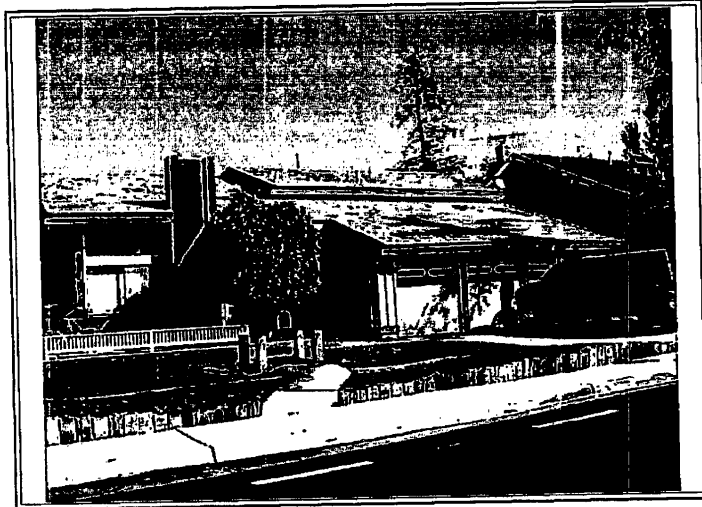


APPRAISAL OF



LOCATED AT:

17841 LINCOLN STREET  
VILLA PARK, CA 92861

FOR:

LOAN LEADERS OF AMERICA  
2081 BUSINESS CENTER, SUITE 150  
IRVINE, CA 92612

BORROWER:

BROWN

AS OF:

December 2, 2005

BY:

ALEC MANOCCHIO

Uniform Residential Appraisal Report

File No. 12/02/05BR4-JC

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 17841 LINCOLN STREET City VILLA PARK State CA Zip Code 92861
Borrower BROWN Owner of Public Record BROWN County ORANGE

Legal Description N TR 6739 LOT 99
Assessor's Parcel # 378-111-01 Tax Year 2004 R.E. Taxes \$ 4,668.32

Neighborhood Name N/A Map Reference 800 B1 Census Tract 758.10

Occupant [X] Owner [ ] Tenant [ ] Vacant [ ] Special Assessments \$ N/A PUD HOA \$ [ ] per year [ ] per month

Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe) [ ]

Assignment Type [ ] Purchase Transaction [X] Refinance Transaction [ ] Other (describe) [ ]

Lender/Client LOAN LEADERS OF AMERICA Address 2081 BUSINESS CENTER, SUITE 150 IRVINE, CA 92612

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? [ ] Yes [X] No

Report data source(s) used, offering price(s), and date(s).

I [ ] did [X] did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

N/A

Contract Price \$ N/A Date of Contract N/A Is the property seller the owner of public record? [ ] Yes [ ] No Data Source(s) N/A

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? [ ] Yes [ ] No

If Yes, report the total dollar amount and describe the items to be paid. \$ N/A N/A

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics One-Unit Housing Trends One-Unit Housing Present Land Use %

Location [ ] Urban [X] Suburban [ ] Rural [ ] Property Values [X] Increasing [ ] Stable [ ] Declining PRICE AGE One-Unit 90 %

Built-Up [X] Over 75% [ ] 25-75% [ ] Under 25% Demand/Supply [X] Shortage [ ] In Balance [ ] Over Supply \$(000) (yrs) 2-4 Unit 0 %

Growth [ ] Rapid [X] Stable [ ] Slow Marketing Time [X] Under 3 mths [ ] 3-6 mths [ ] Over 6 mths 800 Low 5 Multi-Family 0 %

Neighborhood Boundaries SEE LOCATION MAP FOR DETAILED BOUNDARIES. 1.5M High 85 Commercial 5 %

Neighborhood Description THE SUBJECT HAS GOOD MARKET APPEAL ALONG WITH GOOD PROXIMITY TO PUBLIC

TRANSPORTATION, SCHOOLS, SHOPPING AND FREEWAY ACCESS. IT IS CLOSE TO EMPLOYMENT CENTERS AND THE

EMPLOYMENT STABILITY OF THE AREA APPEARS GOOD.

Market Conditions (including support for the above conclusions) SUPPLY AND DEMAND ARE IN BALANCE, CREATING AN ACTIVE MARKET.

CONVENTIONAL FINANCING IS PREVALENT IN THE CURRENT MARKETPLACE ACCORDING TO CURRENT MARKET

DATA, PROPERTIES IN THE NEIGHBORHOOD TYPICALLY HAVE UNDER 3 MONTHS MARKETING TIME.

Dimensions SEE PLAT MAP Area 8160 SF +/- Shape CONFORMING View TYPICAL

Specific Zoning Classification SFR Zoning Description SFR- ORANGE COUNTY

Zoning Compliance [X] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe) [ ]

Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? [X] Yes [ ] No If No, describe.

Utilities Public Other (describe) Public Other (describe) Off-site Improvements—Type Public Private

Electricity [X] [ ] Water [X] [ ] Street ASPHALT [X] [ ]

Gas [X] [ ] Sanitary Sewer [X] [ ] Alley NONE [ ] [ ]

FEMA Special Flood Hazard Area [ ] Yes [X] No FEMA Flood Zone X FEMA Map # 060236/0162 FEMA Map Date 02/18/2004

Are the utilities and off-site improvements typical for the market area? [X] Yes [ ] No If No, describe.

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? [ ] Yes [X] No If Yes, describe. NONE

OBSERVED.

GENERAL DESCRIPTION FOUNDATION EXTERIOR DESCRIPTION materials/condition INTERIOR materials/condition

Units [X] One [ ] One with Accessory Unit [X] Concrete Slab [ ] Craw Space Foundation Walls CONCRETE Floors CARPET/GOOD

# of Stories 2 [ ] Full Basement [ ] Partial Basement Exterior Walls WD/STUCCO Walls DRWYL/GD

Type [X] Det. [ ] Att. [ ] S-Det./End Unit Basement Area 0 sq. ft. Roof Surface TILE Trim/Finish WOOD/GOOD

[X] Existing [ ] Proposed [ ] Under Const. Basement Finish N/A % Gutters & Downspouts ADEQUATE Bath Floor TILE/GOOD

Design (Style) CONVENTIONAL [ ] Outside Entry/Exit [ ] Sump Pump Window Type ALUM SLIDERS Bath Wainscot TILE/GOOD

Year Built Evidence of [ ] Infestation Storm Sash/Insulated NONE Car Storage [ ] None

Effective Age (Yrs) [ ] Dampness [ ] Settlement Screens YES [X] Driveway # of Cars 4

Attic Heating [X] FWA [ ] HWBB [ ] Radiant Amenities [ ] Wood Stove(s) # Driveway Surface

[ ] Drop Stair [ ] Stairs [ ] Other Fuel GAS [X] Fireplace(s) # 2 [X] Fence WD [X] Garage # of Cars 3

[ ] Floor [X] Scuttle Cooling [ ] Central Air Conditioning [X] Patio/Deck [X] Porch [ ] Carport # of Cars

[ ] Finished [ ] Heated [ ] Individual [ ] Other [ ] Pool [ ] Other [X] Det. [ ] Built-in

Appliances [ ] Refrigerator [X] Range/Oven [X] Dishwasher [X] Disposal [ ] Microwave [ ] Washer/Dryer [X] Other (describe) FAN / HOOD

Finished area above grade contains: 9 Rooms 5 Bedrooms 3 Bath(s) 2,856 Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.). CEILING FANS. NO ADDITIONAL EFFICIENT ITEMS WERE NOTED AT THE TIME OF

INSPECTION.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). THE SUBJECT PROPERTY IS IN GOOD CONDITION.

AT THE TIME OF INSPECTION, THERE WERE NO REPAIRS NEEDED AND THE QUALITY OF CONSTRUCTION WAS GOOD. THE

SUBJECT PROPERTY WAS FOUND TO HAVE A NEW ROOF, PATIO, AND SECURITY SYSTEM.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [ ] Yes [X] No If Yes, describe. NO

ADVERSE ENVIRONMENTAL CONDITIONS WERE NOTED ON SITE OR IN THE VICINITY AT TIME OF INSPECTION.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? [X] Yes [ ] No If No, describe.

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File No. 12/02/05BR4-JC

There are 6 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 895,000 to \$ 1,699,000
There are 15 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 870,000 to \$ 1,675,000

Table with columns: FEATURE, SUBJECT, COMPARABLE SALE NO. 1, COMPARABLE SALE NO. 2, COMPARABLE SALE NO. 3. Rows include: 17841 LINCOLN STREET, 10522 COVINGTON CIRCLE, 18112 CAROLYN CIRCLE, 18581 MARION WAY. Includes details on sale price, area, verification, and adjustments.

I did not did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.
Data source(s) NATIONAL DATA COLLECTIVE, LOCAL MLS

Table with columns: ITEM, SUBJECT, COMPARABLE SALE NO. 1, COMPARABLE SALE NO. 2, COMPARABLE SALE NO. 3. Rows include: Date of Prior Sale/Transfer, Price of Prior Sale/Transfer, Data Source(s), Effective Date of Data Source(s).

Analysis of prior sale or transfer history of the subject property and comparable sales
ACCORDING TO THE OWNER AND LOCAL MLS RECORD, THERE HAVE BEEN NO PRIOR SALES OR LISTINGS IN THE PAST THREE YEARS.

Summary of Sales Comparison Approach. ALL COMPARABLES HAVE GROSS & NET ADJUSTMENTS WITHIN THE RECOMMENDED FNMA GUIDELINES. ALL SALES COMPARABLES ARE CLOSED SALES WITHIN THE MARKET NEIGHBORHOOD AND ARE FOUND TO ACCURATELY REFLECT SIMILAR SALES AS OF THE APPRAISAL OBSERVATION DATE.

AFTER A THOROUGH SEARCH OF THE MARKET AREA, THE COMPARABLES USED IN THIS APPRAISAL REPORT ARE FOUND TO BE COMPATIBLE WITH THE SUBJECT PROPERTY. THE COMPARABLES ARE CLOSE IN PROXIMITY TO THE SUBJECT AND ARE ALL OF SIMILAR DESIGN AND STYLE. ALL COMPARABLES ARE LOCATED WITHIN NORMAL USPAP GUIDELINES AND WOULD BE CONSIDERED BY PROSPECTIVE BUYERS.

Indicated Value by Sales Comparison Approach \$ 1,100,000
Indicated Value by: Sales Comparison Approach \$ 1,100,000 Cost Approach (if developed) \$ 0 Income Approach (if developed) \$ N/A

This appraisal is made as is, subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 1,100,000 as of 12/02/2005, which is the date of inspection and the effective date of this appraisal.

SALES COMPARISON APPROACH

RECEIVED

Uniform Residential Appraisal Report

PLEASE SEE ATTACHED ADDENDUM FOR ADDITIONAL COMMENTS.

ADDITIONAL COMMENTS

**COST APPROACH TO VALUE** (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) **PHYSICAL DEPRECIATION IS BASED ON THE EFFECTIVE AGE OF IMPROVEMENTS. LAND TO BUILDING RATIO IS TYPICAL FOR THIS AREA. LAND VALUE HAS BEEN ESTIMATED THROUGH THE EXTRACTION METHOD AND THE LAND TO VALUE RATIO IS TYPICAL FOR THE AREA.**

|  |                   |  |                                    |                               |                                    |          |
|--|-------------------|--|------------------------------------|-------------------------------|------------------------------------|----------|
| ESTIMATED  | REPRODUCTION OR   | <input checked="" type="checkbox"/> REPLACEMENT COST NEW | OPINION OF SITE VALUE.....         | = \$                          | 490,000                            |          |
| Source of cost data  | EXTRACTION METHOD |  | Dwelling                           | 2,856 Sq. Ft @ \$ 200.00..... | = \$ 571,200                       |          |
| Quality rating from cost service   | N/A               | Effective date of cost data                              | Sq. Ft. @ \$ .....                 |                               |                                    |          |
| Comments on Cost Approach (gross living area calculations, depreciation, etc.)   |                   |  | SPA, PORCH, PATIO                  |                               | 12,500                             |          |
| NO FUNCTIONAL OR EXTERNAL OBSOLESCENCE WAS NOTED UPON INSPECTION. ESTIMATED ECONOMIC LIFE HAS BEEN DERIVED FROM THE EFFECTIVE AGE AND PHYSICAL LIFE OF THE SUBJECT PROPERTY. |                   |  | Garage/Carport                     | 540 Sq. Ft @ \$ 25.00.....    | = \$ 13,500                        |          |
|  |                   |  | Total Estimate of Cost-New         |                               | = \$ 597,200                       |          |
|  |                   |  | Less                               | Physical                      | Functional                         | External |
|  |                   |  | Depreciation                       |                               |                                    | = \$( 0) |
|  |                   |  | Depreciated Cost of Improvements   |                               | = \$ 597,200                       |          |
|  |                   |  | "As-is" Value of Site Improvements |                               | = \$ 10,000                        |          |
| Estimated Remaining Economic Life (HUD and VA only)  | 40 Years          |  | INDICATED VALUE BY COST APPROACH   |                               | = \$ 1,097,200                     |          |
| <b>INCOME APPROACH TO VALUE</b> (not required by Fannie Mae)   |                   |  |                                    |                               |                                    |          |
| Estimated Monthly Market Rent \$   | N/A               | X Gross Rent Multiplier                                  | = \$                               | N/A                           | Indicated Value by Income Approach |          |
| Summary of Income Approach (including support for market rent and GRM) N/A   |                   |  |                                    |                               |                                    |          |

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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

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21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER'S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

## APPRAISER

Signature *Alec Manocchio*  
 Name ALEC MANOCCHIO  
 Company Name A & M APPRAISALS  
 Company Address 2180 GARNET AVENUE, SUITE 2K  
SAN DIEGO, CA 92109  
 Telephone Number 858-270-9080  
 Email Address orders@a-m-appraisals.com  
 Date of Signature and Report 12/02/2005  
 Effective Date of Appraisal 12/02/2005  
 State Certification # \_\_\_\_\_  
 or State License # AL030643  
 or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
 State CA  
 Expiration Date of Certification or License 04/24/2007

ADDRESS OF PROPERTY APPRAISED  
17841 LINCOLN STREET  
VILLA PARK, CA 92861

APPRAISED VALUE OF SUBJECT PROPERTY \$ 1,100,000

## LENDER/CLIENT

Name \_\_\_\_\_  
 Company Name LOAN LEADERS OF AMERICA  
 Company Address 2081 BUSINESS CENTER, SUITE 150  
IRVINE, CA 92612  
 Email Address \_\_\_\_\_

## SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone Number \_\_\_\_\_  
 Email Address \_\_\_\_\_  
 Date of Signature /2005  
 State Certification # \_\_\_\_\_  
 or State License # \_\_\_\_\_  
 State \_\_\_\_\_  
 Expiration Date of Certification or License \_\_\_\_\_

## SUBJECT PROPERTY

Did not inspect subject property  
 Did inspect exterior of subject property from street  
 Date of Inspection \_\_\_\_\_  
 Did inspect interior and exterior of subject property  
 Date of Inspection \_\_\_\_\_

## COMPARABLE SALES

Did not inspect exterior of comparable sales from street  
 Did inspect exterior of comparable sales from street  
 Date of Inspection \_\_\_\_\_

**ADDENDUM**

|  |                          |
|--|--------------------------|
| Borrower: BROWN                        | File No.: 12/02/05BR4-JC |
| Property Address: 17841 LINCOLN STREET | Case No.:                |
| City: VILLA PARK                       | State: CA                |
| Lender: LOAN LEADERS OF AMERICA        | Zip: 92861               |

**COMMENTS ON SUBJECT PROPERTY**

THE SUBJECT PROPERTY IS IN GOOD CONDITION.

UPON INSPECTION THE SUBJECT PROPERTY WAS FOUND TO HAVE 5 BEDROOMS AND 3 BATHS.

**ANALYSIS OF CURRENT AGREEMENT**

THIS APPRAISAL IS INTENDED FOR USE IN A REFINANCE TRANSACTION ONLY. THIS REPORT IS NOT INTENDED FOR ANY OTHER USE.

TYPICAL EXPOSURE TIME HAS BEEN EXPERIENCED WITH REFERENCE TO THE COMPARABLE SALES UTILIZED WITHIN THIS REPORT. TYPICAL EXPOSURE TIME IS WITHIN NORMAL PROJECTED TIMES FOR THE MARKET AREA. SUFFICIENT REALTY OFFICES OFFER QUALITY EXPOSURE WITH THE LOCAL MARKETS.

THE PURPOSE OF THIS APPRAISAL IS TO DETERMINE THE CURRENT MARKET VALUE OF THE SUBJECT PROPERTY. NO PERSONAL PROPERTY WAS GIVEN CONSIDERATION IN THE ESTIMATED VALUE OF THE SUBJECT PROPERTY

**FIRREA MANDATES:**

THIS REPORT IS CONSISTENT WITH THE REQUIREMENTS OF A SUMMARY APPRAISAL REPORT AS DEFINED BY THE APPRAISAL STANDARDS BOARD OF THE APPRAISAL FOUNDATION AND COMPLIES WITH USPAP STANDARDS, REGULATIONS, AND GUIDELINES.

THIS REPORT CONTAINS NO SEPARATE ASSESSMENT OF PERSONAL PROPERTY, FIXTURES, OR INTANGIBLE ITEMS THAT WOULD EFFECT THE MARKET VALUE OF THE SUBJECT PROPERTY.

