

**OWNER AFFIDAVIT ACKNOWLEDGING REQUIREMENTS OF SECTION
50(F)(2), ARTICLE XVI, TEXAS CONSTITUTION:**

Loan No. _____

Lender: _____

Property Address: _____

BEFORE ME, the undersigned authority, personally appeared the undersigned person(s) (collectively, the "Borrower," whether one or more), being all the owners of the homestead property at the Property Address above (the "Property") securing the loan made by Lender (the "Loan"), who, being first duly sworn according to law, upon oath depose(s) and say(s):

1. The Loan did not close before the first anniversary date of the home equity extension of credit that the Loan refinances.

2. The Loan does not include the advance of additional funds other than funds advanced to refinance the home equity loan, plus actual costs and reserves required by Lender in order to close the Loan.

3. The original principal amount of the Loan, added to the aggregate total of outstanding principal balances of all other indebtedness secured by valid encumbrances against the Property, does not exceed 80% of the fair market value of the homestead on the date the Loan closes.

4. The undersigned acknowledge(s) receipt of the following notice not later than the third business day after submitting an application for the Loan to Lender and at least 12 days before the date the Loan closes:

YOUR EXISTING LOAN THAT YOU DESIRE TO REFINANCE IS A HOME EQUITY LOAN. YOU MAY HAVE THE OPTION TO REFINANCE YOUR HOME

EQUITY LOAN AS EITHER A HOME EQUITY LOAN OR AS A NON-HOME EQUITY LOAN, IF OFFERED BY YOUR LENDER.

"HOME EQUITY LOANS HAVE IMPORTANT CONSUMER PROTECTIONS. A LENDER MAY ONLY FORECLOSE A HOME EQUITY LOAN BASED ON A COURT ORDER. A HOME EQUITY LOAN MUST BE WITHOUT RECOURSE FOR PERSONAL LIABILITY AGAINST YOU AND YOUR SPOUSE.

"IF YOU HAVE APPLIED TO REFINANCE YOUR EXISTING HOME EQUITY LOAN AS A NON-HOME EQUITY LOAN, YOU WILL LOSE CERTAIN CONSUMER PROTECTIONS. A NON-HOME EQUITY REFINANCED LOAN:

"(1) WILL PERMIT THE LENDER TO FORECLOSE WITHOUT A COURT ORDER;

"(2) WILL BE WITH RECOURSE FOR PERSONAL LIABILITY AGAINST YOU AND YOUR SPOUSE; AND

"(3) MAY ALSO CONTAIN OTHER TERMS OR CONDITIONS THAT MAY NOT BE PERMITTED IN A TRADITIONAL HOME EQUITY LOAN.

"BEFORE YOU REFINANCE YOUR EXISTING HOME EQUITY LOAN TO MAKE IT A NON-HOME EQUITY LOAN, YOU SHOULD MAKE SURE YOU UNDERSTAND THAT YOU ARE WAIVING IMPORTANT PROTECTIONS THAT HOME EQUITY LOANS PROVIDE UNDER THE LAW AND SHOULD CONSIDER CONSULTING WITH AN ATTORNEY OF YOUR CHOOSING REGARDING THESE PROTECTIONS.

"YOU MAY WISH TO ASK YOUR LENDER TO REFINANCE YOUR LOAN AS A HOME EQUITY LOAN. HOWEVER, A HOME EQUITY LOAN MAY HAVE A HIGHER INTEREST RATE AND CLOSING COSTS THAN A NON-HOME EQUITY LOAN."

I declare under penalty of perjury that the foregoing is true and correct.

CAUTION: THIS IS A SWORN STATEMENT. DO NOT SIGN THIS AFFIDAVIT UNLESS YOU HAVE READ IT AND, ON OATH, YOU BELIEVE IT TO BE TRUE AND CORRECT.

Borrower (Date)

Borrower (Date)

Borrower (Date)

Borrower (Date)

State of Texas

County of _____

Sworn to and subscribed before me the undersigned authority by _____
on this the _____ day of _____, 20_____.

Notary Public in and for the State of Texas