

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**  
**Privacy Policy Notice**

**PURPOSE OF THIS NOTICE**

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Old Republic National Title Insurance Company.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

**WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.**

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

We appreciate this opportunity to be of service to you.



**HUTTON PATT**  
T I T L E & E S C R O W

**SETTLEMENT SHEET (HUD-1) RECEIPT ACKNOWLEDGMENT AND DISCLOSURE AGREEMENT**

PROPERTY DESCRIPTION: **123 Main Street, Alexandria, VA 22314**

LENDER:

HPTE Case No.: **TEST**

In reference to this case, the undersigned does/do hereby agree, understand and affirm to the best of his/her knowledge that:

1. **ACKNOWLEDGMENT OF RECEIPT:** The Purchaser/Borrower(s) and Seller(s)/Owner(s) do hereby acknowledge receipt of a copy of the Settlement Statement and do approve and accept the same as a correct representation of the agreement. Hutton Patt Title & Escrow ("Settlement Agent") has no liability for matters not appearing of record subsequent to the date of the title examination. The parties hereby acknowledge notification that Hutton Patt Title & Escrow is an agent of Old Republic National Title Insurance Company and receives a commission on the title insurance premium.
2. **SETTLEMENT STATEMENT:** The Seller(s)/Owner(s) state that there are no unpaid obligations affecting the property other than those shown on the Settlement Statement. The parties further state that those matters listed on the settlement statement are true and correct. The Seller(s)/Owner(s) further guarantee the prompt and immediate payment, release and full satisfaction of all unpaid liens/bills affecting said property not shown on the Settlement Statement and hereby indemnify and hold harmless Hutton Patt Title & Escrow from the same.
3. **THIRD PARTY INFORMATION:** The parties understand and agree that the accuracy of third-party information furnished to Hutton Patt Title & Escrow as to water and sewer charges, taxes, assessments, balances on notes secured by mortgages, deeds of trust and other evidences of indebtedness, as to the amount of escrow funds and similar items are not guaranteed by Hutton Patt Title & Escrow. The undersigned Purchaser(s) and Seller(s) authorize Hutton Patt Title & Escrow to provide a copy of the Settlement Statement to Real Estate Agents or Agencies, Homeowner and Condominium Associations, Relocation companies and/or any third-party payees shown on such Settlement Statement.
4. **LIABILITY:** It is understood and agreed that Hutton Patt Title & Escrow has no liability express or implied, for notices of and/or actual violations of governmental orders or requirements, if any, issued by any department, office or other authority of local, state, county or federal government as to occupancy, zoning and/or similar laws, regulations and/or ordinances.
5. **FDIC WAIVER:** The undersigned does hereby understand and agree that the Federal Deposit Insurance Corporation ("FDIC") coverage applies only to a maximum of \$250,000 for each individual depositor. The funds for this settlement are being deposited in the Settlement Agent's Eagle Bank MAHT Escrow Acct. for disbursement. We understand that the amount of the above account may cause the aggregate amount of any individual depositor's account to exceed \$250,000 and that the excess amount is not insured by the FDIC or that FDIC insurance is not available on certain types of bank instruments. Interest earned, if any, on Hutton Patt Title & Escrow's escrow account shall be retained by Hutton Patt Title & Escrow as additional consideration for closing services.
6. **CLOSING CONDITIONS:** The Purchaser/Borrower(s) and Seller(s)/Owner(s) agree that settlement is not complete until the following conditions have been met:
  - a) All funds in the form of certified funds have been received and have cleared the Settlement Agent's escrow account;
  - b) All checks (including assignment of funds checks) are received and have cleared the Settlement Agent's escrow account;
  - c) All documents (both Purchaser(s)/Borrower(s) and Seller(s)/Owner(s)) have been properly executed and delivered;
  - d) All lender's requirements have been fulfilled; and
  - e) The title search to the property has been brought current to the time of recordation.
7. **ADJUSTMENTS:** The parties understand and agree that Hutton Patt Title & Escrow may make any subsequent corrections and proper adjustments in the event any information and/or items on the Settlement Statement are incorrect or if funds collected for any item prove to be insufficient, and agree to pay and/or reimburse Hutton Patt Title & Escrow any further sums found to be due since all computations and entries on this Settlement Statement are subject to final audit. If any legal action is required to collect any sums the parties agree to pay all costs and reasonable fees directly resulting from lender collection actions.
8. **CORRECTION AGREEMENT - LIMITED POWER OF ATTORNEY:** The undersigned Purchaser(s)/Borrower(s) and Seller(s)/Owner(s), for and in consideration of the Lender funding the closing of the loan and the Settlement Agent for closing this transaction, agree that, if requested by the Lender or Hutton Patt Title & Escrow, to fully cooperate and adjust all typographical or clerical errors discovered in any or all of the closing documentation presented at settlement. The undersigned appoint Hutton Patt Title & Escrow and its authorized representatives as their attorney-in-fact, to correct any such errors, place their initials on where changes are made, and/or sign their names to any document or form. In the event this procedure is utilized, the party involved shall be notified and receive a copy of the amended document or form.
9. **CERTIFICATE OF TRUE IDENTITY:** The undersigned do hereby certify and agree that they are the actual parties of record to this transaction and that the representations made to the Settlement Agent with regard to identity are true and correct.
10. **OUTSTANDING CHECKS:** Any check not cashed within 90 days of its date of issue will be subject to an administrative fee of \$50.00, and an additional \$50.00 administrative fee for each every subsequent 30 day period thereafter in which it remains unpaid, provided, however, that the aggregate amount of such administrative fees will, in no event exceed the dollar amount of the check.

