



READ THIS!!!

This is to help YOU! The most common signing errors are listed below. Use this to your benefit!

- **SIGNATURES:**

- Must be signed as **PRINTED** below the signature lines.
 - Do not **UNDER**sign
- If not pre-printed below line, sign as printed on other documents
- Must be *consistent* across all docs
- Must be **DATED** when indicated on signature line

- **FUND TRANSFER INFORMATION form**

- Must sign **TWICE: TOP AND BOTTOM** - regardless of distribution method chosen
- If electronic chosen, a **VOIDED CHECK** must be **ATTACHED**

- **HUD/VA Addendum to Uniform Residential Loan Application (a.k.a. HUD-92900-A)**

- Page 2: TWO places for signatures
 - Part IV - approximately 1/3 way down page
 - Part V - bottom of page
- Page 4: approximately 1/3 way down page



- **Mortgages/Deeds of Trust**
 - Must sign as name(s) appear - don't undersign.
 - WITNESS STATES: Make sure witness(es) sign where needed.
 - NOTARIZE, NOTARIZE, NOTARIZE: completely, including stamp

- **Home Equity Conversion Mortgage Disclosure and Borrower Certification Regarding Third Party Fees Form**
 - If one signer: signature line at **BOTTOM of Page 1**
 - If two signers: signatures are at **TOP of Page 2**
 - Must **also** sign a **second time** (Lump Sum Disbursement Certification section) on bottom of Page 2

- **Notice of Right to Cancel (RTC)**
 - If mistakenly signed in the "Cancel" box, then a NEW, CLEAN copy must be signed. Correcting is not an option.
 - TRUST signings:
 - TWO *different* versions provided per signor
 - One to be signed as **INDIVIDUAL**
 - One to be signed as **TRUSTEE**

- **Residential Loan Application for Reverse Mortgages (a.k.a. 1009)**
 - Signatures:
 - Page 1 - at the TOP
 - Page 4 - in the middle
 - Page 5 - at the bottom
 - DATE all signatures

Closing Instructions



Closing Department Contact: **Maria Villanueva**
 866-948-0003
 mvillanueva@aagwholesale.com

Date: 10/23/2014
 Loan Number: 1607442
 FHA Case #: 095-3111343-962
 LoanProgram: HECM 60 ARM/10 (WS) 2014

Borrower Vesting: **BARBARA M BROWN**

Property Address: **4030 NE 16TH TER**
OAKLAND PARK, FL, BROWARD, 33334
 Escrow Agent: **PRIMARY TITLE SERVICES/WFG LENDER**
2740 MCALLAS PKWAY, #140
PLANO, TX 75093

SEJAL OR VICKI
 847-677-8833
 mail@primarytitleservices.com

Escrow Agent Loan #: **16118FL**

Signing Date:	10/23/2014	HUD-1 Loan Amount:	\$191,164.83
Expected Funding Date:	10/28/2014	- Fees excluded from Wire (EFW):	\$1,175.00
Title Coverage Amount:	\$295,000.00	+ Lender Paid Fee:	\$25,433.81
Cash to Borrower:	\$19,558.50	Wire Amount to Settlement:	\$215,423.64

The date on which the borrower(s) sign is very important. If the signing date cannot be met, contact Maria Villanueva

HUD	Fees	Payable to	RFW	Financed	POC	LPOC
801	Origination Fee	American Fidelity Financial Services, Inc.		\$-2,000.00		
802	Broker Compensation (13.305%)	American Fidelity		\$0.00		\$25,433.81
804	Appraisal fee	American Fidelity FBO Residential Appraisal Management		\$575.00		
808	Document preparation	ReverseDocs	Y	\$125.00		
902	Mortgage Insurance Premium	HUD	Y	\$1,050.00		
1102	Settlement or closing fee	WFG National Title		\$465.00		
1104	Lender's title insurance	WFG National Title		\$1,550.00		
1109	Document preparation	Smart Deed		\$60.00		
1110	Title Search	WFG National Title		\$175.00		
1111	Coordination	Primary Title		\$250.00		
1112	Express Mail	Primary Title		\$40.00		
1113	Email	National Preferred Notary		\$25.00		
1114	Comp	WFG National Title		\$155.00		
1115	Endorsements	WFG National Title		\$75.00		
1116	Surcharge	WFG National Title		\$3.28		
1202	Recording charges mortgage	County Recorder		\$506.00		
1205	State tax/stamps mortgage	County Tax Collector		\$2,065.00		
1206	Intangible tax	TAX COLLECTOR		\$1,180.00		

Broker Compensation to: American Fidelity Financial Services, Inc.



HUD	Fees	Payable to	Amount
206	Broker Credit 0% tolerance		\$-852.50
207	Broker Credit 10% tolerance		\$-152.00
802	Broker Compensation (13.305%)	American Fidelity	\$25,433.81
801	Origination Fee	American Fidelity Financial Services, Inc.	\$-2,000.00
			Total \$22,429.31

Liens Payoff

Lien Holder	Account #	Balance	Financed
American Advisors Group	1159811	\$166,311.55	\$166,311.55

Removed From Wire

HUD	Fees	Payable to	Financed	POC	LPOC
808	Document preparation	ReverseDocs	\$125.00		
902	Mortgage Insurance Premium	HUD	\$1,050.00		

PRELIMINARY HUD-1 / SETTLEMENT STATEMENT MUST BE RECEIVED AND APPROVED BY CLOSING COORDINATOR PRIOR TO RELEASING FINAL LOAN DOCUMENTS.

LENDER NAME ON HUD-1 MUST BE: American Advisors Group

DO NOT ASSUME ANYTHING IN THE CLOSING OF THIS LOAN. Please read and follow the instructions contained on these pages very carefully. Your failure to comply with these instructions may result in a delayed closing.

CLOSING DOCUMENTS MUST BE RECEIVED IN OUR OFFICE PRIOR TO RELEASING FUNDS

RETURN ALL FUNDING PACKAGES WITHIN 24 HOURS TO THE FOLLOWING ADDRESS:

American Advisors Group Wholesale Division
14635 N. Kierland BLVD Suite 210
Scottsdale, AZ 85254

Funding packages must be received by: Pacific/Mountain - 3:00pm 24 hours prior to funding date
Central/Eastern - 3:00pm 24 hours prior to funding date

Interim Interest

There is no interim interest on reverse mortgage loans.

Hazard Insurance

The settlement agent is instructed to pay the full annual premium on any new policy. If the borrower has an existing policy the policy must be paid current within 60 days from the funding date. If the borrower has paid the insurance premium outside of escrow, a paid receipt or a statement from the insurance agent must be included in our funding package.

CONDITIONS REQUIRED PRIOR TO FUNDING THIS LOAN:

- F1. -The following liens/judgments/debts to be paid in full at closing:
 - *AAG
 - *Satisfaction of Mortgage from James Hunter Brown (#7 on title) to be executed and recorded or will need to be paid.
 - *Hazard Insurance 01/21/14-01/21/15 0.00 DUE
 - *Property Taxes; 150% of current \$2185.30 due
- F2. -Loan proceeds must be sufficient to satisfy all existing liens and judgments. If funds are required from borrower must provide satisfactory evidence of sufficient asset(s) to close loan, and the loan must be re-approved.
- F3. -American Advisors Group liens to be in 1st and 2nd position.



- F4. -Borrowers to execute AKA statement.
- F5. -AAG to confirm HUD case number is still assigned to us as Lender.
- F6. -Title company to add legal description to all pertinent documents prior to recording.
- F7. -Title company to provide date down search if the effective date of the commitment is older than 90 days. Expires: 12/23.
- F8. -Provide fully executed HECM Counseling Certification with original borrower signatures.
- F9. -Provide fully completed and executed Electronic Funds Transfer Information Disclosure and attach appropriate Funds Transfer to occur.
- F10. -AAGWD Closer to update HECM INFORMATION section of FHAC Appraisal Logging with final loan figures.
- F11. -Any changes to rate, margin or product will require Underwriter review and approval.
- F12. -Borrowers to sign revised Anti-Churning Disclosure at closing.
- F13. -Provide initial Anti Churning disclosure with original borrower signatures.
- F14. -AAGWD Closer to confirm HECM to HECM benefit factor in RV reflects a minimum of 5. If benefit falls below require Underwriter review and approval.
- F15. -Satisfaction of Mortgage to be executed and recorded or Private Note with James Hunter Brown will need to be paid in full.
- F16. - CLOSING DOCUMENTS ARE DATE SENSITIVE.
- F17. - PLEASE SEND FINAL HUD-1 TO WHOLESALFINALHUDS@AAG.COM AFTER FUNDING.
- F18. - LOAN OFFICER TO SIGN PAGE 4 OF FINAL 1009.

Funding Requirements: IMPORTANT - THIS LOAN HAS NON-STANDARD REQUIREMENTS

1. **There may not be any changes or additions to the fees on page one of these instructions without the lender's PRIOR written consent.** Settlement statements prepared by the settlement agent must contain only those fees, including all non-lender fees, as stated on page one of these instructions.

2. Original closing documents must be received in the time frames described on page one. Failure to submit funding packages within these guidelines may result in a delayed funding. Upon review of the funding package, any missing or unacceptable documentation will be requested from the appropriate party. Please include a copy of your wiring instructions with the funding package.

3. The borrowers must sign all documents exactly as typed. Do not alter any documents without the lenders prior approval. WHITE OUT IS NOT ACCEPTABLE. If there is a problem, contact Maria Villanueva at 800-325-0400 700 immediately. The terms, conditions and expiration date of this loan are set forth on page one of these instructions. No funding of loan proceeds will be made prior to full compliance with these instructions. There is not to be any other financing or other charges without our prior written approval. The settlement agent is responsible for any 1099 reporting as well as proper completion of the HUD-1 Settlement Statement.

4. Recording documents may be sent to the title company pending release from our funding department. We reserve the right to withdraw our documents or funds at any time prior to recording and under no circumstances are you to record without our express approval. **Our security instruments must be in a FIRST LIEN POSITION.** If this transaction fails to close or fund, please return all documents.

5. On FHA Home Equity Conversion Mortgage (HECM) transactions, you will receive two promissory notes and two security instruments. The beneficiary of the first note and deed of trust/mortgage will be the Lender. The beneficiary of the second note and deed of trust/mortgage will be the Secretary of Housing and Urban Development. The security instruments will need to be recorded concurrently in their respective order to ensure Lender's first lien position.

6. All **Powers of Attorney and Trust Agreements** used in connection with the transaction must have the **prior approval** of the lender and title company.

7. All documentation that requires lenders signature must be signed PRIOR to the return of the funding package.



8. If, upon receipt of our loan proceeds, you are unable to perfect our lien, you must immediately notify the reverse mortgage funding department at American Advisors Group, 3800 W Chapman Ave, 3rd Floor, Orange, CA 92868 and return all loan proceeds.

Title Insurance

The original title policy must be received within ten days of closing and the following items on Schedule A of the title policy must match our Security Instrument:

- a. Policy insured under Lender's name as indicated on Security Instrument, its successors and/or assigns.
- b. Policy coverage must be in effect on the date funds are made available to the settlement agent.
- c. Policy date must be the same as the recording date of the Security Instrument.
- d. The amount of insurance coverage must be \$295,000.00.
- e. Final title policy should be sent to Lender at:

American Advisors Group, 3800 W Chapman Ave, 3rd Floor, Orange, CA 92868

An ALTA extended coverage loan policy (or its equivalent) must be obtained indicating no adverse conditions relating to the subject property which could in any way cloud the title or jeopardize our **FIRST LIEN POSITION**. Short form policies may be used if they are issued in conjunction with master title policies. They must be issued on standard ALTA forms that do not include the creditor's rights exclusion language from the 1990 ALTA loan policy. All required endorsements must be included. If a specific state does not allow the ALTA forms of short form or master policy coverage then all non-standard short or master policy forms are unacceptable unless they have received the lenders approval prior to their use. Real estate taxes must be shown as current or as future taxes that are not yet due and payable. You must provide evidence that all taxes which become delinquent within 30 days of the funding date have been paid in full. Any situation in which taxes are not current is not acceptable. All assessments must be paid in full. Any assessment that cannot be paid must be deleted from the title policy or we must receive assurance from the title insurer with regards to our lien position. All other title exceptions that relate to monetary considerations must be paid prior to or simultaneous with the recording of our documents. These include, **but are not limited to:**

Deeds of Trust	Judgments	Homeowner Assessments	Hook-Up Fees
Mortgages	Liens	Tap Charges	Mitigation Charges
Real Estate Contracts	Lis Pendens	Connection Charges	Ground Rents

The subject property must be free from any physical encroachments. Encroachments must either be deleted from the title policy or we must receive indemnity from the title insurer.

Manufactured homes must reflect on the title policy as real property. The settlement agent must ensure that title to the manufactured home is eliminated in accordance with applicable state law and must hold the Lender harmless from any and all costs, damages, and liability which may result from the certificate of title being improperly eliminated.

Vesting

Vesting must be EXACTLY as shown on the grantor clause of the security instrument. The estate or interest in the property is to be held in a fee simple absolute, leasehold or life estate. **Leasehold and life estates** must have Lender's prior approval.



The settlement agent must make sure that any and all conveyance documents required by the title insurer to vest title in the person, persons or entity shown in the grantor clause of our security instrument are prepared in accordance with state law. In cases involving separate estate or homestead, we require that the title insurer issue our title policy in accordance with our first lien requirements and that these interests do not interfere with our first lien position. It is the settlement agent's responsibility to consult with the title insurer to ascertain the documents or procedures necessary to perfect our first lien position.

Leasehold: It is a requirement that we have a leasehold policy on any leasehold estates. If the policy does not include both land and improvements we will require the ALTA 13.1 / CLTA 107.5 endorsement.

Endorsements

The lender policy must include the following unaltered endorsements (or the equivalent of):

- ALTA 9 / CLTA 100, Comprehensive
- ALTA 8.1 / CLTA 100.9, Environmental protection endorsement
- ALTA 116 / CLTA 116, Street address
- ALTA 6.2 / CLTA 111.8, Variable Rate WITH Negative Amortization
- Line of Credit / Revolving Credit
- Reverse Mortgage Endorsement , in states where available which include Variable Rate w/ Negative Amortization and Line of Credit
- Survey, if applicable
- ALTA 4 / CLTA 115.1, Condominium, if applicable
- ALTA 5 / CLTA 115.2, Manufactured Home, if applicable

Settlement Agent Certification

The undersigned settlement agent acknowledges and agrees to all terms and conditions of these closing instructions. Settlement agent agrees to accept all responsibility for any costs, damages and liability that lender, or its successors and assigns, may incur as a result of the settlement agents failure to comply with these closing instructions.

The undersigned also certifies that all required documents have been prepared, executed and will be recorded as necessary and the loan will be closed and disbursed in strict accordance with these instructions as well as federal and state laws. No additional disbursements to the Borrower(s) or Seller(s) have been made without the prior approval of the Lender.

Settlement Agent's Authorized Representative Signature

Date

The Reverse Mortgage General Closing Instructions



LOAN NO: **1607442**
FHA CASE NO: **095-3111343-962**

American Advisors Group is a **California** Corporation. Our legal name is **American Advisors Group**. Any other name is unacceptable. Before closing this loan, please read and understand these instructions. The attached acknowledgement must be signed and returned with the closing package. You are responsible for following all items included in the General Closing Instructions. Should you have any questions, call prior to closing. Questions should be addressed to the Closing Department at **866-948-0003**. Any item(s) in the General Closing Instructions to be waived must be done so by the Closing Department.

American Advisors Group will prepare the entire closing package excluding the following:

- 1) Any document needed to clear title or convey title.
- 2) Any affidavit needed to issue title insurance.
- 3) The legal description.

1. FIRST LIEN POSITION - Before closing this loan you must ensure **American Advisors Group** will hold a first lien position and that the Secretary of Housing and Urban Development will hold a second lien position.

2. FIRST NOTE - The Note must not contain corrections of any kind. This includes lift-offs, white-outs, etc. The NOTE must be PERFECT. The borrowers must sign exactly as their names are typed. The Note, Deed/Mortgage and approval must match. The appropriate form must be used, corresponding with the loan program.

3. SECOND NOTE (FOR FHA INSURED LOANS ONLY) - The Second Note must not contain corrections of any kind. This includes lift-offs, white-outs, etc. The SECOND NOTE must be PERFECT. The borrowers must sign exactly as their names are typed. The Second Note, Second Deed/Mortgage and approval must match. The appropriate form must be used, corresponding with the loan program.

4. SECURITY INSTRUMENT - The security instrument must match the Note and loan approval. Any corrections must be changed by drawing a line through the incorrect information. Correct next to or above the error. White-out is not allowed, as it tends to flake off after period of time. All corrections MUST be initialed by the BORROWER(S). The address for the mortgagee is **3800 W Chapman Ave, 3rd Floor, Orange, CA 92868**.

The legal description must match the survey and the title commitment, when a title commitment is applicable. For all loans in the state of Georgia, the Waiver of Borrower's Rights/Closing Attorney's Affidavit/O.C.G.A. Notice must be executed and recorded with the security instrument. UNDER NO CIRCUMSTANCES CAN A NON-QUALIFYING BORROWER BE ADDED TO THE TITLE, EITHER AT CLOSING OR AFTER CLOSING.

5. SECOND SECURITY INSTRUMENT (FOR FHA INSURED LOANS ONLY) - The Second Security Instrument must match the Second Note and loan approval. Any corrections must be changed by drawing a line through the incorrect information. Correct next to or above the error. White-out is not allowed as it tends to flake off after a period of time. All corrections MUST be initialed by the BORROWER(S). The address for the mortgagee is 3800 W Chapman Ave, 3rd Floor, Orange, CA 92868. The legal description must match the survey and the title commitment, when a title commitment is applicable. For all loans in the state of Georgia, the Waiver of Borrower's Rights/Closing Attorney's Affidavit/O.C.G.A. Notice must be executed and recorded with the security instrument. UNDER NO CIRCUMSTANCES CAN A NON-QUALIFYING BORROWER BE ADDED TO THE TITLE,



EITHER AT CLOSING OR AFTER CLOSING.

6. ASSIGNMENTS - An assignment will be forwarded to you only on Correspondent loans that do not close in the name of **American Advisors Group** at the time of closing. You are expected to collect for this recording at loan closing. We will not forward a check with the assignment, nor will we pay for an endorsement to the title policy. If you do not receive an assignment, it is your responsibility to contact our office.

7. TITLE POLICIES OR TITLE BINDERS - SHORT FORM POLICIES ARE REQUIRED FOR ALL LOANS where state regulations permit. Title binders or short form policies must be issued on the title company designated on the specific Closing Instructions. NO MASTER POLICIES WILL BE ACCEPTED. THE AMOUNT OF COVERAGE MUST BE THE MAXIMUM CLAIM AMOUNT ON THE FHA LOANS AND THE MAXIMUM PRINCIPAL LIMIT ON HOME KEEPER LOANS. The insured will be **American Advisors Group**, its successors and/or assigns. For Home Keeper loans, the insured will be **American Advisors Group**, its successors and/or assigns. All policies must have an ALTA 8.1 endorsement, 6.2 endorsement, ALTA 9 Survey Exception endorsement and a Revolving Credit endorsement. Planned Unit Developments must have a PUD endorsement. Condominiums must have a Condo endorsement. The legal description must match the survey and security instrument. The borrower's name, property address, and closing date must be exact on the short form policy. We will not accept an addendum to the short form policy without prior approval. If you must attach an addendum to the short form policy, DO NOT CLOSE WITHOUT OBTAINING PRIOR APPROVAL. All easements, building line restrictions and restrictive covenants must contain affirmative coverage and state there is not an encroachment. Comprehensive endorsement may be used to provide this affirmative coverage. If there is an encroachment, we must have affirmative language for the encroachment, including loss or damage coverage in the event of forced removal. We will not allow exceptions such as subject to the issuance of a waiver from FHA, nor will we accept refusal of an assignee to accept title on a government loan. Title exceptions not included in the FHA general waiver must have the waiver issued PRIOR to closing by the respective agency. Restrictive covenants and recorded easements must be provided along with the title binder.

8. SETTLEMENT STATEMENT - All settlement statements must have a complete address for the purchaser, lender and closing agent. Items paid to a party other than the lender must show to whom the item was paid, i.e. credit report to credit bureau, appraisal to the appraiser, final inspection to the inspector (names of each). Any corrections must be initialed by the BORROWER(S). Borrower(s) maximum cash outlay is not to exceed the amount on the specific Closing Instructions. This includes all amounts paid by the borrower. If the borrower's actual cash outlay exceeds the amount on the specific Closing Instructions, DO NOT CLOSE, call the Closing Department IMMEDIATELY. Reimbursement of credit report and appraisal must show on the front of the HUD-1.

All Georgia loans must have the \$10.00 Georgia Residential Mortgage per Loan Fee. This fee is a part of closing costs.

9. TRUTH-IN-LENDING DISCLOSURE - The Truth-in-Lending disclosure will be prepared by **American Advisors Group** and must be executed by the borrowers. The Financed Closing Costs must match the HUD-1, Payment Plan and Final Disclosures. No charges can be changed, added or omitted without prior approval.

10. REFINANCES - All owner occupied refinances require a three day right-of-rescission. The right-of-rescission period may not be waived without prior written approval by the Closing Department. If approval is given for the waiver, a handwritten statement from the borrower(s) must be provided with the closing package. ALTERATIONS to the NOTICE of RIGHT to CANCEL form ARE NOT PERMITTED. If the date of closing changes after you have received the closing package, call the **American Advisors Group** Closing Department, for instructions on how to proceed. Any incorrect Notice of Right to Cancel will become the responsibility of the closing agent.



- 11. HOME EQUITY CONVERSION LOAN AGREEMENT** - Must have one set of original signatures of the borrower with all attached Exhibits and repair riders if applicable. FHA requires one set to be submitted with the insuring package. No exceptions.
- 12. COMPLIANCE AGREEMENT** - Original executed by borrower(s).
- 13. PRINTOUTS** - (A) Demonstration (B) Amortization (C) Total Annual Loan Costs Must match HUD-1 and Payment Plan. Must be executed by the Borrower(s). Must not change any figure on HUD-1 or new printouts must be prepared. Please notify the Closing Department immediately for guidance. CANNOT GO DIRECTLY THROUGH THE BRANCH. NO EXCEPTIONS.
- 14. NOTICE OF ASSIGNMENT SALE OR TRANSFER OF SERVICING RIGHTS** - Required on all correspondent loans that do not close in the name of **American Advisors Group**. Must be executed by the borrower(s).
- 15. PAYMENT PLAN** - No changes. Must be executed by the borrower(s) and must match HUD-1 and printouts. One original executed by the borrower(s) is required.
- 16. FIRM COMMITMENTS PAGES 1-4** - Known as the 2900 forms are to be executed by the borrower(s) at closing by signing pages 2 and 4.
- 17. FINAL 1003/1009 RESIDENTIAL LOAN APPLICATION** - To be executed by the borrower(s) at closing.
- 18. FLOOD INSURANCE CERTIFICATE** - Must be executed by the borrower.
- 19. NAME AFFIDAVIT** - Required if borrower signs name any way on documents other than the way they are holding title.
- 20. HOLD HARMLESS AGREEMENT** - Must always be signed by the borrower(s) if property is in state where Termite Inspection is required.
- 21. THIRD PARTY FEES DISCLOSURE** - Must always be signed by the Borrower(s).
- 22. DISBURSEMENT CONFIRMATION** - Must be signed by the Closing Agent and faxed to the Closing Department to certify disbursement of funds.
- 23. RECORDED DOCUMENTS & FINAL TITLE POLICIES** - recorded documents are due in our office no later than 30 days for HECM loans, from date of disbursement, along with the final title policy. Assignments must be returned to our office within 30 days of loan closing with an endorsement for the recording of the assignment, if applicable. If a county is backlogged or slow, please collect for rush recording.
- 24. RETURN OF CLOSED LOAN PACKAGES** - Closing packages are to be returned no later than 24 hours after loan closing and must be reviewed prior to funding. Please do not record or disburse funds without authorization prior to funds being received in your office.

IF YOU DO NOT RETURN OUR PACKAGE WITHIN 24 HOURS OF LOAN CLOSING, YOU MAY BE REMOVED FROM OUR APPROVED ATTORNEYS/CLOSING AGENT LIST. NO EXCEPTIONS. Closing packages are to be "saleable" upon receipt by **American Advisors Group**. "Saleable" will be defined based upon the primary warehouse lender we are using. Currently, "saleable" is the First Note, a copy of the Deeds/Mortgages, HUD-1, Payment Plan and Demonstration executed by



the borrower(s). These forms must be accurate according to the instructions as specified by each document.

25. MISSED COMMITMENTS - Any loss incurred by **American Advisors Group**, due to your inability to provide us with your closed loan package or a correction needed within the allowed time frame, will be passed on to you as the closing agent, in addition to other penalties. Payment of this loss must be made within five (5) days of notification to your office. Your refusal to pay your penalties may result in a claim to your title company.

26. WAIVING OF FEES - No one is authorized to waive fees that are listed on the Final HUD-1 Settlement Statement, other than the Closing Department.

27. PROPERTY ADDRESS - Must be exact on all closing documents and match the specific Closing Instructions. If the address on the specific Closing Instructions is incorrect, the issue must be addressed prior to closing.

28. WHEN IN DOUBT OF A SITUATION, PLEASE CALL - This policy will save you and **American Advisors Group** valuable time.

29. THESE GENERAL CLOSING INSTRUCTIONS ARE INCORPORATED INTO EACH SET OF SPECIFIC INSTRUCTIONS. I acknowledge that I have read and understand all of the attached General Closing Instructions. I agree to comply with these instructions in the closing of all loans for **American Advisors Group**.

Closing Agent

Date

Each member of your firm who is involved in closing the loan must sign this acknowledgment and return it with the closed loan package.

Failure to return a signed acknowledgment does not relieve you of any responsibility. An Insured Closing Protection Letter issued by the Title Insurer must be obtained prior to loan closing. NO EXCEPTIONS. This is required on an individual loan basis and must be kept in each loan file.

Loan Disbursement

You are authorized to disburse proceeds to the appropriate parties only when the three day right of rescission has passed. It is your responsibility to verify with the borrower prior to disbursement that they have not rescinded the transaction. The Disbursement Confirmation form will be supplied in the closing package.

IT IS YOUR RESPONSIBILITY TO MAKE THE REQUIRED NUMBER OF COPIES FOR OUR LOAN CLOSING PACKAGE AND FULL COPY PACKAGE OF THE DOCUMENTS FOR THE BORROWER.

A loan disbursement calculation sheet has been included with the loan closing package for verification of the wire sent to you on the day of disbursement. The funding amount should be disbursed to the appropriate parties as indicated on the HUD-1 Settlement Statement. **American Advisors Group** should not receive any checks to reimburse vendors as all **American Advisors Group** fees are deducted from the loan proceeds sent to you. If you do not have an invoice to pay a vendor, please contact the Closing Department at **866-948-0003**.

ALL CORRESPONDENT FEES SHOULD BE SENT TO THE CORRESPONDENT LENDER. DO NOT SEND THEM TO **American Advisors Group**. We understand that sometimes we net certain



items, and other times we do not. If you have a question concerning how to pay a particular fee or you are getting ready to send us a check, please contact the Closing Department.

PLEASE RETURN ALL CLOSING LOAN DOCUMENTS WITHIN 24 HOURS OF LOAN CLOSING.



