



A. Settlement Statement (HUD-1)

B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input checked="" type="checkbox"/> Conv. Unins.	6. File Number: 0920133004	7. Loan Number: 0000434256	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.	<input type="checkbox"/> Other			

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing by either the: Borrower (POCB), Lender (POCL), Mortgage Broker (POCM), Other (POCO), Real Estate Agent (POCR), or Seller (POCS); they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower: Richard Rockwell Vernotzy, Po Box 572718, Houston, TX 77257
Carolyn Greco Vernotzy, P O Box 572718, Houston, TX 77254

E. Name & Address of Seller: The Webster Pipkin Trust, Preforeclosure Specialist, LLC, 101 Convention Center Drive, Las Vegas, NV 89109

F. Name & Address of Lender: Whitney National Bank, 410 La Barre Road, Jefferson, LA 70121, Loan: 0000434256

G. Property Location: 1717 West Webster Street Condominium E Houston, Texas 77006
Unit E, of The Parker Lofts Condo Condominium, Harris County, Texas

H. Settlement Agent: Cynthia B. Cruz, 127-Stewart Title Company, 1980 Post Oak Blvd., Suite R2C, Houston, TX 77056, (713)627-1310
Place of Settlement: 1980 Post Oak Blvd., Suite R2C, Houston, TX 77056

I. Settlement Date: 5/7/2010 **Proration Date:** 5/7/2010 **Disbursement Date:** 5/7/2010

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract sales price	\$365,000.00	401. Contract sales price	\$365,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	\$7,665.58	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments 5/7/2010 to 6/1/2010	\$243.30	408. Assessments 5/7/2010 to 6/1/2010	\$243.30
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due from Borrower	\$372,908.88	420. Gross Amount Due to Seller	\$365,243.30
200. Amounts Paid by or in Behalf of Borrower		500. Reductions in Amount Due to Seller	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	\$292,000.00	502. Settlement charges to seller (line 1400)	\$49,761.95
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan to 0920133004A	\$293,922.64
205.		505. Payoff of second mortgage loan to Countywide	\$17,869.05
206.		506.	
207.		507.	
208.		508.	
209. additional earnest money from Buyers/Borrowers (All	\$10.00	509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes		510. City/town taxes	
211. County taxes 1/1/2010 to 5/7/2010	\$3,689.66	511. County taxes 1/1/2010 to 5/7/2010	\$3,689.66
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid by/for Borrower	\$295,699.66	520. Total Reduction Amount Due Seller	\$365,243.30
300. Cash at Settlement from/to Borrower		600. Cash at Settlement to/from Seller	
301. Gross amount due from borrower (line 120)	\$372,908.88	601. Gross amount due to seller (line 420)	\$365,243.30
302. Less amounts paid by/for borrower (line 220)	(\$295,699.66)	602. Less reductions in amount due seller (line 520)	(\$365,243.30)
303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$77,209.22	603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	\$0.00