11. In the event that a dispute involving Hutton Patt Title & Escrow, its agents, servants, and employees, shall arise among the parties to this transaction, any and all such disputes shall be resolved in accordance with the following alternative dispute resolution ("ADR") agreement.

- a. All disputes, claims, or controversies of any kind and nature arising out of or relating to the relationship among the parties and Hutton Patt Title & Escrow, including the validity and enforceability of this agreement, will be resolved through mandatory, binding arbitration. All parties are waiving their respective rights to have disputes resolved in court, including their rights to trial by jury. The arbitration shall be resolved through the American Arbitration Association ("AAA") or the National Arbitration Forum ("NAF") according to the rules in effect at the time any request for arbitration is filed. Hutton Patt Title & Escrow will provide information about these arbitration administrators upon request.
- b. The arbitration among the parties shall be conducted by an arbitrator selected mutually by the parties. In all cases, the arbitrator(s) must be a lawyer with more than 10 years of experience or a retired judge. Notwithstanding the foregoing Agreement to Arbitrate, any party may bring any claim against any other party in small claims court (but only small claims court for that jurisdictional amount) in that party's jurisdiction. All other claims or appeals must be arbitrated.
- c. The arbitrator's decision will be final, binding, and enforceable in any court of competent jurisdiction. Fees for the arbitration proceeding are governed by the rules and procedures of the selected arbitration administrator. However, Hutton Patt Title & Escrow agrees to be bound by any determination made by the arbitrator concerning fees for the arbitration. Each party shall bear the expense of that Party's attorneys, experts, and witnesses, regardless of which party prevails in the arbitration.
- d. No party will serve as a class representative or participate as a class member in any dispute resolution or arbitration proceeding. Only a party's claim will be addressed in the arbitration proceeding, and no claims may be aggregated or additional parties added to the arbitration proceeding without the consent of all of the parties that are participating in arbitration. The place of arbitration (venue) will be determined according to the rules of the arbitration administrator, but in no event will arbitration be held in a county in which Hutton Patt Title & Escrow does not have a staffed office location.

12. If any portion of this Addendum to the HUD-1 Settlement Statement is void, voidable, or unenforceable, or if the inclusion of some provision in this Addendum would render the Addendum unenforceable, the parties agree that the void, voidable, or unenforceable provision will be severed from the remainder of the Addendum, leaving the remainder of the Addendum enforceable.

Effective Date:

**Purchaser(s)/Borrower(s):**

**Seller(s)/Owner(s):**

\_\_\_\_\_  
**Bradley Buyer**

\_\_\_\_\_  
**Sally Seller**

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Public

**PURCHASER(S) PHONE #'S:**

HOME: \_\_\_\_\_

CELL: \_\_\_\_\_

**EMAIL ADDRESS:** \_\_\_\_\_

**SELLER(S) FORWARDING ADDRESS:** \_\_\_\_\_  
\_\_\_\_\_

**SELLER(S) PHONE #'S:**

HOME: \_\_\_\_\_

CELL: \_\_\_\_\_

**EMAIL ADDRESS:** \_\_\_\_\_

**CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL SETTLEMENT STATEMENT.**

**HUTTON PATT TITLE & ESCROW, LLC**

**By:** \_\_\_\_\_

Consideration **\$100,000.00**  
Assessed Value: **\$0.00**  
Tax Map No:  
Grantee Address:  
**123 Main Street**  
**Alexandria, VA 22314**

Document Prepared By:  
**Hutton Patt Title & Escrow, LLC**  
**213 Ridgepoint Place**  
**Gaithersburg, MD 20878**  
File No. **TEST**

