FROM: Underwriting Department

DATE: 10/6/2025

TO: ALL FNTI AGENTS

RE: Tule River Homebuyers Earned Equity Agency ("TRHEAA") Program, Supplement to Bulletin NAT-2025-002.

This Underwriting Bulletin is a Supplement to Underwriting Bulletin: NAT-2025-002 entitled Tule River Homebuyers Earned Equity Agency ("TRHEAA") Program, and modifies the underwriting requirements for transactions involving TRHEAA, Tule River Finance, Tule River Economic Development Corporation, and its affiliates, subsidiaries, and related entities.

Under this Supplement, and after consideration of Tule River Transaction(s), we have removed the requirement for the agent to obtain a subordination of the Contract/EEPHA by addendum to the Inured Mortgage or by requiring the inclusion of subordination language within the Contract/EEPHA executed by the buyer (tenant/lessee) and TRHEAA to be subordinate of the Insured Mortgage.

Please note that this bulletin does not wholly encompass transactions that involve TRHEAA and other entities, such as Arrive Home, LLC, its affiliates, subsidiaries, and related entities that employ the same transaction scheme. Contact the FNTI Underwriting Department for guidance and approval.

TRHEAA, a wholly owned subsidiary of Tule River Finance, which is a wholly owned subsidiary of Tule River Economic Development Corporation, a federally chartered Section 17 Corporation wholly owned by the Tule Rive Tribe of California, is an entity that offers alternative loan product(s) to those parties/persons that may not qualify for conventional mortgage loans. Of the products that are offered, most transaction(s) are found to be related to the Earned Equity Program ("EEP"). Under the EEP the buyer/tenant/lessee enters into a contract to purchase real property from a third-party seller. The buyer/tenant/lessee then assigns the purchase contract to TRHEAA who thereafter enters into a lease (usually 10 years term with an option to purchase) with the buyer/tenant/lessee. TRHEAA purchases the property using funding obtained through a mortgage loan on the property. The buyer, now tenant/lessee, makes regular monthly payments during the initial lease term, and may thereafter exercise their option to purchase the property at a fixed price indicated in the lease agreement. The tenant/lessee is obligated to pay for all property taxes, insurance, repairs and maintenance during the lease period. The TRHEAA Transaction Scheme originally involved a Deed from the Third-Party Seller to TRHEAA (or one of its subsidiaries), a Memorandum of Long-Term Purchase Agreement (Contract), a Lease from the buyer/tenant/lessee, a Mortgage executed by TRHEAA in favor of Lender, and an Option to Purchase Contract from buyer/tenant/lessee to TRHEAA (hereinafter referred to as the "Original TRHEAA Transaction Scheme").

To enable the issuance of insurance policies under the Original TRHEAA Transaction Scheme, and to address FNTI underwriter concerns and requirements, TRHEAA has agreed to adhere to the following conditions, requirements and exceptions for transactions that involve this scheme.

The requirements for these types of transactions are as follows:

Requirements:

1. Recordation of the Memorandum of Long-Term Purchase Agreement between the buyer (tenant/lessee) and TRHEAA regarding the land identified in Schedule A. ("Contract").
2. Review a copy of the draft Deed of Trust/Mortgage to be insured prior to closing to confirm that it does not contain a statement that the borrower under the Mortgage will occupy the property as their principal residence. If the Mortgage contains this language, you must require the lender to remove it prior to closing.
3. Review a copy of the draft Deed of Trust/Mortgage to be insured prior to closing to confirm whether it provides for foreclosure under tribal law. If it does, you **MUST** include the following as an exception:

    - Any claim of invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage based on the application of a Tribe's law resulting from the failure of the Insured Mortgage to specify State law as the governing law with respect to the lien of the Insured Mortgage.

4. If TRHEAA has also included a second lien deed of trust/mortgage ("2nd Lien") that is not to be insured in the transaction to contemplate other expenses not covered under the insured Deed of Trust/Mortgage (as referenced above), but is being filed with the transaction (as an accommodation only):

    Review a copy of the second lien draft deed of trust/mortgage prior to closing to confirm that it does not contain a statement that the borrower under the Mortgage will occupy the property as their principal residence. If the Mortgage contains this language, you must require the lender to remove it prior to closing.