THIS APPRAISAL WAS DONE WITH AN "AS IS" MARKET VIEW, OR THE CURRENT PHYSICAL CONDITION AND SUBJECT TO THE ZONING IN EFFECT AS OF THE CURRENT DATE OF THE ESTIMATED VALUE.

I CERTIFY THAT THIS REPORT CONFORMS TO THE USPAP PRACTICES PROMULGATED BY THE APPRAISAL STANDARDS BOARD OF THE APPRAISAL FOUNDATION. IT IS INTENDED THAT THIS REPORT CONFORMS TO THE FINANCIAL INSTITUTIONS REFORM AND RECOVERY ACT, TITLE XI(FIRREA), AND REGULATIONS AND GUIDELINES OF THE FEDERAL HOME LOAN MORTGAGE CORP (FHLMC), THE FEDERAL NATIONAL MORTGAGE ASSOC (FNMA), THE OFFICE OF THE COMPTROLLER OF THE CURRENCY (OCC), THE OFFICE OF THRIFT SUPERVISION (OTS), THE USPAP AND THE CODE OF ETHICS AND STANDARDS OF PROFESSIONAL PRACTICE.

**SIGNATURES**

THIS REPORT IS SIGNED WITH ELECTRONICALLY CERTIFIED SIGNATURES, WHICH CANNOT BE DUPLICATED, FORGED, ALTERED, OR PROCESSED IN ANY MANNER BY ANYONE NOT INTENDED BY LEGALLY REGISTERED USER. THE SIGNATURES USED IN THIS REPORT ARE VERIFIED BY USPAP STANDARDS AND REGULATIONS, AND CONFORM TO CURRENT GUIDELINES AND PRACTICES.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

#### STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

**APPRAISERS CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

**SUPERVISORY APPRAISER'S CERTIFICATION:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

**ADDRESS OF PROPERTY APPRAISED:** 17841 LINCOLN STREET, VILLA PARK, CA 92861

**APPRAISER:**

**SUPERVISORY APPRAISER (only if required)**

Signature: *Alec J. Manocchio*  
 Name: ALEC MANOCCHIO  
 Date Signed: 12/02/2005  
 State Certification #: \_\_\_\_\_  
 or State License #: AL030643  
 State: CA  
 Expiration Date of Certification or License: 04/24/2007

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: 12/05  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_

Did  Did Not Inspect Property

LICENSE

Borrower: BROWN

Property Address: 17841 LINCOLN STREET

File No.: 12/02/05BR4-JC

City: VILLA PARK

Case No.:

Lender: LOAN LEADERS OF AMERICA

State: CA

Zip: 92861

STATE OF CALIFORNIA

Business, Transportation & Licensing Agency

OFFICE OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

OREA APPRAISER IDENTIFICATION NUMBER

AL030643

ALEC J MANOCCHIO

has successfully met the requirements for licensing as a real estate appraiser in the State of California and is, therefore, entitled to use the title "Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers Licensing and Certification Law.

OFFICE OF REAL ESTATE APPRAISERS

*Cecily J. Maguire*

Date Issued: April 25, 2005

Date Expires: April 24, 2007

68638

68638

THIS DOCUMENT CONTAINS A TRUE AND CORRECT COPY OF THE ORIGINAL

INSURANCE

|  |                          |            |
|--|--------------------------|------------|
| Borrower: BROWN                        | File No.: 12/02/05BR4-JC |            |
| Property Address: 17841 LINCOLN STREET | Case No.:                |            |
| City: VILLA PARK                       | State: CA                | Zip: 92861 |
| Lender: LOAN LEADERS OF AMERICA        |                          |            |



**COVER NOTE**

**INSURED:** Alce J. Manocchio / A & M Appraisals, Inc

**MAILING ADDRESS:** 3009 Union St #10  
San Diego, Ca 92103

*This is to certify that the undersigned has procured insurance coverage as hereafter specified from certain companies and/or underwriters.*

**EFFECTIVE:** 07/27/2005

**TERM:** 12 Months

**COVERAGE:** Professional Liability for Specified Professions:

- Profession: Real Estate Appraiser
- Claims Made Form: MPL #26901 (9/87)
- Retroactive Date: 07/27/2004
- Limits: Per Occurrence: \$1,000,000. Annual Aggregate: \$1,000,000
- Deductible: \$2,000

**CONDITIONS:**

- Real Estate Agent/Broker Referral Indemnity
- Knowledge of Wrongful Act Exclusion
- Pending and/or Prior Litigation Exclusion
- Defense within Policy Limit
- Deductible includes Loss Adjustment Expenses

**COMPANIES PARTICIPATING:**

National Union Fire Insurance Company of Pittsburgh, PA

**ASSIGNED COVER NOTE #:** FREA 045436

Issued at: 2907 Meyers Blvd, Suite 1415  
San Diego, CA 92117

**DATE:** July 7, 2005

**BY:**

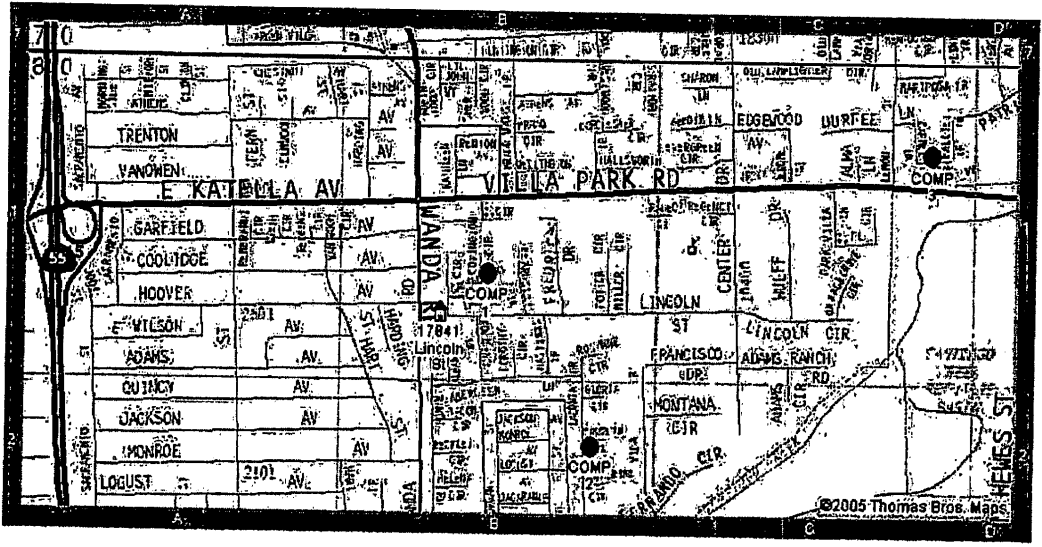
*R. Shand*

*Insurance, when effected shall be subject to all terms and conditions of policy (ies) which will be issued, and in the event of any inconsistency herewith, the terms and provisions of the policy prevail.*

LOCATION MAP

Borrower: BROWN  
Property Address: 17841 LINCOLN STREET  
City: VILLA PARK  
Lender: LOAN LEADERS OF AMERICA

File No.: 12/02/05BR4-JC  
Case No.:  
State: CA  
Zip: 92861



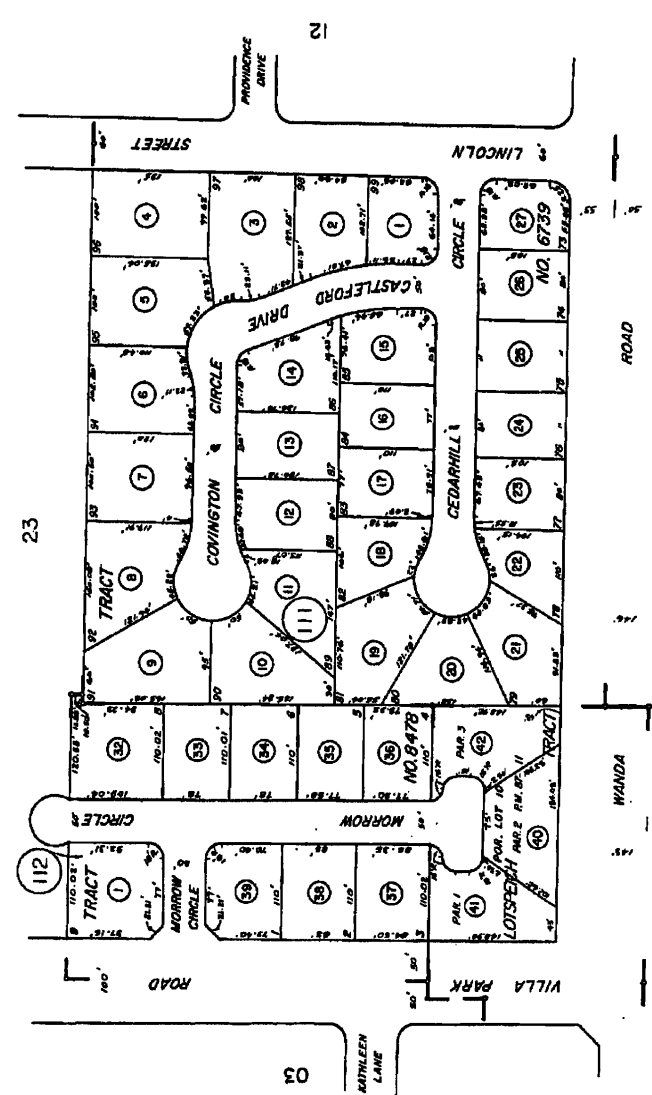


PLAT MAP

Borrower: BROWN  
 Property Address: 17841 LINCOLN STREET  
 City: VILLA PARK  
 Lender: LOAN LEADERS OF AMERICA

File No.: 12/02/05BR4-JC  
 Case No.:  
 State: CA  
 Zip: 92861

378-11



THIS MAP WAS PREPARED FOR ORANGE COUNTY  
 AND IS NOT TO BE USED FOR ANY OTHER PURPOSE.  
 THE ASSessor'S MAP NO. 378-11 IS THE ONLY  
 AUTHORITY FOR THE LOCATION OF THE LOTS AND  
 COORDINATE ORANGE COUNTY ASSessor'S MAP.

ASSessor'S MAP  
 BOOK 378 PAGE 11  
 COUNTY OF ORANGE

NOTE: ASSessor'S BLOCK  
 B PARCEL NUMBERS  
 SHOWN IN CIRCLES

28 COR LINE AVE  
 L. A. 3-162  
 M. M. 204-247D27 INCL.  
 M. M. 344-26-27  
 P.M. 87-11

MARCH 1970  
 LOTSPEICH TR.  
 TRACT NO. 6739  
 TRACT NO. 8478  
 PARCEL MAP

KATELA AVE

WANDA ROAD

28

23

12

40

NO. 6739

NO. 8478

NO. 8478

NO. 8478

NO. 8478

NO. 8478

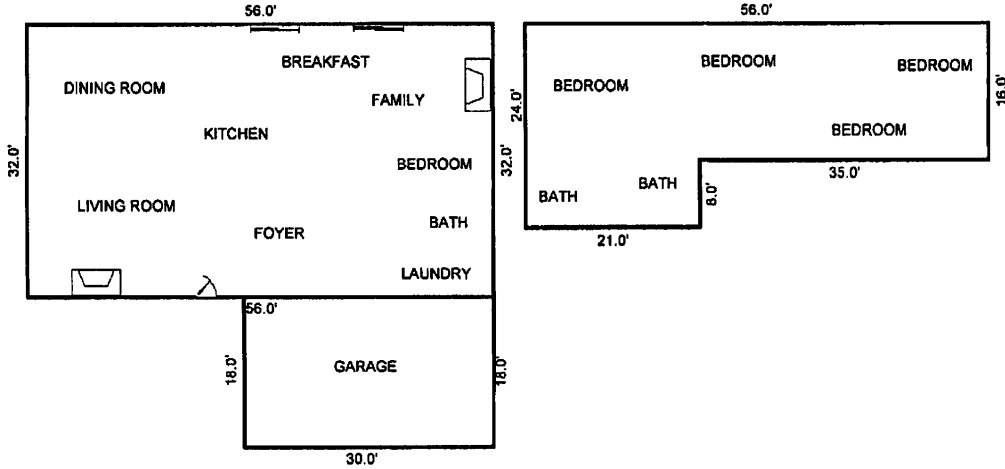
NO. 8478

NO. 8478

NO. 8478

FLOORPLAN

Borrower: BROWN File No.: 12/02/05BR4-JC  
 Property Address: 17841 LINCOLN STREET Case No.:  
 City: VILLA PARK State: CA Zip: 92861  
 Lender: LOAN LEADERS OF AMERICA



Sketch by Apex IV™  
 Comments:

| AREA CALCULATIONS SUMMARY |              |                  |             |
|---------------------------|--------------|------------------|-------------|
| Code                      | Description  | Size             | Net Totals  |
| GLA1                      | First Floor  | 1792.00          | 1792.00     |
| GLA2                      | Second Floor | 1064.00          | 1064.00     |
| GAR                       | Garage       | 540.00           | 540.00      |
| <b>TOTAL LIVABLE</b>      |              | <b>(rounded)</b> | <b>2856</b> |

| LIVING AREA BREAKDOWN                 |             |             |
|---------------------------------------|-------------|-------------|
|                                       | Breakdown   | Subtotals   |
| <b>First Floor</b>                    |             |             |
|                                       | 32.0 x 56.0 | 1792.00     |
| <b>Second Floor</b>                   |             |             |
|                                       | 21.0 x 24.0 | 504.00      |
|                                       | 16.0 x 35.0 | 560.00      |
| <b>3 Calculations Total (rounded)</b> |             | <b>2856</b> |

11776 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345

NOTICE TO APPLICANT OF RIGHT TO RECEIVE COPY OF APPRAISAL

You have the right to a copy of the appraisal report obtained in connection with your application for credit provided that, if required, you have paid for or are willing to pay for the appraisal. You can get a copy of this report by writing to us at the address listed below. We must hear from you no later than 90 days after you are notified about the action taken on your credit application. If you withdraw your application, you must make your request for an appraisal report within 90 days of the withdrawal. You can telephone us, instead of writing, but by doing so you are not assured of preserving your rights.

HOME LOAN MORTGAGE CORPORATION  
11776 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345

If you request a copy of your appraisal report, and you have paid for the costs of the appraisal, we will send you a copy at the address shown on your loan application. Should you have any questions concerning this notification, please feel free to give us a call at (760) 948-2500 .

The undersigned acknowledge(s) receipt of a copy of this Notice.

PLEASE SEND COPY OF APPRAISAL .

Cynthia A. Brown  
CYNTHIA L. BROWN Applicant

12.13.05  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

HOME LOAN MORTGAGE CORPORATION  
does not take any responsibility for the accuracy and contents of the appraisal report prepared by the independent appraiser.

# Uniform Residential Appraisal Report

File No. 12/02/05BR4-JC

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address **17841 LINGOLN STREET** City **VILLA PARK** State **CA** Zip Code **92681**  
Borrower **BROWN** Owner of Public Record **BROWN** County **ORANGE**

Legal Description **N TR 8739 LOT 99** Tax Year **2004** R.E. Taxes **4,668.32**  
Assessor's Parcel # **378-111-01** Map Reference **800 B1** Census Tract **758.10**

Neighborhood Name **N/A** Occupancy  Owner  Tenant  Vacant  
Special Assessments **N/A** PUD  HOA  (per year)  (per month)

Property Rights Appraised  Fee Simple  Leasehold  Other (describe) \_\_\_\_\_  
Assignment Type  Purchase Transaction  Refinance Transaction  Other (describe) \_\_\_\_\_  
Lender/Client **LOAN LEADERS OF AMERICA** Address **2081 BUSINESS CENTER, SUITE 150 IRVINE, CA 92612**

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal?  Yes  No  
Report data source(s) used, offering price(s), and date(s): \_\_\_\_\_

or  did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed: **N/A**  
Contract Price \$ **N/A** Date of Contract **N/A** Is the property sold for the benefit of public record?  Yes  No Data Source(s) **N/A**  
Is there any financial assistance (loan charges, sale concessions, gift, or downpayment assistance, etc.) to be paid by any party on behalf of the borrower?  Yes  No  
If Yes, report the total dollar amount and describe the terms to be paid: \$ **N/A** **N/A**

Note: Race and the racial composition of the neighborhood are not appraisal factors.

|                         |  |  |                                    |                 |  |                                     |                                      |             |     |              |    |
|-------------------------|--|--|------------------------------------|-----------------|--|-------------------------------------|--------------------------------------|-------------|-----|--------------|----|
| Location                | Urban  | <input checked="" type="checkbox"/> Suburban | <input type="checkbox"/> Rural     | Property Values | <input checked="" type="checkbox"/> Increases    | <input type="checkbox"/> Stable     | <input type="checkbox"/> Declines    | PRICE       | AGE | Qtr. Unit    | BD |
| Build-Up                | <input checked="" type="checkbox"/> Over 75% | <input type="checkbox"/> 25-75%              | <input type="checkbox"/> Under 25% | Demand/Supply   | <input checked="" type="checkbox"/> Shortage     | <input type="checkbox"/> In Balance | <input type="checkbox"/> Over Supply | \$/SQF      | Yrs | 1-4 Unit     | 0  |
| Growth                  | <input checked="" type="checkbox"/> Rapid    | <input type="checkbox"/> Moderate            | <input type="checkbox"/> Slow      | Marketing Time  | <input checked="" type="checkbox"/> Under 3 mths | <input type="checkbox"/> 3-6 mths   | <input type="checkbox"/> Over 6 mths | 800 Low     | 5   | Multi-Family | 0  |
| Neighborhood Boundaries | SEE LOCATION MAP FOR DETAILED BOUNDARIES.    |  |                                    |                 |  |                                     |                                      |             |     |              |    |
|                         |  |  |                                    |                 |  |                                     |                                      | 1.5M High   | 85  | Commercial   | 5  |
|                         |  |  |                                    |                 |  |                                     |                                      | 1.15M Prod. | 35  | Other Vacant | 5  |

