase after closing?**
  - Loan Amount
  - Interest Rate
    - Previously on the TIL and HUD-1
  - Monthly Principal & Interest
    - Previously on the HUD-1 page 3
  - Prepayment Penalty
  - Balloon Payment

## Projected Payments
- **Does the loan have these features?**
  - Payment Calculation
    - Principal & Interest
    - Mortgage Insurance
    - Estimated Escrow
      - Amount can increase over time
    - Estimated Total Monthly Payment
      - Previously on the HUD-1 page 3

## Estimated Taxes, Insurance & Assessments
- Amount can increase over time
  - See page 4 for details
  - This estimate includes
    - Property Taxes
    - Homeowner’s Insurance
    - Other:
      - See Escrow Account on page 4 for details. You must pay for other property costs separately.
  - In escrow?
    - Previously on HUD-1 page 3

## Costs at Closing
- Closing Costs
  - Includes in Loan Costs + in Lender Credits. See page 2 for details.
- Cash to Close
  - Includes Closing Costs. See Calculating Cash to Close on page 3 for details.
  - Previously on HUD-1 line 303
### Closing Cost Details

#### Loan Costs

<table>
<thead>
<tr>
<th>A. Origination Charges</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Loan Amount (Points)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Services Borrower Did Not Shop For</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Services Borrower Did Shop For</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>D. TOTAL LOAN COSTS (Borrower-Paid)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Costs Subtotals (A + B + C)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Other Costs

#### E. Taxes and Other Government Fees

<table>
<thead>
<tr>
<th>01 Recording Fees</th>
<th>Deed:</th>
<th>Mortgage:</th>
</tr>
</thead>
</table>

#### F. Prepays

<table>
<thead>
<tr>
<th>01 Homeowner's Insurance Premium (     mo.)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>02 Mortgage Insurance (     mo.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>03 Prepaid Interest ( per day from to )</td>
<td></td>
<td></td>
</tr>
<tr>
<td>04 Property Taxes (     mo.)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### G. Initial Escrow Payment at Closing

<table>
<thead>
<tr>
<th>01 Homeowner's Insurance per month for mo.</th>
</tr>
</thead>
<tbody>
<tr>
<td>02 Mortgage Insurance per month for mo.</td>
</tr>
<tr>
<td>03 Property Taxes per month for mo.</td>
</tr>
</tbody>
</table>

#### H. Other

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>I. TOTAL OTHER COSTS (Borrower-Paid)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Costs Subtotals (C + F + G + H)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### This amount also appears on page 1
## Calculating Cash to Close

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

<table>
<thead>
<tr>
<th></th>
<th>Loan Estimate</th>
<th>Final</th>
<th>Did this change?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Closing Costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing Costs Paid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs Financed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Paid from your Loan Amount)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Down Payment/Funds from Borrower</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds for Borrower</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seller Credits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments and Other Credits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash to Close</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Summaries of transactions

### BORROWER’S TRANSACTION

#### K. Due from Borrower at Closing

- 01 Sale Price of Property
- 02 Sale Price of Any Personal Property Included in Sale
- 03 Closing Costs Paid at Closing ($)
- 04 Adjustments
- 05
- 06
- 07

#### Adjustments for Items Paid by Seller in Advance

- 08 City/Town Taxes to
- 09 County Taxes to
- 10 Assessments to
- 11
- 12
- 13
- 14
- 15

#### L. Paid Already by or on Behalf of Borrower at Closing

- 01 Deposit
- 02 Loan Amount
- 03 Existing Loan(s) Assumed or Taken Subject to
- 04 Adjustments
- 05 Seller Credit
- 06 Other Credits
- 07

#### Adjustments for Items Unpaid by Seller

- 08 City/Town Taxes to
- 09 County Taxes to
- 10 Assessments to
- 11
- 12
- 13

### CALCULATION

- Total Due from Borrower at Closing (K)
- Total Paid Already by or on Behalf of Borrower at Closing (L)

Cash to Close: □ From □ To Borrower

### SELLER’S TRANSACTION

#### M. Due to Seller at Closing

- 01 Sale Price of Property
- 02 Sale Price of Any Personal Property Included in Sale
- 03
- 04
- 05
- 06
- 07
- 08

#### Adjustments for Items Paid by Seller in Advance

- 09 City/Town Taxes to
- 10 County Taxes to
- 11 Assessments to
- 12
- 13
- 14
- 15
- 16

#### N. Due from Seller at Closing

- 01 Excess Deposit
- 02 Closing Costs Paid at Closing ($)
- 03 Existing Loan(s) Assumed or Taken Subject to
- 04 Payoff of First Mortgage Loan
- 05 Payoff of Second Mortgage Loan
- 06
- 07
- 08 Seller Credit
- 09
- 10
- 11
- 12
- 13

#### Adjustments for Items Unpaid by Seller

- 14 City/Town Taxes to
- 15 County Taxes to
- 16 Assessments to
- 17
- 18
- 19

### CALCULATION

- Total Due to Seller at Closing (M)
- Total Due from Seller at Closing (N)

Cash □ From □ To Seller
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 ___ days late, your lender will charge a
late fee of _____________.

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
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☐ 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 _____________________________.

☐ will not have an escrow account because _____________.
☐ 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.

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.

<table>
<thead>
<tr>
<th>Escrow</th>
<th>Estimated total amount over year 1 for your escrowed property costs:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escrowed</td>
<td>Property Costs over Year 1</td>
</tr>
<tr>
<td>Non Escrowed</td>
<td>Property Costs over Year 1</td>
</tr>
<tr>
<td>Estimated</td>
<td></td>
</tr>
<tr>
<td>Estimated Total amount over year 1 for your non-escrowed property costs:</td>
<td></td>
</tr>
<tr>
<td>Initial Escrow Payment</td>
<td>A cushion for the escrow account you pay at closing. see section 6 on page 2.</td>
</tr>
<tr>
<td>Monthly Escrow Payment</td>
<td>The amount included in your total monthly payment.</td>
</tr>
</tbody>
</table>

☐ In the future,
Your property costs may change and, as a result, your escrow pay-
ment 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.

**Finance Charge.** The dollar amount the loan will cost you.

**Amount Financed.** The loan amount available after paying your upfront finance charge.

**Annual Percentage Rate (APR).** Your costs over the loan term expressed as a rate. This is not your interest rate.

**Total Interest Percentage (TIP).** The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

Other Disclosures

**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.

**Refinancing**
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

Contact Information

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<th>Real Estate Broker (B)</th>
<th>Real Estate Broker (S)</th>
<th>Settlement Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>Address</td>
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<tr>
<td>NMLS ID</td>
<td>License ID</td>
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<tr>
<td>Contact</td>
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<tr>
<td>Contact NMLS ID</td>
<td>License ID</td>
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<td>Email</td>
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<tr>
<td>Phone</td>
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</tbody>
</table>

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

*Signature here is optional but if this section does not appear, a separate “Loan Acceptance” disclosure must be added.*

**Applicant Signature**

**Date**

**Co-Applicant Signature**

**Date**
NOTICE OF RIGHT TO CANCEL

Borrower's Name(s): SCOTT M. TAYLOR
Ref. No: 030905
Address: 17 Hemlock Ct. Beech, CA 90001

I. YOUR RIGHT TO CANCEL
Your are entering into a transaction that will result in a mortgage/lien/security interest on your home. You have a legal right under federal law to cancel this transaction, without cost within THREE BUSINESS DAYS from whichever of the following events occurs last:

Enter Signing Date Here

(1) The date of this transaction; or
(2) The date you received your Truth-in-Lending disclosures; or
(3) The date you received this notice of your right to cancel the increase in your credit limit.

Enter Final Date to Cancel Here

If you cancel the transaction, the mortgage/lien security interest is also cancelled. Within 20 calendar days after we receive your notice of cancellation, we must take the necessary steps to reflect the fact that the mortgage/lien security interest on your home has been canceled. We must also return to you any money or property you have given to us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address shown below. If we do not take possession of the money or property within 20 calendar days of your offer, you may keep it without further obligation.

II. HOW TO CANCEL
If you decide to cancel this transaction, you may do so by notifying us, in writing, at:

Your Town Mortgage
100 Main St MS 333
Kale, CA 95555
Attn: Funding
Phone: 866-000-3322
FAX: 866-000-2233

Enter Final Date to Cancel Here

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one copy of this notice no matter how you notify us because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than midnight of (or midnight of the third business day following the latest of the three events listed above).

If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

Consumer's Signature: ____________________________ Date: ____________________________

III. I WISH TO CANCEL

DO NOT SIGN HERE

Acknowledgment of Receipt
I/We each acknowledge receipt of two copies of this Notice of Right to Cancel in compliance with the Reform Act of 1980 (Public Law 96-120).

I/We understand that any one of us, acting alone, can exercise the right to cancel. The exercise by one borrower shall be effective for all borrowers.

Scott M. Taylor ____________________________ Date ______________ Sign Here

Cynthia J. Taylor ____________________________ Date ______________

Note: Each person having an ownership interest in the real estate being given as security in the transaction in connection with which this notice is being given must be given two copies of this notice properly completed.
### A. Settlement Statement (HUD-1)

#### B. Type of Loan

<table>
<thead>
<tr>
<th></th>
<th>FHA</th>
<th>RHS</th>
<th>Conv. Ins.</th>
<th>Conv. Unins.</th>
<th>File Number</th>
<th>Loan Number</th>
<th>Mortgage Insurance Case Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>TT-007</td>
<td>030905</td>
<td>xxxxx</td>
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<td>4.</td>
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</tbody>
</table>

#### C. Note:
This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked “(p.o.c.)” are paid outside the closing; they are shown here for informational purposes and are not included in the totals.