Underwriter: **Old Republic National Title Insurance Company**

**This Deed**, made this April 6, 2011, by and between Sally **SELLER**, Grantor, and Bradley **BUYER**, Grantee.

*-Witnesseth-*

**That for and in consideration** of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, receipt of which is hereby acknowledged, the Grantor does hereby grant, bargain, sell and convey, in fee simple, with GENERAL WARRANTY and English Covenants of title, unto the Grantee, as sole owner, all the following-described lot or parcel of land together with improvements thereon, situate, lying and being in the **City of Alexandria**, Commonwealth of Virginia:

See Attached Exhibit A

**This conveyance** is made expressly subject to the easements, conditions, restrictions, and rights-of-way of record contained in the instruments forming the chain of title to the property conveyed herein and to matters visible upon inspection.

**The Grantor** covenants that he is seized in fee simple of the property herein conveyed, has the right to convey the said land to the Grantee and has done no act to encumber the lands. The Grantor covenants that the Grantee shall have quiet possession of the land free from all encumbrances, except as

mentioned herein, and that he, the Grantor, will execute such further assurances of the lands as may be requisite.

*Witness* the following signature and seal.

\_\_\_\_\_  
Sally Seller {SEAL}

Commonwealth of Virginia    )  
City of Alexandria            ) to wit:

The foregoing deed was acknowledged before me on \_\_\_\_\_  
by Sally Seller

\_\_\_\_\_  
Notary Public: A. J. Notary  
My commission expires May 14, 2015

After recording, please return to:  
**Hutton Patt Title & Escrow, LLC**  
**213 Ridgepoint Place**  
**Gaithersburg, MD 20878**

Reserved for Recording Clerk:

**OWNER'S AFFIDAVIT**

City of Alexandria, Commonwealth of Virginia

1. The undersigned Affiant(s) is the record titleholder of the property known and described in Commitment for Title Insurance No. TEST or as described on the attached.
2. The property is currently used as: a single family residence.
3. The street address of the property is: **123 Main Street, Alexandria, VA 22314**, of record or otherwise;
4. The building and all improvements were completed more than \_\_\_\_\_ years ago.
5. As to Mechanic's Liens: That at no time within 120 days of the date hereof has any work, services, or labor done, or any fixtures, apparatus or material been furnished in connection with, or to the said premises, except such material, fixtures, work, apparatus, labor or services as have been fully and completely paid for; that there is no indebtedness to anyone for any labor, fixtures, apparatus, material services, or work done to, upon, or in connection with, the sale premises; that there is no claim or indebtedness; that there is no mechanics' lien claim against said premises; whether of record or otherwise;
6. As to contracts and conveyances: THAT no agreement or contract for conveyance, or deed, conveyance, written lease, or writing whatsoever, is in existence, adversely affecting the title to said premises, except that in connection with which this Affidavit is given;
7. As to possession: THAT there are no parties in possession of said premises other than the undersigned.
8. As to Judgments: THAT no judgment or decree has been entered in any court of this State of the United States against said Affiant and which remains unsatisfied; THAT no proceedings in bankruptcy have ever been instituted by or against Deponent in any court, or before any officer of any state;
9. As to marital status: THAT the undersigned is single/married, and if married, the undersigned have been continuously married to each other since we first took title to the property.
10. As to taxes and assessments: THAT there are no outstanding unpaid or delinquent real estate taxes or assessments against said premises; further, that there are no unpaid or delinquent water or sewer service charges against said premises;  
Also, that the undersigned has not received notice, nor know of any recent future planned improvements (such as street paving, sidewalks, street lighting, surface drainage, etc.) that will or might result in a special assessment against this property;  
Additionally, there are no unpaid homeowners, condominium, or other special assessments.
11. The Corporation know of no violations of any zoning law or ordinance; or violations of restrictive covenants affecting the premises; or violations caused by an illegal lot division or failure to comply with any subdivision laws or ordinances.
12. The Corporation knows of no encroachments of any improvements onto adjoining property including but not limited to walls and fences, easement or utility area.
13. The Corporation has never had its access to and from a public street limited in any way.
14. The Corporation has never been aware of problems relating to either the issuance of a building permit or to the failure to obtain one for an improvement to the property.
15. THAT this Affidavit is made to induce the purchase of and/or a loan secured by the premises described herein and the issuance of a title insurance policy relating to the same; and
16. THAT Affiant further state(s) that it is familiar with the nature of an oath; and with the penalties as provided by the laws of the State aforesaid for falsely swearing to statements made in an instrument of this nature. Affiant further certify that it has heard read to Affiant the full facts of this Affidavit, and understand its contents.