Residential Loan Application for Reverse Mortgages

This application is designed to be completed by the applicant(s) with the lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must be provided for a person other than the Borrower (including the Borrower's spouse) who ☒ is a co-owner of the real property that will secure the loan, or ☐ has or could have community property rights pursuant to state law in the real property that will secure the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower

BARBARA M BROWN

Co-Borrower

I. Type of Mortgage and Terms of Loan

Mortgage Applied for:

☐ FHA Traditional HECM*

☒ FHA Refinance HECM*

☐ FHA Purchase HECM*

☐ Sales Contract Price

☐ Land Installment

☐ Contract Price

☐ Borrower's Investment

☒ Other HECM 60 ARM/10 (1

(specify)

*Complete HUD/VA Addendum HUD 92900-A

FHA Case No. (HECM): 095-3111343-962

Lender Case No.: 1607442

Loan Payment Plans:

☒ Line of Credit

☐ Term

☐ Modified Term

☐ Tenure

☐ Modified Tenure

☐ Single Disbursement Lump Sum

☐ Option

☐ Undecided

Purpose of Loan: (Check all that apply)

☐ Additional Income

☐ Home Improvements

☐ Payment of Taxes

☐ Payment of Insurance

☒ Leisure

☐ Medical

☐ Extinguish Forward Mortgage

☐ Other _____

(specify)

Features (Check the applicable boxes):

Special Loan Features: ☐ Equity Share

☐ Other (specify) _____

\$- 2,000.00

Loan Origination Fee

Index Type: ☒ LIBOR

☐ Other (specify) _____

ARM Type: ☒ Monthly

☐ Annual

Fixed Rate Type: ☐ Open End

☐ Closed End

Other: ☐ Explain _____

II. Primary Residence Property Information

Subject Property Address (street, city, state, county, and ZIP code):

4030 NE 16TH TERRACE
OAKLAND PARK, Florida 33334

Legal Description of Subject Property (attach description if necessary):

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND BY THIS REFERENCE MADE A PART HEREOF

Property Title is Held in These Names (please list all names on property title):

BARBARA M BROWN

No. of Units:

1

Year Built:

1959

Estimate of Appraised Value:

\$295,000.00

Residence Type: ☒ Primary Residence ☐ Investment Property

Property Title ☒ Fee Simple ☐ Life Estate ☐ Leasehold

Held As: _____ Leasehold Expiration Date _____

Check if title is also held as: ☐ Inter Vivos (Living) Trust

☐ Irrevocable Trust

☐ Revocable Trust

III. Borrower Information

Borrower's Name (include Jr. or Sr., if applicable): BARBARA M BROWN		Co-Borrower's Name (include Jr. or Sr., if applicable): 	
Social Security Number: 099-22-0364	DOB (MM/DD/YYYY): 4/ 9/1931	Social Security Number: 	DOB (MM/DD/YYYY):
Monthly Income: \$1,200.00		Monthly Income:	
Real Estate Assets: \$295,000.00		Real Estate Assets:	
Available Assets: \$0.00		Available Assets:	
Home Phone (include area code): (954) 537-3588		Home Phone (include area code):	
Years of Residence at Present Address: 20		Years of Residence at Present Address:	
Mailing Address, if different from Subject Property Address:		Mailing Address, if different from Subject Property Address:	
Marital Status: <input type="checkbox"/> Married <input checked="" type="checkbox"/> Unmarried (includes single, divorced, widowed) <input type="checkbox"/> Separated		Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Unmarried (includes single, divorced, widowed) <input type="checkbox"/> Separated	
Alternative Contact Person (name, address, phone): GRAHAM FLOYD 3411 NE 8TH AVE OAKLAND PARK, FL 33334 Home Phone: (754) 368-0862 Mobile Phone:		Alternative Contact Person (name, address, phone): 	

IV. Liens Against The Property

List the creditor's name, address, and account number for all liens against the property.

NOTE: This section should not be used to list all personal liabilities, only liens against the primary residence. For example, federal or state real estate liens, judgment liens, mechanics liens, and second mortgages should be listed.

Name of Creditor	Address of Creditor	Unpaid Balance
American Advisors Group	Po Box 40724 LANSING MI 48901	\$166,311.55
Account Number 1159811		
Total Liens to be paid:		\$166,311.55

V. Total Non-Real Estate DebtsTotal Amount of Non-Real Estate Debts: **\$6,544.00****VI. Declarations***If you answer "Yes" to any questions a through j, please use continuation section (page 5) for explanation.*

	Borrower		Co-Borrower	
	Yes	No	Yes	No
a. Are there any outstanding judgments against you?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Have you filed for any bankruptcy that has not been resolved?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Are you a party to a lawsuit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Are you presently delinquent or in default on any federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? (If "Yes," give details, including date, name and address of lender, FHA or VA Case number (if applicable), and reason for delinquency/default)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Do you intend to occupy the property as your primary residence?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Are you a co-maker or endorser on a note?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Are you a U.S. citizen?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Are you a lawful permanent resident alien?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Were you required to bring money to closing?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If yes, did you borrow the money?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Do you intend to use the reverse mortgage to purchase or invest in financial products such as insurance, mutual funds or annuities? If yes, provide name of financial product and cost to purchase or invest below: <i>Example: long-term care insurance \$10,000</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Do you have an existing FHA insured loan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If "yes" provide property address, account number, name of creditor, amount of mortgages and liens, and unpaid loan balance below.				

VII. Acknowledgment and Agreement

Each of the undersigned specifically represents to Lender and Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors, and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors, or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented in this application should change prior to closing the Loan; (8) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; and (9) neither Lender nor its agents, brokers, insurers, servicers, successors, or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property.

Acknowledgment: Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors, and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Certification: I/We certify that the information provided in this application is true and correct as of the date set forth opposite my/our signature(s) on this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United State Code, Section 1001, et seq. and liability for monetary damages to the Lender, its agents, successors and assigns, insurers, and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this application.

Borrower's Signature	Date	Co-Borrower's Signature	Date

VIII. Information for Government Monitoring Purposes

The following information is requested by the federal government for certain types of loans related to a dwelling in order to monitor the Lender's compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. The Fair Housing Act, Title 42, United States Code, Section 3601-3619, et seq., prohibits discrimination on the basis of race, color, religion, sex, handicap, familial status, or national origin. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under federal regulations, this lender is required to note the information on the basis of visual observation or surname if you have made this application in person. If you do not wish to furnish the information, please check the box below.

(Lender must review the above material to assure that the disclosures satisfy all requirements to which the Lender is subject under applicable state law for the particular type of loan applied for.)

BORROWER	<input type="checkbox"/> I do not wish to furnish this information	CO-BORROWER	<input type="checkbox"/> I do not wish to furnish this information
Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input checked="" type="checkbox"/> Not Hispanic or Latin	Ethnicity:	<input type="checkbox"/> Hispanic or Latin <input type="checkbox"/> Not Hispanic or Latino
Race:	<input type="checkbox"/> American Indian or Alaska Nativ <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input checked="" type="checkbox"/> White	Race:	<input type="checkbox"/> American Indian or Alaska Nativ <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex:	<input checked="" type="checkbox"/> Female <input type="checkbox"/> Male	Sex:	<input type="checkbox"/> Female <input type="checkbox"/> Male

To be Completed by Loan Originator:

This information was provided:

- ☐ In a face-to-face interview
☒ In a telephone interview
☐ By the applicant and submitted by fax or mail
☐ By the applicant and submitted via e-mail or the Intern

Loan Originator's Signature		Date
Loan Originator's Name (print or type) Steven Garcia	Loan Originator Identifier: License#: LO10061 NMLS#: 225005	Loan Originator's Phone Number (including area code) 800-325-0400 700
Loan Origination Company's Name American Fidelity Financial Services, Inc.	Loan Origination Company Identifier NMLS#: 226068	Loan Origination Company's Address 1101 Perimeter Drive, Suite 460, Schaumburg, IL 60173

NOTE: FHA insures reverse mortgages for one- to four-family units under various provisions of Section 255 of the National Housing Act (Title 12, United States Code, Section 1715z-20 et seq.).

Public reporting burden for this collection of information is estimated to average one hour per response, including time for reviewing

Continuation Section/Residential Loan Application for Reverse Mortgages

Use this continuation section if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.	Borrower:	Agency Case Number:
	Co-Borrower:	Lender Case Number:

I/We fully understand that it is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature	Date	Co-Borrower's Signature	Date

Instructions for Completing the Residential Loan Application for Reverse Mortgages and Addendum

1. Instructions for Completing Form 1009

For the borrower's application, an FHA-insured reverse mortgage (Home Equity Conversion Mortgage or HECM), the lender must use the Residential Loan Application for Reverse Mortgages (Fannie Mae Form 1009).

Section I. Type of Mortgage And Terms Of Loan - Check the type of reverse mortgage for which application is being made: FHA HECM Traditional, FHA HECM Refinance, FHA HECM Purchase, or Other type of reverse mortgage. If Other is selected, the mortgage product must be specified. For FHA HECM Purchase, provide the sales contract price or land installment contract price and the borrower's investment. If HECM is selected, the HUD/VA

	HUD - Processed	Direct Endorsement	ADP Code
Assignment/Fixed-rate	911	951	961
Assignment/Adjustable-rate	912	952	962
Shared Premium/Fixed Rate	913	953	953
Shared Premium/ARM	914	954	954
Shared Appreciation/Fixed Rate	915	955	955
Shared Appreciation/ARM	916	956	956
Condo (Fixed)	967	957	957
Condo (ARM)	968	958	958

Lender Case No. - Indicate the case number assigned by the lender.

This case number can be any combination of letters and numbers, as determined by the lender.

Loan Payment Plans - Indicate the payment plan in which the applicant is interested. The applicant can change the payment plan selection at closing.

Purpose of Loan - Indicate the reason for obtaining a reverse mortgage. This information is collected for monitoring and statistical purposes only. Failure to provide this information will not affect your eligibility in the program.

Special Loan Features - Special loan features pertaining to specific reverse mortgage products must be detailed in the space provided.

Amortization Type - Indicate either fixed-rate or adjustable-rate (ARM) amortization. If ARM is selected, indicate if the adjustment will occur monthly or annually.

Section II. Primary Residence Property Information

Subject Property Address - The address of the applicant's primary residence - including the county name and the ZIP code - should be entered.

For example, "1" would be used to indicate a single-family property. "2" would indicate a duplex, etc.

Year Built - Indicate the year the property was constructed.

Estimate of Appraised Value - Enter an estimate of the property value. (An exact valuation is not necessary as verification will occur during the property appraisal process.)

Residence Type - Primary residence must be checked. Check "primary residence" and "investment property" if applicant resides in a multi-unit property with rental tenants.

Property Title is Held in These Names - List names of all titleholders to the property.

Property Title Held As - Identify how the property rights are held:

fee simple, life estate, or leasehold estate. If leasehold estate is selected, enter the expiration date of the lease. If title is also held as an inter vivos (living) trust, check the corresponding box. Check the applicable trust type, irrevocable or revocable.

Section III. Borrower Information

Borrower's Name - Indicate the full legal name of the applicant, as the titleholder to the subject property.

Co-Borrower's Name - Indicate the full legal name of the co-applicant, if also a titleholder to the subject property.

Social Security Number - Enter the applicant's social security number, and co-applicant's social security number, if applicable.

Date of Birth - Enter the applicant's birth date, and co-applicant's birth date, if applicable.

Monthly Income - Enter the applicant's monthly income, and co-applicant's monthly income, if applicable.

Real Estate Assets - Enter total value of applicant's real estate assets.

Available Assets - Enter the amount of the applicant's available (liquid) assets.

Home Phone - Enter the applicant's home phone number, and co-applicant's home phone number, if applicable. Include the area code for each phone number.

Years of Residence at Present Address - Enter the number of years the applicant has resided at the subject property address. Provide the same information for the co-applicant, if applicable.

Marital Status - Check the box that represents the applicant's marital status. Provide the same information for the co-applicant, if applicable.

Alternative Contact Person - Provide the name, home address, and telephone number for a family member, friend, or advisor to the applicant. The contact person should be someone who has access to and/or maintains regular communication with the applicant. Provide the same information for the co-applicant, if applicable.

Section IV. Liens Against the Property

The applicant must provide information on unpaid liens against the primary property. The name and address of the creditor(s), as well as the lien account number(s) and balance(s) owed, must be completed.

Section VI. Declarations

The applicant and co-applicant, if applicable, must complete Blocks a. through k., using “Yes” or “No” as responses. Blocks d. and j. require a detailed explanation if the response is affirmative. For Blocks g. and h., note that FHA requires the applicant (s) and co-applicant(s) to be either United States citizens or lawful permanent resident aliens. FHA will insure a mortgage to the permanent resident alien under the same terms and conditions as United States citizens.

Section VII. Acknowledgment and Agreement

The applicant and co-applicant, if applicable, should read this section carefully, indicate the date of signature, and sign in the pertinent blocks.

Section VIII. Information for Government Monitoring Purposes

These blocks may be completed. If the borrower chooses not to furnish any or all of this information, Federal Regulations require that the lender note that choice on the application. Federal Regulations also require the lender to note the race or national origin and sex of the applicant on the basis of visual observation or surname. This information is collected, in part,

2. Instructions for completing the HUD/VA Addendum (Form 92900-A)

The HUD/VA Addendum (92900-A) consists of four 4 pages. These four pages contain statutory and regulatory information and certifications and should be completed, signed, and dated, and included in the case binder. For lenders who are not approved for direct endorsement or have pre-closing status, the documentation should be completed, signed, and included in the case binder at the time of submission for firm commitment. A copy of the Addendum must be provided to the borrower. The instructions below relate to completing the Addendum for the HECM Program.

PART I -Identifying Information

Section of the Act (Block 4) - Enter the same code that follows the FHA case number in Section 1 of the loan application.

Loan Amount (Block 7) - Enter the principal limit in this block.

Interest Rate (Block 8) - For Adjustable Rate HECMs, enter the Expected Average Mortgage Interest Rate (“expected rate”) in the block. For Fixed Rate HECMs, enter the Fixed Mortgage Interest Rate.

HUD/VA Addendum to Uniform Residential Loan Application

OMB Approval No. VA: 2900-0144
HUD: 2502-0059 (exp. 04/30/2017)

Part I - Identifying Information (mark the type of application) 1 <input type="checkbox"/> VA Application for Home Loan Guaranty <input checked="" type="checkbox"/> HUD/FHA Application for Insurance under the National Housing Act		2. Agency Case No. (include any suffix) 095-3111343-962	3. Lender's Case No. 1607442	4. Section of the Act (for HUD cases) 255
5. Borrower's Name & Present Address (Include zip code) BARBARA M BROWN 4030 NE 16TH TER OAKLAND PARK, FL 33334		7. Loan Amount (include the UFMIP if for HUD or Funding Fee if for VA) \$195,585.00	8. Interest Rate 5.310%	9. Proposed Maturity
6. Property Address (including name of subdivision, lot & block no. & zip code) 4030 NE 16TH TERRACE OAKLAND PARK, Florida 33334 COUNTY OF BROWARD, STATE OF FLORIDA		10. Discount Amount (only if borrower is permitted to pay) \$1,050.00	11. Amount of Up Front Premium \$1,050.00	12a. Amount of Monthly Premium \$ / mo.
		12b. Term of Monthly Premium months	13. Lender's I.D. Code 2282300003	
15. Lender's Name & Address (include zip code) <div style="border: 1px solid black; padding: 5px;"> American Advisors Group 3800 W Chapman Ave, 3rd Floor Orange, CA 92868 </div>		16. Name & Address of Sponsor / Agent		
Type or Print all entries clearly		17. Lender's Telephone Number 866-948-0003		

VA: The veteran and the lender hereby apply to the Secretary of Veterans Affairs for Guaranty of the loan described here under Section 3710, Chapter 37, Title 38, United States Code, to the full extent permitted by the veteran's entitlement and severally agree that the Regulations promulgated pursuant to Chapter 37, and in effect on the date of the loan shall govern the rights, duties, and liabilities of the parties.

18. First Time Homebuyer? a. <input type="checkbox"/> Yes b. <input checked="" type="checkbox"/> No	19. VA Only Title will be Vested in <input type="checkbox"/> Veteran <input type="checkbox"/> Veteran & Spouse <input type="checkbox"/> Other (specify)	20. Purpose of Loan (blocks 9 - 12 are for VA loans only) 1) <input type="checkbox"/> Purchase Existing Home Previously Occupied 2) <input type="checkbox"/> Finance Improvements to Existing Property 3) <input checked="" type="checkbox"/> Refinance (Refi.) 4) <input type="checkbox"/> Purchase New Condo. Unit 5) <input type="checkbox"/> Purchase Existing Condo. Unit 6) <input type="checkbox"/> Purchase Existing Home Not Previously Occupied	7) <input type="checkbox"/> Construct Home (proceeds to be paid out during construction) 8) <input type="checkbox"/> Finance Co-op Purchase 9) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home 10) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home & Lot 11) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home to Buy Lot 12) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home/Lot Loan
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Part II - Lender's Certification

21. The undersigned lender makes the following certifications to induce the Department of Veterans Affairs to issue a certificate of commitment to guarantee the subject loan or a Loan Guaranty Certificate under Title 38, U.S. Code, or to induce the Department of Housing and Urban Development -Federal Housing Commissioner to issue a firm commitment for mortgage insurance or a Mortgage Insurance Certificate under the National Housing Act.

A. The loan terms furnished in the Uniform Residential Loan Application and this Addendum are true, accurate and complete.

B. The information contained in the Uniform Residential Loan Application and this Addendum was obtained directly from the borrower by an employee of the undersigned lender or its duly authorized agent and is true to the best of the lender's knowledge and belief.

C. The credit report submitted on the subject borrower (and co-borrower, if any) was ordered by the undersigned lender or its duly authorized agent directly from the credit bureau which prepared the report and was received directly from said credit bureau.

D. The verification of employment and verification of deposits were requested and received by the lender or its duly authorized agent without passing through the hands of any third persons and are true to the best of the lender's knowledge and belief.

E. The Uniform Residential Loan Application and this Addendum were signed by the borrower after all sections were completed.

F. This proposed loan to the named borrower meets the income and credit requirements of the governing law in the judgment of the undersigned.

G. To the best of my knowledge and belief, I and my firm and its principals: (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; (2) have not, within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for (a) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; (b) violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph G(2) of this certification; and (4) have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State or local) terminated for cause or default.

Items "H" through "J" are to be completed as applicable for VA loans only.

H. The names and functions of any duly authorized agents who developed on behalf of the lender any of the information or supporting credit data submitted are as follows:

Name & Address	Function (e.g., obtained information on the Uniform Residential Loan Application, ordered credit report, verifications of employment, deposits, etc.)
----------------	---

If no agent is shown above, the undersigned lender affirmatively certifies that all information and supporting credit data were obtained directly by the lender.

I. The undersigned lender understands and agrees that it is responsible for the omissions, errors, or acts of agents identified in item H as to the functions with which they are identified.

J. The proposed loan conforms otherwise with the applicable provisions of Title 38, U.S. Code, and of the regulations concerning guaranty or insurance of loans to veterans.

Signature of Officer of Lender	Title of Officer of Lender	Date (mm/dd/yyyy)
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Part III - Notices to Borrowers.

Public reporting burden for this collection of information is estimated to average 6 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number can be located on the OMB Internet page at http://www.whitehouse.gov/omb/library/OMB/INVENTORY_OF_AGENCIES.html#LIST_OF_AGENCIES. Privacy Act Information. The information requested on the Uniform Residential Loan Application and this Addendum is authorized by 38 U.S.C. 3710 (if for DVA) and 12 U.S.C. 1701 et seq. (if for HUD/FHA). The Debt Collection Act of 1982, Pub. Law 97-365, and HUD's Housing and Community Development Act of 1987, 42 U.S.C. 3543, require persons applying for a federally insured or guaranteed loan to furnish his/her social security number (SSN). You must provide all the requested information, including your SSN. HUD and/or VA may conduct a computer match to verify the information you provide. HUD and/or VA may disclose certain information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not otherwise be disclosed or released outside of HUD or VA, except as required and permitted by law. The information will be used to determine whether you qualify as a mortgagor. Any disclosure of information outside VA or HUD/FHA will be made only as permitted by law. Failure to provide any of the requested information, including SSN, may result in disapproval of your loan application.



This is notice to you as required by the Right to Financial Privacy Act of 1978 that VA or HUD/FHA has 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 VA and HUD/FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

Caution. Delinquencies, defaults, foreclosures and abuses of mortgage loans involving programs of the Federal Government can be costly and detrimental to your credit, now and in the future. The lender in this transaction, its agents and assigns as well as the Federal Government, its agencies, agents and assigns, are authorized to take any and all of the following actions in the event loan payments become delinquent on the mortgage loan described in the attached application: (1) Report your name and account information to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service your account; (4) Offset amounts owed to you under other Federal programs; (5) Refer your account to a private attorney, collection agency or mortgage servicing agency to collect the amount due, foreclose the mortgage, sell the property and seek judgment against you for any deficiency; (6) Refer your account to the Department of Justice for litigation in the courts; (7) If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits; (8) Refer your debt to the Internal Revenue Service for offset against any amount owed to you as an income tax refund; and (9) Report any resulting written-off debt of yours to the Internal Revenue Service as your taxable income. All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the lender and/or the Federal Government to do so.

Part IV - Borrower Consent for Social Security Administration to Verify Social Security Number

I authorize the Social Security Administration to verify my Social Security number to the Lender identified in this document and HUD /FHA, through a computer match conducted by HUD/FHA.

I understand that my consent allows no additional information from my Social Security records to be provided to the Lender, and HUD/FHA and that verification of my Social Security number does not constitute confirmation of my identity. I also understand that my Social Security number may not be used for any other purpose than the one stated above, including resale or redisclosure to other parties. The only other redisclosure permitted by this authorization is for review purposes to ensure that HUD /FHA complies with SSA's consent requirements.

I am the individual to whom the Social Security number was issued or that person's legal guardian. I declare and affirm under the penalty of perjury that the information contained herein is true and correct. I know that if I make any representation that I know is false to obtain information from Social Security records, I could be punished by a fine or imprisonment or both.

This consent is valid for 180 days from the date signed, unless indicated otherwise by the individual(s) named in this loan application.

Read consent carefully. Review accuracy of social security number(s) and birth dates provided on this application.

Signature(s) of Borrower(s)	Date signed	Signature(s) of Co-Borrower(s)	Date signed

Part V - Borrower Certification

22. Complete the following for a HUD/FHA Mortgage.

22a. Do you own or have you sold other real estate within the past 60 months on which there was a HUD/FHA mortgage?	Is it to be sold ?	22b. Sales Price	22c. Original Mortgage Amt
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	\$	\$

22d. Address

22e. If the dwelling to be covered by this mortgage is to be rented, is it a part of, adjacent or contiguous to any project subdivision or group of concentrated rental properties involving eight or more dwelling units in which you have any financial interest? ☐ Yes ☒ No If "Yes" give details.

22f. Do you own more than four dwellings ☐ Yes ☒ No If "Yes" submit form HUD-92561.

23. Complete for VA-Guaranteed Mortgage. Have you ever had a VA home Loan? ☐ Yes ☐ No

IMPORTANT: If you are certifying that you are married for the purpose of VA benefits, your marriage must be recognized by the place where you and/or your spouse resided at the time of marriage, or where you and/or your spouse resided when you filed your claim (or a later date when you become eligible for benefits) (38 U.S.C. Sec 103(c)). Additional guidance on when VA recognizes marriages is available at <http://www.va.gov/opa/marriage/>.

24. **Applicable for Both VA & HUD.** As a home loan borrower, you will be legally obligated to make the mortgage payments called for by your mortgage loan contract. The fact that you dispose of your property after the loan has been made **will not relieve you of liability for making these payments.** Payment of the loan in full is ordinarily the way liability on a mortgage note is ended. Some home buyers have the mistaken impression that if they sell their homes when they move to another locality, or dispose of it for any other reasons, they are no longer liable for the mortgage payments and that liability for these payments is solely that of the new owners. Even though the new owners may agree in writing to assume liability for your mortgage payments, this assumption agreement will not relieve you from liability to the holder of the note which you signed when you obtained the loan to buy the property. Unless you are able to sell the property to a buyer who is acceptable to VA or to HUD/FHA and who will assume the payment of your obligation to the lender, you will not be relieved from liability to repay any claim which VA or HUD/FHA may be required to pay your lender on account of default in your loan payments. **The amount of any such claim payment will be a debt owed by you to the Federal Government.** This debt will be the object of established collection procedures.

25. I, the Undersigned Borrower(s) Certify that:

(1) I have read and understand the foregoing concerning my liability on the loan and Part III Notices to Borrowers.

(2) **Occupancy:** (for VA only -- mark the applicable box)

☐ (a) I now actually occupy the above-described property as my home or intend to move into and occupy said property as my home within a reasonable period of time or intend to reoccupy it after the completion of major alterations, repairs or improvements.

☐ (b) My spouse is on active military duty and in his or her absence, I occupy or intend to occupy the property securing this loan as my home.

☐ (c) I previously occupied the property securing this loan as my home. (for interest rate reductions)

☐ (d) While my spouse was on active military duty and unable to occupy the property securing this loan, I previously occupied the property that is securing this loan as my home. (for interest rate reduction loans)

Note: If box 2b or 2d is checked, the veteran's spouse must also sign below.

☐ (3) Mark the applicable box (not applicable for Home Improvement or Refinancing Loan) I have been informed that (\$295,000.00) is:

☐ the reasonable value of the property as determined by VA or;

☐ the statement of appraised value as determined by HUD / FHA.

Note: If the contract price or cost exceeds the VA "Reasonable Value" or HUD/FHA "Statement of Appraised Value", mark either item (a) or item (b), whichever is applicable.

☐ (a) I was aware of this valuation when I signed my contract and I have paid or will pay in cash from my own resources at or prior to loan closing a sum equal to the difference between the contract purchase price or cost and the VA or HUD /FHA established value. I do not and will not have outstanding after loan closing any unpaid contractual obligation on account of such cash payment;

☐ (b) I was not aware of this valuation when I signed my contract but have elected to complete the transaction at the contract purchase price or cost. I have paid or will pay in cash from my own resources at or prior to loan closing a sum equal to the difference between contract purchase price or cost and the VA or HUD/ FHA established value. I do not and will not have outstanding after loan closing any unpaid contractual obligation on account of such cash payment.

(4) Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny the dwelling or property covered by his/ her loan to any person because of race, color, religion, sex, handicap, familial status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, handicap, familial status or national origin is illegal and void and civil action for preventive relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for the violation of the applicable law.

(5) All information in this application is given for the purpose of obtaining a loan to be insured under the National Housing Act or guaranteed by the Department of Veterans Affairs and the information in the Uniform Residential Loan Application and this Addendum is true and complete to the best of my knowledge and belief. Verification may be obtained from any source named herein.

(6) **For HUD Only** (for properties constructed prior to 1978) I have received information on lead paint poisoning. ☒ Yes ☐ Not applicable

(7) **I am aware that neither HUD / FHA nor VA warrants the condition or value of the property**

Signature(s) of Borrower(s) - **Do not sign** unless this application is fully completed. Read the certifications carefully & review accuracy of this application.

Signature(s) of Borrower(s)	Date signed	Signature(s) of Co-Borrower(s)	Date signed

(Borrowers Must Sign Both Parts IV & V) Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any guaranty or insurance by the VA Secretary or the HUD/FHA Commissioner.



Direct Endorsement Approval for a HUD/FHA-Insured Mortgage

U.S. Department of Housing
and Urban Development

Part I - Identifying Information (mark the type of application)		2. Agency Case No. (include any suffix)		3. Lender's Case No.		4. Section of the Act(for HUD cases)	
1 <input checked="" type="checkbox"/> HUD/FHA Application for Insurance under the National Housing Act		095-3111343-962		1607442		255	
5. Borrower's Name & Present Address (Include zip code)		7. Loan Amount (include the UFMIP)		8. Interest Rate		9. Proposed Maturity	
BARBARA M BROWN 4030 NE 16TH TER OAKLAND PARK, FL 33334		\$195,585.00		5.310%			
6. Property Address (including name of subdivision, lot&block no.&zip code)		10. Discount Amount (only if borrower is permitted to pay)		11. Amount of Up Front Premium		12a. Amount of Monthly Premium	
4030 NE 16TH TERRACE OAKLAND PARK, Florida 33334 COUNTY OF BROWARD, STATE OF FLORIDA				\$1,050.00		\$ / mo.	
		13. Lender's I.D. Code		14.Sponsor / Agent I.D. Code		12b. Term of Monthly Premium	
		2282300003				months	
15. Lender's Name & Address (include zip code)				16. Name & Address of Sponsor / Agent			
American Advisors Group 3800 W Chapman Ave, 3rd Floor Orange, CA 92868							
Type or Print all entries clearly				17. Lender's Telephone Number			
				866-948-0003			
Sponsored Originations		Name of Loan Origination Company		Tax ID of Loan Origination Company		NMLS ID of Loan Origination Company	
		American Fidelity Financial Services, Inc.		36-3923178		226068	

☒ Approved: Approved subject to the additional conditions stated below, if any.

