



**Attention Signing agent, including this page the total page count for this attachment you are printing is 109 pages.**

**If you have received or are printing less than that amount please contact our office immediately at:**

**Toll Free: 877-536-3390**

**Email: [scheduling@cetitle.com](mailto:scheduling@cetitle.com)**

**\*\*\*\*\* FULL SCAN BACKS ARE REQUIRED – PLEASE SEND A COPY OF THE SIGNED DOCUMENTS TO [SCANS@CETITLE.COM](mailto:SCANS@CETITLE.COM) \*\*\*\*\***

**\*\*Please include our file number in the subject line of the email\*\***

**If possible please drop documents directly at a FedEx location due to an increase of packages being stolen from FedEx drop boxes**



Homeowner Name(s): Lisa Livingston Baker  
Property Address: 104 DIPLOMA DR, Ladson, SC 29456  
Docket #: 2025161-PIFIB

Thank you for handling this signing for ClearEdge Title, Inc and Point Digital Finance

During business hours of 9AM eastern – 8PM eastern Monday through Friday please contact our office at 877-536-3390 with regards to any issues at the closing. Additionally, should an issue arise outside of normal business hours or you are unable to make contact during normal business hours please reach out to the emergency contact number at 727-271-6212. PLEASE LEAVE A VOICEMAIL IF THAT NUMBER IS NOT PICKED UP.

If funds are due at the closing and a check is not available and the customer has not already made arrangements for a wire transfer please also contact us using the above methods.

Please send scans of signed documents to [scans@cetitle.com](mailto:scans@cetitle.com).

Thank you.



2605 Enterprise Rd E, Suite 270 | Clearwater, FL 33759  
877.536.3390 Business |  
[www.cetitle.com](http://www.cetitle.com)

ORIGIN ID: CHSA (843) 725-8152

USA LIVINGSTON BAKER  
104 DIPLOMA DR

LADSON, SC 29456  
UNITED STATES US

SHIP DATE: 23MAY25  
ACTWGT: 1.00 LB  
CAD: 104469151WMSX12150

BILL SENDER

TO

CLEAREDGE TITLE, INC  
2605 ENTERPRISE ROAD E  
SUITE 270

CLEARWATER FL 33759

(727) 288-2065

REF: C-SC919912

PO:

DEPT:

58GJ4/EA36/59F2



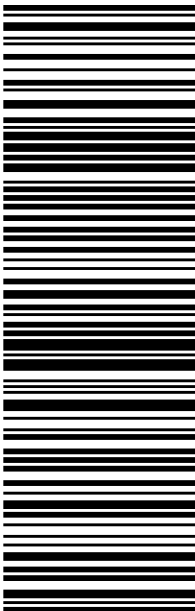
TRK# 2889 9680 3430

TUE - 27 MAY 5:00P  
STANDARD OVERNIGHT

33759

XS CLWA

FL-US TPA







**\*\*\*VERY IMPORTANT TO THIS PARTICULAR CLIENT\*\*\***

**\*\*\*Please note, on Notice of Right to Cancel, Point requires that both the ACKNOWLEDGEMENT OF RECEIPT DATE as well as the SIGNING DATE are completed\*\*\* If these dates are missing, this will cause funding delays.**

<b>Acknowledgment of Receipt</b>
Each of the undersigned hereby acknowledges receiving 2 copies of this notice on _____

\_\_\_\_\_

_____
Date

Initials of Owner:	_____
Initials of Owner:	_____

**\*\*\*VERY IMPORTANT TO THIS PARTICULAR CLIENT\*\*\***

If closing in a TRUST – there will be separate signature lines to sign BOTH as trustee AND individually. Please ensure BOTH SIGNATURE LINES are executed as typed below them.

**\*\*\*VERY IMPORTANT TO THIS PARTICULAR CLIENT\*\*\***



## **Point's Instructions to Closing Agent**

All documents must be printed on 8.5" x 11" letter-sized paper.

Return Signed Documents, Final Title Policy and Recorded Mortgage to:

Point Digital Finance, Inc.  
Attn: Closing Department  
444 High Street, 4th Floor  
Palo Alto, CA 94301

<b>Document Set for:</b>	Lisa Livingston Baker	<b>Closing agent:</b>	ClearEdge Title, Inc
<b>Agreement No:</b>	2025161-PIFIB	<b>Address:</b>	2605 Enterprise Road E Suite 270 Clearwater, FL 33759
<b>Date Prepared:</b>	05/23/2025	<b>Phone:</b>	(877) 536-3390
<b>Doc Version:</b>	1	<b>Officer:</b>	Michael DeFrancesco
<b>Sign by Date:</b>	05/24/2025	<b>File No:</b>	C-SC919912

**Address:** 104 DIPLOMA DR, LADSON, SC 29456

**County:** Dorchester

1. All documents returned to Point need to be original.
2. Return one (1) certified copy of the Mortgage
3. Receipt of our wire does not constitute authorization to release funds and/or record our Mortgage.  
You may not do so without prior email authorization.

### **Additional Instructions to Closing Agent:**

Please see the enclosed Closing Disclosure to determine closing costs and cash to close.

Signing Date: 05/24/2025

Signing Time: 03:30 PM

Location: 104 DIPLOMA DR, LADSON, SC 29456

### **CONDITIONS TO BE SATISFIED AT CLOSING:**

1. All required documents must be signed by the Homeowner(s). The Mortgage must be signed in the presence of, and notarized by a notary.
2. All signatures must match the names on the documents.  
For Power of Attorney signings when applicable, please ensure the appointed power of attorney for the Homeowner signs all closing documents as follows:
  - a. Signature: John A. Doe by Jane B. Doe, attorney-in-fact (or power of attorney)
  - b. Initials: JAD by JBD, AIF (or POA)
3. One copy of the Notice of Right to Cancel to be signed and returned to Point Digital Finance for each homeowner. **Each homeowner shall receive 2 copies of the notice to take away.**



4. Point will review the reasonableness of fees imposed by the Closing Agent (whether the Closing Agent's own fees or fees of third parties) before closing. If Closing Agent charges a separate fee for a service provided by a third party, Closing Agent may not 'up charge' that fee and must list its Closing Agent fees separately. Point reserves the right to investigate fees, including delaying the closing and discussing the fees with the homeowner if necessary.
5. If there are multiple homeowners, all homeowners must sign closing documents.
6. Proof of hazard insurance must be provided by Point.
7. ALTA Title Policy must be free from liens, encumbrances, easements, encroachments and other title matters except (i) the lien created with this Point transaction on the property described herein showing the Instrument or Document Number and the date of recording of the Security Instrument; (ii) general, specific, state, county, city, school or other taxes and assessments not yet due or payable: (All taxes to be paid current); (iii) other items as permitted by us; and (iv) the items not listed below as shown on the preliminary title report, commitment, binder or equivalent dated N/A.

Items to be removed from the final ALTA Title Policy:

- N/A

<b>Delivery of Closing Proceeds</b>
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Please send the homeowner proceeds via wire transfer. The homeowner will provide his or her wire instructions to the notary.

<b>Homeowner Contact Information</b>
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Email: Lisaliv3@yahoo.com

Phone: (843) 725-8152





<b>Schedule of Homeowner Signatures and Required Dates for Notary</b>
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*Please check off each of these as they are completed and returned in the order below.*

1. Option Agreement

☐ Page 1~2 - Please explain that these are the specific terms of the Option. Signing this Option Agreement will serve as an acknowledgment by the homeowner of the appreciation starting value that was previously agreed upon by the homeowner and Point Digital Finance.

☐ Page 27 - Homeowner signatures

☐ Page 28 - Notary acknowledgment

2. Appendix

3. Legal Description

4. Calculation of Point Proceeds

5. Mortgage

☐ Page 12 - Homeowner signatures

☐ Page 13 - Notary acknowledgment

6. PUD Rider, Mortgage

☐ Page 21 - Homeowner signatures

☐ Page 22 - Notary acknowledgment

7. Notice of Right to Cancel

☐ Page 1 - Homeowner signatures

8. Mortgagor's Affidavit

☐ Page 2 - Homeowner signatures

☐ Page 3 - Notary acknowledgment

9. About My Point Agreement

☐ Page 1 - Whoever appears on the top of the page must initial 10 items.

10. Errors and Omissions Agreement

☐ Page 1 - Homeowner signatures

11. Authorization Affidavit to Release Information

☐ Page 1 - Homeowner signatures

12. Closing Disclosure

☐ Page 6 - Homeowner signature

13. Shared Appreciation Transaction Disclosure

☐ Page 7 - Homeowner signature

☐ Page 10 - Notary acknowledgment



#### **14. Separation Sheet**

**Note: Please include any other documents not listed here below the Separation Sheet**



## POINT DIGITAL FINANCE OPTION PURCHASE AGREEMENT

This Point Digital Finance Option Purchase Agreement is entered into as of May 24, 2025 ("**Effective Date**"), by and between Lisa Livingston Baker, whose address is 104 DIPLOMA DR, LADSON, SC 29456, and Point Digital Finance, Inc., a Delaware corporation, whose address is 444 High Street, 4th Floor Palo Alto, CA 94301. "**We**", "**us**", "**our**" and "**Point**" refer to Point Digital Finance, Inc. and its successors and assigns. "**You**", "**your**" and "**Owner**" refer to Lisa Livingston Baker and Owner's permitted assigns under this Agreement. Capitalized terms used but not defined in the text of this Agreement have the meanings set forth in the attached Appendix A.

*To be completed by Point only:*

☒ If this box is checked, Point Digital Finance, Inc. will assign all rights, title, and interest in and to this Agreement to Point Titling Trust.

### Section One: Option Terms

- 1.1 **Grant of Option and Consideration.** You agree to sell to us an exclusive and irrevocable option (the "**Option**") to purchase an undivided percentage interest of fee simple title ownership (the "**HEI Percentage**") in and to the Property in exchange for our agreement to pay you the Investment Amount. Point may exercise the Option and purchase the HEI Percentage by paying you the Exercise Payment. The Property is commonly known as 104 DIPLOMA DR, LADSON, SC 29456 and is more specifically described on Schedule 1 (the "**Property**").

You hereby agree to the specific terms of our Option as set forth below in the column entitled "Owner's Information":

	Definition	Owner's Information
<b>Investment Amount</b>	the first payment of the Option Consideration, to be paid shortly after execution of this Agreement	\$30,000.00
<b>HEI Percentage</b>	short for Home Equity Investment Percentage and is the percentage interest of Appreciation that Point shares in; also the percentage interest of the Property that we would acquire upon Option Exercise	30.2000%
<b>Appreciation Starting Value</b>	the starting value of the Property for calculating Appreciation and Point Proceeds	\$218,270.00
<b>Homeowner Protection Cap</b>	An annual rate, compounded monthly, that is applied to the Investment Amount to determine the Capped Repayment Amount; the Capped Repayment Amount is the maximum amount you may pay Point, the calculation of which is set forth in Schedule 2	17.50%
<b>Exercise Payment</b>	the payment Point will make to you if Point exercises the Option	\$35,917.54
<b>Option Consideration</b>	the total purchase price for the HEI Percentage, which is the sum of the Investment Amount and the Exercise Payment	\$65,917.54



<b>Amount of Acknowledged Pre-Existing Loans</b>	Acknowledged Pre-Existing Loan is defined in Appendix A	\$81,512.19
<b>Expiration Date</b>	the date on which the Investment Term expires	May 24, 2055
<b>Legal Form of Ownership of Property</b>	--	AS INDIVIDUAL
<b>Owner Occupied Property vs. Non-Owner Occupied Property</b>	both terms are defined in Appendix A	Owner Occupied Property
<b>Property Type</b>	--	Single Family Home in PUD Detached, PUD Rider Attached

- 1.2 **Term of Option and Term of Agreement.** The term of the Option you grant to us (the "**Investment Term**") will commence on the Effective Date and will expire at 11:59 p.m., Pacific Time, on the Expiration Date, unless otherwise extended pursuant to Sections 2.2.1 or 7.9. The term of this Agreement will continue until the receipt of the full amount of our Point Proceeds following (i) an Owner Option Repurchase or (ii) an Option Exercise. Certain obligations and provisions of this Agreement shall survive termination as provided in Section 7.8.
- 1.3 **Payment of Option Consideration.** We will pay you the total Option Consideration in two parts as set forth below.
- 1.3.1 **Payment of the Investment Amount and Option Grant Closing.** We shall pay you the Investment Amount within five Business Days of confirmation by an Escrow Agent that the escrow for the granting of the Option has closed including, but not limited to, confirmation of the following (the "**Option Grant Closing**"):
- (a) You have executed and delivered to the Escrow Agent each of the following Option Documents: (i) a signed original of this Agreement; (ii) a signed and notarized original of the Security Instrument; and (iii) any other required documents;
  - (b) the Security Instrument and any other required documents are properly recorded in the appropriate state or county recorder's office; and
  - (c) Point has been added as an additional named insured under your insurance policies in compliance with Section 4.1.1.
- 1.3.2 **Payment of the Exercise Payment.** If you choose to repurchase the Option, Point will calculate the Point Proceeds and account for the Exercise Payment according to Schedule 2. If Point exercises the Option, Point will credit the Exercise Payment against its share of proceeds from a Property Sale except as indicated in Section 2.3.
- 1.4 **Payment of Point Proceeds.** Except as otherwise noted, your obligations under this Agreement will cease once you pay us our Point Proceeds, which will always be calculated per Schedule 2. This will typically occur by (a) your election to terminate and repurchase the Option by paying us the Point Proceeds (an "**Owner Option Repurchase**"), or (b) our election to exercise the Option upon the events specified in Section 1.4.2 event and be paid the Point Proceeds in a Property Sale. The Calculation of the Point Proceeds takes into account a cap (the "**Capped Repayment Amount**") that may limit the amount of Point Proceeds you are obligated to pay to Point. The Capped Repayment Amount is based, in part, on the length of time that has elapsed between the Effective



Date and the date Point receives the Point Proceeds.

1.4.1 **Owner Option Repurchase.** At any time during the Investment Term, you may elect to repurchase and thereby terminate the Option by paying us the Point Proceeds. To initiate an Owner Option Repurchase, you must deliver written notice to us at least 15 days prior to the proposed closing date. You may be required to provide additional notice if you are repurchasing the Option in connection with a Property Sale or at the Expiration Date. The closing of the Owner Option Repurchase will be scheduled to allow us to conduct an Appraisal, at your cost, to determine the Final Home Value.

We shall retain the right to reject any tender by you of the Point Proceeds that is less than the full amount of the Point Proceeds, is less than \$0, is not actually received by Point or is not tendered within the time frame agreed to by you and Point, or is in violation of applicable law. Upon our acceptance of the Point Proceeds, the Option shall terminate.

1.4.2 **Option Exercise Triggers.** At any time prior to you consummating an Owner Option Repurchase, we have the right to exercise the Option upon the following events: (a) any Transfer of the Property or any portion of the Property as provided in Section 2.1; (b) at the Expiration Date, as provided in Section 2.2; (c) upon an Event of Default as provided in Section 2.3; or (d) upon special circumstances as provided in Sections 4.4 and 4.5.

1.5 **Recording and Securing the Option.** You grant us the right to secure your performance under the Agreement and our right to our HEI Percentage through a Security Instrument (a Deed of Trust or Mortgage) (the "**Security Instrument**"), which will be properly recorded or filed. You also grant us the right to record public notice of the Option either through (a) a rider or other means of incorporation into the Security Instrument or (b) a separately recorded memorandum evidencing: (i) the provisions of this Agreement that constitute covenants running with the land and (ii) the terms of this Agreement ("**Notice of Option Purchase Agreement**").

## Section Two: Owner Option Repurchase and Option Exercise

2.1 **Owner Option Repurchase or Point Option Exercise Upon a Sale.** In connection with any Property Sale you may elect to terminate and repurchase the Option. If you do not elect to repurchase the Option, then we shall have the right, but not the obligation, to exercise the Option and be paid our Point Proceeds ("**Option Exercise Upon a Sale**").

2.1.1 **Permitted Sale.** Any Property Sale by you, whether in connection with an Owner Option Repurchase or our Option Exercise, must meet the following conditions (a "**Permitted Sale**"): (a) you must use a licensed real estate agent to market and sell the Property; (b) the home must be listed for sale on the Multiple Listing Service; (c) the sale must be an Arm's Length Transaction; (d) you will be solely responsible for conveying title free and clear of any liens to the satisfaction of the Third Party Buyer, and for satisfying any and all loans and other obligations secured by liens on the Property; (e) the transfer of the title to the Property at the closing of a Property Sale to a Third Party Buyer must convey the Property without being subject to the Option or any of the Option Documents; (f) the Property Sale and transfer of the title to the Property may not be defeasible by you or the Third Party Buyer after close of Escrow upon the occurrence of some future contractually-specified event; and (g) you must not be in default of this Agreement. If you do not comply with all the above requirements, Point may order an Appraisal at your cost and use the Appraised Value of the



Property rather than the sale price to calculate Point Proceeds. For the avoidance of doubt, a Property Sale that is not in accordance with this Section 2.1 but is otherwise expressly consented to in writing by Point will be considered a Permitted Sale. The Final Home Value shall be determined by Schedule 2 Paragraph C.1.

#### 2.1.2 Notices and Documentation Upon Proposed Property Sale.

- (a) Owner Notice of Intention to Sell. You must give us prompt written notification, but no later than when you list the home for sale or, if the Property will be sold off the market, then at the time that you know you intend to sell.
- (b) Owner Notice of Acceptance of Offer. If you accept an offer to purchase the Property, you must give us immediate, written notification but in no event more than 5 days after your acceptance of such offer and at least 15 days prior to a closing of any such transaction.
- (c) Owner Notice Requirements. When you provide your notice of intent to sell or accept an offer, you must (i) indicate whether you elect to make an Owner Option Repurchase, or acknowledge we may make an Option Exercise in connection with the Property Sale; and (ii) include all related documents and agreements executed, created, obtained or delivered by you in connection with the marketing or sale of the Property.
- (d) Point Notice of Option Exercise Upon a Sale. If your notice of intent to sell or accept an offer does not indicate that you will make an Owner Option Repurchase, within five Business Days of our receipt, we may deliver a written notice to you informing you of our intent to commence our Option Exercise Upon a Sale ("**Notice of Option Exercise Upon a Sale**"). If you do not provide us with a notice of intent to sell or accept an offer, we will not have any obligation to deliver a Notice of Option Exercise Upon a Sale.
- (e) Required Documentation. You shall promptly provide us all documents, purchase offers, escrow instructions, preliminary title reports and any other materials relating to the proposed sale or transfer as they become available.

#### 2.1.3 INTENTIONALLY OMITTED.

#### 2.1.4 Closing of Sale and Owner Option Repurchase or Option Exercise Upon a Sale.

- (a) Escrow. Any Property Sale must be consummated through a licensed real property Escrow using the services of an Escrow Agent. Any instructions to the Escrow Agent regarding the disbursement of sales proceeds, the payment of our Point Proceeds and the release of the Security Instrument and, if applicable, the Notice of Option Purchase Agreement must have our prior written consent. Our consent will be given and conditioned upon our determination of your compliance with the terms and conditions of this Agreement.
- (b) Concurrent Closings. The closing of an Owner Option Repurchase may occur prior to or concurrently with the Property Sale through the same Escrow as the Property Sale.
- (c) Escrow Deliveries. On or prior to the close of Escrow upon any Property Sale where there will be an Owner Option Repurchase or Option Exercise Upon a Sale, (i) you agree to deliver or cause to be delivered to the Escrow Agent the appropriate deeds, affidavits, certificates or notices as may be required by federal or state law, in form satisfactory to us, to effect your Owner Option Repurchase or our Option Exercise; and (ii) we agree to deliver or cause to be delivered the Exercise Payment to the Escrow Agent, or, at our



election, the amount of the Exercise Payment may be debited against the Point Proceeds.

- (d) **Payment Allocations.** At close of and through Escrow for a Property Sale, we shall be paid an amount equal to the Point Proceeds. You will be solely responsible for paying Closing Costs and Sales Commissions and satisfying and removing any and all loans and other obligations secured by liens on the Property.

**2.2 Owner Option Repurchase or Point Option Exercise as of Expiration Date.** Prior to the Expiration Date, (a) you may elect to terminate and repurchase the Option by paying us the Point Proceeds through an Owner Option Repurchase in accordance with Section 2.2.1, or (b) if you do not consummate your Owner Option Repurchase, then we shall have the right, but not the obligation, to exercise the Option as of the Expiration Date, subject to the terms and conditions of Section 2.2.2 ("**Option Exercise as of Expiration Date**").

**2.2.1 Owner Option Repurchase as of Expiration Date.** To initiate an Owner Option Repurchase in connection with the expiration of the Investment Term, you must deliver written notice to us of your election to make an Owner Option Repurchase at least 50 days prior to the Expiration Date. The closing of the Owner Option Repurchase must occur prior to the Expiration Date and should be scheduled so as to allow us to conduct the Appraisal to determine the Final Home Value for purposes of calculating the Point Proceeds. If you elect to make an Owner Option Repurchase but the closing of the Owner Option Repurchase is not consummated prior to the Expiration Date, then (a) in Point's sole discretion, your right to make an Owner Option Repurchase may thereafter be terminated, and (b) the Investment Term shall automatically be extended by 90 days after the original Expiration Date to permit us the opportunity to make an Option Exercise as of Expiration Date.

