BUSINESS PURPOSE & OCCUPANCY AFFIDAVIT

Loan Number: _____

Borrower(s): _____

Property Address: _____

I, the undersigned borrower(s), hereby declare that the following is true and correct:

1. I have applied for this Loan and am seeking financing for the Property for business purposes only. The proceeds of the loan will be used 1) to purchase, improve, or maintain the Property or another investment property, or 2) for another business purpose. I do not intend to use the proceeds of the Loan for personal, family, or household purposes.
2. I intend to operate the Property as one or more rental units for profit. If I have not executed a lease with a tenant (or tenants) at or before closing of the Loan, I intend to, and will, use commercially reasonable methods and effort to obtain a tenant (or tenants) for the Property following closing of the Loan.
3. Neither I nor any family member, nor member, partner, employee, or owner of the business including their family members, if Property is vested in the name of the business, intend or expect to occupy the Property, under any circumstance, individually or collectively, for more than 14 days in any calendar year while the Loan remains outstanding. In addition, I will not claim the Property as my primary or secondary residence for any purposes for the duration of my Loan. I now reside, and for the duration of my Loan will continue to reside, elsewhere.
4. I understand that Lender originating the Loan in reliance upon this Affidavit. If this Affidavit is not true and correct, and in consideration of Lender making the Loan, I agree to indemnify Lender and its agents, affiliates, subsidiaries, parent companies, successors and assigns and hold them harmless from and against any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, which they may incur as a result of or in connection with my misrepresentation. I further understand that any misrepresentation in this Affidavit will constitute an Event of Default under my Loan Documents and may result in the immediate acceleration of my debt and the institution of foreclosure proceedings, eviction, and any other remedies allowable by law.
5. I understand that the agreements and covenants contained herein shall survive the closing of the Loan.
6. I understand that, based on the contents of this Affidavit, the Loan is a business-purpose loan secured by non-owner-occupied real property. I understand that this means that the Loan may not be subject to the requirements of certain federal and state consumer protection, mortgage lending, or other laws, including but not limited to the provisions of the federal Truth-in-Lending Act (15 U.S.C. §§ 1901 et seq.) and its implementing Regulation Z (12 C.F.R. Part 1026), and that my ability to avail myself of protections offered under federal and state laws for consumer-purpose residential mortgage loans may be limited.

I understand that any false statements, misrepresentations, or material omissions I make in this Affidavit may result in civil and criminal penalties.

Initial(s):	The Property is not and will not be occupied by me, any family member, or, if the Property is vested in the name of the business, member, partner, employee, or owner of the business, including their family members, individually or collectively, for more than 14 days in any calendar year.

Borrower(s) / Borrowing Entity Members, Partners, Employees, or Owners:

NOTARY PUBLIC

_____ Date:_____

_____ Date:_____