#### D. Name & Address of Borrower:
Scott M Taylor and Cynthia J Taylor
17 Hemlock Ct. Beech, CA 95555

#### E. Name & Address of Seller:
Scott M Taylor and Cynthia J Taylor
17 Hemlock Ct. Beech, CA 95555

#### F. Name & Address of Lender:
Your Town Mortgage
100 Main St. Kale, CA 90001

#### G. Property Location:
17 Hemlock Ct. Beech, CA 95555

#### H. Settlement Agent:
NC Title
Place of Settlement: 324 Major Ave. Weston, CA 95007

#### I. Settlement Date:
April 16, 2016

#### J. Summary of Borrower's Transaction

<p>| | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>100. Gross Amount Due from Borrower</td>
<td>$450,000.00</td>
<td></td>
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<td></td>
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<tr>
<td>101. Contract sales price</td>
<td></td>
<td></td>
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<tr>
<td>102. Personal property</td>
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</tr>
<tr>
<td>103. Settlement charges to borrower (line 140)</td>
<td>$14,474.72</td>
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</tr>
<tr>
<td>Adjustment for items paid by seller in advance</td>
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<tr>
<td>106. City/town taxes</td>
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<tr>
<td>107. County taxes</td>
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<tr>
<td>108. Assessments</td>
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<td>109.</td>
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<td>110.</td>
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<td>111.</td>
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<td>112.</td>
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#### K. Summary of Seller's Transaction

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</thead>
<tbody>
<tr>
<td>400. Gross Amount Due to Seller</td>
<td>$400,000.00</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>401. Contract sales price</td>
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<tr>
<td>402. Personal property</td>
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<td>403.</td>
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<tr>
<td>405. Adjustment for items paid by seller in advance</td>
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<tr>
<td>406. City/town taxes</td>
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<tr>
<td>407. County taxes</td>
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<tr>
<td>408. Assessments</td>
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<td>409.</td>
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</table>

#### 420. Gross Amount Due to Seller

#### 500. Reductions In Amount Due to Seller

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<table>
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</thead>
<tbody>
<tr>
<td>501. Excess deposit (see instructions)</td>
<td></td>
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<tr>
<td>502. Settlement charges to seller (line 1400)</td>
<td></td>
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<tr>
<td>503. Existing loan(s) taken subject to</td>
<td></td>
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<tr>
<td>504. Payoff of first mortgage loan</td>
<td></td>
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<tr>
<td>505. Payoff of second mortgage loan</td>
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<td>506.</td>
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<tr>
<td>508. Seller to pay OTP</td>
<td>$2,130.00</td>
<td></td>
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<td>509.</td>
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<tr>
<td>510. Adjustments for items unpaid by seller</td>
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<td>511. City/town taxes</td>
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<td>512. County taxes</td>
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#### 520. Total Reduction Amount Due Seller

#### 600. Cash at Settlement

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</thead>
<tbody>
<tr>
<td>601. Gross amount due to seller (line 420)</td>
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</tr>
<tr>
<td>602. Less reductions in amounts due seller (line 520)</td>
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</tr>
<tr>
<td>603. Cash To From Seller</td>
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</tbody>
</table>

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The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA-covered transaction with information during the settlement process.
### L. Settlement Charges

#### 700. Total Real Estate Broker Fees

Division of commission (line 700) as follows:

<table>
<thead>
<tr>
<th>Paid From</th>
<th>Paid From</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrower's Funds at Settlement</td>
<td>Seller's Funds at Settlement</td>
</tr>
</tbody>
</table>

#### 701. $ to

702. $ to

703. Commission paid at settlement

704.

#### 800. Items Payable in Connection with Loan

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>801. Our origination charge</td>
<td>(from GFE #1)</td>
</tr>
<tr>
<td>802. Your credit or charge (points) for the specific interest rate chosen</td>
<td>(from GFE #2)</td>
</tr>
<tr>
<td>803. Your adjusted origination charges</td>
<td>(from GFE #3)</td>
</tr>
<tr>
<td>804. Appraisal fee to</td>
<td>$5,125.00</td>
</tr>
<tr>
<td>805. Credit report to</td>
<td>$400.00</td>
</tr>
<tr>
<td>806. Tax service to</td>
<td>$25.00</td>
</tr>
<tr>
<td>807. Flood certification to</td>
<td>$16.50</td>
</tr>
</tbody>
</table>

808.

809.

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811.

#### 900. Items Required by Lender to be Paid in Advance

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>901. Daily interest charges from to @ $ /day</td>
<td>$48.22</td>
</tr>
<tr>
<td>902. Mortgage insurance premium for months to</td>
<td>(from GFE #10)</td>
</tr>
<tr>
<td>903. Homeowner’s Insurance for years to</td>
<td>(from GFE #11)</td>
</tr>
</tbody>
</table>

904.

#### 1000. Reserves Deposited with Lender

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1001. Initial deposit for your escrow account</td>
<td>(from GFE #9)</td>
</tr>
<tr>
<td>1002. Homeowner’s Insurance months @ $ per month</td>
<td></td>
</tr>
<tr>
<td>1003. Mortgage insurance months @ $ per month</td>
<td></td>
</tr>
<tr>
<td>1004. Property Taxes months @ $ per month</td>
<td></td>
</tr>
<tr>
<td>1005. months @ $ per month</td>
<td></td>
</tr>
<tr>
<td>1006. months @ $ per month</td>
<td></td>
</tr>
<tr>
<td>1007. Aggregate Adjustment</td>
<td>-</td>
</tr>
</tbody>
</table>

#### 1100. Title Charges

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1101. Title services and lender’s title insurance</td>
<td>(from GFE #4)</td>
</tr>
<tr>
<td>1102. Settlement or closing fee</td>
<td></td>
</tr>
<tr>
<td>1103. Owner’s title insurance</td>
<td>(from GFE #5)</td>
</tr>
<tr>
<td>1104. Lender’s title insurance</td>
<td></td>
</tr>
<tr>
<td>1105. Lender’s title policy limit</td>
<td></td>
</tr>
<tr>
<td>1106. Owner’s title policy limit</td>
<td></td>
</tr>
<tr>
<td>1107. Agent’s portion of the total title insurance premium to</td>
<td></td>
</tr>
<tr>
<td>1108. Underwriter’s portion of the total title insurance premium to</td>
<td></td>
</tr>
</tbody>
</table>

1109.

1110.

1111.

#### 1200. Government Recording and Transfer Charges

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1201. Government recording charges</td>
<td>(from GFE #7)</td>
</tr>
<tr>
<td>1202. Deed $ Mortgage $ Release $</td>
<td></td>
</tr>
<tr>
<td>1203. Transfer taxes</td>
<td>(from GFE #8)</td>
</tr>
<tr>
<td>1204. City/County tax/stamps Deed $ Mortgage $</td>
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<tr>
<td>1205. State tax/stamps Deed $ Mortgage $</td>
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</table>

1206.

#### 1300. Additional Settlement Charges

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>1301. Required services that you can shop for</td>
<td>(from GFE #6)</td>
</tr>
<tr>
<td>1302.</td>
<td>$</td>
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<tr>
<td>1303.</td>
<td>$</td>
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<tr>
<td>1304.</td>
<td>$</td>
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<tr>
<td>1305.</td>
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</tr>
</tbody>
</table>

#### 1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>1401.</td>
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</tbody>
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Previous edition are obsolete  Printed from: http://www.hud.gov/ HUD-1
## Comparison of Good Faith Estimate (GFE) and HUD-1 Charges

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<thead>
<tr>
<th>Charges That Cannot Increase</th>
<th>HUD-1 Line Number</th>
<th>Good Faith Estimate</th>
<th>HUD-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our origination charge</td>
<td># 801</td>
<td>$5,125.00</td>
<td>$5,125.00</td>
</tr>
<tr>
<td>Your credit or charge (points) for the specific interest rate chosen</td>
<td># 802</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Your adjusted origination charges</td>
<td># 803</td>
<td>$5,125.00</td>
<td>$5,125.00</td>
</tr>
<tr>
<td>Transfer taxes</td>
<td># 1203</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Charges That In Total Cannot Increase More Than 10%</th>
<th>HUD-1 Line Number</th>
<th>Good Faith Estimate</th>
<th>HUD-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government recording charges</td>
<td># 1201</td>
<td>$150.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>#</td>
<td></td>
<td>$400.00</td>
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<tr>
<td>#</td>
<td></td>
<td>$25.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>#</td>
<td></td>
<td>$16.50</td>
<td>$16.50</td>
</tr>
<tr>
<td>#</td>
<td></td>
<td>$630.00</td>
<td>$630.00</td>
</tr>
<tr>
<td>#</td>
<td></td>
<td>$2,130.00</td>
<td>$2,130.00</td>
</tr>
<tr>
<td>#</td>
<td></td>
<td>$3,351.50</td>
<td>$3,351.50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase between GFE and HUD-1 Charges</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
</table>

## Charges That Can Change

<table>
<thead>
<tr>
<th>Charges</th>
<th>HUD-1 Line Number</th>
<th>Good Faith Estimate</th>
<th>HUD-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial deposit for your escrow account</td>
<td># 1001</td>
<td>$3,300.00</td>
<td>$3,400.00</td>
</tr>
<tr>
<td>Daily interest charges $/day</td>
<td># 901</td>
<td>$1,431.37</td>
<td>$848.22</td>
</tr>
<tr>
<td>Homeowner’s insurance</td>
<td># 903</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>#</td>
<td></td>
<td>$400.00</td>
<td>$400.00</td>
</tr>
<tr>
<td>#</td>
<td></td>
<td>$150.00</td>
<td>$150.00</td>
</tr>
</tbody>
</table>

## Loan Terms

- **Your initial loan amount is**: $430,000.00
- **Your loan term is**: 30 years
- **Your initial interest rate is**: 4.000%
- **Your initial monthly amount owed for principal, interest, and any mortgage insurance is**: $2228.47 includes
  - [X] Principal
  - [X] Interest
  - [X] Mortgage Insurance

### Can your interest rate rise?
- [X] No
- Yes, it can rise to a maximum of ___%.
- The first change will be on ___ after ___.
- Every change date, your interest rate can increase or decrease by ___%.
- Over the life of the loan, your interest rate is guaranteed to never be lower than ___% or higher than ___%.

### Even if you make payments on time, can your loan balance rise?
- [X] No
- Yes, it can rise to a maximum of $___.

### Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?
- [X] No
- Yes, the first increase can be on ___ and the monthly amount owed can rise to $___.
- The maximum it can ever rise to is $___.

### Does your loan have a prepayment penalty?
- [X] No
- Yes, your maximum prepayment penalty is $___.

### Does your loan have a balloon payment?
- [X] No
- Yes, you have a balloon payment of $___ due in ___ years.

### Total monthly amount owed including escrow account payments
- You do not have a monthly escrow payment for items, such as property taxes and homeowner’s insurance. You must pay these items directly yourself.
- You have an additional monthly escrow payment of $___ that results in a total initial monthly amount owed of $___.
- This includes principal, interest, any mortgage insurance and any items checked below:
  - [X] Property taxes
  - [X] Homeowner’s insurance
  - [ ] Flood insurance

### Note:
If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.
### A. Settlement Statement (HUD-1) Addendum

#### B. Type of Loan

|--------|------|--------|-------------|----------------|-----------------------|----------------------|----------------------------------|

#### C. Note:
This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent shown. Items marked "(p.o.c.)" were paid closing; they are shown here for information purposes and are not included in the totals.

<table>
<thead>
<tr>
<th>D. Name &amp; Address of Borrower:</th>
<th>E. Name &amp; Address of Seller:</th>
<th>F. Name &amp; Address of Lender:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott M. Taylor And Cynthia J. Taylor 17 Hemlock Court Beech, CA 92555</td>
<td></td>
<td>Your Town Mortgage 100 Main Street Kale, CA 90001</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>G. Property Location:</th>
<th>H. Settlement Agent:</th>
<th>I. Settlement Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 Hemlock Court Beech, CA 92555</td>
<td>NC Title</td>
<td>April 16, 2016</td>
</tr>
</tbody>
</table>

| Place of Settlement: | |
|---------------------| |
| 324 Major Ave. Weston, CA 90507 | |

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

**Borrowers**

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott M. Taylor</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cynthia J. Taylor</td>
<td></td>
</tr>
</tbody>
</table>

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 ____________________

**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.
ADJUSTABLE RATE NOTE  
(LIBOR Index - Rate Caps)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY. THIS LOAN HAS A PREPAYMENT PENALTY PROVISION.