**2.2.2 Option Exercise as of Expiration Date and Property Sale.** In the event of an Option Exercise as of Expiration Date, you will first be required to fully cooperate and execute all documents necessary to grant us the exclusive right to market and sell the Property. We will then purchase the HEI Percentage of the Property by paying you the Exercise Payment, which will be held in an interest-bearing escrow account (the "**Exercise Payment Escrow Account**"). Upon closing of Escrow on the exercise of the Option, we will thereby take joint ownership of the Property with you and have the right to solicit and to sell the entire Property, including your interest therein, to one or more third parties in a Property Sale subject to the procedures set forth in Section 2.2.2(d). The Exercise Payment will not be released until the closing of a subsequent Property Sale. The legal form of joint ownership will be decided by us, in our sole discretion, at the time of Option Exercise as of Expiration Date. You shall retain physical possession and the exclusive right to occupy the Property prior to a Property Sale (except if we determine, in our sole discretion, that there are extreme circumstances affecting the condition of the Property, such as abandonment, in which case we shall have discretionary rights of entry or possession solely in order to preserve and maintain the Property).

- (a) **Notice of Option Exercise as of Expiration Date.** To commence our Option Exercise as of Expiration Date, we will deliver written notice to you of our intention to exercise the Option ("**Notice of Option Exercise as of Expiration Date**") at least 30 days prior to the Expiration Date.
- (b) **Documentation; Appraisals; Inspections; Confirmation of Title.** Within 15 days following delivery of the Notice of Option Exercise as of Expiration Date, you agree to allow us to conduct both a home inspection and an Appraisal of the Property, at your cost, for the





purpose of ascertaining the market value and the condition of the Property. Upon our request, you will also provide us with Confirmation of Title to our satisfaction, effective as of the date of closing of the Option Exercise as of Expiration Date. You will deliver to us any documents necessary to grant us the exclusive right to market and sell the Property. If we are not satisfied, in our sole discretion, with the value of the Property following the Appraisal or with the Confirmation of Title, we may withdraw our intention to exercise the Option and cancel our Notice of Option Exercise as of Expiration Date in writing, without any penalty to us or any further obligation to exercise the Option.

(c) Closing on Option Exercise as of Expiration Date.

- (i) **Escrow for Option Exercise as of Expiration Date.** To effect the Option Exercise as of Expiration Date and purchase our HEI Percentage of the Property, we shall open an Escrow, separate from the Exercise Payment Escrow Account. The parties shall use best efforts to close Escrow by the Expiration Date, with the Exercise Payment to be held in the Exercise Payment Escrow Account until the closing of a subsequent Property Sale.
- (ii) **Closing Deliveries for Option Exercise as of Expiration Date.** On or prior to the close of Escrow upon our Option Exercise as of Expiration Date, you agree to deliver or cause to be delivered to the Escrow Agent the following: (i) a Grant Deed; (ii) Closing Costs, if any; (iii) any documents or other instruments that may be required by the Escrow Agent in connection with Confirmation of Title; (iv) the appropriate affidavits, certificates or notices as may be required by federal or state law, in form satisfactory to Point; (v) any documents necessary for Point to conduct a Property Sale following Option Exercise; and (vi) instructions to the Escrow Agent that the Exercise Payment be deposited and held in an interest bearing Exercise Payment Escrow Account pending the closing of a Property Sale. We agree to deliver or cause to be delivered to the Escrow Agent (a) a preliminary change of ownership report (or similar document) required under applicable state or local law, and (b) the Exercise Payment which will be deposited in the Exercise Payment Escrow Account, less all monetary amounts owed to Point in the form of unpaid Service Fees and unreimbursed Preservation Payments.

(d) Property Sale in Connection with Option Exercise as of Expiration Date.

- (i) **Initiation of Property Sale by Owner.** If you intend to initiate a Property Sale following our initiation of Option Exercise as of Expiration Date, you must meet the Owner obligations upon a Property Sale, and the sale must meet the conditions for a Permitted Sale, as described in Section 2.1.
- (ii) **Initiation of Property Sale by Point.** If we choose to initiate a Property Sale after or in conjunction with our Option Exercise as of Expiration Date, we shall provide you with 10 Business Days advance notice of our intention to solicit buyers and sell the Property to one or more third parties in a Property Sale. You shall cooperate by allowing access to the Property and promptly executing all documents reasonably presented to you by us to effect a transfer of your interest in the Property to the Third Party Buyer.
- (iii) **Final Home Value and Payment of Proceeds.** In any Property Sale following our Option Exercise as of Expiration Date, the Final Home Value shall be as determined by Schedule 2 Paragraph C.1. At close of and through the Escrow for the Property





Sale by us under this Section 2.2.2(d), the Escrow shall be conducted and sale proceeds shall be allocated and paid in the manner described in Section 2.1, except that the amount in the Exercise Payment Escrow Account shall be released to you and we shall also be paid (i) any Closing Costs that we pre-paid; and (ii) any other commercially reasonable sums expended by us in good faith in the preparation and marketing of the Property for sale.

**2.3 Option Exercise After Default and Property Sale.** At any time during the term of this Agreement, upon the occurrence of any Event(s) of Default described in Section 6.1 below, we shall have the right, but not the obligation, to exercise the Option (an "**Option Exercise After Default**") pursuant to the terms of this Section 2.3 and purchase the HEI Percentage of the Property by paying you the Exercise Payment which will be held in a separate Exercise Payment Escrow Account. We may then require you to fully cooperate and execute all documents necessary to grant us the exclusive right to market and sell the Property. Following the closing of escrow on Option Exercise After Default, we will thereby take joint ownership of the Property with you and have the exclusive right to solicit and to sell the entire Property, including your interest therein, to one or more third parties in a Property Sale. The legal form of joint ownership will be decided by us, in our sole discretion, at the time of Option Exercise After Default. Prior to a Property Sale, you shall retain physical possession and the exclusive right to occupy the Property (except if we determine, in our sole discretion, that the Property is at risk of waste or gross neglect, in which case we shall have discretionary rights of entry or possession solely in order to preserve and maintain the Property). At any time from an occurrence of any Event of Default until the cure of such default to our sole satisfaction, we may order one or more Appraisals.

**2.3.1 Notice of Option Exercise After Default.** Upon the occurrence of any Event(s) of Default giving rise to our right to exercise the Option, we shall provide written notice to you of the default and your right to cure (the "**Notice of Right to Cure Default**"). In the event that you fail to cure the default, as determined in our sole discretion, within 30 days following delivery of Notice of Right to Cure Default, we may, but are not obligated to, declare a default and our election to exercise the Option by delivering to you a written Notice of Option Exercise After Default (the "**Notice of Option Exercise After Default**"). Upon delivery of the Notice of Option Exercise After Default, we shall automatically be permitted to commence the process to exercise the Option and close on the Option Exercise, without further notice to you, pursuant to those terms and conditions set forth for Option Exercise as of Expiration Date in Sections 2.2.2(b) - (d) above; except that we shall additionally deliver instructions to the Escrow Agent, in form and content acceptable to us, concerning disbursement of the funds in the Exercise Payment Escrow Account to remedy the Events of Default in accordance with Section 2.3.3 below. We may, but are not obligated to, record the Notice of Option Exercise After Default in the county where the Property is located.

**2.3.2 Owner Cure or Failure to Cure After Notice.** In the event we deliver you a Notice of Option Exercise After Default, you shall retain the right to cure such default, with Point to determine the sufficiency of such cure in its sole discretion, on or before the 90th day following delivery of such Notice. In the event you fail to timely or sufficiently cure the default, as determined in our sole discretion, we shall notify you of the date we have selected for close of Escrow on our Option Exercise After Default; provided, however, that close of Escrow may not occur until the 120th day following delivery of the Notice of Option Exercise After Default, at the earliest.

**2.3.3 Amounts Chargeable to Owner After Default.** You authorize us to pay all amounts necessary to any third parties to enable us to cure and remedy your Event of Default by either



(a) prior to Option Exercise, reducing the Exercise Payment that is owed to you through the Escrow for our Option Exercise After Default or (b) following Option Exercise, making disbursements from the Exercise Payment Escrow Account as described in Section 2.3.1. To cure and remedy the default, we may make payments to cover your delinquent payments, accrued interest, late fees, reinstatement fees, taxes and other penalties, together with any and all amounts which we deem necessary, in our discretion, to repair, protect and maintain the Property. Additionally, Point may charge you reasonable administrative fees for our oversight of the default process.

**2.3.4 Property Sale Following Option Exercise After Default.** Any Property Sale initiated by you or Point following Point's Option Exercise After Default must be conducted in accordance with the terms and conditions of Section 2.2.2(d), provided that, the Final Home Value shall be determined according to Schedule 2 Paragraph C.2.

**2.3.5 Concurrent Remedies.** Our right of Option Exercise After Default under this Section 2.3 shall be, to the extent permissible under law, concurrent with our other rights and remedies at law and in equity, including, without limitation, remedies specified in Section 6 below. We retain full discretion to select the appropriate remedy following default, and are not obligated to initiate Option Exercise prior to initiating foreclosure proceedings.

**2.3.6 Owner Option Repurchase After Default.** At any time following our delivery of a Notice of Right to Cure Default but prior to the consummation of our Option Exercise After Default, you may elect to terminate and repurchase the Option by paying us our Point Proceeds in an Owner Option Repurchase as provided in Section 1.4.1; provided that the closing of such Owner Option Repurchase must (a) occur (i) within 20 days of you providing us notice of your election to make the Owner Option Repurchase, and (ii) prior to any scheduled closing of an Option Exercise After Default; and (b) use an Final Home Value determined according to Schedule 2 Paragraph C.2 to determine the amount of Point Proceeds. If you elect to make an Owner Option Repurchase but the closing of the Owner Option Repurchase is not consummated within the prescribed periods in this Section 2.3.6, then (a) in our sole discretion, your right to make an Owner Option Repurchase may thereafter be terminated; (b) any waiting periods for us to be allowed to exercise of our remedies shall not be impacted; and (c) if we had delayed any exercise of our remedies because of your election, such delay shall not limit any of our rights to such remedies.

### **Section Three: Terminations**

**3.1 Non-Exercise; Other Terminations of Option.** Subject to the continuing duties, rights and obligations of the parties under Section 5 (Representations and Warranties) and Section 6 (Default and Remedies for Default), the Option shall terminate under the following conditions if there has not been a prior Owner Option Repurchase or Option Exercise:

- (a) upon a Property Sale for which Point receives notice of intention to sell or acceptance of an offer, as provided in Section 2.1.2, and Point elects not to exercise the Option, provided such Property Sale would have otherwise met the conditions for a Permitted Sale;
- (b) Point elects not to exercise the Option, and allows it to lapse, as of the Expiration Date;
- (c) the Property is destroyed and the insurance proceeds and proceeds of the sale of the Property are paid to Point in the full amount specified in Section 4.4.2;



- (d) the Property is condemned, in whole and not in part, and the condemnation proceeds are paid to Point in the full amount specified in Section 4.5; or
  - (e) Point voluntarily terminates the Option Documents in writing.
- 3.2 **Effect of Non-Exercise and Termination.** If the Option is terminated as provided in Section 3.1 above, then (a) the Option and our rights to exercise the Option shall immediately terminate without notice; (b) the Investment Amount paid to you by us shall be retained by you in consideration of the granting of the Option; and (c) subject to any survival provisions, this Agreement and the other Option Documents shall terminate.
- 3.3 **Termination Following Exercise.** In the event of an Option Exercise, this Agreement shall continue in full force and effect, as provided in Section 1.2, and terminate following the consummation of a Property Sale, or other event, where we receive the full amount of our Point Proceeds; provided, however, that certain obligations and provisions of this Agreement shall survive such termination as provided in Section 7.8.
- 3.4 **Release after Termination.** Point will file or will cause to be filed a termination and release of the Notice of Option Purchase Agreement, if applicable, and a reconveyance or satisfaction of the Security Instrument after the Option terminates.

#### **Section Four: Additional Covenants of Owner and Point**

##### **4.1 Covenants and Rights of Owner.**

- 4.1.1 **Insurance.** You shall maintain at your own expense, and at a level that will cover the cost of replacement of the Property plus improvements, insurance on the Property against fire and other hazards with only those exclusions customarily associated with special form policies, and exceptions to those exclusions for ensuing loss. In addition, Point may from time to time reasonably require by written notice that you obtain and maintain (a) insurance against any other hazards, such as flood hazards or earthquakes, which insurance is common for similar properties in similar locations, and (b) liability insurance on the Property against such risks and in such amounts as are reasonable for similar properties in similar locations. Any such required insurance shall be obtained from a nationally recognized provider. We shall be named as an additional named insured and/or loss payee (or as we otherwise direct) under all hazard and liability insurance policies obtained by you, whether or not such insurance is required under this Agreement. You expressly authorize us to communicate directly with all such insurance companies for the purposes of ensuring the maintenance of such insurance policies and the coverage and reimbursement of losses thereunder. If you fail to maintain or obtain the insurance coverage required by this Section 4.1.1, we may obtain coverage on the Property that we, in our sole discretion, deem necessary and appropriate to protect our Point Proceeds as a Preservation Payment.
- 4.1.2 **No Receiver.** You shall not permit the appointment of a receiver for the Property. If a receiver for the Property is appointed, we may, but are not obligated to, take such action as we in our sole discretion may deem necessary or appropriate to remove such receiver, at your expense.
- 4.1.3 **Rental Requirements.** A "Non-Owner Occupied Property" is a Property that is rented or leased by the Owner to third parties without at least one Owner regularly occupying the



Property as a residence for living and sleeping quarters. A Non-Owner Occupied Property may not be leased or rented under an agreement that extends beyond the Expiration Date.

- 4.1.4 **Service Fees.** You shall pay all Service Fees imposed by us from time to time in accordance with this Agreement. Service Fees shall include, without limitation: (a) reasonable fees for processing your requests for subordination; (b) reasonable fees for processing your requests for Property title or ownership changes; (c) reasonable fees for processing any reconveyance or renewal recordings of our Option Documents; (d) reasonable fees for processing Preservation Payments; (e) reasonable fees relating to a default by you, including administrative fees for our oversight of the default process; and (f) charges to cover any third party or other out-of-pocket costs relating to any of the foregoing categories (including, for example, charges imposed by title companies and Escrow companies, recording of documents, and reasonable attorneys' fees).
- 4.1.5 **Existing Loans.** Without our express written approval, you shall not increase, or permit the increase of (whether through negative amortization or otherwise), any existing loans secured by liens on the Property.
- 4.1.6 **Liens and Secured Obligations.** You shall at all times pay and keep current any and all loans and obligations secured by liens on the Property. You shall not encumber the Property with any secured obligation that is either senior to or could have the effect of impairing Point's lien position.
- 4.1.7 **Occupancy.** You shall enjoy sole right of occupancy of the Property as an owner and not as a tenant or lessee, whether or not we have exercised the Option, subject to the rights of you and Point to sell the Property pursuant to the terms of this Agreement. The foregoing sole right of occupancy shall be effective only so long as you do not Transfer or attempt to Transfer the Property except as permitted under this Agreement. Your right of sole occupancy is not transferable by you except as part of a Property Sale or Exempted Owner Property Transfer, or as otherwise permitted by us in our sole discretion.
- 4.1.8 **Tax Benefits.** You shall be entitled to the full benefit of any and all tax advantages arising in relation to the Property, including, without limitation, all available deductions for taxes paid by you; provided, however, that you shall not be entitled to any tax benefits arising out of or attributable to any unreimbursed Preservation Payment.
- 4.1.9 **Obligation to Provide Information to Point.** Upon our reasonable request, you shall answer questions regarding the status of the Property and provide to us such reports, proof of payment of taxes or assessments, insurance policies, proof of insurance coverage and information available to you concerning the Property and any modifications to the Property. You or your representative shall immediately provide Point with notice of any event that has or may be expected to have a material effect upon the Property, the value of the Property, or Point's ability to exercise any right conferred by any of the Option Documents, including, without limitation, (a) the death or divorce of any Owner, (b) the death of any Trustee or Trustor (where Owner is/are the Trustee(s) of a Revocable Trust), or (c) the occurrence of an Event of Default.
- 4.1.10 **Debt Payoff.** A portion of the Investment Amount may be paid to settle and discharge your debts and outstanding amounts owed to third party creditors (the "Debt Payoff"). Point and Owner will instruct the Escrow Agent handling the Option Grant Closing to make disbursements for the Debt Payoff. Point and Owner agree that the Debt Payoff Amount represents the amounts due to the creditors and the Debt Payoff Amounts specified in the



Option Agreement Estimate and Closing Disclosure are estimates based on the best information we have prior to the Option Grant Closing. You agree that the daily amounts of each debt may fluctuate and that Point may change the final amounts paid to each creditor to best accomplish the parties' intent. These amounts may increase due to accrual of interest between the Effective Date and the date funds are disbursed through escrow. These amounts may also decrease due to payments that You made prior to the Option Grant Closing. Point and Owner agree that the actual amount to be paid through escrow to Owner's creditors will include all interest accrued and due as of the date of the Option Grant Closing and may be an amount greater or lesser than the estimated Debt Payoff Amount indicated on the Closing Disclosure. Any amounts due to creditors in excess of the estimated Debt Payoff Amount will be deducted from the remaining Investment Amount due to Owner. Any changes made to the Debt Payoff will not affect the amount of the Investment Amount.

Owner is responsible for paying off any existing debts and outstanding amounts owed to third party creditors that are not part of the Debt Payoff.

We will send you written confirmation of the exact amounts paid pursuant to the Debt Payoff following the Option Grant Closing. Within ten days of receiving payment of the Investment Amount following the Option Grant Closing, you will initiate payments in accordance with the terms of this Agreement to those third party creditors who were not paid through Escrow in connection with the Option Grant Closing; within 45 days of the Option Grant Closing, you will provide Point with written evidence from your bank or the third party creditors of payments made pursuant to this Section 4.1.10.

## 4.2 Covenants and Rights of Point.

- 4.2.1 **Point's Interest in the Property.** Until the time you consummate an Owner Option Repurchase or Point closes on the Option Exercise, Point has a contingent ownership interest in the Property. Following the closing of the Option Exercise, Point will have joint ownership rights in the Property.
- 4.2.2 **Preservation Payments.** To the extent that you fail to take action to protect the Property and Point's Rights as required under this Agreement, we shall have the right in our sole discretion to take such action and pay such money as we deem appropriate to correct your failure to take such required action ("**Preservation Payments**"). We shall give you five Business Days written notice of your failure prior to our taking corrective action. You shall promptly, upon demand for payment, but not later than 10 Business Days after demand, pay or reimburse us for any and all Preservation Payments, including, without limitation, those related to: the placement of insurance, the payment of taxes, expenses to remove or prevent a receiver for Property or the cure of defaulted loans. Point may be entitled to charge you an interest rate of 8% per annum (or less if limited by applicable law) on any Preservation Payments it makes. Interest will begin to accrue on the date Point makes the Preservation Payment and will continue to accrue until Point is repaid or receives its Point Proceeds.
- 4.2.3 **Waiver of Right to Partition.** Owner and Point each hereby waive and relinquish all rights either of them may now or hereafter have to seek partition of the Property, whether in kind or by sale; provided, however, that Point shall retain the right to seek a partition: (a) in the event of, and as part of any action arising out of an Event of Default which is not timely cured pursuant to Section 2.3 above; or (b) in connection with any claim or action by Owner which asserts in whole or in part that this Agreement or any portion hereof is against the law or otherwise unenforceable.





4.2.4 **Right to Disclose Certain Information.** We may share certain personal and financial information with regard to this Agreement with our affiliates, subsidiaries, assignees and persons with which we intend to conduct business, including, without limitation, the address and general location of the Property, appraisal reports and other valuations of the Property, and the financial terms of this Agreement.

4.2.5 **No Point Liability and No Point Loans.** Point shall not be liable for (including liability to repay) any loans created or obtained by you whether before or after any exercise of the Option and whether or not consented to, approved of, or subordinated to by Point. Further, we shall have no liability for homeowner association fees, property taxes, homeowner or property insurance or other liabilities or obligations that might arise in connection with the Property.

### 4.3 Appraisals.

4.3.1 **Appraisal Order.** In the event of (a) a proposed Property Sale; (b) a proposed Owner Option Repurchase; (c) a determination of Final Home Value as of the Expiration Date; (d) any allocation of insurance proceeds; (e) an Event of Default (at any time and on more than one occasion until the cure of such default or until an Owner Option Repurchase or a Property Sale following an Option Exercise After Default); or (f) any determination of Liquidated Damages pursuant to Section 8 of the Security Instrument, we may, in our sole discretion, (i) order an appraisal; (ii) order a broker's price opinion; (iii) order an underwriting-grade automated valuation model; or (iv) conduct any other reasonable valuation method to determine the value of the Property (collectively, an "**Appraisal**"). Subject to this Section 4.3, the value reflected on the Appraisal shall be the "**Appraised Value**" of the Property.

4.3.2 **Owner Cooperation.** You will cooperate with the appraiser by granting full access to the Property at reasonable times and by making available any and all relevant documentation in your possession pertaining to conditions that may affect the value of the Property.

4.3.3 **Additional Appraisals.** Subject to this Section 4.3.3, either Owner or Point may elect to order second and third Appraisals when an Appraised Value is needed under this Agreement. If either party desires to have a second Appraisal, then (a) the second Appraisal must be requested within 15 days after receiving final results of the first Appraisal, and (b) the Appraised Value will then be the average value of the two Appraisals. If either party desires to have a third Appraisal, then (i) the third Appraisal must be requested within 15 days after receiving final results of the second Appraisal, and (ii) the Appraised Value will then be the median value of the three Appraisals. Regardless of which party requests to order an additional Appraisal, Point, or its agent, will be solely responsible for ordering said Appraisals.