Date Mortgage Approved 10/2/2014

Date Approval Expires 12/2/2014

<input type="checkbox"/> Modified & Approved as follows:	Loan Amount (include UFMIP)	Interest Rate	Proposed Maturity	Monthly Payment	Amount of Up Front Premium	Amount of Monthly Premium	Term of Monthly Premium
	\$	%	yrs mos	\$	\$	\$	months

Additional Conditions:

- ☐ If this is proposed construction, the builder has certified compliance with HUD requirements on form HUD-92541.
- ☐ If this is new construction, the lender certifies that the property is 100% complete (both on site and off site improvements) and the property meets HUD's minimum property standards and local building codes.
- ☐ Form HUD-92544, Builder's Warranty is required.
- ☐ The property has a 10-year warranty.
- ☐ Owner-Occupancy **Not** required (item (b) of the Borrower's Certificate does not apply).
- ☐ The mortgage is a high loan-to-value ratio for non-occupant mortgagor in military.
- ☒ Other: (specify) All Conditions of Appraisal and Underwriting Addendum Must be met

☐ This mortgage was rated as an "accept" or "approve" by FHA's Total Mortgage Scorecard. As such, the undersigned representative of the mortgagee certifies to the integrity of the data supplied by the lender used to determine the quality of the loan, that a Direct Endorsement Underwriter reviewed the appraisal (if applicable) and further certifies that this mortgage is eligible for HUD mortgage insurance under the Direct Endorsement program. I hereby make all certifications required for this mortgage as set forth in HUD Handbook 4000.4

Mortgagee Representative _____

☒ This mortgage was rated as a "refer" by a FHA's Total Mortgage Scorecard, and/or was manually underwritten by a Direct Endorsement underwriter. As such, the undersigned Direct Endorsement underwriter certifies that I have personally reviewed the appraisal report (if applicable), credit application, and all associated documents and have used due diligence in underwriting this mortgage. I find that this mortgage is eligible for HUD mortgage insurance under the Direct Endorsement program and I hereby make all certifications required for this mortgage as set forth in HUD Handbook 4000.4

Direct Endorsement Underwriter: Tonya Martinez

DE's CHUMS ID Number: GD30

The Mortgagee, its owners, officers, employees or directors ☐ do ☒ do not have a financial interest in or a relationship, by affiliation or ownership, with the builder or seller involved in this transaction.



Borrower's Certificate:

The undersigned certifies that:

- (a) I will not have outstanding any other unpaid obligations contracted in connection with the mortgage transaction or the purchase of the said property except obligations which are secured by property or collateral owned by me independently of the said mortgaged property, or obligations approved by the Commissioner;
- (b) One of the undersigned intends to occupy the subject property, (note: this item does not apply if owner-occupancy is not required by the commitment);
- (c) All charges and fees collected from me as shown in the settlement statement have been paid by my own funds, and no other charges have been or will be paid by me in respect to this transaction;
- (d) Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of or otherwise make unavailable or deny the dwelling or property covered by this loan to any person because of race, color, religion, sex, handicap, familial status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, handicap, familial status or national origin is illegal and void and any such covenant is hereby specifically disclaimed. I understand that civil action for preventative relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for a violation of this certificate.

Borrower(s) Signature(s)

Date

Lender's Certificate:

The undersigned certifies that to the best of its knowledge:

- (a) The statements made in its application for insurance and in this Certificate are true and correct;
- (b) The conditions listed above or appearing in any outstanding commitment issued under the above case number have been fulfilled;
- (c) Complete disbursement of the loan has been made to the borrower, or to his/her creditors for his/her account and with his/her consent;
- (d) The security instrument has been recorded and is a good and valid first lien on the property described;
- (e) No charge has been made to or paid by the borrower except as permitted under HUD regulations;
- (f) The copies of the credit and security instruments which are submitted herewith are true and exact copies as executed and filed for record;
- (g) It has not paid any kickbacks, fee or consideration of any type, directly or indirectly, to any party in connection with this transaction except as permitted under HUD regulations and administrative instructions.

I, the undersigned, as authorized representative of mortgagee at this time of closing of this mortgage loan, certify that I have personally reviewed the mortgage loan documents, closing statements, application for insurance endorsement, and all accompanying documents. I hereby make all certifications required for this mortgage as set forth in HUD Handbook 4000.4.

Lender's Name		American Advisors Group		Note: If the approval is executed by an agent in the name of lender, the agent must enter the lender's code number and type.	
Title of Lender's Officer					
Signature of Lender's Officer		Date		Code Number (5 digits)	Type





Amortization Schedule - Annual Projections

Borrower Name/Case Number: **BARBARA M BROWN / 1607442**

Refinance: **Yes**

Age of Youngest Borrower:	84	Initial Property Value:	\$295,000.00
Interest Rate (Expected / Initial):	5.310% / 3.157%	Beg. Mortgage Balance:	\$191,164.83
Maximum Claim Amount:	\$295,000.00	Expected Appreciation:	4.000%
Initial Principal Limit:	\$195,585.00	Initial Line Of Credit:	\$4,420.17
Initial Advance:	\$19,558.50	Monthly Payment:	\$0.00
Lien Payoffs with Reverse Mortgage:	\$166,311.55	Monthly Servicing Fee:	\$0.00
Financed Closing Costs:	\$5,294.78	Mortgage Insurance (MIP)	1.25%

NOTE: Actual interest charges and property value projections may vary from amounts shown. Available credit will be less than projected if funds withdrawn from line-of-credit.

Yr	Age	SVC Fee	Annual Totals				End of Year Projections			
			Cash Payment	MIP	Rate	Interest	Loan Balance	Line Of Credit	Property Value	Equity
1	84	\$0	\$0	\$2,463	5.310%	\$10,462	\$204,089	\$4,719	\$306,800	\$102,711
2	85	\$0	\$0	\$2,629	5.310%	\$11,169	\$217,887	\$5,038	\$319,072	\$101,185
3	86	\$0	\$0	\$2,807	5.310%	\$11,924	\$232,619	\$5,379	\$331,835	\$99,216
4	87	\$0	\$0	\$2,997	5.310%	\$12,730	\$248,346	\$5,742	\$345,108	\$96,763
5	88	\$0	\$0	\$3,199	5.310%	\$13,591	\$265,136	\$6,131	\$358,913	\$93,777
6	89	\$0	\$0	\$3,416	5.310%	\$14,510	\$283,061	\$6,545	\$373,269	\$90,208
7	90	\$0	\$0	\$3,647	5.310%	\$15,491	\$302,199	\$6,988	\$388,200	\$86,001
8	91	\$0	\$0	\$3,893	5.310%	\$16,538	\$322,630	\$7,460	\$403,728	\$81,098
9	92	\$0	\$0	\$4,156	5.310%	\$17,656	\$344,443	\$7,964	\$419,877	\$75,434
10	93	\$0	\$0	\$4,437	5.310%	\$18,850	\$367,730	\$8,503	\$436,672	\$68,942
11	94	\$0	\$0	\$4,737	5.310%	\$20,124	\$392,592	\$9,078	\$454,139	\$61,547
12	95	\$0	\$0	\$5,058	5.310%	\$21,485	\$419,135	\$9,691	\$472,305	\$53,170
13	96	\$0	\$0	\$5,400	5.310%	\$22,938	\$447,472	\$10,347	\$491,197	\$43,725
14	97	\$0	\$0	\$5,765	5.310%	\$24,488	\$477,725	\$11,046	\$510,845	\$33,120
15	98	\$0	\$0	\$6,154	5.310%	\$26,144	\$510,023	\$11,793	\$531,278	\$21,255
16	99	\$0	\$0	\$6,571	5.310%	\$27,912	\$544,505	\$12,590	\$552,529	\$8,024

BARBARA M BROWN

Date



Total Annual Loan Cost Rate

Borrower Name/Case Number: **BARBARA M BROWN / 1607442**

Refinance: **Yes**

LOAN TERMS

Age of Youngest Borrower: **84**
 Property Value: **\$295,000.00**
 Initial Interest Rate: **3.157%**
 Monthly Advance: **\$0.00**
 Length of Term:
 Initial Advance: **\$19,558.50**
 Lien Payoffs with Reverse Mortgage: **\$166,311.55**
 Initial Line Of Credit: **\$4,420.17**

MONTHLY LOAN CHARGES

Servicing Fee: **\$0.00**
 Mortgage Insurance: **1.25% annually**

OTHER CHARGES

Shared Appreciation: **None**

INITIAL LOAN CHARGES

Mortgage Insurance Premium: **\$1,050.00**
 Other Closing Costs: **\$4,244.78**
 POC Closing Costs: **\$0.00**
 Annuity Cost: **\$0.00**

REPAYMENT LIMITS

Net proceeds estimated at 93% of projected home sale

Total Annual Loan Cost Rate

Appreciation Rate	Disclosure Period (Years)			
	2 Years	4 Years	7 Years	10 Years
0%	5.888%	5.155%	4.843%	3.848%
4%	5.888%	5.155%	4.843%	4.718%
8%	5.888%	5.155%	4.843%	4.718%

The cost of any reverse mortgage loan depends on how long you keep the loan and how much your house appreciates in value. Generally, the longer you keep a reverse mortgage, the lower the total annual loan cost rate will be.

This table shows the estimated cost of your reverse mortgage loan, expressed as an annual rate. It illustrates the cost for four loan terms: 2 years, half of life expectancy for someone your age, that life expectancy, and 1.4 times that life expectancy. The table also shows the cost of the loan, assuming the value of your home appreciates at three different rates: 0%, 4% and 8%.

The total annual cost rates in this table are based on the total charges associated with this loan. These charges typically include principal, interest, closing costs, mortgage insurance premiums, annuity costs and servicing costs (but not disposition costs--costs when you sell the home).

The rates in this table are estimates. Your actual cost may differ if, for example, the amount of your loan advances varies or the interest rate on your mortgage changes. You may receive projections of loan balances from counselors or lenders that are based on an expected average mortgage rate that differs from the initial interest rate.

SIGNING AN APPLICATION OR RECEIVING THESE DISCLOSURES DOES NOT REQUIRE YOU TO COMPLETE THIS LOAN

BARBARA M BROWN

Date

Reverse Mortgage Comparison

From: Steven Garcia, American Fidelity Financial
Services, Inc.
1101 Perimeter Drive, Suite 460, Schaumburg, IL
60173
Phone: 800-335-0400-700

Estimates For: BARBARA M BROWN Date Of Birth:
4/9/1931
4030 NE 16TH TERRACE
OAKLAND PARK, Florida 33334
Closing Date: 10/23/2014 (estimate)



Rates and Fees	HECM 60 ARM/10 2014	HECM60fixws5.06 2014
Margin	3.000%	N/A
Initial Interest Rate	3.157%	5.060%
Expected Interest Rate	5.310%	5.060%
Ongoing Mortgage Insurance Rate	1.25%	1.25%
Cap on Interest Rate	13.157%	5.060%
Initial Line of Credit Growth	4.407%	N/A

Calculation

Home Value	\$295,000.00	\$295,000.00
Maximum Claim Amount	\$295,000.00	\$295,000.00
Principal Limit	\$195,585.00	\$203,550.00
- IMIP	\$1,050.00	\$1,050.00
- Origination Fee	-\$2,000.00	\$0.00
- Other Costs	\$6,244.78	\$7,249.28
+ Credits	\$0.00	\$0.00
Remaining Principal Limit	\$190,290.22	\$195,250.72
- Liens and Mortgages	\$166,311.55	\$166,311.55
- Repair Set Aside	\$0.00	\$0.00
- 1st Year Tax and Insurance Set Aside	\$0.00	\$0.00
Total Mandatory Obligations	\$171,606.33	\$174,610.83
% of Principal Limit	87.75%	85.79%
Initial Disbursement Limit	\$191,164.83	\$194,965.83
% of Principal Limit	97.75%	95.79%
- Additional Tax and Insurance Set Aside	\$0.00	\$0.00
Available Principal Limit	\$23,978.67	\$28,939.17

Available Funds and Requested Payments

Max Available Cash at Closing	\$19,558.50	\$20,355.00
Cash Request	\$19,558.50	\$20,355.00
Total Line Of Credit	\$4,420.17	N/A
Line Of Credit Available 1st Year	\$0.00	N/A
Line Of Credit Available After 1st Year	\$4,420.17	N/A
Available Monthly Tenure Payment 1st Year	\$200.90	N/A
Monthly Payment 1st Year	\$0.00	N/A
Available Monthly Tenure Payment	\$200.90	N/A
Monthly Payment Request	\$0.00	N/A
Initial Loan Balance	\$191,164.83	\$194,965.83
Unavailable Principal Limit	\$0.00	\$8,584.17

The above numbers are calculated based upon the specified interest rates and the estimated closing date noted above. Changes in interest rates and/or changes in actual closing dates may cause the amounts available to be higher or lower than stated.

BARBARA M BROWN

Date



HECM Printscreen

American Fidelity Financial Services, Inc.

1101 Perimeter Drive, Suite 460

Schaumburg, IL 60173

Borrower Name / Case Number: BARBARA M BROWN / 095-3111343-962

	<u>Variables</u>	<u>Calculated</u>
Date Of Closing:	10/23/2014	10/23/2014
Borrowers Birth Date:	4/9/1931	Age: 84
Expected Interest Rate:	5.310%	5.310%
Property Appraised Value:	\$295,000.00	\$295,000.00
Maximum Claim Amount:	\$295,000.00	\$295,000.00
Prin Lim - Shared Prem Fac:		0.663
Principal Limit:		\$195,585.00
10% of Initial Principal Limit:		\$19,558.50
60% of Initial Principal Limit:		\$117,351.00
Initial Premium:	Financed	\$1,050.00
Mandatory Obligations:	\$170,556.33	\$170,556.33
Repair Set Aside:	\$0.00	\$0.00
Additional 10% IPL Usage:	\$19,558.50	\$19,558.50
Initial Disbursement Limit:		\$191,164.83
Cash to Borrower at Closing:	\$19,558.50	\$19,558.50
Disbursement at Closing:		\$191,164.83
Remaining Draw Allowed during Year 1:		\$0.00
Monthly Servicing Fee:	\$0.00	\$0.00
Net Principal Limit:		\$4,420.17
Line of Credit during Year 1:		\$0.00
Line of Credit Life of Loan:	\$4,420.17	\$4,420.17
Monthly Payment during Year 1:		\$0.00
Monthly Payment Life of Loan:	\$0.00	\$0.00
Length Of Term:	N/A	N/A

BARBARA M BROWN

Date

Notice of Servicing Transfer



FHA Case No.: **095-3111343-962**

The servicing of your mortgage loan is being transferred, effective **October 28, 2014**. This means that after this date, a new servicer will be collecting your mortgage loan payments from you. Nothing else about your mortgage loan will change.

American Advisors Group is now collecting your payments. **American Advisors Group** will stop accepting payments received from you after **October 28, 2014**.

American Advisors Group will collect your payments going forward. Your new servicer will start accepting payments received from you on **October 28, 2014**.

Send all payments due on or after October 28, 2014 to American Advisors Group at this address:

**3800 W. Chapman Avenue, Third Floor
Orange, CA 92868**

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

Current Servicer:
**American Advisors Group
866-948-0003
3800 W Chapman Ave, 3rd Floor
Orange, CA 92868**

New Servicer:
**American Advisors Group
866-654-0020
3800 W. Chapman Avenue, Third Floor
Orange, CA 92868**

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

American Advisors Group

October 23, 2014

American Advisors Group

October 23, 2014



A. Settlement Statement (HUD-1)

B. Type of Loan

1. <input checked="" type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input type="checkbox"/> Conv. Unins.	6. File Number: 16118FL	7. Loan Number: 1607442	8. Mortgage Insurance Case Number: 095-3111343-962
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.				

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.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower: BARBARA M BROWN 4030 NE 16TH TER OAKLAND PARK, FL 33334	E. Name & Address of Seller: Mortgage Coverage: \$442,500.00	F. Name & Address of Lender: American Advisors Group 3800 W Chapman Ave, 3rd Floor Orange, CA 92868
G. Property Location: 4030 NE 16TH TERRACE OAKLAND PARK, Florida 33334	H. Settlement Agent: PRIMARY TITLE SERVICES/WFG LENDER SERVICE Place of Settlement: 2740 N DALLAS PKWAY #140 PLANO 75093 TX	Settlement Date: 10/23/2014 Funding Date: 10/28/2014

J. Summary of Borrower's Transaction	
100. Gross Amount Due From Borrower	
101. Contract sales price	
102. Personal property	
103. Settlement charges to borrower (line 1400)	\$6,299.28
104. Payoff to: American Advisors Group	\$166,311.55
105.	
Adjustments for items paid by seller in advance	
106. City/town taxes to	
107. County taxes to	
108. Assessments to	
109.	
110.	
111.	
112.	
120. Gross Amount Due From Borrower	\$172,610.83
200. Amounts Paid By Or In Behalf Of Borrower	
201. Deposit or earnest money	
202. Principal amount of new loan(s) \$195,585.00	
203. Existing loan(s) taken subject	
204. Cash Portion of Initial Draw	\$19,558.50
205. Financed Closing Costs	\$5,294.78
206. Broker Credit 0% tolerance	\$852.50
207. Broker Credit 10% tolerance	\$152.00
208.	
209.	
Adjustments for items unpaid by seller	
210. City/town taxes to	
211. County taxes to	
212. Assessments to	
213.	
214. Payoff to: American Advisors Group	\$166,311.55
215.	
216.	
217.	
218.	
219.	
220. Total Paid By/For Borrower	\$192,169.33
300. Cash At Settlement From/To Borrower	
301. Gross Amount due from borrower (line 120)	\$172,610.83
302. Less amounts paid by/for borrower (line 220)	\$192,169.33
303. Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$19,558.50

K. Summary of Seller's Transaction	
400. Gross Amount Due To Seller	
401. Contract sales price	
402. Personal property	
403.	
404.	
405.	
Adjustments for items paid by seller in advance	
406. City/town taxes to	
407. County taxes to	
408. Assessments to	
409.	
410.	
411.	
412.	
420. Gross Amount Due To Seller	
500. Reductions In Amount Due To Seller	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506.	
507.	
508.	
509.	
Adjustments for items unpaid by seller	
510. City/town taxes to	
511. County taxes to	
512. Assessments to	
513.	
514.	
515.	
516.	
517.	
518.	
519.	
520. Total Reduction Amount Due Seller	
600. Cash At Settlement To/From Seller	
601. Gross amount due to seller (line 420)	
602. Less reductions in amount due seller (line 520)	
603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller	

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					Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of Commission (line 700) as follows:						
701. \$		to				
702. \$		to				
703. Commission paid at settlement						
704.						
800. Items Payable In Connection With Loan						
801. Our origination charge	(Includes HECM origination fee of -\$2,000.00)	\$23,558.81	(from GFE #1)			
802. Your credit or charge(points) for the specific interest rate chosen		-\$25,433.81	(from GFE #2)			
803. Your adjusted origination charges	American Fidelity Financial Services, Inc.		(from GFE A)	\$-	1,875.00	
804. Appraisal fee	American Fidelity FBO Residential Appraisal Management		(from GFE #3)	\$575.00		
805. Credit report			(from GFE #3)			
806.			(from GFE #3)			
807. Flood certification			(from GFE #3)			
808. Document preparation	ReverseDocs	\$125.00				
809.						
810.						
811. Repair administration						
900. Items Required By Lender To Be Paid In Advance						
901. Daily interest charges from	to	@ \$	/day	(from GFE #10)		
902. Mortgage Insurance Premium			to HUD	(from GFE #3)	\$1,050.00	
903.				(from GFE #11)		
904.						
905.						
906.						
1000. Reserves Deposited with Lender						
1001. Initial deposit for your escrow account				(from GFE #9)		
1002. Homeowner's insurance	months @ \$		per month \$			
1003. Mortgage insurance	months @ \$		per month \$			
1004. Property taxes	months @ \$		per month \$			
1005.	months @ \$		per month \$			
1006.	months @ \$		per month \$			
1007. Aggregate Adjustment				-\$		
1100. Title Charges						
1101. Title services and lender's title insurance				(from GFE #4)	\$2,798.28	
1102. Settlement or closing fee	WFG National Title	\$465.00				
1103. Owner's title insurance				(from GFE #5)		
1104. Lender's title insurance	WFG National Title	\$1,550.00				
1105. Lender's title policy limit		\$295,000.00				
1106. Owner's title policy limit						
1107. Agent's portion of the total title insurance premium		\$0.00 to				
1108. Underwriter's portion of the total title insurance premium		\$1,550.00 to WFG National Title				
1109. Document preparation	Smart Deed	\$60.00				
1110. Title Search	WFG National Title	\$175.00				
1111. Coordination	Primary Title	\$250.00				
1112. Express Mail	Primary Title	\$40.00				
1113. Email	National Preferred Notary	\$25.00				
1114. Comp	WFG National Title	\$155.00				
1115. Endorsements	WFG National Title	\$75.00				
1116. Surcharge	WFG National Title	\$3.28				
1200. Government Recording and Transfer Charges						
1201. Government recording charges				(from GFE #7)	\$506.00	
1202. Deed	Mortgage	\$506.00	Releases			
1203. Transfer taxes				(from GFE #8)	\$3,245.00	
1204. City/County tax/stamps	Deed		Mortgage			
1205. State tax/stamps	Deed		Mortgage	\$2,065.00		
1206. Intangible tax	TAX COLLECTOR	\$1,180.00				
1207.						
1208.						
1209.						
1210.						
1211.						



1300. Additional Settlement Charges		
1301. Required services that you can shop for	(from GFE #6)	
1302.		
1303. HECM counseling fee		
1304.		
1305.		
1306.		
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)		\$6,299.28



Comparison of Good Faith Estimate (GFE) and HUD-1 Charges	
Charges That Cannot Increase	HUD-1 Line Number
Our origination charge	# 801
Your credit or charge(points) for the specific interest rate chosen	# 802
Your adjusted origination charges	# 803
Transfer taxes	#1203

Good Faith Estimate	HUD-1
\$23,558.81	\$23,558.81
\$- 25,433.81	\$- 25,433.81
\$- 1,875.00	\$- 1,875.00
\$2,392.50	\$3,245.00

Charges That in Total Cannot Increase More Than 10%	
Government recording charges	#1201
Appraisal fee	# 804
Mortgage Insurance Premium	# 902
Title services and lender's title insurance	#1101
Broker Credit 0% tolerance	# 206
Broker Credit 10% tolerance	# 207
Total	
Increase between GFE and HUD-1 Charges	

Good Faith Estimate	HUD-1
\$505.00	\$506.00
\$575.00	\$575.00
\$1,050.00	\$1,050.00
\$2,646.28	\$2,798.28
\$0.00	\$- 852.50
\$0.00	\$- 152.00
\$4,776.28	\$3,924.78
\$ - 851.50 or	- 17.83 %

Charges That Can Change	
HECM counseling fee	#1303

Good Faith Estimate	HUD-1
\$0.00	\$0.00

Loan Terms

Your initial loan amount is	\$ 195,585.00						
Your loan term is	N/A years						
Your initial interest rate is	3.157 %						
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ N/A includes <input type="checkbox"/> Principal <input type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance						
Can your interest rate rise?	<input type="checkbox"/> No. <input checked="" type="checkbox"/> Yes, it can rise to a maximum of 13.157 %. The first change will be on 12/1/2014 and can change again every month after 12/1/2014 . Every change date, your interest rate can increase or decrease by 10.000 %. Over the life of the loan, your interest rate is guaranteed to never be lower than 3.000 % or higher than 13.157 %.						
Even if you make payments on time, can your loan balance rise?	<input type="checkbox"/> No. <input checked="" type="checkbox"/> Yes, it can rise to a maximum of \$ unknown .						
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> 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?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is \$ _____.						
Does your loan have a balloon payment?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$ N/A due in N/A years on N/A .						
Total monthly amount owed including escrow account payments	<input checked="" type="checkbox"/> 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. <input type="checkbox"/> 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: <table><tr><td><input type="checkbox"/> Property taxes</td><td><input type="checkbox"/> Homeowner's insurance</td></tr><tr><td><input type="checkbox"/> Flood insurance</td><td><input type="checkbox"/> _____</td></tr><tr><td><input type="checkbox"/> _____</td><td><input type="checkbox"/> _____</td></tr></table>	<input type="checkbox"/> Property taxes	<input type="checkbox"/> Homeowner's insurance	<input type="checkbox"/> Flood insurance	<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____
<input type="checkbox"/> Property taxes	<input type="checkbox"/> Homeowner's insurance						
<input type="checkbox"/> Flood insurance	<input type="checkbox"/> _____						
<input type="checkbox"/> _____	<input type="checkbox"/> _____						

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

Addendum to HUD-1 Settlement Statement



FHA Case Number: 095-3111343-962

Property Address: 4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334

NOTICE TO ALL PARTIES: If information is obtained which indicates that the source of the borrower's financial investment is other than from the borrower or other than stated by the lender in its closing instructions, the settlement agent is to obtain written instructions from the lender before proceeding with settlement.

CERTIFICATION OF BORROWER IN AN FHA-INSURED TRADITIONAL OR REFINANCE HELM LOAN TRANSACTION(S)

I (we) 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.

Borrower

Borrower(s)

Date

Power of Attorney

Date

WARNING: Federal law provides that anyone who knowingly or willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry may be criminally prosecuted and may incur civil administrative liability.



**CERTIFICATION OF BUYER IN AN FHA-INSURED HECM FOR PURCHASE LOAN
TRANSACTION**

I (We) certify that the sales price is \$0.00. I (We) certify that I (we) have provided a down payment of _____. I certify that the down payment has been provided by me (us) from my (our) own funds or from an approved FHA funding source as disclosed in my (our) mortgage application. I (we) certify that no part of the down payment has been provided by the seller or anyone else with a financial interest or financial connection to this transaction. I certify that I have no knowledge of any loans that have been or will be made to me (us) or loans that have been or will be assumed by me (us) for purposes of financing this transaction, other than those described in the sales contract dated _____ (including addenda). I certify that I (we) have not been paid or reimbursed for any part of the monetary investment. I certify that I have not received and will not receive any payment or reimbursement for any of my (our) closing costs which have not been previously disclosed in the sales contract (including any addenda) and/or my application for mortgage insurance submitted to my (our) mortgage lender. I (we) certify that no cash or its equivalent, in whole or in part, was or will be received from the seller and/or other third party before, during, or after loan closing. I further certify that I (we) received a copy of the HUD-1 Settlement Statement.

Borrower

Date

Borrower(s)

Power of Attorney

Date

WARNING: Federal law provides that anyone who knowingly or willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry may be criminally prosecuted and may incur civil administrative liability.

**CERTIFICATION OF SELLER IN AN FHA-INSURED HECM FOR PURCHASE LOAN
TRANSACTION**

I certify that I have no knowledge of any loans that have been or will be made to the borrower(s), or loans that have been or will be assumed by the borrower(s), for purposes of financing this transaction, other than those described in the sales contract dated _____ (including addenda). I certify that I have not and will not pay or reimburse the borrower(s) for any part of the monetary investment. I certify that I have not provided and will not pay or reimburse the borrower(s) for any part of the borrower's closing costs which have not been previously disclosed in the sales contract (including any addenda). I certify that I have not provided and will not provide cash or its equivalent, in whole or in part, to the borrower(s) before, during or after loan closing. I (We) certify that the above statements are true and accurate.



Seller

Seller(s)

Date

Power of Attorney

Date

**CERTIFICATION OF SETTLEMENT AGENT IN AN FHA-INSURED
HECM LOAN TRANSACTION(S)**

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were (i) received, or (ii) paid outside of closing, and the funds received have been or will be disbursed by the undersigned as part of the settlement of this transaction. I further certify that I (we) have obtained the above certifications which were executed by the borrower(s) and seller(s) as indicated.

Settlement Agent

Date

Attorney at Law

[The certifications contained herein may be obtained from the respective parties at different times or may be obtained on separate addenda]

WARNING: Federal law provides that anyone who knowingly or willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry may be criminally prosecuted and may incur civil administrative liability.

State of FLORIDA

ADJUSTABLE-RATE NOTE (Home Equity Conversion)

October 23, 2014

FHA Case No. 095-3111343-962

Loan No. 1607442

MIN: 1009400-0005024187-7

4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334 (Property Address)

1. DEFINITIONS

"Borrower" means each person signing at the end of this Note. "Lender" means **American Advisors Group** and its successors and assigns. "Secretary" means the Secretary of Housing and Urban Development or his or her authorized representatives. "Non-Borrowing Spouse" means **N/A**, who is legally married to Borrower **N/A**.

2. BORROWER'S PROMISE TO PAY; INTEREST

In return for amounts to be advanced by Lender to or for the benefit of Borrower under the terms of a Home Equity Conversion Loan Agreement dated **October 23, 2014** ("Loan Agreement"), Borrower promises to pay to the order of Lender a principal amount equal to the sum of all Loan Advances made under the Loan Agreement with interest. All amounts advanced by Lender, plus interest, if not due earlier, are due and payable on **April 9, 2081**. Interest will be charged on unpaid principal at the rate of **Three AND One Hundred Fifty Seven Thousandth** percent (**3.157%**) per year until the full amount of principal has been paid. The interest rate may change in accordance with Paragraph 5 of this Note. Accrued interest shall be added to the principal balance as a Loan Advance at the end of each month.

3. PROMISE TO PAY SECURED

Borrower's promise to pay is secured by a mortgage, deed of trust or similar security instrument that is dated the same date as this Note and called the "Security Instrument." The Security Instrument protects the Lender from losses which might result if Borrower defaults under this Note.

4. MANNER OF PAYMENT

(A) Time

Borrower shall pay all outstanding principal and accrued interest to Lender upon receipt of a notice by Lender requiring immediate payment-in-full, as provided in Paragraph 7 of this Note.

