



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 a business relationship with Valley NHD, PMZ Real Estate, and Cypress Title Corporation. 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. The Zagaris Owners own 52.88% of the ownership interests in Paul M. Zagaris, Inc., dba PMZ Real Estate. A senior executive of Scenic Oaks Funding, the Zagaris Owners, the M & M Owners, and the Leffler Owner own an 86.68% ownership interest in an entity that collectively owns a 30% interest of Cypress Title Corporation. Because of these relationships, this referral may provide Scenic Oaks Funding, the Zagaris Owners, the M & M Owners, the Leffler Owner, and/or a senior executive of Scenic Oaks Funding 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 settlement of your loan on or purchase, sale, or refinance of 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


CONTINUED ON NEXT PAGE

SETTLEMENT SERVICE PROVIDER	SERVICE PROVIDED	ESTIMATED CHARGE OR RANGE OF CHARGES										
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.	<p align="center">Owner's Policy Premium</p> <table border="0"> <tr><td>\$100,000 home</td><td>\$501 - \$689</td></tr> <tr><td>\$200,000 home</td><td>\$875 - \$1,157</td></tr> <tr><td>\$500,000 home</td><td>\$1,371 - \$1,777</td></tr> <tr><td>\$1,000,000 home</td><td>\$1,345 - \$2,720</td></tr> <tr><td>\$1,500,000 home</td><td>\$1,675 - \$3,345</td></tr> </table>	\$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
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<p align="center">Lender's Policy simultaneously issued with Owner's Policy</p> <table border="0"> <tr><td>\$100,000 home loan</td><td>\$282 - \$320</td></tr> <tr><td>\$200,000 home loan</td><td>\$460 - \$472</td></tr> <tr><td>\$500,000 home loan</td><td>\$659 - \$725</td></tr> <tr><td>\$1,000,000 home loan</td><td>\$961 - \$1,110</td></tr> <tr><td>\$1,500,000 home loan</td><td>\$1,161 - \$1,365</td></tr> </table>	\$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		
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<p align="center">Settlement / Escrow Charges</p> <table border="0"> <tr><td>\$100,000 home</td><td>\$450 - \$1,090</td></tr> <tr><td>\$200,000 home</td><td>\$650 - \$1,615</td></tr> <tr><td>\$500,000 home</td><td>\$850 - \$2,070</td></tr> </table>	\$100,000 home	\$450 - \$1,090	\$200,000 home	\$650 - \$1,615	\$500,000 home	\$850 - \$2,070						
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<p align="center">Residential Refinance Rates (1 to 4 units)</p> <table border="0"> <tr><td>\$100,000 home</td><td>\$400 - \$450</td></tr> <tr><td>\$200,000 home</td><td>\$425 - \$525</td></tr> <tr><td>\$500,000 home</td><td>\$645 - \$900</td></tr> <tr><td>\$1,000,000 home</td><td>\$1,300 - \$1,375</td></tr> <tr><td>\$1,500,000 home</td><td>\$1,675 - \$1,700</td></tr> </table>	\$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		
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<p align="center">Miscellaneous Documentation and Recording Fees \$50 - \$350</p>												

ACKNOWLEDGMENT

I/we have read this disclosure form and understand that Scenic Oaks Funding is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

_____ 
Borrower _____ Date

_____ 
Co-Borrower _____ Date