**SELLER ATTACHMENT**

This attachment is intended to be given to the Seller prior to consummation

of a Seller Financing Addendum for a credit transaction secured by a dwelling.

This attachment is not part of the Seller Financing Addendum’s terms.

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**MESSAGE TO SELLER**

You are entering into a complex transaction governed by a number of State and Federal laws. Real estate brokers are not qualified, nor licensed to ensure that the terms of your seller financing agreement comply with these laws. You are therefore instructed to carefully read the below disclosures and consult with qualified licensed professionals to ensure that the terms of your seller financing agreement comply with all applicable State and Federal laws.

**LOAN ORIGINATION DISCLOSURE**

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| **Sellers originating a residential loan must be registered and/or licensed as mortgage loan originators unless exempt under the Dodd-Frank Wall Street Reform and Consumer Protection Act.** |

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) mandates that a loan originator for a consumer credit transaction secured by a dwelling must, when required by applicable State or Federal law, be registered and licensed in accordance with those laws, including the Secure and Fair Enforcement for Mortgage Licensing Act (the “S.A.F.E. Act”).

Although the definition of a “loan originator” under the Dodd-Frank Act is broad in scope, there exist two categories of seller financing excluded from the “loan originator” definition.

**Requirements of the first exemption include:** (1) the Seller originates financing for only one property in any 12-month period; (2) the Seller is a natural person, estate or trust; (3) the Seller did not construct the residence on the property; (4) the financing does not result in negative amortization; and (5) the financing has a fixed rate or does not adjust for the first five years.

**Requirements of the second exemption include:** (1) the Seller originates financing for no more than three residential properties in any 12-month period; (2) the Seller is a natural person or an organization, including a partnership, corporation, proprietorship, association, cooperative, trust, estate, or government unit; (3) the Seller did not construct the residence on the property; (4) the loan is fully amortizing; (5) the financing has a fixed rate or does not adjust for the first five years; and (6) The Seller has determined that the borrower has the reasonable ability to repay the loan according to its terms per 12 CFR § 1026.43(c), which is available at <http://www.gpo.gov/fdsys/pkg/CFR-2013-title12-vol8/xml/CFR-2013-title12-vol8-part1026.xml>.

**Before consummating this transaction, it is the sole and exclusive duty of you, the Seller, to verify whether you are a “loan originator” as defined by the Dodd-Frank Act thereby requiring you to be registered and licensed in accordance with applicable State or Federal law.**

**HOEPA DISCLOSURE**

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| **Sellers originating a high cost mortgage as defined by the Home Ownership and Equity Protection Act must be registered and/or licensed as mortgage loan originators.** |

The Home Ownership and Equity Protection Act (“HOEPA”) applies to most types of consumer credit transactions secured by a consumer’s principal residence. Before concluding whether you the Seller are exempt from the definition of a “loan originator,” you must determine whether the transaction you are originating is subject to HOEPA coverage, and if so, whether the transaction is covered by the high-cost mortgage provisions of HOEPA.

**Sellers originating a high-cost mortgage may not be exempt from the definition of a “loan originator,” meaning that you the Seller would need to be registered and licensed in accordance with applicable State or Federal law before engaging in the business of residential mortgage loan origination.**

The complete 2013 HOEPA rule, including the Official Interpretations, is available at http://www.consumerfinance.gov/regulations/high-cost-mortgage-and-homeownership-counseling-amendments-to-regulation-z-and-homeownership-counseling-amendments-to-regulation-x/.

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