(B) Place

Payment shall be made at **American Advisors Group, 3800 W Chapman Ave, 3rd Floor, Orange, CA 92868** or at such other place as Lender may designate in writing by notice to Borrower.

(C) Limitation of Liability

Borrower shall have no personal liability for payment of the debt. Lender shall enforce the debt only through sale of the Property covered by the Security Instrument ("Property"). If this Note is assigned to the Secretary, the Borrower shall not be liable for any difference between the mortgage insurance benefits paid to Lender and the outstanding indebtedness, including accrued interest, owed by Borrower at the time of the assignment.



5. INTEREST RATE CHANGES

(A) Change Date

The interest rate may change on **December 1, 2014** and on the first day of each succeeding month. "Change Date" means each date on which the interest rate could change.

(B) The Index

Beginning with the first Change Date, the interest rate will be based on an Index. The "Index" means the average of interbank offered rates for one-month U.S. dollar-denominated deposits in London market ("LIBOR"), as published in The Wall Street Journal, rounded to three digits to the right of the decimal point. The "Current Index" means the most recent Index figure available **30** days before the Change Date, and if the day that is **30** days before the Change Date is not a Sunday or Monday and not the first business day of the week, the Current Index will be the Index as published the first business day of that week. If the day that is **30** days before the Change Date is a Sunday or Monday and not the first business day of the week, the Current Index will be the Index as published the first business day of the immediately prior week. If the Index (as defined above) is no longer available, Lender will use as a new Index any index prescribed by the Secretary. Lender will give Borrower notice of the new Index.

(C) Calculation of Interest Rate Changes

Before each Change Date, Lender will calculate a new interest rate by adding a margin of **Three AND Zero Thousandth** percentage points (**3.000%**) to the current Index. Subject to the limit stated in Paragraph 5(D) of this Note, this amount will be the new interest rate until the next Change Date.

(D) Limit on Interest Rate Changes

The interest rate will never increase above **Thirteen AND One Hundred Fifty Seven Thousandth percent (13.157%)**

(E) Notice of Changes

Lender will give notice to Borrower of any change in the interest rate. The notice must be given at least 25 days before the new interest rate takes effect, and must set forth (i) the date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the Current Index and the date it was published, (vi) the method of calculating the adjusted interest rate, and (vii) any other information which may be required by law from time to time.

(F) Effective Date of Changes

A new interest rate calculated in accordance with Paragraphs 5(C) and 5(D) of this Note will become effective on the Change Date, unless the Change Date occurs less than 25 days after Lender has given the required notice. If the interest rate calculated in accordance with Paragraphs 5(C) and 5(D) of this Note decreased, but Lender failed to give timely notice of the decrease and applied a higher rate than the rate which should have been stated in a timely notice, then Lender shall recalculate the principal balance owed under this Note so it does not reflect any excessive interest.

6. BORROWER'S RIGHT TO PREPAY

A Borrower receiving monthly payments under the Loan Agreement has the right to pay the debt evidenced by this Note, in whole or in part, without charge or penalty on the first day of any month. Otherwise, a Borrower has the right to pay the debt evidenced by this Note, in whole or in part, without charge or penalty after giving Lender two weeks notice. Any amount of debt prepaid will first be applied to reduce the principal balance of the Second Note described in Paragraph 11 of this Note and then to reduce the principal balance of this Note.

All prepayments of the principal balance shall be applied by Lender as follows:



First, to that portion of the principal balance representing aggregate payments for mortgage insurance premiums;

Second, to that portion of the principal balance representing aggregate payments for servicing fees;

Third, to that portion of the principal balance representing accrued interest due under the Note; and

Fourth, to the remaining portion of the principal balance. A Borrower may specify whether a prepayment is to be credited to that portion of the principal balance representing monthly payments or the line of credit. If Borrower does not designate which portion of the principal balance is to be prepaid, Lender shall apply any partial prepayments to an existing line of credit or create a new line of credit.

7. IMMEDIATE PAYMENT-IN-FULL

(A) Death

(i) Except as provided in Paragraph 7(A)(ii), Lender may require immediate payment in full of all outstanding principal and accrued interest if a Borrower dies and the Property is not the Principal Residence of at least one surviving Borrower.

(ii) Deferral of Due and Payable Status. Lender may not require immediate payment in full of all outstanding principal and accrued interest if the Property is the Principal Residence of a Non-Borrowing Spouse identified in this Note and provided the following conditions are, and continue to be, met:

- a. Such Non-Borrowing Spouse remained the spouse of the HECM borrower, identified in this document, for the duration of the HECM Borrower's lifetime;
- b. Such Non-Borrowing Spouse has occupied, and continues to occupy, the property securing this Note as [his/her] Principal Residence;
- c. Such Non-Borrowing Spouse has established legal ownership or other ongoing legal right to remain in the property securing this Note;
- d. All other obligations of the Borrower under this Note, the Loan Agreement and the Security Instrument continue to be satisfied; and
- e. This Note is not eligible to be called Due and Payable for any other reason.

Should a Non-Borrowing Spouse fail to meet any of these conditions for deferral of Due and Payable Status, the deferral of the Due and Payable status shall cease and the mortgage will become immediately due and payable in accordance with the provisions of Paragraph 7(A)(i) of this Note.

(B) Sale

Lender may require immediate payment in full of all outstanding principal and accrued interest if a Borrower conveys all of his or her title to the Property and no other Borrower retains title to the Property in fee simple or on a leasehold interest as set forth in 24 CFR 206.45(a). A deferral of Due and Payable is not permitted when a Lender requires immediate payment under this paragraph.

(C) Other Grounds

Lender may require immediate payment-in-full of all outstanding principal and accrued interest, upon approval by an authorized representative of the Secretary, if:



(i) The Property ceases to be the Principal Residence of a Borrower for reasons other than death and the Property is not the Principal Residence of at least one other Borrower;

(ii) For a period of longer than 12 consecutive months, a Borrower fails to physically occupy the Property because of physical or mental illness and the Property is not the Principal Residence of at least one other Borrower; or

(iii) An obligation of the Borrower under the Security Instrument is not performed.

A deferral of Due and Payable is not permitted when a Lender requires immediate payment in full under Paragraph 7(C).

(D) Payment of Costs and Expenses

If Lender has required immediate payment-in-full, as described above, the debt enforced through sale of the Property may include costs and expenses, including reasonable and customary attorney's fees for enforcing this Note to the extent not prohibited by applicable law. Such fees and costs shall bear interest from the date of disbursement at the same rate as the principal of this Note.

(E) Trusts

Conveyance of a Borrower's interest in the Property to a trust which meets the requirements of the Secretary, or conveyance of a trust's interests in the Property to a Borrower, shall not be considered a conveyance for purposes of this Paragraph. A trust shall not be considered an occupant or be considered as having a Principal Residence for purposes of this Paragraph.

8. WAIVERS

Borrower waives the rights of presentment and notice of dishonor. "Presentment" means the right to require Lender to demand payment of amounts due. "Notice of dishonor" means the right to require Lender to give notice to other persons that amounts due have not been paid.

9. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by first class mail to Borrower at the property address above or at a different address if Borrower has given Lender a notice of Borrower's different address.

Any notice to Non-Borrowing Spouse provided for under this Note will be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address.

Any notice that must be given to Lender under this Note will be given by first class mail to Lender at the address stated in Paragraph 4(B) or at a different address if Borrower is given a notice of that different address.

10. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully obligated to keep all of the promises made in this Note. Lender may enforce its rights under this Note only through sale of the Property.

11. RELATIONSHIP TO SECOND NOTE

(A) Second Note

Because Borrower will be required to repay amounts which the Secretary may make to or on behalf of Borrower pursuant to Section 255 (i)(1)(A) of the National Housing Act and the Loan Agreement, the Secretary has required Borrower to grant a Second Note to the Secretary.



(B) Relationship of Secretary Payments to this Note

Payments made by the Secretary shall not be included in the debt due under this Note unless:

- (i) This Note is assigned to the Secretary; or
- (ii) The Secretary accepts reimbursements by the Lender for all payments made by the Secretary.

If the circumstances described in (i) or (ii) occur, then all payments by the Secretary, including interest on the payments, shall be included in the debt.

(C) Effect on Borrower


Where there is no assignment or reimbursement as described in (B)(i) or (ii) and the Secretary makes payments to Borrower, then Borrower shall not:

- (i) Be required to pay amounts owed under this Note until the Secretary has required payment-in-full of all outstanding principal and accrued interest under the Second Note held by the Secretary, notwithstanding anything to the contrary in Paragraph 7 of this Note; or
- (ii) Be obligated to pay interest under this Note at any time, whether accrued before or after the payments by the Secretary, and whether or not accrued interest has been included in the principal balance of this Note, notwithstanding anything to the contrary in Paragraphs 2 or 5 of this Note or any Allonge to this Note.

12. DOCUMENTARY STAMP TAX


Florida documentary stamp tax in the amount required by law has been paid in connection with the recording of the mortgage in favor of Lender securing the indebtedness evidenced by this Note.

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



BARBARA M BROWN

(SEAL)



Date

Loan Originator Organization

Mortgage Loan Originator Organization: **American Fidelity Financial Services, Inc.**

Nationwide Mortgage Licensing system and Registry Identification Number: **226068**

Individual Loan Originator

Mortgage Loan Originator: **Steven Garcia**

Nationwide Mortgage Licensing system and Registry Identification Number: **225005**



State of FLORIDA

ADJUSTABLE-RATE SECOND NOTE (Home Equity Conversion)

October 23, 2014

FHA Case No. 095-3111343-962

Loan No. 1607442

4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334 (Property Address)

1. DEFINITIONS

"Borrower" means each person signing at the end of this Note. "Secretary" or Lender means the Secretary of Housing and Urban Development or his or her authorized representatives. "Non-Borrowing Spouse" means N/A, who is legally married to Borrower N/A.

2. BORROWER'S PROMISE TO PAY; INTEREST

In return for amounts to be advanced by Lender to or for the benefit of Borrower under the terms of a Home Equity Conversion Loan Agreement dated **October 23, 2014** ("Loan Agreement"), Borrower promises to pay to the order of Lender a principal amount equal to the sum of all Loan Advances made by Lender under the Loan Agreement with interest. All amounts advanced by Lender, plus interest, if not due earlier, are due and payable on **April 9, 2081**. Interest will be charged on unpaid principal at the rate of **Three AND One Hundred Fifty Seven Thousandth** percent (**3.157%**) per year until the full amount of principal has been paid. The interest rate may change in accordance with Paragraph 5 of this Note. Accrued interest shall be added to the principal balance as a Loan Advance at the end of each month.

3. PROMISE TO PAY SECURED

Borrower's promise to pay is secured by a mortgage, deed of trust or similar security instrument that is dated the same date as this Note and called the "Security Instrument" or the "Second Security Instrument." The Security Instrument protects the Lender from losses which might result if Borrower defaults under this Note. Borrower also executed a First Security Instrument and First Note when the Second Security Instrument and this Note were executed.

4. MANNER OF PAYMENT

(A) Time

Borrower shall pay all outstanding principal and accrued interest to Lender upon receipt of a notice by Lender requiring immediate payment-in-full, as provided in Paragraph 7 of this Note.

(B) Place

Payment shall be made at the Office of the Housing -- FHA Comptroller, Director of Mortgage Insurance Accounting and Servicing, Department of Housing and Urban Development, 451 7th Street, SW, Washington, DC 20410, or any such other place designated by the Secretary in writing by notice to Borrower.

(C) Limitation of Liability

Borrower shall have no personal liability for payment of the debt. Lender shall enforce the debt only through sale of the Property covered by the Security Instrument ("Property").

5. INTEREST RATE CHANGES

(A) Change Date

The interest rate may change on **December 1, 2014** and on the first day of each succeeding month. "Change Date" means each date on which the interest rate could change.



(B) The Index

Beginning with the first Change Date, the interest rate will be based on an Index. The "Index" means the average of interbank offered rates for one-month U.S. dollar-denominated deposits in London market ("LIBOR"), as published in The Wall Street Journal, rounded to three digits to the right of the decimal point. The "Current Index" means the most recent Index figure available **30** days before the Change Date, and if the day that is **30** days before the Change Date is not a Sunday or Monday and not the first business day of the week, the Current Index will be the Index as published the first business day of that week. If the day that is **30** days before the Change Date is a Sunday or Monday and not the first business day of the week, the Current Index will be the Index as published the first business day of the immediately prior week. If the Index (as defined above) is no longer available, Lender will use as a new Index any index prescribed by the Secretary. Lender will give Borrower notice of the new Index.

(C) Calculation of Interest Rate Changes

Before each Change Date, Lender will calculate a new interest rate by adding a margin of **Three AND Zero Thousandth** percentage points (**3.000%**) to the current Index. Subject to the limit stated in Paragraph 5(D) of this Note, this amount will be the new interest rate until the next Change Date.

(D) Limit on Interest Rate Changes

The interest rate will never increase above **Thirteen AND One Hundred Fifty Seven Thousandth percent (13.157%)**

(E) Notice of Changes

Lender will give notice to Borrower of any change in the interest rate. The notice must be given at least 25 days before the new interest rate takes effect, and must set forth (i) the date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the Current Index and the date it was published, (vi) the method of calculating the adjusted interest rate, and (vii) any other information which may be required by law from time to time.

(F) Effective Date of Changes

A new interest rate calculated in accordance with paragraphs 5(C) and 5(D) of this Note will become effective on the Change Date, unless the Change Date occurs less than 25 days after Lender has given the required notice. If the interest rate calculated in accordance with Paragraphs 5(C) and 5(D) of this Note decreased, but Lender failed to give timely notice of the decrease and applied a higher rate than the rate which should have been stated in a timely notice, then Lender shall recalculate the principal balance owed under this Note so it does not reflect any excessive interest.

6. BORROWER'S RIGHT TO PREPAY

A Borrower receiving monthly payments under the Loan Agreement has the right to pay the debt evidenced by this Note, in whole or in part, without charge or penalty on the first day of any month. Otherwise, a Borrower has the right to pay the debt evidenced by this Note, in whole or in part, without charge or penalty after giving Lender two weeks notice. Any amount of debt prepaid will first be applied to reduce the principal balance of this Note and then to reduce the principal balance of the First Note.

All prepayments of the principal balance shall be applied by Lender as follows:

First, to that portion of the principal balance representing aggregate payments for mortgage insurance premiums;

Second, to that portion of the principal balance representing aggregate payments for servicing



fees;

Third, to that portion of the principal balance representing accrued interest due under the Note; and

Fourth, to the remaining portion of the principal balance. A Borrower may specify whether a prepayment is to be credited to that portion of the principal balance representing monthly payments or the line of credit. If Borrower does not designate which portion of the principal balance is to be prepaid, Lender shall apply any partial prepayments to an existing line of credit or create a new line of credit.

7. IMMEDIATE PAYMENT-IN-FULL

(A) Death

(i) Except as provided in Paragraph 7(A)(ii), Lender may require immediate payment in full of all outstanding principal and accrued interest if a Borrower dies and the Property is not the Principal Residence of at least one surviving Borrower.

(ii) Deferral of Due and Payable Status. Lender may not require immediate payment in full of all outstanding principal and accrued interest if the Property is the Principal Residence of a Non-Borrowing Spouse identified in this Note and provided the following conditions are, and continue to be, met:

- a. Such Non-Borrowing Spouse remained the spouse of the HECM borrower, identified in this document, for the duration of the HECM borrower's lifetime;
- b. Such Non-Borrowing Spouse has occupied, and continues to occupy, the property securing this Note as [his/her] Principal Residence;
- c. Such Non-Borrowing Spouse has established legal ownership or other ongoing legal right to remain in the property securing this Note;
- d. All other obligations of the Borrower under this Note, the Loan Agreement and the Security Instrument continue to be satisfied; and
- e. This Note is not eligible to be called Due and Payable for any other reason.

Should a Non-Borrowing Spouse fail to meet any of these conditions for deferral of Due and Payable Status, the deferral of the Due and Payable status shall cease and the mortgage will become immediately Due and Payable in accordance with the provisions of Paragraph 7(A)(i) of this Note.

(B) Sale

Lender may require immediate payment in full of all outstanding principal and accrued interest if a Borrower conveys all of his or her title to the Property and no other Borrower retains title to the Property in fee simple or on a leasehold interest as set forth in 24 CFR 206.45(a). A deferral of Due and Payable is not permitted when a Lender requires immediate payment under this Paragraph.

(C) Other Grounds

Lender may require immediate payment-in-full of all outstanding principal and accrued interest, upon approval by an authorized representative of the Secretary,, if:

(i) The Property ceases to be the Principal Residence of a Borrower for reasons other than death and the Property is not the Principal Residence of at least one other Borrower;

(ii) For a period of longer than 12 consecutive months, a Borrower fails to physically



occupy the Property because of physical or mental illness and the Property is not the Principal Residence of at least one other Borrower; or

(iii) An obligation of the Borrower under the Security Instrument is not performed.

A deferral of Due and Payable is not permitted when a Lender requires immediate payment in full under Paragraph 7(C).

(D) Payment of Costs and Expenses

If Lender has required immediate payment in full, as described above, the debt enforced through the sale of the Property may include costs and expenses including reasonable and customary attorney's fees associated with enforcement of this Note to the extent not prohibited by applicable law. Such fees and costs shall bear interest from the date of disbursement at the same rate as the principal of this Note.

(E) Trusts

Conveyance of a Borrower's interest in the Property to a trust which meets the requirements of the Secretary, or conveyance of a trust's interests in the Property to a Borrower, shall not be considered a conveyance for purposes of this Paragraph. A trust shall not be considered an occupant or be considered as having a Principal Residence for purposes of this Paragraph.

8. WAIVERS

Borrower waives the rights of presentment and notice of dishonor. "Presentment" means the right to require Lender to demand payment of amounts due. "Notice of dishonor" means the right to require Lender to give notice to other persons that amounts due have not been paid.

9. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by first class mail to Borrower at the property address above or at a different address if Borrower has given the Secretary a notice of Borrower's different address.

Any notice to a Non-Borrowing Spouse provided for under this Note will be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address.

Any notice that must be given to the Secretary under this Note will be given by first class mail to the HUD Field Office with jurisdiction over the Property or any other address designated by the Secretary.

10. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully obligated to keep all of the promises made in this Note. Lender may enforce its rights under this Note only through sale of the Property.

11. RELATIONSHIP TO FIRST NOTE

(A) Second Note

Because Borrower will be required to repay amounts which the Secretary may make to or on behalf of Borrower pursuant to Section 255(i)(1)(A) of the National Housing Act and the Loan Agreement, the Secretary has required Borrower to grant this Note to the Secretary.

(B) Relationship of Secretary Payments to First Note

Payments made by the Secretary shall be included in the debt due under this Note unless:



- (i) The First Note is assigned to the Secretary; or
- (ii) The Secretary accepts reimbursements by the Lender for all payments made by the Secretary.

If the circumstances described in (i) or (ii) occur, then all payments by the Secretary, including interest on the payments, shall be included in the debt under the First Note.

(C) Notice of Interest Rate Adjustments

Borrower agrees that as long as the holder of the First Note continues to make Loan Advances, any notice of interest rate adjustment given to Borrower under Paragraph 5(E) of the First Note shall also be considered to be notice to Borrower under Paragraph 5(E) of this Note, so that the same interest rate shall apply for the First Note and this Note.

12. DOCUMENTARY STAMP TAX AND INTANGIBLE TAX

NOTE TO TAX EXAMINER: The obligation evidenced by this Note was issued to, and is owned by the Secretary of Department of Housing and Urban Development of the United States Government (the "Secretary"). Pursuant to the rules governing the Home Equity Conversion Program applicable to the obligation evidenced by this Note, a note issued to, or owned by, the Secretary is exempt from state and local recording taxes, including the Florida documentary stamp tax and intangible tax. Consequently, the Florida documentary stamp tax and intangible tax are not payable in connection with the recording of the mortgage securing this Note. In addition, the mortgage securing this Note is an ancillary mortgage on the subject property in favor of the Secretary securing advances the Secretary may make under a Home Equity Conversion Loan Agreement (the "Loan Agreement") among the Secretary, the borrowers named in this Note (the "Borrowers") and the lender named in this Note (the "Lender"). The Loan Agreement provides for advances to be made to the Borrowers by the Lender up to the advance limit specified in the Loan Agreement (the "Advance Limit") or, if the Lender is unable to make advances, the Agreement provides for the Secretary to perform the obligation to make advances to the Borrowers up to the Advance Limit. The total advances by the Lender, and, if necessary, the Secretary, under the Loan Agreement will not exceed the Advance Limit. Advances made by the Lender under the Loan Agreement are secured by a lien on the same property as the property described in the mortgage securing this Note, pursuant to that Adjustable Rate Home Equity Conversion Mortgage by the Borrowers in favor of the Lender recorded in Official Records Book ____, at Page ____, of the Public Records of **BROWARD** County, Florida (the "Lender Mortgage"). Thus, the mortgage securing this Note and the Lender Mortgage encumber the same property and secure the same obligation of the Borrowers to repay advances under the Loan Agreement. A documentary stamp tax and an intangible tax were paid on the full amount of the Advance Limit under the Loan Agreement when the Lender Mortgage was recorded and, consequently, no documentary stamp tax or intangible tax is due in connection with the recording of the mortgage securing this Note.

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

(SEAL)
BARBARA M BROWN

Date



Loan Originator Organization

Mortgage Loan Originator Organization: **American Fidelity Financial Services, Inc.**

Nationwide Mortgage Licensing system and Registry Identification Number: **226068**

Individual Loan Originator

Mortgage Loan Originator: **Steven Garcia**

Nationwide Mortgage Licensing system and Registry Identification Number: **225005**



record and return to: American Advisors Group
3800 W Chapman Ave, 3rd Floor
Orange, CA 92868

This document prepared by: American Advisors Group
3800 W Chapman Ave, 3rd Floor
Orange, CA 92868

_____[Space Above This Line For Recording Data]_____

State of FLORIDA

FHA Case No. **095-3111343-962**
Loan No. **1607442**
MIN: **1009400-0005024187-7**

ADJUSTABLE RATE HOME EQUITY CONVERSION MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on **October 23, 2014**. The mortgagor is **BARBARA M BROWN**, whose post office address is **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334** ("Borrower"). This Security Instrument is given to **Mortgage Electronic Registration Systems, Inc. ("MERS")**, which is organized and existing under the laws of **Delaware**, and whose address is **P.O. Box 2026, Flint, MI 48501-2026, telephone (888) 679-MERS**. **American Advisors Group is organized and existing under the laws of California, and has an address of 3800 W Chapman Ave, 3rd Floor, Orange, CA 92868** ("Lender"). Borrower has agreed to repay to Lender amounts which Lender is obligated to advance, including future advances, under the terms of a Home Equity Conversion Loan Agreement dated the same date as this Security Instrument ("Loan Agreement"). The agreement to repay is evidenced by Borrower's Adjustable-Rate Note dated the same date as this Security Instrument ("Note"). **The mortgagee of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS.** This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest at a rate subject to adjustment (interest), and all renewals, extensions and modifications of the Note, up to a maximum principal amount of **Four Hundred Forty Two Thousand, Five Hundred Dollars and Zero Cents (U.S. \$442,500.00)**; (b) the payment of all other sums, with interest, advanced under paragraph 5 to protect the security of this Security Instrument or otherwise due under the terms of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. The full debt, including amounts



described in (a), (b), and (c) above, if not due earlier, is due and payable on **April 9, 2081**. For this purpose, Borrower does hereby mortgage, grant and convey to MERS and to the successors and assigns of MERS, the following described property located in **BROWARD** County, FLORIDA:

See legal description as Exhibit A attached hereto and made a part hereof for all intents and purposes

which has the address of

4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334, ("Property Address")

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered. 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 and Interest. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note.

2. Payment of Property Charges. Borrower shall pay all property charges consisting of taxes, hazard insurance premiums, flood insurance premiums, ground rents, condominium fees, planned unit development fees, homeowner's association fees, and any other assessments that may be required by local or state law in a timely manner, and shall provide evidence of payment to Lender unless Lender pays property charges by withholding funds from monthly payments due to the Borrower or by charging such payments to a line of credit as provided for in the Loan Agreement.

3. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire. This insurance shall be maintained in the amounts, to the extent and for the periods required by Lender or the Secretary of Housing and Urban Development ("Secretary"). Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss to Lender instead of to Borrower and Lender jointly. Insurance



proceeds shall be applied to restoration or repair of the damaged Property, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied first to the reduction of any indebtedness under a Second Note and Second Security Instrument held by the Secretary on the Property and then to the reduction of the indebtedness under the Note and this Security Instrument. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

4. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's Principal Residence after the execution of this Security Instrument and Borrower (or at least one Borrower, if initially more than one person are Borrowers) shall continue to occupy the Property as Borrower's Principal Residence for the term of the Security Instrument. "Principal residence" shall have the same meaning as in the Loan Agreement.

Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a Principal Residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

5. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument in the manner provided in Paragraph 12(c).

If Borrower fails to make these payments or the property charges required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in Paragraph 2.

To protect Lender's security in the Property, Lender shall advance and charge to Borrower all amounts due to the Secretary for the Mortgage Insurance Premium as defined in the Loan Agreement as well as all sums due to the loan servicer for servicing activities as defined in the Loan Agreement. Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower as provided for in the Loan Agreement and shall be secured by this Security Instrument.

6. Inspection. Lender or its agent may enter on, inspect or make appraisals of the Property in a reasonable manner and at reasonable times provided that Lender shall give the Borrower notice prior to any inspection or appraisal specifying a purpose for the inspection or appraisal which must be related to Lender's interest in the Property. If the Property is vacant or abandoned or the loan is in default, Lender



may take reasonable action to protect and preserve such vacant or abandoned Property without notice to the Borrower.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation, or other taking of any part of the Property, or for conveyance in place of condemnation shall be paid to Lender. The proceeds shall be applied first to the reduction of any indebtedness under a Second Note and Second Security Instrument held by the Secretary on the Property, and then to the reduction of the indebtedness under the Note and this Security Instrument. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

8. Fees. Lender may collect fees and charges authorized by the Secretary.

9. Non-Borrowing Spouse. Borrower, **N/A** is married to **N/A** ("Non-Borrowing Spouse"), who is not a Borrower under the terms of the "Note," "Loan Agreement" or this Security Instrument.

10. Grounds for Acceleration of Debt.

(a) Due and Payable - Death.

(i) Except as provided in Paragraph 10(a)(ii), Lender may require immediate payment in full of all sums secured by this Security Instrument if a Borrower dies and the Property is not the Principal Residence of at least one surviving Borrower.

(ii) Lender shall defer the Due and Payable requirement under Paragraph 10(a)(i) above for any period of time ("Deferral Period") in which a Non-Borrowing Spouse identified in Paragraph 9 resides in the Property as [his/her] Principal Residence and all of the following conditions are, and continue to be, met:

- a. Such Non-Borrowing Spouse remained the spouse of the identified Borrower for the duration of such Borrower's lifetime;
- b. Such Non-Borrowing Spouse has occupied, and continues to occupy, the property securing the Note as [his/her] Principal Residence;
- c. Such Non-Borrowing Spouse has established legal ownership or other ongoing legal right to remain in the property securing this Note;
- d. All other obligations of the Borrower under the Note, the Loan Agreement and this Security Instrument continue to be satisfied; and
- e. The Note is not eligible to be called due and payable for any other reason.

Should any of these conditions for deferral of Due and Payable Status not be met at any time, the deferral of the Due and Payable Status shall cease and the Note will become immediately due and payable in accordance with the terms of the Note.

(b) Due and Payable - Sale. Lender may require immediate payment in full of all sums secured by this Security Instrument if all of a Borrower's title in the Property (or his or her beneficial interest in a trust owning all or part of the Property) is sold or otherwise transferred and no other Borrower retains title to the Property in fee simple or retains a leasehold under a lease for less than 99 years which is renewable or a lease having a remaining period of not less than 50 years beyond the date of the 100th birthday of the youngest Borrower or retains a life estate (or retaining a beneficial interest in a trust with such an interest in the Property). A deferral of due and payable is not permitted when a Lender requires immediate payment in full under this paragraph.



(c) Due and Payable with Secretary Approval. - Lender may require immediate payment in full of all sums secured by this Security Instrument, upon approval of the Secretary, if:

- (i) The Property ceases to be the principal residence of a Borrower for reasons other than death and the Property is not the principal residence of at least one other Borrower; or
- (ii) For a period of longer than 12 consecutive months, a Borrower fails to occupy the Property because of physical or mental illness and the Property is not the principal residence of at least one other Borrower; or
- (iii) An obligation of the Borrower under this Security Instrument is not performed.

A deferral of due and payable is not permitted when a Lender requires immediate payment in full under section 10(C).