Neighborhood Description **THE SUBJECT HAS GOOD MARKET APPEAL ALONG WITH GOOD PROXIMITY TO PUBLIC TRANSPORTATION, SCHOOLS, SHOPPING AND FREEWAY ACCESS. IT IS CLOSE TO EMPLOYMENT CENTERS AND THE EMPLOYMENT STABILITY OF THE AREA APPEARS GOOD.**

Market Conditions (including supply) for the above conditions: **SUPPLY AND DEMAND ARE IN BALANCE, CREATING AN ACTIVE MARKET. CONVENTIONAL FINANCING IS PREVALENT IN THE CURRENT MARKETPLACE, ACCORDING TO CURRENT MARKET DATA, PROPERTIES IN THE NEIGHBORHOOD TYPICALLY HAVE UNDER 3 MONTHS MARKETING TIME.**

Dimensions **SEE PLAT MAP** Area **8160 SF +/-** Shape **CONFORMING** View **TYPICAL**  
Special Zoning Classification **SFR** Zoning Description **SFR-ORANGE COUNTY**

Zoning Compliance  Legal  Legal Nonconforming (Grandfathered Use)  Not Zoned (describe) \_\_\_\_\_  
Is the subject, and best use of the subject property as improved (or as proposed per plans and specifications) the present use?  Yes  No If No, describe \_\_\_\_\_

Utilities: Public  Other (describe) \_\_\_\_\_  
Electricity  Gas  Water  Sewer  Other (describe) \_\_\_\_\_  
Off-site Improvements: Type **Steel ASPHALT** Public  Private   
Ally **NONE**

FEMA Special Flood Hazard Area  Yes  No FEMA Flood Zone **X** FEMA Map # **060238A0162** FEMA Map Date **02/18/2004**  
Are the utilities and off-site improvements typical for the market area?  Yes  No If No, describe \_\_\_\_\_  
Are there any adverse site conditions or external factors (contaminants, encroachments, environmental conditions, land uses, etc.)?  Yes  No If Yes, describe **NONE OBSERVED.**

|  |  |  |  |  |  |  |  |                               |                  |
|--|--|--|--|--|--|--|--|-------------------------------|------------------|
| Units  | <input checked="" type="checkbox"/> Det          | <input type="checkbox"/> One with Accessory Unit | <input checked="" type="checkbox"/> Concret Slab | <input type="checkbox"/> Crml Slab             | Foundation Walls                             | <b>CONCRETE</b>                                      | Floors                                       | <b>CARPET/GOOD</b>            |                  |
| # of Stories                                 | <b>2</b>   |  | Full Basement                                    | Partial Basement                               | Exterior Walls                               | <b>WD/STUCCO</b>                                     | Walls  | <b>DRWYL/GO</b>               |                  |
| Type   | <input checked="" type="checkbox"/> Det          | <input type="checkbox"/> Ad.                     | <input type="checkbox"/> S-Det/End Unit          | Basement Area                                  | 0 sq. ft.                                    | Roof Surface   | <b>TILE</b>                                  | Trim/Finish                   | <b>WOOD/GOOD</b> |
| <input checked="" type="checkbox"/> Exterior | <input type="checkbox"/> Covered                 | <input type="checkbox"/> Under Crst.             | Basement Finish                                  | Outside Entry/Exit                             | <b>N/A</b>                                   | Gutters & Downspouts                                 | <b>ADEQUATE</b>                              | Bath Floor                    | <b>TILE/GOOD</b> |
| Design (Style)                               | <b>CONVENTIONAL</b>                              |  | Outside Entry/Exit                               | Sump Pump                                      | Window Type                                  | <b>ALUM SLIDERS</b>                                  | Bath Walls/Ceiling                           | <b>TILE/GOOD</b>              |                  |
| Year Built                                   | <b>1972</b>                                      |  | Entrances of                                     | Insulation                                     | Storm Strct/Insulated                        | <b>NONE</b>  | Car Storage                                  | <input type="checkbox"/> None |                  |
| Effective Age (Yrs)                          | <b>20</b>  |  | Roofs  | Sidewalks                                      | Screens                                      | <b>YES</b>   | <input checked="" type="checkbox"/> Driveway | # of Cars <b>4</b>            |                  |
| Asic   | <input type="checkbox"/> None                    | <input type="checkbox"/> None                    | Hopping  | <input checked="" type="checkbox"/> PWA        | MWBB   | Radial   | Amortities                                   | Wood/Stucco                   | #                |
| Drop Slat                                    | <input type="checkbox"/> Slabs                   | <input type="checkbox"/> Other                   | Full GAS   | <input checked="" type="checkbox"/> Fiberglass | # <b>2</b>                                   | <input checked="" type="checkbox"/> Fence WD         | <input checked="" type="checkbox"/> Garage   | # of Cars <b>3</b>            |                  |
| Finish                                       | <input checked="" type="checkbox"/> Smooth       | <input type="checkbox"/> Coarse                  | Central Air Conditioning                         | <input checked="" type="checkbox"/> Patio/Deck | <input checked="" type="checkbox"/> Porch    | <input type="checkbox"/> Other                       | Carport                                      | # of Cars                     |                  |
| Finished                                     | <input type="checkbox"/> Waxed                   | <input type="checkbox"/> Individual              | Other  | Pool   | Other  | Asic   | <input checked="" type="checkbox"/> Det.     | Built-in                      |                  |
| Appliances?                                  | <input checked="" type="checkbox"/> Refrigerator | <input checked="" type="checkbox"/> Range/Oven   | <input checked="" type="checkbox"/> Dishwasher   | <input checked="" type="checkbox"/> Microwave  | Washer/Dryer                                 | <input checked="" type="checkbox"/> Other (describe) | <b>FAN / HOOD</b>                            |                               |                  |
| Finished area above grade contains:          | <b>9 Rooms</b>                                   | <b>5 Bedrooms</b>                                | <b>3 Baths</b>                                   | <b>2,858</b>                                   | Source Part of Gross Living Area Above Grade |  |  |                               |                  |

Additional features (special energy efficient items, etc.): **CEILING FANS, NO ADDITIONAL EFFICIENT ITEMS WERE NOTED AT THE TIME OF INSPECTION.**

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.): **AT THE TIME OF INSPECTION, THERE WERE NO REPAIRS NEEDED AND THE QUALITY OF CONSTRUCTION WAS GOOD. THE SUBJECT PROPERTY WAS FOUND TO HAVE A NEW ROOF, PATIO, AND SECURITY SYSTEM.**

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?  Yes  No If Yes, describe **NO. ADVERSE ENVIRONMENTAL CONDITIONS WERE NOTED ON SITE OR IN THE VICINITY AT TIME OF INSPECTION.**

Does the property generally conform to the neighborhood functional utility, style, condition, use, construction, etc.?  Yes  No If No, describe \_\_\_\_\_



Certified Credit Reporting  
1180 Olympic Dr. Suite 207  
Corona, CA 92601  
Tel: (800) 769-7615  
Fax: (800) 769-7616

SUPPLEMENTAL REPORT

10

Report No  
1202381

Provided For: LOAN LEADERS OF AMERICA  
2101 BUSINESS CENTER DRIVE, SUITE 120  
IRVINE, CA 92612  
Acct #: 3234

|                            |                          |                                 |
|----------------------------|--------------------------|---------------------------------|
| Date Received<br>12/9/2005 | Date Issued<br>12/9/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV          | FYMA #                   | Charges<br>\$18.33              |
| Source<br>XP/TO/BP         | Reference #              |                                 |

| GENERAL INFORMATION   |                                   |        |
|---|-----------------------------------|--------|
| Borrower Name<br>BROWN, CINDY                                 | Social Security No<br>542-86-1727 | Age    |
| Co-Borrower Name  | Social Security No                | Age    |
| Current Address<br>17841 LINCOLN STREET, VILLA PARK, CA 92861 |                                   | Length |
| Previous Address  |                                   | Length |
| Marital Status<br>UNMARRIED                                   |                                   |        |
| Dependents  |                                   |        |

| BORROWER    |          | CO-BORROWER |          |
|-------------|----------|-------------|----------|
| Employer    | Position | Employer    | Position |
| Since       | Income   | Since       | Income   |
| Verified By |          | Verified By |          |

| ACCOUNT NUMBER    | CREDITOR NAME | DATE REPORTED DATE LAST ACTIVITY | DATE OPENED | HIGH CREDIT | PRESENT STATUS |                 | HISTORICAL STATUS |     |     | PAYMENT TERM | PRESENT STATUS |     |
|-------------------|---------------|----------------------------------|-------------|-------------|----------------|-----------------|-------------------|-----|-----|--------------|----------------|-----|
|                   |               |                                  |             |             | BALANCE        | PAST DUE AMOUNT | MOS BEY           | 30- | 60- |              |                | 90- |
|                   |               |                                  |             |             |                |                 |                   |     |     |              |                |     |
| B<br>0020345278-0 | SPRINT        | 12/05<br>10/05                   | --/--       | 9--<br>OPEN | \$228          | \$0             | 24                | 0   | 0   | 0            | \$0<br>NR730   | C-1 |

Instant View Password: B2-42A5823A

To verify the authenticity of this credit report, please visit <https://certifiedcredit.meridianlink.com> and click on the Instant View link. Enter report number 1202381 and password B2-42A5823A to view the report. For any inquiries regarding this report or services provided by CERTIFIED CREDIT REPORTING please contact us at 800-769-7615.

ECOA KEY: B=BORROWER; C=CO-BORROWER; J=JOINT; U=UNDESIGNATED

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Need name & phone #

3rd trade



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 Corona, CA 92681  
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 Fax: (800) 769-7616

SUPPLEMENTAL REPORT

Report No 1202381

Provided For: **LOAN LEADERS OF AMERICA**  
 2101 BUSINESS CENTER DRIVE, SUITE 120  
 IRVINE, CA 92612  
 Acct #: 3234

|                            |                          |                                 |
|----------------------------|--------------------------|---------------------------------|
| Date Received<br>12/8/2005 | Date Issued<br>12/8/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV          | FNMA #                   | Charges<br>\$18.33              |
| Sources<br>XP/TU/EP        | Reference #              |                                 |

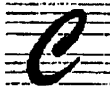
| GENERAL INFORMATION |  |                    |             |
|---------------------|--|--------------------|-------------|
| Borrower Name       | BROWN, CINDY                               | Social Security No | 542-86-1727 |
| Co-Borrower Name    |  | Social Security No |             |
| Current Address     | 17841 LINCOLN STREET, VILLA PARK, CA 92861 | Age                |             |
| Previous Address    |  | Length             |             |
| Marital Status      | UNMARRIED                                  | Length             |             |
| Dependents          |  |                    |             |

| BORROWER    |  | CO-BORROWER |  |
|-------------|--|-------------|--|
| Employer    |  | Employer    |  |
| Position    |  | Position    |  |
| Since       |  | Since       |  |
| Income      |  | Income      |  |
| Verified By |  | Verified By |  |

| CREDIT HISTORY |   |                    |             |             |                |                 |                   |    |    |              |                |                 |
|----------------|---|--------------------|-------------|-------------|----------------|-----------------|-------------------|----|----|--------------|----------------|-----------------|
| CREDIT RISK    | CREDITOR NAME<br>ACCOUNT NUMBER   | DATE REPORTED      | DATE OPENED | HIGH CREDIT | PRESENT STATUS |                 | HISTORICAL STATUS |    |    | PAYMENT TERM | PRESENT STATUS |                 |
|                |   | DATE LAST ACTIVITY |             |             | BALANCE        | PAST DUE AMOUNT | MOS REV           | 30 | 60 |              |                | 90              |
| B              | INDYMAC BANK<br>6681003450671   | 12/05              | 06/03       | \$380000    | \$0            | \$0             | 29                | 0  | 0  | 0            | \$0            | M-1<br>XP/TU/EP |
|                | CONVENTIONAL REAL ESTATE LOAN, INCLUDING PURCHASE MONEY FIRST - PAID IN FULL 11/15/05 PER AUTOMATED PH. # 800-781-7399.   |                    |             |             |                |                 |                   |    |    |              |                |                 |
|                | Instant View Password: B2-42A5823A  |                    |             |             |                |                 |                   |    |    |              |                |                 |
|                | To verify the authenticity of this credit report, please visit <a href="http://certifiedcredit.meridianlink.com">http://certifiedcredit.meridianlink.com</a> and click on the Instant View link. Enter report number 1202381 and password B2-42A5823A to view the report. For any inquiries regarding this report or services provided by CERTIFIED CREDIT REPORTING please contact us at 800-769-7615. |                    |             |             |                |                 |                   |    |    |              |                |                 |

ECOA KEY: B=BORROWER; C=CO-BORROWER; J=JOINT; U=UNDESIGNATED

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**PREQUAL CREDIT REPORT**

Report No  
 1202381

Provided For: **LOAN LEADERS OF AMERICA**  
 2101 BUSINESS CENTER DRIVE, SUITE 120  
 IRVINE, CA 92612  
 Acct. #: 3234

|                             |                           |                                 |
|-----------------------------|---------------------------|---------------------------------|
| Date Received<br>11/18/2005 | Date Issued<br>11/18/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV           | FNMA #                    | Charges<br>\$18.33              |
| Source<br>XP/TU/EF          | Reference #               |                                 |

| GENERAL INFORMATION   |                                   |        |
|---|-----------------------------------|--------|
| Borrower Name<br>BROWN, CINDY                                 | Social Security No<br>542-86-1727 | Age    |
| Co-Borrower Name  | Social Security No                | Age    |
| Current Address<br>17841 LINCOLN STRBET, VILLA PARK, CA 92861 |                                   | Length |
| Previous Address  |                                   | Length |
| Marital Status<br>UNMARRIED                                   |                                   |        |
| Dependents  |                                   |        |

| BORROWER    |        | CO-BORROWER |        |
|-------------|--------|-------------|--------|
| Employer    | Income | Employer    | Income |
| Position    |        | Position    |        |
| Since       |        | Since       |        |
| Verified By |        | Verified By |        |

| ECOA<br>KEY | CREDITOR NAME<br>ACCOUNT NUMBER   | DATE<br>REPORTED<br>(DATE/LAST<br>ACTIVITY) | DATE<br>OPENED | HIGH CREDIT     | PRESENT STATUS |                    | HISTORICAL STATUS |                              |   | PAYMENT<br>TERM | PRESENT STATUS |                 |
|-------------|---|---|----------------|-----------------|----------------|--------------------|-------------------|------------------------------|---|-----------------|----------------|-----------------|
|             |   |   |                |                 | BALANCE        | PAST DUE<br>AMOUNT | MOB<br>REV        | TIME PAST DUE<br>30- 60- 90- |   |                 |                |                 |
|             |   |   |                |                 | SCORE MODELS   |                    |                   |                              |   |                 |                |                 |
|             | <b>SCORE MODELS</b>   |   |                |                 |                |                    |                   |                              |   |                 |                |                 |
| 1           | CYNTHIA BROWN - 542861727<br>EQUIFAX/FACTA BEACON 5.0<br>00039 - SERIOUS DELINQUENCY<br>00013 - TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN<br>00018 - NUMBER OF ACCOUNTS WITH DELINQUENCY<br>00010 - PROPORTION OF BALANCES TO CREDIT LIMITS IS TOO HIGH ON BANK REVOLVING OR OTHER<br>REVOLVING ACCOUNTS<br>PA - NUMBER OF INQUIRIES ADVERSELY AFFECTED THE SCORE BUT NOT SIGNIFICANTLY   |   |                | 645             |                |                    |                   |                              |   |                 |                |                 |
| 2           | CYNTHIA BROWN - 542861727<br>TRANSNION/PICO CLASSIC (98)<br>038 - SERIOUS DELINQUENCY, AND PUBLIC RECORD OR COLLECTION FILED<br>013 - TIME SINCE DELINQUENCY IS TOO RECENT OR UNKNOWN<br>002 - LEVEL OF DELINQUENCY ON ACCOUNTS<br>010 - PROPORTION OF BALANCES TO CREDIT LIMITS IS TOO HIGH ON BANK REVOLVING OR OTHER<br>REVOLVING ACCOUNTS<br>PA - IN ADDITION TO THE FACTORS LISTED ABOVE THE NUMBER OF INQUIRIES ON THE CONSUMER'S<br>CREDIT FILE HAS ADVERSELY AFFECTED THE CREDIT SCORE. |   |                | 645             |                |                    |                   |                              |   |                 |                |                 |
| 3           | CINDY BROWN - 542861727<br>EXPERIAN/FAIR, ISAAC (VER. 2)<br>38 - SERIOUS DELINQUENCY AND PUBLIC RECORD OR COLLECTION FILED<br>13 - LENGTH OF TIME (OR UNKNOWN TIME) SINCE ACCOUNT DELINQUENT<br>02 - DELINQUENCY REPORTED ON ACCOUNTS<br>20 - LENGTH OF TIME SINCE LEGAL ITEM FILED OR COLLECTION ITEM REPORTED<br>08 - NUMBER OF RECENT INQUIRIES  |   |                | 558             |                |                    |                   |                              |   |                 |                |                 |
|             | <b>OPEN ACCOUNTS</b>  |   |                |                 |                |                    |                   |                              |   |                 |                |                 |
| B           | INDYMAC BANK<br>6681003450671<br>CONVENTIONAL REAL ESTATE LOAN, INCLUDING PURCHASE MONEY FIRST  | 11/05<br>10/05                              | 06/03          | \$380000<br>MTG | \$377979       | \$0                | 28                | 0                            | 0 | 0               | \$2118<br>360  | M-1<br>XP/TU/EF |
| B           | FORD CRED<br>36856274   | 11/05<br>11/05                              | 04/04          | \$1234<br>AUTO  | \$23216        | \$0                | 20                | 0                            | 0 | 0               | \$635<br>060   | I-1<br>XP/TU/EF |
| B           | CBUSASARS<br>5017475  | 01/05<br>07/04                              | 12/92          | \$962<br>REV    | \$0            | \$0                | 48                | 0                            | 0 | 0               | \$0            | R-1<br>TU       |
| B           | GEMB/LENS CRAFTERS<br>601918102105  | 11/05<br>07/05                              | 02/05          | \$1500<br>REV   | \$0            | \$0                | 9                 | 0                            | 0 | 0               | \$0            | R-1<br>XP/TU/EF |
| J           | GEMB/LOWES<br>798192305283  | 11/05<br>07/04                              | 02/03          | \$2102<br>REV   | \$0            | \$0                | 35                | 0                            | 0 | 0               | \$0            | R-1<br>XP/TU/EF |