4.3.4 **Cost of Appraisal.** You shall pay all expenses associated with the first Appraisal on the Property ordered in connection with any event described in Section 4.3.1. The party that requests an additional Appraisal in connection with Section 4.3.3, if any, shall pay all expenses associated with such additional Appraisal. If you fail to pay the expenses associated with the first Appraisal or any additional Appraisal you request, we may subtract such expenses, or direct the payment of such expenses, out of Escrow.

### 4.4 Property Destruction or Damage; Insurance.

4.4.1 **Repair and Restoration.** If the Property is destroyed or damaged in any material manner, you shall restore or repair the Property to at least the same condition and characteristics as of the time immediately preceding such destruction or damage, subject to all applicable local



ordinances. Point may order an interior appraisal, at your expense, to determine the condition of the Property. Except to the extent you are required to take other action in connection with Senior Liens on the Property, you shall apply any and all insurance proceeds (whether or not the underlying insurance was required by us) to such restoration or repair. If the insurance proceeds are insufficient to complete the restoration or repair, you shall be responsible for any shortfall and we shall have no responsibility or obligation to pay any amount whatsoever in connection with the restoration or repair of the Property.

**4.4.2 Allocation Where Repair Not Feasible.** If any loss occurs in connection with the Property, and restoration or repair is not economically feasible, Point will obtain an Appraisal, at your expense, provided that the appraiser shall be instructed to determine the value of the Property as it existed immediately prior to the destruction or damage. If Point determines (i) a date immediately prior to the destruction or damage cannot be ascertained using reasonable discretion, or (ii) the destruction or damage occurred prior to the closing of this Agreement, the appraiser shall be instructed to determine the value assuming the restoration or repairs have been completed. Any and all insurance proceeds, whether or not the underlying insurance was required by us, will be allocated in the following order: (a) to payment (or reimbursement) of reasonable costs and expenses (including, without limitation, attorneys' fees that have been approved by us) reasonably incurred by you, a senior lender and/or Point in collecting and contesting with the insurers the payments under the relevant insurance policies; (b) to payment of all Senior Loans, provided that, if the insurance proceeds equal or exceed the amount owed under such Senior Loans, such payment shall result in the discharge of the related Senior Liens; (c) to us, an amount calculated according to the Calculation of Point Proceeds; and (d) to you, the balance of the proceeds.

**4.4.3 Failure to Maintain Adequate Insurance.** If (a) you fail to maintain insurance in amounts required by Section 4.1.1 above or any insurance claim is denied due to your action or inaction, and (b) the insurance proceeds from any loss are not sufficient to pay to us the entire amount owed as set forth in Section 4.4.2 above, then there shall be an Exercise Payment Insurance Reduction proportional to the decrease in the Property's value as compared to the Appraised Value of the Property immediately prior to the destruction or damage. In this case, we may exercise the Option (if we have not already done so) and sell the Property in its then-current state according to the procedure set forth in Section 2.3 above, except that the Exercise Payment shall be reduced because of the added economic burden and risk imposed on Point by virtue of your failure. The Exercise Payment Insurance Reduction shall be taken into account in the calculation of the amount due to us according to the Calculation of Point Proceeds. The proceeds of any sale pursuant to this Section 4.4.3, together with any and all available proceeds from any and all insurance policies (whether or not the underlying insurance was required by us), will be allocated as described in Section 4.4.2 above.

**4.5 Condemnation.** If the Property is condemned in whole or in part and the Option has been exercised, then all condemnation proceeds net of reasonable costs and expenses (including, without limitation, attorneys' fees that have been approved by Point) reasonably incurred by you and/or us in collecting and contesting the condemnation proceeds ("**Net Condemnation Proceeds**") shall be allocated as provided in Section 4.4.2(b) – (d) above. If the Property is condemned in part, and if the Option has not been exercised, then we will have the right to exercise the Option, calculating our Point Proceeds using the Net Condemnation Proceeds as the Final Home Value. The proceeds shall be allocated as provided in Section 4.4.2(b) – (d) above. In the case of a partial condemnation, Point's Rights shall be retained with respect to any portion of the Property that has not been condemned.



**Section Five:  
Representations And Warranties**

- 5.1 **In General.** The Owner makes the representations and warranties in this Section 5 to, and for the benefit of, Point. The representations and warranties of Owner in this Section 5 shall be deemed made and renewed on and as of: (a) the Effective Date; (b) if you effect an Owner Option Repurchase, the date the repurchase is consummated; (c) if the Option is exercised, the date the exercise is consummated; and (d) upon any permitted assignment by you. The truth, accuracy and completeness of the representations, warranties and covenants set forth in this Section 5 at and as of each date in (a) – (d) above are a condition precedent to any and all of our obligations under each of the Option Documents.
- 5.2 **Capacity; Authority.** You represent and warrant that you, as the Owner(s) identified above, individually and collectively, appear on record title of the Property as holding fee simple title to 100% of the Property. Your fee simple title to the Property is marketable and insurable, free of restrictions, leases, liens and other encumbrances or interests, and except as specifically identified in the Confirmation of Title delivered to Point, except with respect to Acknowledged Pre-Existing Liens. You represent and warrant that you have the full capacity and the legal power, right and authority to grant the Option, to enter into this Agreement and the other Option Documents, and to consummate the transactions contemplated by those documents. If you are the Trustee(s) of a Revocable Trust: (a) such trust has been duly formed; (b) the Trustee(s) of such trust have the capacity and authority to enter into the Agreement and the other Option Documents; and (c) copies of all trust documents (and all amendments and supplements) have been delivered to Point.
- 5.3 **No Lawsuits, Claims, or Foreclosures.** There is no litigation or arbitration pending or, after your due and diligent inquiry, to the best of your knowledge, threatened against you that arises out of the ownership of the Property or that might adversely affect the Property, the value of the Property or your ability to perform your obligations under this Agreement. You have not received or are not aware of notice of any special assessment or other proceedings affecting the Property nor of any: (a) default or notice of default with respect to any loan or other obligation secured by the Property; (b) notice of sale with respect to any lien or deed of trust or mortgage (as appropriate) on the Property; or (c) information or notice that the Property is to be sold or foreclosed upon by a party holding a lien on the Property.
- 5.4 **No Violations.** You have no knowledge of or information concerning any violations of any laws, regulations, zoning ordinances or other land-use regulation proceedings relating to the Property and no knowledge that any operations or activities upon, or use or occupancy of the Property, or any portion of the Property, by you or others are not, have not been or will not be in all material respects in compliance with all state, federal and local laws, zoning ordinances, and regulations.
- 5.5 **Environmental Matters.** You have no knowledge of or information concerning any violation of, or claim of violation of any state, federal or local environmental law or regulation, including, without limitation, those relating to hazardous materials ("**Environmental Laws**"). In addition, you have no knowledge of the presence of any hazardous materials on, in, or about the Property or property in the vicinity of the Property. You shall not, and shall not allow others to, violate any laws or regulations relating to the Property or perform any activities upon, or use or occupy the Property, or any portion of the Property, in any manner that violates any Environmental Law.
- 5.6 **Documentation and Information Supplied by Owner; Financial Condition of Owner.** Your application to Point and all financial and other documentation and other information (including





documentation and information about the Property) supplied or made available by you or your spouse, if applicable, as part of applying for, or in connection with entering into, the Option and the Option Documents is truthful, complete, not misleading, and fairly and accurately reflects your (and, if applicable, your spouse's) financial condition as of (a) the date supplied, and (b) the Effective Date of this Agreement. There has been no material change in your financial condition as of the Effective Date since your application to Point.

- 5.7 **Conflict; Enforceability.** You represent and warrant that: (a) the execution and delivery of the Option Documents, the incurrence of the obligations set forth in those documents, the consummation of the transactions contemplated by, or compliance with the terms of, those documents, will not conflict with, or result in a breach of, any of the terms, conditions or provisions of, or constitute a default under, any note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, agreement, lease or other agreement or instrument to which you are a party or by which any portion of the Property may be bound; and (b) the Option Documents and all other documents required to be executed by you in connection with those documents shall be valid, legally binding obligations of, and enforceable against, you and, if applicable, Trustor(s) and any successors or assignees in accordance with their terms.

## **Section Six: Defaults and Remedies For Default**

- 6.1 **Events of Default.** The occurrence of any of the following shall constitute an Event of Default ("Event of Default") under the Option Documents, in Point's sole discretion:
- (a) you breach or fail to perform any obligation or covenant under any of the Option Documents (including but not limited to any failure or refusal to honor Point's Rights, or failure to respond to any inquiries from Point), or reject or take any action to terminate the Option or this Agreement, except as expressly permitted under this Agreement;
  - (b) you fail to timely provide to us any Notice(s) required under this Agreement;
  - (c) you make any representation or warranty, whether oral or written, to us that is false or misleading as of the time given, including, without limitation, any misrepresentation or suppression of material fact in connection with the amount or kind of consideration given to you in any Property Sale and the representations and warranties in Section 5;
  - (d) any event of your insolvency, including but not limited to the commencement of any voluntary or involuntary bankruptcy proceeding by or against you or the appointment of a receiver for the Property or you or a conservator of your affairs;
  - (e) any taxes or assessments on the Property become delinquent;
  - (f) the Transfer or attempted Transfer of the Property, or any interest in the Property, by you, except in accordance with the provisions of this Agreement;
  - (g) any senior lien that does not have our prior written approval attaches to the Property;
  - (h) any loans that are secured by liens on the Property, whether recorded or unrecorded, become delinquent (whether or not such loans or liens have been approved or subordinated to by Point);



- (i) you fail to maintain, preserve or repair the Property in good repair and in a condition substantially similar to its condition on the date of this Agreement, except for normal wear and tear;
- (j) insurance on the Property is not maintained as prescribed in this Agreement;
- (k) any assignment, attempted assignment, or other transfer of the Option or Option Documents in violation of Section 7.7.2 below;
- (l) if no Owner or no renter authorized by the Owner uses the Property as regular living and sleeping quarters for more than 730 consecutive days; provided that any non-occupancy due to renovation on the Property will not be counted against such two-year period;
- (m) the Property becomes subject to a lease or rental agreement that extends beyond the Expiration Date;
- (n) you fail to cooperate with us, which we will determine in our sole discretion, to effect a Property Sale before or after Option Exercise as of Expiration Date or Option Exercise After Default; or
- (o) any other action or event occurs which has, or may reasonably be expected to have, a material adverse effect on the Property, the value of the Property, Point's right to exercise the Option or Point's Rights.

**6.2 Remedies Following Event of Default.** In an Event of Default, Point may exercise any of the following remedies and any other rights and remedies available to us in law, equity or otherwise:

- 6.2.1 Exercise Option and Receive Point Proceeds.** As provided in Section 2.3, upon the occurrence of any Event(s) of Default, we shall have the right, but not the obligation, (a) to exercise the Option and take joint ownership of the Property with you and (b) then solicit and to sell the entire Property, including your interest therein, to one or more third parties in a Property Sale, and receive our Point Proceeds in connection with such Property Sale.
- 6.2.2 Foreclosure/Power of Sale Under State Laws.** Point shall be entitled, in its sole discretion, to exercise Point's power of sale under the Security Instrument, and to foreclose upon the Property to the extent permissible under applicable law. Point shall follow and be bound by those procedures prescribed under law for foreclosure of residential real property established in the jurisdiction where the Property is located. In the event Point elects to exercise the power of sale and foreclose on the Property under the Security Instrument and in this Section 6.2.2, Point may declare any and all of the sums specified as Liquidated Damages immediately due and payable by delivery of the notice(s) specified in the Security Instrument.
- 6.2.3 Damages for Breach.** We shall be entitled, in our sole discretion, but are not obligated to, demand damages for any Event(s) of Default, calculated according to the Calculation of Point Proceeds set forth in Schedule 2.
- 6.2.4 Specific Performance, Rescission and Injunctive Relief.** You and we agree that if we are not allowed to exercise our rights under any of the Option Documents, or if you fail to comply with your obligations thereunder, the damages to us would be irreparable and extremely difficult to estimate, making money damages or any remedy at law inadequate. Thus, in addition to any other rights and remedies available to us in law, equity or otherwise, we shall be entitled to seek specific performance of the covenants, agreements and rights contained in each of the Option Documents, or, as permitted by applicable law, to seek full



rescission of this Agreement. You and we further agree and acknowledge that a violation or threatened violation of this Agreement by you is likely to cause irreparable injury to us and that, in addition to any other remedies that may be available, in law, in equity or otherwise, we shall thereafter be entitled to obtain immediate and other injunctive relief against the threatened breach of this Agreement or the continuation of any such breach by you, without the posting of a bond or the necessity of proving actual damages.

- 6.3 **Repayment in Bankruptcy.** In the event we are required to and do remit or disgorge one or more dollars paid by you pursuant to this Agreement as a preference claim in a bankruptcy proceeding involving you, then Point shall be entitled to assert a claim against you for each such dollar remitted (and permitted costs herein) under the terms and conditions of this Agreement, and such claim by us shall begin to accrue on the date such dollar is actually remitted and shall automatically survive the term of this Agreement.
- 6.4 **Calculation of Liquidated Damages.** To the extent that enforcement of the Security Instrument and any power of sale granted under the Security Instrument require specification of an amount in default or liquidated bid amount, Owner and Point agree and acknowledge that the damages that would arise from Owner's (or Owner's executor's) default(s) as specified in this Section 6 may be uncertain, depend on many factors, and be extremely difficult to ascertain, and that a good faith effort to determine a method for reasonably estimating and liquidating such damages is the calculation of Liquidated Damages according to the Calculation of Point Proceeds set forth in Schedule 2. The amount in default or liquidated bid amount under any remedy may also include all, or any, of the following: (i) the sum of all monetary obligations owed to us by you under this Agreement; and (ii) any and all amounts, properly chargeable to you as necessary to satisfy your obligations with respect to your mortgage, tax and insurance obligations on the Property, including late fees, reinstatement fees and other penalties.
- 6.5 **Remedies Concurrent and Not Exclusive.** The remedies set forth in this Section 6 shall be concurrent, cumulative and not exclusive, to the extent permitted by law. Every right, power and remedy granted to Point in the Option Documents shall be in addition to all those rights, powers and remedies granted to Point at law or in equity or by statute, and each such right, power and remedy may be exercised from time to time and as often and in such order as may be deemed expedient by Point to the extent permitted by law, and the exercise of any such right, power or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy.

## **Section Seven: Miscellaneous**

- 7.1 **Indemnification by Owner and Maximum Liability.** You hereby agree to defend, indemnify and hold Point harmless from, and against, any and all claims, damages, liabilities, actions and expenses (including, without limitation, attorneys' fees, to the extent permissible) of every kind arising out of or relating to: (a) a breach of any of your representations or warranties under this Agreement or the other Option Documents; (b) any act or omission by you or your agents; or (c) the Property. Notwithstanding your indemnification obligation under this Section 7.1, at our election, we may defend any third party claim subject to your indemnification obligation with counsel of our own choosing and without your participation. You shall not, without our prior written consent, settle or compromise any claim or consent to the entry of any judgment regarding which indemnification is owed to us. WITHOUT LIMITING OWNER'S INDEMNIFICATION OBLIGATION, IN NO EVENT SHALL POINT'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO



THIS AGREEMENT OR THE PROPERTY EXCEED THE AMOUNT OF THE INVESTMENT AMOUNT.

- 7.2 **Asset Administration.** You acknowledge and consent to any assignment whereby the Asset Administrator's responsibilities, including, but not limited to, the right to enforce the Option Documents, are transferred from us to a third party. You will be notified of any change in the Asset Administrator within 30 days of such change.
- 7.3 **Covenants to Run With Land.** The provisions of this Agreement shall be deemed to be covenants running with the land so long as this Agreement remains in effect. We shall record a Notice of Option Purchase Agreement reflecting this fact in the public records. Upon valid termination of this Agreement, the Notice of Option Purchase Agreement shall automatically terminate, and we shall cause to be recorded such documents as are required to reflect such termination.
- 7.4 **Relationship.** Point shall not be deemed a partner, joint venturer, trustee, or fiduciary with, or of, Owner. Owner shall not be permitted to execute any document or enter into any agreement on behalf of Point. The Option is intended to be and shall be treated for all purposes (including, without limitation, tax purposes) as an option to purchase real property and not as a purchase, or joint venture.
- 7.5 **Multiple Owners and Revocable Trusts.**
- 7.5.1 **Multiple Owners.** If Owner is more than one person or entity: (i) the Option Documents must be signed by each such Owner; (ii) all rights and powers specified for Owner in the Option Documents must be approved and exercised unanimously by all such multiple Owners; (iii) all such multiple Owners shall be jointly and severally liable for all liabilities and obligations specified for Owner under the Option Documents; (iv) notice required to be given by, or to, an Owner shall be deemed adequately given if given by, or to, any of Owners using the contact information set forth in Section 7.13; and (v) Point may treat any notice received from any one Owner as notice from all Owners.
- 7.5.2 **Revocable Trusts.** If any Owner is/are the Trustor(s) or Trustee(s) of a Revocable Trust: (i) all Trustors must sign the Option Documents in their capacities as individuals and as Trustors; (ii) all Trustees must sign the Option Documents in their capacities as Trustees; (iii) each Trustee and Trustor who signs this Agreement hereby represents and warrants that all Trustees and Trustors have been disclosed to Point; (iv) all rights and powers specified for, and all actions required of, Owner in the Option Documents must be approved and exercised by all Trustees unanimously; (v) all Trustors, in their capacities as individuals, shall be jointly and severally liable with Owner for all liabilities and obligations specified for Owner under the Option Documents; (vi) all representations and warranties by Owner in the Option Documents are made by all Trustees on behalf of the Revocable Trust and by all Trustors in their capacities as individuals; (vii) notice required to be given by, or to, an Owner shall be deemed adequately given if given by, or to, any of the Trustees using the contact information set forth in Section 7.13 of this Agreement; and (viii) Point may treat any notice received from any one Trustee as notice from all Trustees and from Owner.
- 7.6 **Delegation of Duties.** We may execute any of our duties under this Agreement or any other Option Document by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties and any actions taken on the basis of such advice from counsel shall be deemed to have been taken in good faith. We shall not be responsible for the negligence or misconduct of any agent, employee, or attorney-in-fact that we select as long as our selection was made without gross negligence or willful misconduct.



- 7.7 **Successors and Assignees; Owner's Estate.** The Option Documents shall be binding upon and insure to the benefit of Owner and Point and their respective heirs, successors and assignees. If the Owner dies, then the Option Documents shall be binding on the Owner's Estate. The death of the Owner shall not terminate any of the Option Documents. However, nothing in this provision shall permit assignment of any of the Option Documents contrary to the express provisions of this Agreement.
- 7.7.1 **Assignment by Point.** Point may assign, participate, hypothecate or sell, in whole or in part, Point's right and title to, and interest in, any of the Option Documents at any time and to any person or entity without prior notice to, or consent of, Owner. In connection with any assignment, Point may in its sole discretion disclose any and all documents and information in its possession relating to Owner and the Property, subject to its assignee's agreement to continue to observe Point's policies regarding privacy and disclosure of personal and financial information and applicable privacy laws. Upon such assignment, Point's assignee shall automatically have all the rights and remedies of Point under the Option Documents. Point and Owner shall execute and deliver in recordable form, if requested, at Point's expense, such other documents as are appropriate to reflect the assignment of the Option and the other Option Documents. Point and Owner agree to cooperate with such assignee and execute such additional documents as may be necessary to insure assignee's interest in the Property. Point shall notify Owner no later than 60 Business Days after the effective date of any such assignment.
- 7.7.2 **Assignment of Agreement by Owner.** Absent Point's prior written consent, which consent may be withheld in Point's sole discretion, Owner may not assign or otherwise transfer any of the Option Documents. Notwithstanding the foregoing, Point will generally not unreasonably withhold consent to such assignment to: (i) the Trustee(s) of a Revocable Trust in which Owner is the sole Trustor (or if Owner is more than one person, together they constitute all of the Trustors); or (ii) Owner's spouse who acquires an undivided interest in the Property; provided that in each case the assignee (including, in the case of a Revocable Trust, any Trustor): (A) was alive as of the Effective Date, (B) executes this Agreement and, if applicable, the Notice of Option Purchase Agreement, and (C) executes such assignment with the assignor (hereinafter, "**Exempted Owner Assignment(s)**"). In the event of an Exempted Owner Assignment to the Trustee(s) of a Revocable Trust, the original Owner (i.e., the Trustor(s)), jointly and severally, shall continue to remain liable under the Option Documents.
- 7.7.3 **Exempted Owner Property Transfer.** If Owner obtains Point's prior written consent, the Owner may Transfer the Property into the name of (i) the Trustee(s) of a Revocable Trust in which Owner is the sole Trustor (or if Owner is more than one person, together they constitute all of the Trustors); or (ii) Owner's spouse; provided that the requirements for an Exempted Owner Assignment under Section 7.7.2(A) – (D) are met (an "**Exempted Owner Property Transfer**"). An Exempted Owner Property Transfer will not be considered a Property Sale and will not trigger Point's right to exercise the Option.
- 7.8 **Survival.** The following provisions shall survive any termination of this Agreement: (a) the indemnification and liability cap provisions of Section 7.1; (b) the obligations to repay any and all Preservation Payments and Service Fees; (c) the obligation to remove any liens on the Property and pay any Sales Commissions, Closing Costs and or other expenses properly chargeable to Owner under Section 2; (d) any and all provisions which entitle Point to monetary remedies, fees, costs and expenses in connection with any Event of Default under Section 6; and (e) Sections 7.6 through 7.22 of this Agreement.





