



AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

To: _____ Property: _____

From: _____ Date: _____
Loan Officer's Name

This is to give you notice that Scenic Oaks Funding, Inc., doing business as Scenic Oaks Funding, has business relationships with (a) Valley NHD, (b) Cypress Title Corporation, (c) PMZ Real Estate, (d) River Oaks Insurance Services, LLC, (e) The Greenhart Company, and (f) Century 21 M&M and Associates. Scenic Oaks Funding is owned by trusts for the benefit of various members of: The Zagaris family (collectively, the “Zagaris Owners”); the Matos family and the Melo family (collectively, the “M & M Owners”); and the Leffler family (the “Leffler Owner”). The Zagaris Owners and the M & M Owners own 100% of the ownership interests in Valley NHD, Inc., dba Valley NHD. A senior executive of Scenic Oaks Funding, the Zagaris Owners, and the Leffler Owner own an 86.68% ownership interest in an entity that collectively owns 24% of Cypress Title Corporation. The Zagaris Owners also own 70.5% of the ownership interests in Paul M. Zagaris, Inc., dba PMZ Real Estate. The Zagaris Owners and the Leffler Owner also own (i) 51% of the ownership interests in River Oaks Insurance Services, LLC; and (ii) 21% of the ownership interests in The Greenhart Company, Inc., dba The Greenhart Company. The M & M Owners also own (i) 100% of the ownership interests in Premier Valley, Inc., dba Century 21 M&M and Associates; (ii) 66.6% of the ownership interests in Premier Solano, Inc., dba Century 21 M&M and Associates; and (iii) 100% of the ownership interests in an entity that collectively owns 24% of Cypress Title Corporation. Because of these relationships, referrals to any of these companies by another may provide the referring company, the company receiving the referral, and/or some or all of a senior executive of Scenic Oaks Funding, the Zagaris Owners, the M & M Owners, and the Leffler Owner with a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. **You are NOT required to use the listed providers as a condition for purchase, sale, refinance or loan on the subject property.**

THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

SETTLEMENT SERVICE PROVIDER	SERVICE PROVIDED	ESTIMATED CHARGE OR RANGE OF CHARGES
VALLEY NHD	Natural Hazard Disclosure (NHD) Reports	NHD Report: \$88.95 - \$119.95 per parcel
PMZ REAL ESTATE	Residential and commercial real estate brokerage services	Broker's Commission 6% to 10% of sales price
CENTURY 21 M&M and Associates	Residential and commercial real estate brokerage services	Broker's Commission 6% to 10% of sales price

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SETTLEMENT SERVICE PROVIDER	SERVICE PROVIDED	ESTIMATED CHARGE OR RANGE OF CHARGES
RIVER OAKS INSURANCE SERVICES, LLC <i>License #OH65161</i>	Homeowner's Insurance	\$2.80 - \$4.00 per \$1,000 insured value Charges vary based on coverage type and property location.
THE GREENHART COMPANY ¹	Facilitates energy efficient home improvements, including improvements for Energy Efficient Mortgages (EEM)	Vary with scope of improvements.
CYPRESS TITLE CORPORATION	Searches public records for defects in property's title before closing; issues title policy which insures against loss due to certain title defects; and handles escrow process.	Owner's Policy Premium \$100,000 home \$501 - \$689 \$200,000 home \$875 - \$1,157 \$500,000 home \$1,371 - \$1,777 \$1,000,000 home \$1,345 - \$2,720 \$1,500,000 home \$1,675 - \$3,345
		Lender's Policy simultaneously issued with Owner's Policy \$100,000 home loan \$282 - \$320 \$200,000 home loan \$460 - \$472 \$500,000 home loan \$659 - \$725 \$1,000,000 home loan \$961 - \$1,110 \$1,500,000 home loan \$1,161 - \$1,365
		Settlement / Escrow Charges \$100,000 home \$450 - \$1,090 \$200,000 home \$650 - \$1,615 \$500,000 home \$850 - \$2,070
		Residential Refinance Rates (1 to 4 units) \$100,000 home \$400 - \$450 \$200,000 home \$425 - \$525 \$500,000 home \$645 - \$900 \$1,000,000 home \$1,300 - \$1,375 \$1,500,000 home \$1,675 - \$1,700
		Miscellaneous Documentation and Recording Fees \$50 - \$350

ACKNOWLEDGMENT

I/we have read this disclosure form. I/we understand that Scenic Oaks Funding is referring me/us to purchase the above-described settlement service(s) and some or all of the Zagaris Owners, the M & M Owners, the Leffler Owner, and a senior executive of Scenic Oaks Funding may receive a financial or other benefit as a result of this referral.

Borrower _____

Date _____

Co-Borrower1 _____

Date _____

¹ The Greenhart Company provides services that are not settlement services. This disclosure is only provided to a referred consumer to the extent that any services provided by The Greenhart Company are determined to be settlement services as defined by the federal Real Estate Settlement Procedures Act.