*- 2 trades  
 (now closed)*

*- 1 trade*

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**Certified Credit Reporting**  
 1180 Olympic Dr. Suite 207  
 Corona, CA 92701  
 Tel: (800) 768-7615  
 Fax: (800) 768-7616

**PREQUAL CREDIT REPORT**

Report No 1202381

Provided For: **LOAN LEADERS OF AMERICA**  
 2101 BUSINESS CENTER DRIVE, SUITE 120  
 IRVINE, CA 92612  
 Acct #: 3234

|                             |                           |                                 |
|-----------------------------|---------------------------|---------------------------------|
| Date Received<br>11/18/2005 | Date Issued<br>11/18/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV           | FNMA #                    | Charges<br>\$18.33              |
| Sources<br>XP/TU/EF         | Reference #               |                                 |

| GENERAL INFORMATION   |                                   |        |
|---|-----------------------------------|--------|
| Borrower Name<br>BROWN, CINDY                                 | Social Security No<br>542-86-1727 | Age    |
| Co-Borrower Name  | Social Security No                | Age    |
| Current Address<br>17841 LINCOLN STREET, VILLA PARK, CA 92861 | Length                            | Length |
| Previous Address  |                                   |        |
| Marital Status<br>UNMARRIED                                   |                                   |        |
| Dependents  |                                   |        |

| C<br>O<br>D<br>E               | CREDITOR NAME<br>ACCOUNT NUMBER  | DATE<br>REPORTED<br>DATE LAST<br>ACTIVITY | DATE<br>OPENED | HIGH CREDIT<br>REV | PRESENT STATUS |                    | HISTORICAL STATUS |     |     |            | PAYMENT<br>TERM | PRESENT STATUS |
|--------------------------------|--|---|----------------|--------------------|----------------|--------------------|-------------------|-----|-----|------------|-----------------|----------------|
|                                |  |   |                |                    | BALANCE        | PAST DUE<br>AMOUNT | MOS               |     |     |            |                 |                |
|                                |  |   |                |                    |                |                    | 30-               | 60- | 90- | 120-       |                 |                |
| P                              | HSBC/IKEA<br>84000163802<br>CHARGE   | 10/99                                     | 09/98          | \$0<br>REV         | \$0            | \$0                | -                 | -   | -   | \$0        | R-1<br>EF       |                |
| B                              | KAY JEWELERS<br>1302-3079066908  | 10/05<br>06/05                            | 02/05          | \$317<br>REV       | \$0            | \$0                | 9                 | 0   | 0   | \$0        | R-1<br>XP/TU/EF |                |
| J                              | M FIELD'S<br>15849011<br>CHARGE  | 10/04                                     | 07/98          | \$0<br>REV         | \$0            | \$0                | -                 | -   | -   | \$0        | R-1<br>TU/EF    |                |
| J                              | MARSHAL Flds<br>158490115110   | 09/04<br>06/99                            | 07/98          | \$0<br>REV         | \$0            | \$0                | -                 | -   | -   | \$0        | R-1<br>XP/TU/EF |                |
| J                              | WEIER & FRANK<br>R0006105  | 10/05<br>10/97                            | 06/97          | \$376<br>REV       | \$0            | \$0                | 99                | 0   | 0   | \$0        | R-1<br>XP/TU/EF |                |
| B                              | WFMNB/SAMUEL<br>2905303687   | 05/00<br>11/96                            | 08/96          | \$1500<br>REV      | \$0            | \$0                | -                 | -   | -   | \$0        | R-1<br>XP/TU/EF |                |
| B                              | BALLY'S<br>32143158007   | 09/97<br>06/96                            | 05/95          | \$1006<br>INST     | -              | \$0                | -                 | -   | -   | \$27<br>36 | I-1<br>TU       |                |
| B                              | CHEVRON CREDIT BAN<br>779416<br>ACCOUNT IN DISPUTE-REPORTED BY SUBSCRIBER (PCBA) | 06/98                                     | 01/87          | -<br>REV           | -              | -                  | 0                 | 0   | 0   | -          | R-0<br>XP       |                |
| T                              | NORDSTROM FSB<br>5000122990  | 11/05<br>08/03                            | 12/99          | \$9000<br>REV      | -              | \$0                | 71                | 0   | 0   | -          | R-1<br>XP/EF    |                |
| A                              | NORDSTROM FSB<br>0002376207  | 01/03<br>12/02                            | 12/99          | \$9000<br>REV      | -              | \$0                | 36                | 0   | 0   | -          | R-1<br>TU       |                |
| C L O S E D    A C C O U N T S |  |   |                |                    |                |                    |                   |     |     |            |                 |                |
| B                              | BANK OF AMERICA<br>2500164528256998<br>ACCOUNT CLOSED AT CONSUMER'S REQUEST      | 04/02<br>02/02                            | 03/00          | \$101620<br>REV    | \$0            | \$0                | 26                | 0   | 0   | \$0        | R-1<br>XP/TU/EF |                |
| B                              | CAPITAL ONE FSB<br>557009228889<br>ACCOUNT CLOSED AT CONSUMER'S REQUEST          | 07/03                                     | 02/03          | \$0<br>REV         | \$0            | \$0                | 6                 | 0   | 0   | \$0        | R-1<br>XP/TU/EF |                |
| B                              | CBUSASARS<br>504994804680<br>ACCOUNT CLOSED AT CONSUMER'S REQUEST                | 11/05<br>07/04                            | 12/92          | \$962<br>REV       | \$0            | \$0                | 99                | 0   | 0   | \$0        | R-1<br>XP/TU/EF |                |
| B                              | CIT GROUP SALES FI<br>1919108840470<br>RECREATIONAL MERCHANDISE                  | 04/00<br>10/99                            | 03/97          | \$37350<br>INST    | \$0            | \$0                | 30                | 0   | 0   | \$0<br>180 | I-1<br>XP/TU/EF |                |
| B                              | DITECH.COM<br>81200234232252001<br>INSTALLMENT LOAN                              | 07/03<br>07/03                            | 02/02          | \$44000<br>INST    | \$0            | \$0                | 16                | 0   | 0   | \$0<br>300 | I-1<br>XP/TU/EF |                |

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**PERIQUAL CREDIT REPORT**

Report No 1202381

Provided For: **LOAN LEADERS OF AMERICA**  
 2101 BUSINESS CENTER DRIVE, SUITE 120  
 IRVINE, CA 92612  
 Acct #: 3234

|                             |                           |                                 |
|-----------------------------|---------------------------|---------------------------------|
| Date Received<br>11/18/2005 | Date Issued<br>11/18/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV           | FNAME #                   | Change<br>\$18.33               |
| Source<br>XP/TU/RF          | Reference #               |                                 |

| GENERAL INFORMATION |  |                                |
|---------------------|--|--------------------------------|
| Borrower Name       | BROWN, CINDY                               | Social Security No 542-86-1727 |
| Co-Borrower Name    |  | Social Security No             |
| Current Address     | 17841 LINCOLN STREET, VILLA PARK, CA 92861 | Age                            |
| Previous Address    |  | Length                         |
| Marital Status      | UNMARRIED                                  | Length                         |
| Dependents          |  |                                |

| E<br>C<br>C<br>O<br>D<br>E | CREDITOR NAME<br>ACCOUNT NUMBER                               | DATE REPORTED<br>(DATE LAST ACTIVITY) | DATE OPENED | HIGH CREDIT      | PRESENT STATUS |                | HISTORICAL STATUS |              |       |     | PAYMENT TERM | PRESENT STATUS         |
|----------------------------|---|---------------------------------------|-------------|------------------|----------------|----------------|-------------------|--------------|-------|-----|--------------|------------------------|
|                            |   |                                       |             |                  | BALANCE        | PARTIAL AMOUNT | MOR REV           | TIMES DELINQ |       |     |              |                        |
|                            |   |                                       |             |                  |                |                |                   | 30-59        | 60-89 | 90- |              |                        |
| B                          | EVERHOM MORTGAGE<br>140263891                                 | 04/02<br>03/02                        | 07/89       | \$11,000<br>MTG  | \$0            | \$0            | 52                | 0            | 0     | 0   | \$0          | M-1<br>360<br>XP/TU/RF |
|                            | CONVENTIONAL REAL ESTATE LOAN, INCLUDING PURCHASE MONEY FIRST |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| J                          | FRD MOTOR CR<br>PTA369BC5F                                    | 06/00<br>04/00                        | 08/97       | \$1,730<br>AUTO  | \$0            | \$0            | 16                | 0            | 0     | 0   | \$0          | I-1<br>60<br>XP/TU/RF  |
|                            | CLOSED  |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | FRD MOTOR CR<br>PLA313HWDD                                    | 05/00<br>03/00                        | 04/99       | \$3,180<br>AUTO  | \$0            | \$0            | 13                | 0            | 0     | 0   | \$0          | I-1<br>72<br>XP/TU/RF  |
|                            | CLOSED  |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | FRD MOTOR CR<br>PLM31594T8                                    | 10/98<br>09/98                        | 09/96       | \$3,143<br>AUTO  | \$0            | \$0            | -                 | -            | -     | -   | \$0          | I-1<br>25<br>XP/TU     |
|                            | CLOSED  |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| J                          | GMB/LONES<br>798192305185                                     | 11/05<br>03/04                        | 02/03       | \$210<br>REV     | \$0            | \$0            | 22                | 0            | 0     | 0   | \$0          | R-0<br>XP/TU/RF        |
|                            | CREDIT CARD LOST OR STOLEN                                    |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | GMB/PEP BOYS<br>601918090652                                  | 01/05<br>06/03                        | 11/02       | \$1,000<br>REV   | \$0            | \$0            | 26                | 0            | 0     | 0   | \$0          | R-1<br>XP/TU/RF        |
|                            | ACCOUNT CLOSED AT CONSUMER'S REQUEST                          |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | GMAC MORTGAGE CORP<br>852926974                               | 06/03<br>06/03                        | 02/02       | \$105,000<br>MTG | \$0            | \$0            | 17                | 0            | 0     | 0   | \$0          | M-1<br>360<br>XP/TU/RF |
|                            | CONVENTIONAL REAL ESTATE LOAN, INCLUDING PURCHASE MONEY FIRST |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | GMAC MORTGAGE CORP<br>852927159                               | 07/03<br>07/03                        | 02/02       | \$93,000<br>MTG  | \$0            | \$0            | 18                | 0            | 0     | 0   | \$0          | M-1<br>360<br>XP/TU/RF |
|                            | CONVENTIONAL REAL ESTATE LOAN, INCLUDING PURCHASE MONEY FIRST |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | GMAC MORTGAGE CORP<br>852926789                               | 07/03<br>07/03                        | 02/02       | \$300,000<br>MTG | \$0            | \$0            | 18                | 0            | 0     | 0   | \$0          | M-1<br>360<br>XP/TU/RF |
|                            | CONVENTIONAL REAL ESTATE LOAN, INCLUDING PURCHASE MONEY FIRST |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| F                          | HSBC/COSTC<br>24600-8002276977                                | 02/02<br>10/01                        | 05/99       | \$3,000<br>REV   | \$0            | \$0            | 44                | 0            | 0     | 0   | \$0          | R-1<br>XP/TU/RF        |
|                            | ACCOUNT CLOSED AT CONSUMER'S REQUEST                          |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| F                          | HSBC/IKRA<br>10604-4003170107                                 | 09/01<br>07/01                        | 09/98       | \$800<br>REV     | \$0            | \$0            | 30                | 0            | 0     | 0   | \$0          | R-1<br>XP/TU/RF        |
| B                          | INDYMAC BANK<br>6681003460241                                 | 07/05<br>05/05                        | 07/03       | \$100,000<br>MTG | \$0            | \$0            | 24                | 0            | 0     | 0   | \$0          | M-1<br>360<br>XP/TU/RF |
|                            | CONVENTIONAL REAL ESTATE LOAN, INCLUDING PURCHASE MONEY FIRST |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | KEY BANK OF OREGON<br>3720004881303                           | 04/00<br>03/00                        | 08/97       | \$13,200<br>INST | \$0            | \$0            | 38                | 0            | 0     | 0   | \$0          | I-1<br>150<br>XP/TU/RF |
|                            | RECREATIONAL MERCHANDISE                                      |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | KEYBANK OR<br>588116100105                                    | 06/98<br>09/97                        | 07/97       | \$13,000<br>REV  | \$0            | \$0            | -                 | -            | -     | -   | \$0          | R-1<br>XP/TU           |
|                            | ACCOUNT CLOSED BY CONSUMER                                    |                                       |             |                  |                |                |                   |              |       |     |              |                        |
| B                          | NORDSTROMFSB<br>6089  | 02/03<br>10/97                        | 05/88       | \$1,000<br>REV   | \$0            | \$0            | 42                | 0            | 0     | 0   | \$0          | R-1<br>TU              |

ECOA KEY: B-BORROWER; C-CO-BORROWER; J-JOINT; U-UNDESIGNATED

This information is furnished in reliance on information provided by the borrower and is not intended to constitute a recommendation or approval of any product or service. The information is provided for informational purposes only. The information is not intended to be used for any purpose other than that for which it was provided. The information is not intended to be used for any purpose other than that for which it was provided. The information is not intended to be used for any purpose other than that for which it was provided.



Certified Credit Reporting
1188 Olympic Dr. Suite 207
Corona, CA 92701
Tel: (909) 789-7616
Fax: (909) 789-7616

PERIODIC CREDIT REPORT

Report No 1202381

Provided For: LOAN LEADERS OF AMERICA
2101 BUSINESS CENTER DRIVE, SUITE 120
IRVINE, CA 92612
Acct #: 3234

Table with columns: Date Received, Date Issued, Requested By, Loan Type, FVMA #, Charges, Sources, Reference #

GENERAL INFORMATION

Borrower Name BROWN, CINDY Social Security No 542-86-1727 Age
Co-Borrower Name Social Security No Age
Current Address 17841 LINCOLN STREET, VILLA PARK, CA 92861 Age
Previous Address Length
Marital Status UNMARRIED
Dependents

CREDIT HISTORY

Main credit history table with columns: CREDIT TYPE, CREDITOR NAME, ACCOUNT NUMBER, DATE REPORTED, DATE LAST ACTIVITY, DATE OPENED, HIGH CREDIT, PRESENT STATUS, HISTORICAL STATUS, PAYMENT TERM, PRESENT STATUS

ECOA KEY: B-BORROWER; C-CO-BORROWER; J-JOINT; U-UNDESIGNATED

This information is furnished in response to a request for the purpose of checking credit records. It has been obtained from sources deemed reliable. The accuracy of which is not guaranteed. This report is not to be used for any other purpose. It may be held in confidence and its use is restricted to the purposes stated. It is not to be used for any other purpose. It may be held in confidence and its use is restricted to the purposes stated. It is not to be used for any other purpose.



