

TEXAS DEED OF TRUST - CONSUMER FRIENDLY VERSION

Prepared for: John Doe | Effective Date: [Insert Date]

Parties

- Borrower (Trustor): John Doe, 123 Main St, Austin, TX 78701
- Lender (Beneficiary): Chases Bank, 123 Finance Ave, Austin, TX 75201
- Neutral Trustee: Texas Title Co.

Property Details

Address: 632 Otto Ave, Georgetown, TX 78626

Legal Description: Lot 12, Block 5, Williamson County

Loan Terms

Loan Amount	\$300,000
Interest Rate	6.25% Fixed
Loan Term	30 Years
Monthly Payment	\$1,847.15 (Principal & Interest)
First Payment Due	[Date]
Final Payment Due	June 6, 2055

Section 4.2 - Prepayment Rights & Limitations

4.2.1 Full Prepayment Privilege

"The Trustor retains an irrevocable right to prepay the outstanding principal balance, in whole or part, without premium or penalty, subject to Texas Finance Code §302.102. Partial prepayments exceeding 20% of the original principal sum must be accompanied by written notice delivered via certified mail no fewer than fifteen (15) calendar days

prior to the intended payment date. For purposes of this instrument, 'prepayment penalty' shall be construed to include any ancillary fee, charge, or cost assessment that would result in the Trustor remitting funds exceeding the sum of unpaid principal plus accrued interest through the payoff date, inclusive of permissible acquisition charges under Tex. Fin. Code §347.155(b)."

4.2.2 Pro Rata Interest Adjustment

"Any prepayment shall trigger automatic recalculation of accrued interest using the Actuarial Method as defined in 12 C.F.R. §1026.20, with refunds issued within thirty (30) business days of prepayment transaction finalization."

Section 5.4 - Escrow Management

5.4.1 Tax & Insurance Custodial Requirements

"The Trustor shall maintain an escrow account managed per 12 C.F.R. §1024.17, with monthly contributions calculated using the Aggregate Accounting Method. Annual escrow analysis statements must be delivered no later than February 15th, detailing:

- a) Projected tax assessments under Tex. Tax Code §26.01
- b) Insurance premium adjustments per Tex. Ins. Code §2251.052
- c) Surplus/deficiency balances exceeding \$50

5.4.2 Escrow Dispute Resolution

"Discrepancies exceeding \$500 shall trigger mandatory mediation through the Texas Department of Savings and Mortgage Lending prior to any adverse credit reporting."

Section 7.8 - Hardship Accommodations

7.8.1 Force Majeure Protections

"In instances where the Trustor's payment capacity is materially impaired by: (i) Gubernatorial disaster declarations under Tex. Gov't Code §418.014; (ii) Public health emergencies per Tex. Health & Safety Code §81.003; or (iii) Military deployment under 50 U.S.C. §3911, the Beneficiary shall implement forbearance measures including but not limited to:

- a) Principal payment deferrals not exceeding 180 days
- b) Interest rate reductions to the Federal Discount Rate + 2%
- c) Loan term extensions preserving original amortization schedule

Documentation must be submitted within 45 days of qualifying event via secure portal designated in Addendum C."

Section 8.5 - Default & Cure Rights

8.5.1 Notice Requirements

"Acceleration notices must be delivered via certified mail and email, containing:

- a) Itemized default amounts
- b) Cure payment deadline (minimum 30 days from receipt)
- c) HUD-approved housing counseling resources

8.5.2 Reinstatement Protocol

"Post-acceleration reinstatement requires payment of delinquent amounts plus \$500 administrative fee, with foreclosure proceedings stayed for 45 days following cure confirmation."

Section 9.2 - Property Use Covenants

9.2.1 Homestead Preservation

"The Property is hereby designated as the Trustor's principal residence under Tex. Const. Art. 16 §50, with the Beneficiary prohibited from:

- a) Requiring non-residential use of structures
- b) Restricting agricultural exemptions under Tex. Tax Code §23.51
- c) Challenging homestead designations absent judicial determination

9.2.2 Alteration Restrictions

"Structural modifications exceeding \$15,000 in cost require written approval using the Architectural Review Form (Exhibit D), with response mandated within 21 business days per Tex. Prop. Code §202.006."

Section 11.7 - Dispute Resolution

11.7.1 Mandatory Mediation

"All controversies arising under this Instrument shall first be submitted to JAMS Austin office for non-binding mediation, with costs shared equally unless otherwise ordered under Tex. Civ. Prac. & Rem. Code §154.073."

11.7.2 Venue Selection

"Exclusive jurisdiction for unresolved disputes shall reside in Travis County courts, with jury trial rights preserved under Tex. Gov't Code §25.0002."

Section 12.3 - Limited Recourse Provision

"Notwithstanding any contrary provisions, this Security Instrument shall be construed as non-recourse obligation under Tex. Prop. Code §51.003, with the Beneficiary's exclusive remedy being foreclosure proceedings against the Property, except in cases of:

- a) Material misrepresentation in loan application documents under Tex. Bus. & Com. Code §27.01
- b) Voluntary waste as defined in Tex. Prop. Code §92.001(4)
- c) Failure to maintain hazard insurance with minimum coverage of 80% replacement cost

This non-recourse status survives satisfaction or reconveyance of this Instrument."

Signatures

John Doe (Trustor)

Jane Smith, ABC Lending

Texas Consumer Trust Co.

Notarization & Recording Page Attached as Exhibit E