(d) Notice and Certification to Lender. Borrower shall complete and provide to the Lender on an annual basis a certification, in a form prescribed by the Lender, stating whether the property remains the Borrower's Principal Residence and, if applicable, the principal residence of his or her Non-Borrowing Spouse. Where a Borrower has identified a Non-Borrowing Spouse in Paragraph 9, the Borrower shall also complete and provide to the Lender on an annual basis a Non-Borrowing Spouse certification, in a form prescribed by the Lender, certifying that all requirements for the application of a Deferral Period continue to apply and continue to be met. During a Deferral Period, the Borrower's annual certifications, required by this paragraph, must continue to be completed and provided to the Lender by the Non-Borrowing Spouse. The Borrower shall also notify Lender whenever any of the events listed in Paragraph 10 (b) and (c) occur.

(e) Notice to Secretary and Borrower. Lender shall notify the Secretary and Borrower whenever the loan becomes due and payable under Paragraph 10 (b) and (c). Lender shall not have the right to commence foreclosure until Borrower has had 30 days after notice to either:

- (i) Correct the matter which resulted in the Security Instrument coming due and payable; or
- (ii) Pay the balance in full; or
- (iii) Sell the Property for the lesser of the balance or 95% of the appraised value and apply the net proceeds of the sale toward the balance; or
- (iv) Provide the Lender with a deed-in-lieu of foreclosure.

(f) Notice to Secretary and Non-Borrowing Spouse. Lender shall notify the Secretary and any Non-Borrowing Spouse identified in Paragraph 9 whenever any event listed in Paragraph 10 (b) and (c) occurs during a Deferral Period.

(g) Trusts. Conveyance of a Borrower's interest in the Property to a trust which meets the requirements of the Secretary, or conveyance of a trust's interests in the Property to a Borrower, shall not be considered a conveyance for purposes of this Paragraph 10. A trust shall not be considered an occupant or be considered as having a Principal Residence for purposes of this Paragraph 10.



(h) Mortgage Not Insured. Borrower agrees that should this Security Instrument and the Note not be eligible for insurance under the National Housing Act within eight (8) months from the date hereof, Lender may, at its option, require immediate payment-in-full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to eight (8) months from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

11. No Deficiency Judgments. Borrower shall have no personal liability for payment of the debt secured by this Security Instrument. Lender may enforce the debt only through sale of the Property. Lender shall not be permitted to obtain a deficiency judgment against Borrower if the Security Instrument is foreclosed. If this Security Instrument is assigned to the Secretary upon demand by the Secretary, Borrower shall not be liable for any difference between the mortgage insurance benefits paid to Lender and the outstanding indebtedness, including accrued interest, owed by Borrower at the time of the assignment.

12. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment-in-full. This right applies even after foreclosure proceedings are instituted. To reinstate this Security Instrument, Borrower shall correct the condition which resulted in the requirement for immediate payment-in-full. Foreclosure costs and reasonable and customary attorney's fees and expenses properly associated with the foreclosure proceeding shall be added to the principal balance. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment-in-full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the Security Instrument.

13. Lien Status.

(a) Modification.

Borrower agrees to extend this Security Instrument in accordance with this Paragraph 12(a). If Lender determines that the original lien status of the Security Instrument is jeopardized under state law (including but not limited to situations where the amount secured by the Security Instrument equals or exceeds the maximum principal amount stated or the maximum period under which loan advances retain the same lien priority initially granted to loan advances has expired) and state law permits the original lien status to be maintained for future loan advances through the execution and recordation of one or more documents, then Lender shall obtain title evidence at Borrower's expense. If the title evidence indicates that the property is not encumbered by any liens (except this Security Instrument, the Second Security Instrument described in Paragraph 14(a) *and any subordinate liens that the Lender determines will also be subordinate to any future loan advances), Lender shall request the Borrower to execute any documents necessary to protect the lien status of future loan advances. Borrower agrees to execute such documents. If state law does not permit the original lien status to be extended to future loan advances, Borrower will be deemed to have failed to have performed an obligation under this Security Instrument.

(b) Tax Deferral Programs.

Borrower shall not participate in a real estate tax deferral program, if any liens created by the tax deferral are not subordinate to this Security Instrument.



(c) Prior Liens.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to all amounts secured by this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

14. Relationship to Second Security Instrument.

(a) Second Security Instrument. In order to secure payments which the Secretary may make to or on behalf of Borrower pursuant to Section 255(i)(1)(A) of the National Housing Act and the Loan Agreement, the Secretary has required Borrower to execute a Second Note and a Second Security Instrument on the Property.

(b) Relationship of First and Second Security Instruments. Payments made by the Secretary shall not be included in the debt under the Note unless:

- (i) This Security Instrument is assigned to the Secretary; or
- (ii) The Secretary accepts reimbursement by the Lender for all payments made by the Secretary.

If the circumstances described in (i) or (ii) occur, then all payments by the Secretary, including interest on the payments, but excluding late charges paid by the Secretary, shall be included in the debt under the Note.

(c) Effect on Borrower. Where there is no assignment or reimbursement as described in (b)(i) or (ii) and the Secretary makes payments to Borrower, then Borrower shall not:

- (i) Be required to pay amounts owed under the Note, or pay any rents and revenues of the Property under Paragraph 19 to Lender or a receiver of the Property, until the Secretary has required payment-in-full of all outstanding principal and accrued interest under the Second Note; or
- (ii) Be obligated to pay interest or shared appreciation under the Note at any time, whether accrued before or after the payments by the Secretary, and whether or not accrued interest has been included in the principal balance under the Note.

(d) No Duty of the Secretary. The Secretary has no duty to Lender to enforce covenants of the Second Security Instrument or to take actions to preserve the value of the Property, even though Lender may be unable to collect amounts owed under the Note because of restrictions in this Paragraph 13.

15. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or



remedy shall not be a waiver of or preclude the exercise of any right or remedy.

16. Successors and Assigns Bound; Joint and Several Liability. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender. Borrower may not assign any rights or obligations under this Security Instrument or under the Note, except to a trust that meets the requirements of the Secretary. Borrower's covenants and agreements shall be joint and several.

17. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address all Borrowers jointly designate. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice to a Non-Borrowing Spouse provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower, Lender, or Non-Borrowing Spouse when given as provided in this Paragraph 17.

18. Governing Law; Severability. This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

19. Borrower's Copy. Borrower shall be given one conformed copy of the Note and this Security Instrument.

NON-UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

20. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by this Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this Paragraph 19.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt



secured by this Security Instrument is paid in full.

21. Foreclosure Procedure. If Lender requires immediate payment-in-full under Paragraph 10, Lender may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

22. Lien Priority. The full amount secured by this Security Instrument shall have the same priority over any other liens on the Property as if the full amount had been disbursed on the date the initial disbursement was made, regardless of the actual date of any disbursement. The amount secured by this Security Instrument shall include all direct payments by Lender to Borrower and all other loan advances permitted by this Security Instrument for any purpose. This lien priority shall apply notwithstanding any State constitution, law or regulation, except that this lien priority shall not affect the priority of any liens for unpaid State or local governmental unit special assessments or taxes.

23. Adjustable-Rate Feature. Under the Note, the initial stated interest rate of **3.157%** which accrues on the unpaid principal balance ("Initial Interest Rate") is subject to change, as described below. When the interest rate changes, the new adjusted interest rate will be applied to the total outstanding principal balance. Each adjustment to the interest rate will be based upon the average of interbank offered rates for one-month U.S. dollar denominated deposits in the London Market ("LIBOR"), as published in The Wall Street Journal ("Index"), rounded to three digits to the right of the decimal point, plus a margin. If the Index is no longer available, Lender will be required to use any index prescribed by the Department of Housing and Urban Development. Lender will give Borrower notice of new index.

Lender will perform the calculations described below to determine the new adjusted interest rate. The interest rate may change on **December 1, 2014** and **on the first day of each succeeding month**. ("Change Date"). Change Date means each date on which the interest rate could change.

The value of the Index will be determined, using the most recent Index figure available thirty (**30**) days before the Change Date ("Current Index"). Before each Change Date, the new interest rate will be calculated by adding a margin to the Current Index. The sum of the margin plus the Current Index will be called the "Calculated Interest Rate" for each Change Date. The Calculated Interest Rate will be compared to the interest rate in effect immediately prior to the current Change Date (the "Existing Interest Rate").

The Calculated Interest Rate will never increase above **13.157%**

The Calculated Interest Rate will be adjusted if necessary to comply with the rate limitation(s) described above and will be in effect until the next Change Date. At any change date, if the Calculated Interest Rate equals the Existing Interest Rate, the interest rate will not change.

24. Negative Amortization and Compounding of Interest. Since regular periodic payments by Borrower to Lender are not required under the Loan Agreement and accrued interest is added to the loan balance, and in turn will accrue interest, negative amortization and the compounding of interest will occur. Negative amortization and the compounding of interest will increase the amount Borrower owes Lender and will reduce Borrower's equity in the Property.

25. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. If allowed by applicable law, Borrower shall pay all recordation costs and Lender may charge Borrower a fee for releasing the Security Instrument.

26. Attorneys' Fees. As used in this Security Instrument and the Note, attorneys' fees shall include



those awarded by an appellate court and any attorneys' fees incurred in a bankruptcy proceeding.

27. Jury Trial Waiver. The Borrower hereby waives any right to a trial by jury in any action, proceeding, claim, or counterclaim, whether in contract or tort, at law or in equity, arising out of or in any way related to this Security Instrument or the Note.

28. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es).]

☐

Condominium Rider

☐

Planned Unit Development Rider

☐

Other [Specify]

29. Nominee Capacity of MERS. MERS Serves as mortgagee of record and secured party solely as nominee for Lender and its successors and assigns and holds legal title to the interests granted, assigned, and transferred herein. All payments or deposits with respect to the Secured Obligations shall be made to Lender, all advances under the Loan Documents shall be made by Lender, and all consents, approvals, or other determinations required or permitted of Mortgagee herein shall be made by Lender. MERS shall at all times comply with the instructions of Lender and its successors and assigns. If necessary to comply with law or custom, MERS (for the benefit of Lender and its successors and assigns) may be directed by Lender to exercise any or all of those interests, including without limitation, the right to foreclose and sell the Property, and take any action required of Lender, including without limitation, a release, discharge or reconveyance of this Mortgage.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

(SEAL)

BARBARA M BROWN

Date



_____ [Space Below This Line For Acknowledgment] _____

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____,
by _____, who is personally known to me or who
has produced _____ as identification.

notary public

name typed, printed or stamped

title or rank

serial number, if any

my commission expires: _____



Loan Originator Organization

Mortgage Loan Originator Organization: **American Fidelity Financial Services, Inc.**

Nationwide Mortgage Licensing system and Registry Identification Number: **226068**

Individual Loan Originator

Mortgage Loan Originator: **Steven Garcia**

Nationwide Mortgage Licensing system and Registry Identification Number: **225005**



EXHIBIT A

Exhibit A to the Mortgage made on **October 23, 2014**, by **BARBARA M BROWN** ("Borrower") to **Mortgage Electronic Registration Systems, Inc. ("MERS")** ("Mortgagee"). The Property is located in the county of **BROWARD**, state of **Florida**, described as follows:

Description of Property

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND BY THIS REFERENCE
MADE A PART HEREOF



Record and Return to: American Advisors Group
3800 W Chapman Ave, 3rd Floor
Orange, CA 92868

This document prepared by: American Advisors Group

3800 W Chapman Ave, 3rd Floor
Orange, CA 92868

_____[Space Above This Line For Recording Data]_____

State of FLORIDA

FHA Case No. **095-3111343-962**

Loan No. **1607442**

MIN: **1009400-0005024187-7**

NOTE TO TAX EXAMINER: PLEASE REFER TO THE NOTE
REGARDING DOCUMENTARY STAMP TAX AND INTANGIBLE TAX
IMMEDIATELY ABOVE THE SIGNATURE BLOCK ON THE LAST PAGE
OF THIS MORTGAGE.

ADJUSTABLE RATE HOME EQUITY CONVERSION SECOND MORTGAGE

THIS MORTGAGE ("Security Instrument" or "Second Security Instrument") is given on **October 23, 2014**. The mortgagor is **BARBARA M BROWN**, whose post office address is **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334** ("Borrower"). This Security Instrument is given to the Secretary of Housing and Urban Development, whose address is 451 Seventh Street, SW, Washington, DC 20410 ("Lender" or "Secretary"). Borrower has agreed to repay to Lender amounts which Lender is obligated to advance, including future advances, under the terms of a Home Equity Conversion Loan Agreement dated the same date as this Security Instrument ("Loan Agreement"). The agreement to repay is evidenced by Borrower's Adjustable-Rate Note dated the same date as this Security Instrument ("Second Note"). This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Second Note, with interest at a rate subject to adjustment (interest), and all renewals, extensions and modifications of the Note, up to a maximum principal amount of **Four Hundred Forty Two Thousand, Five Hundred Dollars and Zero Cents (U.S. \$442,500.00)**; (b) the payment of all other sums, with interest, advanced under paragraph 5 to protect the security of this Security Instrument or otherwise due under the terms of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Second Note. The full debt, including amounts described in (a), (b), and (c) above, if not due earlier, is due and payable on **April 9, 2081**. For this purpose, Borrower does hereby mortgage, grant and convey to Lender, the following described property located in **BROWARD** County, FLORIDA:

See legal description as Exhibit A attached hereto and made a part hereof for all intents and



purposes

which has the address of

4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334, ("Property Address")

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is only encumbered by a First Security Instrument given by Borrower and dated the same date as this Security Instrument ("First Security Instrument"). 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 and Interest. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Second Note.

2. Payment of Property Charges. Borrower shall pay all property charges consisting of taxes, hazard insurance premiums, flood insurance premiums, ground rents, condominium fees, planned unit development fees, homeowner's association fees, and any other assessments that may be required by local or state law in a timely manner, and shall provide evidence of payment to Lender, unless Lender pays property charges by withholding funds from monthly payments due to the Borrower or by charging such payments to a line of credit as provided for in the Loan Agreement.

3. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire. This insurance shall be maintained in the amounts, to the extent and for the periods required by Lender. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by Lender. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss to Lender, instead of to Borrower and Lender jointly. Insurance proceeds shall be applied to restoration or repair of the damaged Property, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied first to the reduction of any indebtedness under the Second Note and this Security Instrument and then to the reduction of the indebtedness under the First Note and First Security Instrument. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Second Note and this Security Instrument and the First Note and the First Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that



extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

4. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan

Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence after the execution of this Security Instrument and Borrower (or at least one Borrower, if initially more than one person are Borrowers) and shall continue to occupy the Property as Borrower's principal residence for the term of the Security Instrument. "Principal residence" shall have the same meaning as in the Loan Agreement.

Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

5. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in Paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument in the manner provided in Paragraph 13(c).

If Borrower fails to make these payments or the property charges required by Paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in Paragraph 2.

To protect Lender's security in the Property, Lender shall advance and charge to Borrower all amounts due to the Secretary for the Mortgage Insurance Premium as defined in the Loan Agreement as well as all sums due to the loan servicer for servicing activities as defined in the Loan Agreement. Any amounts disbursed by Lender under this Paragraph shall become an additional debt of Borrower as provided for in the Loan Agreement and shall be secured by this Security Instrument.

6. Inspection. Lender or its agent may enter on, inspect or make appraisals of the Property in a reasonable manner and at reasonable times provided that Lender shall give the Borrower notice prior to any inspection or appraisal specifying a purpose for the inspection or appraisal which must be related to Lender's interest in the Property. If the Property is vacant or abandoned or the loan is in default, Lender may take reasonable action to protect and preserve such vacant or abandoned Property without notice to the Borrower.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, shall be paid to Lender. The proceeds shall be applied first to the reduction of any indebtedness under the Second Note and this Security Instrument, and then to the reduction of the indebtedness under the First Note and First Security Instrument. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Second Note and this Security Instrument and the First Note and First Security Instrument shall be paid to the entity legally entitled thereto.



8. Fees. Lender may collect fees and charges authorized by the Secretary.

9. Non-Borrowing Spouse. Borrower, N/A is married to N/A ("Non-Borrowing Spouse"), who is not a Borrower under the terms of the "Second Note," "Loan Agreement" or this Security Instrument.

10. Grounds for Acceleration of Debt.

(a) Due and Payable - Death.

(i) Except as provided in Paragraph 10(a)(ii), Lender may require immediate payment in full of all sums secured by this Security Instrument if a Borrower dies and the Property is not the Principal Residence of at least one surviving Borrower.

(ii) Lender shall defer the Due and Payable requirement under Paragraph 10(a)(i) above for any period of time ("Deferral Period") in which a Non-Borrowing Spouse identified in Paragraph 9 resides in the Property as [his/her] Principal Residence and all of the following conditions are, and continue to be, met:

- a. Such Non-Borrowing Spouse remained the spouse of the identified Borrower for the duration of such Borrower's lifetime;
- b. Such Non-Borrowing Spouse has occupied, and continues to occupy, the property securing the Second Note as [his/her] Principal Residence;
- c. Such Non-Borrowing Spouse has established legal ownership or other ongoing legal right to remain in the property securing the Second Note;
- d. All other obligations of the Borrower under the Second Note, the Loan Agreement and this Security Instrument continue to be satisfied; and
- e. The Second Note is not eligible to be called due and payable for any other reason.

Should any of these conditions for deferral of Due and Payable status not be met at any time, the deferral of the Due and Payable status shall cease and the Second Note will become immediately Due and Payable in accordance with the terms of the Second Note.

(b) Due and Payable - Sale. Lender may require immediate payment in full of all sums secured by this Security Instrument if all of a Borrower's title in the Property (or his or her beneficial interest in a trust owning all or part of the Property) is sold or otherwise transferred and no other Borrower retains title to the Property in fee simple or retains a leasehold under a lease for less than 99 years which is renewable or a lease having a remaining period of not less than 50 years beyond the date of the 100th birthday of the youngest Borrower or retains a life estate (or retaining a beneficial interest in a trust with such an interest in the Property). A deferral of due and payable is not permitted when a Lender requires immediate payment in full under this Paragraph; or

(c) Due and Payable with Secretary Approval. - Lender may require immediate payment in full of all sums secured by this Security Instrument, upon approval of the Secretary, if:

- (i) The Property ceases to be the principal residence of a Borrower for reasons other than death and the Property is not the principal residence of at least one other Borrower; or
- (ii) For a period of longer than 12 consecutive months, a Borrower fails to occupy the Property because of physical or mental illness and the Property is not the principal residence of at least one other Borrower; or
- (iii) An obligation of the Borrower under this Security Instrument is not performed.



A deferral of due and payable is not permitted when a Lender requires immediate payment in full under Paragraph 10(c).

(d) Notice and Certification to Lender. Borrower shall complete and provide to the Lender on an annual basis a certification, in a form prescribed by the Lender, stating whether the property remains the Borrower's Principal Residence and, if applicable, the principal residence of his or her Non-Borrowing Spouse. Where a Borrower has identified a Non-Borrowing Spouse in paragraph 9, the Borrower shall also complete and provide to the Lender on an annual basis a Non-Borrowing Spouse certification, in a form prescribed by the Lender, certifying that all requirements for the application of a Deferral Period continue to apply and continue to be met. During a Deferral Period, the Borrower's annual certifications, required by this paragraph, must continue to be completed and provided to the Lender by the Non-Borrowing Spouse. The Borrower shall also notify Lender whenever any of the events listed in this Paragraph 10 (b)-(c) occur.

(e) Notice to Borrower. Lender shall notify the Borrower whenever the loan becomes due and payable under Paragraph 10 (b)-(c). Lender shall not have the right to commence foreclosure until Borrower has had 30 days after notice to either:

- (i) Correct the matter which resulted in the Security Instrument coming due and payable; or
- (ii) Pay the balance in full; or
- (iii) Sell the Property for the lesser of the balance or 95% of the appraised value and apply the net proceeds of the sale toward the balance; or
- (iv) Provide the Lender with a deed-in-lieu of foreclosure.

(f) Notice to Secretary and Non-Borrowing Spouse. Lender shall notify the Secretary and any Non-Borrowing Spouse identified in Paragraph 9 whenever any event listed in Paragraph 10 (b) and (c) occurs during a Deferral Period.

(g) Trusts. Conveyance of a Borrower's interest in the Property to a trust which meets the requirements of the Secretary, or conveyance of a trust's interests in the Property to a Borrower, shall not be considered a conveyance for purposes of this Paragraph 10. A trust shall not be considered an occupant or be considered as having a principal residence for purposes of this Paragraph 10.

11. No Deficiency Judgments. Borrower shall have no personal liability for payment of the debt secured by this Security Instrument. Lender may enforce the debt only through sale of the Property. Lender shall not be permitted to obtain a deficiency judgment against Borrower if the Security Instrument is foreclosed.

12. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment-in-full. This right applies even after foreclosure proceedings are instituted. To reinstate this Security Instrument, Borrower shall correct the condition which resulted in the requirement for immediate payment-in-full. Foreclosure costs and reasonable and customary attorney's fees and expenses properly associated with the foreclosure proceeding shall be added to the principal balance. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment-in-full. However, Lender is not



required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the Security Instrument.

13. Lien Status.

(a) Modification.

Borrower agrees to extend this Security Instrument in accordance with this Paragraph 13(a). If Lender determines that the original lien status of the Security Instrument is jeopardized under state law (including but not limited to situations where the amount secured by the Security Instrument equals or exceeds the maximum principal amount stated or the maximum period under which loan advances retain the same lien priority initially granted to loan advances has expired) and state law permits the original lien status to be maintained for future loan advances through the execution and recordation of one or more documents, then Lender shall obtain title evidence at Borrower's expense. If the title evidence indicates that the property is not encumbered by any liens (except the First Security Instrument described in Paragraph 14(a), this Second Security Instrument and any subordinate liens that the Lender determines will also be subordinate to any future loan advances), Lender shall request the Borrower to execute any documents necessary to protect the lien status of future loan advances. Borrower agrees to execute such documents. If state law does not permit the original lien status to be extended to future loan advances, Borrower will be deemed to have failed to have performed an obligation under this Security Instrument.

(b) Tax Deferral Programs.

Borrower shall not participate in a real estate tax deferral program, if any liens created by the tax deferral are not subordinate to this Security Instrument.

(c) Prior Liens.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to all amounts secured by this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

14. Relationship to First Security Instrument.

(a) Second Security Instrument. In order to secure payments which the Secretary may make to or on behalf of Borrower pursuant to Section 255(i)(1)(A) of the National Housing Act and the Loan Agreement, the Secretary has required Borrower to execute a Second Note and this Second Security Instrument. Borrower also has executed a First Note and First Security Instrument.

(b) Relationship of First and Second Security Instruments. Payments made by the Secretary shall not be included in the debt under the First Note unless:



(i) The First Security Instrument is assigned to the Secretary; or

(ii) The Secretary accepts reimbursement by the holder of the First Note for all payments made by the Secretary.

If the circumstances described in (i) or (ii) occur, then all payments by the Secretary, including interest on the payments but excluding late charges paid by the Secretary, shall be included in the debt under the First Note.

(c) Effect on Borrower. Where there is no assignment or reimbursement as described in (b)(i) or (ii) and the Secretary makes payments to Borrower, then Borrower shall not:

(i) Be required to pay amounts owed under the First Note, or pay any rents and revenues of the Property under Paragraph 20 to the holder of the First Note or a receiver of the Property, until the Secretary has required payment-in-full of all outstanding principal and accrued interest under the Second Note; or

(ii) Be obligated to pay interest or shared appreciation under the First Note at any time, whether accrued before or after the payments by the Secretary, and whether or not accrued interest has been included in the principal balance under the First Note.

(d) No Duty of the Secretary. The Secretary has no duty to the holder of the First Note to enforce covenants of the Second Security Instrument or to take actions to preserve the value of the Property, even though the holder of the First Note may be unable to collect amounts owed under the First Note because of restrictions in this Paragraph 14.

(e) Restrictions on Enforcement. Notwithstanding anything else in this Security Instrument, the Borrower shall not be obligated to comply with the covenants hereof, and Paragraph 20 shall have no force and effect, whenever there is no outstanding balance under the Second Note.

15. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

16. Successors and Assigns Bound; Joint and Several Liability. Borrower may not assign any rights or obligations under this Security Instrument or the Second Note, except to a trust that meets the requirements of the Secretary. Borrower's covenants and agreements shall be joint and several.

17. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address all Borrowers jointly designate. Any notice to the Secretary shall be given by first class mail to the HUD Field Office with jurisdiction over the Property or any other address designated by the Secretary. Any notice to Non-Borrowing Spouse provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires another method. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this Paragraph 17.

18. Governing Law; Severability. This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Second Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Second Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Second Note are declared to be severable.



19. Borrower's Copy. Borrower shall be given one conformed copy of the Second Note and this Security Instrument.

NON-UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

20. Assignment of Rents. Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not a assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by this Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this Paragraph 20, except as provided in the First Security Instrument .

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by this Security Instrument is paid in full.

21. Foreclosure Procedure. If Lender requires immediate payment-in-full under Paragraph 10, Lender may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Paragraph 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

22. Lien Priority. The full amount secured by this Security Instrument shall have a lien priority subordinate only to the full amount secured by the First Security Instrument.

23. Adjustable-Rate Feature. Under the Note, the initial stated interest rate of **3.157%** which accrues on the unpaid principal balance ("Initial Interest Rate") is subject to change, as described below. When the interest rate changes, the new adjusted interest rate will be applied to the total outstanding principal balance. Each adjustment to the interest rate will be based upon the average of interbank offered rates for one-month U.S. dollar denominated deposits in the London Market ("LIBOR"), as published in The Wall Street Journal ("Index") plus a margin. If the Index is no longer available, Lender will be required to use any index prescribed by the Department of Housing and Urban Development. Lender will give Borrower notice of new index.

Lender will perform the calculations described below to determine the new adjusted interest rate. The interest rate may change on **December 1, 2014** and **on the first day of each succeeding month**. ("Change Date"). Change Date means each date on which the interest rate could change.

The value of the Index will be determined, using the most recent Index figure available thirty **(30)** days



before the Change Date ("Current Index"). Before each Change Date, the new interest rate will be calculated by adding a margin to the Current Index. The sum of the margin plus the Current Index will be called the "Calculated Interest Rate" for each Change Date. The Calculated Interest Rate will be compared to the interest rate in effect immediately prior to the current Change Date (the "Existing Interest Rate").

The Calculated Interest Rate will never increase above **13.157%**

The Calculated Interest Rate will be adjusted if necessary to comply with the rate limitation(s) described above and will be in effect until the next Change Date. At any change date, if the Calculated Interest Rate equals the Existing Interest Rate, the interest rate will not change.

24. Negative Amortization and Compounding of Interest. Since regular periodic payments by Borrower to Lender are not required under the Loan Agreement and accrued interest is added to the loan balance, and in turn will accrue interest, negative amortization and the compounding of interest will occur. Negative amortization and the compounding of interest will increase the amount Borrower owes Lender and will reduce Borrower's equity in the Property.

25. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. If allowed by Applicable Law, Borrower shall pay all recordation costs and Lender may charge Borrower a fee for releasing the Security Instrument.

26. Attorneys' Fees. As used in this Security Instrument and the Note, attorneys' fees shall include those awarded by an appellate court and any attorneys' fees incurred in a bankruptcy proceeding.

27. Jury Trial Waiver. The Borrower hereby waives any right to a trial by jury in any action, proceeding, claim, or counterclaim, whether in contract or tort, at law or in equity, arising out of or in any way related to this Security Instrument or the Note.

28. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es).]

☐

Condominium Rider

☐

Planned Unit Development Rider

☐

Other [Specify]

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

NOTE TO TAX EXAMINER: The obligation secured by this Mortgage was issued to, and is owned by the Secretary of Department of Housing and Urban Development of the United States Government (the "Secretary"). Pursuant to the rules governing the Home Equity Conversion Program applicable to the obligation secured by this Mortgage, a note issued to, or owned by, the Secretary is exempt from state and local recording taxes, including the Florida documentary stamp tax and intangible tax. Consequently, the Florida documentary stamp tax and intangible tax are not payable in connection with the recording of this mortgage. In addition, this mortgage is an ancillary mortgage on the subject



property in favor of the Secretary securing advances the Secretary may make under a Home Equity Conversion Loan Agreement (the "Loan Agreement") among the Secretary, the mortgagors named in this mortgage (the "Mortgagors") and lender named in this Mortgage (the "Lender"). The Loan Agreement provides for advances to be made to the Mortgagors by the Lender up to the advance limit specified in the Loan Agreement (the "Advance Limit") or, if the Lender is unable to make advances, the Agreement provides for the Secretary to perform the obligation to make advances to the Mortgagors up to the Advance Limit. The total advances by the Lender, and, if necessary, the Secretary, under the Loan Agreement will not exceed the Advance Limit. Advances made by the Lender under the Loan Agreement are secured by a lien on the same property as the property described in this Mortgage, pursuant to that Adjustable Rate Home Equity Conversion Mortgage by the Mortgagors in favor of the Lender recorded as Official instrument number # _____, of the Public Records of **BROWARD** County, Florida (the "Lender Mortgage"). Thus, this Mortgage and the Lender Mortgage encumber the same property and secure the same obligation of the Mortgagors to repay advances under the Loan Agreement. A documentary stamp tax and an intangible tax were paid on the full amount of the Advance Limit under the Loan Agreement when the Lender Mortgage was recorded and, consequently, no documentary stamp tax or intangible tax is due in connection with the recording of this Mortgage.

