



Loan Buydown Agreement

LOAN AMOUNT: \$ _____ **NOTE RATE:** _____ % **START RATE:** _____ %

MORTGAGOR(S): _____

PROPERTY ADDRESS: _____

LOAN NUMBER: _____ **LOAN TYPE:** _____ **BUYDOWN PLAN:** _____

As a consideration for providing you a home loan with a buydown payment plan, we have received an amount of money sufficient to reduce your monthly payments for a period of time. This money will be held by us, as your Lender, and if the servicing of your home loan is sold to another investor, that investor will be obligated to hold the money and credit it to your payments in accordance with the buydown plan. This agreement does not constitute an amendment to the Mortgagor's obligation under the Note.

The following table shows the manner in which the buydown funds will be applied and the effect on the amount of your payments:

Interest Rate	Monthly Subsidy	# of Payments	Funds Total
%	\$		\$
%	\$		\$
%	\$		\$
%	\$		\$
%	\$		\$

TOTAL BUYDOWN FUNDS \$ _____

*Monthly payment for principal and interest only. Amount shown does not include the required monthly payment for real estate taxes, hazard insurance, mortgage insurance premium or, if applicable, flood insurance premiums.

Your only right to this money is to have it credited to pay a portion of yours payments as they fall due, in accordance with the buydown plan. As the money represents a payment to finance this buydown arrangement, no interest obligations will accrue on the money held. The money will not be used to pay any past due mortgage payments which are to be paid by you.

If the mortgage is paid in full during the buydown period, any remaining funds will be applied toward the outstanding principal balance.

In the event of foreclosure during the buydown period, any remaining funds will be applied to the unpaid principal balance.

The sole responsibility of the Lender or any investor that purchases the servicing of your home loan will be the holding and application of the buydown funds as set forth above and such responsibility shall terminate upon depletion of such funds or, in the event of foreclosure, the application of the funds to the unpaid principal balance of the Note.

After the money to fund the buydown plan for your mortgage has been exhausted or if, for any reason, the buydown funds are unavailable or the buydown funds are not paid, you will be responsible for the full monthly mortgage payments as provided by the terms of the Note. If your property is sold and the mortgage is assumed by the purchaser, the funds will continue to be used to reduce the mortgage payments under the original terms of the buydown plan.

The undersigned have full read this Agreement and, upon signing below and accepting the proceeds of the loan, are fully bound by its term and provisions.

Mortgagor Signature Date

Mortgagor Signature Date

Mortgagor Signature Date

Mortgagor Signature Date

Donor of Buydown Funds:

Donor Signature Date

Donor Signature Date

Donor Address

United Fidelity Funding, Corp Representative Signature

Date

