

# Second Mortgage or Home Improvement Loan Application

CENSUS TRACT

**IMPORTANT APPLICANT INFORMATION:** Federal law requires financial institutions to obtain sufficient information to verify your identity. You may be asked several questions and to provide one or more forms of identification to fulfill this requirement. In some instances we may use outside sources to confirm the information. The information you provide is protected by our privacy policy and federal law.

<b>TYPE LOAN APPLIED FOR</b>	<input type="checkbox"/> Conventional <input type="checkbox"/> Secured <input type="checkbox"/> Unsecured	Amount \$ _____	Interest rate _____ %	No. of mos. _____	Monthly payment Principal & Interest _____	Property Type <input type="checkbox"/> Single Family Dwelling <input type="checkbox"/> 2-4 Family Dwelling <input type="checkbox"/> Other _____ <input type="checkbox"/> Condo <input type="checkbox"/> PUD
Address of property to be improved _____			Date purchased _____	Cash down payment \$ _____	Purchase Price \$ _____	Present value of home \$ _____
Title in name of: _____		Address of title holder _____		Mortgage Type: Is your present first mortgage a conventional graduated payment mortgage or an FHA 245 mortgage loan? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, attach payment schedule		
Yr. house built _____	No. of rooms _____	No. of bdrms. _____	No. of baths _____	Family room or den <input type="checkbox"/> Yes <input type="checkbox"/> No	Gross living area _____ Sq. Ft.	Garage / Carport (Specify type & no.) _____ Central air <input type="checkbox"/> Yes <input type="checkbox"/> No
If this is a new residential structure, has it been completed and occupied for 90 days or longer? <input type="checkbox"/> Yes <input type="checkbox"/> No						

Improvements Planned (copies of estimate or itemized cost breakdown must be attached)	Type of Improvement
	<input type="checkbox"/> Property Improvement <input type="checkbox"/> Rehabilitation / Modernization <input type="checkbox"/> Additions <input type="checkbox"/> Energy Conservation <input type="checkbox"/> Solar Installation

The Co-Borrower Section and all other Co-Borrower questions must be completed and the appropriate box(es) checked if  another person will be jointly obligated with the Borrower on the loan, or  the Borrower is relying on income from alimony, child support or separate maintenance or on the income or assets of another person as a basis for repayment of the loan, or  the Borrower is married and resides, or the property is located, in a community property state. **NOTE: Married applicants may apply for separate accounts.**

Borrower				Co-Borrower			
Name _____		Date of Birth _____		Name _____		Date of Birth _____	
Present Address (if different from above) No. Years _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent Street _____ City / State / Zip _____				Present Address No. Years _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent Street _____ City / State / Zip _____			
Former address if less than 2 years at present address Street _____ City / State / Zip _____ Years at former address _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent				Former address if less than 2 years at present address Street _____ City / State / Zip _____ Years at former address _____ <input type="checkbox"/> Own <input type="checkbox"/> Rent			
Complete for secured or joint loans only <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried — (include single, divorced, widowed)		Dependents other than listed by Co-Borrower No. _____ Ages _____		Complete for secured or joint loans only <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried — (include single, divorced, widowed)		Dependents other than listed by Borrower No. _____ Ages _____	
Name and Address of Employer _____		Years employed in this line of work or profession? _____ Years Years on this job _____ <input type="checkbox"/> Self Employed*		Name and Address of Employer _____		Years employed in this line of work or profession? _____ Years Years on this job _____ <input type="checkbox"/> Self Employed*	
Position / Title _____		Type of Business _____		Position / Title _____		Type of Business _____	
Social Security Number _____		Home Phone _____		Social Security Number _____		Home Phone _____	
Name & Address of nearest relative not living with you _____		Relationship _____		Name & Address of nearest relative not living with you _____		Relationship _____	

Gross Monthly Income				Bank	Account No.	Name & Address of Depository
Item	Borrower	Co-Borrower	Total	Checking <input type="checkbox"/> Yes <input type="checkbox"/> No		
Empl. Income	\$ _____	\$ _____	\$ _____	Savings <input type="checkbox"/> Yes <input type="checkbox"/> No		
Other † (Before completing, see notice under Describe Other Income below.)						
Total	\$ _____	\$ _____	\$ _____			