(SEAL)
BARBARA M BROWN

Date



_____ [Space Below This Line For Acknowledgment] _____

STATE OF FLORIDA

ss:

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____,
by _____, who is personally
known to me or who has produced _____ as identification.

notary public

name typed, printed or stamped

title or rank

serial number, if any

my commission expires: _____



Loan Originator Organization

Mortgage Loan Originator Organization: **American Fidelity Financial Services, Inc.**

Nationwide Mortgage Licensing system and Registry Identification Number: **226068**

Individual Loan Originator

Mortgage Loan Originator: **Steven Garcia**

Nationwide Mortgage Licensing system and Registry Identification Number: **225005**



EXHIBIT A

Exhibit A to the Mortgage made on **October 23, 2014**, by **BARBARA M BROWN** ("Borrower") to the Secretary of Housing and Urban Development, and whose address is 451 Seventh Street, S.W., Washington, D.C. 20410, ("Lender" or "Secretary"). The Property is located in the county of **BROWARD**, state of **Florida**, described as follows:

Description of Property

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND BY THIS REFERENCE
MADE A PART HEREOF



Home Equity Conversion Mortgage Loan Agreement

FHA Case No. **095-3111343-962**
Loan No. **1607442**

THIS AGREEMENT is made on, **October 23, 2014**, among
BARBARA M BROWN ("Borrower"), and
American Advisors Group ("Lender")
and the Secretary of Housing and Urban Development ("Secretary").

Article 1 - Definitions

1.1 Deferral Period means the period of time following the death of the last surviving borrower during which the due and payable status of a HECM is further deferred based on the continued satisfaction of the requirements for a Non-Borrowing Spouse determined by the Secretary and all other FHA requirements.

1.2. Expected Average Mortgage Interest Rate means the amount indicated on the attached payment plan (Exhibit 1). It is a constant interest rate used to calculate monthly payments to the Borrower throughout the life of the loan.

1.3 First Year Disbursement Period means the period starting on the date of loan closing and ending the day before the first anniversary of loan closing.

1.4. Loan Advances means all funds advanced from or charged to Borrower's account under conditions set forth in this Loan Agreement, whether or not actually paid to Borrower.

1.5. Loan Documents means the Note, Second Note, Security Instrument and Second Security Instrument.

1.6. Mandatory Obligations means only those charges, fees, amounts and expenses as authorized by the Secretary.

1.7. Maximum Claim Amount means the lesser of the appraised value of the property, as determined by the appraisal used in underwriting the loan, or the sales price of the property being purchased for the sole purpose of being the principal residence, or the national mortgage limit under section 255 (g) or (m) of the National Housing Act applicable to this loan agreement. Closing costs must not be taken into account in determining appraised value.

1.8. Non-Borrowing Spouse means the spouse **N/A**, as determined by the law of the state in which the spouse **N/A** and borrower **N/A** reside or the state of celebration, of the HECM borrower **N/A** at the time of closing and who is not a borrower.

1.9. Note means the promissory note signed by Borrower together with this Loan Agreement and given to Lender to evidence Borrower's promise to repay, with interest, Loan Advances by Lender or Lender's assignees.

1.10. Principal or Principal Balance means the sum of all Loan Advances made as of a particular



date, including interest and mortgage insurance premiums.

1.11. Principal Limit means the amount indicated on the attached payment plan (Exhibit 1) when this Loan Agreement is executed, and increases each month for the life of the loan at a rate equal to one-twelfth of the mortgage interest rate in effect at the time plus one-twelfth of one-half of one percent. The Principal Limit is calculated by multiplying the Maximum Claim Amount by a factor supplied by the Secretary.

1.12. Principal Residence means the dwelling where a borrower, and if applicable, a Non-Borrowing Spouse maintains his or her permanent place of abode, and typically spends the majority of the calendar year. A person may have only one principal residence at any one time. The Property shall be considered to be the Principal Residence of any borrower who is temporarily in a health care institution provided the borrower's residency in a health care institution does not exceed twelve consecutive months. The Property shall be considered to be the Principal Residence of any Non-Borrowing Spouse, who is temporarily in a health care institution, as long as the Property is the Principal Residence of his or her borrower spouse, who physically resides in the property. During a Deferral Period,, the Property shall continue to be considered to be the Principal Residence of any Non-Borrowing Spouse, who is temporarily in a health care institution, provided the Non-Borrowing Spouse physically occupied the property immediately prior to entering the health care institution and the Non-Borrowing Spouse's residency in a health care institution does not exceed twelve consecutive months.

1.13. Property means Borrower's property identified in the Security Instrument.

1.14. Property Charges means taxes, hazard insurance premiums, flood insurance premiums, ground rents, condominium fees, planned unit development fees, homeowner's association fees, and any other assessments that may be required by local or state law.

1.15. Second Note means the promissory note signed by Borrower together with this Loan Agreement and given to the Secretary to evidence Borrower's promise to repay, with interest, Loan Advances by the Secretary secured by the Second Security Instrument.

1.16. Second Security Instrument means the mortgage, deed of trust, security deed or other security instrument which is signed by Borrower together with this Loan Agreement and which secures the Second Note.

1.17. Security Instrument means the mortgage, deed of trust, security deed or other security instrument which is signed by Borrower together with this Loan Agreement and which secures the Note.

Article 2 - Loan Advances

2.1. General. Lender agrees to make Loan Advances under the conditions set forth in this Loan Agreement in consideration of the Note and Security Instrument given by Borrower on the same date as this Loan Agreement.

2.2. Initial Advances.



2.2.1. Loan Advances shall be used by Lender to pay, or reimburse Borrower for, closing costs listed in the Schedule of Closing Cost (Exhibit 2) attached to and made a part of this Loan Agreement, except that Loan Advances will only be used to pay origination fees in an amount not to exceed the greater of \$2,500 or 2% of the maximum claim amount of the mortgage, up to a maximum claim amount of \$200,000, *plus* one percent of any portion of the maximum claim amount that is greater than \$200,000, *nor* shall the Lender charge the Borrower an origination fee in excess of \$6,000.

2.2.2. Loan Advances shall be used by Lender to discharge the liens on the Property listed in the Schedule of Liens/HECM for Purchase Disbursement to Seller (Exhibit 2) attached to and made a part of this Loan Agreement.

2.2.3. Lender shall pay an initial Loan Advance to Borrower in the amount indicated on the attached payment plan (Exhibit 1).

2.2.4. Initial advances required by this Section 2.2 shall be made as soon as such advances are permitted by the applicable provisions of 12 CFR Part 1026 (Truth in Lending) governing Borrower's right of rescission, but not before that time.

2.2.5. Borrower's aggregate initial advances during the First Year Disbursement Period will be limited to the greater of 60% of the initial Principal Limit or the sum of Mandatory Obligations plus an additional 10% of the initial Principal Limit, so long as such amount does not exceed the maximum Principal Limit. In the event Borrower makes a payment towards the outstanding loan balance on the line of credit during the First Year Disbursement Period, the Lender may make subsequent Loan Advances during the remainder of the First Year Disbursement Period only to the extent Borrower's payment was applied to the outstanding principal balance.

2.2.6. If any requested Loan Advance would exceed 60% of the initial Principal Limit, Lender may make a partial payment to the mortgagor for the amount that would not exceed 60%. Prior to Lender paying a partial Loan Advance to avoid causing the aggregate initial advances to exceed 60% of the Principal Limit within the First Year Disbursement Period, Lender must provide Borrower with written notice about inability to exceed the 60% threshold.

2.2.7. No Loan Advances are permitted during the Deferral Period, except for amounts disbursed or accrued from under 2.3.2, 2.3.3, 2.3.4, 2.12.3, 2.13.3, and 2.15.3.

2.3. Set Asides.

2.3.1. Amounts set aside from the Principal Limit shall be considered Loan Advances to the extent actually disbursed or earned by Lender.

2.3.2. Lender shall initially set aside from the Principal Limit the amount indicated on the attached payment plan (Exhibit 1) for repairs to be made in accordance with a Repair Rider attached to and made a part of this Loan Agreement (Exhibit 3). This set aside remains available for disbursement during any Deferral Period and the Lender may add such disbursements to the Principal Balance.

2.3.3. Lender shall initially set aside from the Principal Limit the amount indicated on the attached payment plan (Exhibit 1) to be applied to payments due for first year property charges consisting of taxes, hazard insurance premiums, flood insurance premiums, ground rents, condominium fees, planned unit development fees, homeowner's association fees, and any other assessments that may be required by local or state law.



2.3.4. Lender shall initially set aside from the Principal Limit the amount indicated on the attached payment plan (Exhibit 1) to be applied to payment due for a fixed monthly charge for servicing activities of Lender or its servicer. Such servicing activities are necessary to protect Lender's interest in the Property. A servicing fee set aside, if any, is not available to the Borrower for any purpose, except to pay for loan servicing. A servicing set aside under this section remains available for disbursement during any Deferral Period and the Lender may add such disbursements to the Principal Balance.

2.4. Charges and Fees. Borrower shall pay to Lender reasonable and customary charges and fees as permitted under 24 CFR 206.207(a). Such amounts shall be considered Loan Advances when actually disbursed by Lender.

2.5. Monthly Payments.

2.5.1. Loan Advances paid directly to Borrower shall be made in equal monthly payments if requested by Borrower.

2.5.2. Monthly payments, if requested under 2.5.1, shall be calculated based on the payment plan requested by Borrower.

2.5.3. Monthly payments under the term payment plan are made only during a term chosen by Borrower and shall be calculated so that the sum of (i) or (ii) as applicable added to (iii), (iv), (v) and (vi) shall be equal to or less than the Principal Limit at the end of the term; except that during the First Year Disbursement Period, the amount calculated shall not be greater than the maximum amount permitted under 2.2.5:

(i) Initial Advances under Section 2.2, plus any initial servicing fee set aside under Subsection 2.3.4, or

(ii) The Principal Balance at the time of a change in payments under Sections 2.8 and 2.9 plus any remaining servicing fee set aside under Subsection 2.3.4, and

(iii) The portion of the Principal Limit set aside as a line of credit under Section 2.7, including any set asides for repairs (Subsection 2.3.2) and first year property charges (Subsection 2.3.3), and

(iv) All monthly payments due through the payment term, including funds withheld for payment of property charges under Section 2.10, and

(v) All mortgage insurance premiums, or monthly charges due to the Secretary in lieu of mortgage insurance premiums, which are due through the payment term (Subsection 2.13), and

(vi) All interest through the payment term. The Expected Average Mortgage Interest Rate shall be used for this purpose.



2.5.4. Monthly payments under the tenure payment plan shall be calculated as in Subsection 2.5.3 as if there were a payment term with the number of months in the term equal to the sum of 100 minus the age of the youngest Borrower multiplied by 12, but payments shall continue until the loan becomes due and payable as provided in the Loan Documents.

2.5.5. Monthly payments shall be paid to Borrower on the first business day of a month.

2.5.6. If Borrower has requested monthly payments, payments shall be indicated on the attached payment plan (Exhibit 1). The payment plan may be changed by Borrower as provided in Sections 2.8 and 2.9.

2.6. Line of Credit without Monthly Payments.

2.6.1. Borrower can request Loan Advances under a line of credit payment plan in amounts and at times determined by Borrower, if the Principal Balance of the loan after the Loan Advance is made is less than or equal to the applicable Principal Limit, except that during the First Year Disbursement Period the amount available shall not be greater than the maximum amount permitted under 2.2.5, excluding any portion of the Principal Limit set aside under Sections 2.3.2 or 2.3.4 The line of credit amount increases at the same rate as the total Principal Limit under Section 1.11.

2.6.2. Line of credit payments shall be paid to Borrower within five business days after Lender has received a written request for payment by Borrower.

2.6.3. Lender may specify a form for line of credit payment requests.

2.6.4. Lender shall provide Borrower with a statement of the account every time a line of credit payment is made. The statement shall include the current interest rate, the previous Principal Balance, the amount of the current Loan Advance, the current Principal Balance after the Loan Advance, and the current Principal Limit.

2.7. Line of Credit with Monthly Payments.

2.7.1. Borrower may receive monthly payments under either a term or tenure payment plan combined with a line of credit, as indicated on the attached payment plan (Exhibit 1).

2.7.2. Subsections 2.6.2, 2.6.3 and 2.6.4 apply to a line of credit combined with term or tenure payments.

2.7.3. If Borrower combines a line of credit with a term or tenure payment plan, the Principal Limit is divided into: (a) an amount for the line of credit payments, including repair and property charge set asides, (b) an amount for monthly payments which shall be calculated under Subsection 2.5.3 or 2.5.4 and (c) an amount for a servicing fee set aside, if required by Lender under Subsection 2.3.4 Amounts designated for line of credit payments and monthly payments increase independently at the same rate as the total Principal Limit increases under Section 1.11. Borrower can request Loan Advances in amounts and at times determined by Borrower, if the requested amount is less than or equal to the difference between (a) the Principal Limit applicable to the line of credit set aside, except that during the First Year Disbursement Period instead of using the applicable Principal Limit, the maximum amount permitted under 2.2.5 shall be used, and (b) the portion of the outstanding Principal Balance attributable to draws on the line of credit, including accrued interest and mortgage insurance premium or monthly charge due to



the Secretary, but excluding any portion of the Principal Limit set aside under Subsections 2.3.2 and 2.3.4.

2.7.4. A Borrower receiving monthly payments in combination with a line of credit may prepay the outstanding mortgage balance in accordance with the terms of the Note.

2.8. Change in Payments Generally.

2.8.1. Whenever the Principal Balance of the loan is less than the Principal Limit, Borrower may change from any payment plan allowable under this Loan Agreement to another.

2.8.2. If Borrower requests that monthly payments be made after a change in payment plan, Lender shall recalculate future monthly payments in accordance with Subsections 2.5.3 or 2.5.4.

2.8.3. Lender may charge a fee not to exceed twenty dollars, whenever payments are recalculated and in any other circumstances in which Borrower is required to sign a form acknowledging a change in payment plan as provided in Subsection 2.8.5.

2.8.4. Loan Advances under a new payment plan shall be paid to Borrower in the same manner and within the time period required under Sections 2.5, 2.6 or 2.7.

2.8.5. Changes in the payment plan must be acknowledged by Borrower by signing a form containing the same information as the attached payment plan (Exhibit 1). Lender shall provide a copy of the completed form to Borrower.

2.9. Change in Payments Due to Initial Repairs.

2.9.1. If initial repairs after closing, made in accordance with the Repair Rider, are completed without using all of the repair set aside, Lender shall inform Borrower of the completion and the amount then available to the Borrower to be drawn under a line of credit.

2.9.2. If initial repairs after closing, made in accordance with the Repair Rider, cannot be fully funded from the repair set aside, any additional Loan Advances needed to complete repairs shall be made in the manner provided under Section 2.16.

2.9.3. If initial repairs are not completed when required by the Repair Rider, Borrower shall not request and Lender shall not make any further payments, except as needed to pay for repairs required by the Repair Rider and mandatory Loan Advances under Section 4.6. In order to complete the required repairs, Loan Advances shall be made first from the repair set aside, and then in the manner provided under Section 2.16.

2.10. Payment of Property Charges.

2.10.1. Borrower has elected to require Lender to use Loan Advances to pay property charges consisting of taxes, hazard insurance premiums, flood insurance premiums, ground rents, and any other assessments that may be required by local or state law if indicated on the attached payment plan (Exhibit 1). Borrower may change this election by notifying Lender and at that time Lender shall pay to Borrower any amounts withheld from the Loan Advances to pay property charges, except that any Loan Advances during the First Year Disbursement Period are subject to the limitation as provided for in Section 2.2.5.

2.10.2. If Borrower has made the election under Subsection 2.10.1. and Borrower is receiving



monthly payments, Lender shall withhold amounts from each monthly payment and use the amounts withheld to make timely payments of property charges. The amounts withheld shall be calculated as provided in Subsection 2.10.3. Amounts withheld from monthly payments shall not be treated as Loan Advances and shall not bear interest except to the extent actually disbursed by Lender.

2.10.3. If Borrower has made the election under Subsection 2.10.1, Lender shall withhold from each monthly payment an amount to pay (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, (c) premiums for fire, flood and other hazard insurance required by the Security Instrument and (d) any other assessments that may be required by local or state law. Each monthly withholding for items (a), (b), (c) and (d) shall equal one-twelfth of the annual amounts, as reasonably estimated by Lender. The full annual amount for each item shall be paid by Lender before an item would become delinquent. Lender shall treat amounts for items (a), (b), (c) and (d) as Loan Advances adding to the Principal Balance when paid. If at any time the withholding for item (a), (b), (c) or (d) exceeds the amount of actual property charges, Lender shall pay the excess withholding to Borrower and add it to the Principal Balance. If the total of the withholding for item (a), (b), (c) or (d) is insufficient to pay the item when due, the amount necessary to make up the deficiency on or before the date the item becomes due shall be paid as a Loan Advance in the manner provided under Section 2.16.

2.10.4. If Borrower has made the election under Subsection 2.10.1 and Borrower is not receiving monthly payments, Lender shall make Loan Advances under the line of credit payment plan as needed to make timely payments of property charges, provided that no such Loan Advance shall exceed the amount permitted by Section 2.6.1.

2.10.5. If Borrower fails to pay the property charges in a timely manner, and has not elected to have Lender make the payments, Lender shall pay the property charges as a Loan Advance as required under Section 2.16. If a pattern of missed payments occurs, Lender may establish procedures to pay the property charges from Borrower's funds as if Borrower elected to have Lender pay the property charges.

2.10.6. Lender shall immediately notify any Borrower who has made the election under Subsection 2.10.1 whenever Lender determines that amounts available from monthly payments or line of credit payments will be insufficient to pay property charges.

2.11. Insurance and Condemnation Proceeds. If insurance or condemnation proceeds are paid to Lender, the Principal Balance shall be reduced by the amount of the proceeds not applied to restoration or repair of the damaged Property and the available loan funds shall be recalculated. At the same time, the Principal Limit also shall be reduced by the amount of the proceeds applied to reduce the Principal Balance.

2.12. Interest.

2.12.1. Interest shall be calculated as provided in the Loan Documents.

2.12.2. Interest shall accrue daily and be added to the Principal Balance as a Loan Advance at the end of each month.



2.13. Mortgage Insurance Premium (MIP); Monthly Charge.

2.13.1. Monthly MIP shall be calculated as provided in 24 CFR Part 206. If the Security Instrument is held by the Secretary or if the Secretary makes Loan Advances secured by the Second Security Instrument, a monthly charge shall be due to the Secretary and shall be calculated in the same manner as MIP.

2.13.2. The full amount of monthly MIP or monthly charge, including any portion of the MIP retained by a Lender under 24 C.F.R. 206.109, shall be considered to be a Loan Advance to Borrower on the later of the first day of the month or the day Lender pays the MIP to the Secretary, if any MIP is due to the Secretary. In the event that the Note becomes due and payable or the Note is prepaid in full after the first day of the month, Lender may add the accrued MIP to the Principal Balance or the Secretary may add the accrued monthly charge to the Principal Balance.

2.13.3. In the event of a Deferral Period, the monthly MIP will continue to accrue and the Lender may add the accrued MIP to the Principal Balance.

2.14. Manner of Payment. Only a Borrower has a right to receive Loan Advances. Borrowers shall choose to receive Loan Advances by either electronic funds transfer to a bank account designated by all Borrowers or by check mailed to an address designated by all Borrowers, except where all Borrowers agree that payment should be made directly to a third party for the benefit of the Borrowers. Borrowers may change the manner of payment by notifying Lender.

2.15. Protection of Property.

2.15.1. If Borrower vacates or abandons the Property, or if Borrower is in default under the Security Instrument, then Lender may make reasonable expenditures to protect and preserve the Property and these expenditures will be considered Loan Advances as required under Section 2.16.

2.15.2. If Borrower fails to pay governmental or municipal charges, fines or impositions that are not included in Section 2.10 or if there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property. These expenditures will be considered Loan Advances as required under Section 2.16.

2.15.3. During a Deferral Period, if governmental or municipal charges, fines or impositions that are not included in Section 2.10 or if there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property. These expenditures will be considered Loan Advances as required under Section 2.16. If obligations of the mortgage are not satisfied during the Deferral Period, the Deferral Period will immediately cease and the Loan will be immediately due in full.

2.16. Unscheduled Payments. Loan Advances made pursuant to Sections 2.3.4, 2.4, 2.9.2, 2.9.3, 2.10.3, 2.10.5, and 2.15. shall be made from a line of credit under Section 2.6. or 2.7. to the extent available. If no line of credit sufficient to make the Loan Advances exists or is available, any future monthly payments must be recalculated in accordance with Subsection 2.5.3 or 2.5.4 to create a line of credit sufficient to make the Loan Advances.



Article 3 - Late Charge

3.1. Amount Due. Lender shall pay a late charge to Borrower for any late payment. If Lender does not mail or electronically transfer a scheduled monthly payment to Borrower on the first business day of the month or mail or electronically transfer a line of credit payment to Borrower within 5 business days of the date Lender received the request, the late charge shall be 10 percent of the entire amount that should have been paid to the Borrower for that month or as a result of that request. For each additional day that Lender fails to make payment, Lender shall pay interest on the late payment at the interest rate stated in the Loan Documents. If the Loan Documents provide for an adjustable interest rate, the rate in effect when the late charge first accrues shall be used. In no event shall the total late charge and interest exceed five hundred dollars. Any late charge shall be paid from Lender's funds and shall not be added to the unpaid Principal Balance.

3.2. Waiver. The Secretary may waive a late charge where the Secretary determines that the late payment resulted from circumstances beyond Lender's control and that no act or omission of Lender contributed to the late payment. At the time Lender requests a waiver, Lender shall inform Borrower that a waiver of late charge has been requested from the Secretary and that the late charge will be sent to Borrower if the waiver is denied. If the Secretary denies the waiver, Lender shall pay to Borrower the late charge and interest that accrued from the date the payment was late until the date the waiver was requested.

Article 4 - Termination of Lender's Obligation to Make Loan Advances

4.1. Loan Due and Payable. Lender shall have no obligation to make Loan Advances if Lender has notified Borrower that immediate payment-in-full to Lender is required under one or more of the Loan Documents unless and until the notice is rescinded by Lender.

4.2. Deferral Period of Loan Due and Payable Status. Where the last surviving borrower dies and a Non-Borrowing Spouse, identified by a borrower, met and continues to meet all requirements established by the Secretary, the Due and Payable status will be deferred until the property is no longer the principle residence of an identified Non-Borrowing Spouse, an identified Non-Borrowing Spouse fails to ensure all other requirements established by the Secretary are met, or an identified Non-Borrowing Spouse dies, whichever occurs first. During the Deferral Period, the Lender shall have no obligation to make Loan Advances but the Lender may not require immediate payment in full until the end of the Deferral Period. The Lender may continue to add to the outstanding Principal Balance the amounts that accrue in accordance with Subsections 2.3.2, 2.3.4, 2.12.3, and 2.13.3. The Lender shall notify an identified Non-Borrowing Spouse that the Due and Payable status of the Loan is in a Deferral Period only for the amount of time that an identified Non-Borrowing Spouse continues to meet all requirements established by the Secretary and the property continues to be the principle residence of such a Non-Borrowing Spouse. Once the Deferral Period ends, the Loan is immediately due and payable.

4.3. Loan Advances by Secretary. If the Security Instrument has been assigned to the Secretary or the Secretary notifies Lender and Borrower that Loan Advances are secured by the Second Security Instrument, Lender shall have no further obligation to make Loan Advances under this Loan Agreement, unless the Secretary accepts later reimbursement by the Lender for all Loan Advances made, earned or disbursed by the Secretary. The Secretary may establish procedures for handling requests for payments and changes in payment plans during the interval between Lender's notification of intent to assign the Security Instrument to the Secretary and completion of the assignment. Borrower shall be informed of such procedures by Lender and/or the Secretary, and Borrower shall comply with



such procedures.

4.4. Lien Status Jeopardized. Lender shall have no obligation to make further Loan Advances if the Lender or the Secretary determines that the lien status of the Security Instrument or the Second Security Instrument is jeopardized under State laws as described in Paragraph 13(a) of the Security Instrument or Second Security Instrument and the lien status is not extended in accordance with Paragraph 13(a).

4.5. Bankruptcy. Lender shall have no obligation to make further Loan Advances on or following the date that a petition for bankruptcy of Borrower is filed.

4.6. Mandatory Loan Advances. Notwithstanding anything in Sections 4.1. through 4.4., all Loan Advances under Sections 2.10 (property charges), 2.12 (interest), 2.13 (MIP, monthly charge, or Annual MIP Adjustment), 2.15 (protection of Property) or 2.3.4. (servicing fee) shall be considered mandatory Loan Advances by Lender.

4.7. Prepayment in Full. Lender shall not make Loan Advances if Borrower has paid the Note in full (or the Second Note, if the Secretary has assumed the Lender's rights and obligations under Article 5).

Article 5 - HUD Obligation

If the Lender has no further obligation to make payments to Borrower because of Section 4.3, the Secretary shall assume the rights and obligations of Lender under this Loan Agreement, except the Secretary shall not assume any obligation of paying flood, fire and other hazard insurance from Loan Advances. If the Secretary makes Loan Advances to Borrower under the Second Security Instrument, the portion of the Principal Limit available for Loan Advances shall be the difference between the current Principal Limit and the combined Principal Balances on the Security Instrument less accrued interest and the Second Security Instrument.

Article 6 - Miscellaneous

6.1. Forbearance Not a Waiver. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

6.2. Successors and Assigns Bounds; Joint and Several Liability; Cosigners. The covenants and agreements of this Loan Agreement shall bind and benefit the successors and assigns of Lender. An assignment made in accordance with the regulations of the Secretary shall fully relieve the Lender of its obligations under this Loan Agreement. Borrower may not assign any rights or obligations under this Loan Agreement. Borrower's covenants and agreements shall be joint and several.

6.3. Borrower Certifications. Borrower shall complete and provide to the Lender on an annual basis a certification, in a form prescribed by the Lender, stating whether the property remains the Borrower's principal residence and, if applicable, the principal residence of his or her Non-Borrowing Spouse. Where a Borrower has identified a Non-Borrowing Spouse, the Borrower shall also complete and provide to the Lender on an annual basis a Non-Borrowing Spouse certification, in a form prescribed by the Lender, certifying that all requirements for the application of a Deferral Period continue to apply and continue to be met. During a Deferral Period, the Borrower's annual certifications, required by this paragraph, must continue to be completed and provided to the Lender by the Non-Borrowing Spouse.

6.4. Notices. Any notice to Borrower provided for in this Loan Agreement shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the property address shown in the Security Instrument or any other address all



Borrowers jointly designate. Any notice to a Non-Borrowing Spouse shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the property address shown in the Security Instrument or any other address all Borrowers and Non-Borrowing Spouse, if applicable, jointly designate. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice to the Secretary shall be given by first class mail to the HUD National Servicing Center or any other place designated by the Secretary. Any notice provided for in this Loan Agreement shall be deemed to have been given to Borrower, Lender or the Secretary when given as provided in this Section.

6.5. Governing Law; Severability. This Loan Agreement shall be governed by Federal law and the law of the jurisdiction in which the Property is located. The Lender in this Loan Agreement must comply with the Fair Housing Act, 42 U.S.C. Sec. 3601 - 3619, which prohibits discrimination on the basis of race, color, religion, sex, handicap familial status, or national origin. In the event that any provision or clause of this Loan Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Loan Agreement which can be given effect without the conflicting provision. To this end the provisions of this Loan Agreement are declared to be severable.

6.6. Copies. Lender, Borrower and the Secretary shall each receive one original executed copy of this Loan Agreement when signed by the Secretary.

6.7. When Agreement Becomes Binding. This Loan Agreement shall bind Lender and Borrower when both Lender and Borrower have signed. This Loan Agreement shall bind the Secretary only when the lender signs on behalf of the Secretary of Housing and Urban Development and a Mortgage Insurance Certificate is issued for the Security Instrument.