    Review a copy of the second lien draft deed of trust/mortgage prior to closing to confirm whether it provides for foreclosure under tribal law. If it does, you MUST include the following as an exception:

    - Any claim of invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage based on the application of a Tribe's law resulting from the failure of the Insured Mortgage to specify State law as the governing law with respect to the lien of the Insured Mortgage.
    - The 2nd Lien will be an exception in the OTP, in addition to the 1st Lien DOT being an exception in the OTP, and ALL the other exception(s) set out in the bulletin;
    - The Lender(s) obtain a subordination (either language in the 2nd lien DOT that is not being insured), OR via a subordination agreement, to where we would NOT require it to be an exception on the LP; **OR**
    - Record the first lien at closing, send proof of recording to underwriting, and thereafter, once it is reviewed and approved by underwriting, can the parties proceed to file the 2nd lien DOT, to where we would NOT require it to be an exception on the LP; **OR**
    - If the parties are not going to allow us to wait on filing the 2nd DOT, OR if there is an error in recording the 2nd DOT before the 1st DOT, then we except the 2nd lien DOT in the LP.

5. Any claim of invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage or the second lien deed of trust/mortgage based on the application of a Tribe's law resulting from the failure of the Insured Mortgage to specify State law as the governing law with respect to the lien of the Insured Mortgage.
6. Obtain Signature Authorities Certificate that is dated within the calendar year of the transaction (sample attached hereto as, Exhibit "A").
7. Judgment search on buyer (tenant/lessee).
8. Waiver of Sovereign Immunity from Uncontested Suit (attached hereto as, Exhibit "B")

The following exceptions must be included in any and all commitments, preliminary reports, and final policies before issuance:

<u>Exceptions</u>:

1. Notwithstanding the order of recording or the priority of the memorandum of agreement to be filed of record in connection with this Agreement, the Tule River Homebuyer Earned Equity Agency, a wholly owned subsidiary of Tule River Finance, a wholly owned subsidiary of Tule River Economic Development Corporation, a federally chartered section 17 corporation wholly owned by the Tule River Tribe of California hereby agrees that the Long-Term Purchase Agreement, and the terms and conditions herein, shall be subordinate to the lien of that certain Mortgage/Deed of Trust dated ____________________________, executed by [Borrower's Full Name(s)] in favor of [Original Lender Name], recorded on __________________________ as Instrument No. _________________________________ in the Official Records of [County Name] County, Texas.

2. Any defect, lien or encumbrance or claim that the title is vested other than insured, resulting from a claim or determination that any, or all, of the following documents, either jointly or severally, should be or has been recharacterized as a mortgage or as a loan transaction:

   - Deed from __________ to _____________, dated _____________, recorded ________________.
   - Memorandum of Long-Term Purchase Agreement from _________ to ___________, dated ____________, recorded ______________.
   - Lease from _________ to ___________, dated _____________, recorded _________________.
   - Option from __________ to __________, dated _____________, recorded _____________.

3. Terms, provisions, obligations covenants and restrictions set forth in the Memorandum of Long-Term Purchase Agreement.
4. Terms, provisions, obligations in the unrecorded Lease.
5. Right, title and interest of the seller under the Contract.

Through recent transactions, it has come to our attention that TRHEAA has changed their scheme to remove some documents that were to be executed by the buyer/tenant/lessee and TRHEAA and include others that are not accounted for in the above requirements and exceptions (hereinafter referred to as the "New TRHEAA Transaction Scheme"). Under the New TRHEAA Transaction Scheme, TRHEAA has removed the lease and option contract and combined these terms into a document that is entitled the Earned Equity Program Homeownership Agreement ("EEPHA"). TRHEAA has also included a second lien deed of trust that is not to be insured in the transaction to contemplate other expenses not covered under the first lien insured mortgage. To enable the issuance of insurance policies under the New TRHEAA Transaction Scheme, the requirements for these types of transactions are as follows:

Requirements:

1. Recordation of the Memorandum of Agreement between the buyer (tenant/lessee) and TRHEAA (or one of its subsidiaries) regarding the land identified in Schedule A of the Commitment, contained as Exhibit C, in the EEPHA.

2. Review a copy of the draft Deed of Trust/Mortgage to be insured prior to closing to confirm that it does not contain a statement that the borrower under the Mortgage will occupy the property as their principal residence. If the Mortgage contains this language, you must require the lender to remove it prior to closing.