March 2, 2016  Kale  CA
Date  City  State
17 Hemlock Ct Beech, CA 90001  
(Property Address)

1. BORROWER'S PROMISE TO PAY
In return for a loan that I have received, I promise to pay U.S. $ 170,000.00 (this amount is called "principal"), plus interest, to the order of the Lender. The Lender is Your Town Mortgage. 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 6.500 %. This interest rate I will pay may change in accordance with Section 4 of this Note. The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(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 May 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. My monthly payments will be applied to interest before principal. If, on April 1, 2038 , 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 payments at 100 Main Street Kale, CA 95555 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments
Each of my initial monthly payments will be in the amount of U.S. $ 1,074.52. This amount may change

(C) Monthly Payment Changes
Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES
(A) Change Dates
The interest rate I will pay may change on the first day of, April, 2016 and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date ."

(B) The Index
Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR") as published in The Wall Street Journal. The most recent Index figure available as of the date 45 days before the Change Date is called the "Current Index." If at any point in time the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.
(C) Limits on Interest Rate Changes
The interest rate I am required to pay at the first Change Date will not be greater than 8.500% or less than 6.500%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than one percentage point(s) 1.000%) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 12.500% or less than 6.500%.

(D) Effective Date Of Changes
My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payments changes again.

(E) Notice of Changes
The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any questions I may have regarding the notice.

5. PREPAYMENT PRIVILEGE
I may repay all or any part of the principal balance of this Note in accordance with the terms of this Section. A "prepayment" is any amount that I pay in excess of my regularly scheduled payments of principal and interest that the Lender will apply to reduce the outstanding principal balance on this Note in accordance with this Section.

(A) Prepayment Made Three (3.00) year(s) After the Date of this Note
I will not have to pay a prepayment charge if I make a prepayment on the Three (3.00) year anniversary of the date this Note is executed, or at any time thereafter.

(B) Prepayment Made Within Three (3.00) year(s) of the Date of this Note
I will pay Lender a prepayment charge if, in any twelve (12) month period before the Three (3.00) year anniversary of the date this Note is executed, I prepay more than 20% of the original principal balance of this Note. The prepayment charge will be six (6) months interest, at the rate then in effect on this Note, on the amount in excess of 20% of the original principal balance that I prepay within such 12 month period.

(C) Application of Funds
I agree that when I indicate in writing that I am making a prepayment, the Lender shall apply funds it receives first to pay any prepayment charge and next in accordance with the order of application of payments set forth in Section 2 of the Security Instrument.

(D) Monthly Payments
If I make a prepayment of an amount less than the amount needed to completely repay all amounts due under this Note and Security Instrument, my regularly scheduled payments of principal and interest will not change as a result.

6. 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: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) 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 the principal, the reduction will be treated as a partial prepayment.

7. BORROWER'S FAILURE TO PAY AS REQUIRED
(A) Late Charges for Overdue Payment
If the Note Holder has not received the full amount of any monthly payment by the end of fifteen 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 6.000% 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. The date must be at least 30 days after the date on which the notice is delivered or mailed to me.

(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.
9. 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.

10. 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.

11. 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 as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises that I make in this Note. That the 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:

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without the Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonable determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender. To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition of Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the 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.

Oral agreements, promises or commitments to lend money, extend credit, or forbear from enforcing repayment of a debt. Including promises to extend, modify renew or waive such debt, are not enforceable. This written agreement contains all the terms the Borrower(s) and the Lender have agreed to. Any subsequent agreement between us regarding this Note or the instrument which secures this Note, must be in a signed writing to be legally enforceable.

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

__________________________(seal)  __________________________(seal)
Scott M. Taylor          Borrower          Cynthia J. Taylor  Borrower

Initials: _______ _______
TRUTH-IN-LENDING DISCLOSURE STATEMENT
(THIS IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND)

Lender: Your Town Mortgage
100 Main St
Kale, CA 95555

Loan Number: 030905
Type of Loan: ADJUSTABLE RATE

Borrowers: Scott M. Taylor and Cynthia J. Taylor

Date: March 02, 2017
Address: 17 Hemlock CT
Beech, CA 90001

Property: 17 Hemlock Ct Beech, CA 90001

<table>
<thead>
<tr>
<th>ANNUAL PERCENTAGE RATE</th>
<th>FINANCE CHARGE</th>
<th>AMOUNT FINANCED</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>The cost of your credit as a yearly rate.</td>
<td>The dollar amount the credit Will cost you.</td>
<td>The amount of credit provided to you on your behalf.</td>
<td>The amount you will have paid after you have made all payments as scheduled.</td>
</tr>
<tr>
<td>8.699%</td>
<td>$316,102.94</td>
<td>$163,704.79</td>
<td>$479,807.73</td>
</tr>
</tbody>
</table>

YOUR PAYMENT SCHEDULE WILL BE:

<table>
<thead>
<tr>
<th>NUMBER OF PAYMENTS</th>
<th>AMOUNT OF PAYMENTS</th>
<th>PAYMENTS ARE DUE</th>
<th>NUMBER OF PAYMENTS</th>
<th>AMOUNT OF PAYMENTS</th>
<th>PAYMENTS ARE DUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>36</td>
<td>$1,074.52</td>
<td>05/01/2017</td>
<td>6</td>
<td>$1,292.30</td>
<td>05/01/2017</td>
</tr>
<tr>
<td>317</td>
<td>$1,362.83</td>
<td>11/01/2017</td>
<td>1</td>
<td>$1,354.10</td>
<td>04/01/2047</td>
</tr>
</tbody>
</table>

VARIABLE RATE FEATURE:
Your loan has a variable rate feature. Disclosures about the variable rate feature have been provided to you earlier

SECURITY: You are giving a security interest in the property located at: 17 Hemlock Ct Beech, CA 90001

ASSUMPTION: Someone buying this property

☒ cannot assume the remaining balance due under original terms.
☐ may assume, subject to lender's conditions, the remaining balance due under original terms

PROPERTY INSURANCE: You may obtain property insurance from anyone you want that is acceptable to Your Town Mortgage

LATE CHARGES: If a payment is 15 days late, you will be charged 6.000% of the overdue payment.

PREPAYMENT: If you pay off your loan early, you
☒ may ☐ will not have to pay a penalty.

See your contract documents for any additional information regarding non-payment, default, required repayment in full before the scheduled date prepayment refunds and penalties, security interest and the policy of the lender regarding assumption of the mortgage.

I/WE HEREBY ACKNOWLEDGE RECEIVING A COPY OF THIS DISCLOSURE

Scott M. Taylor Date Cynthia J. Taylor Date
RECORDING REQUESTED BY:

NC Title Company
100 Main St.
Kale, CA 95555

AND WHEN RECORDED MAIL DOCUMENT
AND TAX STATEMENT TO:
Scott M. Taylor
17 Hemlock Ct
Beech, CA 90001

Parcel No: ABC-1234

GRANT DEED

THE UNDERSIGNED GRANTOR(s) DECLARE(s)

Documentary Transfer Tax is $00.00 – Transfer in title vesting
[ ] computed on full value of interest of property conveyed, or
[ ] computed on full value less value of liens or encumbrances remaining at time of sale
[ ] Unincorporated Area

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Scott M. Taylor
and Cynthia J. Taylor, Husband and Wife

hereby GRANT(s) to
Scott M. Taylor and Cynthia J. Taylor, Husband and Wife as Joint Tenants

The following described real property in the County of Orange, State of California,
LOT NO. 22V AS SHOWN UPON THE MAP OF SEABREEZE SUBDIVISION, FILED IN THE OFFICE OF THE
COUNTY RECORDER OF ORANGE COUNTY ON MAY 6, 1986 IN BOOK 12009 OF MAPS AT PAGES 200,201,202
OF ORANGE COUNTY RECORDS.

DATE: March 2, 2017

A notary public or other officer completing this certificate verifies only the identity of
the individual who signed the document to which this certificate is attached, and not
the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF Orange } S.S.

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

gd/ks/sb
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 March 2, 2017 together with all Riders to this document,

(B) "Borrower" is

Scott M. Taylor and Cynthia J. Taylor  HUSBAND AND WIFE AS JOINT TENANTS

Borrower's address is 17 Hemlock Ct. Beech, California 90001

Borrower is the trustor under this Security Instrument.

(C) "Lender" is Your Town Mortgage

Lender is a corporation organized and existing under the laws of Delaware

Lender's address is 100 Main Street, Kale, CA 95555

Lender is the beneficiary under this Security Instrument.

(D) "Trustee" is Your Town Mortgage

(E) "Note" means the promissory note signed by Borrower and dated April 1, 2017 The Note states that Borrower owes Lender

ONE HUNDRED SEVENTY THOUSAND & 00/100 Dollars (U.S. $170,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than April 1, 2038.

(F) "Property" means the property (that is described below under the heading "Transfer of Rights in the Property."

(G) "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.
(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable):

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

(I) "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.

(J) "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.

(K) "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 clearhouse transfers.

(L) "Escrow Items" means those items that are described in Section 3.

(M) "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.

(N) "Mortgage Insurance" means insurance protecting Lender against (he nonpayment of, or default on, the Loan.

(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of (his Security Instrument.

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

(Q) "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 this purpose, Borrower irrevocably grants and conveys to Trustee, in trust with power of sale, the following described property located in the County of Orange

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERE OF:

Parcel ID Number; ABC-1234 which currently has the address of

("Property Address"): 17 Hemlock Ct. Beech, Ca 90001

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 us the "Property."

Note: Except for the last page, we have deleted the rest of the pages for this document as the verbiage is "boiler plate" and not usually reviewed as part of your duties.
BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to 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 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, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. 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 to 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 or 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.
23. **Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Lender may charge such person or persons a reasonable fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law. If the fee charged does not exceed the fee set by Applicable Law, the fee is conclusively presumed to be reasonable.

24. **Substitute Trustee.** Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where (his Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by Applicable Law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

25. **Statement of Obligation Fee.** Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

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.

Witness:

__________________________________________


Borrower:

__________________________________________  (seal)

Scott M. Taylor

__________________________________________  (seal)

Cynthia J. Taylor
State of __________________
County of ________________

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing paragraph is
true and correct.

Witness my hand and official seal.

__________________________ (Seal)
Notary Public
ADJUSTABLE RATE RIDER
(LIBOR Six-Month-Index (As Published In the Wall Street Journal) - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 2nd day of March, 2017 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed Of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to My Town Mortgage (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

17 Hemlock Ct Beech, CA 90001

[Property Address]


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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES
The Note provides for an initial interest rate of 6.500 %. The Note provides for Changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES
   (A) Change Dates
   The interest rate I will pay may change on the first day of April, 2016 , and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

   (B) The Index
   Beginning with the first Change Date, my interest rate will be based on an index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in the Wall Street Journal. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

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

   (C) Calculation of Changes
   Before each Change Date, the Note Holder will calculate my new interest rate by adding six percentage points ( 6.000 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

   The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.
(D) Limits on Interest Rate Changes
The interest rate I am required to pay at the first Change Date will not be greater than 8.500% or less than 6.500%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One (1.000%) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 12.500% or less than 6.500%.