- 7.9 **Injunction.** If we are stayed or enjoined from exercising the Option, commencing or initiating Option notice and exercise procedures hereunder (whether as a result of Owner's bankruptcy or otherwise), or enforcing any right of Point under this Agreement, the Option shall not expire until 90 Business Days after such stay or injunction is lifted by a final order of the appropriate court. Any deadline or notice period prescribed in the Option Documents which we are prevented or prohibited from observing by operation of law or by court order, shall automatically be stayed for the duration of such stay, injunction or legal prohibition until such stay, injunction, or legal prohibition is no longer applicable or is lifted by final order of the appropriate court.
- 7.10 **Choice of Law; Venue.** The Option, this Agreement and the other Option Documents shall be determined under, governed by, and construed in accordance with California law, without regard to its conflict of law principles; provided, however, that to the extent the mandatory provisions of the laws of another jurisdiction relating to (a) the perfection or the effect of perfection or non-perfection of any lien or other right, title and/or interest in the Property, or (b) the availability of and procedures relating to any remedy hereunder or related to this Agreement are required to be governed by such other jurisdiction's laws, such other laws shall be deemed to govern and control. Subject to Section 7.20, the parties agree that all actions or proceedings arising in connection with this Agreement shall be arbitrated at a JAMS arbitration location, or injunctive relief sought only in the state and federal courts located in or having jurisdiction in the city or county in which the Property is located.
- 7.11 **Further Assurances.** You agree as and when requested by Point or by our agents, successors, or assignees to: (a) execute and deliver, or cause to be executed and delivered, all Option Documents; (b) take, or cause to be taken, all such further or other actions as may be reasonably necessary or desirable in order to implement the provisions and otherwise to effect the intent and purposes of the Option Documents; and/or (c) cooperate fully in the correction, adjustment, revision, or completion of any documents executed by you or Point.
- 7.12 **Severability; Waivers.** Each provision of this Agreement, and of the other Option Documents, shall be severable from every other provision for the purpose of determining the legal enforceability of any provision, which shall be construed separately and as separately enforceable from every other provision hereunder. No waiver by Point of any of its rights or remedies in connection with this Agreement or the other Option Documents shall be effective unless such waiver is in writing and signed by Point and Owner, and then any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No delay or waiver by Point in exercising any right shall be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse. To the extent that enforcement of any provision, or exercise of any right, under this Agreement or the other Option Documents is held to be invalid or stayed or enjoined by a court of competent jurisdiction, then such provision shall be considered separately and apart from the remaining provisions, and any and all other remaining provisions shall continue to be fully enforceable under law.
- 7.13 **Notice.** Each party shall deliver all notices, requests, consents, claims, demands, waivers and other communications under this Agreement (each, a "**Notice**") in writing to the address of the other party listed below, unless a party has been notified by the other party in writing of a substitute address. Owner shall promptly notify Point of Owner's change of address. Notice to any one Owner shall constitute notice to all Owners unless applicable law expressly requires otherwise. Notice from any one Owner shall constitute notice from all Owners unless applicable law expressly requires otherwise. Each party shall deliver all Notices by first class mail, personal delivery, nationally recognized overnight courier (with all fees prepaid), facsimile or e-mail (with confirmation of transmission). Except as otherwise provided in this Agreement, a notice to Owner



in connection with this Agreement shall be deemed to have been given to Owner when mailed by first class mail or when actually delivered to Owner's notice address if sent by other means. Any notice in connection with this Agreement shall not be deemed to have been given to Point until actually received by Point. If any notice required by the Security Instrument is also required under applicable law, such requirement of the applicable law will satisfy the corresponding requirement under this Agreement.

<b>POINT:</b> Point Digital Finance, Inc. PO Box 192 Palo Alto, CA 94302  <b><u>Personal or Overnight Delivery:</u></b> Point Digital Finance, Inc. Attn: Chief Executive Officer - NOTICES 444 High Street, 4th Floor Palo Alto, CA 94301  Fax: 650-434-3778 Email: notices@point.com	<b>OWNER:</b> Lisa Livingston Baker 104 DIPLOMA DR LADSON, SC 29456 Phone: (843) 725-8152 Email: Lisaliv3@yahoo.com
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- 7.14 **Entire Agreement; Amendment.** The Schedules and exhibits referenced, and any riders to this Agreement, are incorporated herein by this reference. This Agreement, the Notice of Option Purchase Agreement, the Security Instrument, and the other written agreements made by and between Owner and Point as of the Effective Date together constitute the entire agreement between the parties pertaining to the subject matter contained in them. Except as expressly agreed in writing, all prior agreements, understandings, representations, warranties, statements, and negotiations between the parties, if any, whether oral, electronic or written, relating to the Property, the Option, this Agreement, the other Option Documents, and the transaction which is the subject matter thereof, including but not limited to any and all offer letters, terms sheets and draft and earlier versions of settlement statements and other documents and agreements, are superseded and merged into this Agreement. No supplement, modification or amendment of this Agreement shall be binding unless in writing and executed by the party against whom enforcement is sought.
- 7.15 **No Third-Party Beneficiaries.** This Agreement and the other Option Documents are entered into for the protection and benefit of Point and Owner and their respective heirs, permitted successors, affiliates and assignees with regard to their respective present and contingent ownership interests in the Property. No other Person shall have any rights or causes of action under this Agreement or the other Option Documents.
- 7.16 **Counterparts; Electronic Signatures.** This Agreement and the other Option Documents may be executed in counterparts, each of which when so executed shall be deemed an original, but all such counterparts shall constitute one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity, or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law,



including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

7.17 **Registered Domestic Partnerships and Civil Unions.** An Owner shall have the same rights and obligations with respect to Owner's Civil Union Partner or Registered Domestic Partner as the Owner shall have with respect to its spouse for all purposes under the Option Documents, including Sections 7.7.2, 7.7.3 and 7.18 of this Agreement, subject to the same conditions and limitations that would apply to a transfer or assignment to Owner's spouse, a payment by Owner's spouse, or the rights of Owner's spouse not on record title.

7.18 **INTENTIONALLY OMITTED.**

7.19 **WAIVER OF JURY TRIAL.** TO THE FULLEST EXTENT PERMITTED BY LAW, POINT AND OWNER HEREBY VOLUNTARILY, UNCONDITIONALLY AND IRREVOCABLY WAIVE TRIAL BY JURY UNDER ALL CIRCUMSTANCES WHETHER IN ANY LITIGATION OR PROCEEDING IN A STATE OR FEDERAL COURT RELATED TO, OR ARISING OUT OF, THE OPTION DOCUMENTS OR THE OBLIGATIONS OR TRANSACTIONS CONTEMPLATED BY THE OPTION DOCUMENTS, INCLUDING, WITHOUT LIMITATION, ALL CLAIMS OR DISPUTES HOWEVER ARISING (INCLUDING TORT CLAIMS AND CLAIMS FOR BREACH OF CONTRACT) BETWEEN POINT AND OWNER.

7.20 **ARBITRATION.**

7.20.1 **Arbitration.** OWNER AGREES THAT ANY AND ALL CONTROVERSIES, CLAIMS, OR DISPUTES WITH POINT (INCLUDING ANY AFFILIATE, EMPLOYEE, OFFICER, DIRECTOR OF POINT IN THEIR CAPACITY AS SUCH OR OTHERWISE) ARISING OUT OF, RELATING TO, OR RESULTING FROM THIS AGREEMENT OR THE PROPERTY, SHALL BE SUBJECT TO BINDING ARBITRATION UNDER THE ARBITRATION RULES (THE "**RULES**") OF, AND PURSUANT TO THE STATE LAW OF, THE STATE OF CALIFORNIA, INCLUDING THE CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 1280 THROUGH 1294.2.

7.20.2 **Procedure.** OWNER AGREES THAT ANY ARBITRATION WILL BE ADMINISTERED BY JAMS, THE RESOLUTION EXPERTS ("**JAMS**"), AND THAT THE NEUTRAL ARBITRATOR WILL BE SELECTED IN A MANNER CONSISTENT WITH JAMS' COMPREHENSIVE ARBITRATION RULES AND PROCEDURES AND JAMS POLICY ON MINIMUM STANDARDS OF PROCEDURAL FAIRNESS FOR CONSUMER ARBITRATIONS. THE PARTIES SHALL BE ENTITLED TO PRE-HEARING DISCOVERY AND THE EXCHANGE OF NON-PRIVILEGED INFORMATION RELEVANT TO THE DISPUTE, CONSISTENT WITH JAMS' RULES AND CALIFORNIA LAW, AND AS OVERSEEN BY THE ARBITRATOR. OWNER AGREES THAT THE ARBITRATOR SHALL HAVE THE POWER TO DECIDE ANY MOTIONS BROUGHT BY ANY PARTY TO THE ARBITRATION, INCLUDING MOTIONS FOR SUMMARY JUDGMENT AND/OR ADJUDICATION AND MOTIONS TO DISMISS AND DEMURRERS, PRIOR TO ANY ARBITRATION HEARING. OWNER ALSO AGREES THAT THE ARBITRATOR SHALL HAVE THE POWER TO AWARD ANY REMEDIES, INCLUDING ATTORNEYS' FEES AND COSTS, AVAILABLE UNDER APPLICABLE LAW. OWNER UNDERSTANDS THAT POINT WILL PAY FOR ANY ADMINISTRATIVE OR HEARING FEES CHARGED BY THE ARBITRATOR OR JAMS EXCEPT THAT OWNER SHALL PAY THE FIRST \$250.00 OF ANY FILING FEES ASSOCIATED WITH ANY ARBITRATION OWNER INITIATES. OWNER





AGREES THAT THE ARBITRATOR SHALL ADMINISTER AND CONDUCT ANY ARBITRATION IN A MANNER CONSISTENT WITH THE RULES AND THAT TO THE EXTENT THAT THE APPLICABLE JAMS' ARBITRATION RULES CONFLICT WITH THE RULES, THE RULES SHALL TAKE PRECEDENCE. OWNER AGREES THAT THE DECISION OF THE ARBITRATOR SHALL BE IN WRITING AND PROVIDE A CONCISE WRITTEN STATEMENT OF THE ESSENTIAL FINDINGS AND CONCLUSIONS ON WHICH THE AWARD IS BASED.

- 7.20.3 **Remedy.** EXCEPT AS PROVIDED BY THE RULES AND THIS AGREEMENT, ARBITRATION SHALL BE THE SOLE, EXCLUSIVE AND FINAL REMEDY FOR ANY DISPUTE BETWEEN THE OWNER AND POINT. REMEDIES THAT WOULD OTHERWISE BE AVAILABLE TO OWNER UNDER APPLICABLE FEDERAL, STATE OR LOCAL LAWS SHALL REMAIN AVAILABLE. THE ARBITRATOR WILL HAVE NO AUTHORITY TO AWARD PUNITIVE DAMAGES OR CONSEQUENTIAL DAMAGES. ACCORDINGLY, EXCEPT AS PROVIDED FOR BY THE RULES AND THIS AGREEMENT, NEITHER THE OWNER NOR POINT WILL BE PERMITTED TO PURSUE COURT ACTION REGARDING CLAIMS THAT ARE SUBJECT TO ARBITRATION.
- 7.20.4 **Availability of Injunctive Relief.** BOTH PARTIES AGREE THAT ANY PARTY MAY PETITION A COURT FOR INJUNCTIVE RELIEF AS PERMITTED BY THE RULES INCLUDING, BUT NOT LIMITED TO, IF POINT ALLEGES OR CLAIMS A BREACH OF THE AGREEMENT WHERE THE VALUE OF THE PROPERTY OR THE POINT PROCEEDS IS AT A RISK OF MATERIAL LOSS. BOTH PARTIES UNDERSTAND THAT ANY SUCH BREACH OR THREATENED BREACH OF THE AGREEMENT WILL CAUSE IRREPARABLE INJURY AND THAT MONEY DAMAGES WILL NOT PROVIDE AN ADEQUATE REMEDY THEREFOR AND BOTH PARTIES HEREBY CONSENT TO THE ISSUANCE OF AN INJUNCTION. IN THE EVENT EITHER PARTY SEEKS INJUNCTIVE RELIEF, THE PREVAILING PARTY SHALL BE ENTITLED TO RECOVER REASONABLE COSTS AND ATTORNEYS' FEES.
- 7.20.5 **Small Claims Court.** BOTH PARTIES AGREE THAT ANY PARTY MAY SEEK REMEDIES IN SMALL CLAIMS COURT FOR DISPUTES OR CLAIMS WITHIN THE SCOPE OF SUCH COURT'S JURISDICTION.
- 7.20.6 **Class Action Waiver.** ARBITRATION MUST BE ON AN INDIVIDUAL BASIS. THIS MEANS NEITHER YOU NOR WE MAY JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER INDIVIDUALS, OR LITIGATE IN COURT OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS OR IN A PRIVATE ATTORNEY GENERAL CAPACITY.
- 7.21 **TAX MATTERS.** OWNER UNDERSTANDS THAT THE SALE OF THE PROPERTY, OR THE SALE OF AN OPTION TO PURCHASE AN INTEREST IN THE PROPERTY, CAN HAVE SIGNIFICANT TAX, FINANCIAL AND FAMILY CONSEQUENCES. OWNER ACKNOWLEDGES THAT POINT HAS REQUESTED THAT OWNER DISCUSS THIS AGREEMENT WITH TAX, LEGAL AND FINANCIAL ADVISORS AND WITH FAMILY MEMBERS TO ENSURE AN UNDERSTANDING OF THE RISKS AND BENEFITS OF THIS AGREEMENT, AND OWNER HAS HAD THE OPPORTUNITY TO DO SO.
- 7.22 **NO ADVICE.** IN ENTERING INTO THE OPTION DOCUMENTS AND INTO ANY FUTURE PROPERTY SALE, OWNER IS NOT RELYING AND SHALL NOT RELY ON ANY INFORMATION OR REPRESENTATION THAT MAY HAVE BEEN PROVIDED BY POINT,



ITS AGENTS, ITS AFFILIATES, OR ANY OF THEIR OFFICERS, EMPLOYEES OR AGENTS, REGARDING: (A) THE VALUE OF THE PROPERTY OR THAT THE APPRECIATION STARTING VALUE IS A REPRESENTATION OF THE MARKETABLE, INSURABLE OR FAIR MARKET VALUE OF THE PROPERTY; (B) THE ADVISABILITY OF ENTERING INTO THE OPTION DOCUMENTS OR A PROPERTY SALE; OR (C) THE TAX IMPLICATIONS AND CONSEQUENCES OF ENTERING INTO THE OPTION DOCUMENTS OR A PROPERTY SALE. OWNER HAS MADE, AND WILL MAKE, HIS, HER OR ITS OWN INVESTIGATION REGARDING SUCH MATTERS AND HAS BEEN ADVISED BY POINT TO DISCUSS THEM WITH OWNER'S LEGAL, FINANCIAL AND TAX ADVISORS, AS WELL AS WITH FAMILY MEMBERS.

- 7.23 **Cancellation.** You may cancel this Agreement at any time within three Business Days from the date you sign this Agreement. If you wish to cancel this Agreement, you must send written notice to us in accordance with Section 7.13 within three Business Days from the date you sign this Agreement. If you cancel this Agreement and have already received the Investment Amount, you agree to immediately repay the amount of the Investment Amount to us.
- 7.24 **Consent to be Contacted.** You expressly authorize us, our agents, representatives, affiliates, successors, and assigns to contact you for any purpose arising out of or relating to the Option or Option Documents at any phone number that you have provided us or will provide us in the future, including but not limited to autodialed or prerecorded phone calls or text messages, regardless of whether the phone number is a cellular telephone number or landline. You represent and warrant that you are the owner or regular user of any phone numbers that you provide us and acknowledge that your carrier's telephone minute and text charges may apply. You also agree to notify us immediately whenever you stop using any mobile numbers that you have provided us.
- 7.25 **Amounts Collected under State Law.** We do not intend to charge or collect any amount, charge, or fee that is more than the law allows, including amounts in excess of any applicable usury limit that applies to this Agreement. If we charge or collect any amount over what the law allows, we will apply the excess first to reduce the Point Proceeds, and we will refund any excess if you have paid in full all amounts you owe under this Agreement.
- 7.26 **Force Majeure.** Point will not be liable for any failure or delays in performing an obligation under this Agreement that is due to any of the following causes to the extent beyond Point's reasonable control, occurs without Point's fault or negligence, is not caused directly or indirectly by Point, and could not have been prevented or avoided by Point's reasonable diligence (which events and/or circumstances are hereinafter referred to as a "**Force Majeure**"): acts of God, accidents, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, breakdown of web host, breakdown of internet service provider, bank failure, natural catastrophes, governmental acts or omissions, changes in laws or regulations, national strikes, fire, explosion, or generalized lack of availability of energy.

If a Force Majeure with respect to the Property occurs, upon providing you with notice of such event we may pause payment of the Investment Amount at our sole discretion until a post disaster inspection is completed, at Point's expense, to confirm the Property has not been damaged or destroyed.

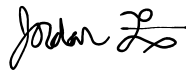
**[Signatures on Following Pages]**



IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this Point Digital Finance Option Purchase Agreement as of the Effective Date.

**POINT:**

POINT DIGITAL FINANCE, INC., a Delaware corporation

By:   
Name: Jordan D. Fox  
Title: Assistant Secretary



IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this Point Digital Finance Option Purchase Agreement as of the Effective Date.

**OWNER:**

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Lisa Livingston Baker



Witness 1

## ACKNOWLEDGMENT

State of South Carolina )  
 ) §  
County of \_\_\_\_\_ )

On \_\_\_\_\_,  
before me, \_\_\_\_\_, Notary Public,  
personally appeared \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of South Carolina that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of Notary)

(Seal of Notary)



## APPENDIX A

### DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below:

**Acknowledged Pre-Existing Lien.** A perfected lien upon the Property securing an Acknowledged Pre-Existing Loan that is senior to (a) the lien of the Security Instrument, (b) the covenants running with the land under this Agreement, and (c) the Option; (i) of which Point had actual written notice under a title report, title search or title commitment obtained in connection with this Option transaction; and (ii) that is acknowledged in writing by Point before or upon Point's execution of this Agreement.

**Acknowledged Pre-Existing Loan.** An obligation secured by an Acknowledged Pre-Existing Lien, including, without limitation, any and all principal, interest, and expenses.

**Agreement.** This Point Digital Finance Option Purchase Agreement between Owner and Point and all exhibits, schedules, attachments, riders, and all amendments, supplements, and addenda now or hereafter executed by the parties.

**Aggregate Principal Balance of Indebtedness.** The amount of the total principal balance of the loans or any other indebtedness secured by liens on the Property plus the amount of the Point Proceeds as it is calculated at the time of determining the Aggregate Principal Balance of Indebtedness. In the case of an open-end line of credit, the unused portion of any line of credit shall be considered principal indebtedness.

**Appraisal.** Is defined in Section 4.3.1.

**Appraised Value.** Is defined in Section 4.3.1.

**Appreciation.** Is calculated as the Final Home Value minus the Appreciation Starting Value. The Appreciation value can be positive or negative depending on the Final Home Value.

**Appreciation Starting Value.** The starting value of the Property, for purposes of this Agreement only, determined by Point in reliance on various factors, such as independent appraisals, automated valuation models, and Point's proprietary valuation and risk assessment methods, and agreed to by the Owner at the time of the origination of the Option, as specified in Section 1.1. In some cases, the Appreciation Starting Value may be less than the valuation of the Property as of the Effective Date as a reflection of certain risk adjustments.

**Arm's Length Transaction.** A transaction in good faith without fraud or deceit carried out by unrelated or unaffiliated parties, as by a willing buyer and a willing seller, each acting in his or her own self-interest, in which the sale price represents fair market value of the Property. An Arm's Length Transaction would presumptively not include a transaction between family members or business associates, or where there are hidden terms or agreements or special understandings between the parties, whether written or oral, for the seller to regain ownership of the Property or the buyer to immediately resell the Property within 90 Business Days and the seller to receive any proceeds from such resell transaction.

**Asset Administrator.** The entity responsible for monitoring Owner's compliance with, and discharging Point's responsibilities and maintaining Point's rights under, this Agreement and the other Option Documents. Initially, the Asset Administrator will be Point Digital Finance, Inc.



**Business Days.** Any day other than a Saturday, a Sunday, Good Friday, the day after Thanksgiving, or a day on which commercial banks in New York or California are required or authorized to be closed.

**Calculation of Point Proceeds.** Is defined in Schedule 2.

**Capped Repayment Amount.** Is defined in Section 1.4.

**Civil Union Partner and Registered Domestic Partner.** The natural person having such status under the California Family Code Section 299 or applicable state law.

**Closing Costs.** All (a) ordinary and customary costs in connection with any sale or other Transfer of the Property or any assignment or exercise of the Option related to such Transfer, including, without limitation, recording fees and costs, reconveyance fees, Escrow fees, title insurance fees or fees incurred in obtaining the Confirmation of Title elected by Point, transfer taxes and documentary transfer taxes, and (b) federal, state or local taxes (excluding income taxes) arising, incurred or owed in connection with (i) Point's exercise or sale of the Option, (ii) a Property Sale, (iii) any related closing of that sale, or (iv) any related Escrow. However, the term "Closing Costs" shall not include costs that are owed or incurred by a third party other than Point in connection with a sale of the Property to that third party.