3. Review a copy of the draft Deed of Trust/Mortgage to be insured prior to closing to confirm whether it provides for foreclosure under tribal law. If it does, you **MUST** include the following as an exception:

   - Any claim of invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage based on the application of a Tribe's law resulting from the failure of the Insured Mortgage to specify State law as the governing law with respect to the lien of the Insured Mortgage.

4. If TRHEAA has also included a second lien deed of trust/mortgage ("2nd Lien") that is not to be insured in the transaction to contemplate other expenses not covered under the insured Deed of Trust/Mortgage (as referenced above), but is being filed with the transaction (as an accommodation only):

   Review a copy of the second lien draft deed of trust/mortgage prior to closing to confirm that it does not contain a statement that the borrower under the Mortgage will occupy the property as their principal residence. If the Mortgage contains this language, you must require the lender to remove it prior to closing.

   Review a copy of the second lien draft deed of trust/mortgage prior to closing to confirm whether it provides for foreclosure under tribal law. If it does, you MUST include the following as an exception:

   - Any claim of invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage based on the application of a Tribe's law resulting from the failure of the Insured Mortgage to specify State law as the governing law with respect to the lien of the Insured Mortgage.
   - The 2nd Lien will be an exception in the OTP, in addition to the 1st Lien DOT being an exception in the OTP, and ALL the other exception(s) set out in the bulletin;
   - The Lender(s) obtain a subordination (either language in the 2nd lien DOT that is not being insured), OR via a subordination agreement, to where we would NOT require it to be an exception on the LP; **OR**
   - Record the first lien at closing, send proof of recording to underwriting, and thereafter, once it is reviewed and approved by underwriting, can the parties proceed to file the 2nd lien DOT, to where we would NOT require it to be an exception on the LP; **OR**
   - If the parties are not going to allow us to wait on filing the 2nd DOT, OR if there is an error in recording the 2nd DOT before the 1st DOT, then we except the 2nd lien DOT in the LP.

5. Obtain Signature Authorities Certificate that is dated within the calendar year of the transaction (sample attached hereto as, Exhibit "A").
6. Judgment search on buyer (tenant/lessee).
7. Waiver of Sovereign Immunity from Uncontested Suit (sample attached hereto as, Exhibit "B").

The following exceptions must be included in any and all commitments, preliminary reports, and final policies before issuance:

Exceptions:

1. Notwithstanding the order of recording or the priority of the memorandum of agreement to be filed of record in connection with this Agreement, the Tule River Homebuyer Earned Equity Agency, a wholly owned subsidiary of Tule River Finance, a wholly owned subsidiary of Tule River Economic Development Corporation, a federally chartered section 17 corporation wholly owned by the Tule River Tribe of California hereby agrees that the Long-Term Purchase Agreement, and the terms and conditions herein, shall be subordinate to the lien of that certain Mortgage/Deed of Trust dated ____________________________, executed by [Borrower's Full Name(s)] in favor of [Original Lender Name], recorded on __________________________ as Instrument No. _________________________________ in the Official Records of [County Name] County, Texas.
2. Any defect, lien or encumbrance or claim that the title is vested other than insured, resulting from a claim or determination that any, or all, of the following documents, either jointly or severally, should be or has been recharacterized as a mortgage or as a loan transaction:
   - Deed from __________ to _____________, dated _____________, recorded________________.
   - Memorandum of Agreement between Tule River Homebuyer Earned Equity Agency, a wholly owned Subsidiary of Tule River Finance, a wholly owned Subsidiary of Tule Reiver Economic Development Corporation, a federally chartered section 17 corporation wholly owned by the Tule River Tribe of California and [buyer/tenant/lessee], dated _____________, recorded _________________.
   - Permitted Encumbrances contained as Exhibit B, in the EEPHA, to include:
     - [List the permitted encumbrances]
   - Lease terms and provisions stated in Memorandum of Agreement (as referenced above) in _________ to ___________, dated _____________, recorded _________________._________________.
   - Option terms and provisions stated in Memorandum of Agreement (as referenced above) from __________ to __________, dated _____________, recorded.
3. Terms, provisions, obligations covenants and restrictions set forth in the EEPHA and the Memorandum of Agreement.
4. Terms, provisions, obligations in the unrecorded Lease, if any.
5. Right, title and interest of the seller under the EEPA, and Memorandum of Agreement.

