

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

To:

Property:

Date:

From:

Loan Officer's Name

This is to give you notice that Scenic Oaks Funding, LLC, doing business as Scenic Oaks Funding, has a business relationship with PMZ Real Estate, Lyon 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 Duke Leffler (the "Leffler Owner") and by William L. Lyon & Associates (the "Lyon Owners"). The Zagaris Owners own 53% of the ownership interests in Paul M. Zagaris, Inc., dba PMZ Real Estate. The Lyon Owners own a 100% interest in an entity that owns 100% of the ownership interests in William L. Lyon & Associates, Inc., dba Lyon Real Estate. The Zagaris Owners, and the Leffler Owner own an 80.02% ownership interest in an entity that collectively owns a 23.077% interest in Cypress Title Corporation. The M & M Owners own a 100% interest in an entity that owns 23.077% interest in Cypress Title. Because of these relationships, this referral may provide Scenic Oaks Funding, the Zagaris Owners, the M & M Owners, the Leffler Owner, and/or the Lyon Owners 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	
PMZ REAL ESTATE	Residential and commercial real estate brokerage services	Broker's Commission 1% to 10% of sales price	
LYON REAL ESTATE	Residential and commercial real estate brokerage services	Broker's Commission 6% to 10% of sales price	

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.	Owner's Policy \$100,000 home \$200,000 home \$500,000 home \$1,000,000 home \$1,500,000 home Lender's Policy simultar Owner's F \$100,000 home loan \$200,000 home loan	\$629 - \$689 \$876 - \$964 \$1,496 - \$1,646 \$2,261 - \$2,488 \$2,826 - \$3,109 Deously issued with Policy \$357 - \$450	
		\$200,000 home loan \$500 - \$550 \$500,000 home loan \$853 - \$925 \$1,000,000 home loan \$1,289 - \$1,400 \$1,500,000 home loan \$1,161 - \$1,365 Settlement / Escrow Charges \$100,000 home \$750 - \$1,065 \$200,000 home \$840 - \$1,165 \$500,000 home \$1,155 - \$1,480		
		\$500,000 nome \$1,155 - \$1,480 Residential Refinance Rates (1 to 4 units) \$100,000 home \$375 - \$521 \$200,000 home \$550 - \$789 \$500,000 home \$925 - \$1,347 \$1,000,000 home \$1,400 - \$2,035		
		\$1,000,000 nome \$1,500,000 home Miscellaneous Docu Recording \$50 - \$3	\$1,700 - \$2,544 mentation and Fees	

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
Borrower	Date	Co-Borrower	Date
Borrower	Date	Co-Borrower	Date