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

(F) Notice of Changes
The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER
Section 18 of the Security Instrument is amended to read as follows:

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

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

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lenders consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing. If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

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

____________________________
Scott M. Taylor

____________________________
Cynthia J. Taylor

Initials: ______
**FIRST PAYMENT LETTER**

<table>
<thead>
<tr>
<th>Applicant:</th>
<th>Scott M. Taylor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cynthia J. Taylor</td>
</tr>
<tr>
<td>Lender:</td>
<td>Your Town Mortgage</td>
</tr>
<tr>
<td></td>
<td>100 Main St</td>
</tr>
<tr>
<td></td>
<td>Kale, CA 95555</td>
</tr>
<tr>
<td>Property:</td>
<td>17 Hemlock Ct</td>
</tr>
<tr>
<td></td>
<td>Beech, CA 90001</td>
</tr>
<tr>
<td>Loan No:</td>
<td>030905</td>
</tr>
<tr>
<td>Date:</td>
<td>March 02, 2017</td>
</tr>
</tbody>
</table>

I/We, the undersigned, understand our mortgage payment will be $1074.52 beginning May 1, 2017. This figure is based on the following breakdown:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal and Interest</td>
<td>$1074.52</td>
</tr>
<tr>
<td>Total Payment</td>
<td>$ 1074.52</td>
</tr>
</tbody>
</table>

I/We understand that the total monthly payment may change based on the amount of hazard insurance we will carry on the property. We are also aware that the total monthly payment may increase or decrease each year due to increases or decreases in annual taxes and/or insurance premiums.

I/We also acknowledge that my/our first monthly mortgage payment may be due less than 30 days from the date of loan closing. In the event that I/we do not receive a payment coupon book prior to the mortgage due date shown above, I/we understand that the total monthly mortgage payment should be remitted to the following address by the specified due date.

Your Town Mortgage
100 Main St
Kale, CA 95555

BY SIGNING BELOW, I/WE ACKNOWLEDGE THAT I/WE HAVE READ, RECEIVED AND UNDERSTAND THIS MONTHLY PAYMENT LETTER.

**APPLICANT(S):**

X _______________________________ (Seal)  X _______________________________ (Seal)

X _______________________________ (Seal)  X _______________________________ (Seal)
Borrower(s): Scott M. Taylor, Cynthia J. Taylor

Property Address: 17 Hemlock Ct, Beech, CA 90001

Lender: Your Town Mortgage

CLOSING INSTRUCTIONS

These Closing Instructions are for closing the loan referenced in the cover letter enclosed herein. Do not proceed unless you accept full responsibility for following these instructions. All 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. The Branch of Borrower is not authorized to approve any modifications to or deviations from these written closing instructions.

If any ambiguities, obvious errors or questions arise in connection with a loan or any matter contained in the Closing Instructions, the Branch Manager must be contacted prior to closing for further instructions or to clarify or resolve matters. The Settlement Agent will be made liable for losses incurred by the Lender, as a result of the Settlement Agent closing a loan with knowledge that errors were contained in any documents or instructions. If the Settlement Agent determines that a loan cannot be closed in accordance with these Closing Instructions, (including the policy and other requirements), do not proceed to closing without further instructions from the Lender.

1. **INSURED CLOSING.** An Insured Closing Protection Letter in the form authorized by the American Land Title Association ("ALTA") must be issued in connection with the closing and settlement of any loan closing through a title insurance agent or a title insurance company authorized to do business in the State of CA. All title insurance agents should confirm that such a letter is on file with the Lender before closing the loan. The title policy must be underwritten by the insurer providing the Insured Closing Protection Letter.

2. **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. Immediately advise the Lender of any recent or impending change in ownership. Prior to closing, the Lender must grant approval. **You must have written authorization from the Vice President of Loan Operations and/or its Directors of the Lender approving any deviation from these Closing Instructions.** No credits, debits, secondary financing or third party contributions are allowed unless specifically authorized in the Closing Instructions. All persons signing both the Note and the Mortgage must be vested in title. All persons signing the Mortgage must be vested in title or the spouse of someone vested in title as signing as a borrower under the Note.

3. **TITLE COMMITMENT AND TITLE POLICY,** The Title Policy must be written through the same company which issued the Commitment for Title Insurance ("Title Commitment") previously furnished to the Lender. Lender's loan documents have been prepared based upon the Title Commitment. If the Title Commitment does not comply with the following requirements, Settlement Agent must either (I) amend the Title Commitment, (ii) provide a new Title Commitment, or (iii) agree to provide Lender a subsequent Title Policy in accordance with the following requirements:

3.1 The date of the Title Commitment may not be more than ninety (90) days before the settlement date. If the Title Commitment has expired, do not close the loan, and contact the Lender immediately. The Title Commitment must have an authorized counter signature.

3.2 The Title Policy provided to the Lender must be an ALTA Loan Policy (October 17, 1992 version) and insure a First Mortgage lien as of the date of recording (Gap Protection must be provided). The "Name of Insured" in the Title Policy must read exactly: "Your Town Mortgage, its Successors or Assigns". Short Form policies are not acceptable.

3.3 The minimum amount of coverage required is the amount of the loan, as indicated in the Note.

3.4 Title to estate or interest in the land is insured as vested in" in the Title Policy must exactly match the Borrower/Owner/Spouses' names(s) indicated on the loan documents.

3.5 The Land referred to by the Title Policy must conform to the loan documentation and vice-a-versa. If a manufactured housing unit has been affixed to the land secured by the Lender's loan, attach Endorsement Form ALTA 7 and collect the premium and all expenses from the Borrower. **Lender does not lend on manufactured houses that have not been converted to real property.**
3.6 Without Lender approval, no exceptions may be taken for adverse possession claims, bankruptcies, fraudulent transfers, claims, unpaid liens or assessments. No exception may be taken for any titles or rights asserted by anyone to tidelands; or lands comprising the shores or beds of navigable or perennial rivers and Streams, lakes, bays, gulfs or oceans; or to any land extending from the line of mean low tide to the line of vegetation; or to lands beyond the line of the harbor or bulkhead lines as established or changed by any government; or to filled-in lands; or artificial island; or to riparian rights; or the rights or interests of the State of CA or the public generally in the area extending from the line of man low tide to the line of vegetation or their right of access thereto; or right of easement along and across the same without with out obtaining Lender's written consent to prior closing the transaction. Any inspection fees required for such coverage must be paid by the Borrower.

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 IS ALLOWED.

3.7 Title Policy must be received by Lender no later than 60 days after the date of closing.

4. EXECUTION OF DOCUMENTATION.

4.1 Settlement Agent must verify the identity of all parties by requiring picture identification.

4.2 Lender does not allow use of Power of Attorney,

4.3 All Truth in Lending Disclosures must be signed prior to the Note, Mortgage or other legal documents.

4.4 All documents and riders must be signed exactly as the name typed. Do not make any 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 amendments, additions and/or strikeouts must be initialed by all parties required to sign that document. Pages of the Note and Mortgage, which do not contain an original signature, must be initialed by the Borrowers. Obtain the initials of all appropriate parties on all other documents indicating the place for party initialing,

4.5 A notice of the consumer's right of rescission is required on all owner-occupied loans which are not for the initial purchase of the principal dwelling. The Settlement Agent is hereby directed by the Lender to act as its agent in completing or amending the dates in the Notice of Right to Cancel, The "date of transaction" is the date the Mortgage is signed by all Borrowers/Owners/Spouses entitled to rescind. The date following "Not later than midnight of" must be three (3) business days from the date of the transaction. For the purposes of calculating the third business day, count the first day after the date of closing and exclude Sundays and/or federal holidays and the date of funding. All blanks must be completed or amended prior to signature. Settlement Agent must contact the Lender to commit that the appropriate dates are used. You must provide each Borrower, owner and any required spouse with two and one (1) copy of the Federal Truth-in-Lending Disclosure Statement. The right of rescission may not be waived by any party. If any party indicates a desire to cancel the transaction or refuses to execute the "Receipt of Notice" section, contact the Lender immediately for further instructions.

4.6 Record the Warranty Deed and any other documents required to vest title in the Borrower. Lender requires a "Deed with Warranties". Pay any recording fees and title expenses. Record Mortgage. Pay off, with loan proceeds if necessary, and obtain the release, discharge or reconveyance of all items shown on the Title Commitment.

4.7 Documents to be recorded in this transaction must be presented to the county recorder's office in the following order:

a. Warranty Deed (if a change in vesting is occurring)
b. Mortgage (with any Riders)
c. Supporting documents required to be filed/recorded (if any).

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 Warranty Deed used in this transaction must be returned to the Borrower with a copy to the Lender. The Mortgage must be returned after recording to the Lender.
6. **SETTLEMENT CHARGES AND LOAN DISBURSEMENTS.** You must use the attached itemization of settlement charges and disbursements to prepare the Settlement Statement. No funds you receive on behalf of the borrower(s) may be disbursed for any purpose or to any payee other than as directed in these instructions and disclosed on the Settlement Statement (HUD-1 or HUD-1 A) issued to borrower. Your Town Mortgage Branch Associates and borrowers have no authority to change the amounts or payees of settlement charges and disbursements set forth in the attached itemization, and disclosed on the settlement statement.

7. **COPIES.** Unless more than one (1) copy is required by these Closing Instructions, each Borrower must be provided with one (1) copy of all documents required by the Lender or Settlement Agent to be signed by Borrower. Prior to funding approval, Settlement Agent must provide a certified copy of each item that will be shown as an exception on the final title policy and deliver same to Lender.

**FUNDING AND DISBURSEMENT.** The complete loan package is due in Lender’s office the day after loan signing. After satisfactory review, the loan will be funded. Once the loan is funded and funds are submitted for disbursement, a Final Settlement Statement will be prepared and submitted to the Lender.

**LENDER RESERVES THE RIGHT TO CANCEL OR MODIFY THESE INSTRUCTIONS AT ANY TIME UPON NOTICE TO SETTLEMENT AGENT.**

**IF YOU ARE UNABLE TO CLOSE AND FUND THE LOAN AS SPECIFIED, CONTACT THE LENDER IMMEDIATELY AT 999-888-1234.**

**TITLE COMPANY AGREES TO FULLY COOPERATE AND ASSIST LENDER DURING ANY STATE REGULATORY AUDITS.**

**ITEMS TO BE PAID OFF FROM LOAN PROCEEDS**

Borrower: Scott M. Taylor  
Cynthia J. Taylor

Loan Number: 030905

<table>
<thead>
<tr>
<th>Payee</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your Town Mortgage</td>
<td>$158,484.02</td>
</tr>
<tr>
<td>County Tax Collector (w)</td>
<td>$386.66</td>
</tr>
</tbody>
</table>

Settlement Agent:

By ____________________________

It’s ____________________________

Date: ____________________________
SETTLEMENT AGENT: NC Title  
PLACE OF SETTLEMENT: 324 Major Ave Weston, CA 95007  
SETTLEMENT DATE:  
DISBURSEMENT DATE:  