Describe Other Income			
<input type="checkbox"/> B - Borrower	<input type="checkbox"/> C - Co-Borrower	NOTICE: † Alimony, child support, or separate maintenance income need not be revealed if the Borrower or Co-Borrower does not choose to have it considered as a basis for repaying this loan.	Monthly Amount \$ _____

If Employed In Current Position For Less Than Two Years, Complete The Following						
B/C	Previous Employer / School	City / State	Type of Business	Position / Title	Dates From / To	Monthly Income

These Questions Apply to Both Borrower and Co-Borrower					
If a "yes" answer is given to a question in this column, please explain on an attached sheet.	Borrower Yes or No	Co-Borrower Yes or No		Borrower Yes or No	Co-Borrower Yes or No
Are there any outstanding judgments against you?	_____	_____	Are you a co-maker or endorser on a note?	_____	_____
Have you been declared bankrupt within the past 7 years?	_____	_____	Do you have any past due obligations owed to or insured by any agency of the federal government?	_____	_____
Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	_____	_____	Are you a U.S. citizen?	_____	_____
Are you a party to a law suit?	_____	_____	If "no," are you a resident alien?	_____	_____
Are you obligated to pay alimony, child support, or separate maintenance?	_____	_____	If "no," are you a non-resident alien?	_____	_____

\* The Lender requires business credit report, signed Federal Income Tax returns for last two years; and, if available, audited Profit and Loss Statement plus balance sheet for same period.

NOT FOR FNMA/FHLMC/FA/VA USE

**DEBTS:** List all fixed obligations and installment accounts. (If more space is needed list on attached sheets.)  
If no outstanding debt, list three previous credit references.

B - Borrower C - Co-Borrower		Creditor's Name and Address	Account Number	Date Incurred	Original Amount	Present Balance	Monthly Payment	Amount Past Due
					\$	\$	\$	\$
<b>Auto</b>	Lien Holder:	Year and Make:						
	Lien Holder:	Year and Make:						
<b>Real Estate</b>	Name and Address of First Lien Holder of Security Property							
	Name and Address of Subordinate Lien Holder(s) of Security							
	List Debts On Other Real Estate Owned							
List any additional names under which credit has previously been received:				If not included in monthly mortgage payment enter the following:				
				Monthly payment for Taxes and Insurance				
				Monthly payment for Home Owner Association dues				
				Total Monthly Obligations				

**NOTICE - JOINT CREDIT:**

We intend to apply for joint credit. (initials) \_\_\_\_\_

**IMPORTANT - APPLICANT READ BEFORE SIGNING**

I / We apply for the loan indicated in this application which may be secured by a mortgage or deed of trust on the property described herein and represent that the property will not be used for any illegal or restricted purpose, and that all statements made in this application are true and are made for the purpose of obtaining the loan. Verification may be obtained from any source named in this application or through a credit reporting agency. The original or a copy of this application will be retained by the lender, even if the loan is not granted. I / We hereby consent to and authorize the lender, after the giving of reasonable notice, to enter the improved property for the sole purpose of determining that the improvements specified in this application have been completed.

I / WE UNDERSTAND THAT THE SELECTION OF A CONTRACTOR OR DEALER, ACCEPTANCE OF MATERIAL USED AND WORK PERFORMED IS MY / OUR RESPONSIBILITY. THE LENDER DOES NOT GUARANTEE THE MATERIAL OR WORKMANSHIP.

I / We  do or  do not intend to occupy the property as my / our primary residence.

I / We understand that it may be a federal crime punishable by a fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of the United States Criminal Code.

\_\_\_\_\_  
Borrower's Signature      Date

\_\_\_\_\_  
Co-Borrower's Signature      Date

**Information for Government Monitoring Purposes**

The following information is requested by the federal government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. You may select one or more designations for "Race." The law provides that a lender may not discriminate on the basis of this information, or on whether you choose to furnish it. However, if you choose not to furnish the information and you have made this application in person, under federal regulations the lender is required to note ethnicity, race, origin and sex on the basis of visual observation or surname. If you do not wish to furnish this information, please check below.