6.8. Third Party Beneficiary. Except as set forth in 4.2 and only for an identified Non-Borrowing Spouse in this document, this Agreement does not and is not intended to confer any rights or remedies upon any person other than the parties. Borrower agrees that it is not a third-party beneficiary to the Contract of Insurance between HUD and Lender.

BY SIGNING BELOW the parties accept and agree to the terms contained in this Loan Agreement and the exhibits.


BARBARA M BROWN

(SEAL)


Date



American Advisors Group

By: _____

Title: _____

Secretary of Housing and Urban Development

By: _____

Title: _____





Exhibit 1
Home Equity Conversion Mortgage
Payment Plan

Date of Payment Plan: **10/23/2014**
FHA Case Number: **095-3111343-962**
Name of Lender: **American Advisors Group** Loan #: **1607442**
Name of Borrower(s): **BARBARA M BROWN** Birthdate(s): **4/9/1931**

Was the Expected Average Mortgage Interest Rate locked? **X** Yes No

Date used to determine the Index to calculate the Expected Average Mortgage Interest Rate: Initial Mortgage Interest (accrual) Rate: **3.157%**
Expected Average Mortgage Interest Rate: **5.310%** Margin: **3.000%**

This HECM is an **X** open-end closed-end credit plan. Under an open-end credit plan, you may re-pay and re-use loan proceeds.

Available Loan Proceeds:

1.	Principal Limit		\$195,585.00
2.	Servicing Fee Set Aside	\$0.00	
3.	Initial MIP	1,050.00	
4.	Closing Costs	4,244.78	
5.	Discharge of Liens/HECM for Purchase Price	\$166,311.55	
6.	Repair Set Aside	\$0.00	
7.	Property Charges Paid at Closing or in First 12 Months	\$0.00	
8.	Mandatory Obligations		\$171,606.33
9.	Mandatory Obligations plus 10% of Principal Limit (not to exceed the Principal Limit)		\$191,164.83
10.	60% of Principal Limit		\$117,351.00
11.	Maximum Possible Initial Disbursement Limit (Enter the Greater of Line 9 or Line 10)		\$191,164.83

Borrower's Payment Options and Elections:

12. If Line 11 is greater than Line 10, Borrower may elect to limit Initial Disbursement Limit to 60% of the Principal Limit (the amount noted in Line 10 above) which may reduce the amount of funds available during the First 12 Months of the Loan and/or require Borrower to bring Cash to Close, but may also provide Borrower with substantially reduced Initial MIP cost (*see footnote 1*). If Line 11 is greater than Line 10, Borrower elects to limit Initial Disbursement Limit to 60% of the Principal Limit:

 Yes **X** No

13. Borrower's requested Initial Disbursement Limit: **191,164.83**
14. Cash To or From Borrower at Closing: **\$19,558.50**



15. Election of Payment Plan for Remaining Amount(s): (see footnote 2)

A. ☐ Single Disbursement Lump Sum Option
(A fixed rate loan is only available with a Single Disbursement Lump Sum Option Payment Plan. If you elect a Single Disbursement Lump Sum Option Payment Plan, except for items as specified under section 2.2.7 of the Loan Agreement, no further Loan Advances may be made under your Loan in excess of the Amount shown Line 14 above.)

B. ☐ Monthly Payments (Tenure Term) (see footnote 3)

Monthly Payments during First 12-Months of the Loan	\$	<input type="text"/>
Monthly Payments after First 12-Months of the Loan	\$	<input type="text"/>
Line of Credit During the First 12 Months of the Loan	\$	<input type="text"/>
Additional Line of Credit After the First 12 Months of the Loan	\$	<input type="text"/>

C. ☐ Monthly Payments (Tenure Term) and Line of Credit

During the First 12 Months of the Loan:		
Monthly Payments	\$	<input type="text"/>
Line of Credit	\$	<input type="text"/>
After the First 12 Months of the Loan:		
Monthly Payments	\$	<input type="text"/>
Additional Line of Credit	\$	<input type="text"/>

D. ☒ Line of Credit

Line of Credit During the First 12 Months of the Loan	\$	0.00
Additional Line of Credit After the First 12 Months of the Loan	\$	4,420.17

By signing below, the borrower(s) agree(s) that this document accurately describes the principal features of the current payment plan

BARBARA M BROWN

Date

1 If available and you elect to receive greater than 60% of Principal Limit During the First 12 Months of the Loan, this will result in a higher Initial MIP (2.5% of the Maximum Claim Amount). Initial Disbursement Limits equal to 60% of Principal Limit during the First 12 Months of the Loan will result in a lower Initial MIP (0.5% of the Maximum Claim Amount).

Electing to receive 60% or less of Principal Limit during the First 12 Months of the Loan will limit the accessible and available Loan Proceeds to 60% of the Principal Limit during the First 12 Months of your Loan.

2 Unless you elect a Single Disbursement Lump Sum Option, subject to your Available Initial Disbursement Limit and the overall Principal Limit, you may elect to receive your Available Initial Disbursement Proceeds as a Lump Sum, Monthly Payments, Line of Credit, or a Combination of the above. After the First 12 Months of Your Loan, you may elect to receive your remaining Available Principal Limit, if any, as Monthly Payments, a Line of Credit, or a Combination thereof.

3 If you elect a Tenure based plan, you will receive equal monthly payments from the Lender for as long as you live in and continue to occupy the property as your principal residence. If you elect a Term based plan, you will receive equal monthly payments from the Lender for a fixed period of months as elected by you.



Exhibit 2

Schedule of Closing Costs

FHA Case No. **095-3111343-962**
Loan No. **1607442**

Charges Description	POC Amount	Estimated Amount
Document preparation		\$125.00
Settlement or closing fee		\$465.00
Mortgage Insurance Premium		\$1,050.00
Origination Fee		\$- 2,000.00
Appraisal fee		\$575.00
Express Mail		\$40.00
Title Search		\$175.00
Comp		\$155.00
Intangible tax		\$1,180.00
Lender's title insurance		\$1,550.00
Coordination		\$250.00
Surcharge		\$3.28
Endorsements		\$75.00
Recording charges mortgage		\$506.00
Document preparation		\$60.00
Email		\$25.00
State tax/stamps mortgage		\$2,065.00
Total Estimated Settlement Costs		\$6,299.28

Schedule of Liens/HECM for Purchase Disbursements to Seller

Lien Holder	Account #	Amount
American Advisors Group	1159811	\$166,311.55

BARBARA M BROWN (SEAL)

Date

Home Equity Conversion Mortgage Federal Truth-In-Lending Loan Closing Disclosure Statement

FHA Case Number: **095-3111343-962**

Loan Number: **1607442**

In this Disclosure, the words you, your, and yours mean the Borrower(s), and the words we, us and our mean **American Advisors Group**. The words "homeowner" means a Borrower or an identified Non-Borrowing Spouse.

Non-Borrowing Spouse means the spouse of the Borrower at the time of closing who is not a Borrower. Identified Non-Borrowing Spouse means a Non-Borrowing Spouse, certified and identified by the Borrower, which Non-Borrowing Spouse also certifies in writing he or she is married to the Borrower, whom truthfully discloses their name and age to the Lender and continues to occupy the property securing a FHA-insured HECM loan as their principal residence, that is able to establish legal ownership or ongoing legal right to remain in the property securing the HECM loan after the death of the last surviving Borrower under their spouse's HECM loan and maintain all other obligations of the HECM Borrower after the death of the last surviving Borrower, and all other terms and conditions of the HECM loan.

Principal Residence means the dwelling where a borrower and, if applicable, an identified Non-Borrowing Spouse maintains his or her permanent place of abode, and typically spends the majority of the calendar year. A person may have only one principal residence at any one time. The Property shall be considered to be the Principal Residence of any borrower who is temporarily in a health care institution provided the borrower's residency in a health care institution does not exceed twelve consecutive months. The Property shall be considered to be the Principal Residence of a qualifying Non-Borrowing Spouse, who is temporarily in a health care institution, as long as the Property is the Principal Residence of his or her borrower spouse, who physically resides in the property.

Deferral Period means the period of time following the death of the last surviving borrower during which the due and payable status of a HECM is further deferred based on the continued satisfaction of the requirements for a Non-Borrowing Spouse determined by the Secretary and all other FHA requirements. Deferral Period means the period of time following the death of the last surviving Borrower during which the due and payable status of a HECM is further deferred based on the continued satisfaction of the requirements for a identified Non-Borrowing Spouse determined by the Secretary of the U.S. Department of Housing and Urban Development and all other FHA requirements.

The Home Equity Conversion Mortgage ("HECM" or "Account") will be governed by two Notes, a Loan Agreement, and two Mortgages or Deeds of Trust (the "First Security Instrument" and the "Second Security Instrument," collectively, the "Security Instruments"). You will be able to obtain loan advances under a set schedule and/or by requesting advances up to the available Principal Limit.

SECURITY INTEREST: You are giving us and the Department of Housing and Urban Development ("HUD") a security interest in the residential Property located at **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334** (the "Property").

You could lose this Property if you do not meet the obligations in the Notes, Security Instruments and Loan Agreement with us.

POSSIBLE ACTIONS: Under certain conditions discussed below, we may take certain actions including terminating your Account and accelerating your outstanding balance, suspending your credit privileges, and implementing certain changes to the Notes, Security Instruments and Loan Agreement.

We can terminate your Account and/or immediately require payment of the entire outstanding balance in one payment if:

- All of the homeowners have died.
- All of the Borrowers have sold or conveyed title to the Property (other than a transfer of the Borrower's title into a trust that satisfies HUD's requirements or a transfer of title to the Property from such a trust to the Borrower) and no Borrower retains a leasehold under a permitted lease or retains a life estate interest in the Property.
- The Property is no longer the principal residence of at least one Borrower or homeowner.
- The Borrower does not maintain the Property as a principal residence for a period exceeding 12 months because of physical or mental illness.
- The homeowner fails to pay property charges consisting of real estate taxes, all applicable property insurance premiums, ground rents and special assessments, and fails to cure the delinquency.
- The Property is in disrepair and the homeowner has refused or is unable to fix the Property.
- The homeowner violates any other covenants of the Security Instruments and has refused or is unable to comply with the violated conditions of the Security Instruments.

We can refuse to make additional extensions of credit during any period in which the following are in effect:

- During the First 12-Month Disbursement Period if the Initial Disbursement Limit is met or exceeded.
- The outstanding balance equals the credit limit ("Principal Limit").
- We have notified you that we will require immediate payment of the entire outstanding balance due to the occurrence of one of the events of termination listed above.
- The initial repairs required to bring the Property up to the Minimum Property Standards required by HUD are not completed by the time required in the Repair Rider to the Loan Agreement.
- We determine on the basis of title evidence that the Property securing the Account is encumbered by any liens that jeopardize the first lien status of the First Security Instrument or the second lien status of the Second Security Instrument, or if you refuse to execute any document approved by HUD to extend the first and second lien status to an additional maximum principal balance or an additional number of years.

- A petition for bankruptcy by or against you is filed.
- You have paid the Notes in full.
- During a Deferral Period.

We can make certain changes to the terms of the Account. We may make changes to the Account if you agree to the change in writing at that time, if the change will unequivocally benefit you throughout the remainder of the Account, if the change is insignificant or if the change involves the substitution of the index and margin if the current index becomes unavailable (as described below).

ADDITIONAL KEY TERMS: The “First 12-Month Disbursement Period” is the period that begins on the loan closing date and ends on the day before the anniversary date of loan closing. The “Initial Disbursement Limit” is the maximum disbursement amount allowed at closing and during the First 12- Month Disbursement Period and is the greater of (1) sixty percent (60%) of the Principal Limit, or (2) the sum of Mandatory Obligations plus ten (10%) percent of the Principal Limit. “Mandatory Obligations” are fees and charges incurred in connection with the origination of the HECM that are paid at loan closing, including paying off an existing mortgage on your home. See your loan documents for additional information about the Initial Disbursement Limit, the First 12-Month Disbursement Period, and your responsibility for real estate property taxes and hazard

MINIMUM PAYMENT REQUIREMENTS: Subject to the Initial Disbursement Limit, you can obtain advances of credit under one of several "payment plans" available under the HECM program. Subject to the Initial Disbursement Limit, the length of time during which you can obtain advances depends upon the payment plan that you select. As long as the Account is not due and payable under the conditions set forth above, subject to the Initial Disbursement Limit, you may obtain advances under the following payment plans:

- (a) Tenure plan: Under this plan, subject to the Initial Disbursement Limit, you will receive equal monthly payments from us for as long as you occupy the Property as a principal residence.
- (b) Term plan: Under this plan, subject to the Initial Disbursement Limit, you will receive equal monthly payments from us for a fixed period that you select.
- (c) Line of Credit plan: Under this plan, subject to the Initial Disbursement Limit, you will receive advances in unscheduled payments or in installments, at times and in amounts that you choose until the line of credit is exhausted.
- (d) Modified Term or Tenure plan: Under these plans, subject to the Initial Disbursement Limit, you may combine a line of credit with monthly payments. In exchange for reduced monthly payments, you will set aside a specified amount of money at closing for a line of credit, on which you can draw, subject to the Initial Disbursement Limit, until the line of credit is exhausted.

Subject to the Initial Disbursement Limit, the period during which you can obtain advances (the "Draw Period") is, therefore, indefinite under the Tenure and Line of Credit or Modified Term or Tenure plans. After the First 12-Month Disbursement Period, there are no limitations on the amount of an advances you may obtain under the line of credit (as long as you remain within your credit limit (or Principal Limit). You can choose the length of the Draw Period under the Term plan. [If you have chosen a Term plan, you have elected a Draw Period of **N/A** years, **N/A** months]. Subject to the Initial Disbursement Limit, if certain conditions are met, including the payment by you to us of a fee in the amount of \$20.00, you can switch from one payment plan to another at any time during the life of your Account as long as outstanding balance is less than the Principal Limit. If you elect to change your payment plan, the length of your Draw Period may also change.

Repayment of your HECM will be due in one single payment; therefore, there will be no repayment period. Your payment will be due when: (a) a Borrower dies and the Property is not the principal residence of at least one surviving homeowner, (b) a Borrower conveys all of his or her title to the Property (other than a transfer of the Borrower's title into a trust that satisfies HUD's requirements or a transfer of title to the Property from such a trust to the Borrower) and no other Borrower retains title to the Property in fee simple or on a leasehold interest or a life estate, or (c) upon approval by the Secretary of Housing and Urban Development ("Secretary"), if: (i) the Property ceases to be the principal residence of a homeowner for reasons other than death and the Property is not the principal residence of at least one other homeowner, (ii) for a period longer than 12 consecutive months a homeowner fails to physically occupy the Property because of physical or mental illness and the Property is not the principal residence of at least one other homeowner, or (iii) an obligation of the homeowner under the Security Instruments is not performed. During the First 12-Month Disbursement Period, if the Lender advances any funds to you that exceed the Initial Disbursement Limit, you may be required to return such funds to Lender.

Your minimum payment will be equal to the amount of (1) all advances you have obtained, (2) all advances that we have made to pay for repairs, escrows, monthly mortgage insurance premiums, servicing fees and other charges that you authorize us to pay or for which we are permitted to advance funds under the Notes, Security Instruments and Loan Agreement, (3) all interest that has accrued on the amount outstanding from time to time and (4) any other fees or charges that are due under your Notes, Security Instruments and Loan Agreement.

MINIMUM DRAW AND BALANCE REQUIREMENTS: Subject to the Initial Disbursement Limit, the amount of your advances and any limitations on those advances will depend upon the payment plan that you select. If you have selected a Tenure or Term plan or a Modified Term or Tenure plan, then the amount of your advances (payments to you) will be set at **N/A** and will be paid to you on a monthly basis. If you selected a Line of Credit plan or a Modified Term or Tenure plan (payment plans with monthly payments combined with a line of credit), subject to the Initial Disbursement Limit, there are no limitations on the amount of an advance or the number of advances you may obtain under the line of credit (as long as you remain within your credit limit for the line of credit feature). Subject to the Initial Disbursement Limit, you may change the type of payment plan throughout the life of the Account (including switching to a Line of Credit plan) if the outstanding balance is less than the Principal Limit. There are no minimum outstanding balance requirements under the Account.

FINANCE CHARGE: Each advance or payment made to you or on your behalf under your HECM will be subject to a monthly Finance Charge beginning on the day after each advance or payment is made. A Finance Charge will continue to be assessed on your HECM until the entire outstanding balance and all fees due under the Notes, Security Instruments and Loan Agreement are paid.

The interest portion of the Finance Charge on your Account is computed by calculating the Finance Charge on the balance existing at the beginning of each month, calculating the Finance Charge on each advance or payment made to you or on your behalf during the month, and then adding all of these sums together. We start with the outstanding principal balance on your Account at the beginning of each month, which includes Finance Charges from the prior month (the "Outstanding Principal Balance"). At the end of each month, we multiply the Outstanding Principal Balance by the then-current Annual Percentage Rate and then divide the result of this calculation by 12 (the "Monthly Periodic Rate"). At the end of each month in which any advances or payments have been made to you or on your behalf, we multiply the amount of the advance or payment by the number of days remaining in the month after that advance or payment was made (not including the day the advance was made) and then multiply this amount by the then-current Annual Percentage Rate and divide the result of this calculation by 365 (the "Daily Periodic Rate"). This calculation is repeated for each advance or payment made to you or on your behalf during the month. The sum of the final result of these calculations equals the interest portion of your Finance Charge for the month. Advances made to pay fees or Finance Charges due under the Account will also accrue Finance

Charges as described above.

In addition, mortgage insurance premiums ("MIP"), which are a Finance Charge, are computed by calculating the MIP on the Outstanding Principal Balance, calculating the MIP on each advance or payment made to you or on your behalf during the month, and then adding all of these sums together. At the end of each month, we multiply the Outstanding Principal Balance by 1.25% and then divide the result of this calculation by 12 (the "MIP Monthly Periodic Rate"). At the end of each month in which any advances or payments have been made to you or on your behalf, we multiply the amount of the advance or payment by the number of days remaining in the month after that advance or payment was made, (not including the day the advance was made) and then multiply this amount by 1.25% and divide the result of this calculation by 365 (the "MIP Daily Periodic Rate"). This calculation is repeated for each advance or payment made to you or on your behalf during the month. The sum of the final result of these calculations equals the mortgage insurance portion of your Finance Charge for the month. The MIP Monthly Periodic Rate applicable to your Account to calculate the mortgage insurance premium on the Outstanding Principal Balance is 0.104167%. The MIP Daily Periodic Rate applicable to your Account to calculate the mortgage insurance premium on each advance or payment made to you or on your behalf during the month is 0.003425%. The Corresponding **Annual Percentage Rate** to these MIP Periodic Rates is 1.25%.

Another **Finance Charge** in an amount not to exceed that determined by the Secretary will be imposed each time you elect to change your payment plan. You must also pay at settlement an Origination Fee and an Initial Mortgage Insurance Premium, which are both **Finance Charges**. These fees must be paid in the amounts disclosed in the "Finance Charge" paragraph of the "Fees and Charges" section below.

☐

(The following paragraph is applicable only if the box at left is checked)

Because repairs that are necessary to bring the Property up to HUD's Minimum Property Standards will be completed after closing and because advances from the Account will be used to pay for these repairs, a Repair Administration Fee, not to exceed the greater of one and one-half percent of the amount advanced for the repairs or fifty dollars (\$50), which is a **Finance Charge**, will be imposed when advances are made to pay for those repairs, or if permitted by HUD, at settlement.

RATE CHANGES: The Calculation of rate changes will depend on whether you select an annually adjustable or monthly adjustable variable rate Account. The paragraph next to the checked box applies to your Account.

☐

The Annual Percentage Rate for the interest portion of your Finance Charge may increase or decrease annually based upon changes in the average of interbank offered rates for one-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal, rounded to three digits to the right of the decimal point ("Index"). However, your first rate change can occur between twelve and eighteen months after the date of closing. Rate changes can occur every twelve months thereafter. To determine the Annual Percentage Rate that will apply to your Account, we add a margin to the value of the Index, subject to certain rate limitations. However, the Annual Percentage Rate cannot change by more than 2 percentage points at each rate change or by more than 5 percentage points over the life of the Account. Increases in the Annual Percentage Rate will result in larger advances made to pay the increased accrued interest portion of the Finance Charge and a larger Outstanding Principal Balance.

☒

The Annual Percentage Rate for the interest portion of your Finance Charge may increase or decrease monthly based upon changes in the average of interbank offered rates for one-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal, rounded to three digits to the right of the decimal point ("Index"). However, your first rate change will occur on the first day of the second full month. Rate changes can occur every month thereafter. To determine the Annual Percentage Rate that will apply to your Account, we add a margin to the value of the Index, subject to certain rate limitations. There are no limitations on the amount of the rate change each month; however, the Annual Percentage Rate cannot increase by more than 10 percentage points over the life of the Account. Increases in the Annual Percentage Rate

will result in larger advances made to pay the increased accrued interest portion of the Finance Charge and a larger Outstanding Principal Balance.

In the event the Index is no longer available, we will choose a new index and margin. The new index will have an historical movement substantially similar to the original index and the new index and margin will result in an Annual Percentage Rate that is substantially similar to the rate in effect at the time the original index becomes available.

The initial Monthly Periodic Rate applicable to your Account to calculate the interest portion of the Finance Charge on the Outstanding Principal Balance is **0.2630833%**. The initial Daily Periodic Rate applicable to your Account to calculate the interest portion of the Finance Charge on each advance or payment made to you or on your behalf during the month is **0.00865%**. The Corresponding **Annual Percentage Rate** to these periodic rates (relating to the interest portion of the Finance Charge) is **3.157%**. The Margin, which is added to the value of the Index, will be **3.000%**. The Annual Percentage Rate includes only interest and not other costs.

MAXIMUM RATE: The maximum **Annual Percentage Rate** (relating to the interest portion of the Finance Charge) that can apply to your Account is **13.157%**.

NEGATIVE AMORTIZATION: Under the HECM, you are not required to make any payments until one of the conditions of termination described above occurs. Therefore, the Principal, Finance Charges, and certain other charges that accrue under the HECM are not paid as they accrue and "negative amortization" will occur. Negative amortization, under which the accrued Principal, Finance Charges, and certain other charges are added to your outstanding loan balance, will increase the amount required to pay-off the HECM and reduce the equity in the Property.

TAX DEDUCTIBILITY: You should consult a tax advisor regarding the deductibility of interest and charges for the Account.

FEES AND CHARGES: You must pay certain charges in connection with this Account as follows:

- (a) **Finance Charges:** You must pay the following **Finance Charges** in connection with the opening of your Account at settlement:

Broker Compensation	\$0.00
Document preparation	\$125.00
Flood certification	\$0.00
HECM counseling fee	\$0.00
Mortgage Insurance Premium	\$1,050.00
Origination Fee	\$- 2,000.00
Repair administration	\$0.00
Settlement or closing fee	\$465.00
Total	-360.00

- (b) **Settlement Costs:** You must pay the following charges in connection with the opening of your Account at settlement:

Comp	\$155.00
Email	\$25.00
Endorsements	\$75.00
Express Mail	\$40.00
Surcharge	\$3.28
Agent's portion of the total title insurance premium	\$0.00

Appraisal fee	\$575.00	
Broker Credit 0% tolerance	\$0.00	
Broker Credit 10% tolerance	\$0.00	
Coordination	\$250.00	
Credit report	\$0.00	
Document preparation	\$60.00	
Intangible tax	\$1,180.00	
Lender's title insurance	\$1,550.00	
Lender's title policy limit	\$0.00	
Owner's title insurance	\$0.00	
Owner's title policy limit	\$0.00	
Recording charges mortgage	\$506.00	
State tax/stamps deed	\$0.00	
State tax/stamps mortgage	\$2,065.00	
Title Search	\$175.00	
Underwriter's portion of the total title insurance premium	\$0.00	
Total	6,659.28	0.00

(c) Miscellaneous Charges: You agree to pay and have charged to your Account an additional **Finance Charge** of **\$0.00** per month for the servicing of your Account.

PROPERTY INSURANCE: Property hazard insurance is required. You may obtain such insurance from any source you want that is acceptable to us.

YOUR BILLING RIGHTS

KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Statement

If you think your statement is wrong, or if you need more information about a transaction on your statement, write us [on a separate sheet] at:

American Advisors Group
3800 W. Chapman Avenue, Third Floor
Orange, CA 92868

Attention: . Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and Account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as

delinquent. We can continue to bill you for the amount you question, including Finance Charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any Finance Charges related to any questioned amount. If we didn't make a mistake, you may have to pay Finance Charges, and you will have to make any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your statement. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your statement was correct.

Although all of your billing error rights apply, because of the way the Account is structured, some of the requirements discussed above (e.g. regarding payments to us) may not be relevant to your Home Equity Conversion Mortgage (HECM) Loan.

I/We hereby acknowledge receipt of the Home Equity Conversion Mortgage Federal Truth-in-Lending Loan Closing Disclosure Statement and agree to its terms.

BARBARA M BROWN

Date



Allonge

Loan Number: **1607442**

FHA Case Number: **095-3111343-962**

Borrower Name(s): **BARBARA M BROWN**

Property Address: **4030 NE 16TH TERRACE
OAKLAND PARK, Florida 33334**

Note/Loan Amount: **\$442,500.00**

Note/Loan Date: **10/23/2014**

PAY TO THE ORDER OF:

WITHOUT RECOURSE

Company Name: **American Advisors Group**

Signature:

Name:

Title:



Recording Requested By/Return To:

Note Amount: **\$442,500.00**

Assignment of Mortgage/Deed of Trust

FOR VALUE RECEIVED, the undersigned holder of a Mortgage/Deed of Trust (herein "Assignor") whose address is **3800 W Chapman Ave, 3rd Floor, Orange, CA 92868**, does hereby grant, sell, assign, transfer and convey, unto and existing under the laws of (herein "Assignee"), whose address is , a certain Mortgage/Deed of Trust dated **October 23, 2014** made and executed by **BARBARA M BROWN**, to and in favor of **American Advisors Group**, upon the following described property situated in **BROWARD** County, State of **FLORIDA**:

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND BY THIS REFERENCE MADE A PART HEREOF

Commonly Known As: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

such Mortgage/Deed of Trust having been given to secure payment of **\$442,500.00**, (Maximum Principal Amount)

which Mortgage is of record in Book, Volume, or Liber No. _____, at page _____
(or as No. _____) of the _____ Records of _____
County, State of _____, together with the note(s) and obligations therein described and the money due and to become due thereon with interest, and all rights accrued or to accrue under such Mortgage/Deed of Trust.

TO HAVE AND TO HOLD the same unto Assignee, its successor and assigns, forever, subject only to the terms and conditions of the above-described Mortgage/Deed of Trust.

IN WITNESS WHEREOF, the undersigned Assignor has executed this Assignment of Mortgage/Deed of Trust on

_____, 20____.

American Advisors Group
(Assignor)

By: _____
(Signature)

(Print Name & Title)



STATE OF **FLORIDA**
COUNTY OF **BROWARD**

On _____ before me, _____ a Notary Public in and for said County/City and State, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name 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 entity upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Notary Public

My Commission Expires: _____

Home Equity Conversion Mortgage Notice of Right to Cancel



Date Notice Given: **10/23/2014** FHA Case Number: **095-3111343-962**
Lender: **American Advisors Group** Loan Number: **1607442**
3800 W Chapman Ave, 3rd Floor, Orange, CA 92868
Borrower: **BARBARA M BROWN**
Property Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

1. YOUR RIGHT TO CANCEL

We have agreed to establish an open end credit account for you, and you have agreed to give us a mortgage on your home as security for the account. You have a legal right under federal law to cancel the account, without cost, within three business days after the latest of the following events:

- (1) the date of your account which is **10/23/2014**; 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 account.

If you cancel the account, the mortgage on your home is also cancelled. Within 20 days of receiving your notice, we must take the necessary steps to reflect the fact that the mortgage on your home has been cancelled. We must return to you any money or property you have given to us or to anyone else in connection with the account.

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.

2. HOW TO CANCEL

If you decide to cancel the account, you may only do so by notifying us in writing at: **3800 W Chapman Ave, 3rd Floor, Orange, CA 92868**. 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 **10/27/2014** (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.

I WISH TO CANCEL.

Borrower Signature

Date

Borrower Signature

Date

ACKNOWLEDGMENT OF RECEIPT

I hereby acknowledge receipt of two completed copies of the Home Equity Conversion Mortgage Notice of Right to Cancel and a copy of the Home Equity Conversion Mortgage Federal Truth-in-Lending Loan Closing Disclosure Statement.

BARBARA M BROWN

Date



Notice To The Borrower

What To Do In Case Of Late Payment Or Non-Payment By Your Lender

FHA Case Number: **095-3111343-962** Date of Mortgage: **October 23, 2014**

Loan Number: **1607442**

Borrower Name(s): **BARBARA M BROWN**

Property Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

Mortgagee (Lender) Name: **American Advisors Group**

The U.S. Department of Housing and Urban Development (HUD) can help you if your lender fails to make payments to you on time. However, HUD can only help you if you follow these instructions.