<table>
<thead>
<tr>
<th>L. Settlement Charges</th>
<th>M. Disbursements To Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>800 Items Payable In Connection With Loan</td>
<td>1501 1st Mortgage Payoff</td>
</tr>
<tr>
<td>801 Loan Origination Fee</td>
<td>$158,840.02</td>
</tr>
<tr>
<td>802. Loan Discount 2.00% To: Your Town Mortgage</td>
<td>$3,400.00</td>
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<tr>
<td>803 Appraisal Fee</td>
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<tr>
<td>804 Credit Report</td>
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<tr>
<td>806 Mortgage Insurance Application Fee</td>
<td>$35.00</td>
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<tr>
<td>807 Tax Related Service Fee to Your Town Mortgage</td>
<td>$9.00</td>
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<td>808 Flood Search Fee to Your Town Mortgage</td>
<td></td>
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<tr>
<td>809 Lender's Processing Fee to Your Town Mortgage</td>
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<tr>
<td>810 Admin to Your Town Mortgage</td>
<td>$360.00</td>
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<td>811 Application Fees to Your Town Mortgage</td>
<td>$360.00</td>
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<tr>
<td>900 Items Required By Lender Be Paid In Advance</td>
<td></td>
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<tr>
<td>901 Interest from 03/03/2016 TO 04/01/2016 @$30.27/DAY</td>
<td>$696.21</td>
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<tr>
<td>902 Mortgage Insurance Premium for</td>
<td></td>
</tr>
<tr>
<td>903 Hazard Insurance Premium for</td>
<td></td>
</tr>
<tr>
<td>1000 Reserves deposited with Lender</td>
<td></td>
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<tr>
<td>1001 Hazard insurance</td>
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</tr>
<tr>
<td>1002 Mortgage Insurance</td>
<td></td>
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<tr>
<td>1003 City property taxes</td>
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<tr>
<td>1004 County property taxes</td>
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<tr>
<td>1005 Annual assessments</td>
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<tr>
<td>1008 Aggregate Adjustment</td>
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<tr>
<td>1100 Title Charges</td>
<td></td>
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<tr>
<td>1101 Settlement or closing fee NC Title</td>
<td>$450.00</td>
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<tr>
<td>1102 Abstract or title search</td>
<td></td>
</tr>
<tr>
<td>1103 Title examination</td>
<td></td>
</tr>
<tr>
<td>1104 Title insurance binder</td>
<td></td>
</tr>
<tr>
<td>1105 Document preparation NC Title</td>
<td>$50.00</td>
</tr>
<tr>
<td>1106 Signing Fee Notary Public</td>
<td>$300.00</td>
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<tr>
<td>1107 Attorney's Fees</td>
<td></td>
</tr>
<tr>
<td>(Includes above item numbers: )</td>
<td></td>
</tr>
<tr>
<td>1108 Title Insurance NC Title</td>
<td>$566.00</td>
</tr>
<tr>
<td>(Includes above item numbers: )</td>
<td></td>
</tr>
<tr>
<td>1109 Lender's coverage</td>
<td>1520 Total Disbursed (enter on line 1603)</td>
</tr>
<tr>
<td>1110 Owner’s coverage</td>
<td></td>
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<tr>
<td>1111 Wire Fee NC Title</td>
<td>$25.00</td>
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<tr>
<td>1112 Delivery Fee NC Title</td>
<td>$30.00</td>
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<tr>
<td>1120 Government Recording and Transfer Charges</td>
<td></td>
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<tr>
<td>1201 Recording Fee: Estimate</td>
<td>$3,305.21</td>
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<tr>
<td>1202 City/county tax/stamps:</td>
<td></td>
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<tr>
<td>1203 State tax/stamps</td>
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<tr>
<td>1300 Additional Settlement Charges</td>
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<tr>
<td>1301 Survey</td>
<td></td>
</tr>
<tr>
<td>1302 Pest Inspection</td>
<td></td>
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<tr>
<td>1304 Staff Appraiser Fee</td>
<td>$425.00</td>
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<tr>
<td>1400 Total Settlement Charges</td>
<td>$3,824.11</td>
</tr>
</tbody>
</table>

Any amounts appearing on these lines are prepaid finance charges and cannot be increased or added once loan documents have been prepared unless new loan documents are generated.

Settlement Agent
Date

119
TO:

Federal Housing Administration
Fannie Mae
Freddie Mac
Department of Veterans Affairs

PROPERTY ADDRESS:
17 Hemlock Ct., Beech, CA 90001

FHA / Fannie Mae / Freddie Mac / VA
CASE NO.: 120

We the undersigned purchaser(s) of the above captioned property understand that one of the conditions of our loan is that we occupy the subject property and we do hereby certify as follows:

( ) We will occupy the subject property upon close of escrow; if unable to occupy by close of escrow, we will occupy by the following date:

(X) We now occupy the subject property.

We the undersigned purchaser(s) also hereby certify that there have been no significant changes in our financial status; i.e., employer, income, available cash, etc., and that our loan application to FHA/VA or conventional lender reflects our current financial position.

We are aware of and understand that if we fail to move into the property by the specified time that we are subject to prosecution under Section 1010, Title 18, United States Code, Federal Housing Administration Transactions, and that we are liable to be fined not more than $5,000, or imprisoned not more than two years, or both. We are aware of and understand that other Federal Statutes provide severe penalties for any fraud or misrepresentation made for the purpose of influencing the issuance of any guaranty or insurance or the making of any loan by the Secretary of Veterans Affairs.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date of Execution: March 02, 2017

Scott M. Taylor
Borrower

Cynthia J. Taylor
Borrower
LENDER: Your Town Mortgage
BORROWER(S): Scott M. Taylor
              Cynthia J. Taylor

PROPERTY ADDRESS: 17 Hemlock Ct., Beech, CA 90001
LOAN NO.: 030905

ERROR AND OMISSIONS / COMPLIANCE AGREEMENT

The undersigned borrower(s) for and in consideration of the above-referenced Lender 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 documentation 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 or the Department of Veterans Affairs.

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 Second day of March, 2017

Scott M. Taylor (Borrower)          Cynthia J. Taylor (Borrower)

______________________________      ______________________________
(Borrower)                        (Borrower)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of: _______________________
County of: _______________________

Subscribed and sworn to (or affirmed) before me on this _____ day of __________, 20___
by _______________________________ proved to me on the basis
of satisfactory evidence to be the person(s) who appeared before me.

_____________________________
Notary Public in and for
The State of
County of
Limited Correction Agreement

On March 02, 2016, the undersigned borrower(s), for and in consideration of the approval, closing and funding of mortgage loan number 030905 hereby agree and grant Your Town Mortgage as settlement agent and Your Town Mortgage as lender the right to correct and/or execute and/or initial all typographical or clerical errors discovered in any or all of the closing documents required to be executed by the undersigned at settlement. In the event this agreement is exercised the undersigned will receive a copy of the changes.

THIS AGREEMENT MAY NOT BE USED TO INCREASE THE INTEREST RATE THE UNDERSIGNED IS PAYING, INCREASE THE TERM OF THE UNDERSIGNED'S LOAN, INCREASE THE UNDERSIGNED'S OUTSTANDING BALANCE OR INCREASE THE UNDERSIGNED'S MONTHLY PRINCIPAL AND INTEREST PAYMENTS.

This Agreement shall terminate one year from the closing date of the undersigned's mortgage loan.

In Witness Whereof, the undersigned has executed this Agreement on the day of March______.  
02  2016 intending to be legally bound thereby.

Scott M. Taylor  
Cynthia J. Taylor

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF ___________________ }  S.S.

On ______, ______ before me, __________________________

personally appeared __________________________

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature __________________________

My Commission Expires: __________________________

Rev. 03/08

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LENDER: Your Town Mortgage

APPLICANT(S): Scott M. Taylor, Cynthia J. Taylor

PROPERTY: 17 Hemlock Ct., Beech, CA 90001

By signing below, I agree to the following:

1. I certify that I have submitted a complete and accurate loan application containing various information including without limitation, the amount and source of any down payment, my employment and income information, and information on my assets and liabilities. I certify that all of the information submitted is true and correct and that I have made no misrepresentations in the loan application or in any other related document, nor did I omit any pertinent information.

2. If my loan request is approved, I authorize the Lender to obtain additional employment, credit, or other information in connection with any update, renewal, or extension of the loan or for the solicitation of any loan or insurance products.

3. I understand and agree that the Lender reserves the right to change the mortgage loan review process to a full documentation program. This may include verifying the information which I have provided on my loan application such as employment, income, financial assets and outstanding obligations.

4. I understand that a married applicant may apply for a separate loan in his/her own name.

5. I understand that the Lender, or anyone authorized by the Lender, may inspect the Property securing the proposed loan for the purposes of determining its market value and to make sure that it otherwise meets Lender's property requirements for the type of loan requested and in connection with any post closing audit review.

6. I understand and agree that the Lender, its agents, successors and assigns, may verify and re-verify any information contained in my loan application and in any and all other documents required in connection with the loan, during loan processing and, if the loan request is approved, after loan closing as part of a post closing audit review.

7. I understand and agree that the Lender, its agents, successors and assigns, to order one or more consumer credit reports and to obtain any and all information pertaining to my income, assets, employment, obligations as well as other information that the Lender may need in order to consider my application for loan financing under the Lender's loan program guidelines.

8. I authorize the Lender to release any information regarding my loan application to third parties including but not limited to title companies, appraisal companies, insurance companies, credit reporting agencies and affiliates who are or may be involved in the mortgage loan transaction in order to expedite the processing and, if approved, closing of my mortgage loan.

9. I authorize any third party who receives a copy of this written authorization to provide the Lender, its agents, successors and assigns, as well as any investor or mortgage insurance carrier to whom the Lender may designate, any and all information and documentation requested. Such information may include by way of example, employment history, income, bank, money market, and similar account balances, credit history, and copy of income tax returns.

10. A photocopy of this Certification and Authorization Form may be accepted as an original.

X_____________________________________(Seal) __________________________
Scott M. Taylor Date

X_____________________________________(Seal) __________________________
Cynthia J. Taylor Date

NOTICE TO BORROWERS: This is notice to you as required by the Right to Financial Privacy Act of 1978 that HUD/FHA and VA have a right of 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 or VA 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.
THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

FAIR LENDING NOTICE

IT IS ILLEGAL TO DISCRIMINATE IN THE PROVISION OF OR IN THE AVAILABILITY OF FINANCIAL ASSISTANCE BECAUSE OF THE CONSIDERATION OF:

1. TRENDS, CHARACTERISTICS OR CONDITIONS IN THE NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION, UNLESS THE FINANCIAL INSTITUTION CAN DEMONSTRATE IN THE PARTICULAR CASE THAT SUCH CONSIDERATION IS REQUIRED TO AVOID AN UNSAFE AND UNSOUND BUSINESS PRACTICE; OR

2. RACE, COLOR, RELIGION, SEX, MARITAL STATUS, NATIONAL ORIGIN OR ANCESTRY.

IT IS ILLEGAL TO CONSIDER THE RACIAL, ETHNIC, RELIGIOUS OR NATIONAL ORIGIN COMPOSITION OF A NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION OR WHETHER OR NOT SUCH COMPOSITION IS UNDERGOING CHANGE, OR IS EXPECTED TO UNDERGO CHANGE, IN APPRAISING A HOUSING ACCOMMODATION OR IN DETERMINING WHETHER OR NOT, OR UNDER WHAT TERMS AND CONDITIONS, TO PROVIDE FINANCIAL ASSISTANCE.