**BORROWER:**  I do not wish to furnish this information.

**CO-BORROWER:**  I do not wish to furnish this information.

**Ethnicity:**  Hispanic or Latino     Not Hispanic or Latino

**Ethnicity:**  Hispanic or Latino     Not Hispanic or Latino

**Race:**  American Indian or Alaska Native     Asian     Black or African American

**Race:**  American Indian or Alaska Native     Asian     Black or African American

Native Hawaiian or Other Pacific Islander     White

Native Hawaiian or Other Pacific Islander     White

**Sex:**  Female     Male

**Sex:**  Female     Male

**To Be Completed By Interviewer**

**This application was taken by:**

face to face interview

by mail

by telephone

by internet

\_\_\_\_\_  
Interviewer

\_\_\_\_\_  
Name of Interviewer's Employer

\_\_\_\_\_  
Interviewer's Phone Number

\_\_\_\_\_  
Address of Interviewer's Employer

# Texas Gulf Bank, N.A.

## Loan Request

Amount \_\_\_\_\_ Purpose \_\_\_\_\_

*I certify that the information in this application is correct and I am authorizing the lender to check my credit and employment history and to answer questions others may ask about my credit record with the lender.*

***ALL PARTIES SIGNING THIS AUTHORIZATION ARE AFFIRMING THEIR INTENT TO APPLY FOR JOINT CREDIT.***

***A SINGLE SIGNATURE IMPLIES INTENT FOR INDIVIDUAL CREDIT.***

\_\_\_\_\_  
*Applicant*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Co-Applicant*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Co-Applicant*

\_\_\_\_\_  
*Date*

# Texas Gulf Bank, N.A.

## Solicitud de Prestamo

Cantidad Solicitada \_\_\_\_\_ Intento de Prestamo \_\_\_\_\_

*Yo certifico que la informacion en esta aplicacion es correcta y autorizo que el banco investigue mi credito y los antecedentes de mi empleo, y contestar preguntas que otros tengan encuanto a mi credito con mi banco.*

***TODOS LO QUE FIRMEN ESTA AUTORIZACION ESTAN AFIRMANDO SU INTENTO DE APLICAR PARA EL CREDITO EN CONJUNTO.***

***SOLAMENTE UNA FIRMA IMPLICA INTENTO DE CREDITO INDIVIDUAL.***

\_\_\_\_\_  
*Firma de Solicitante*

\_\_\_\_\_  
*Fecha*

\_\_\_\_\_  
*Solicitante en conjunto*

\_\_\_\_\_  
*Fecha*

\_\_\_\_\_  
*Solicitante en conjunto*

\_\_\_\_\_  
*Fecha*

# FEDERAL CREDIT APPLICATION INSURANCE DISCLOSURE

I have applied for an extension of credit with you. You are soliciting, offering, or selling me an insurance product or annuity in connection with this extension of credit. **FEDERAL LAW PROHIBITS YOU FROM CONDITIONING THE EXTENSION OF CREDIT ON EITHER:**

1. My purchase of an insurance product or annuity from you or from any of your affiliates; or
2. My agreement not to obtain, or a prohibition on me from obtaining, an insurance product or annuity from an unaffiliated entity.

By signing, I acknowledge that I have received a copy of this form on today's date. Unless this disclosure is provided electronically or I have applied for credit by mail, I also acknowledge that you have provided this disclosure to me orally.

.....  
Consumer Date

.....  
Consumer Date

**DISCLOSURE STATEMENT REQUIRED FOR  
TEXAS RESIDENTIAL CONSTRUCTION CONTRACT  
SECTION 53.255(B) TEXAS PROPERTY CODE**

Owner(s): \_\_\_\_\_

Project description: \_\_\_\_\_

Contractors: \_\_\_\_\_

Lenders: \_\_\_\_\_

**KNOW YOUR RIGHTS AND RESPONSIBILITIES UNDER THE LAW.** You are about to enter into a transaction to build a new home or remodel existing residential property. Texas law requires your contractor to provide you with this brief overview of some of your rights, responsibilities, and risks in this transaction.

**CONVEYANCE TO CONTRACTOR PROHIBITED.** Your contractor may not require you to convey your real property to your contractor as a condition to the agreement for the construction of improvements on your property.

**KNOW YOUR CONTRACTOR.** Before you enter into your agreement for the construction of improvements to your real property, make sure that you have investigated your contractor. Obtain and verify references from other people who have used the contractor for the type and size of construction project on your property.