As always, your FNTI team is available to help with questions and guidance.

Thank you for being part of the FNTI Agency family.

This Underwriting Bulletin becomes a part of the principles and practices with which you are to comply under the terms of your Underwriting Agreement with First National Title Insurance Company. Should the content of this bulletin address the closing and escrow function, this information should be considered a directive and part of the principles and practices if non-compliance would result in liability to FNTI under either the insured closing service letter or policy of title insurance notwithstanding that the Underwriting Agreement does not include the closing and escrow functions of your agency.

EXHIBIT “A”

SIGNATURE AUTHORITY IDENTIFICATION CERTIFICATE
(TULE RIVER HOMEBUYER EARNED EQUITY AGENCY)

I, the undersigned officer of Tule River Homebuyer Earned Equity Agency (the "Agency"), do hereby make and execute this certificate (this "Certificate") for the benefit of all persons interested in the Authorized Signers of the Agency set forth hereto under the operation of the Earned Equity Purchase Contract Program (the "Program"), and do hereby certify that:

1. I am the duly chosen, qualified and acting Chairwoman of the Board, Corina Harris, of the Agency, and I am duly authorized to execute and deliver this Certificate.
2. Pursuant to the Corporate Charter and Bylaws of the Agency, the Agency is authorized to and has delegated authority for all below listed and signed persons to take certain actions on behalf of the Agency, including, but not limited to, the execution of agreements, leases, certificates, notes, and any other documentation relating to the obtaining of financing or leasing of property on behalf of the Agency.
3. The individuals designated below are officers or authorized signers of Tule River Homebuyer Earned Equity Agency, and each is duly authorized to sign, acknowledge, and to deliver, in the name and on behalf of the Agency, all Program documents, loan disclosures, and all other instruments necessary or proper in connection with the Program operation.

Dennis Ickes, CEO

Corina Harris, Chairwoman of the Board

Ivette Crosser, Executive Assistant

Sabrina Breedlove, Property Acquisitions and Leasing Lead

Justin Lynch, Property Acquisitions and Leasing Manager

Sarah Jensen, Property Acquisitions and Leasing

Kimberly Alanis, Property Acquisitions and Leasing

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

IN WITNESS WHEREOF, I have executed this Certificate as of this 11 day of April, 2025.

Corina Harris
Its: TRFA Chairwoman of the Board

SUBSCRIBED AND SWORN to me this 11 day of April, 2025, by Corina Harris as Chairwoman of the Board of Directors for the Tule River Finance Authority.

IVETTE CROSSER
Notary Public - California
Tulare County
Commission # 2456536
My Comm. Expires Aug 1, 2027

Notary Public, State of California

(SEAL)

EXHIBIT “B”

Waiver of Sovereign Immunity from Unconsented Suit
for
XXX Title Insurance Company

The undersigned Chairwoman of the Board of Tule River Homebuyer Earned Equity Agency as memorialized in Resolution No FY2024-0XX hereby consents to the following:

1. Exclusively with regard to an action or proceeding brought by XXX Title Insurance Company or its insured lender (the “Company”) against the Tule River Homebuyer Earned Equity Agency (the “Insured”), arising out of or related to the mortgage or policy associated with the properties acquired through the Earned Equity Program processed by Arrive Home, the Insured hereby:
   a. Waives any sovereign immunity from suit (and any defense based thereon); and
   b. Waives any defense due to failure to exhaust remedies in the courts of the Tribe; and
   c. Consents to jurisdiction in the federal courts of the United States of America and the courts of the state(s) where the land associated with the transaction is located; and
   d. Consents to venue in the federal courts of the United States of America and the courts of the state(s) where the Land is located.

2. The Undersigned hereby consents to and ratifies the above actions as authorized by Resolution No. TRHEEA FY20XX-0XX approved unanimously by the Board of Directors for the Tule River Homebuyer Earned Equity Agency on XXX XX, XXXX.

3. Nothing herein shall be construed to waive the immunity of the Tule River Indian Tribe of California, or any Tribal entity other than the Insured.

AGREED AND CONSENTED TO:

By:____________________________________
Authorized Representative of the Insured