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

L. Settlement Charges			
700.	Total Real Estate Broker Fees based on price \$365,000.00 @ 6.000000% = \$21,900.00		
	Division of commission (line 700) as follows:		
701.	\$10,950.00 to Realty Associates		
702.	\$10,950.00 to Coldwell Bank United		
703.	Commission paid at settlement \$21,900.00		\$21,900.00
704.			
800. Items Payable in Connection with Loan			
801.	Our origination charge Whitney National Bank** \$3,335.00 (from GFE #1)		
802.	Your credit or charge (points) for the specific interest rate chosen (from GFE #2)		
803.	Your adjusted origination charges to Whitney National Bank (from GFE A)	\$3,335.00	
804.	Appraisal fee to Whitney National Bank (from GFE #3) POCB \$400.00		
805.	Credit report to Cic credit (from GFE #3) POCB \$25.00	\$1.56	
806.	Tax service to Dovenmuehle (from GFE #3)	\$63.00	
807.	Flood certification to LPS National flood (from GFE #3)	\$8.00	
808.			
809.			
900. Items Required by Lender to Be Paid in Advance			
901.	Daily interest charges from 5/7/10 to 6/1/10 @ \$42.5833/day (from GFE #10)	\$1,064.58	
902.	Mortgage insurance premium for (from GFE #3)		
903.	Homeowner's insurance for 1 year(s) to State Farm Lloyds (from GFE #11)	\$1,214.00	
904.			
905.			
1000. Reserves Deposited with Lender			
1001.	Initial deposit for your escrow account (from GFE #9)		
1002.	Homeowner's insurance		
1003.	Mortgage insurance		
1004.	City property taxes		
1005.	County property taxes		
1006.	School taxes		
1007.	MUD taxes		
1008.	Aggregate Adjustment \$0.00		
1100. Title Charges			
1101.	Title services and lender's title insurance (from GFE #4)	\$610.40	
1102.	Settlement or closing fee to Stewart Title Company \$250.00		\$250.00
1103.	Owner's title insurance to Stewart Title Company (from GFE #5)		\$2,258.00
1104.	Lender's title insurance to Stewart Title Company 17.19.30.36.39 \$293.40		
1105.	Lender's title policy limit \$292,000.00		
1106.	Owner's title policy limit \$365,000.00		
1107.	Agent's portion of the total title insurance premium to Stewart Title Company \$2,168.69		
1108.	Underwriter's portion of the total title insurance premium to Stewart Title Guaranty Company \$382.71		
1109.	State of Texas Policy GTY fee to Stewart Title Policy Guaranty Fee \$5.00		\$5.00
1110.	messenger, copy fee to Stewart Title Company \$50.00		\$50.00
1111.	Tax Certificate to Stewart Title Company		\$64.95
1112.	Electronic recording to Stewart Title Company \$12.00		\$6.00
1113.			
1200. Government Recording and Transfer Charges			
1201.	Government recording charges (from GFE #7)	\$140.00	
1202.	Deed \$28.00 Mortgage \$112.00 Releases \$28.00 \$140.00		\$28.00
1203.	Transfer taxes (from GFE #8)		
1204.	City/County tax/stamps		
1205.	State tax/stamps		
1206.			
1300. Additional Settlement Charges			
1301.	Required services that you can shop for (from GFE #6)	\$1,229.04	
1302.	2 months maintenance to The Parke Lofts HOA \$592.02		
1303.	Transfer fee & resale fee to JDH Property Mgmt \$25.00		\$200.00
1304.	quote fee for maintenance to Jdh. Property Mgmt \$20.00		
1305.	Short Sale Loss Mitigation to Preforeclosure Specialist		\$25,000.00
1306.	Membership fee to Parker Lofts \$592.02		
1400.	Total Settlement Charges (enter on lines 103, Section J and 502, Section K)	\$7,665.58	\$49,761.95

** Includes Origination Point (\$3,335.00).

SUBSTITUTE FORM 1099 SELLER STATEMENT - The information contained in Blocks E, G, H and I and on line 401 (or, if line 401 is asterisked, lines 403 and 404), 406, 407 and 408-412 (applicable part of buyer's real estate tax reportable to the IRS) is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

SELLER INSTRUCTION - If this real estate was your principal residence, file form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of form 4797, Form 6252 and/or Schedule D (Form 1040).

You are required to provide the Settlement Agent with your correct taxpayer identification number.

If you do not provide the Settlement Agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties.



The Webster Pipkin Trust, Preforeclosure Specialist, LLC

Comparison of Good Faith Estimate (GFE) and HUD-1 Charges		Good Faith Estimate	HUD-1
Charges That Cannot Increase	HUD-1 Line Number		
Our origination charge	# 801	\$3,420.00	\$3,335.00
Your credit or charge (points) for the specific interest rate chosen	# 802		\$0.00
Your adjusted origination charges	# 803		\$3,335.00
Transfer taxes	# 1203		\$0.00

Charges That in Total Cannot Increase More Than 10%		Good Faith Estimate	HUD-1
Government recording charges	# 1201	\$200.00	\$140.00
Appraisal fee	# 804	\$375.00	\$400.00
Credit report	# 805	\$25.00	\$26.56
Tax service	# 806	\$63.00	\$63.00
Flood certification	# 807	\$8.00	\$8.00
	# 808	\$100.00	\$0.00
	# 809	\$150.00	\$0.00
	#		
	#		
	#		
	#		
	Total	\$921.00	\$637.56
Increase between GFE and HUD-1 Charges		(\$283.44)	or -30.775244%

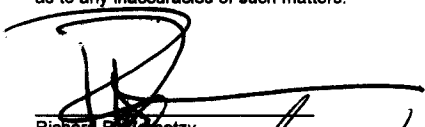
Charges That Can Change		Good Faith Estimate	HUD-1
Initial deposit for your escrow account	# 1001	\$1,779.84	\$0.00
Daily interest charges	# 901 \$42.5833/day	\$1,277.50	\$1,064.58
Homeowner's insurance	# 903		\$1,214.00
Title services and lender's title insurance	# 1101	\$487.63	\$610.40
Owner's title insurance	# 1103	\$2,720.04	\$0.00
	#		
	#		
	#		
	#		