FURTHER YOUR AFFIANT(S) SAYETH NAUGHT.

\_\_\_\_\_  
Sally Seller

ACKNOWLEDGED, SUBSCRIBED AND SWORN TO BEFORE ME THIS 8th DAY OF July, 2011.

\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: \_\_\_\_\_

CORRECTED (if checked)

FILER'S name, street address, city, state, ZIP code, and telephone no. <b>Hutton Patt Title &amp; Escrow, LLC</b> <b>213 Ridgepoint Place</b> <b>Gaithersburg, MD 20878</b> <b>Phone: 240-780-6638</b>		1 Date of closing <b>7/8/11</b>	OMB No. 1545-0997 <b>2011</b> Form <b>1099-S</b>	<b>Proceeds From Real Estate Transactions</b>
FILER'S federal identification number   TRANSFEROR'S identification number		2 Gross proceeds <b>\$ 100,000.00</b>		
TRANSFEROR'S name <b>Sally Seller</b> Street address (including apt. no.)  City, state, and ZIP code		3 Address or legal description <b>123 Main Street</b> <b>Alexandria, VA 22314</b>		<b>Copy B</b> <b>For Transferor</b> This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.
Account or escrow number (see instructions) <b>TEST</b>		4 Transferor received or will receive property or services as part of the consideration (if checked) . . . ▶ <input type="checkbox"/>		
		5 Buyer's part of real estate tax <b>\$</b>		

Form **1099-S**

(keep for your records)

Department of the Treasury - Internal Revenue Service

**Questions about this statement can be answered by calling Hutton Patt Title & Escrow, LLC at 240-780-6638.**

### Instructions for Transferor

For sales or exchanges of certain real estate, the person responsible for closing a real estate transaction must report the real estate proceeds to the Internal Revenue Service and must furnish this statement to you. To determine if you have to report the sale or exchange of your main home on your tax return, see the instructions for Schedule D (Form 1040). If the real estate was not your main home, report the transaction on Form 4797, Form 6252, and/or Schedule D (Form 1040). If box 4 is checked and you received or will receive like-kind property, you must file Form 8824.

**Federal mortgage subsidy.** You may have to recapture (pay back) all or part of a federal mortgage subsidy if all the following apply.

- You received a loan provided from the proceeds of a qualified mortgage bond or you received a mortgage credit certificate.
- Your original mortgage loan was provided after 1990.
- You sold or disposed of your home at a gain during the first 9 years after you received the federal mortgage subsidy.
- Your income for the year you sold or disposed of your home was over a specified amount.

This will increase your tax. See Form 8828 and Pub. 523.

**Account number.** May show an account or other unique number the filer assigned to distinguish your account.

**Box 1.** Shows the date of closing.

**Box 2.** Shows the gross proceeds from a real estate transaction, generally the sales price. Gross proceeds include cash and notes payable to you, notes assumed by the transferee (buyer), and any notes paid off at settlement. Box 2 does not include the value of other property or services you received or will receive. See *Box 4*.

**Box 3.** Shows the address or legal description of the property transferred.

**Box 4.** If marked, shows that you received or will receive services or property (other than cash or notes) as part of the consideration for the property transferred. The value of any services or property (other than cash or notes) is not included in box 2.

**Box 5.** Shows certain real estate tax on a residence charged to the buyer at settlement. If you have already paid the real estate tax for the period that includes the sale date, subtract the amount in box 5 from the amount already paid to determine your deductible real estate tax. But if you have already deducted the real estate tax in a prior year, generally report this amount as income on the "Other income" line of Form 1040. For more information, see Pub. 523, Pub. 525, and Pub. 530.

**IF THE TAX ID NUMBER SHOWN ABOVE AS "TRANSFEROR'S Identification Number" IS INCORRECT OR BLANK, PLEASE FILL IN THE CORRECT TAX ID NUMBER HERE:**

\_\_\_\_\_  
SOCIAL SECURITY NUMBER/TAX ID NUMBER

Receipt of this statement is hereby acknowledged

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
**Sally Seller**

Form R-5  
1501231 07/00

**Virginia Department of Taxation**  
**Nonresident Real Property Owner Registration**  
(Do not complete if exemptions on Form R-5E apply)

**Part I. Nonresident Payee**

SSN, Fed. Employer Identification #, or Virginia Business Account #
Name <b>Sally Seller</b>
(If Trust) Name and Title of Fiduciary
Address (of Fiduciary if Trust) Number & Street or Rural Route & Box #
City or Town, State and ZIP Code

PARTNERSHIPS, S-CORPORATIONS, ESTATES and TRUSTS must provide the above information on all nonresident partners, shareholders, and beneficiaries on Form R-5P. Substitute schedules may be used provided the same format is followed.