**Credit Reporting**  
 1180 Olympic Dr. Suite 207  
 Corona, CA 92881  
 Tel: (800) 768-7615  
 Fax: (800) 768-7615

**PREQUAL CREDIT REPORT**

Report No  
 1202381

Provided For: **LOAN LEADERS OF AMERICA**  
 2101 BUSINESS CENTER DRIVE, SUITE 120  
 IRVINE, CA 92612  
 Acct #: 3234

|                             |                           |                                 |
|-----------------------------|---------------------------|---------------------------------|
| Date Received<br>11/28/2005 | Date Issued<br>11/18/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV           | FRMA #                    | Charges<br>\$18.33              |
| Sources<br>XP/TU/BP         | Reference #               |                                 |

**GENERAL INFORMATION**

Borrower Name **BROWN, CINDY** Social Security No **542-86-1727** Age  
 Co-Borrower Name Social Security No Age  
 Current Address **17841 LINCOLN STREET, VILLA PARK, CA 92861** Length  
 Previous Address Length  
 Marital Status **UNMARRIED**  
 Dependents

**CREDIT HISTORY**

| CREDITOR NAME<br>ACCOUNT NUMBER | DATE REPORTED<br>DATE LAST ACTIVITY | DATE OPENED | HIGH CREDIT | PRESENT STATUS |                  | HISTORICAL STATUS |             | PAYMENT TERM | PRESENT STATUS |
|---------------------------------|-------------------------------------|-------------|-------------|----------------|------------------|-------------------|-------------|--------------|----------------|
|                                 |                                     |             |             | BALANCE        | PERCENT AMOUNT   | MOS REV           | TIME PERIOD |              |                |
| <b>TRADE SUMMARY</b>            |                                     |             |             |                |                  |                   |             |              |                |
|                                 |                                     |             | COINT       | BALANCE        | HIGH CREDIT      | PAYMENT           | PAST DUE    |              |                |
| MORTGAGE                        |                                     |             | 8           | 377979         | 380000           | 2118              | 0           |              |                |
| AUTO                            |                                     |             | 4           | 23216          | 31234            | 695               | 0           |              |                |
| EDUCATION                       |                                     |             | 0           | 0              | 0                | 0                 | 0           |              |                |
| OTHER INSTALLMENT               |                                     |             | 4           | 0              | 0                | 0                 | 0           |              |                |
| OPEN                            |                                     |             | 0           | 0              | 0                | 0                 | 0           |              |                |
| REVOLVING                       |                                     |             | 28          | 10020          | 47557            | 202               | 0           |              |                |
| OTHER                           |                                     |             | 2           | 956            | 956              | 0                 | 956         |              |                |
| <b>TOTAL</b>                    |                                     |             | <b>46</b>   | <b>412371</b>  | <b>459747</b>    | <b>2955</b>       | <b>956</b>  |              |                |
| SECURED DEBT                    |                                     | 401195      |             |                | OLDEST TRADELINE | 01/97             |             |              |                |
| UNSECURED DEBT                  |                                     | 10976       |             |                | DEBT/HIGH CREDIT | 956               |             |              |                |

**DEROGATORY SUMMARY**

| CHARGE OFFS | DELINQ | 30 DAYS | 60 DAYS | 90 DAYS | OTHER | INQUIRIES | 11 |
|-------------|--------|---------|---------|---------|-------|-----------|----|
| 0           | 0      | 5       | 4       | 1       | 0     |           |    |
| 0           | 0      | 0       | 0       | 0       | 0     |           |    |
| 0           | 0      | 0       | 0       | 0       | 0     |           |    |
| 0           | 0      | 0       | 0       | 0       | 0     |           |    |

**PUBLIC RECORDS**  
 \*\*\* NO RECORD FOUND \*\*\*

**INQUIRIES (ONLY LAST 90 DAYS FROM)**

| DATE     | FROM                   | TO | TYPE     |
|----------|------------------------|----|----------|
| 11/15/05 | BAC-CRSMR LNDG         |    | XP       |
| 11/04/05 | CBCTMNOVIS             |    | XP/TU/BP |
| 10/25/05 | CREDCO                 |    | XP/TU/BP |
| 10/19/05 | CREDCO                 |    | XP/BP    |
| 10/19/05 | FAC                    |    | TU       |
| 10/11/05 | CCR                    |    | BP       |
| 10/11/05 | CRFCD CRDT             |    | TU       |
| 10/11/05 | CERTIFIED CREDIT REPOR |    | XP       |
| 10/06/05 | IMPOL-STE              |    | BP       |
| 10/06/05 | INDYMAC/INF1           |    | TU       |
| 10/06/05 | INDYMAC BANK           |    | XP       |

**SOURCE OF INFORMATION**

1 - EQUIFAX  
 NAME: CYNTHIA L BROWN DOB: 03/16/65  
 NAME: CINDY BROWN  
 SSN: 542-86-1727  
 ADDRESS: 17841 LINCOLN ST, VILLA PARK, CA 92861  
 ADDRESS: 2821 TALL OAKS CT APT 11, AUBURN HILLS, MI 48326  
 EMPLOYER: HOME DEPOT/PRO BASKETBALL/  
 EMPLOYER: WNBA/PRO BASKETBALL/  
 EMPLOYER: EUROSPAN PRO BS/WOMENS PRO BBL PLYM

2 - TRANSUNION  
 NAME: CYNTHIA L BROWN

ECOA KEY: B=BORROWER; C=CO-BORROWER; J=JOINT; U=UNDESIGNATED  
 This information is furnished in response to an inquiry for the purpose of evaluating credit risk. It has been obtained from sources deemed reliable, the accuracy of which is not guaranteed. The recipient has agreed to indemnify and hold harmless the reporting agency for any damage or expense caused by its use, and the recipient agrees to indemnify and hold harmless the reporting agency for any damage or expense caused by its use. This report is prepared in accordance with the provisions of Public Law 91-508, the Fair Credit Reporting Act. Reporting bureaus cannot file all Real Estate Mortgage Credit Reports in accordance with the provisions of Public Law 91-508, the Fair Credit Reporting Act.



Certified Credit Reporting
1100 Olympic Dr. Suite 207
Corona, CA 92609
Tel: (951) 769-7616
Fax: (951) 769-7616

PREQUAL CREDIT REPORT

Report No 1202381

Provided For: LOAN LEADERS OF AMERICA
2101 BUSINESS CENTER DRIVE, SUITE 120
IRVINE, CA 92612
Acct #: 3234

Table with columns: Date Received, Date Issued, Requested By, Loan Type, CBIV, Sources, Reference #

GENERAL INFORMATION table with fields: Borrower Name, Social Security No, Age, Co-Borrower Name, Current Address, Previous Address, Marital Status, Dependents

CREDIT HISTORY table with columns: CREDITOR NAME, ACCOUNT NUMBER, DATE REPORTED, DATE OPENED, HIGH CREDIT, PRESENT STATUS, HISTORICAL STATUS, PAYMENT TERM, PRESENT STATUS

MISCELLANEOUS INFORMATION

Instant View Password: B2-42A5823A
To verify the authenticity of this credit report, please visit
https://certifiedcredit.meridianlink.com and click on the Instant View link.

CREDITORS

Table listing various creditors such as ALLIANCE MORTGAGE, ANDERSON FIN NETWORK, and others with their addresses and phone numbers.

ECOA KEY: B-BORROWER; C-CO-BORROWER; J-JOINT; U-UNDESIGNATED
The information is furnished in response to a request for the purpose of evaluating credit risk.



Certified Credit Reporting  
198 Olympic Dr. Suite 207  
Carson, CA 90804  
Tel: (800) 768-7816  
Fax: (800) 768-7816

FREQUENT CREDIT REPORT

Report No  
1202381

Provided For: LOAN LEADERS OF AMERICA  
2101 BUSINESS CENTER DRIVE, SUITE 120  
IRVINE, CA 92612  
Acct #: 3234

|                             |                           |                                 |
|-----------------------------|---------------------------|---------------------------------|
| Date Received<br>11/18/2005 | Date Issued<br>11/18/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV           | FNMA #                    | Charge<br>\$18.33               |
| Source<br>XP/TU/BP          | Reference #               |                                 |

| GENERAL INFORMATION   |                                   |        |  |
|---|-----------------------------------|--------|--|
| Borrower Name<br>BROWN, CINDY                                 | Social Security No<br>542-86-1727 | Age    |  |
| Co-Borrower Name  | Social Security No                | Age    |  |
| Current Address<br>17841 LINCOLN STREET, VILLA PARK, CA 92661 |                                   | Length |  |
| Previous Address  |                                   | Length |  |
| Marital Status<br>UNMARRIED                                   |                                   |        |  |
| Dependents  |                                   |        |  |

| CREDIT HISTORY | CREDITOR NAME<br>ACCOUNT NUMBER | DATE REPORTED<br>DATE/ACTIVITY | DATE OPENED                                    | HIGH CREDIT | PRESENT STATUS |                | HISTORICAL STATUS |     | PAYMENT TERM | PRESENT STATUS |
|----------------|---------------------------------|--------------------------------|--|-------------|----------------|----------------|-------------------|-----|--------------|----------------|
|                |                                 |                                |  |             | BALANCE        | PAYABLE AMOUNT | REV               | REV |              |                |
|                | BOFINANCIALINC/CRTFCRDT         |                                | 1180 OLYMPIC DR # 207, CORONA, CA 92719        |             | 91719          |                |                   |     |              | 909-371-3911   |
|                | FMCC                            |                                | 12110 EMMET, OMAHA NE 68168                    |             |                |                |                   |     |              | 800-727-7000   |
|                | FRD MOTOR CR                    |                                |  |             |                |                |                   |     |              | 800-727-7000   |
|                | G C SERVICES                    |                                | 6330 GULFTON ST STE 400, HOUSTON TX 770811108  |             |                |                |                   |     |              | 800-756-6824   |
|                | GROCCO/PBP BOYS                 |                                | PO BOX 276, DAYTON OH 45401                    |             |                |                |                   |     |              | 800-292-7508   |
|                | GPCS/PB-RNG                     |                                | P.O. BOX 276, DAYTON OH 45401                  |             |                |                |                   |     |              | 937-534-6950   |
|                | GEMB/LEBS                       |                                | PO BOX 276 MAIL CODE OH, DAYTON OH 45401       |             |                |                |                   |     |              | 937-534-6950   |
|                | GEMB/PEBOY                      |                                | PO BOS 276 MAIL CODE OH, DAYTON OH 45401       |             |                |                |                   |     |              | 937-534-6950   |
|                | GENERAL MOTORS MTG COR          |                                | PO BOX 780, WATERLOO IA 50704                  |             |                |                |                   |     |              | 800-766-4622   |
|                | GMAC MTG                        |                                | 500 ENTERPRISE DRIVE STE, HORSHAM PA 19044     |             |                |                |                   |     |              | 800-852-0656   |
|                | HB/IKBA                         |                                | 2700 SANDERS RD, PROSPECT HEIGHTS IL 60070     |             |                |                |                   |     |              | BY MAIL ONLY   |
|                | HLRD BANK                       |                                | POB 15524, WILMINGTON DE 19850                 |             |                |                |                   |     |              | 800-695-6950   |
|                | home depot / cbusa              |                                |  |             |                |                |                   |     |              | 800-677-0232   |
|                | HSBC/COSCO                      |                                | COST, WILMINGTON DE 19808                      |             |                |                |                   |     |              | 802-425-3500   |
|                | HSBC/COSTCO                     |                                | 200 BENEFACTIAL CTR, PRERACK NJ 07977          |             |                |                |                   |     |              | 802-425-3500   |
|                | HSBC/IKBA                       |                                | 101 N WALNUT ST, WILMINGTON DE 19801           |             |                |                |                   |     |              | MAIL ONLY      |
|                | INDYNAC BK                      |                                | 6900 BEATRICE DRIVE, KALAMAZOO MI 49008        |             |                |                |                   |     |              | 800-781-7399   |
|                | INDYNAC-BLS                     |                                | ONE NATIONAL CITY, KALAMAZOO MI 49009          |             |                |                |                   |     |              | 800-781-7399   |
|                | JCP/MCCSG                       |                                | P.O. BOX 27570, ALBUQUERQUE NM 87125-7570      |             |                |                |                   |     |              | 800-842-0800   |
|                | KAY                             |                                | 375 CHEST RD., ARSON OH 44833                  |             |                |                |                   |     |              | 800-877-3616   |
|                | KAY JEWELERS                    |                                | 375 CHEST RD, ARSON OH 44833                   |             |                |                |                   |     |              | 800-877-3616   |
|                | KEY BANK OF OREGON              |                                | PO BOX 23698, TIGARD OR 97281                  |             |                |                |                   |     |              | 800-539-2265   |
|                | KEY BK OR                       |                                |  |             |                |                |                   |     |              | 803-684-7363   |
|                | KEYBANK                         |                                | PO BOX 16430, BOISE ID 83715                   |             |                |                |                   |     |              |                |
|                | KEYBANK OR                      |                                | PO BOX 11626, TACOMA WA 98411                  |             |                |                |                   |     |              |                |
|                | LOANWORKS                       |                                | 1 NATIONAL CITY PKWY, KALAMAZOO MI 49009       |             |                |                |                   |     |              | 800-781-7399   |
|                | LOWES                           |                                |  |             |                |                |                   |     |              | 800-444-1408   |
|                | LOWES/MBGA                      |                                | P O BOX 103065, ROSWELL GA 30076               |             |                |                |                   |     |              | 800-444-1408   |
|                | M FIELD'S                       |                                | 300 SHEFFIELD CENTER, LORAIN OH 44055          |             |                |                |                   |     |              |                |
|                | MARSHAL FLD                     |                                | P.O. BOX 59270, MINNEAPOLIS MN 55459           |             |                |                |                   |     |              | 800-634-3537   |
|                | MBGA/JC PENNEY                  |                                | PO BOX 27570, ALBUQUERQUE NM 87125             |             |                |                |                   |     |              | 800-542-0800   |
|                | MEIER & FRANK                   |                                | PO BOX 23430, CITY OF INDUSTRY CA 91715        |             |                |                |                   |     |              | 803-223-0512   |
|                | MEIER&FRANK                     |                                | P.O. BOX 8021, LORAIN OH 44055                 |             |                |                |                   |     |              |                |
|                | MEIER&FRANK                     |                                | 6160 LAUREL CAMPUS BLVD, HOLLYWOOD CA 91606    |             |                |                |                   |     |              | 800-830-9122   |
|                | MWCB VISA                       |                                | P O BOX 5565, ENGLEWOOD CO 80155               |             |                |                |                   |     |              | 803-397-4000   |
|                | NORDSTROM FSB                   |                                | PO BOX 5565, ENGLEWOOD, CO 80155               |             |                |                |                   |     |              | 800-935-4210   |
|                | NORDSTROMFSB                    |                                | PO BOX 5566, ENGLEWOOD CO 80155                |             |                |                |                   |     |              |                |
|                | NRB - MPLDS                     |                                | PO BOX 9475, MINNEAPOLIS MN 55440              |             |                |                |                   |     |              | BY MAIL ONLY   |
|                | NRB-FIELD1                      |                                | 3701 WAZATA BLVD, MINNEAPOLIS MN 55415         |             |                |                |                   |     |              | 800-659-2396   |
|                | NRB-MPLDS                       |                                | MAIL STOP 2RD, MINNEAPOLIS MN 55440            |             |                |                |                   |     |              | MAIL ONLY      |
|                | SEARS                           |                                | 13200 SMITH RD, CLEVELAND, OH 44130            |             |                |                |                   |     |              | 800-669-8415   |
|                | THE CREDIT BUREAU INC           |                                | 520 E MAIN ST, CARNEGIE, PA 15106              |             |                |                |                   |     |              |                |
|                | WASHINGTON MUTUAL HOME          |                                | 324 W EVANS ST, FLORENCE, SC 29501             |             |                |                |                   |     |              | BY MAIL ONLY   |
|                | WASHINGTON                      |                                |  |             |                |                |                   |     |              | 800-282-4840   |
|                | WFNB/SAM                        |                                | PO BOX 29168, SHAWNEE MISSION KS 66201         |             |                |                |                   |     |              | 800-927-7835   |
|                | WFNB/SAMUEL                     |                                | 9750 WALNUT ST., DALLAS, TX 75243              |             |                |                |                   |     |              | 514-729-3588   |
|                | WFNB/SAMUELS                    |                                | 9750 WALNUT ST, DALLAS TX 75243                |             |                |                |                   |     |              | BY MAIL ONLY   |
|                | WORLD S&L                       |                                | 3348 LAKE SHORE AVE, OAKLAND CA 94610          |             |                |                |                   |     |              | 800-642-0257   |
|                | WORLD SAVINGS & LOAN            |                                | 4101 WISEMAN BLVD # MC-T, SAN ANTONIO TX 78251 |             |                |                |                   |     |              | 800-642-0257   |
|                | WORLDSAVINGS                    |                                | 794 DAVIS CT, SAN LEANDRO CA 94577             |             |                |                |                   |     |              | 800-642-0257   |
|                | WASHINGTON MUTL                 |                                | 11200 W PARKLAND A, MILWAUKEE WI 53224         |             |                |                |                   |     |              | 843-673-3700   |

DISCLAIMER

An asterisk (\*) following the payment amount indicates the repositories have no payment data and that the amount was automatically calculated as a percentage of the account balance.