**GET IT IN WRITING.** Make sure that you have a written agreement with your contractor that includes: (1) a description of the work the contractor is to perform; (2) the required or estimated time for completion of the work; (3) the cost of the work or how the cost will be determined; and (4) the procedure and method of payment, including provisions for statutory retainage and conditions for final payment. If your contractor made a promise, warranty, or representation to you concerning the work the contractor is to perform, make sure that promise, warranty, or representation is specified in the written agreement. An oral promise that is not included in the written agreement may not be enforceable under Texas law.

**READ BEFORE YOU SIGN.** Do not sign any document before you have read and understood it. NEVER SIGN A DOCUMENT THAT INCLUDES AN UNTRUE STATEMENT. Take your time in reviewing documents. If you borrow money from a lender to pay for the improvements, you are entitled to have the loan closing documents furnished to you for review at least one business day before the closing. Do not waive this requirement unless a bona fide emergency or another good cause exists, and make sure you understand the documents before you sign them. If you fail to comply with the terms of the documents, you could lose your property. You are entitled to have your own attorney review any documents. If you have any question about the meaning of a document, consult an attorney

**GET A LIST OF SUBCONTRACTORS AND SUPPLIERS.** Before construction commences, your contractor is required to provide you with a list of the subcontractors and suppliers the contractor intends to use on your project. Your contractor is required to supply updated information on any subcontractors and suppliers added after the list is provided.

**MONITOR THE WORK.** Lenders and governmental authorities may inspect the work in progress from time to time for their own purposes. These inspections are not intended as quality control inspections. Quality control is a matter for you and your contractor. To ensure that your home is being constructed in accordance with your wishes and specifications, you should inspect the work yourself or have your own independent inspector review the work in progress.

**MONITOR PAYMENTS.** If you use a lender, your lender is required to provide you with a periodic statement showing the money disbursed by the lender from the proceeds of your loan. Your contractor is also required to furnish you with a statement at least once each month of money disbursed to subcontractors and suppliers for this project. Review these statements and make sure that the money is being properly disbursed.

**CLAIMS BY SUBCONTRACTORS AND SUPPLIERS.** Under Texas law, if a subcontractor or supplier who furnishes labor or materials for the construction of improvements on your property is not paid, you may become liable and your property may be subject to a lien for the unpaid amount, even if you have not contracted directly with the subcontractor or supplier. To avoid liability, you should take the following actions:

(1) If you receive a written notice from a subcontractor or supplier, you should withhold payment from your contractor for the amount of the claim stated in the notice until the dispute between your contractor and the subcontractor or supplier is resolved. If your lender is disbursing money directly to your contractor, you should immediately provide a copy of the notice to your lender and instruct the lender to withhold payment in the amount of the claim stated in the notice. If you continue to pay the contractor after receiving the written notice without withholding the amount of the claim, you may be liable and your property may be subject to a lien for the amount you failed to withhold.

(2) During construction and for 30 days after final completion, termination, or abandonment of the contract by the contractor, you should withhold or cause your lender to withhold 10 percent of the amount of payments made for the work performed by your contractor. This is sometimes referred to as 'statutory retainage.' If you fail to withhold the 10 percent for at least 30 days after final completion, termination, or abandonment of the contract by the contractor and if a valid claim is timely made by a claimant, you may be personally liable and your property may be subject to a lien up to the amount that you failed to withhold.

If a claim is not paid within a certain time period, the claimant is required to file a mechanic's lien affidavit in the real property records in the county where the property is located. A mechanic's lien affidavit is not a lien on your property, but the filing of the affidavit could result in a court imposing a lien on your property if the claimant is successful in litigation to enforce the lien claim.

**SOME CLAIMS MAY NOT BE VALID.** When you receive a written notice of a claim or when a mechanic's lien affidavit is filed on your property, you should know your legal rights and responsibilities regarding the claim. Not all claims are valid. A notice of a claim by a subcontractor or supplier is required to be sent, and the mechanic's lien affidavit is required to be filed, within strict time periods. The notice and the affidavit must contain certain information. All claimants may not fully comply with the legal requirements to collect on a claim. If you have paid the contractor in full before receiving a notice of a claim and have fully complied with the law regarding statutory retainage, you may not be liable for that claim. Accordingly, you should consult your attorney when you receive a written notice of a claim to determine the true extent of your liability or potential liability for that claim.