THESE PROVISIONS GOVERN FINANCIAL ASSISTANCE FOR THE PURPOSE OF THE PURCHASE, CONSTRUCTION, REHABILITATION OR REFINANCING OF ONE TO FOUR UNIT FAMILY RESIDENCES OCCUPIED BY THE OWNER AND FOR THE PURPOSE OF THE DOME IMPROVEMENT OF ANY ONE TO FOUR UNIT FAMILY RESIDENCE.

IF YOU HAVE ANY QUESTIONS ABOUT YOUR RIGHTS, OR IF YOU WISH TO FILE A COMPLAINT, CONTACT THE MANAGEMENT OF THIS FINANCIAL INSTITUTION OR;

DEPARTMENT OF CORPORATIONS
320 West Fourth Street, Suite 750
Los Angeles, CA 90013

EQUAL CREDIT OPPORTUNITY ACT

EQUAL CREDIT OPPORTUNITY ACT - The Federal Equal Credit Opportunity Act prohibits discrimination against Credit applicants on the basis of sex, marital status, race, color, religion, national origin, age (provided the applicant has the capacity to contract), whether all or part of the applicant's income is derived from any public assistance program, or if the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency which administers compliance with this Law concerning tender is the FEDERAL TRADE COMMISSION EQUAL CREDIT OPPORTUNITY, ROOM 4037 WASHINGTON, DC 20580

ACKNOWLEDGMENT OF RECEIPT
I/We have received a copy of this notice.

BORROWER/OWNER Scott M. Taylor Date

BORROWER/OWNER Cynthia J. Taylor Date
**Request for Taxpayer Identification Number and Certification**

<table>
<thead>
<tr>
<th>Name (as shown on your income tax return)</th>
<th>Scott M. Taylor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business name, if different from above</td>
<td></td>
</tr>
<tr>
<td>Check appropriate box:</td>
<td></td>
</tr>
<tr>
<td>☐ Individual/</td>
<td>☐ Corporation</td>
</tr>
<tr>
<td>☐ Sole proprietor</td>
<td>☐ Partnership</td>
</tr>
<tr>
<td>☐ Other</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Address (number, street, and apt. or suite no.)</td>
<td></td>
</tr>
<tr>
<td>City, state, and ZIP code</td>
<td></td>
</tr>
<tr>
<td>List account number(s) here (optional)</td>
<td></td>
</tr>
<tr>
<td>17 Hemlock Ct Beech, CA 90001</td>
<td></td>
</tr>
</tbody>
</table>

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3.

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

<table>
<thead>
<tr>
<th>Social security number</th>
<th>[ ] [ ] [ ] [ ]</th>
</tr>
</thead>
<tbody>
<tr>
<td>or</td>
<td></td>
</tr>
<tr>
<td>Employer identification number</td>
<td></td>
</tr>
</tbody>
</table>

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

**Purpose of Form**

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

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

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

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

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (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 recipient 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.

**Sign Here**

<table>
<thead>
<tr>
<th>Signature of U.S. person</th>
<th>Date</th>
</tr>
</thead>
</table>

Form W-9 (Rev. 1-2005)
Request for Copy of Tax Return

Do not sign this form unless all applicable parts have been completed. Read the instructions on page 2.

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

1a Name shown on tax return. If a joint return, enter the name shown first.
Scott M. Taylor

1b First social security number on tax return or employer identification number (see instructions)

2a If a joint return, enter spouse’s name shown on tax return
Cynthia J. Taylor

2b Second social security number if joint tax return

3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code
17 Hemlock Ct Beech, CA 90001

4 Address, (including apt., room, or suite no.), city, state, and ZIP code shown on the last return filed if different from line 3

5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party’s name, address, and telephone number. The IRS has no control over what the third party does with the tax return.

CAUTION: Lines 6 and 7 must be completed if the third party requires you to complete Form 4506. Do not sign Form 4506 if the third party requests that you sign Form 4506 and lines 6 and 7 are blank.

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

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

7 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506.

8 Fee. There is a $39 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to “United States Treasury.” Enter your SSN or EIN and “Form 4506 request” on your check or money order.

<table>
<thead>
<tr>
<th>a</th>
<th>Cost for each return</th>
<th>$ 39.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>b</td>
<td>Number of returns requested on line 7</td>
<td>$</td>
</tr>
</tbody>
</table>

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

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, either husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer.

Signature (see instructions) Date

Sign Here

Title (if line 1a above is a corporation, partnership, estate, or trust)

Spouse’s signature Date

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 41721E Form 4506 (Rev. 1-2004)
IMPOUND DISCLOSURE/WAIVER

Applicant: Scott M. Taylor  
Cynthia J. Taylor
17 Hemlock Ct.
Beech, CA 90001

Lender: Your Town Mortgage  
100 Main St.
Kale, CA 95555

Loan Number: 030905

For convenience, an impound account may be established on the Borrower(s) behalf with the Lender, for the payment of property taxes and hazard insurance premiums. The Lender will pay 2% simple interest on money deposited into the impound account.

An impound account is required if:

1. required by state or federal regulatory authority;
2. the loan is made, guaranteed or insured by a state or federal governmental lending or insuring agency (i.e., V.A. or FHA);
3. the Borrower(s) fails to pay two consecutive tax installments prior to the delinquency date;
4. the original principal amount of the loan is 90 percent or more of the sales price or appraised value;
5. there are two or more loans secured by the subject property, the combined principal amount of which exceeds 80 percent of the appraised value.

If the Borrower(s) loan does not meet any of the five restrictions described above the Borrower(s) may still elect to establish an impound account. The Borrower(s) should register their choice by placing an "X" below, and acknowledges this option is available at the time of application and can be changed no more than once annually.

☐ I/We (the "Borrower(s)") request that my/our tax(es) and insurance(s) escrow/impound accounts be collected.
☒ I/We (the "Borrower(s)") choose not to have an impound account established in connection with this loan.

If an escrow account is not established the Borrower(s) will assume full responsibility for the timely payment of tax(es) and/or insurance premiums for the property referenced herein, and agree to provide proof of such payment upon the Lender's request. The Borrower(s) failure to make two such payments within 30 days of their due date will result in a revocation of this agreement, and the establishment of an escrow/impound account to be administered by the Lender will be mandatory.

The undersigned hereby acknowledge receipt and understanding of this disclosure.

☒ Scott M. Taylor Date ☒ Cynthia J. Taylor Date

rev. 2/08

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NOTICE IS GIVEN TO: TAYLOR, SCOTT M

Order Number: 4642729

The Flood Disaster Protection Act of 1973, as amended, requires that Federally regulated lending institutions shall not make, increase, extend, or renew any loan secured by improved real estate, or a mobile home located or to be located, in an area that has been identified by the Director of the Federal Emergency Management Agency (FEMA) as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, through the National Flood Insurance Program (NFIP), unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in an amount at least equal to the outstanding principal balance of the loan or the maximum limit of coverage made available under the Act with respect to the particular type of property, whichever is less.

NOTICE TO BORROWER ABOUT SPECIAL FLOOD HAZARD AREA STATUS

The building or mobile home securing the loan for which you have applied is or will be located in an area with special flood hazards. The area has been identified by the Director of FEMA as an SFHA using FEMA’s Flood Insurance Rate Map or the Flood Hazard Boundary Map for the following community: ORANGE COUNTY *.

This area has at least a one percent (1%) chance of a flood equal to or exceeding the base flood elevation (a 100-year flood) in any given year. During the life of a 30-year mortgage loan, the risk of a 100-year flood in a SFHA is 26 percent (26%). Federal law allows a lender and borrower jointly to request the Director of FEMA to review the determination of whether the property securing the loan is located in an SFHA. If you would like to make such a request, please contact us for further information.

The building or mobile home described in the attached instrument is not currently located in an area designated by the Director of FEMA as a SFHA. NFIP flood insurance is not required, but may be available. If, during the term of this loan, the subject property is identified as being in a SFHA, as designated by FEMA, you may be required to purchase and maintain flood insurance at your expense.

NOTICE TO BORROWER ABOUT FEDERAL FLOOD DISASTER ASSISTANCE

The community in which the property securing the loan is located participates in the NFIP. The Flood Disaster Protection Act of 1973, as amended, mandates federally insured or regulated lenders to require the purchase of flood insurance on all buildings being financed that are located in SFHAs of communities participating in the NFIP. The flood insurance must be maintained for the term of the loan. If you fail to purchase or renew flood insurance on the property, Federal law authorizes and requires us to purchase the flood insurance at your expense.

* Flood insurance coverage under the NFIP may be purchased through an insurance agent who will obtain the policy either directly through the NFIP or through an insurance company that participates in the NFIP. Flood insurance also may be available from private insurers that do not participate in the NFIP.

* At a minimum, flood insurance purchased must cover the lesser of:
  (1) the outstanding principal balance of the loan; or
  (2) the maximum amount of coverage allowed for the type of property under the NFIP.

* Flood insurance coverage under the NFIP is limited to the overall value of the property securing the loan minus the value of the land on which the property is located.

* Federal disaster relief assistance (usually in the form of a low-interest loan) may be available for damages incurred in excess of your flood insurance if your community’s participation in the NFIP is in accordance with NFIP requirements.

Flood insurance coverage under the NFIP is not available for the property securing the loan because the community in which the property is located does not participate in the NFIP. In addition, if the nonparticipating community has been identified for at least one year as containing an SFHA, properties located in the community will not be eligible for Federal disaster relief assistance in the event of a Federally-declared flood disaster.

________________________________________  __________________________________________
Borrower’s Signature/Date                  Co-Borrower’s Signature/Date

________________________________________  __________________________________________
Lending Institution                        Lending Institution Authorized Signature/Date
NOTICE TO FIRST LIEN MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED. FEDERAL LAW GIVES YOU CERTAIN RELATED RIGHTS. IF YOUR LOAN IS MADE, SAVE THIS STATEMENT WITH YOUR LOAN DOCUMENTS. SIGN THE ACKNOWLEDGMENT AT THE END OF THIS STATEMENT ONLY IF YOU UNDERSTAND ITS CONTENTS.

Because you are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. Section 2601 et seq.) you have certain rights under that federal law.

This statement tells you about those rights. It also tells you what the chances are that the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest and escrow account payments, if any. If your loan servicer changes, there are certain procedures that must be followed. This statement generally explains those procedures.

**Transfer Practices and Requirements**

If the servicing of your loan is assigned, sold, or transferred to a new servicer, you must be given written notice of that transfer. The present loan servicer must send you notice in writing of the assignment, sale or transfer of the servicing not less than 15 days before the effective date of the transfer. The new loan servicer must also send you notice within 15 days after the effective date of the transfer. The present servicer and the new servicer may combine this information in one notice, so long as the notice is sent to you 15 days before the effective date of transfer. The 15 day period is not applicable if a notice of prospective transfer is provided to you at settlement. The law allows a delay in the time (not more than 30 days after a transfer) for servicers to notify you, upon the occurrence of certain business emergencies.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, and the name, address, and toll-free or collect call telephone number of the new servicer, and toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions. During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

**Complaint Resolution**

Section 6 of RESPA (12 U.S.C. Section 2605) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a "qualified written request" to your servicer, your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and the information regarding your request. Not later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, or must provide you with a written clarification regarding any dispute. During this 60-Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request.

A Business Day is any day in which the offices of the business entity are open to the public for carrying on substantially all of its "business functions.

**Damages and Costs**

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section.