ECOA KEY: B=BORROWER; C=CO-BORROWER; J=JOINT; U=UNDESIGNATED

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**Certified Credit Reporting**  
 1180 Olympic Dr. Suite 207  
 Corona, CA 92689  
 Tel: (800) 768-7818  
 Fax: (800) 768-7818

**PREQUAL CREDIT REPORT**

Report No  
 1202381

Provided For: **LOAN LEADERS OF AMERICA**  
 2101 BUSINESS CENTER DRIVE, SUITE 120  
 IRVINE, CA 92612  
 Acct #: 3234

|                             |                           |                                 |
|-----------------------------|---------------------------|---------------------------------|
| Date Received<br>11/18/2005 | Date Issued<br>11/18/2005 | Requested By<br>DENISE ANDERSON |
| Loan Type<br>CONV           | FNMA #                    | Charges<br>\$18.33              |
| Source                      | Reference #               |                                 |
| XP/TU/EP                    |                           |                                 |

| GENERAL INFORMATION   |                                   |        |
|---|-----------------------------------|--------|
| Borrower Name<br>BROWN, CINDY                                 | Social Security No<br>542-86-1727 | Age    |
| Co-Borrower Name  | Social Security No                | Age    |
| Current Address<br>17841 LINCOLN STREET, VILLA PARK, CA 92861 |                                   | Length |
| Previous Address  |                                   | Length |
| Martial Status<br>UNMARRIED                                   |                                   |        |
| Dependents  |                                   |        |

| CREDIT HISTORY  |   |                                      |             |             |   |                |                   |    |    |  |                |
|---|---|--------------------------------------|-------------|-------------|---|----------------|-------------------|----|----|--|----------------|
| CREDIT RISK   | CREDITOR NAME<br>ACCOUNT NUMBER   | DATE REPORTED<br>DEFAULT<br>ACTIVITY | DATE OPENED | HIGH CREDIT | PRESENT STATUS  |                | HISTORICAL STATUS |    |    | PAYMENT TERM   | PRESENT STATUS |
|   |   |                                      |             |             | BALANCE   | PARTIAL AMOUNT | MS                | NS | SP |  |                |
| This is a report containing information supplied by the repositories listed above. The merge process is automated and the report may include some duplications and/or omissions. Inquiries regarding any disputed items should be directed to the creditor reporting the item, or to the appropriate repository service center(s) listed below.   |   |                                      |             |             |   |                |                   |    |    |  |                |
|   | EXPERIAN<br>PO BOX 2002<br>ALLEN, TX 75013<br>888-397-3742<br>www.experian.com/reportaccess |                                      |             |             | TRANSUNION<br>PO BOX 1000<br>CHESTER, PA 19022<br>800-888-4213<br>www.transunion.com      |                |                   |    |    | EQUIFAX<br>PO BOX 740241<br>ATLANTA, GA 30374<br>800-685-1111<br>www.equifax.com |                |
| This PREVIEW report contains "Infile" information including all public records supplied by the repositories shown on page 1. Its content has not been verified and may contain duplicate and/or inaccurate information. It is not, until completed a Residential Mortgage Credit Report as defined by FNMA, FHLMC, FVA/VA guidelines. Any questions regarding this information should be directed to the appropriate repository service center(s) listed below. |   |                                      |             |             |   |                |                   |    |    |  |                |
|   | EXPERIAN (XP)<br>P.O. BOX 2002<br>ALLEN, TX 75013<br>(888) 397-3742                         |                                      |             |             | TRANS UNION (TU)<br>2 BALDWIN PL.<br>P.O. BOX 1000<br>CHESTER, PA 19022<br>(800) 888-4213 |                |                   |    |    | EQUIFAX (EP)<br>PO BOX 740241<br>ATLANTA, GA 30374<br>(800) 685-1111             |                |
| *** END OF REPORT 11/28/2005 1:56:24 PM ***   |   |                                      |             |             |   |                |                   |    |    |  |                |

ECCO KEY: B=BORROWER; C=CO-BORROWER; J=JOINT; U=UNDESIGNATED

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FROM : ROYAL LINDSINES

FAX NO. : 714 639 4253

Dec. 03 2005 01:04PM P6

# NOTE

November 8, 2005  
[Date]

Villa Park  
[City]  
17841 LINCOLN ST. Villa Park, CA 92861

California  
[State]

[Property Address]

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$500,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is New Century Mortgage Corporation

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

## 2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.125 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

## 3. PAYMENTS

### (A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning on January 1, 2006

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on 12/01/2035, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 18400 Von Karman, Suite 1000, Irvine, CA 92612

or at a different place if required by the Note Holder.

### (B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ 3,368.60

## 4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A prepayment of all of the unpaid principal is known as a "Full Prepayment." A prepayment of only part of the unpaid principal is known as a "Partial Prepayment."

Except as provided below, I may make a Full or Partial Prepayment without paying any penalty. If I make a Partial Prepayment equal to one or more of my monthly payments, my due date may be advanced no more than one month. If I make any other Partial Prepayments, I must still make each later payment as it becomes due and in the same amount. I may make a Full or Partial Prepayment at any time.

In the event, during the first Thirty-six (36) months after the execution of the Deed of Trust, I make a Full Prepayment or Partial Prepayment and the total of such prepayments in any twelve (12) month period exceeds twenty percent (20%) of the original Principal amount of the loan, I will pay a prepayment charge in an amount equal to the payment of six (6) months' advance interest on the amount prepaid which is in excess of twenty percent (20%) of the original Principal amount.

1004774211

CALIFORNIA FIXED RATE NOTE - Single Family - With Prepayment Penalty

100N(CA) 103031.01

2/03

Page 1 of 3

Initials: \_\_\_\_\_

NMP Mortgage Solutions 1000621-7291

*note & deed on existing 1ST*

FROM : ROYAL LIMOUSINES

FAX NO. : 714 639 4253

Dec. 03 2005 01:05PM P7

**5. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a Partial Prepayment.

**6. BORROWER'S FAILURE TO PAY AS REQUIRED****(A) Late Charge for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

**(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

**(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

**7. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

**8. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**9. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

**10. APPLICABLE LAW**

This Note shall be governed by the laws of the State of California. If a law, which applies to this loan and sets maximum loan charges is finally interpreted so that the interest and other charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such interest or other charge shall be reduced by the amount necessary to reduce the interest or other charge to the permitted limit; and (b) any sums already collected from me which exceed permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a Partial Prepayment, but in no event will a prepayment charge be assessed if the Note Holder chooses to reduce my Principal balance by applying such excess amounts.

1004774211

3/03

FROM : ROYAL LIMOUSINES-----

FAX NO. : 714 639 4253

Dec. 03 2005 01:05PM PB

11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower  
CYNTHIA L BROWN

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

\_\_\_\_\_(Seal) \_\_\_\_\_(Seal)  
-Borrower -Borrower

*Sign Original Only!*  
1004774211

**5. LOAN CHARGES**

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**(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

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3/03

11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

\_\_\_\_\_  
CYNTHIA L BROWN (Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

[Sign Original Only]  
1004774211

FROM : ROYAL LINDUSINES

FAX NO. : 714 639 4253

Dec. 03 2005 01:06PM P9

Recording Requested By:

New Century Mortgage

Corporation

Return to:

New Century Mortgage

Corporation

18400 Von Karman, Ste 1000

Irvine, CA 92612

Prepared By:

New Century Mortgage

Corporation

18400 Von Karman, Ste 1000

Irvine, CA 92612

DEED OF TRUST

[Space Above This Line For Rewriting Data]

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated November 8, 2005

together with all Riders to this document.

(B) "Borrower" is CYNTHIA L BROWN, A Single Woman

Borrower's address is 17841 LINCOLN ST, Villa Park, CA 92861

(C) "Lender" is New Century Mortgage Corporation. Borrower is the trustor under this Security Instrument.

Lender is a Corporation

organized and existing under the laws of California

CALIFORNIA-Single Family-Trustee MORTGAGE INSTRUMENT

Form 3008 1/01

1004774211

MP (15A) 02071

Page 1 of 16

WAF MORTGAGE FORMS - 10/01/92-7/91

FROM : ROYAL INDUSTRIES

Denise Anderson

Fax No. : 714 639 4253

Lender's address is 18400 Von Karman, Suite 1000, Irvine, CA 92612

Leader is the beneficiary under this Security Instrument.

(D) "Trustee" is FIDELITY NATIONAL TITLE CO

(E) "Note" means the promissory note signed by Borrower and dated November 8, 2005

(F) "Property" means the debt evidenced by the Note, plus interest, any preparation charges and late charges

(G) "Loan" means all Riders to this Security Instrument that are executed by Borrower. The following

(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following

(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable, homeowners

(J) "Community Association Lien, Fees, and Assessment" means all dues, fees, assessments and other

(K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by

(L) "Association Proceeds" means any proceeds paid under the coverage described in Section 5 for: (i)

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on,

(N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on,

(O) "Perforated Payment" means the regularly scheduled amount due for (i) principal and interest under the

(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its

(Q) "RESPA" refers to all requirements and restrictions that are imposed in regard

(R) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its

(S) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its

Form 3006 1/01

Page 2 of 16

1004774211

Dec. 03 2005 01:06PM P10

256311935

12/05/05 03:49PM

FROM : ROYAL INDUSTRIES

PRX NO. : 714 639 4253

Dec. 03 2005 01:07PM P11

to a "federally related mortgage loan" even if the loan does not qualify as a "federally related mortgage loan" under RESPA.

(Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of Orange

[Type of Recording Jurisdiction]

[Name of Recording Jurisdiction]

See Legal Description Attached Hereto and Made a Part Hereof

Parcel ID Number: 378-111-01  
17841 LINCOLN ST  
VILLA PARK

("Property Address"):

which currently has the address of  
[Street]  
[City], California 92861  
[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S.

1004774211

FROM : ROYAL LITHIUM BUSINESS

FAX NO. : 714 639 4253

Dec. 03 2005 01:07PM P12

currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payment is insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to apply such payments at the time such payments are made in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unpaid funds. Lender may hold such unpaid funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower, if not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Prepayments. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note. If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and from Borrower to the repayment of the Periodic Payment if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or miscellaneous proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments. 3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attach priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." An obligation or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay to Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be

1004774211

FROM : ROYALLIMOUSINES

FAX NO. : 714 639 4253

Dec. 03 2005 01:09PM P14

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

1004774211

Form 3005 1/01

in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow items directly pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow items or otherwise in accordance with applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow items, unless Lender pays Borrower interest on the Funds and Applicable Law requires interest to be paid on the Funds. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree to writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, Lender shall notify Borrower as required by RESPA. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments. Lender shall promptly refund upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. (Charges; Lien; Borrower shall pay all taxes, assessments, charges, fees, and impositions attributable to the Property which can obtain priority over this Security Instrument, leasehold payments or ground rent on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow items, Borrower shall pay them in the manner provided in Section 3. Borrower shall promptly discharge any lien which has priority over the Security Instrument unless Borrower (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement, which in Lender's opinion operates to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attach priority over this Security Instrument, Lender may give Borrower a notice identifying the

Section 2. If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given, in either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless excusing circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property. Inspectors. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property, whether or not Borrower is residing in the Property. Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repair and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an inspection specifying such reasonable cause. 8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If Property as Borrower's principal residence. (a) Protection of the Property. Lender's interest in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attach to the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and securing and/or repairing the Property, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

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FROM : ROYAL LIMOUSINES\_\_\_\_\_

FAX NO. : 714 639 4253

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attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**10. Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or qualifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

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FROM : ROYAL LIMOUSINES

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(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender

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FROM : ROYAL LIMOUSINES

FAX NO. : 714 639 4253

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to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

11. Joint and Several Liability. Conditions, Successors and Assigns Bound. Borrower agrees

FROM : ROYAL L L MOUSINES

FAX NO. : 714 639 4253

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**16. Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**17. Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

**18. Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**19. Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

**20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

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Initials: \_\_\_\_\_

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FROM : ROYAL LIMOUSINES \_\_\_\_\_

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requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

1004774211

Denise Anderson

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12/05/05 04:27PM

FROM : ROYAL LIMOUSINES

FAX NO. : 714 639 4253

Dec. 03 2005 01:14PM P21

**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

**22. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). 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 Borrower, 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 sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, 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 and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

**23. Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Lender may charge such person or persons a reasonable fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law. If the fee charged does not exceed the fee set by Applicable Law, the fee is conclusively presumed to be reasonable.

**24. Substitute Trustee.** Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by Applicable Law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

**25. Statement of Obligation Fee.** Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

FROM : ROYAL LIMOUSINES

FAX NO. : 714 639 4253

Dec. 03 2005 01:15PM P22

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

\_\_\_\_\_

\_\_\_\_\_  
CYNTHIA L BROWN (Seal)  
-Borrower

\_\_\_\_\_

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_

(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

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(Seal)  
-Borrower

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(Seal)  
-Borrower

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(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

Dec 09 05 01:29p

P. 1

RECORDING REQUESTED BY  
BRUCE B. OSTERSTROM

AND WHEN RECORDED MAIL TO  
NAME Bruce B. Osterstrom  
ADDRESS BRUCE B. OSTERSTROM, A/R:  
245 Fischer Avenue, Suite A-1  
CITY Costa Mesa, California 92626  
STATE  
ZIP  
Title Order No. Escrow No.

Recorded in Official Records, Orange County  
Tom Daly, Clerk-Recorder

11:18 AM 12/12/05 18.00  
2005000982878 09:23am 12/09/05  
115 45 D11 A38 3  
0.00 0.00 0.00 0.00 6.00 0.00 0.00 0.00

#12

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DEED OF TRUST WITH ASSIGNMENTS OF RENTS

This DEED OF TRUST, made December 9, 2005 between  
CYNTHIA L. BROWN herein called TRUSTOR,  
whose address is 17841 Lincoln Street, Villa Park, California 92861  
(Number and Street) (City) (State) (Zip Code)  
CHICAGO TITLE COMPANY, a California Corporation, herein called TRUSTEE, and CRAIG R. DIMOND

herein called BENEFICIARY,  
Trustor irrevocably grants, transfers and assigns to Trustee in Trust, with Power of Sale that property in City of Villa  
Park County of Orange State of California described as:  
The real property commonly known as 17841 Lincoln Street, Villa Park,  
California 92861 and more particularly described in Exhibit "A" attached hereto  
and incorporated herein by his reference.

Assessor's Parcel No. 378-1-01

Together with the rents, issues and profits thereof subject, however, to the right, power and authority heretofore given to and conferred upon  
Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$380,000.00 with interest thereon according to the terms of a promissory  
note or notes of even date herewith made by Trustor, payable to order of the Beneficiary, and extensions or renewals thereof; (2) the performance  
of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest  
thereon which may hereafter be loaned to Trustor or his or her successors or assigns, when evidenced by a promissory note or notes reciting that  
they are secured by this Deed of Trust.

- A. To protect the security of this Deed of Trust, and with respect to the property above described, Trustor agrees:
- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
  - (2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
  - (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including the cost of evidence of title and attorney's fees in a reasonable sum, in any action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
  - (4) To pay, at least ten days before delinquency, all taxes and assessments affecting said property, including assessments on appurtenant water stock when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

and TD

FROM : ROYAL LIMOUSINES

FAX NO. : 714 639 4253

Dec. 03 2005 01:05PM P7

**5. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a Partial Prepayment.

**6. BORROWER'S FAILURE TO PAY AS REQUIRED**

(A) **Late Charge for Overdue Payments**  
If the Note Holder has not received the full amount of any monthly payment by the end of fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

**(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

**(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

**7. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

**8. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**9. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

**10. APPLICABLE LAW**

This Note shall be governed by the laws of the State of California. If a law, which applies to this loan and sets maximum loan charges is finally interpreted so that the interest and other charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such interest or other charge shall be reduced by the amount necessary to reduce the interest or other charge to the permitted limit; and (b) any sums already collected from me which exceed permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a Partial Prepayment, but in no event will a prepayment charge be assessed if the Note Holder chooses to reduce my Principal balance by applying such excess amounts.

1004774211

3/03

Dec 09 05 01:31p

P. 4

**DO NOT RECORD**

TO CHICAGO TITLE COMPANY

**REQUEST FOR FULL RECONVEYANCE**

The undersigned is the legal owner and holder of the note or notes, and all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust have been fully paid and satisfied, and you are hereby requested and directed, on payment to you of any sums owing you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all evidence of indebtedness secured by said Deed of Trust delivered to you herewith, together with said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated 12-3-05

Cynthia L. Brown

Please mail Deed of Trust, Note and Reconveyance to \_\_\_\_\_

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made





Denise Anderson

0311825

12/19/05 04:48pm P. 05

DEC-09-2005 11:23PM FROM-SAN DIEGO  
12/08/2005 11:00 FAX

440-212-7652

T-014 P.001/001 F-022

#15



P.O. Box 54284, San Diego, CA 92161-0284 (619) 591-6667 Fax (619) 517-8228

PO338  
1004774211

PAYOFF STATEMENT

12/08/05

To: NCM  
ATTN: DENISE  
FAX# 9494776734  
PJ#

attn: Denise 253-322-1456

JB

Loan Number: 1004774211  
Re: Mortgagor: CYNTHIA L. BROWN  
Co-Mortgagor:  
Property: 17841 LINCOLN ST  
VILLA PARK

CA 92861-0000

These figures are good to 12/31/05  
This loan is due for the 01/01/06  
The current total unpaid principal balance is \$ 500000.00  
Interest at 7.12500 \$ 2928.00  
Recording Fee: \$ 6.00  
Unpaid Other Fees: \$ 0.00  
Recum/ Release Fee: \$ 22.00  
Faxing Fee: \$ 0.00  
Demand Fee: \$ 0.00  
Late charges: \$ 0.00  
Escrow Impound Shortage \$ 0.00  
Prepayment Penalty: \$ 0.00  
\* \* \* TOTAL AMOUNT TO PAY LOAN IN FULL \* \* \* \$ 502956.00

Funds received on or after 12/31/05 will require an additional \$ 97.6027 interest per day.

\*\*\*\*\* THESE FIGURES MUST BE VERIFIED, PRIOR TO ISSUING PAYOFF \*\*\*\*\*  
\*\*\*\*\* ONLY CERTIFIED FUNDS WILL BE ACCEPTED \*\*\*\*\*

Please remit payoff checks to the following address:

1610 E. St. Andrew Pl, Suite B150  
Santa Ana, CA 92705, ATTENTION: CASHING

Failure to send checks to the above address may result in the accrual of additional interest.

Issuance of this statement does not suspend the contract requirement to make the mortgage payments when due. A late charge of \$ 168.43 will be assessed 15 days after a current payment is due and should be added to the payoff total if received after that time.