**Confirmation of Title.** Confirmation of good and marketable title in and to the Property in fee simple and free of any liens or encumbrances of whatever character, subject only to the Permitted Encumbrances, to be provided, in Point's sole discretion, in the form either of a policy of title insurance issued to, or for the benefit of, Point or Point's assignee at the time that this Agreement is entered into (or at such other times as may be required by Point under this Agreement) and insuring Point's or Point's assignee's rights under the Option Documents; or of a written title report, abstract of title or other title search documentation reflecting, to Point's satisfaction, confirmation of its good and marketable title to Point's ownership interest in the Property.

**Debt Payoff.** Is defined in Section 4.1.10.

**Debt Payoff Amount.** The amount of the Investment Amount that Point and Owner agree will be paid, either through Escrow in connection with the Option Grant Closing or by Owner pursuant to Section 4.1.10, to settle existing debts and obligations of the Owner. An estimate of the Debt Payoff Amount is set forth in the Option Agreement Estimate and Closing Disclosure, and the exact amounts paid pursuant to the Debt Payoff will be set forth in a written confirmation from Point following the Option Grant Closing.

**Effective Date.** Is defined in the first paragraph of this Agreement.

**Effective Sale Price.** The monetary amount for which the Property is to be sold or transferred by Owner or Point, as applicable, to a Third Party Buyer, as adjusted, as set forth below. The Effective Sale Price shall be the sum of all amounts set forth or that would otherwise be set forth in the Closing Disclosure promulgated under TILA-RESPA rules (or any successor form) prepared by an Escrow Agent (which shall include the fair market value of any non-cash consideration received by, or for the benefit of, Owner and/or Point in connection with the sale of the Property). The Effective Sale Price will also be increased to capture agreements that benefit the Owner and decrease the sale price of the Property, including but not limited to below-market or free rent-back periods or assumptions of debt by the Third Party Buyer (such as a PACE or solar loans). The calculation of the Effective Sale Price shall not include any deduction for any: (a) Closing Costs; (b) liens on the Property; (c) outstanding taxes; (d) Sales Commissions; (e) appraisal expenses; (f) loans secured by the Property; (g) credits made by Seller to closing costs; and/or (h) amounts payable to Point hereunder.



**Environmental Laws.** Is defined in Section 5.5.

**Escrow.** A transaction settlement, typically consisting of an exchange and disbursement of consideration, costs, and proceeds, and documentation of clear title to the Property, using the services of an Escrow Agent.

**Escrow Agent.** A title company reasonably acceptable to Point as contemplated by Section 2 or any neutral third party Escrow agent, settlement agent, title agent or attorney closing firm that closes or settles any transaction contemplated hereunder.

**Event of Default.** Is defined in Section 6.1.

**Exempted Owner Assignment.** Is defined in Section 7.7.2.

**Exempted Owner Property Transfer.** Is defined in Section 7.7.3.

**Exercise Payment.** The amount of the Option Consideration minus the Investment Amount, as such amount may be reduced pursuant to Section 4.4.3. The purchase by Point of its HEI Percentage in the Property occurs by payment or debit of the Exercise Payment. The Exercise Payment is a defined term used in various calculations made under this Agreement, and when so used shall refer to the applicable dollar amount employed whether or not the Option is, in fact, exercised.

**Exercise Payment Escrow Account.** Is defined in Section 2.2.2.

**Exercise Payment Insurance Reduction.** Is defined in Section 4.4.3.

**Expiration Date.** The day described in Section 1.1.

**Final Home Value.** The value of the Property as used in the Calculation of Point Proceeds and the determination of which is set forth in Schedule 2.

**Grant Deed.** A grant deed, executed by Owner and notarized, in form and substance acceptable to the Escrow Agent, that, when recorded, will deliver to Point, or its assignee (or to a Third Party Buyer, where applicable), good and marketable fee simple title to Point's undivided percentage interest in the Property, subject to (a) the standard printed exceptions described in the policy of title insurance covering the Property, or, where applicable, any written exceptions disclosed in the Option Confirmation of Title; (b) the standard printed exceptions of the Escrow Agent, if any; and (c) the Permitted Encumbrances, provided that all outstanding obligations under the Permitted Encumbrances are current.

**HEI Percentage.** Is defined in Section 1.1.

**Investment Amount.** Is defined in Section 1.1.

**Investment Term.** Is defined in Section 1.2.

**JAMS.** Is defined in Section 7.20.2.

**Net Condemnation Proceeds.** Is defined in Section 4.5.





**Non-Owner Occupied Property.** Is defined in Section 4.1.3.

**Notice.** Is defined in Section 7.13.

**Notice of Option Exercise After Default.** Is defined in Section 2.3.1.

**Notice of Option Exercise as of Expiration Date.** Is defined in Section 2.2.2(a).

**Notice of Option Exercise Upon a Sale.** Is defined in Section 2.1.2.

**Notice of Option Purchase Agreement.** Is defined in Section 1.5.

**Notice of Right to Cure Default.** Is defined in Section 2.3.1.

**Option.** Is defined in Section 1.1.

**Option Consideration.** Is defined in Section 1.1.

**Option Documents.** This Agreement, the Notice of Option Purchase Agreement, the Security Instrument, and any riders, amendments or supplements to any of these documents.

**Option Exercise.** Is defined as Point's election to purchase the HEI Percentage.

**Option Exercise After Default.** Is defined in Section 2.3.

**Option Exercise as of Expiration Date.** Is defined in Section 2.2.

**Option Exercise Upon a Sale.** Is defined in Section 2.1.

**Option Grant Closing.** Is defined in Section 1.3.1.

**Owner.** All of the persons or entities, individually and collectively, who appear on the record title to the Property as holding fee simple title to 100% of the Property as of the Effective Date.

**Owner's Estate.** Collectively the executor, personal representative and other persons charged with the administration and distribution of the Property following the death of the Owner, and the heirs, beneficiaries, persons and trusts who are entitled to receive the Property when it is distributed following the death of the Owner, whether pursuant to form of title on the Property, the deceased Owner's will or Revocable Trust, the laws of intestacy, or any other means.

**Owner Occupied Property.** Property that is not rented or leased and that at least one Owner (or if the Property is held in a Revocable Trust, one Owner or one Trustor) regularly occupies as a residence for living and sleeping quarters.

**Owner Option Repurchase.** Is defined in Section 1.4.

**Permitted Encumbrances.** All licenses, easements, equitable servitudes, public bond obligations, and other conditions, covenants, restrictions and rights to which the Property is subject at the time the Option Documents become effective: (a) that are stated as exceptions on the Confirmation of Title, or (b) to



which Point has expressly agreed in writing that the Property will remain subject following any exercise of the Option by Point. In no event will "Permitted Encumbrances" include any Senior Loans, Senior Liens, or any other liens that secure the payment of any loans or the performance of any obligations owed to any creditor.

**Permitted Sale.** Is defined in Section 2.1.1.

**Person.** An individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government, or any agency or political subdivision of any of the foregoing.

**Point Proceeds.** The amount calculated as the monetary interest of Point under the Agreement and Option Documents, as further defined and calculated under Schedule 2.

**Point's Rights.** The Point Proceeds due to Point, together with all interests and rights that Point has with regard to the Property (matured or unmatured, contingent or non-contingent, present or prospective), whether the Option has or has not been exercised, and all other rights that Point may have under the Option Documents.

**Preservation Payments.** Is defined in Section 4.2.2.

**Property.** The residential real property owned by Owner that is the subject of the Option Documents. The legal description of the Property is set forth in Schedule 1 to this Agreement. The Property shall include only the real property described in that Schedule 1 and the fixtures appurtenant to that real property, and shall not include any other personal property of Owner.

**Property Sale.** A sale or Transfer by Owner (or by Point following exercise of Option) of all, or an interest in, the Property. This term excludes the sale of Point's ownership interest pursuant to the Option. A Property Sale by the Owner must also be a Permitted Sale. An Exempted Owner Property Transfer is not considered a Property Sale.

**Registered Domestic Partner.** See "Civil Union Partner and Registered Domestic Partner" above.

**Revocable Trust.** A revocable trust, revocable living trust, *inter vivos* trust, revocable family trust or similar trust established in accordance with the laws of any state.

**Rules.** Is defined in Section 7.20.1.

**Sales Commissions.** All broker fees, sales commissions, finder fees and all other fees and costs owed to any broker, real estate agent or finder and incurred in connection with a sale or Transfer of the Property or any interest in the Property.

**Security Instrument.** Is defined in Section 1.5.

**Senior Liens.** Liens on the Property that are perfected prior to or are otherwise senior to Point's Point Proceeds.

**Senior Loans.** Loans or other obligations that are secured by Senior Liens.

**Service Fees.** Fees, costs and charges of the type further described in Section 4.1.4, which Service Fees



are designed to compensate the Asset Administrator for the time, effort, costs and expenses incurred by the Asset Administrator in responding to requests from Owner or defaults by Owner under the Option Documents or in performing other necessary and reasonable acts pursuant to the Option Documents.

**Transfer.** A sale, exchange, transfer, conveyance or assignment of all or any part of the Property or any legal or beneficial interest in the Property, unless the sale, exchange, transfer, conveyance or assignment is to a surviving Owner or estate of an Owner in the event of a death of an Owner.

**Third Party Buyer.** The Person that purchases, or proposes to purchase, the Property in a Property Sale or Transfer of the Property.

**Trustee(s).** The Person or Persons designated as the "trustee" of a Revocable Trust in its formation documents and any subsequent amendments, and any successor trustees under such Revocable Trust.

**Trustor(s).** The Person or Persons designated as the "trustor", "settlor" or "grantor" of a Revocable Trust in its formation documents and any subsequent amendments.



## **Schedule 1**

### **LEGAL DESCRIPTION**

All that certain piece, parcel or lot of land, with any improvements thereon, situate, lying and being in the Oakbrook Area of the County of Dorchester, State of South Carolina, being shown and designated as Lot 243, Eagle Run, Phase II, on a plat of said subdivision prepared for Eagle Run Developers LLC by Horner, Eelman & Gearhart, LLC, dated February 6, 2006, recorded March 10, 1996 in Plat Cabinet K at Page 198, Office of the Register of Deeds for Dorchester County, and having such boundaries and measurements as shown on the plat described herein, which is specifically incorporated by reference.

TMS: 1541417065000

[end of legal description]



## Schedule 2

### CALCULATION OF POINT PROCEEDS

- A. **Formula for Calculation of Point Proceeds.** Except as otherwise provided in this Agreement, any calculation of the value of the Point Proceeds under this Agreement, the other Option Documents, or otherwise shall be calculated as the total of the following ("**Calculation of Point Proceeds**"):

$$\text{Point Proceeds} = \text{Lesser of } \{ \text{Capped Repayment Amount and } [(\text{Final Home Value} \times \text{HEI Percentage}) - \text{Exercise Payment}] \} \\ + \text{Service Fees}^{\dagger} + \text{Preservation Payments}^{\dagger}$$

<sup>†</sup> if applicable

- the *lesser* of the following:
  - › the **Capped Repayment Amount**, as calculated in Section B below, and
  - › the *sum* of the following:
    - » the **Final Home Value** as specified in Section C below *multiplied* by the **HEI Percentage**;
    - » *minus* the **Exercise Payment**, subject to reductions<sup>(1)</sup> and adjustments<sup>(2)</sup> below;
- *plus* all monetary amounts owed to Point in the form of unpaid **Service Fees** and unreimbursed **Preservation Payments** (including any unpaid interest and other fees and charges associated with such Preservation Payments), provided that Owner has not already delivered any such amounts

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<sup>(1)</sup> The Exercise Payment amount will be reduced if an Exercise Payment Insurance Reduction is deemed to be applicable under Section 4.4.3.

<sup>(2)</sup> If Point has previously delivered the Exercise Payment to Owner at an Option Exercise pursuant to Sections 2.2 or 2.3, then the value of the Exercise Payment shall not be deducted from the Point Proceeds to be paid to Point.

- B. **Calculating the Capped Repayment Amount.** The Calculation of the Point Proceeds takes into account the Capped Repayment Amount, which may limit the amount an Owner is obligated to pay to Point. The Capped Repayment Amount is calculated as follows:

$$\text{Capped Repayment Amount} = \text{Investment Amount} \times [1 + (\text{Homeowner Protection Cap} / 12)]^{\text{M}}$$

where **M**, used as an exponent, represents the number of months (including partial months) that have fully elapsed since the Effective Date.

- C. **Determining Final Home Value.** The following Final Home Values shall apply to the Calculation of Point Proceeds:

- (1) **Property Sale.** Except as provided in C.2. below, in any Property Sale, the Final Home Value shall be the greater of (a) the Effective Sale Price and (b) the Appraised Value, if available.
- (2) **Property Sale or Owner Option Repurchase After Event of Default.** In the event of a Property Sale initiated by us following an Option Exercise After Default in accordance with Section 2.3.4 or an Owner Option Repurchase in accordance with Section 2.3.6, the Final Home Value shall be the greater of (a) the Effective Sale Price, if any, (b) the highest Appraised Value of the Property calculated between the date of an Event of Default through the date of closing of such Property



Sale or Owner Option Repurchase, and (c) the Appreciation Starting Value.

- (3) **Owner Option Repurchase.** Except as otherwise provided in Section 1.4.1, in any Owner Option Repurchase during the Investment Term not involving a Property Sale or Event of Default, the Final Home Value shall be the Appraised Value of the Property at the time of the Owner Option Repurchase.
  - (4) **Insurance Allocation.** In any insurance allocation under Section 4.4, the Final Home Value shall be the Appraised Value of the Property immediately prior to the destruction or damage.
  - (5) **Condemnation.** In any total condemnation or partial condemnation of the Property, the Final Home Value shall be the Net Condemnation Proceeds under Section 4.5.
- D. **Damage Calculations.** In any calculation of damages due to Point following an Event of Default, or any calculation of Liquidated Damages under this Agreement, the Final Home Value for determining the Point Proceeds shall be the highest Appraised Value of the Property calculated between the date of any Event of Default through the date Point accepts payment from Owner in discharge of Point's Rights hereunder; and provided, further, that in the event of any calculation of damages or Liquidated Damages following any Event of Default under Section 6.4 of the Agreement, the Final Home Value shall be the higher of (a) the highest Appraised Value of the Property calculated between the date of any Event of Default hereunder through the date Point accepts payment from Owner in full discharge of Point's Rights hereunder; and (b) the Appreciation Starting Value.



**Prepared by, recording requested by,  
and when recorded mail to:**

Point Digital Finance, Inc.  
PO Box 192  
Palo Alto, CA 94302

point.com

Option Agreement ID: 2025161-PIFIB

TMS: 1541417065000

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(Space Above for Recorder's Use)

**MORTGAGE**

This **MORTGAGE**, together with any riders hereto ("**Security Instrument**"), is made as of May 24, 2025 ("**Effective Date**"), among Lisa Livingston Baker ("**Mortgagor**") and Point Titling Trust, a Delaware statutory trust, as assignee mortgagee of Point Digital Finance, Inc., a Delaware corporation, and its successors and assignees ("**Mortgagee**").

**RECITALS**

A. This Security Instrument is given in connection with the execution of that certain Point Digital Finance Option Purchase Agreement ("**Option Agreement**"), entered into by and between Mortgagor and Mortgagee, pursuant to which Mortgagor grants and conveys to Mortgagee the option to purchase ("**Option**") an undivided percentage interest (the "**HEI Percentage**") in that certain real property and improvements thereon in County of Dorchester, State of South Carolina, as more particularly described in Schedule A attached hereto and incorporated herein by this reference, and commonly known as 104 DIPLOMA DR, LADSON, SC 29456 ("**Real Property**"). The initial term of the Option shall commence on the Effective Date and shall expire on May 24, 2055. In exchange for granting the Option to Mortgagee, Mortgagee paid to Mortgagor an Investment Amount amount equal to \$30,000.00.

B. Mortgagee desires to secure the rights granted to it in the Option Agreement and the performance of Obligations (hereinafter defined).

C. This Security Instrument is given pursuant to the Option Agreement, and payment, fulfillment, and performance of the obligations due under the Option Agreement are secured by this Security Instrument in accordance with the terms set forth herein.

D. Capitalized terms used in this Security Instrument shall have the meanings specified herein, or if not defined herein, in the Option Agreement. The Option Agreement and certain other ancillary documents (which documents, together with the Security Instrument, are



collectively termed the "**Option Documents**") are executed by Mortgagor and Mortgagee concurrently herewith.

**1. Grant.** MORTGAGOR HEREBY IRREVOCABLY mortgages, grants, transfers and assigns to Mortgagee, and its successors and assignees, a security interest, with power of sale, for the benefit of Mortgagee and its successors and assigns in and to the following property, rights, interests and estates now owned, or hereafter acquired by Mortgagor (collectively, the "**Property**"):

**a. Real Property.** The Real Property together with all improvements, replacements and additions now or hereafter erected on the Real Property and all easements, appurtenances and fixtures now or hereafter a part of the Real Property.

**b. Leases and Rents.** All leases, subleases, subsubleases, lettings, licenses, concessions or other agreements (whether written or oral) pursuant to which any Person is granted a possessory interest in, or right to use or occupy all or any portion of the Real Property, and every modification, amendment or other agreement relating to such leases, subleases, subsubleases, or other agreements entered into in connection with such leases, subleases, subsubleases, or other agreements and every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto, heretofore or hereafter entered into, whether before or after the filing by or against Mortgagor of any petition for relief under any Creditors Rights Laws (collectively, the "**Leases**") and all right, title and interest of Mortgagor, its successors and assigns therein and thereunder, including, without limitation, cash or securities deposited thereunder to secure the performance by the lessees of their obligations thereunder and all rents, additional rents, rent equivalents, moneys payable as damages or in lieu of rent or rent equivalents, royalties (including, without limitation, all oil and gas or other mineral royalties and bonuses), income, receivables, receipts, revenues, deposits (including, without limitation, security, utility and other deposits), accounts, cash, issues, profits, charges for services rendered, and other consideration of whatever form or nature received by or paid to or for the account of or benefit of Mortgagor or its agents or employees from any and all sources arising from or attributable to the Real Property, including, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of property or rendering of services by Mortgagor and proceeds, if any, from business interruption or other loss of income insurance whether paid or accruing before or after the filing by or against Mortgagor of any petition for relief under any Creditors Rights Laws (collectively, the "**Rents**") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Point Proceeds. As used herein, "**Creditors Rights Laws**" shall mean any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization, conservatorship, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to its debts or debtors.





c. Insurance Proceeds. All insurance proceeds in respect of the Real Property under any insurance policies covering the Real Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Real Property (collectively, the "**Insurance Proceeds**").

d. Condemnation Awards. All condemnation awards, including interest thereon, which may heretofore and hereafter be made with respect to the Real Property by reason of any taking or condemnation, whether from the exercise of the right of eminent domain (including, but not limited to, any transfer made in lieu of or in anticipation of the exercise of the right), or for a change of grade, or for any other injury to or decrease in the value of the Real Property (collectively, the "**Awards**").

**CONDITIONS TO GRANT:** TO HAVE AND TO HOLD the above granted and described Property unto and to the use and benefit of Mortgagee and its successors and assigns, forever, **WITH THE POWER OF SALE**, to secure Mortgagor's payment to Mortgagee of the Point Proceeds and the performance of the Obligations at the time and in the manner provided in the Option Documents and this Security Instrument;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Mortgagor shall well and truly (a) pay to Mortgagee the Point Proceeds at the time and in the manner provided in the Option Agreement, this Security Instrument and the other Option Documents, (b) perform the Obligations as set forth in the Option Agreement, this Security Instrument and the other Option Documents, and (c) abide by and comply with each and every covenant and condition set forth in the Option Agreement, this Security Instrument and the other Option Documents, these presents and the estate hereby granted shall cease, terminate and be void; provided, however, that Mortgagor's obligation to indemnify and hold harmless Mortgagee pursuant to the provisions hereof shall survive any such payment and release.

## 2. Secured Obligations.

a. Obligations. Mortgagor makes the mortgage, grant, transfer and assignment set forth in Section 1 above for the purpose of securing the following "**Obligations**":

- (1) the payment of the Point Proceeds;
- (2) all other obligations of Mortgagor contained herein;
- (3) each obligation of Mortgagor contained in the Option Agreement and any ancillary document;
- (4) each obligation of Mortgagor contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part of the Option Agreement;



(5) any expenditures made by Mortgagee pursuant to, or under, this Security Instrument; and

(6) payment of all fees and expenses (including, as allowed by applicable law, court and other dispute resolution costs, attorneys' and experts' fees and costs, and fees and disbursements of in-house counsel (collectively "**Attorneys' Fees**")) incurred by Mortgagee in the enforcement and collection of the obligations listed above and the protection of Mortgagee's rights related thereto, whether such fees are incurred in any state, federal or bankruptcy court or otherwise and whether or not litigation or arbitration is commenced. Attorneys' Fees shall include, Attorneys' Fees incurred in any state, federal or bankruptcy court, and in any bankruptcy case or insolvency proceeding, of any kind in any way related to this Security Instrument, to the interpretation or enforcement of the parties' rights under this Security Instrument, or to the Property.

b. Investment Amount. Mortgagor shall not be obligated to repay any part of the Investment Amount (as such term is defined in the Option Agreement); and therefore, such item shall not be included within the Obligations. The foregoing shall not, however, in any way limit any payment calculated and agreed by Mortgagor to be paid pursuant to the Option Agreement.