**Servicing Transfer Estimates**

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

   [ ] We may assign, sell or transfer the servicing of your loan while the loan is outstanding.
   [x] We are able to service your loan and we [x] will [ ] will not [ ] haven't decided whether to service your loan.

   OR

   [ ] We do not service mortgage loans, [ ] and we have not serviced mortgage loans in the past three years.

   [ ] We presently intend to assign, sell or transfer the servicing of your mortgage loan. You will be informed about your servicer.

   [ ] We assign, sell or transfer the servicing of some of our loans while the loan is outstanding depending on the type of loan and other factors. For the program you have applied for, we expect to:

   [ ] Sell all of the mortgage servicing [x] retain all of the mortgage servicing

   [ ] Assign, sell or transfer % of the mortgage servicing

2. For all the first lien mortgage loans that we make in the 12-month period after your mortgage loan is funded, we estimate that the percentage of mortgage loans for which we will transfer servicing is between:

   This estimate [x] does [ ] does not include assignments, sales or transfers to affiliates or subsidiaries

   This is only our best estimate and it is not binding. Business conditions or other circumstances may affect our future transferring decisions.

3. [x] We have previously assigned, sold or transferred the servicing of federally related mortgage loans

   OR

   [ ] This is our record of transferring the servicing of the first lien mortgage loans we have made In the past year

   Percentage of Loans Transferred (Rounded to nearest quartile - 0%, 25%, 50%, 75%, or 100%)

   [x] 0 to 25% or [NONE] 26 to 50% 51 to 75% [76 to 100%] or [ALL]

   This information does/does not include assignments, sales or transfers to affiliates or subsidiaries

**ACKNOWLEDGMENT OF MORTGAGE LOAN**

I/We have read this disclosure form and understand its contents, as evidenced by my/our signature(s) below. I/We understand that this acknowledgment is a required part of the mortgage loan application

------

Scott M. Taylor                      Date

Cynthia J. Taylor                      Date

Lender:  Your Town Mortgage
Loan Number:030905
HAZARD INSURANCE REQUIREMENTS AND AUTHORIZATION

Borrower(s): Scott M. Taylor
Cynthia J. Taylor
Loan Number: 030905

Property Address: 17 Hemlock Ct., Beech, CA 90001

Each of the undersigned borrowers, without limiting the effect of the terms and conditions of the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") securing the above indicated loan with Lender, acknowledges responsibility to provide, at the expense of the undersigned, hazard insurance upon the real property described herein said Security Instrument. All insurance policies must comply with the following requirements:

- The insurance carrier providing this insurance shall be chosen by the Borrower subject to Lender's approval, which shall not be unreasonably withheld. The insurance carrier must be at all times during the term of the loan rated a B+/IV or better in Best's Insurance Guide (or Lloyd's of London) and licensed or otherwise authorized by law to conduct business in California.
- The policy must be written for a minimum of fire and special extended form coverage insuring all units, garages, outbuildings, etc. by direct mention of allowance in the policy.
- Minimum hazard insurance coverage in an amount equal to the lesser of:
  1) the unpaid principal balance owing on the loan; or
  2) the replacement value of all improvements located on the collateral property. If the insurance is in an amount equal to the replacement value of all improvements, evidence in writing from the insurer setting forth the replacement value of the improvements must be provided.
- The policy term must be a minimum of one (1) year or continuous until cancelled. A binder is acceptable for a period of 90 days. The original policy or binder must be in our office prior to the disbursement of funds.
- The deductible may not exceed the lower of $1,000 or 1% of the amount of coverage.
- The Insured's name and the property address must be identical to that shown on the policy of Title Insurance.
- In the event the Lender does not receive notification from the Borrower that the premiums have been paid at least thirty (30) days prior to the expiration date of the policy, the Lender may, at its option, pay such premiums and add the cost of such premiums to the debt owed.
- The policy must contain a standard mortgagee clause (Form 438 BFU or equivalent) in favor of:

Your Town Mortgage Its Successors and/or Assigns
100 Main St
Kale, CA 95555

IMPORTANT NOTE: IF the Mortgage Loan is located in a condominium or PUD Project, the requirements listed on the Hazard Insurance Requirements and Authorization PUD/Condominium Addendum must be followed in addition to the requirements outlined above.

If you have any questions regarding our insurance requirements or this authorization, please call (866)000-9999.

It is understood that in order to comply with State and Federal regulations, the Lender may change the above requirements from time to time without prior written notice.

By signing this agreement, the Borrower acknowledges that he or she has read and understands the terms of this agreement and acknowledges that he or she has received a copy of this agreement.

BORROWER/OWNER Scott M. Taylor      Date
BORROWER/OWNER Cynthia J. Taylor     Date

130
SIGNATURE/NAME AFFIDAVIT

DATE: March 02, 2017

LOAN #: 090305

BORROWER: Scott M. Taylor

THIS IS TO CERTIFY THAT MY LEGAL SIGNATURE IS AS WRITTEN AND TYPED BELOW. (This signature must exactly match signatures on the Note and Mortgage or Deed of Trust.)

_________________________  ________________________
(Please print or type name)       Signature

_________________________  ________________________
(Please print or type name)       Signature

(If applicable, complete the following.) I AM ALSO KNOWN AS:

_________________________  ________________________
(Please print or type name)       Signature

_________________________  ________________________
(Please print or type name)       Signature

And that by signing above I certify that Scott M. Taylor and S. M. Taylor are one and the same person.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State Of: California
County Of: ______________________

Subscribed and sworn to (or affirmed) before me on this ______day of ________, 20____, by __________________________ proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

________________________________
Notary Public
SIGNATURE/NAME AFFIDAVIT

DATE:  March 02, 2017

LOAN #:  090305

BORROWER:  Cynthia J. Taylor

THIS IS TO CERTIFY THAT MY LEGAL SIGNATURE IS AS WRITTEN AND TYPED BELOW. (This signature must exactly match signatures on the Note and Mortgage or Deed of Trust.)

__________________________  ____________________________
(Print or Type Name)            Signature

__________________________  ____________________________
(Print or Type Name)            Signature

__________________________  ____________________________
(Print or Type Name)            Signature

(IIf applicable, complete the following.) I AM ALSO KNOWN AS:

__________________________  ____________________________
(Print or Type Name)            Signature

__________________________  ____________________________
(Print or Type Name)            Signature

__________________________  ____________________________
(Print or Type Name)            Signature

__________________________  ____________________________
(Print or Type Name)            Signature

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State Of:  California
County Of:  

Subscribed and sworn to (or affirmed) before me on this _______ day of ________, 20____, by ____________________________________________ proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

______________________________________________
Notary Public

132
Date: 2/21/2017  
Loan #

GOOD FAITH ESTIMATE OF CLOSING COSTS

The information provided below reflects estimate ranges which you are likely to incur at the settlement of your loan. The fees listed are estimates. The actual charges may be more or less. Your transaction may not involve a fee for every item listed. The numbers listed beside the estimates generally correspond to the numbered lines contained in the HUD-1 or HUD-1A settlement statement which you will be receiving at settlement. The HUD-1 or HUD 1A settlement statement will show you the actual cost for the items paid at settlement.

You are applying to: Your Town Mortgage for a mortgage loan. We estimate that you as the applicant and your seller are likely to incur the settlement. The HUD-1 or HUD 1A settlement statement will show you the actual cost for the items paid at settlement.

You have the right to receive a copy of the appraisal report used in connection with your application for credit, provided such a report is retained by us. If you wish a copy, please write to us at the mailing address we have provided. Please contact us after we notify you of the action taken on your credit application or you withdraw your application.

<table>
<thead>
<tr>
<th>Estimated Closing Costs</th>
<th>Applicant</th>
<th>Seller</th>
</tr>
</thead>
<tbody>
<tr>
<td>801 Loan Origination Fee</td>
<td>3400.00</td>
<td>Your Town Mortgage 100 Main St Kale, CA 95555</td>
</tr>
<tr>
<td>802 Loan Discount 2%</td>
<td>3400.00</td>
<td></td>
</tr>
<tr>
<td>803 Appraisal Fee</td>
<td>239.00</td>
<td></td>
</tr>
<tr>
<td>804 Credit Report Fee</td>
<td>360.00</td>
<td></td>
</tr>
<tr>
<td>806 Mortgage Insurance</td>
<td>35.00</td>
<td></td>
</tr>
<tr>
<td>807 Tax Related Service Fee</td>
<td>9.00</td>
<td></td>
</tr>
<tr>
<td>808 Flood Certification Fee</td>
<td>626.00</td>
<td></td>
</tr>
<tr>
<td>809 Loan Processing Fee</td>
<td>239.00</td>
<td></td>
</tr>
<tr>
<td>810 Admin Fee</td>
<td>360.00</td>
<td></td>
</tr>
<tr>
<td>811 Application Fee</td>
<td>360.00</td>
<td></td>
</tr>
<tr>
<td>812 Buy Down Fee</td>
<td>9.00</td>
<td></td>
</tr>
<tr>
<td>814 Inspection Fee</td>
<td>450.00</td>
<td></td>
</tr>
<tr>
<td>1101 Settlement Fee</td>
<td>450.00</td>
<td></td>
</tr>
<tr>
<td>1102 Title Search</td>
<td>566.00</td>
<td></td>
</tr>
<tr>
<td>1103 Title Examination</td>
<td>8.00</td>
<td></td>
</tr>
<tr>
<td>1104 Title Insurance Binder</td>
<td>50.00</td>
<td></td>
</tr>
<tr>
<td>1105 Document Prep</td>
<td>300.00</td>
<td></td>
</tr>
<tr>
<td>1107 Attorney's Fee</td>
<td>25.00</td>
<td></td>
</tr>
<tr>
<td>1108 Title Insurance</td>
<td>158484.02</td>
<td></td>
</tr>
<tr>
<td>1111 Wire Fee</td>
<td>696.21</td>
<td></td>
</tr>
<tr>
<td>1112 Delivery Fee</td>
<td>30.00</td>
<td></td>
</tr>
<tr>
<td>1201 Recording Fee</td>
<td>425.00</td>
<td></td>
</tr>
<tr>
<td>1203 State Tax</td>
<td>50.00</td>
<td></td>
</tr>
<tr>
<td>1204 Document Review Fee</td>
<td>25.00</td>
<td></td>
</tr>
<tr>
<td>1205 Escrow Waiver Fee</td>
<td>158484.02</td>
<td></td>
</tr>
<tr>
<td>1301 Survey</td>
<td>300.00</td>
<td></td>
</tr>
<tr>
<td>1302 Pest Inspection</td>
<td>450.00</td>
<td></td>
</tr>
<tr>
<td>1304 Staff Appraiser Fee</td>
<td>450.00</td>
<td></td>
</tr>
<tr>
<td>1305 Recording Fee</td>
<td>158484.02</td>
<td></td>
</tr>
<tr>
<td>1306 Escrow Agent Fee</td>
<td>158484.02</td>
<td></td>
</tr>
<tr>
<td>1307 Broker Fee</td>
<td>158484.02</td>
<td></td>
</tr>
<tr>
<td>Estimated Closing Costs</td>
<td>158484.02</td>
<td></td>
</tr>
<tr>
<td>Discount Points</td>
<td>158484.02</td>
<td></td>
</tr>
<tr>
<td>Total Closing Costs</td>
<td>158484.02</td>
<td></td>
</tr>
</tbody>
</table>

You have the right to receive a copy of the appraisal report used in connection with your application for credit, provided such a report is retained by us. If you wish a copy, please write to us at the mailing address we have provided. Please contact us after we notify you of the action taken on your credit application or you withdraw your application.