PAYOFF DEPARTMENT  
3/38

PLEASE PRINT NAME AT CHECKING ACCOUNT AND PUBLIC CHECKING TRUST IF APPLICABLE

TD: Christian Fisher  
Fidelity National Title Company  
17892 East 17th Street, Suite 100  
Tustin, CA 92780

ESCROW NO.: 705702-CF  
PROPERTY ADDRESS:  
17841 Lincoln Street, Villa Park, CA 92861

**BENEFICIARY DEMAND**

I hand you herewith the following:

- (1) Original note in the amount of \$ \_\_\_\_\_
- (2) Trust deed securing same recorded in Book \_\_\_\_\_ Page \_\_\_\_\_ as document No. \_\_\_\_\_ in the Official Records \_\_\_\_\_ County.
- (3) Fire Insurance Policy Number \_\_\_\_\_ issued by \_\_\_\_\_
- (4) Request for Full Reconveyance signed by all owners of the note.

You are hereby instructed to use the above document, provided you hold for the account of the parties executing said Request for Full Reconveyance, the amount of the remaining principal balance of \$ 364,000 plus interest on said balance at the rate of 10% per cent per annum from 12/20/05 to date of close of escrow.

Additional amounts due are: (if none, please so state)

If you are unable to comply with these instructions on or before \_\_\_\_\_ you are hereby instructed to comply at the earliest possible date thereafter, unless I have otherwise instructed you in writing.

**PLEASE NOTE: ALL BENEFICIARIES MUST SIGN.**

Christian Fisher  
 \_\_\_\_\_  
 DATE: 12/16/05  
 Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_

**CREDIT SCORE DISCLOSURE**

**Borrower Name(s):**  
CYNTHIA L BROWN

**Lender:**  
HOME LOAN MORTGAGE CORPORATION  
11778 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345

**Date:**  
DECEMBER 13, 2005

**Property Address:** 17841 LINCOLN STREET, VILLA PARK, CA 92861

Your current Credit Score(s) or most recent Credit Score(s) and the key factors that adversely affect your Credit Score(s) in the model used is/are attached.

The range of possible Credit Scores under the model used is from a low of 250 to a high of 950.

Your Credit Score was created on the same date noted at the top of your Credit Score report.

The information and credit scoring model may be different than the Credit Score that may be used by the lender.



**Tom Daly**  
**Clerk-Recorder**  
**County of Orange**

**FICTITIOUS BUSINESS  
 NAME SEARCH**

**SEARCH CATEGORY: By FIRST NAME - LAST NAME**  
**CRITERIA: Like CYNTHIA BROWN**

| First Name | Last or Company Name | Number of Owners Registered | Business Name                  | Number of Businesses Registered | Registration Number | File Date  | Expiration Date |
|------------|----------------------|-----------------------------|--------------------------------|---------------------------------|---------------------|------------|-----------------|
| CYNTHIA    | BROWN                | 1                           | C BROWN AUTO SALES             | 1                               | 20046990353         | 06/18/2004 | 06/18/09        |
| CYNTHIA    | BROWN                | 1                           | BROWN RESEARCH AND DEVELOPMENT | 1                               | 20056050355         | 11/15/2005 | 11/15/10        |
| CYNTHIA    | BROWN                | 1                           | C BROWN AUTO SALES             | 1                               | 20046993739         | 07/16/2004 | 07/16/09        |
| CYNTHIA    | BROWN                | 1                           | TOYZ 4 U                       | 2                               | 20046993739         | 07/16/2004 | 07/16/09        |
| CYNTHIA    | BROWN                | 1                           | FUL THROTTLE RACING            | 1                               | 20046994446         | 07/22/2004 | 07/22/09        |
| CYNTHIA    | BROWN                | 1                           | CAL-INTERNATIONAL MARKETING    | 1                               | 19916510210         | 10/17/1991 | 10/17/96        |
| CYNTHIA    | BROWN                | 1                           | GRAND AFFAIR, THE              | 1                               | 19906444874         | 01/24/1990 | 01/24/95        |
| CYNTHIA    | BROWN                | 1                           | ROYALE LIMOUSINES              | 1                               | 20056047228         | 10/19/2005 | 10/19/10        |
| CYNTHIA    | BROWN                | 1                           | LOLLIPOPS CHILDRENS BOUTIQUE   | 1                               | 20016859128         | 03/22/2001 | 03/22/06        |
| CYNTHIA    | BROWN                | 1                           | ROYAL LIMOS                    | 1                               | 20056044809         | 09/28/2005 | 09/28/10        |

[New Search](#)

Page 1 of 1 # of Records: 10

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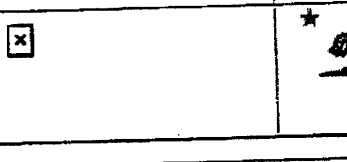
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 [FBN Filing Instructions](#)

Eagan Jas. D Income Tax & Bookkeeping Serv

1857 W Katella Ave  
Anaheim, CA 92804

(714) 776-5521



# California Tax Education Council

P.O. Box 2890, Sacramento, CA 95812-2890 tel: (877) 850-2832  
email: [info@ctec.org](mailto:info@ctec.org) ([Privacy Policy](#))

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## Verify a Tax Preparer

**Registered:** Registered status indicates the individual has completed the annual registration requirements by completing the required education and maintaining a \$5,000 tax preparer bond. Registered individuals are compliant with the California Business & Professions Code, Section 22250-22259, and are able to prepare taxes for a fee in California.

**Delinquent:** Delinquent status indicates the individual has not yet completed the annual registration requirements. Delinquent individuals are NOT able to prepare taxes (or assist in the preparation) for a fee in California until he/she complies with the California Business & Professions Code, Section 22250-22259 by submitting an application to report the required education and bond information.

**Expired:** Expired status indicates the individual has not completed the annual registration requirements. Expired individuals are NOT able to prepare taxes for a fee in California, and are unable to renew the registration. Expired individuals must complete a 60-hour qualifying education course, purchase a \$5,000 tax preparer bond, and register as a new preparer.

Just as a reminder, an individual preparing taxes for a fee may also be a CPA ([www.dca.ca.gov/cba](http://www.dca.ca.gov/cba)), an Enrolled Agent ([www.irs.gov](http://www.irs.gov)), or an attorney ([www.calbar.ca.gov](http://www.calbar.ca.gov)). You may wish to check the websites indicated to be sure the individual in question is not a CPA, EA or attorney, and, therefore, exempt from registering with CTEC. If you have any questions or concerns feel free to contact CTEC.

### Your Search Results

A5881 EAGAN, JAMES D  
1857 W KATELLA AVE  
ANAHEIM 92804-6554  
714-776-5521  
✓ Registered through 10/31/2006

[click here to start a new search](#)

**DISCLAIMER:** All information provided by the California Tax Education Council (CTEC) on this website is made available to provide immediate access for the convenience of interested persons. CTEC believes the information to be reliable, however, human or mechanical error remains a possibility, as does delay in the posting or updating of information. Therefore, CTEC makes no guarantee as to the completeness, timeliness, accuracy, or correct sequencing of the information. CTEC and any other source of information shall not be responsible for any errors or omissions, or for the use or results obtained from the use of this information.

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## TAX ASSOCIATES

1857 West Katella Ave  
Anaheim, CA. 92804  
Telephone 714-776

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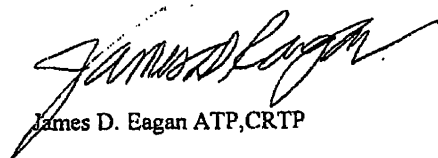
December 14, 2005

To Whom it may concern,

Re: Cynthia L. Brown 542-86-1727

This is to verify that I James D. Eagan have known and prepared income taxes for Ms. Brown as a self employed person, the owner- operator of Lollipops Children Boutique. For the past two years. The nature of the business is , selling children's cloths at a wholesale level. She operates from her home at 17841 East Lincoln, Villa Park. CA. 92667  
Should you find you require any additional information please feel free to contact me.

Yours truly,



James D. Eagan ATP, CRTP

*Verified letter by James Eagan 12/16/05.*  
*[Signature]*

CALIFORNIA CREDIT SCORE NOTICE

Borrower Name(s):

CYNTHIA L. BROWN

Lender:

HOME LOAN MORTGAGE CORPORATION

11776 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92346

Date:

DECEMBER 13, 2005

NOTICE TO THE HOME LOAN APPLICANT

In connection with your application for a home loan, the lender must disclose to you the score that a credit bureau distributed to users and the lender used in connection with your home loan, and the key factors affecting your credit scores.

The credit score is a computer generated summary calculated at the time of the request and based on information a credit bureau or lender has on file. The scores are based on data about your credit history and payment patterns. Credit scores are important because they are used to assist the lender in determining whether you will obtain a loan. They may also be used to determine what interest rate you may be offered on the mortgage. Credit scores can change over time, depending on your conduct, how your credit history and payment patterns change, and how credit scoring technologies change.

Because the score is based on information in your credit history, it is very important that you review the credit-related information that is being furnished to make sure it is accurate. Credit records may vary from one company to another.

If you have questions about your credit score or the credit information that is furnished to you, contact the credit bureau at the address and telephone number provided with this notice, or contact the lender, if the lender developed or generated the credit score. The credit bureau plays no part in the decision to take any action on the loan application and is unable to provide you with specific reasons for the decision on a loan application.

If you have questions concerning the terms of the loan, contact the lender.

One or more of the following credit bureaus will provide the credit score:

Experian  
P.O. Box 2002  
Allen, TX 75013  
1-888-397-3742

Equifax Credit Information Services  
P.O. Box 740241  
Atlanta, GA 30374  
1-800-685-1111

Trans Union  
P.O. Box 4000  
Chester, PA 19016  
1-866-887-2673

Your acknowledgment below signifies that this written notice was provided to you.

Cynthia L. Brown <sup>12.13.05</sup> \_\_\_\_\_ <sup>12.13.05</sup> \_\_\_\_\_  
 CYNTHIA L. BROWN Date Date

\_\_\_\_\_ Date \_\_\_\_\_ Date

\_\_\_\_\_ Date \_\_\_\_\_ Date

\_\_\_\_\_ Date \_\_\_\_\_ Date

# DISCLOSURE OF CREDIT SCORE INFORMATION

|  |  |
|--|--|
| <b>Borrower Name:</b><br>CYNTHIA L. BROWN                                | <b>Lender:</b><br>HOME LOAN MORTGAGE CORPORATION<br><br>11776 MARIPOSA ROAD, SUITE 103<br>HESPERIA, CA 92345 |
| <b>Property Address:</b><br>17841 LINCOLN STREET<br>VILLA PARK, CA 92861 | <b>Date:</b><br>DECEMBER 13, 2005  |

We are providing the following credit score information in connection with your loan application.

| Credit Score Provider                        | EQUIFAX CREDIT INFORMATION SERVICES | TRANS UNION                      | EXPERIAN                                   |
|--|-------------------------------------|----------------------------------|--|
| <b>Current/Most Recent Credit Score</b>      | 645                                 | 645                              | 558  |
| <b>Range of Possible Credit Scores</b>       | 375 - 900                           | 395 - 848                        | 300 - 850                                  |
| <b>Date of Credit Score</b>                  | NOVEMBER 18, 2005                   | NOVEMBER 18, 2005                | NOVEMBER 18, 2005                          |
| <b>Key Factors Adversely Affecting Score</b> | 39<br><br>13<br><br>18<br><br>10    | 38<br><br>13<br><br>02<br><br>10 | 38<br><br>13<br><br>02<br><br>20<br><br>08 |

| Reason Statement / Key Factor   | Equifax | Trans Union | Experian |
|---|---------|-------------|----------|
|   | Code    | Code        | Code     |
| Amounts owed on accounts is too high  | 01      | 01          | A/01     |
| Level of delinquency on accounts  | 02      | 02          | B/02     |
| Too few bank/national revolving accounts  | 03      |             | C/03     |
| Too many bank/national revolving accounts   | 04      |             | D/04     |
| Lack of recent installment loan information   | 32      | 04          | Y/32     |
| Too many accounts with balances   | 05      | 05          | E/05     |
| Too many consumer finance accounts  | 06      | 06          | F/06     |
| Account payment history is too new to rate  | 07      | 07          | G/07     |
| Too many inquiries last 12 months   | 08      | 08          | H/08     |
| Too many accounts recently opened   | 09      | 09          | J/09     |
| Proportion of balance to credit limits on bank/national revolving or other revolving accounts is too high | 10      | 10          | K/10     |
| Amount owed on revolving accounts is too high   | 11      | 11          | L/11     |
| Length of time revolving accounts have been established   | 12      | 12          | M/12     |
| Time since delinquency is too recent or unknown   | 13      | 13          | N/13     |
| Length of time accounts have been established   | 14      | 14          | O/14     |
| Lack of recent bank/national revolving information  | 15      | 15          | P/15     |
| Lack of recent revolving account information  | 16      | 16          | Q/16     |
| No recent non-mortgage balance information  | 17      | 17          | R/17     |
| Number of accounts with delinquency   | 18      | 18          | S/18     |
| Too few accounts currently paid as agreed   | 19      | 27          | T/19     |
| Date of last inquiry too recent   |         | 19          |          |
| Time since derogatory public record or collection is too short  | 20      | 20          | V/20     |
| Amount past due on accounts   | 21      | 21          | W/21     |
| Serious delinquency, derogatory public record, or collection filed  | 22      | 22          | 22       |
| Number of bank or national revolving accounts with balances   | 23      |             | 23       |
| No recent revolving balances  | 24      | 24          | U/24     |
| Length of time installment loans have been established  | 25      |             | 25       |
| Number of revolving accounts  | 26      |             | 26       |
| Number of bank/national revolving or other revolving accounts   |         | 26          |          |
| Number of established accounts  | 28      | 28          | 28       |
| No recent bankcard balances   |         | 29          | 29       |
| Time since most recent account opening is too short   | 30      | 30          | Z30      |
| Too few accounts with recent payment information  | 31      |             | 31       |
| Lack of recent installment loan information   | 32      | 04          | 32       |
| Proportion of loan balances to loan amounts is too high   | 33      | 03          | I/33     |
| Amount owed on delinquent accounts  | 34      | 31          | 34       |
| Length of time open installment loans have been established   |         |             | 36       |
| Number of consumer finance company accounts established relative to length of consumer finance history    |         |             | 37       |
| Serious delinquency and public record or collection filed   | 38      | 38          | X/38     |
| Serious delinquency   | 39      | 39          | X/39     |
| Derogatory public record or collection filed  | 40      | 40          | X/40     |
| Lack of recent auto loan information  |         |             | 98       |
| Lack of recent auto loan information  |         | 97          | 98       |
| Length of time consumer finance company loans have been established                                       |         | 98          |          |
| Lack of recent auto finance loan information  | 98      |             |          |
| Lack of recent consumer finance company information   | 99      | 99          | 99       |

## RECEIPT FOR FUNDS

## Fidelity National Title Company

|                    |                         |                      |                      |                       |
|--------------------|-------------------------|----------------------|----------------------|-----------------------|
| DATED:<br>12/19/05 | ORDER NO.:<br>705702-CF | COUNTY CODE:<br>0030 | BRANCH CODE:<br>0001 | RECEIPT NO.<br>642274 |
|--------------------|-------------------------|----------------------|----------------------|-----------------------|

## Amount

Received From: Cynthia L. Brown \$ 2,700.00  
 Property Address: 17841 Lincoln Street, Villa Park, CA 92861  
 for the account of: Buyer/Borrower  Seller  Insert Name: Cynthia L. Brown

Check  Cashiers/Teller/Certified Check  Draft  Inter-Company Draft  \*\* CASH

|                                       |                          |                                   |
|---------------------------------------|--------------------------|-----------------------------------|
| Maker of Check:<br><u>Cindy Brown</u> | Check #:<br><u>00093</u> | Date of Check:<br><u>12/19/05</u> |
| Drawn on: <u>Wells Fargo</u>          | ABA# <u>122000247</u>    |                                   |

to be applied in accordance with instructions of: BUYER/BORROWER  SELLER  LENDER   
 OTHER  \_\_\_\_\_ <INSERT NAME & ATTACH 3RD PARTY INSTRUCTIONS

Received the above funds:

\*\* CASH DEPOSIT VERIFIED

Date: \_\_\_\_\_ By: \_\_\_\_\_  
 CF

Funds delivered to Fidelity National Title Company in connection with the subject order shall be deposited in a non-interest bearing account, unless otherwise agreed to by this company in writing.

Receipt No. 642274

Trust Date: 12/19/05

ESCROW FILE COPY

(receipt.wp)(04-05)

INDY BROWN  
17841 LINCOLN ST  
VILLA PARK, CA. 92861

00093

10-24/1220

Dec. 19, 2005  
Date

Pay to the Order of Fidelity NATIONAL Title \$ 2,700.<sup>00</sup>

Twenty seven hundred 00/100



Wells Fargo Bank, N.A.  
Customer Service  
wellsfargo.com

705702 ESC. N°

For Taxes + Ins.

Cody Brown

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Recorded in Official Records, Orange County  
Tom Daly, Clerk-Recorder



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# FIDELITY NATIONAL TITLE

Recording Requested By:  
HOME LOAN MORTGAGE CORPORATION

Return To:  
HOME LOAN MORTGAGE CORPORATION

11776 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345

Prepared By:  
HOME LOAN MORTGAGE CORPORATION  
11776 MARIPOSA ROAD, STE 103  
HESPERIA, CA 92345  
(760) 948-2500

[Space Above This Line For Recording Data]

## DEED OF TRUST

LOAN NO.: 97042744  
ESCROW NO.: 705702-CF

MIN 100066400001351940  
MERS Phone: 1-888-679-8377

### DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated **DECEMBER 13, 2005** together with all Riders to this document.

(B) "Borrower" is  
CYNTHIA L. BROWN, A SINGLE WOMAN

Borrower's address is 17841 LINCOLN STREET, VILLA PARK, CA 92881  
Borrower is the trustor under this Security Instrument.