**Part II. Type of Entity (check one and enter total shares)**

Individual <input checked="" type="checkbox"/>	C-Corp. <input type="checkbox"/>
Trust/Estate <input type="checkbox"/>	Partnership <input type="checkbox"/>
LLC <input type="checkbox"/>	S-Corp <input type="checkbox"/>
Check here if filing a unified individual income tax return for nonresident shareholders or partners <input type="checkbox"/>	
Total number of partners, shareholders or beneficiaries.....Total _____	

**Part III. Property Information**

If more than one piece of property is being rented or sold, attach a separate schedule listing the legal description of each property.

Legal Description
Address (Number and Street or Rural Route and Box Number) <b>123 Main Street</b>
City or County <b>Alexandria, VA 22314</b>

**Part IV. Check either Sales and/or Rentals and complete the appropriate information**

<input type="checkbox"/> Rental
Average Gross Monthly Rental Income....\$ _____
First date property placed in service by nonresident payee..... / / (mon/day/year)
<input checked="" type="checkbox"/> Sales
Gross Proceeds From Sale.....\$ <b>100,000.00</b>
Date of Closing..... <b>07 / 08 / 11</b> (mon/day/year)
Installment Sale: Date Payments Begin..... / / (mon/day/year)
Date Payments End..... / / (mon/day/year)

**Part V. Broker or Real Estate Reporting Person**

SSN, Fed. Employer Identification #, or Virginia Business Account # <b>273161596</b>
Name <b>Hutton Patt Title &amp; Escrow, LLC</b>
Address (Number and Street) <b>213 Ridgepoint Place</b>
City or Town, State and ZIP Code <b>Gaithersburg, MD 20878</b>

For Assistance:

Write to: Department of Taxation  
Office of Customer Services  
P. O. Box 1115  
Richmond, VA 23218-1115  
Call: 804-367-8031  
Internet: www.tax.state.va.us  
To get forms: 804-236-2760 or 2761

I, the undersigned, do declare under penalties provided by law the information provided in Parts I, II, III, IV and V is true, correct and complete to the best of my knowledge and belief.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Mail this certificate to: Department of Taxation, P. O. Box 2390, Richmond, VA 23218-2390



## **Nonresident Real Property Owner Registration Instructions**

### **Rentals**

Brokers (as defined in IRS Code Sec. 6045) managing Virginia rental properties must request registration from all existing clients.

Future clients must be requested to register when they engage the broker to manage rental property.

Brokers must file on behalf of nonresidential property owners (payees) who do not furnish the requested forms within 60 days. Brokers are only responsible for the information available in their records.

Nonresident owners previously registered may furnish subsequent brokers with a copy of current registration form in lieu of completing a new form. These copies do not need to be filed with the Department by the broker.

Nonresident owners of rental properties not managed by a broker also must comply with the registration requirement.

### **Sales**

Real estate reporting persons (as defined in IRS Code Sec. 6045) must request registration forms from all nonresident sellers upon closings.

If a client does not complete the form at closings, the real estate reporting person must complete a form on the client's behalf. Real Estate reporting persons are only responsible for information that is available in their files.

Sales exempt from federal and state income tax are also exempt from registration; an exemption certificate must be completed and given to the real estate reporting person.

### **Filing Information**

Brokers and real estate reporting persons are required to transmit the registration forms by the 15th of the month following the month in which the closing occurred (sales) or the form was received from the nonresident property owner (rentals).

The penalty to the broker or real estate reporting person for failure to file is \$50 per month up to a maximum of six months.

Nonresident payees are: Individuals who are not domiciled in Virginia or who do not live in Virginia for more than 183 days during a year; Corporations not organized under Virginia law; Estates and Trusts (1) which consist of real property belonging to a nonresident individual (or Decedent), or (2) that are being administered outside of Virginia; and Partnerships, Limited Liability Corporations, and S-Corporations which have nonresident partners or shareholders who receive income from the sale of rental or real property located in Virginia.

### **Completing the Form**

Items not specifically mentioned below are self-explanatory on the form. Each section, Parts I-IV, is to be filled out completely.

If the nonresident payee does not use the services of a broker or real estate reporting person, Part V should not be completed. The nonresident payee should mail the Form R-5 or R-5E to the Department of Taxation. If, however, nonresident payee uses a broker or real estate reporting person, Part V should be completed and the nonresident payee should mail Form R-5 or R-5E to the address given at the bottom of the Form.