<table>
<thead>
<tr>
<th>Estimated Pre Paid Items</th>
<th>Applicant</th>
<th>Seller</th>
</tr>
</thead>
<tbody>
<tr>
<td>901 Interest for 28 days</td>
<td>696.21</td>
<td>First Mortgage (P &amp; I) 1274.52</td>
</tr>
<tr>
<td>902 Mortgage Insurance</td>
<td>696.21</td>
<td>Other Financing</td>
</tr>
<tr>
<td>903 Hazard Insurance Premium</td>
<td>696.21</td>
<td>Hazard Insurance</td>
</tr>
<tr>
<td>904 Flood Insurance Premium</td>
<td>696.21</td>
<td>Flood Insurance</td>
</tr>
<tr>
<td>1001 Hazard Insurance</td>
<td>696.21</td>
<td>Real Estate Taxes</td>
</tr>
<tr>
<td>1002 PMI/UFMIP</td>
<td>696.21</td>
<td>Mortgage Insurance</td>
</tr>
<tr>
<td>1004 Co Property Tax</td>
<td>696.21</td>
<td>Homeowners Assc. Dues</td>
</tr>
<tr>
<td>1005 Ann. Assessment</td>
<td>696.21</td>
<td>Leasehold Ground Rent</td>
</tr>
<tr>
<td>1006 Flood Insurance</td>
<td>696.21</td>
<td>Other</td>
</tr>
<tr>
<td>1008 Misc. Escrow</td>
<td>696.21</td>
<td></td>
</tr>
<tr>
<td>Estimated Pre Paid Items</td>
<td>696.21</td>
<td>Total Payment (PITI) 1274.52</td>
</tr>
<tr>
<td>PMI/UFMIP/VA Funding Fee</td>
<td>696.21</td>
<td></td>
</tr>
<tr>
<td>Total Prepaid Items</td>
<td>696.21</td>
<td></td>
</tr>
</tbody>
</table>

You have the right to receive a copy of the appraisal report used in connection with your application for credit, provided such a report is retained by us. If you wish a copy, please write to us at the mailing address we have provided. Please contact us after we notify you of the action taken on your credit application or you withdraw your application.

Borrower – Scott M. Taylor  Date  133  Borrower – Cynthia J. Taylor  Date
ADDENDUM
TO GOOD FAITH ESTIMATE OF CLOSING COSTS

Interest calculation as seen in item 901 represents the average amount of interest you could be required to pay at settlement. The actual amount will be determined by which day of the month your settlement is conducted.

* L = Lender Paid  C = Broker/Correspondent

** A non-refundable application fee may be charged for the initial cost of processing, verifying and preparing your loan package to submit for commitment. The fee for the credit report and/or appraisal may be included in the application fee. Non-refundable fees are subject to the applicable limitations of State or Federal law. Ask your Loan Officer or Mortgage Broker for specific details regarding your transaction.

There may be additional settlement service providers who are required; however, the exact providers have yet to be selected for your real estate transaction. As a lender, we maintain an approved list of providers and the amount listed on the first page is an estimate based on the charges of the particular service. At the time of settlement, you will be provided a Settlement Statement, which will identify the required providers and the exact cost of the settlement services provided.

If an item(s) listed on the first page of the Good Faith Estimate requires the use of a particular settlement provider, the provider is listed below or on the first page. The estimate is based on the charges of the named provider.

<table>
<thead>
<tr>
<th>Item: Appraisal Service</th>
<th>Item: Credit Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Best Bet Appraisal Services, Inc.</td>
<td>Name: CSC Credit Service/Equifax</td>
</tr>
<tr>
<td>Address: 4 West Gate Rockaway, CA 99888</td>
<td>Address: 205 W, Fourth St Suite 400 Cincinnati, OH</td>
</tr>
<tr>
<td>Telephone: 866-555-9777</td>
<td>Telephone: 800-753-1325</td>
</tr>
<tr>
<td>Relationship: Mortgage Co. has used/required provider's services during past 12 months.</td>
<td>Relationship: Mortgage Co. has used/required providers services during past 12 months.</td>
</tr>
</tbody>
</table>

APPRAISAL DISCLOSURE

You have the right to receive a copy of the appraisal report used in connection with your loan application for credit, provided such a report is retained by us. If you wish a copy, please write to us at the mailing address we have provided. Please contact us after we notify you about the action taken on your credit application or you withdraw your application. We must be notified in writing. In your letter, please give us your name, address, the date the loan application was taken and the name of the branch office, department that processed your loan application or broker who arranged your financing. Address is: Your Town Mortgage 100 Main Street Kale, CA 95555

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OBTAINING A MORTGAGE LOAN

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all mortgage bankers to obtain, verify, and record information that identifies each person who applies for a mortgage loan. What this means for you: When you apply for a mortgage loan, we will ask for your name, address, date of birth, and other information that will allow us to identify you. At closing, our agent will also ask to see your driver's license or other identifying documents.

THIS GOOD FAITH ESTIMATE MAY NOT COVER ALL ITEMS YOU WILL BE REQUIRED TO PAY IN CASH AT SETTLEMENT. YOU MAY WISH TO INQUIRE AS TO THE AMOUNT OF SUCH OTHER ITEMS. YOU MAY BE REQUIRED TO PAY OTHER ADDITIONAL AMOUNTS AT SETTLEMENT.

THIS GOOD FAITH ESTIMATE IS PROVIDED TO YOU IN COMPLIANCE WITH THE REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974, AS AMENDED (RESPA). IT IS NOT AN APPROVAL OF YOUR MORTGAGE LOAN APPLICATION OR A COMMITMENT TO MAKE YOU A LOAN.

Applicants acknowledge receipt of the Good Faith Estimate of Closing along with this Addendum.

Borrower: ___________________________ Date:_______

Borrower: ___________________________ Date:_______
BORROWER IDENTIFICATION CERTIFICATION

Loan Number: 030905

I, ______________________, Closing Agent, Notary Public or Signing Attorney, as appropriate for
(Name of Closing Agent, Notary Public or Signing Attorney, as appropriate)

Your Town Mortgage examined the acceptable form(s) of identification checked below and verified the following borrower information:

Borrower Name: Scott M. Taylor
Address: 17 Hemlock Ct. Beech, CA 90001
Date of Birth: 12/10/1964

Identification must include a photo (check at least one below).

<table>
<thead>
<tr>
<th>Document Type</th>
<th>ID Number</th>
<th>State</th>
<th>Date of Issuance</th>
<th>Expiration Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>( ) Valid State Driver’s License</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>( ) Valid State Identification Card</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>( ) Military Identification Card</td>
<td></td>
<td></td>
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<tr>
<td>( ) U.S. Passport</td>
<td></td>
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<tr>
<td>( ) Non - U.S. Passport</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>( ) Resident Alien Card</td>
<td></td>
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<tr>
<td>( ) Other:_________________</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Borrower Name: Cynthia J. Taylor
Address: 17 Hemlock Ct. Beech, CA 90001
Date of Birth: 04/19/1962

Identification must include a photo (check at least one below).

<table>
<thead>
<tr>
<th>Document Type</th>
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<tr>
<td>( ) Other:_________________</td>
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</tr>
</tbody>
</table>

Borrower Name: ______
Address: ______________________
Date of Birth: ______________________

Identification must include a photo (check at least one below).

<table>
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<tr>
<td>( ) Other:_________________</td>
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<td></td>
<td></td>
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</tr>
</tbody>
</table>

(Signature) ______________________ (Date) ______________________

(Name of Closing Agent, Notary Public or Signing Attorney)
CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of ____________________________

County of __________________________

On __________________before me, __________________________, (Here insert name and title of the officer)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public Signature __________________________ (Notary Public Seal)

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages ______ Document Date _________

CAPACITY CLAIMED BY THE SIGNER

☐ Individual(s)
☐ Corporate Officer __________________________
☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other __

A notary public or other officer completing this certificate verifies only the identity of
the individual who signed the document to which this certificate is attached, and not
the truthfulness, accuracy, or validity of that document.

State of _____________
County of ____________

Subscribed and sworn to (or affirmed) before me on this _____ day of ____________,
20____ by __________________________________________________________,
proved to me on the basis of satisfactory evidence to be the person(s) who appeared
before me.

__________________________________________ (Seal)
Signature

OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

______________________________________________________________________
>Title or description of attached document

______________________________________________________________________
>Title or description of attached document continued

Number of Pages _____ Document Date __________

Additional information

INSTRUCTIONS

The wording of all Jurats completed in California after January 1, 2015 must be in the form
as set forth within this Jurat. There are no exceptions. If a Jurat to be completed does not
follow this form, the notary must correct the verbiage by using a jurat stamp containing the
correct wording or attaching a separate jurat form such as this one with does contain the
proper wording. In addition, the notary must require an oath or affirmation from the
document signer regarding the truthfulness of the contents of the document. The
document must be signed AFTER the oath or affirmation. If the document was previously
signed, it must be re-signed in front of the notary public during the jurat process.

- State and county information must be the state and county where the
document signer(s) personally appeared before the notary public.
- Date of notarization must be the date the signer(s) personally
appeared which must also be the same date the jurat process is
completed.
- Print the name(s) of the document signer(s) who personally appear at
the time of notarization.
- Signature of the notary public must match the signature on file with the
office of the county clerk.
- The notary seal impression must be clear and photographically
reproducible. Impression must not cover text or lines. If seal impression
smudges, re-seal if a sufficient area permits, otherwise complete a
different jurat form.
  - Additional information Is not required but could help
to ensure this jurat is not misused or attached to a
different document.
  - Indicate title or type of attached document, number of
pages and date.
- Securely attach this document to the signed document with a staple.
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To take the online exam, please follow these instructions.

1. Go to www.notaryclasses.com
2. Click STUDENT SERVICES
3. Enter your login information (same info as when you registered)
   (If you have forgotten your password click the appropriate link and it will be e-mail to you)
4. Click on the “AP Loan Signing Exam” tab.
5. Read the directions and start your exam when ready.
6. Once you have click START your time will start, if you exit, it will count as 1 try, you have a total of 2 tries.

What happens after I take the test?

1) Your test results will be shown to you immediately after you have completed your test. If you do not receive a score of at least 80% on this exam, you may retake the exam as many times as you wish. Your first two successive attempts are included. Any additional attempts will be charged at $40. If you receive notification that you did not pass, simply retake the exam and resubmit for evaluation.

2) Once you pass, you must fax (909-388-1796) or email (notaryclasses@aol.com) a copy of your Commission Certificate (the one with the gold seal) with your return address, and specify that you’re redeeming your Loan Signing Certificate. Your certification will be valid until the expiration date of your current commission whereupon you must re-take the exam.

Upon receiving notification of passing, you will also be automatically registered with the Association of Professional Notaries and Certified Signing Agents (APN&CSA). Feel free to use this on any advertising materials you develop.