**3. Uniform Commercial Code Security Agreement and Fixture Filing**. This Security Instrument also is intended to be and shall constitute a security agreement under the South Carolina Uniform Commercial Code for any items of personal property that constitute fixtures or are specified as part of the Property and that under applicable law may be subject to a security interest under the South Carolina Uniform Commercial Code. Mortgagor hereby grants to Mortgagee a security interest in those items to secure the performance and payment of the Obligations.

a. Mortgagor agrees that Mortgagee may file either this Security Instrument, or a copy of it, or a UCC-1 Financing Statement in the real estate records or other appropriate index and/or in the Office of the Secretary of the State of South Carolina, as a financing statement for any of the items specified above as part of the Property.

b. This Security Instrument constitutes a financing statement filed as a fixture filing pursuant to the South Carolina Uniform Commercial Code, and any similar or successor provisions.

c. Mortgagee may file such extensions, renewals, amendments and releases as are appropriate to reflect the status of its security interest.

d. Mortgagor shall pay all costs of filing such financing statements and any extensions, renewals, amendments, and releases of such statements, and shall pay all reasonable costs and expenses of any record searches for financing statements that Mortgagee may reasonably require.



e. On any default hereunder, Mortgagee shall have the remedies of a secured party under the South Carolina Uniform Commercial Code and may also invoke the remedies in Section 7 below. In exercising any of these remedies, Mortgagee may proceed against the items of Real Property, fixtures or improvements separately or together and in any order whatsoever without in any way affecting the availability of Mortgagee's remedies under the South Carolina Uniform Commercial Code or the remedies in Section 7 below.

**4. Assignment of Leases and Rents.** Mortgagor hereby absolutely and unconditionally assigns to Mortgagee all of Mortgagor's right, title and interest in and to all current and future Leases and Rents; it being intended by Mortgagor that this assignment constitutes a present, absolute assignment and not an assignment for additional security only.

a. Mortgagor hereby gives to, and confers upon, Mortgagee the right, power and authority, during the continuance of this Security Instrument, to collect the Rents, reserving unto Mortgagor the right, prior to any default by Mortgagor in payment of the Obligations secured hereby or in performance of any agreement hereunder, to collect and retain such Rents, as they become due and payable.

b. Upon any such default, Mortgagee may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the Obligations secured hereby, enter upon and take possession of the Property or any part of it, in its own name sue for or otherwise collect such Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including Attorneys' Fees to the Obligations secured hereby, and in such order as Mortgagee may determine.

c. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application of such rents, issues and profits pursuant to this Security Instrument, shall not cure or waive any default or notice of default under this Security Instrument or invalidate any act done pursuant to such notice.

d. Nothing in this section shall permit Mortgagor to lease or rent the Property in contravention of any provision of the Option Agreement; nor shall anything in this section modify any provision in the Option Agreement relating to the use, lease or occupancy of the Property.

**5. Covenants of Mortgagor Regarding the Property.** Mortgagor hereby agrees as follows:

a. To appear in and defend any action or proceeding purporting to affect the security of this Security Instrument or the rights or powers of Mortgagee; and to pay all costs and expenses of Mortgagee (including cost of evidence of title and Attorneys' Fees) incurred: (i) in any state, federal or bankruptcy court, in any action or proceeding in which Mortgagee may appear, and in



any suit brought by Mortgagee to foreclose this Security Instrument or to collect the Obligations or to protect Mortgagee's rights under this Security Instrument; and/or (ii) in connection with the enforcement of any provisions of this Security Instrument or in connection with foreclosure upon the collateral granted under this Security Instrument (whether or not suit is filed).

**b.** To pay at least ten days before delinquency all taxes and assessments affecting the Property; and all encumbrances, charges and liens, with interest, on the Property (or any part of the Property), which are prior or could obtain priority to the lien or to the rights granted under this Security Instrument, and all costs, fees and expenses of this Security Instrument.

(1) If Mortgagor fails to make any payment or to do any act as provided in this Security Instrument, Mortgagee may (but shall not be obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by Mortgagee to protect the security for this Security Instrument, which payments and related expenses (including Attorneys' Fees) shall also be secured by this Security Instrument.

(2) Such performance by Mortgagee shall not require notice to, or demand on, Mortgagor and shall not release Mortgagor from any obligation under this Security Instrument.

(3) Mortgagee shall have the following related rights and powers: (A) to enter upon the Property for the foregoing purposes, (B) to appear in and defend any action or proceeding purporting to affect the Property or the rights or powers of Mortgagee under this Security Instrument, (C) to pay, purchase, contest or compromise any encumbrance, charge, or lien that in the judgment of Mortgagee appears to be prior or superior to this Security Instrument, and (D) to employ counsel, and to pay such counsel necessary expenses and costs, including Attorneys' Fees.

**c.** To pay immediately upon demand all sums expended by Mortgagee pursuant to this Security Instrument; and to pay interest on any of the foregoing amounts demanded by Mortgagee at the rate specified in applicable state laws from the date of such demand, not to exceed the maximum rate allowed by law at the time of such demand.

**6. Power of Attorney.** Mortgagor hereby irrevocably appoints Mortgagee as Mortgagor's attorney-in-fact (such agency being coupled with an interest). As such attorney-in-fact Mortgagee may, after providing notice to Mortgagor pursuant to the Option Agreement (without the obligation to do so) in Mortgagee's name, or in the name of Mortgagor, prepare, execute and file or record financing statements, continuation statements, applications for registration and like documents necessary to create, perfect or preserve any of Mortgagee's security interests and rights in or to any of the Property, and, upon a default under this Security Instrument, take any other action required of Mortgagor; provided, however, that Mortgagee as such attorney-in-fact shall be accountable only for such funds as are actually received by Mortgagee.

**7. Default and Foreclosure and Power of Sale.** Upon Mortgagor's default under or breach



of any of the rights and Obligations that are secured by this Security Instrument as specified above, Mortgagee may declare all performance and sums secured by this Security Instrument immediately due by delivery to Mortgagor of written declaration of default. Mortgagee shall give notice of default to Mortgagor prior to acceleration following Mortgagor's breach of any covenant or agreement in this Security Instrument. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Mortgagor, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the performance secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Mortgagor of the right to cure after acceleration and the right to bring an action to assert in the foreclosure proceeding the non-existence of a default or any other defense of Mortgagor to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Mortgagee at its option may require immediate performance in full of all obligations secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceedings. Mortgagee shall be entitled to collect all expenses incurred in pursuing the remedies provided herein, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

After the time required by applicable law, Mortgagee, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels. Mortgagee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale.

Mortgagee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of their truthfulness.

**a.** Notice provided to Mortgagor under this Security Instrument shall be delivered to the address specified in Section 20 of this Security Instrument in accordance with the applicable terms and conditions of the Option Agreement unless otherwise required by applicable law.

**b.** Exercise of Mortgagee's remedies under this Security Instrument shall be in compliance with applicable law.

**8. Liquidated Damages.** Liquidated Damages means an amount equal to the sum of

**a.** the Point Proceeds as calculated pursuant to the Option Agreement;

**b.** in connection with Mortgagor's failure to make any monetary payment, the sum of all monetary obligations (including, without limitation, all Preservation Payments) owed to Mortgagee by Mortgagor under the Option Agreement; and



c. any and all amounts, properly chargeable to Mortgagor as necessary to satisfy Mortgagor's obligations under the Option Agreement with respect to Mortgagor's mortgage, tax and insurance obligations on the Property, including late fees, reinstatement fees and other penalties.

**9. Late Performance.** By accepting performance of any obligation after its due date, Mortgagee does not waive its right either to require prompt performance when due of all other obligations or to declare default for such failure to perform.

**10. Defeasance.** If Mortgagor shall well and truly satisfy all Obligations secured hereby at the time and in the manner provided in this Security Instrument and in the Option Agreement, and Mortgagor shall well and truly abide by and comply with each and every covenant and condition set forth in this Security Instrument and in the Option Agreement, then these presents and the lien and interest hereby transferred and assigned shall cease, terminate and be void. Mortgagee shall release the Property and renounce any other rights granted to it herein and shall execute, at the request of the Mortgagor, a release of this Security Instrument and any other instrument to that effect deemed necessary or desirable, upon performance being made on the Obligations secured hereby.

**11. Successors.** This Security Instrument applies to, inures to the benefit of, and binds all parties to this Security Instrument, their heirs, legatees, devisees, administrators, executors, successors, and assignees. The term "Mortgagee" shall include any successor or assignee of Mortgagee's rights in the Option Agreement and in this Security Instrument, whether or not named as Mortgagee in this Security Instrument. In this Security Instrument, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

**12. Joint and Several Liability.** If more than one person signs this Security Instrument as Mortgagor, the obligations of each signatory shall be joint and several.

**13. Multiple Mortgagors.** If there are multiple Mortgagors of the Property:

- a. this Security Instrument must be signed by each such Mortgagor;
- b. all rights and powers specified for Mortgagor in this Security Instrument must be approved and exercised unanimously by all such multiple Mortgagors;
- c. all such multiple Mortgagors shall be jointly and severally liable for all liabilities and obligations specified for Mortgagor under this Security Instrument;
- d. notice required to be given by, or to, Mortgagor will be deemed adequately given if given by, or to, any of Mortgagors using the contact information set forth in Section 20 of this Security Instrument; and



e. Mortgagee may treat any notice received from any one Mortgagor as notice from all Mortgagors.

**14. Revocable Trust.** If any Mortgagor is/are the trustee(s) of a Revocable Trust (as defined in the Option Agreement):

a. all trustees of the Revocable Trust and all individuals having the power to revoke the Revocable Trust (referred to herein as "owners of the Revocable Trust") must sign this Security Instrument in their respective capacities as trustees and/or owners of the Revocable Trust, and each trustee and owner of the Revocable Trust who signs this Security Instrument hereby represents and warrants that all trustees and owners of the Revocable Trust have been disclosed to Mortgagee;

b. any trustee of the Revocable Trust who is also an owner of the Revocable Trust need only sign this Security Instrument once for it to be binding on such person both as trustee and as owner of the Revocable Trust;

c. all rights and powers specified for, and all actions required of, Mortgagor in this Security Instrument must be approved and exercised unanimously by all trustees of the Revocable Trust;

d. all trustees and all owners of the Revocable Trust shall be jointly and severally liable for all liabilities and obligations specified for Mortgagor under this Security Instrument;

e. all representations and warranties by Mortgagor in this Security Instrument are made by all trustees of the Revocable Trust on behalf of the Revocable Trust and by all owners of the Revocable Trust;

f. notice required to be given by, or to, any Mortgagor will be deemed adequately given if given by, or to, any of the trustees of the Revocable Trust using the contact information set forth in Section 20 of this Security Instrument; and

g. Mortgagee may treat any notice received from any one trustee of the Revocable Trust as notice from all trustees of the Revocable Trust and from Mortgagor.

**15. Extent of Lien.** The lien granted under this Security Instrument shall encumber Mortgagor's entire interest in the Property, notwithstanding the fact that the Option Agreement relates to only a fractional interest in the Property.

**16. No Merger.** So long as any of the obligations under the Option Agreement remains outstanding and undischarged, unless Mortgagee otherwise consents in writing, the fee estate of Mortgagor in the Property or any part thereof (including the estate of Mortgagee after exercising



the Option) will not merge, by operation of law or otherwise, with any other estate in the Property or any part of it, but will always remain separate and distinct, notwithstanding the union of the fee estate and such other estate in Mortgagee or in any other Person.

**17. Homestead Waiver.** Mortgagor waives all rights of homestead exemption in the Property to the extent allowed by applicable law.

**18. Waiver of Appraisal Rights.** The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within 30 days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. TO THE EXTENT PERMITTED BY LAW, THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY. This waiver shall not apply so long as the Property is used as a dwelling place as defined in 12-37-250 of the South Carolina Code of Laws.

**19. No Mortgage Broker.** No mortgage broker was employed by either party for the origination of this instrument.

**20. Notices.** All notices or other written communications hereunder shall be delivered in accordance with the applicable terms and conditions of the Option Agreement. Notices shall be sent to the address of the other party listed below as follows, unless a party has been notified by the other party in writing of a substitute address:

<b>POINT:</b> Point Digital Finance, Inc. PO Box 192 Palo Alto, CA 94302  <b><u>Personal or Overnight Delivery:</u></b> Point Digital Finance, Inc. Attn: Chief Executive Officer - NOTICES 444 High Street, 4th Floor Palo Alto, California 94301  Fax: 650-434-3778 Email: notices@point.com	<b>MORTGAGOR:</b> Lisa Livingston Baker 104 DIPLOMA DR LADSON, SC 29456
--	--





**Do not lose or destroy this Security Instrument or the Option Agreement that it secures. All must be delivered to Mortgagee for cancellation before reconveyance will be made.**

**[Signatures on Following Page]**



READ THIS DOCUMENT CAREFULLY BEFORE SIGNING IT. ALL PRIOR ORAL, ELECTRONIC AND WRITTEN COMMUNICATIONS AND AGREEMENTS FROM OR WITH MORTGAGEE, INCLUDING ALL CORRESPONDENCE, OFFER LETTERS, PRINTED MATERIALS, AND DISCLOSURES, ARE MERGED INTO AND SUPERSEDED AND REPLACED BY THIS SECURITY INSTRUMENT, THE OPTION AGREEMENT AND OPTION DOCUMENTS, AND THE OTHER WRITTEN AGREEMENTS MADE BY AND BETWEEN MORTGAGOR AND MORTGAGEE AS OF THE EFFECTIVE DATE.

**MORTGAGOR HEREBY DECLARES THAT MORTGAGOR HAS READ THIS SECURITY INSTRUMENT, HAS RECEIVED A COMPLETELY FILLED IN COPY OF IT WITHOUT CHARGE THEREFOR AND HAS SIGNED THIS SECURITY INSTRUMENT AS OF THE EFFECTIVE DATE.**

IN WITNESS WHEREOF, each undersigned Mortgagor has executed this Security Instrument as of the date set forth above.

**MORTGAGOR(S):**

\_\_\_\_\_ Date: \_\_\_\_\_  
Lisa Livingston Baker



---

Witness 1

---

Witness 2

State of South Carolina )  
 ) §  
County of \_\_\_\_\_ )

---

I certify under PENALTY OF PERJURY under the laws of the State of South Carolina that the foregoing paragraph is true and correct.

(Signature of Notary)

© 2025 Point Digital Finance, Inc



## **SCHEDULE A**

### **LEGAL DESCRIPTION**

All that certain piece, parcel or lot of land, with any improvements thereon, situate, lying and being in the Oakbrook Area of the County of Dorchester, State of South Carolina, being shown and designated as Lot 243, Eagle Run, Phase II, on a plat of said subdivision prepared for Eagle Run Developers LLC by Horner, Eelman & Gearhart, LLC, dated February 6, 2006, recorded March 10, 1996 in Plat Cabinet K at Page 198, Office of the Register of Deeds for Dorchester County, and having such boundaries and measurements as shown on the plat described herein, which is specifically incorporated by reference.

TMS: 1541417065000

[end of legal description]



## **SCHEDULE B**

### **NOTICE OF OPTION**

This Notice of Option ("**Option Notice**") provides notice of that certain Option Agreement entered into as of May 24, 2025 ("**Effective Date**"), by and between Lisa Livingston Baker and Mortgagee, and supplements the Security Instrument of the same date between the same parties. Capitalized terms used in this Option Notice shall have the meanings specified herein, or if not defined herein, in the Option Agreement or the Security Instrument.

### **RECITALS**

1. Mortgagor hereby declares that as of the Effective Date, Mortgagor and Mortgagee have entered into that certain unrecorded Point Digital Finance Option Purchase Agreement ("**Option Agreement**"), which is hereby incorporated into this Option Notice as if set forth in full, pursuant to which Mortgagor grants and conveys to Mortgagee the option to purchase ("**Option**") an undivided percentage interest (the "**HEI Percentage**") of fee simple title ownership in the Property. In exchange for granting the Option to Mortgagee, Mortgagee paid to Mortgagor an Investment Amount equal to **\$30,000.00**. The Option is irrevocable by Mortgagor and expires on **May 24, 2055**.

2. Pursuant to the Option Agreement, Mortgagor has made certain covenants and promises to, or for the benefit of, Mortgagee in connection with the Property, all as more particularly described, and on the terms and conditions stated in the Option Agreement.

3. Mortgagor has executed this Option Notice to give notice of the Option Agreement and certain rights and responsibilities of Mortgagor as to the Mortgagee, as well as the covenants and promises set forth in the Option Agreement that run with the land and will be binding upon any party who acquires Mortgagor's interest in the Property so long as the Option Agreement has not expired or been terminated.

### **TERMS**

A. Notice. Every person or entity who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every restriction, provision, covenant, right and limitation contained in the Option Agreement and this Option Notice, whether or not such person or entity expressly assumes such obligations or whether or not any reference to the Option Agreement or this Option Notice is contained in the instrument conveying such interest in the Property to such person or entity.

B. Covenants. The Option Agreement covenants are deemed to be covenants running with the land, so as to give it the broadest possible application, and include, without limitation:

1. restrictions on Mortgagor's right to transfer the Property without giving prior written notice to the Mortgagee and requirements that Mortgagor comply with



- specific sale procedures set forth in the Option Agreement;
2. requirements that Mortgagor maintain insurance on the Property against certain hazards and risks;
  3. restrictions on Mortgagor's ability to increase the amount of debt to third parties secured by liens on the Property as specified in the Option Agreement;
  4. requirements that Mortgagor keep the Property free of liens not approved by Mortgagee; and
  5. requirements that Mortgagor protect and maintain the Property.



### Planned Unit Development Rider

THIS PLANNED UNIT DEVELOPMENT RIDER is entered into as of May 24, 2025, and is incorporated into and shall be deemed to amend and supplement the Point Digital Finance Option Purchase Agreement that is entered into as of the same date by and between Lisa Livingston Baker and Point Digital Finance, Inc., a Delaware corporation (the "**Option Agreement**") with respect to that certain real property and improvements thereon commonly known as 104 DIPLOMA DR, LADSON, SC 29456. "**We**", "**us**", "**our**" and "**Point**" refer to Point Digital Finance, Inc. and its successors and assigns. "**You**", "**your**" and "**Owner**" refer to Lisa Livingston Baker and Owner's heirs and permitted assigns under the Option Agreement. Capitalized terms used but not defined in this PUD Rider shall have the meanings set forth in the Option Agreement.

#### Recital

This PUD Rider is being entered into in connection with the Option Agreement because the Property (as defined below) is part of a planned unit development known as Eagle Run Developers LLC (the "**PUD**"). The Property also includes Owner's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "**Association**") and the uses, benefits and proceeds of Owner's interest.

#### Agreement

In addition to the covenants and agreements made in the Option Documents, Point and Owner further covenant and agree as follows:

**1. Definitions.** The following new or modified definitions shall apply to the PUD Rider and the Option Agreement:

**Agreement.** Shall be as defined in the Option Agreement and shall also include this PUD Rider.

**Governing Documents.** The governing documents of the PUD and the Association, including (a) declaration of covenants, conditions and restrictions or any other document that creates the PUD; (b) by-laws; (c) code of regulations; and (d) other equivalent documents, as each may be in effect from time to time.

**Option.** The Option means an exclusive and irrevocable option to purchase (a) an undivided percentage interest of fee simple title ownership in and to the Owner's parcel of land improved with a dwelling ("**Owner's Home**"), and (b) a right or easement to use any other parcels and common areas and facilities of the PUD as further described in the Governing Documents (the "**Common Elements**").

**Option Documents.** Shall be as defined in the Option Agreement and shall also include this PUD Rider.

**Owner.** In the case of a Property that is part of a PUD, as of the Effective Date, an Owner shall be all of the persons or entities, individually and collectively, who appear on the record title to the Property as holding fee simple title to 100% of Owner's Home and the respective right or easement to use the Common Elements by virtue of being a member of the Association.

**Permitted Encumbrances.** Permitted Encumbrances shall be as defined in the Option Agreement and shall include easements, equitable servitudes, and other conditions, covenants, restrictions and rights to which the Property is subject at the time the Option Documents become



effective.

**Property.** The Property shall be as defined in the Option Agreement and shall mean, collectively, Owner's Home and Owner's right or easement to use the Common Elements by virtue of being a member of the Association.

**2. Compliance with Governing Documents.** You agree to perform all of your obligations under the Governing Documents and to promptly pay, when due, all dues and assessments imposed pursuant to the Governing Documents.

**3. Option Grant Closing.** In addition to the items listed in the Option Agreement to be delivered as part of the Option Grant Closing, you shall deliver the following documents to escrow prior to or as part of the Option Grant Closing: Governing Documents.

**4. Property Insurance.** The insurance obligations that you have under the Option Agreement will be in addition to any insurance obligations or restrictions that you may have under the Governing Documents. In addition, you will have the following additional insurance obligations:

- (a) You shall take such actions as may be reasonable to insure that the Association (i) maintains a public liability insurance policy, with a generally accepted insurance carrier, in the amount, and with extent of coverage as would be common for similar planned unit developments in similar locations to your PUD, and (ii) maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Common Elements which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, as would be common for similar planned unit developments in similar locations to your PUD.
- (b) You shall give us prompt notice of any lapse in required property insurance coverage by the Association.

**5. Obligation to Provide Information to Point.** In addition to any other information that you are required to provide us under the Option Agreement, you shall promptly provide us (a) a copy of any notice of delinquency or similar document that you might receive from the Association to collect Association dues or assessments that you owe; (b) any notice to Owner that the Association intends to put a lien on Owner's Home for delinquent dues or assessment or other permitted reasons under the Governing Documents; (c) any amendments to or restatements of the Governing Documents; (d) notice of any vote taken by the members of the Association to terminate professional management of, and assume self-management of, the Association; or (e) notices of any legal proceedings affecting the PUD or the Association which have been delivered to you. Furthermore, you will promptly and accurately respond to requests for information received from Point during the Term, such as questionnaires regarding current Association dues.