**OBTAIN A LIEN RELEASE AND A BILLS PAID AFFIDAVIT.** When you receive a notice of claim, do not release withheld funds without obtaining a signed and notarized release of lien and claim from the claimant. You can also reduce the risk of having a claim filed by a subcontractor or supplier by requiring as a condition of each payment made by you or your lender that your contractor furnish you with an affidavit

stating that all bills have been paid. Under Texas law, on final completion of the work and before final payment, the contractor is required to furnish you with an affidavit stating that all bills have been paid. If the contractor discloses any unpaid bill in the affidavit, you should withhold payment in the amount of the unpaid bill until you receive a waiver of lien or release from that subcontractor or supplier.

**OBTAIN TITLE INSURANCE PROTECTION.** You may be able to obtain a title insurance policy to insure that the title to your property and the existing improvements, on your property are free from liens claimed by subcontractors and suppliers. If your policy is issued before the improvements are completed and covers the value of the improvements to be completed, you should obtain, on the completion of the improvements and as a condition of your final payment, a 'completion of improvements' policy endorsement. This endorsement will protect your property from liens claimed by subcontractors and suppliers that may arise from the date the original title policy is issued to the date of the endorsement

**THIS IS TO VERIFY THAT I (WE) HAVE RECEIVED A COPY OF THIS CONTRACTOR'S DISCLOSURE STATEMENT.**

SIGNED this \_\_\_ day of \_\_\_\_\_, \_\_\_\_.

**OWNERS**

By: \_\_\_\_\_

By: \_\_\_\_\_

**WITNESS:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## NOTICE OF YOUR FINANCIAL PRIVACY RIGHTS

WE, OUR, and US, when used in this notice means Texas Gulf Bank, N.A.

This is our privacy notice for our customers. When we use the words "you" and "your" we mean the following types of customers:

- \* Our consumer customers who have a continuing relationship by purchasing or holding financial products or services such as a(n):
  - \* Deposit account
  - \* Loan account
  - \* Safe Deposit Box
  - \* Self-directed Individual Retirement Account
  - \* Mortgage brokeraGe services
  - \* All persons who use our trust department
  - \* All IRA accounts for which we act as custodian

We will tell you the sources of the information we collect about you. We will tell you what measures we take to secure that information.

We first define some terms.

NONPUBLIC PERSONAL INFORMATION means information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records. Hereafter, we will use the term "information" to mean nonpublic personal information as defined in this section.

An AFFILIATE is a company we own or control, a company that owns or controls us, and a company that is owned or controlled by the same company that owns or controls us. Ownership does not mean complete ownership, but means owning enough to have control.

A NONAFFILIATED THIRD PARTY is a company that is not an affiliate of ours. This is also known as nonaffiliated third party, or simply, an "OTHER PARTY".

### THE INFORMATION THAT WE COLLECT

We collect information about you from the following sources:

- \* Information we receive from you on applications or other forms
- \* Information about your transactions with us
- \* Information about your transactions with other parties
- \* Information from a consumer reporting agency

### INFORMATION WE DISCLOSE ABOUT YOU

We do NOT disclose any information about you to anyone, except as permitted by law. This might include disclosures necessary to service your account, perform joint marketing or prevent unauthorized transactions.

### THE CONFIDENTIALITY, SECURITY AND INTEGRITY OF YOUR INFORMATION

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to protect this information.

### INFORMATION ABOUT FORMER CUSTOMERS

We do not disclose information about former customers, except as permitted by law.

## RECLASSIFICATION OF ACCOUNTS

### INTEREST BEARING ACCOUNTS

Your Account consists of a transaction sub-account and a savings sub-account. The bank may periodically transfer funds between the two sub-accounts. This process will not affect your available balance, your statement, or any other features of your account.

### CHECKING ACCOUNTS

Your Account consists of a transaction sub-account and a non-interest bearing savings sub-account. The bank may periodically transfer funds between the two sub-accounts. This process will not affect your available balance, your statement, or any of the other features of your account.

Although the bank has no intention of exercising this right, the bank may require at least 7 day written notice prior to transfer of any funds from the savings sub-account.