Gross Proceeds and Closing Date - The amount of gross proceeds and the closing date are the same as the information reported on Federal Form 1099-S, if applicable.

Installment Sale - Generally - If at least one payment is to be received after the close of the taxable year in which the sale occurs (see IRS Code Sec. 453 (b)), list the dates payments will be made.

Form R-5E  
1501234 07/00

Virginia Department of Taxation  
Nonresident Real Property Owner Exemption Certificate

Part I. Owner/Seller

SSN, Fed. Employer Identification #, or Virginia Business Account #
Name <b>Sally Seller</b>
(If Trust) Name and Title of Fiduciary
Address (of Fiduciary if Trust) Number & Street or Rural Route & Box #
City or Town, State and ZIP Code
Daytime Phone Number ( )

Part II. Type of Entity (check one)

Individual	<input checked="" type="checkbox"/>	C-Corp.	<input type="checkbox"/>
Trust/Estate	<input type="checkbox"/>	Partnership	<input type="checkbox"/>
LLC	<input type="checkbox"/>	S-Corp	<input type="checkbox"/>

Part III. Property Information

Legal Description
Address (Number and Street or Rural Route and Box Number) <b>123 Main Street</b>
City or County <b>Alexandria, VA 22314</b>

Part IV. Transaction Type (Check one)

Sales	<input checked="" type="checkbox"/>	Rental	<input type="checkbox"/>
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Part V. Broker or Real Estate Reporting Person

SSN, Fed. Employer Identification #, or Virginia Business Account #
Name <b>Hutton Patt Title &amp; Escrow, LLC</b>
Address (Number and Street) <b>12505 Park Potomac Avenue Suite 530</b>
City or Town, State and ZIP Code <b>Potomac, Maryland 20854</b>

Part VI. Exemption for rental/lease gross annual payments of less than \$600..... <input type="checkbox"/>
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Part VII. Exempt Transfers of Real Property

Gain on sale of principal residence up to \$250,000 (\$500,000 on joint return) excluded from income pursuant to IRS Code Sec. 121.	<input checked="" type="checkbox"/>
Like-kind exchange under IRS Code Sec. 1031.	<input type="checkbox"/>
Involuntary conversions eligible for tax deferral under IRS Code Secs. 1033 & 1034.	<input type="checkbox"/>
Tax free gift or inheritance under IRS Code Sec. 102.	<input type="checkbox"/>
Tax free contribution for partnership interest under IRS Code Sec. 721.	<input type="checkbox"/>
Transfer of property pursuant to tax-free corporate reorganization.	<input type="checkbox"/>
Tax free contribution to corporation in exchange for stock under IRS Code 351.	<input type="checkbox"/>
Other transactions not subject to federal or Virginia income taxes. Explain:	<input type="checkbox"/>

For Assistance:

Write to: Department of Taxation  
Office of Customer Services  
P. O. Box 1115  
Richmond, VA 23218-1115

Call: 804-367-8031

Internet: www.tax.state.va.us

To get forms: 804-236-2760 or 2761

I, the undersigned, hereby certify that the condition cited applies to the property described herein and that this transaction, property and/or income is exempt from the Nonresident Real Property Owner Registration Requirements.

Signature \_\_\_\_\_ Date July 8, 2011

Mail this certificate to: Department of Taxation, P. O. Box 2390, Richmond, VA 23218-2390

**CHOICE OF TENANCY**

Re: **123 Main Street, Alexandria, VA 22314**  
File No. **TEST**

In connection with my purchase of the Property, I hereby direct **Hutton Patt Title & Escrow, LLC** to recite, in the Deed, Deed of Trust (if any), Title Insurance Policy(ies), and any other necessary or appropriate documentation the following tenancy, indicated by my initials in the area provided below:

- ( ) 1. **SOLE OWNER:** An undivided ownership interest by **one person** with no other party having a right or interest in or to the Property.
- ( ) 2. **TENANTS BY THE ENTIRETY:** An undivided ownership by both **husband and wife**, with the right to the entire property passing to the surviving spouse upon the death of one (1) spouse.
- ( ) 3. **JOINT TENANTS:** An equal ownership interest by all parties named on the deed with rights of ownership vesting in the survivor of all owners.

Example: Andy, Beth and Charles own Black Acre one-third each (1/3rd each). If Beth dies, Andy and Charles will each own one-half (1/2) of Black Acre.

- ( ) 4. **TENANTS IN COMMON:** An individual ownership interest in a portion of the Property (either equal or unequal) with another party and sharing a common interest and right to use as to the whole. Tenants in Common **does not provide** for survivorship rights. Thus, a will is recommended to identify the recipient of the ownership interest upon the death of one of the owners.