**6. Preservation Payments.** The Preservation Payments payable under the Option Agreement shall include payments related to any late Association dues or assessments.

**7. Repair and Restoration.** Section 4.4.1 (Repair and Restoration) of the Option Agreement shall be amended and restated in its entirety as set forth below:

If the Property is destroyed or damaged in any material manner, you shall restore or repair Owner's





Home, and you shall take any other action to ensure that the Association restores and repairs the Common Elements, to at least the same condition and characteristics as of the time immediately preceding such destruction or damage, subject to all applicable local ordinances and the Governing Documents. Except to the extent you are required to take other action in connection with Senior Liens on the Property or pursuant to the Governing Documents, you shall apply any and all insurance proceeds (whether or not the underlying insurance was required by us and including any proceeds directed to you from the Association) to such restoration or repair. If the insurance proceeds are insufficient to complete the restoration or repair of Owner's Home, you shall be responsible for any shortfall. For the avoidance of doubt, you will not be responsible for any shortfalls resulting from the negligence, failure to act or malfeasance by the Association in applying insurance proceeds with respect to restoration or repair of the Common Elements. We shall have no responsibility or obligation to pay any amount whatsoever in connection with the restoration or repair of the Property.

**8. Allocation Where Repair Not Feasible.** Section 4.4.2 (Allocation Where Repair Not Feasible) of the Option Agreement shall be amended and restated in its entirety as set forth below:

If any loss occurs in connection with the Property, and restoration or repair is not economically feasible, you shall obtain an Appraisal, provided that the appraiser shall be instructed to determine the value of the Property as it existed immediately prior to the destruction or damage. Any and all insurance proceeds, whether or not the underlying insurance was required by us, will be allocated in the following order: (a) to payment (or reimbursement) of reasonable costs and expenses (including, without limitation, attorneys' fees that have been approved by us) reasonably incurred by you, the Association, a senior lender and/or Point in collecting and contesting with the insurers the payments under the relevant insurance policies; (b) to payment of all Senior Loans, provided that, if the insurance proceeds equal or exceed the amount owed under such Senior Loans, such payment shall result in the discharge of the related Senior Liens; (c) to the Association as provided in the Governing Documents; (d) to us, an amount calculated according to the Calculation of Point Proceeds set forth in Schedule 2 of the Option Agreement; and (e) to you, the balance of the proceeds.

**9. Failure to Maintain Adequate Insurance.** Section 4.4.3 (Failure to Maintain Adequate Insurance) of the Option Agreement shall be amended and restated in its entirety as set forth below:

If (a) you fail to maintain insurance (excluding insurance to be carried by the Association) in amounts required by Section 4.1.1 of the Option Agreement, you fail to take actions required under Section 4 of the PUD Rider with respect to insurance to be carried by the Association, or any insurance claim is denied due to your action or inaction, and (b) the insurance proceeds from any loss are not sufficient to pay to us the entire amount owed as set forth in Section 4.4.2 of the Option Agreement, then there shall be an Exercise Payment Insurance Reduction proportional to the decrease in the Property's value as compared to the Appraised Value of the Property immediately prior to the destruction or damage. In this case, we may exercise the Option (if we have not already done so) and sell the Property in its then-current state according to the procedure set forth in Section 2.3 of the Option Agreement, except that the Exercise Payment shall be reduced because of the added economic burden and risk imposed on Point by virtue of your failure. The Exercise Payment Insurance Reduction shall be taken into account in the calculation of Point Proceeds. The proceeds of any sale pursuant to Section 4.4.3 of the Option Agreement, together with any and all available proceeds from any and all insurance policies (whether or not the underlying insurance was required by us or whether the insurance proceeds come from the insurance maintained by the Association), will be allocated as described in Section 4.4.2 of the Option Agreement.

**10. Capacity; Authority.** The first two sentences of Section 5.2 (Capacity; Authority) of the Option



Agreement shall be amended and restated in their entirety as set forth below:

You represent and warrant that you, as the Owner(s) identified above, individually and collectively, appear on record title of the Property as holding fee simple title to 100% of Owner's Home and are a member of the Association (as defined in the PUD Rider) which gives you a right or easement to use the Common Elements of the Property. Other than as provided in the Governing Documents, your fee simple title to the Property is marketable and insurable, free of restrictions, leases, liens and other encumbrances or interests, and except as specifically identified in the Confirmation of Title delivered to Point, except with respect to Acknowledged Pre-Existing Liens and Approved Subsequent Liens.

**11. Documentation and Information Supplied by Owner; Financial Condition of Owner.** In addition to the documentation and information described in Section 5.6 of the Option Agreement, you are also required to supply to us any documents that you would be required to provide before a transfer of title or execution of a real property sales contract pursuant to the Governing Documents. Without limiting the foregoing, such documents and information shall include: (a) copy of the Governing Documents; (b) copy of the Association's legally-required, most recent financial statement, if applicable; (c) statement from authorized representative of the Association regarding any assessments; and (d) copy of any notices previously sent to you from the Association regarding any violation by you of the Governing Documents which remains unresolved.

**12. Conflict; Enforceability.** You represent and warrant that the execution and delivery of the Option Documents, the incurrence of the obligations set forth in the Option Documents, the consummation of the transactions contemplated by, or compliance with the terms of the Option Documents, will not conflict with, or result in a breach of, any of the terms, conditions or provisions of, or constitute a default under, the Governing Documents.

**13. Events of Default.** In addition to the Events of Default listed in Section 6.1 of the Option Agreement, each of the following shall constitute an Event of Default under the Option Documents, in Point's sole discretion: (a) failing to pay any Association due or assessment when due; (b) if the Association provides notice to you that it intends to put a lien on Owner's Home for delinquent dues or assessment of other permitted reasons under the Governing Documents; and (c) your material violation or breach of the Governing Documents.

**14. No Third-Party Beneficiaries.** For clarification purposes, the Association shall not be a third-party beneficiary of the Option Documents and the Association shall not have any rights or causes of action under the Option Documents.

**15. Point's Prior Consent.** You shall not, except after notice to us and with our prior written consent, consent to (a) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain or (b) termination of professional management and assumption of self-management of the Association.

**16. PUD Rider Controls.** In the event of any conflict between a provision of this PUD Rider and the Option Documents, the terms of this PUD Rider shall control.

**[Signatures on Following Pages]**



IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this PUD Rider as of the date first referenced above.

**OWNER:**

\_\_\_\_\_  
Lisa Livingston Baker

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



Witness 1

## ACKNOWLEDGMENT

State of South Carolina )  
 ) §  
County of \_\_\_\_\_ )

On \_\_\_\_\_,

before me, \_\_\_\_\_, Notary Public,

personally appeared \_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of South Carolina that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Signature of Notary)

(Seal of Notary)



# NOTICE OF RIGHT TO CANCEL

**Homeowner:** Lisa Livingston Baker

**Property Address:** 104 DIPLOMA DR  
LADSON, SC 29456

**Option Agreement ID:** 2025161-PIFIB

## Your Right to Cancel

You are entering into a transaction that will result in a new security interest in your home. You have a right to cancel this transaction, without cost, until midnight of the third business day after, whichever of the following events occurs last:

- (1) the effective date of the transaction, which is May 24, 2025; or
- (2) the date you received your Closing Disclosure; or
- (3) the date you received this notice of your right to cancel.

If you cancel the transaction, the security interest is also canceled. Within 20 calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the security interest in your home has been canceled, and we must return to you any money or property you have given to us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within 20 calendar days of your offer, you may keep it without further obligation.

## How to Cancel

If you decide to cancel this transaction, you may do so by notifying us in writing, at

Point Digital Finance, Inc.  
Attn: Closing Department  
444 High Street, 4th Floor  
Palo Alto, CA 94301

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than midnight of May 29, 2025 (or midnight of the third business day following the latest of the events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

Each borrower in this transaction has the right to cancel. The exercise of this right by one borrower shall be effective as to all borrowers.

## Cancellation Request

I wish to cancel this transaction.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Homeowner Signature

## Acknowledgment of Receipt

Each of the undersigned hereby acknowledges receiving 2 copies of this notice.

\_\_\_\_\_  
Lisa Livingston Baker

\_\_\_\_\_  
Date



# NOTICE OF RIGHT TO CANCEL

**Homeowner:** Lisa Livingston Baker

**Property Address:** 104 DIPLOMA DR  
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## Cancellation Request

I wish to cancel this transaction.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Homeowner Signature

## Acknowledgment of Receipt

Each of the undersigned hereby acknowledges receiving 2 copies of this notice.

\_\_\_\_\_  
Lisa Livingston Baker

\_\_\_\_\_  
Date

HOMEOWNER COPY



# NOTICE OF RIGHT TO CANCEL

**Homeowner:** Lisa Livingston Baker

**Property Address:** 104 DIPLOMA DR  
LADSON, SC 29456

**Option Agreement ID:** 2025161-PIFIB

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- (3) the date you received this notice of your right to cancel.

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You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within 20 calendar days of your offer, you may keep it without further obligation.

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## Cancellation Request

I wish to cancel this transaction.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Homeowner Signature

## Acknowledgment of Receipt

Each of the undersigned hereby acknowledges receiving 2 copies of this notice.

\_\_\_\_\_  
Lisa Livingston Baker

\_\_\_\_\_  
Date

HOMEOWNER COPY



## MORTGAGOR'S AFFIDAVIT

The term "Mortgagor" includes all homeowners, mortgagors, and trustors of the "Property."  
"Property" includes all of the real property included in the deed description for the Property  
Address identified below.

Mortgagor(s): Lisa Livingston Baker  
Property Address: 104 DIPLOMA DR  
City: LADSON  
State: South Carolina  
Zip Code: 29456  
Point Option ID:: 2025161-PIFIB  
Investment Amount: \$30,000.00  
Investment Closing Date: May 24, 2025

BEFORE ME, the undersigned Notary Public in and for the State of personally appeared Lisa  
Livingston Baker who, being first duly sworn, deposes and says:

1. That Mortgagor is the owner and in possession of that certain real property located in  
Dorchester, South Carolina, more fully described as: Please see attached legal description.
2. That there are no unrecorded contracts, deeds, mortgages, or other documents nor any facts  
which might be asserted, that could give rise to a lien interest in the Property.
3. That there are no parties other than the owner in possession of or claiming possession of the  
Property.
4. Mortgagor confirms that all bills for real estate taxes, special assessments for municipal  
improvements, water, sewer and other municipal fees are paid current through the Investment  
Closing Date or are not yet due and payable.
5. That for more than ninety (90) days prior to the date hereof, no material or labor has been  
furnished in connection with the improvements located on the Property for which any unpaid  
bills exist, that there are no unpaid mechanics' or materialmen's liens affecting the Property,  
and that all improvements on the Property have been paid for in full.
6. There is no action or proceeding against me, or relating to the Property, that is threatened or  
now pending before any state or federal court, agency or board, nor any state or federal  
judgment against me, nor any state or federal lien, which now constitutes or may become a  
lien, charge or encumbrance against the Property.





7. Mortgagor has not violated any covenants, conditions, or restrictions affecting the Property, or laws of any nature relating to environmental protection. Mortgagor confirms that all necessary inspections, permits, licenses, and certificates for the Property, including but not limited to certificates of occupancy and fire underwriting certificates, have been obtained from the appropriate authorities. Mortgagor confirms that any unpermitted work done to the Property have been disclosed. Mortgagor understands that any work done on the Property during the Investment Term will comply with all applicable laws, and if violated, the Final Home Value will include the costs to cure such violations.
8. Mortgagor is not aware of the presence, use, disposal, storage, or release of any hazardous substances on the Property.
9. Mortgagor has not entered into any agreement or contract for conveyance, deed conveyance, written lease, or writing, whatsoever adversely affecting the title to said premises, except in connection with which this agreement is given.
10. Mortgagor has not applied for protection under bankruptcy statutes or any creditor's rights laws of any state.
  - a. If Mortgagor **has** applied for protection under bankruptcy statutes or any creditor's rights laws of any state, those legal proceedings have been completely resolved in their entirety prior to the anticipated Investment Closing Date.

Mortgagor hereby acknowledges that:

1. This Mortgagor's Affidavit is being executed for the purpose of inducing Point Digital Finance, Inc. to make a Home Equity Investment and the Insurance Company to issue a Transaction Acknowledgement or Title Insurance Policy.
2. Both Point Digital Finance, Inc. and the Insurance Company will rely on the truthfulness of this Affidavit and the representations herein.
3. The information set forth herein is correct and complete. The Mortgagor hereby indemnifies Point Digital Finance, Inc. and the Insurance Company against all loss, damage, cost, and expense, including reasonable attorney's fees, incurred as a result of any inaccuracies contained in this Mortgagor's Affidavit.

**[Signatures on Following Page]**



---

Lisa Livingston Baker



Witness 1



### **LEGAL DESCRIPTION**

All that certain piece, parcel or lot of land, with any improvements thereon, situate, lying and being in the Oakbrook Area of the County of Dorchester, State of South Carolina, being shown and designated as Lot 243, Eagle Run, Phase II, on a plat of said subdivision prepared for Eagle Run Developers LLC by Horner, Eelman & Gearhart, LLC, dated February 6, 2006, recorded March 10, 1996 in Plat Cabinet K at Page 198, Office of the Register of Deeds for Dorchester County, and having such boundaries and measurements as shown on the plat described herein, which is specifically incorporated by reference.

TMS: 1541417065000

[end of legal description]



## Instructions to Notary Agent for the document entitled "About My Point Agreement"

Please give each homeowner and spouse (if applicable) his or her copies. Names are printed at the top of the documents.

Each recipient shall initial each line as indicated. There are 10 lines to initial. The initialed copies must be returned to Point Digital Finance.

Each recipient shall receive 1 copy to keep.





# About My Point Agreement



*This document summarizes some of the key terms in the Point Agreement. Please initial each item, but keep in mind that the Point Agreement is the legally binding contract.*

## I understand...

           I am responsible for paying my mortgage(s), property taxes, and insurance. If I do not, I will be  
Initials in default on my Point Agreement and Point may foreclose on my home.

           I am responsible for any of my debts that are not paid off with the funds received from Point.

           I am not permitted to take out loans on my home whose repayment would take priority over  
Initials my repayment to Point. This includes PACE or HERO loans. I must get Point's written permission before taking out any loan against my home. However, if the loan's purpose is to repay Point, I do not need permission.

           Point is **not** buying part of my home today. Instead, Point is buying the right to 30.20% of my  
Initials home's future change in value. This right is called the "option."

           When I am ready to repay Point, Point will determine my home's change in value by  
Initials subtracting the Appreciation Starting Value from the Final Home Value. To determine the Appreciation Starting Value, Point lowered the assessed value of my home by 27.00%. This is called the risk adjustment. The Appreciation Starting Value for my home is \$218,270.00. To determine my home's Final Home Value, Point will use my home's sale price, a final appraisal, or AVM (except in some cases of default).

           My repayment amount will be the **lesser** of two amounts. The first amount is the sum of the  
Initials funds I receive from Point plus Point's share of my home's change in value. The second amount (referred to as the Capped Repayment Amount) is the result of applying an annual rate, 17.50%, compounded monthly, to the funds I receive from Point. This rate is called the Homeowner Protection Cap and protects me in case my home greatly increases in value. I can use the Cost Estimator that came with my offer to estimate my repayment amount.

           If my home value increases, my repayment amount will also increase, up to the Capped  
Initials Repayment Amount. Even if my home value does not increase, my repayment amount may increase over time. This is because the Appreciation Starting Value is less than my home's current assessed value.

           I must repay Point within 30 years. Homeowners usually repay Point by selling their home,  
Initials refinancing their mortgage, or taking out a new home equity loan. The repayment is a one-time paid-in-full event. Point does not accept partial payments.

           If I repay Point by selling my home, I must pay all costs associated with the sale. At that time, I  
Initials must pay off my mortgage and any other liens.

           Lenders may not be willing to refinance my mortgage unless I also repay Point.  
Initials





# About My Point Agreement



*This document summarizes some of the key terms in the Point Agreement. Please initial each item, but keep in mind that the Point Agreement is the legally binding contract.*

## I understand...

           I am responsible for paying my mortgage(s), property taxes, and insurance. If I do not, I will be  
Initials in default on my Point Agreement and Point may foreclose on my home.

           I am responsible for any of my debts that are not paid off with the funds received from Point.

Initials

           I am not permitted to take out loans on my home whose repayment would take priority over  
Initials my repayment to Point. This includes PACE or HERO loans. I must get Point's written permission before taking out any loan against my home. However, if the loan's purpose is to repay Point, I do not need permission.

           Point is **not** buying part of my home today. Instead, Point is buying the right to 30.20% of my  
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Initials subtracting the Appreciation Starting Value from the Final Home Value. To determine the Appreciation Starting Value, Point lowered the assessed value of my home by 27.00%. This is called the risk adjustment. The Appreciation Starting Value for my home is \$218,270.00. To determine my home's Final Home Value, Point will use my home's sale price, a final appraisal, or AVM (except in some cases of default).

           My repayment amount will be the **lesser** of two amounts. The first amount is the sum of the  
Initials funds I receive from Point plus Point's share of my home's change in value. The second amount (referred to as the Capped Repayment Amount) is the result of applying an annual rate, 17.50%, compounded monthly, to the funds I receive from Point. This rate is called the Homeowner Protection Cap and protects me in case my home greatly increases in value. I can use the Cost Estimator that came with my offer to estimate my repayment amount.

           If my home value increases, my repayment amount will also increase, up to the Capped  
Initials Repayment Amount. Even if my home value does not increase, my repayment amount may increase over time. This is because the Appreciation Starting Value is less than my home's current assessed value.

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Initials must pay off my mortgage and any other liens.

           Lenders may not be willing to refinance my mortgage unless I also repay Point.

Initials



## **ERRORS AND OMISSIONS / COMPLIANCE AGREEMENT**

Homeowner(s): Lisa Livingston Baker

Property Address: 104 DIPLOMA DR, LADSON, SC 29456

Option Agreement #: 2025161-PIFIB

The person(s) signing below as Homeowner(s) hereby agree to cooperate fully with Point (and any of Point's agents) in the correction, adjustment, revision or completion of documents executed, including the execution of omitted documents which customarily are executed, in connection with the closing of the Homeowner's transaction with Point. These changes can be made to correct clerical, typographical, or other errors or omissions, the correction of which is deemed necessary or desirable by Point to (i) bring the documentation of such transaction into conformity with the agreed-upon terms thereof, (ii) to enable Point to record, sell, convey, seek guaranty, insure or market the investment to any entity, or (iii) for any other purpose within the reasonable discretion of Point.

Pursuant to section 7.11 of the Option Purchase Agreement, the Homeowners(s) agree(s) to comply with all above noted requests by Point or Point's agents within 30 days from the date of mailing of the requests. Homeowner(s) agree(s) to assume all costs including, by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to comply with correction requests in the above noted time period. Failure to comply with such requests may be treated as an Event of Default under the Point Digital Finance Option Purchase Agreement.

The Homeowner(s) do hereby agree to assure that any and all transaction documents executed by them will conform with and be acceptable for its use in recording, insurance, or in the marketplace in the instance of transfer, sale or conveyance by Point of its interest in and to the transaction documentation, and to assure marketable title.

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Date

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Lisa Livingston Baker







## Authorization Affidavit

### AUTHORIZATION TO RELEASE INFORMATION

The Undersigned certify the following:

1. I/We have applied for a home equity investment (HEI) through Point Digital Finance, Inc. In applying for the HEI, I/We completed an application containing various information on the purpose of the investment. I/We certify that all of the information is true and complete. I/We made no misrepresentations in the investment application or other documents, nor did I/We omit any pertinent information.
2. I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements when applying for this investment, as applicable under the provisions of Title 18, United States Code, Section 1014.

To Whom It May Concern:

1. I/We have applied for and/or have received a home equity investment (HEI) through Point Digital Finance, Inc. As part of the origination, Point Digital Finance, Inc. and the mortgage guaranty insurer (if any), may verify information contained in my/our investment application and in other documents required in connection with the investment, either before or after the investment is closed.
2. I/We authorize you to provide to Point Digital Finance, Inc. and/or its successors and assigns, any and all information and documentation they request. Such information includes, but is not limited to, mortgage history; bank; credit history; payoff information.
3. Point Digital Finance, Inc. or any investor that purchases the investment may address this authorization to any party named in the investment application.
4. A copy of this authorization may be accepted as an original.