1. INTRODUCTION

Your Home Equity Conversion Mortgage (HECM) was insured on _____ [date] under a special law, Section 255 of the National Housing Act, which makes HUD responsible for making any payments you have not received because the lender has defaulted. This document explains the steps HUD will take if the lender fails to make its payments to you. The term "mortgage" in this Notice includes the loan agreement between you, the lender, and HUD.

2. HUD OFFICE

Your local HUD Field Office is located at _____. Any letter addressed to that office should include your FHA case number, which appears at the top of this notice. You should put "Home Equity Conversion Mortgage" on the envelope to ensure prompt and correct handling. Telephone calls should be made to _____ at _____. You should inform the person answering the call that you are calling about your insured HECM. Please be prepared to provide your FHA case number.

3. METHOD OF PAYMENT

You may choose to receive payments through the "direct deposit" method of payment, where the lender automatically transfers money to your bank account, or you may receive checks through the mail. Subject to the Initial Disbursement Limit, you may change your method of payment at any time during the loan.

4. PAYMENT OPTIONS

Subject to the Initial Disbursement Limit, you can receive regular monthly payments, payments from a line of credit, or a combination of these payment options. You may change between these payment options at any time. You may also take a single lump sum disbursement at closing. A single disbursement lump sum payment plan loan is only available as a fixed rate loan, and except for certain protective advances, interest or mortgage insurance accruals or advances from certain set asides, under a single disbursement lump sum payment plan loan, the lender is prohibited from making any advances to you or on your behalf after the consummation of your loan. Please follow the instructions in this Notice which apply to the payment option that you have chosen.



5. REGULAR MONTHLY PAYMENTS - If you have chosen to receive regular monthly payments, the lender must transfer the full payment to your bank account by the first business day of each month, or place your check in the mail by that day. Payments made during the first 12-months will be limited to the greater of 60% of the principal limit; or the sum of mandatory obligations plus 10% of the principal limit. Once the first 12-month disbursement period ends, Term and Tenure payments may be adjusted to reflect any available principal limit remaining. If you do not receive payment on time (allowing sufficient time for mail delivery of the check, if applicable), your first contact should be with the lender's representative assigned to handle your account. HUD requires your lender to keep you informed of a current telephone number and address for the representative assigned to your account. If you cannot contact your lender or if the account representative cannot help you, you should contact HUD.

As provided in your HECM Loan Documents, the Lender cannot make Loan Advances to an identified Non-Borrowing Spouse during a Deferral Period.

HUD can help you with late payments in two circumstances. First, if the lender often makes payments which you receive late but before the 10th day of the month, and this problem continues after you tell the lender about it, HUD will contact the lender at your request and require the lender to improve its performance and pay any late charges as required by your Loan Agreement. HUD will generally not be able to help with rare cases of late payment if the lender pays the late charge required by your Loan Agreement. Second, if any payment is not received before the 10th day of the month, you should immediately contact HUD (and the lender, if you have not done so). HUD will investigate the circumstances.

6. LINE OF CREDIT

If you have chosen to receive payments at your request from a line of credit, the initial disbursement limit of mortgage proceeds that can be advanced to you at loan closing or during the first 12-month disbursement period after loan closing is limited to the greater of 60% of the principal limit; or the sum of mandatory obligations plus 10% of the principal limit. Once the first 12-month disbursement period ends, you may request the remaining available funds up to your principal limit. The lender must transfer the full amount requested, up to your principal limit, to your bank account or place your check in the mail within five business days after the lender receives your request. If you do not receive payment on time (allowing sufficient time for any mail delivery of your request to the lender, and any mail delivery of the check), your first contact should be with the lender representative assigned to handle your account. HUD requires your lender to keep you informed of a current telephone number and address for the representative assigned to your account. If you cannot contact your lender or if your account representative cannot help you, you should contact HUD.

As provided in your HECM Loan Documents, the Lender cannot make Loan Advances to an identified Non-Borrowing Spouse during a Deferral Period.

HUD can help you with late payments in two circumstances. First, if the lender often makes payments which you receive after you expect to receive them but fewer than 10 days after you expect them, and this problem continues after you tell the lender about it, HUD will contact the lender and require the lender to improve its performance and pay late charges required by your Loan Agreement. HUD will generally not be able to help with rare cases of late payment if the lender pays the late charge required by your Loan Agreement. Second, if any payment has not been received 10 days after you expect to receive it, you should immediately contact HUD (and the lender, if you have not already done so). HUD will investigate the circumstances.

7. HUD INVESTIGATION OF LATE LENDER PAYMENT; HUD PAYMENTS

A HUD investigation will begin with an immediate request to the lender for explanation for the late payment(s). If the lender does not provide a satisfactory explanation to HUD within 15 days of the



request, or provide all funds due to you (including any late charges), then HUD will begin arrangements to make payments to you. Your HUD Field Office will keep you informed regarding the likely date for resumption of payments. The initial HUD payment will be equal to the total of all payments not made by the lender, including an amount equivalent to any late charge due from the lender. Subsequent HUD payments will be made in accordance with the timing required by the mortgage.

8. PAYMENT OF TAXES AND INSURANCE, OR OTHER PROPERTY CHARGES

If allowed and applicable and you elected to have the lender pay taxes, hazard insurance premiums, and certain other charges against the property ("Property Charges") using funds in your loan account, and you learn that the lender has not paid these items on time, you should contact the lender's representative assigned to handle your account.

Under a Single Disbursement Lump Sum payment option plan loan, you do not have the option to elect to have the Lender pay your Property Charges.

9. HUD ASSUMPTION OF PAYMENT RESPONSIBILITY

Even if HUD is required to make some payments under the mortgage, we will try to have the lender resume making payments in accordance with the timing required by the mortgage. If HUD cannot arrange for the lender to resume payments, HUD will demand assignment of the mortgage from the lender. If the mortgage is assigned to HUD, you will deal with HUD as the new lender.

If the lender cannot or will not assign the mortgage to HUD, you will receive no further payments from the lender under the first mortgage. No further interest or mortgage insurance premium will be added to the amount which you owe under the mortgage. HUD will then make all future payments under the terms of a second mortgage which you gave to HUD when you gave the first mortgage to the original lender. The first and second mortgages will have to be repaid at the same time (for example, when you sell your home). Since you will not owe any interest under the first mortgage, the total debt under the first and second mortgages will be less than the amount you would have owed under the mortgage if the lender had continued making payments.

HUD may allow the lender to resume making payments after HUD has made payments. If that happens, you will not owe anything to HUD but you will deal with the lender as if the lender had made all the payments under the first mortgage.

10. NO DEFICIENCY JUDGMENTS

When the mortgage loan becomes due and payable, you shall have no personal liability for payment of the mortgage. The lender's recovery from you will be limited to the value of the property. The lender may enforce the debt only through sale of the property, and the lender may not obtain a deficiency judgment against you if the Security Instrument securing the loan is foreclosed.

Signature of HUD Representative

Title

Unmarried HECM Mortgagor Certification - Loan Closing



I hereby certify that I am not married and I understand that my HECM loan does not contain a deferral of a due and payable status to prevent the displacement of any spouse to whom I may become legally married to in the future.

BARBARA M BROWN

Date

WARNING: Federal law provides that anyone who knowingly or willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry may be criminally prosecuted and may incur civil administrative liability.

Flood Insurance Certification Notice



Borrower(s): **BARBARA M BROWN**
Lender: **American Advisors Group**
FHA Case Number: **095-3111343-962**
Loan Number: **1607442**
Date: **10/23/2014**
Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

In accordance with the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973, this is to advise you that if the property securing your loan is damaged by flooding in a federally declared disaster, federal assistance, usually in the form of a loan with a favorable interest rate, may be available. To be eligible for assistance, your community must be participating in the National Flood Insurance Program (NFIP).

The above named Lender (LENDER) is directed under the Flood Protection Act to require flood insurance on all property located in certain flood-prone areas. The property securing your loan has been classified as follows:

☒ **FLOOD INSURANCE IS NOT REQUIRED:** The property described above is either not located in a special flood hazard area, is located in an area of moderate or minimal flooding.

Although flood insurance may be available, the undersigned borrower(s) are not required to purchase it. However, if the undersigned choose not to purchase flood insurance, they will bear full financial responsibility for any damages that may occur as a result of a flood. The undersigned further acknowledge that LENDER will not be liable in the event there is any property loss or damage due to flooding.

If at any time during the term of the mortgage, the Director of the Federal Emergency Management Agency should determine the property to be located in an area of special flood hazards, LENDER, its successors and assigns, is authorized to obtain special flood insurance covering the mortgage executed by the undersigned to pay the premiums due by reason thereof, and require repayment by the undersigned of such amounts as are advanced.

☐ **FLOOD INSURANCE IS REQUIRED:** Notice is given to the undersigned borrower(s) that the above-captioned property is or will be located in an area designated by the Director of the Federal Emergency Management Agency as

special flood hazard area. This area has a 1% chance of being flooded within a given year. The risk of exceeding the 1% chance increases with time periods longer than one year. For example, during the life of a 30-year mortgage, a structure located in a special flood hazard area has a 26% chance of being flooded.

For this reason, LENDER requires, and the undersigned agree to provide a flood insurance policy on the subject property with the first year's premium to be prepaid prior to loan settlement. Flood Insurance is available through the National Flood Insurance Program or through private insurers.

The undersigned borrower(s) further agree that LENDER, its successors or assigns, is authorized at any time during the mortgage term to apply for annual renewal of flood insurance coverage. If borrower's flood insurance escrow funds should be insufficient or unavailable, LENDER is hereby authorized to pay the premium due and to require repayment by the undersigned of such amounts as are advanced.

EXCEPTIONS TO COVERAGE: Even though the subject property may be located in a flood-prone area, your insurance company cannot provide the required flood insurance if:

- (a) The community in which the property is located is not participating in the National Flood Insurance Program; or
- (b) The property is located in an undeveloped coastal barrier built after September 30, 1983.

Since flood insurance is not obtainable for properties in the above locations, LENDER cannot make loans on these properties. Your insurance agent will advise you whether or not the subject property is eligible for flood insurance.

The undersigned acknowledge receipt of this Notice.

BARBARA M BROWN

Date

Name Affidavit



Loan Number: **1607442**
FHA Case Number: **095-3111343-962**

This form is to be completed if there appear any discrepancies pertaining to the name(s) listed on the following documents: Firm Commitment, Title Insurance Policy, Property Insurance Policy, Note, and/or any other documents pertaining to this loan closing.

This is to certify that

BARBARA M BROWN

and

**BARBARA MAGENHEIMER BROWN, BARBARA BROWN, BROWN BARBARA, BROWN
BARBARA STEEVES, BROWN BARBARA M, STEEVES BARBARA M**

are one and the same person, and that I sign my name and am known by all above names.

Dated on : _____

Witness

BARBARA M BROWN

State of Florida
County of **BROWARD**

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 Florida that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

My Commission Expires _____

Signature Affidavit



SIGNATURE STATEMENT

I **BARBARA M BROWN** certify that this is my true and correct signature:

*Yo **BARBARA M BROWN** certifico que la presente es mi correcta y verdadera firma.*

BARBARA M BROWN (Print)

Sample Signature

State of Florida

County of **BROWARD**

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 Florida that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

My Commission Expires _____



AKA Statement

I **BARBARA M BROWN** further certify that I am also known as:

BARBARA MAGENHEIMER BROWN

Sample Signature (Variation)

BARBARA BROWN

Sample Signature (Variation)

BROWN BARBARA

Sample Signature (Variation)

BROWN BARBARA STEEVES

Sample Signature (Variation)

BROWN BARBARA M

Sample Signature (Variation)

STEEVES BARBARA M

Sample Signature (Variation)

Mailing Address Affidavit



Loan Number: **1607442**
FHA Case Number: **095-3111343-962**

Property Address: **BARBARA M BROWN**
4030 NE 16TH TERRACE
OAKLAND PARK, Florida 33334

Please complete below if your mailing address is different than the property address listed above:

Mailing Address:

BARBARA M BROWN

Date

Nearest Living Relative Information



In the event that **American Advisors Group** is unable to reach Borrowers as needed, the person whose name appears below will be contacted for assistance.

Borrower Name(s): **BARBARA M BROWN**

FHA Case Number: **095-3111343-962**

Nearest Living Relative
or other contact:

Relationship (if any):

Address:

Phone:



Choice of Insurance Option

FHA Case Number: **095-3111343-962**
Loan No. **1607442**
Borrower: **BARBARA M BROWN**
Property: **4030 NE 16TH TERRACE**
OAKLAND PARK, Florida 33334

With regard to the Home Equity Conversion Mortgage on the above referenced loan, American Advisors Group chooses the Assignment Insurance Option.

Lender: **American Advisors Group**

Print Name Title Date: _____

Signature



Compliance Agreement

Lender: **American Advisors Group**
Loan Number: **1607442**
FHA Case Number: **095-3111343-962**
Borrower(s): **BARBARA M BROWN**
Property Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

The undersigned Borrower(s) agree(s), in consideration of Lender disbursing loan funds to Borrower(s) in connection with a reverse mortgage loan secured by a deed of trust or mortgage on the property referenced above, if requested by Lender or someone acting on Lender's behalf, to fully cooperate in correcting any inaccurate term of, mistake in, or omission from any document associated with the loan, or making any other changes necessary to ensure that the loan is enforceable and in a form acceptable to potential insurers or investors.

Borrower(s) understand(s) that such cooperation may entail the correction, amendment and/or re-execution of documents previously signed, the execution of additional documentation, and/or the delivery of additional information or documentation.

Borrower(s) also understand(s) that in the event Lender determines in its sole discretion that an inaccurate term, mistake, or omission in any document associated with the loan requires correction, amendment and/or re-execution of any document previously signed, Lender may delay funding of the loan until the inaccurate term, mistake, or omission has been corrected to Lender's satisfaction.

BORROWER(S):

BARBARA M BROWN

Date



State of Florida

County of **BROWARD**

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 Florida that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

My Commission Expires _____

Mortgagee Certification



Loan No. **1607442**
Borrower: **BARBARA M BROWN**
Property: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

The mortgagee certifies that the authorized representative for the mortgagee executing form HUD-92900-A has personally reviewed the mortgage documents and the application for insurance endorsement and that the mortgage is eligible for mortgage insurance under HUD's Direct Endorsement program. The mortgagee has submitted all appropriate documents, properly executed, as required for the HECM program under all outstanding HUD handbooks and Mortgagee Letters. This mortgagee certification is in addition to any certifications required of the mortgagee, the mortgagor, or both on forms HUD-92800 or HUD-92900-A. The mortgagee certifies to the following additional matters:

- (1) The mortgagor has executed a note, second note to the Secretary (if applicable), security instrument (mortgage or deed of trust), second security instrument to the Secretary (if applicable), and a loan agreement. The mortgagee has executed a loan agreement. All of these documents contain the provisions required by the Secretary.
- (2) Subject to the Initial Disbursement Limit, the payment plan attached to the loan agreement provides for monthly payments, a line of credit, or both, or a Single Lump Sum Disbursement, in amounts calculated in accordance with the requirements of the Secretary.
- (3) The security instrument is a first lien and the second security instrument given to the Secretary is a second lien.
- (4) The security instrument is on real estate held in fee simple, or a life estate, or on a leasehold under a lease for not less than 99 years which is renewable, or under lease which otherwise meets the requirements of 24 CFR 206.45.
- (5) If the mortgaged property is in a floodplain, the security instrument meets the flood insurance requirements of 24 CFR 206.45.
- (6) If the property requires repair after closing to meet building standards of the Secretary, a repair rider to the loan agreement has been executed and the requirements of 24 CFR 206.47 will be complied with by the mortgagee.

Lender: **American Advisors Group**

By: _____

Title: _____



Home Equity Conversion Mortgage Disclosure and Borrower Certification Regarding Third Party Fees

Lender: **American Advisors Group**
Borrower: **BARBARA M BROWN**
Loan Number: **1607442**
Property Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**
FHA Case No.: **095-3111343-962**

To ensure that Borrowers do not pay unnecessary or excessive costs for obtaining a Home Equity Conversion Mortgage ("HECM") loan, Federal law restricts the use of HECM loan proceeds, including prohibiting the use of such for payments to or on behalf of an "estate planning service firm" (as defined in Paragraph 3 below). Further, HECM Borrowers must establish to the Lender that HECM loan proceeds will be used in accordance with law.

The Borrower(s) certifies to the Lender, and its successors and assigns:

1. Subject to the Initial Disbursement Limit, the initial disbursement of loan proceeds by the Lender shall be used only for the following purposes:
 - a. the initial FHA mortgage insurance premium;
 - b. allowable fees and charges listed on the HUD-1 (or HUD-1A) Settlement Statement;
 - c. disbursements to Borrower(s), a relative or legal representative of the Borrower(s), or a trustee for the benefit of the Borrower(s);
 - d. amounts required to discharge any existing lien on the Property; and
 - e. payment to contractors who performed repairs to the Property required as a condition of closing.
 - f. Loan Advances may also be used to purchase a principal residence (*HECM for Purchase transactions only)
2. After the initial disbursement of loan proceeds for the purposes listed in Paragraph 1 above, all as disclosed on the HUD-1 (or HUD-1A) Settlement Statement, Borrower(s) will have no outstanding or unpaid obligations incurred in connection with the HECM loan, except for required repairs to the Property to be completed after loan closing and for monthly mortgage servicing fees to the Lender or servicer.
3. No portion of the initial disbursement of loan proceeds shall be used for any payment to or on behalf of an "estate planning service firm." [An "estate planning service firm" is an entity, other than the Lender or the housing counseling agency, which charges a fee not authorized by the Department of Housing and Urban Development, which is 1) contingent on the homeowner obtaining a mortgage loan; 2) for initial information that the homeowner must, by regulation, receive from the housing counseling agency or Lender, except for information from an individual or company engaged in the bona fide business of providing tax or other legal or financial advice; or 3) for services for the purpose of improving an elderly homeowner's access to HECM loans.]
4. Borrower(s) has received full disclosure of all costs of obtaining the HECM loan, including disclosure of which charges are required to obtain the HECM loan and which are not required to obtain the HECM loan.

BARBARA M BROWN

Date



Lump Sum Disbursement Certification

(For Borrower(s) requesting at least 25% of the Net Principal Limit as an initial lump sum disbursement.)

The Borrower(s) certifies to the Lender, and its successors and assigns, that the Borrower(s) ☐ will ☒ will not use any portion of the lump sum disbursement of HECM loan proceeds for payments to or on behalf of an "estate planning service firm," as that term is defined in Paragraph 3 above.

[Note: If you have checked the "will" box above, you are advised that Federal law prohibits any such payments to an "estate planning service firm."]

BARBARA M BROWN

Date

Annuity Certification at Closing



FHA Case Number: **095-3111343-962**
Loan Number: **1607442**
Property Address: **4030 NE 16TH TERRACE**
OAKLAND PARK, Florida 33334

Borrower(s) certify that Borrower(s) will not be purchasing an annuity or other financial or insurance product as part of this reverse mortgage loan transaction.

I/We hereby certify that the statements above are true and correct.

BARBARA M BROWN

Date

Lender Certification



FHA Case Number: 095-3111343-962

Loan Number: 1607442

I certify that no form or document was signed in blank by the applicant borrower(s) relevant to the loan origination process on the property located at:

4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334

Print Name

Title

Authorized Signature

Date

Lender Name: **American Advisors Group**

Tax/Insurance Payment Notice



Date: **October 23, 2014**

FHA Case Number: **095-3111343-962**

Loan Number: **1607442**

Borrower(s): **BARBARA M BROWN**

Per the terms of your loan, you are responsible for paying the following:

☒ Property Taxes

☒ Insurance

If you are unable to pay your taxes or insurance, please notify us before they are due or become delinquent. In the event they are not paid by you and per the terms of the Loan Agreement, **American Advisors Group** may be required to advance funds from the available principal limit which would reduce funds available for disbursement to you.

Notification should be sent to:

American Advisors Group
3800 W. Chapman Avenue, Third Floor
Orange, CA 92868

Please reference your loan number which is also referenced above.

Acknowledged by:

[Signature line]

BARBARA M BROWN

[Signature line]

Date

Disbursement Confirmation



Closing Agent: Retain this form until disbursement of funds.

Please fax this form to to confirm disbursement of the following file:

BARBARA M BROWN

Disbursement Date: **10/28/2014 12:00:00AM**

Loan Number: **1607442**

This is to confirm disbursement of the above referenced file. No cancellation, rescission, or title issues have occurred.

Closing Agent Signature

Date

By: _____

Title: _____

Phone Number: (_____) _____ - _____



Agreement to Pay Courier Fees

Applicants: **BARBARA M BROWN**

Property Address: **4030 NE 16TH TERRACE**
OAKLAND PARK, Florida 33334

I/We acknowledge that I/We will be responsible for any courier/overnight fees incurred for the purpose of closing my/our Reverse Mortgage. I/We understand that overnight service is required for the closing documents to be delivered from the Lender to the Closing Agent and to send the payoff to any lien holder, if necessary. I/We agree to this fee prior to the closing in order that the fee may be financed into the loan. This fee is not to exceed \$50.00.

Appraisal Fee

Applicants: **BARBARA M BROWN**

Property Address: **4030 NE 16TH TERRACE**
OAKLAND PARK, Florida 33334

I/We acknowledge that the fee for the appraisal is an expense for the purpose of obtaining the loan for which I/We am/are applying. This fee is not refundable once the expense has been incurred except when the applicant chooses, after closing, to exercise the 3-day right of rescission proved to him/her by law. I/We am/are responsible for any other actual fees incurred for the purpose of closing my/our reverse mortgage. This reimbursement obligation would also apply should I/We withdraw my/our application prior to closing and only for fees actually incurred.

BARBARA M BROWN

Date



U.S.A. Patriot Act Customer Identification Program Disclosure

The U.S. Patriot Act, a federal law, requires all financial institutions to obtain sufficient information to verify your identity when creating a new reverse mortgage relationship. You may be asked several questions including your name, address, date of birth, and to provide one or more forms of identification to fulfill this requirement. In some instances, we require other identifying documents and/or use a third party information provider for verification purposes. All non-public information will be protected by our Privacy Policy and by federal law.

I/we acknowledge receipt of this disclosure

BARBARA M BROWN

Date



Fund Transfer Information

Loan Number: **1607442**

Funds for your line of credit advance* or monthly term or tenure payment will be disbursed per your instructions below (check one):

Mail ☐ Electronic Funds Transfer ☐
(Please complete additional information below)

*Funds will be forwarded to your mailing address or deposited to your financial institution within five (5) business days of receipt of your written request by American Advisors Group.

Signature _____

Date _____

Signature _____

Date _____

Electronic Funds Transfer Information

Checking Account ☐
(Attach voided check)

Savings Account ☐
(Attach letter on financial institution letter head with deposit information)

Financial Institution Name: _____

Routing (ABA) Number: _____ Account Number: _____

Is this a checking account or savings account? _____

Name(s) on Bank Account: _____

I/We authorize funds to be deposited to the above referenced account by electronic funds transfer. If individuals other than those on my/our mortgage are on the account, I/we consent to funds to be deposited to the above referenced account by electronic funds transfer. American Advisors Group is not responsible for disposition of funds after electronic deposit to the account or charges for deposit assessed by your financial institution.

All mortgagors must sign giving this consent.

Signature: _____ Date: _____

Signature: _____ Date: _____

ATTACH VOIDED CHECK HERE OR ATTACH LETTER TO FORM IF SAVINGS ACCOUNT

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

Printed Name:	Date of Birth:	Social Security Number:
BARBARA M BROWN	April 9, 1931	099-22-0364

I want this information released because I am conducting the following business transaction:

Seeking a reverse mortgage

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

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

with the following company ("the Company"):

Company Name: **American Fidelity Financial Services, Inc.**Company Address: **1101 Perimeter Drive, Suite 460, Schaumburg, IL 60173**

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

The name and address of the Company's Agent is:

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

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

This consent is valid for _____ days from the date signed. _____ (Please initial.)

Signature _____ Date Signed _____

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

Contact information of individual signing authorization: _____

Address _____

City/State/Zip _____

Phone Number _____

Privacy Act Statement



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

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

TEAR OFF

NOTICE TO NUMBER H

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



General Authorization

Borrower Name(s): **BARBARA M BROWN**

Lender: **American Fidelity Financial Services, Inc.**

Property Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

Date: **October 23, 2014**

I have contacted the Lender an/or assigns to process a Reverse Mortgage on my behalf. You are hereby authorized to release any information requested by the Lender and/or assigns to complete the processing of the loan. Necessary information may include, but is not limited to, social security information, information about checking and savings accounts, all open credit account, payments and history or all open and closed credit accounts including payment records and balances. A photocopy or carbon copy of this signed authorization may be used as a duplicate original.

BARBARA M BROWN

Date

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondentss, HUD generally discloses this data only in response to a Freedom of Information Act request.

NOTICE TO THE BORROWER

In accordance with Section 255 of the National Housing Act, lenders must provide homeowners seeking to refinance a HECM with information on the total cost of the new mortgage, based on the projected total future loan balance. The lender must disclose all fees and charges associated with the refinance of the HECM, provide the borrower with the new maximum mortgage limit, and estimate the new funding that will be available to the borrower.

This disclosure is designed to prevent "churning," an irresponsible lending practice whereby lenders engage in multiple refinancing to generate additional profit from loan fees and charges. The "churned" mortgages are not made in the interest of the borrower and provide no financial benefit to the borrower.

To ensure that lenders do not encourage HECM borrowers who would not benefit from refinancing their existing HECM mortgage to pursue this type of transaction, the Federal Housing Administration(FHA) requires that lenders provide HECM borrowers with their best estimate of:

1. The total cost of the refinancing to the mortgagor.	Mortgagee to input: \$ amount of the total of the upfront MIP plus other closing cost plus servicing set-aside.	MIP:	1,050.00
		Other:	4,244.78
2.The increase in the mortgagor's principal limit, as measured by the estimated initial principal limit on the mortgage to be insured less the current principal limit on the HECM that is being refinanced.	Mortgagee to input: \$ amount of new principal limit minus the \$ amount of the existing HECM principal limit.	Set-aside:	0.00
		Total	5,294.78
		NewPL	195,585.00
		ExistingPL	164,548.41
		Increase	31,036.59

In addition the mortgagee shall provide their best estimate of funds available to the borrower minus any closing costs or other fees. It is the dollar amount of the new principal limit minus total dollar amount from block #1 above minus payoff amount for the HECM that is to be refinanced. **23,978.67**

Any FHA approved lenders found to be engaged in mortgage "churning" will be subject to administrative action by the Mortgagee Review Board in accordance with 24 CFR part 25.

FHA Case Number: **095-3111343-962**

Subject Property Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

Lender's Signature: _____

I, the borrower, have been provided with the lender's best estimate of the total cost of refinancing my HECM mortgage and the new principal limit. I understand the amount of new funding that will be available to me after I have paid closing costs and other fees to obtain this new loan.

Borrower Name(s): (print or type) **BARBARA M BROWN**

Borrower's Signature: _____





Notice to Purchaser-Mortgagor

Borrower Name(s): **BARBARA M BROWN**

Lender: **American Fidelity Financial Services, Inc.**

Property Address: **4030 NE 16TH TERRACE, OAKLAND PARK, Florida 33334**

Date: **10/23/2014**

Pursuant to Section 627.798, Florida Statutes, notice is hereby given by _____

_____ (Name of Title Insurer) to the undersigned purchaser-mortgagor that a mortgagee title insurance policy is to be issued to your mortgagee lender, and that such policy does not provide title insurance protection to you as the owner of real estate you are purchasing.

The undersigned has read the above notice and understands that such mortgage title insurance policy to be issued to the mortgagee lender does not provide title insurance protection to the undersigned as owner.

BARBARA M BROWN

Date

Please Remit Copy
with Payment



Invoice # RD1,607,442

Remit To:

ReverseVision, Inc.
1620 Fifth Avenue, Suite 525

San Diego, CA 92101

Originator:

American Advisors Group
3800 W Chapman Ave, 3rd Floor
Orange, CA 92868

Invoice #: **RD1,607,442**
Date: **October 23, 2014**

FHA Case Number: **095-3111343-962**
Loan Number: **1607442**
Closing Date: **October 23, 2014**
Borrower(s): **BARBARA M BROWN**
Property Address: **4030 NE 16TH TERRACE**
OAKLAND PARK, Florida 33334
Settlement Agent: **PRIMARY TITLE SERVICES/WFG LENDER SERVICES**
2740 N DALLAS PKWAY, #140

Service	Amount
Document Preparation Services	\$ 125.00

Total: **\$ 125.00**