Example 1: Andy, Beth and Charles own Black Acre. Beth owns seventy percent (70%), Andy owns twenty percent (20%), and Charles owns ten (10%). Charles dies. Charles had a will which states that his interest should pass to his mother, Charlene. Charlene now owns a ten percent (10%) interest in Black Acre. If Charles dies without a will, his ten percent (10%) interest shall pass according to the laws of the **Commonwealth of Virginia**.

Example 2: Andy and Beth are married but own Black Acre with Charles. Andy and Beth own a sixty percent (60%) interest in Black Acre, which they hold as Tenants by the Entirety. Charles owns a forty percent (40%) interest in Black Acre. As between Charles and the unit made up of Andy and Beth, the parties own Black Acre as Tenants in Common, for percent (40%) to Charles, sixty percent (60%) to Andy and Beth jointly.

\_\_\_\_\_ % to \_\_\_\_\_ % to \_\_\_\_\_  
 \_\_\_\_\_ % to \_\_\_\_\_ % to \_\_\_\_\_

I acknowledge that I have been provided with the opportunity to consult with an attorney of my own choosing as to which manner of title is suitable for my situation. Having been fully informed as set forth above, I direct **Hutton Patt Title & Escrow, LLC** to utilize the initialed tenancy in preparing my documentation with respect to the property.

WITNESS MY HAND and SEAL this **8th** day of **July, 2011**.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Bradley Buyer (SEAL)

**AFFIDAVIT OF PAYMENT**

COMMONWEALTH OF VIRGINIA  
CITY OF ALEXANDRIA

The Affiant \_\_\_\_\_ (name), being duly sworn and on oath deposes and says that he/she is \_\_\_\_\_ (title) of \_\_\_\_\_ (company) which is the Owner of and/or Developer/Contractor in connection with the development/contractor or subcontractor furnishing labor or materials (as applicable) in connection with the development or improvements of the property hereinafter described as follows:

123 Main Street, Alexandria, VA 22314

That he/she is thoroughly familiar with all of the facts and circumstances concerning the property described above;

That all persons performing labor or furnishing materials in connection with the improvements on said property and with whom the Owner or Contractor, as applicable, is in privity of contract, have been paid in full except for the following: (IF NONE, STATE "NONE")

<u>NAME AND ADDRESS</u>	<u>AMOUNT PAYABLE OR CLAIMED TO BE PAYABLE</u>
_____	_____
_____	_____
_____	_____

(ATTACH ADDITIONAL SHEETS AS NECESSARY)

That this Affidavit is given pursuant to the provisions of Section 43-13.2 or §43-13.2 of the Code of Virginia (1950 as amended), as applicable, which requires this Affidavit be furnished the Purchaser of the aforesaid property.

That it is understood and agreed that any willful misrepresentation with respect to this statement which causes a monetary loss to a financial institution, title company, contractor, subcontractor, supplier, Owner, mechanics' lien agent, or any other person or institution is punishable as a Class 5 felony (§43-13.2) or a Class 3 misdemeanor (§43-13.2).

\_\_\_\_\_  
Printed Name of Affiant:

Subscribed and sworn to before me this 6th day of April, 2011.

\_\_\_\_\_  
Notary Public  
My Commission expires: \_\_\_\_\_

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

**NOTICE OF AVAILABILITY**

DATE: July 08, 2011

TO: Bradley Buyer

Buying property identified as: 123 Main Street, Alexandria, VA 22314

A Mortgagee's Policy of title insurance insuring the title to the property you are buying is being issued to your mortgage lender, but the policy does not provide title insurance coverage to you.

You may obtain an Owner's Policy of title insurance which provides title insurance coverage to you. The additional cost to you for an Owner's Policy of title insurance in the amount of \$100,000.00 is \$292.00, if you request it at this time. You may also require title insurance coverage for unrecorded mechanic's liens for work performed or materials furnished prior to settlement. An additional cost of \_\_\_\_\_ will be charged to you.

**NOTE:** The value of subsequent improvements to the property may not be covered by the title insurance policy.

If you are uncertain as to whether you should obtain an Owner's Policy of title insurance, you are urged to seek independent legal advice. If you are uncertain as to whether you should obtain an Owner's Policy of title insurance coverage with affirmative coverage for unfiled mechanic's liens, you are urged to seek independent legal advice.

I/We do request an Owner's Policy of title insurance

I/We do request an Owner's Policy of title insurance with affirmative mechanic's lien coverage.

I/We do not request an Owner's Policy of title insurance.