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Lisa Livingston Baker

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Date





PO Box 192  
Palo Alto, CA 94302  
1-888-764-6823

## Closing Disclosure

*This form is a statement of final option terms and closing costs.  
Compare this document with your Option Agreement Estimate.*

### Closing Information

**Date Issued** 05/22/2025  
**Effective Date** 05/27/2025 (projected)  
**Disbursement Date** 06/02/2025 (projected)  
**Settlement Agent** ClearEdge Title, Inc  
**Escrow Account #** C-SC919912  
**Property** 104 DIPLOMA DR  
LADSON, SC 29456

### Transaction Information

**Homeowner** Lisa Livingston Baker  
**Homeowner Address** 104 DIPLOMA DR  
LADSON, SC 29456  
**Investor** Point Digital Finance, Inc  
**Option Agreement #** 2025161-PIFIB  
**Occupancy Type** Owner Occupied Property

**Option Terms** *Except for the Estimated Debt Payoff Amount, the Option Terms below will not change after closing.*

***There are no monthly payments and no interest accrues.***

<b>Investment Amount</b>	\$30,000.00	<i>This is the amount Point will invest in your Property in exchange for an Option in your Property.</i>
<b>Appraised Value</b>	\$299,000.00	<i>This is the value determined by Point in reliance on various methods, such as traditional appraisals or automated valuation models.</i>
<b>Homeowner Protection Cap</b>	17.5%	<i>An annual rate, compounded monthly, that is applied to the Investment Amount to determine the Capped Repayment Amount; the Capped Repayment Amount is the maximum amount you may pay Point, the calculation of which is set forth in Schedule 2 of your Option Agreement.</i>
<b>Appreciation Starting Value</b>	\$218,270.00	<i>This is the beginning value of your Property used to calculate Point's share of the Property's appreciation and the Point Proceeds. The Property's appreciation value can be positive or negative depending on the Final Home Value. The Point Proceeds is the amount you pay Point upon your repurchase, a sale of the Property, or at the end of the term. In all cases, the Point Proceeds will be subject to the Homeowner Protection Cap.</i>
<b>Investment Term</b>	30 Years	
<b>HEI Percentage</b>	30.2000%	<i>This is the percentage of appreciation you will pay Point upon repayment, unless the result is more than the Capped Repayment Amount.</i>
<b>Estimated Debt Payoff Amount</b>	\$0.00	<i>The estimated amount of the Investment Amount that will be paid to settle existing debts and obligations.</i>
<b>Acknowledged Pre-Existing Loans</b>	\$81,512.19	<i>This is the current sum of debt obligations on your Property. <b>Contact Point immediately if this is not correct.</b></i>

### Closing Summary

***See Calculating Cash to Homeowner on page 3 for details.***

<b>Closing Costs Paid by Homeowner</b>	\$2,351.29	<i>Includes \$2,434.29 in Option Agreement Costs + \$25.00 in Other Costs - \$108.00 Paid by Point</i>
<b>Cash to Homeowner</b>	\$27,648.71	<i>After deducting Closing Costs Paid by Homeowner and Payoffs Made at Closing Through Escrow.</i>





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## Closing Cost Details

Option Agreement Costs	Homeowner-Paid		Paid by Point
	At Closing	Before Closing	
<b>Processing Charges</b>	<b>\$1,500.00</b>		<b>\$0.00</b>
Processing Fee	\$1,500.00		
<b>Third Party Services</b>	<b>\$826.29</b>		<b>\$108.00</b>
Credit Report Fee to Equifax	\$35.79		
Flood Certification Fee to Corelogic	\$10.50		
Financial Counseling to Navicore	\$130.00		
Title - Insurance Policy to ClearEdge Title			\$108.00
Title - Escrow Fee to ClearEdge Title	\$650.00		
<b>Total Option Agreement Costs</b>	<b>\$2,326.29</b>		<b>\$108.00</b>
Option Agreement Costs Subtotals	\$2,326.29	\$0.00	\$108.00

<b>Other Costs</b>			
<b>Taxes and Other Government Fees</b>	<b>\$25.00</b>		<b>\$0.00</b>
Recording Fee for Mortgage	\$25.00		

<b>TOTAL CLOSING COSTS</b>	<b>\$2,351.29</b>		<b>\$108.00</b>
Closing Costs Subtotals	\$2,351.29	\$0.00	\$108.00





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## Cash to Homeowner

### Calculating Cash to Homeowner

Use this table to see what has changed from the Option Agreement Estimate.

	Option Agreement Estimate	Closing Disclosure	Did this change?
Investment Amount	\$30,000.00	\$30,000.00	No
Total Closing Costs	-\$2,469.29	-\$2,459.29	Yes <i>See Total Option Agreement Costs and Other Costs</i>
Closing Costs Paid Before Closing by Homeowner	\$0.00	\$0.00	No
Estimated Total Payoffs and Payments Made at Closing	\$0.00	\$0.00	No <i>Please be aware that Point is only paying off debts listed on this Closing Disclosure. Any additional debts you wish to pay off with the funds you receive from Point will be your responsibility.</i>
Closing Costs Paid by Point	\$118.00	\$108.00	Yes <i>See Total Option Agreement Costs and Other Costs</i>
Cash to Homeowner	\$27,648.71	\$27,648.71	No <i>This is the amount of funds you will receive at closing.</i>
Closing Costs Paid at Closing by Homeowner	\$2,351.29	\$2,351.29	No <i>This is the amount of closing costs paid from the Investment Amount.</i>





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## Estimated Payoffs and Payments

Use this table to see a summary of estimated payoffs and payments that will be paid from your Investment Amount.

### Made at Closing through Escrow

TO	AMOUNT
01	
02	
03	
04	
05	
06	
07	
08	
09	
10	
11	
12	
<b>ESTIMATED TOTAL PAYOFFS AND PAYMENTS MADE AT CLOSING</b>	<b>\$0.00</b>

### Contact Information

	Investor	Settlement Agent
<b>Name</b>	Point Digital Finance, Inc	ClearEdge Title, Inc
<b>Address</b>	444 High Street, 4th Floor Palo Alto, CA 94301	2605 Enterprise Road E Suite 270 Clearwater, FL 33759
<b>Contact</b>	Taqi Shami	Michael DeFrancesco
<b>Email</b>	tshami@point.com	teamclear@cetitle.com
<b>Phone</b>	(888) 764-6823	(877) 536-3390





## Additional Information

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### Appraisal

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Your property was appraised. Point will give you a copy of the appraisal at no additional cost at least 3 days before closing. If you have not yet received it, please contact Point.

### Option Agreement

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To finalize Point's purchase of the option, you and Point will sign a separate Option Agreement. This Option Agreement will include information about:

- option exercise triggers, including in the event of a default
- details on how Point Proceeds will be calculated, including the Capped Repayment Amount which may limit the amount you will owe to Point upon your repurchase or Point's exercise in connection with a Property Sale
- your obligations to maintain insurance and provide information to Point upon request
- limitations on your ability take out additional loans on the Property
- details on your obligations to pay the Debt Payoff Amount
- Point's right to make Preservation Payments to protect the Property in the event you fail to take required actions under the Option Agreement

### Point Proceeds

---

- When the Property is sold after Point exercises its option or when you repurchase the option during or at the end of the term, you will pay Point the initial Investment Amount plus Point's percentage of the appreciation calculated as of the repurchase date. The Point Proceeds will be subject to the Homeowner Protection Cap. If the Final Home Value is less than the Appreciation Starting Value, the amount you pay Point may be less than the Investment Amount.
- No adjustments will be made to the Point Proceeds to exclude gains from renovations or other property improvements made during the term.
- In the event of a depreciated sale of a Property bearing a mortgage (i.e., the Final Home Value is less than the Appreciation Starting Value of the Property), any remaining funds available from the sale after the mortgage has been repaid may be due to Point to pay the Point Proceeds.
- In the event that you have not sold the Property before the end of the term of the Option Agreement, you may repurchase Point's fractional interest in your Property. If you do not repurchase Point's interest at the end of the term, Point may exercise the option and initiate a sale process.

### Security Interest

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If you sign the Option Agreement, you will grant a security interest in:

**104 DIPLOMA DR, LADSON, SC 29456**

You may lose this Property if you do not satisfy the obligations of the Option Agreement.





PO Box 192  
Palo Alto, CA 94302  
1-888-764-6823

## Additional Information

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### Insurance

We require homeowner's insurance on the Property, which you may obtain from a nationally recognized company of your choice that we find acceptable.

### Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept the Option Agreement because you have signed or received this form.

---

Lisa Livingston Baker

---

Date



## IMPORTANT INFORMATION REGARDING YOUR SHARED APPRECIATION TRANSACTION

**Date:** May 23, 2025

**Option ID:** 2025161-PIFIB

**HEI Originator:** Point Digital Finance, Inc.

**Homeowner Name:** Lisa Livingston Baker

**HEI Originator Phone:** (888) 764-6823

**Property Address:** 104 DIPLOMA DR, LADSON, SC 29456

**Disclosure Version:** Closing Disclosure rev. 1: Final, not subject to change

The following information pertains to your shared appreciation transaction and the amount you will pay at the termination of your Agreement (this may be referred to in your Agreement as settlement), which, if your Agreement is terminated when you sell your home, may include some or all of the sale proceeds. The terms of this transaction are different from those of a traditional mortgage loan. Please review this disclosure, as well as your Agreement, thoroughly. If you do not understand any of the terms, you should speak with a financial professional of your choosing.

You are not required to complete this Agreement merely because you have received these disclosures or have signed an application. If you obtain this Home Equity Investment (HEI), Point will place a lien on your home to secure your performance of the underlying Agreement. You could lose your home and any money you have put into it if you do not meet your obligations under the HEI. You may wish to consult an attorney.

Please refer to the terms and definitions outlined in your Closing Disclosure for important details regarding your Home Equity Investment (HEI).





### REPAYMENT TERMS

When you repay your HEI, you will pay Point the lesser of 1) the Investment Amount plus Point's share of your home's appreciation (the HEI Percentage) between the Appreciation Starting Value and the Final Home Value and 2) the amount calculated based on the Homeowner Protection Cap, each subject to any applicable state law. The repayment amount will also include any applicable appraisal, reconveyance, and/or recording fees.

Investment Amount	Cash to You at Closing <small>(Investment Amount minus processing fee, 3rd party fees, and debt payoffs paid at closing)</small>	HEI Percentage	Appraised Value <small>(Current estimated fair market value of your home, see below for methodology)</small>	Appreciation Starting Value	Homeowner Protection Cap	HEI Term
\$30,000	\$27,649	30.2%	\$299,000	\$218,270	17.5%	30 years

#### **Appraised Value Method:** AVM (Automated Valuation Model)

The method selected above is used to estimate the current fair market value of your home. The current estimated fair market value may not represent the actual value of the home and may be lower than the actual price you would receive if your home were sold today. This may result in a higher Final Payment.

**Agreement Type:** Point's HEI shares in the change in your home's value above or below the Appreciation Starting Value. The Investment Amount is added to Point's share of your home's appreciation or depreciation between the Appreciation Starting Value and the Final Home Value to determine the Appreciation Based Repayment Amount (see the tables of the Final Payment Examples below). The percentage that Point shares is the HEI percentage.

**HEI Percentage:** 30.2% equals the percentage of your home's change in value from the Appreciation Starting Value to the Final Home Value that Point will be entitled at the termination of your Agreement, subject to any limitations in your Agreement.

**Final Payment Calculations:** Your Agreement will typically terminate when you decide to sell your home or, at your



option, terminate your Agreement without a sale (this may be referred to as buying out or buying back the Agreement), subject to the maximum term of 30 years. Your specific termination conditions are specified in your Agreement. At the end of the Agreement, a Final Payment will be made out of your home's sales proceeds or separately if you choose and calculated as follows:

- **Appreciation Starting Value:** A 27.0% discount is being applied to your home's Appraised Value so a discounted value of \$218,270 will be used as the Appreciation Starting Value when calculating your home's change in value.
- **Final Home Value:** The value of your home at the time of termination. This Final Home Value will be determined by a sales contract, AVM, or other appraisal method outlined in your Agreement. If you sell your home, the sales contract price will be used as the Final Home Value as long as the sales contract is an arms-length sale, the home was not sold as part of a foreclosure, and you did not retain an interest in the home, including an interest as a life estate.
- **Change in Home Value:** Change in Home Value equals the Final Home Value minus the Appreciation Starting Value.
- **Final Payment:** Final payment will equal the Investment Amount of \$30,000 plus (or minus, if negative) the HEI Percentage of the Change in Home Value. Your Agreement limits the maximum Final Payment based on the Homeowner Protection Cap. The Homeowner Protection Cap is an annual rate, compounded monthly, that is applied to the Investment Amount to determine the Capped Repayment Amount. The Capped Repayment Amount will increase every day until you pay off your Agreement. However, you will only pay the Capped Repayment Amount if it is lower than the Appreciation Based Repayment Amount. The Capped Repayment Amount is typically the lower value in the first few years of the Agreement.

**BECAUSE THE APPRECIATION STARTING VALUE IS LESS THAN THE CURRENT APPRAISED VALUE OF YOUR HOME TODAY, YOUR FINAL PAYMENT MAY BE GREATER THAN THE INVESTMENT AMOUNT EVEN IF THE FINAL HOME VALUE IS LESS THAN THE CURRENT APPRAISED VALUE.** Your settlement calculation will show appreciation if the Final Home Value exceeds \$218,270.

**Interest Charged:** You will share a portion of your home's change in value, but no interest will be charged on the Investment Amount and there will be no monthly payments due.

**Tax Implications:** This transaction may result in tax implications, so consult with a qualified tax professional to



understand any tax consequences.

**Final Payment Examples:** The following tables contain examples of amounts that may be required to satisfy your obligation at the termination of the Agreement depending upon the change in value of your home. The estimates of your repayment are based on 5, 10, 15, and 30 year periods. The appreciation examples use annual rates that range from 0% to 5.5%, compounded annually. There is a depreciation example in the event your home has lost value at the time of repayment. THESE ARE EXAMPLES ONLY; YOUR ACTUAL FINAL PAYMENT AMOUNT COULD BE HIGHER OR LOWER THAN THE ESTIMATED REPAYMENT AMOUNTS SHOWN HERE.

<b>5 Year Final Payment Example Estimate</b>							
(You'll always repay the <i>lesser</i> of the Capped Repayment Amount or the Appreciation Based Repayment Amount, each subject to any applicable state law)							
<b>Scenario</b>	<b>Final Home Value</b>	<b>Change in Home Value</b> (Final Home Value minus Appreciation Starting Value)	<b>Capped Repayment Amount</b>	<b>Appreciation Based Repayment Amount</b>	<b>Your Estimated Repayment Amount</b>	<b>Your Estimated Repayment Amount Minus Investment Amount</b>	<b>Equivalent APR*</b>
10% Total Depreciation	\$269,100	\$50,830	\$71,513	\$45,351	\$45,351	\$15,351	8.616%
0% Annual Appreciation	\$299,000	\$80,730	\$71,513	\$54,380	\$54,380	\$24,380	12.633%
3.5% Annual Appreciation	\$355,118	\$136,848	\$71,513	\$71,328	\$71,328	\$41,328	18.913%
5.5% Annual Appreciation	\$390,781	\$172,511	\$71,513	\$82,098	\$71,513	\$41,513	18.974%



\* This product does not have an interest rate. Your estimated repayment amount is based on the appreciation or depreciation of your home's value. Equivalent APR is intended to represent the effective cost of the HEI under each scenario presented. Your actual Equivalent APR and repayment amount may be less if any state laws apply. The Equivalent APR is calculated using Appendix J to Part 1026 of the Truth in Lending Act.

<b>10 Year Final Payment Example Estimate</b> (You'll always repay the <i>lesser of</i> the Capped Repayment Amount or the Appreciation Based Repayment Amount, each subject to any applicable state law)							
Scenario	Final Home Value	Change in Home Value (Final Home Value minus Appreciation Starting Value)	Capped Repayment Amount	Appreciation Based Repayment Amount	Your Estimated Repayment Amount	Your Estimated Repayment Amount Minus Investment Amount	Equivalent APR*
10% Total Depreciation	\$269,100	\$50,830	\$170,470	\$45,351	\$45,351	\$15,351	4.219%
0% Annual Appreciation	\$299,000	\$80,730	\$170,470	\$54,380	\$54,380	\$24,380	6.129%
3.5% Annual Appreciation	\$421,769	\$203,499	\$170,470	\$91,457	\$91,457	\$61,457	11.792%
5.5% Annual Appreciation	\$510,735	\$292,465	\$170,470	\$118,324	\$118,324	\$88,324	14.708%

\* This product does not have an interest rate. Your estimated repayment amount is based on the appreciation or depreciation of your home's value. Equivalent APR is intended to represent the effective cost of the HEI under each scenario presented. Your actual Equivalent APR and repayment amount may be less if any state laws apply. The Equivalent APR is calculated using Appendix J to Part 1026 of the Truth in Lending Act.



### 15 Year Final Payment Example Estimate

(You'll always repay the *lesser of* the Capped Repayment Amount or the Appreciation Based Repayment Amount, each subject to any applicable state law)

Scenario	Final Home Value	Change in Home Value (Final Home Value minus Appreciation Starting Value)	Capped Repayment Amount	Appreciation Based Repayment Amount	Your Estimated Repayment Amount	Your Estimated Repayment Amount Minus Investment Amount	Equivalent APR*
10% Total Depreciation	\$269,100	\$50,830	\$406,361	\$45,351	\$45,351	\$15,351	2.793%
0% Annual Appreciation	\$299,000	\$80,730	\$406,361	\$54,380	\$54,380	\$24,380	4.045%
3.5% Annual Appreciation	\$500,929	\$282,659	\$406,361	\$115,363	\$115,363	\$85,363	9.395%
5.5% Annual Appreciation	\$667,510	\$449,240	\$406,361	\$165,671	\$165,671	\$135,671	12.066%

\* This product does not have an interest rate. Your estimated repayment amount is based on the appreciation or depreciation of your home's value. Equivalent APR is intended to represent the effective cost of the HEI under each scenario presented. Your actual Equivalent APR and repayment amount may be less if any state laws apply. The Equivalent APR is calculated using Appendix J to Part 1026 of the Truth in Lending Act.



### 30 Year Final Payment Example Estimate

(You'll always repay the *lesser of* the Capped Repayment Amount or the Appreciation Based Repayment Amount, each subject to any applicable state law)

Scenario	Final Home Value	Change in Home Value (Final Home Value minus Appreciation Starting Value)	Capped Repayment Amount	Appreciation Based Repayment Amount	Your Estimated Repayment Amount	Your Estimated Repayment Amount Minus Investment Amount	Equivalent APR*
10% Total Depreciation	\$269,100	\$50,830	\$5,504,297	\$45,351	\$45,351	\$15,351	1.387%
0% Annual Appreciation	\$299,000	\$80,730	\$5,504,297	\$54,380	\$54,380	\$24,380	2.002%
3.5% Annual Appreciation	\$839,231	\$620,961	\$5,504,297	\$217,530	\$217,530	\$187,530	6.827%
5.5% Annual Appreciation	\$1,490,201	\$1,271,931	\$5,504,297	\$414,123	\$414,123	\$384,123	9.144%

\* This product does not have an interest rate. Your estimated repayment amount is based on the appreciation or depreciation of your home's value. Equivalent APR is intended to represent the effective cost of the HEI under each scenario presented. Your actual Equivalent APR and repayment amount may be less if any state laws apply. The Equivalent APR is calculated using Appendix J to Part 1026 of the Truth in Lending Act.



## ACKNOWLEDGEMENT

I have read the above document and acknowledge receiving a copy by signing below.

---

Lisa Livingston Baker

---

Date



Signed, sealed and delivered in the presence of

\_\_\_\_\_  
Witness 1

\_\_\_\_\_  
Witness 2

**ACKNOWLEDGMENT**

State of South Carolina )  
 ) §  
County of \_\_\_\_\_ )

On \_\_\_\_\_,  
before me, \_\_\_\_\_, Notary Public,  
personally appeared \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of South Carolina that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
(Signature of Notary)

(Seal of Notary)





# SEPARATOR PAGE

Please ensure the following documents are above this page:

1. Option Agreement
2. Appendix
3. Legal Description
4. Calculation of Point Proceeds
5. Mortgage
6. PUD/Condo Rider, Mortgage
7. Notice of Right to Cancel
8. Mortgagor's Affidavit
9. About My Point Agreement
10. Errors and Omissions Agreement
11. Third Party Authorization
12. Closing Disclosure
13. Shared Appreciation Transaction Disclosure

All other documents should be below this page





444 High Street, 4th Floor  
Palo Alto, California 94301  
1-888-764-6823

## POINT DIGITAL FINANCE, INC HOMEOWNER AGREEMENTS

When you sell Point the right to acquire a fractional interest in your equity in your home, you will sign and deliver two documents that make up the Point Homeowner Agreements: the Point Option Purchase Agreement and the Security Instrument.

1. **Point Option Purchase Agreement:** This is the main agreement between you and Point, and sets forth the financial terms of the deal (summarized in Section 1.1), restrictions applicable to you, your responsibilities with respect to the Property, your right to buyback Point's interest in your Property by repurchasing Point's option during the agreement term, triggering events for Point exercising its option, and other rights of Point.

Some important financial terms:

- There are no monthly payments; no interest accrues.
- The amount of additional debt you may be able to take out on the Property will be subject to Point's approval.
- When you repurchase the option during the agreement term or the Property is sold in connection with your repurchase or after Point exercises its option, you will pay to Point the amount of the initial payment you receive now plus Point's percentage of the appreciation. If the Final Home Value is less than the Appreciation Starting Value of the Property, the amount you will pay Point may be less than the initial payment you receive now. The total amount you will owe to Point is subject to a cap, which is calculated based on the length of time between the dates you sign the Point homeowner agreements and Point receiving your payment.
- If the Property has depreciated when you sell it (i.e., the Final Home Value is less than the Appreciation Starting Value of the Property), any remaining funds available from the sale after your mortgage has been repaid may be due to Point to pay the amount owed. Point, however, has no further recourse against you or your personal assets.
- In the event you have either not sold the Property or repurchased the option before the expiration of the agreement term, Point may exercise the option and initiate a sale process.

2. **Security Instrument:** The Security Instrument (also called a Deed of Trust or Mortgage) is filed in the public records of the county where the Property is located in order to "perfect" Point's security interest in the Property. You grant Point a security interest in the Property that would permit Point to foreclose on the Property in event of your default due to a delinquency on another lien secured by the Property, failure to pay property taxes, failure to maintain insurance on the Property, or bankruptcy, among other defaults, under the Option Purchase Agreement. The Security Instrument is subordinated to any interest your mortgage lender has in the Property.