Loan Terms

Your initial loan amount is	\$292,000.00
Your loan term is	5 years <input type="checkbox"/> N/A
Your initial interest rate is	5.25 %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$1,612.43 includes <input checked="" type="checkbox"/> Principal <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance
Can your interest rate rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of _____%. The first change will be on _____ and can change again every _____ after _____. Every change date, your interest rate can increase or decrease by _____%. Over the life of the loan, your interest rate is guaranteed to never be lower than _____% or higher than _____%.
Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of _____. <input type="checkbox"/> Unknown
Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, the first increase can be on _____ and the monthly amount owed can rise to _____. The maximum it can ever rise to is _____.
Does your loan have a prepayment penalty?	<input checked="" type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is _____.
Does your loan have a balloon payment?	<input type="checkbox"/> No. <input checked="" type="checkbox"/> Yes, you have a balloon payment of \$270,689.20 due in 5 years on _____.
Total monthly amount owed including escrow account payments <input type="checkbox"/> *Paid by or through draws from the principal limit.	<input type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input checked="" type="checkbox"/> You have an additional monthly escrow payment of _____ that results in a total initial monthly amount owed of _____. This includes principal, interest, any mortgage insurance and any items checked below: <input type="checkbox"/> Property taxes <input type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> _____

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

CERTIFICATION: I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of HUD-1 Settlement Statement. The Settlement Agent does not warrant or represent the accuracy of information provided by third parties, including information concerning POC items and information supplied by the lender in this transaction appearing on the HUD-1 pertaining to "Comparison of Good Faith Estimate (GFE) and HUD-1 Charges" and "Loan Terms", and the parties hold harmless the Settlement Agent as to any inaccuracies of such matters.



Richard R. Motzy

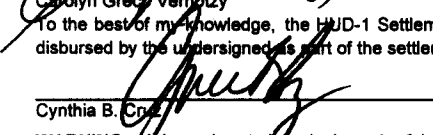


The Webster Pipkin Trust, Preforeclosure Specialist, LLC



Carolyn Grace Vernitzy

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.



Cynthia B. Cruz

5/7/10

Date

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18: U.S. Code Section 1001 and Section 1010.

CERTIFICATION

Seller's and Purchaser's signature hereon acknowledges his/her/their approval of tax proration and signifies their understanding that proration was based on taxes for the preceding year or estimates for the current year, and in the event of any change for the current year, all necessary adjustments must be made between Seller and Purchaser; likewise any default in delinquent taxes will be reimbursed to Title Company by the Seller.

The parties have read and understood the above sentences, and recognize that the above recitations herein are material and important. The parties agree to these statements, and recognize Title Company is relying on these recitations in closing this transaction.

Title Company has deposited the earnest money that it has received in a demand deposit account that is federally insured to the maximum extent permitted by law. Demand deposit accounts are non-interest bearing pursuant to federal law, but offer immediately available funds for withdrawal after check has cleared.

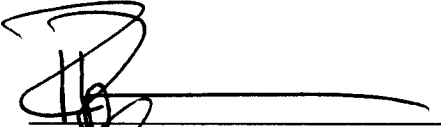
Title Company may receive other benefits from the financial institution where the funds are deposited. Based upon the deposit of escrow funds in demand deposit accounts and other relationships with the financial institution, Title Company is eligible to participate in a program offered by the financial institution whereby the Title Company may (i) receive favorable loan terms and earn income from the investment of loan proceeds and (ii) receive other benefits offered by the financial institution.


I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction.

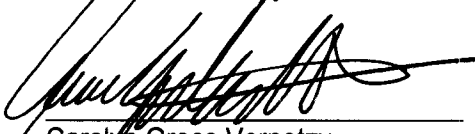
I certify and acknowledge that I have received a copy of the HUD-1 Settlement Statement and have read and understood this disclosure statement above.

Purchaser(s) Borrower(s)

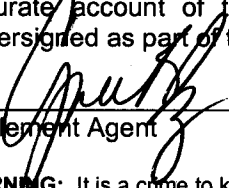
Seller(s)


Richard R. Vernotzy

THE WEBSTER PIPKIN TRUST,
PREFORECLOSURE SPECIALIST, LLC

Elizabeth Tran
Trustee


Carolyn Greco Vernotzy

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.


Settlement Agent

5/7/10
Date


WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. code Section 1001 and Section 1010.

COMMISSION DISCLOSURE ATTACHMENT

The following additional persons, firms or corporations received a portion of the real estate commission:

Coldwell Banker

Realty Associates



Richard R. Vernotzy

Carolyn Greco Vernotzy

THE WEBSTER PIPKIN TRUST,
PREFORECLOSURE SPECIALIST, LLC



Elizabeth Tran
Trustee