Date: July 8, 2011

\_\_\_\_\_  
Bradley Buyer

Certifications as to Withholding under IRC Section 1445  
Foreign Investment in Real Property Tax Act

Settlement Date: July 8, 2011

Order Number: TEST

Transferee: Bradley Buyer

Transferor: Sally Seller

Property: 123 Main Street, Alexandria, VA 22314

**Transferee must retain a transferor's certification until the end of the fifth taxable year following the taxable year in which the transfer takes place and make it available to the Internal Revenue Service when requested.**

Section 1445 of the Internal Revenue Code provides that a transferee (buyer) of a U.S. real property interest must withhold tax if the transferor (seller) is a foreign person. If the transferor is a foreign person and the transferee fails to withhold, the transferee may be held liable for the tax. Generally, the transferee must file the withholding return by the 20th day after the date of the transfer.

For U.S. tax purposes (including section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity.

Transferor's certifications herein are made to inform the transferee whether withholding of tax is or is not required upon transferor's disposition of a U.S. real property interest.

**(A) Individual Transferor**

<p>I, the undersigned, hereby certify:</p> <p>1. <input type="checkbox"/> WITHHOLDING IS NOT REQUIRED; I am not a nonresident alien for purposes of U.S. income taxation; <input type="checkbox"/> WITHHOLDING IS REQUIRED; I am a nonresident alien for purposes of U.S. income taxation;</p> <p>2. My U.S. taxpayer identifying number [Social Security number] is: _____; and</p> <p>3. My home address is: _____ _____</p> <p>I understand that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement I have made here could be punished by fine, imprisonment, or both.</p> <p>Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete.</p> <p><u>Jul 8, 2011</u> Date</p> <p style="text-align: right;"><u>Sally Seller</u></p>	<p>I, the undersigned, hereby certify:</p> <p>1. <input type="checkbox"/> WITHHOLDING IS NOT REQUIRED; I am not a nonresident alien for purposes of U.S. income taxation; <input type="checkbox"/> WITHHOLDING IS REQUIRED; I am a nonresident alien for purposes of U.S. income taxation;</p> <p>2. My U.S. taxpayer identifying number [Social Security number] is: _____; and</p> <p>3. My home address is: _____ _____</p> <p>I understand that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement I have made here could be punished by fine, imprisonment, or both.</p> <p>Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete.</p> <p>_____ Date</p>
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**(B) Entity Transferor**

<p>The undersigned hereby certifies the following on behalf of transferor _____:</p> <p>1. <input type="checkbox"/> WITHHOLDING IS NOT REQUIRED; Transferor is not ... <input type="checkbox"/> WITHHOLDING IS REQUIRED; Transferor is ... a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);</p> <p>2. Transferor is not a disregarded entity as defined in § 1.1445-2(b)(2)(iii);</p> <p>3. Transferor's U.S. employer identification number is _____; and</p> <p>4. Transferor's office address is: _____ _____</p> <p>Transferor understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.</p> <p>Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of the transferor last named above.</p> <p>_____ Date</p> <p style="text-align: right;">_____ (Title)</p>	<p>The undersigned hereby certifies the following on behalf of transferor _____:</p> <p>1. <input type="checkbox"/> WITHHOLDING IS NOT REQUIRED; Transferor is not ... <input type="checkbox"/> WITHHOLDING IS REQUIRED; Transferor is ... a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);</p> <p>2. Transferor is not a disregarded entity as defined in § 1.1445-2(b)(2)(iii);</p> <p>3. Transferor's U.S. employer identification number is _____; and</p> <p>4. Transferor's office address is: _____ _____</p> <p>Transferor understands this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.</p> <p>Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of the transferor last named above.</p> <p>_____ Date</p> <p style="text-align: right;">_____ (Title)</p>
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**Certification by Transferee**

I understand I may have certain obligations under Internal Revenue Code Section 1445 and that I should consult independent counsel with regard to those obligations. Any explanations provided to me by settlement agent have been given for informational purposes only.

I have no actual knowledge, nor have I received notice from an agent, that any certification made herein by or on behalf of a transferor is false. I am not required by regulations to furnish a copy of the transferor's certifications to the IRS.

<p><input type="checkbox"/> I am acquiring this property for use as a home by myself or a member of my family and the amount realized (sales price) is not more than \$300,000.</p>	<p><input type="checkbox"/> I am acquiring this property for use as a home by myself or a member of my family and the amount realized (sales price) is not more than \$300,000.</p>
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<u>Jul 8, 2011</u> Date	<u>Jul 8, 2011</u> Date
<u>Bradley Buyer</u>	