(C) "Lender" is  
HOME LOAN MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

Lender is a CORPORATION  
organized and existing under the laws of CALIFORNIA

5012376S-55

Brown UF. 2444314 I 12/05 97042744



(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

#### TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the

COUNTY of ORANGE :  
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

LOT 89 OF TRACT NO. 6739, IN THE CITY OF VILLA PARK, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 254, PAGES 24 THRU 27 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel ID Number: 378-111-01 which currently has the address of  
17841 LINCOLN STREET [Street]  
VILLA PARK [City], California 92861 [Zip Code]  
("Property Address"):

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances

**EXHIBIT "ONE"**

Lot 99 of Tract No. 6739, in the City of Villa Park, County of Orange, State of California, as per map recorded in book 254, pages 24 thru 27 in the office of the County Recorder of said County.

Assessors Parcel No: 378-111-01

of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

**UNIFORM COVENANTS.** Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. **Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be

in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than twelve monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than twelve monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. **Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**10. Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender

to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

**13. Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

**14. Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

**15. Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

**16. Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**17. Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

**18. Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**19. Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

**20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA

requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). 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 Borrower, 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 sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, 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 and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. **Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Lender may charge such person or persons a reasonable fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law. If the fee charged does not exceed the fee set by Applicable Law, the fee is conclusively presumed to be reasonable.

24. **Substitute Trustee.** Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by Applicable Law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

25. **Statement of Obligation Fee.** Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any RIDER executed by Borrower and recorded with it.

Witnesses:

\_\_\_\_\_  
-Witness

\_\_\_\_\_  
-Witness

<sup>12-13-05</sup>  
*Cynthia L. Brown* (Seal) \_\_\_\_\_ (Seal)  
CYNTHIA L. BROWN -Borrower -Borrower

\_\_\_\_\_  
-Borrower (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_  
-Borrower (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_  
-Borrower (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

State of CALIFORNIA  
County of Orange

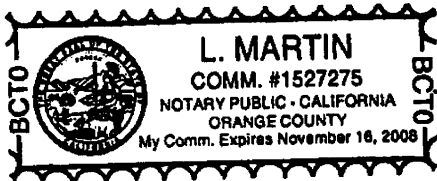
On 12/13/05

CYNTHIA L. BROWN

before me, L. Martin, <sup>} ss.</sup> Notary Public  
personally appeared

~~(or proved to me on the basis of satisfactory evidence)~~ to be the person<sup>, personally known to me</sup> whose name<sup>is/are</sup> 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<sup>or the entity</sup> upon behalf of which the person<sup>acted</sup>, executed the instrument.

WITNESS my hand and official seal.



[Signature] (Seal)

GOVERNMENT CODE 27361-7

I CERTIFY UNDER THE PENALTY OF PERJURY THAT THE NOTARY ACKNOWLEDGEMENT ON THE DOCUMENT TO WHICH THIS STATEMENT IS ATTACHED READS AS FOLLOWS:

NAME OF NOTARY: L. martin

COMMISSION #: 1527275

COUNTY IN WHICH BOND IS FILED: Orange

DATE COMMISSION EXPIRES: 11-16-08

MANUFACTURER/VENDOR NO: BCTO

DATE: 12/20/05

Michelle Brown *mb*  
FIDELITY NATIONAL TITLE

SANTA ANA, CA  
PLACE OF EXECUTION

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## ADJUSTABLE RATE RIDER

(LIBOR Six-Month Index (As Published In *The Wall Street Journal*) - Rate Caps)

LOAN NO.: 97042744

MIN: 100066400001351940  
MERS Phone: 1-888-679-6377

THIS ADJUSTABLE RATE RIDER is made this 13th day of DECEMBER, 2005, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to HOME LOAN MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

("Lender") of the same date and covering the property described in the Security Instrument and located at:

17841 LINCOLN STREET, VILLA PARK, CA 92861  
[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The Note provides for an initial interest rate of 7.750 %. The Note provides for changes in the interest rate and the monthly payments, as follows:

**4. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The interest rate I will pay may change on the first day of JANUARY, 2011, and on that day every 6th month thereafter. Each date on which my interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

Initials: 

Form 3138 1/01

**MULTISTATE ADJUSTABLE RATE RIDER - LIBOR SIX-MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL) - Single Family - Fannie Mae Uniform Instrument**

VMP-838R (0402)

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LENDER SUPPORT SYSTEMS INC. 838R.NEW (07/04)

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding **TWO AND ONE QUARTER** percentage points ( **2.250** %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than **12.750** % or less than **2.750** %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **ONE AND 000/1000THS** percentage points ( **1.000** %) from the rate of interest I have been paying for the preceding **6** months. My interest rate will never be greater than **12.750** %.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**  
Uniform Covenant 18 of the Security Instrument is amended to read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

12.1305  
Cynthia L. Brown (Seal) \_\_\_\_\_ (Seal)  
CYNTHIA L. BROWN -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

244431A  
Brown

MIN 100066400001351940  
MERS Phone: 1-888-679-6377

# ADJUSTABLE RATE NOTE

LOAN NO.: 97042744

(LIBOR Six-Month Index (As Published In *The Wall Street Journal*) - Rate Caps)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

DECEMBER 13, 2005  
[Date]

TUSTIN  
[City]

CALIFORNIA  
[State]

17841 LINCOLN STREET, VILLA PARK, CA 92861  
[Property Address]

### 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 880,000.00 (this amount is called "Principal"), plus interest, to the order of Lender. Lender is HOME LOAN MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

### 2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.750 %. The interest rate I will pay may change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

### 3. PAYMENTS

#### (A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payments on the first day of each month beginning on FEBRUARY, 2006

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on JANUARY 01, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at HOME LOAN MORTGAGE CORPORATION

11776 MARIPOSA ROAD, SUITE 103, HESPERIA, CA 92346  
or at a different place if required by the Note Holder.

#### (B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ 6,304.43 . This amount may change.

#### (C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

#### 4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

##### (A) Change Dates

The interest rate I will pay may change on the first day of JANUARY, 2011, and on that day every 6th month thereafter. Each date on which my interest rate could change is called a "Change Date."

##### (B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

##### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND ONE QUARTER percentage points ( 2.250 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

##### (D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 12.750 % or less than 2.750 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than ONE AND 000/1000THS percentage point(s) ( 1.000 %) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than 12.750 %.

##### (E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

##### (F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

#### 5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under this Note.

I may make a full Prepayment or partial Prepayments without paying any Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

#### 6. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## 7. BORROWER'S FAILURE TO PAY AS REQUIRED

### (A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

### (B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

### (C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal that has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### (D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

### (E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

## 8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Unless the Note Holder requires a different method, any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

## 9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

## 10. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

## 11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

12.13.05  
*Cynthia L. Brown* (Seal) \_\_\_\_\_ (Seal)  
 CYNTHIA L. BROWN -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
 -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
 -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
 -Borrower -Borrower

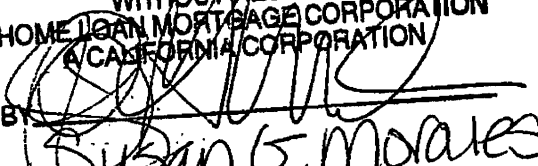
[Sign Original Only]

PAY TO THE ORDER

Union Federal Bank of Indianapolis

WITHOUT RECOURSE

HOME LOAN MORTGAGE CORPORATION  
A CALIFORNIA CORPORATION

  
BY Susan G. Morales  
Senior Funder

PREPAYMENT PENALTY ADDENDUM TO NOTE

LOAN NO.: 97042744

MIN: 100066400001351840  
MERS Phone: 1-888-879-8377

This "PREPAYMENT PENALTY ADDENDUM TO NOTE" (hereinafter "Addendum") is made this 13th day of DECEMBER 2005, and is incorporated into and shall be deemed to amend and supplement the Promissory Note (the "Note") of same date made by the undersigned (the "Borrower") to HOME LOAN MORTGAGE CORPORATION, A CALIFORNIA CORPORATION

(the "Lender") which is secured by a Deed Of Trust or Mortgage ("Security Instrument") on real property located at: 17841 LINCOLN STREET, VILLA PARK, CA 92861  
[Property Address]

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Note, Borrower and Lender further covenant and agree that the paragraph entitled either "Borrower's Right To Prepay" or "Borrower's Payments Before They Are Due", whichever is applicable, is replaced with the following new section:

I have the right to make payments of Principal at any time before they are due. A prepayment of all of the unpaid principal is known as a "Full Prepayment." A prepayment of only part of the unpaid principal is known as a "Partial Prepayment."

Except as provided below, I may make a Full or Partial Prepayment without paying any penalty. If I make a Partial Prepayment equal to one or more of my monthly payments, my due date may be advanced no more than one month. If I make any other Partial Prepayments, I must still make each later payment as it becomes due and in the same amount. I may make a Full or Partial Prepayment at any time.

In the event, during the first SIX ( 6 ) months after the execution of the Deed of Trust, I make a Full Prepayment or Partial Prepayment and the total of such prepayments in any twelve (12) month period exceeds TWENTY percent ( 20.00 %) of the original Principal amount of the loan, I will pay a prepayment charge in an amount equal to the payment of SIX ( 6 ) months' advance interest on the amount prepaid which is in excess of TWENTY percent ( 20.00 %) of the original Principal amount.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Prepayment Penalty Addendum To Note.

Cynthia L. Brown  
CYNTHIA L. BROWN Borrower

12.13.05  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

**SCHEDULE A**

2444314 I

Order Number: 30123765

Policy No.: 27-042-92-3434558  
Amount of Insurance: \$ 880,000.00  
Premium: \$ 1,250.00

Date of Policy: December 20, 2005 at 03:49 p.m.

1. Name of Insured:

Home Loan Mortgage Corporation, a California Corporation its successors and/or assigns

2. The estate or interest in the land which is encumbered by the insured mortgage is:

A Fee

3. Title to the estate or interest in the land is vested in:

Cynthia L. Brown, a single woman

4. The insured mortgage and assignments thereof, if any, are described as follows.

A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$880,000.00  
Dated: December 13, 2005  
Trustor: Cynthia L. Brown, a single woman  
Trustee: Fidelity National Title  
Beneficiary: Mortgage Electronic Registration Systems, Inc. ("MERS"), solely as nominee for Lender, hereinafter defined, Lender's successors and assigns the Lender is Home Loan Mortgage Corporation, a California Corporation

Loan No.:  
Recorded: December 20, 2005, Instrument No. 2005-1016111,

5. The land referred to in this policy is situated IN THE CITY OF VILLA PARK, County of Orange, State of California, and is described as follows:

SEE EXHIBIT "ONE" ATTACHED HERETO AND MADE A PART HEREOF

THIS POLICY VALID ONLY IF SCHEDULE B IS ATTACHED

**EXHIBIT "ONE"**

Lot 99 of Tract No. 6739, in the City of Villa Park, County of Orange, State of California, as per map recorded in book 254, pages 24 thru 27 in the office of the County Recorder of said County.

Assessors Parcel No: 378-111-01

## SCHEDULE B

### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay cost attorneys' fees or expenses) which arise by reason of:

#### PART I

1. **Property taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2005-2006, Assessor's Parcel Number 378-111-01.**

Code Area Number: 24-000  
1st Installment: \$2,373.65 Paid  
2nd Installment: \$2,373.65 Open  
Land: \$271,023.00  
Improvements: \$183,973.00  
Exemption: \$7,000.00  
Personal Property: \$None

2. **The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.**

3. **Covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin) as set forth in the document**

Recorded: March 6, 1969, Book 8892, Page 678, of Official Records

Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

If this document contains any restriction based on race, color, religion, sex, familial status, marital status, disability, national origin, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.1 of the government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing for older persons shall not be construed as restrictions based on familial status.

4. **Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document;**

Granted to: Southern California Edison Company  
Purpose: Public Utilities  
Recorded: August 1, 1972, Book 10252, Page 841, of Official Records  
Affects: Easterly 2 feet

5. **Any easements not disclosed by those public records which impart constructive notice as to matters affecting title to real property and which are not visible and apparent from an inspection of the surface of said land.**

## SCHEDULE B

### PART II

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that these matters are subordinate to the lien or charge of the insured mortgage upon the estate or interest:

1. The Following Endorsements are attached hereto with the indicated premiums:

| Endorsement: | Fee:      |
|--------------|-----------|
| 100          | \$-0-     |
| 110.9        | \$-25.00- |
| 116          | \$-0-     |
| 111.9        | \$-0-     |

**ENDORSEMENT**  
Attached to Policy No. 27-042-92-3434558  
Issued By  
Fidelity National Title Insurance Company

The Company hereby insures the owner of the indebtedness secured by the insured mortgage against loss or damage which the insured shall sustain by reason of:

1. The existence of any of the following:
  - (a) Covenants, conditions or restrictions under which the lien of the mortgage referred to in Schedule A can be cut off, subordinated, or otherwise impaired;
  - (b) Present violations on the land of any enforceable covenants, conditions or restrictions;
  - (c) Except as shown in Schedule B, encroachments of buildings, structures or improvements located on the land onto adjoining lands, or any encroachments onto the land of buildings, structures or improvements located on adjoining lands.
2.
  - (a) Any future violations on the land of any covenants, conditions or restrictions occurring prior to acquisition of title to the estate or interest referred to in Schedule A by the insured, provided such violations result in impairment or loss of the lien of the mortgage referred to in Schedule A, or result in impairment or loss of the title to the estate or interest referred to in Schedule A if the insured shall acquire such title in satisfaction of the indebtedness secured by the insured mortgage;
  - (b) Unmarketability of the title to the estate or interest referred to in Schedule A by reason of any violations on the land, occurring prior to acquisition of title to the estate or interest referred to in Schedule A by the insured, of any covenants, conditions or restrictions.
3. Damage to existing improvements, including lawns, shrubbery or trees
  - (a) Which are located or encroach upon that portion of the land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved;

- (b) Resulting from the exercise of any right to use the surface of the land for the extraction or development of the minerals excepted from the description of the land or shown as a reservation in Schedule B.
4. Any final court order or judgment requiring removal from any land adjoining the land of any encroachment shown in Schedule B.

As used in this endorsement, the words "covenants, conditions or restrictions" do not refer to or include the terms, covenants, conditions or restrictions contained in any lease.

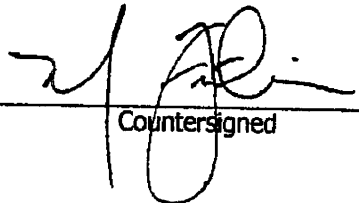
As used in this endorsement, the words "covenants, conditions or restrictions" do not refer to or include any covenant, condition or restriction (a) relating to obligations of any type to perform maintenance, repair or remediation on the land, or (b) pertaining to environmental protection of any kind or nature, including hazardous or toxic matters, conditions or substances except to the extent that a notice of a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy and is not excepted in Schedule B.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 20, 2005



**Fidelity National Title**  
INSURANCE COMPANY

  
\_\_\_\_\_  
Countersigned

**ENDORSEMENT**

Attached to Policy No. 27-042-92-3434558

Issued by

Fidelity National Title Insurance Company

The insurance afforded by this endorsement is only effective if the land is used or is to be used primarily for residential purposes.

The Company insures the Insured against loss or damage sustained by reason of lack of priority of the lien of the Insured mortgage over:

- (a) Any environmental protection lien which, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, except as set forth in schedule B; or
- (b) Any environmental protection lien provided for by any state statute in effect at Date of Policy, except environmental protection liens provided for by the following state statutes:

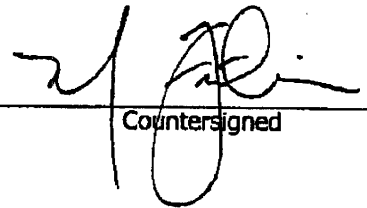
none

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 20, 2005



**Fidelity National Title**  
INSURANCE COMPANY

  
\_\_\_\_\_  
Countersigned

**ENDORSEMENT**

Attached to Policy No. 27-042-92-3434558

Issued by

Fidelity National Title Insurance Company

The Company insures the Insured mortgage against loss or damage by reason of:

(1) The invalidity or unenforceability of the lien of insured mortgage resulting from provisions therein which provide for a Conditional Right to Refinance and a change in the rate of interest as set forth in the Mortgage Rider.

(2) Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, together with interest thereon, which loss of priority is caused by the exercise of the Conditional Right to Refinance and the extension of the loan term to the New Maturity Date set forth on the Rider and a change in the rate of interest, provided that all the conditions set forth in paragraphs 2 and 5 of the Balloon Mortgage Rider have been met, and there are no other liens, defects, encumbrances, or other adverse matters affecting title arising subsequent to Date of Policy.

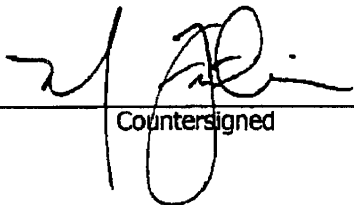
This endorsement does not insure against loss or damage based upon (a) usury or (b) any consumer credit protection or truth in lending law or (c) bankruptcy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 20, 2005



**Fidelity National Title**  
INSURANCE COMPANY

  
Countersigned

ENDORSEMENT

Attached to Policy No. 27-042-92-3434558

Issued by

Fidelity National Title Insurance Company


The Company hereby insures the owner of the indebtedness secured by the insured mortgage against loss or damage which the insured shall sustain by reason of the failure of (i) a single family residence known as 17841 Lincoln Street, Villa Park, California, to be located on the land at Date of Policy, and (ii) the map attached to this policy to correctly show the location and dimensions of the land according to the public records.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: December 20, 2005

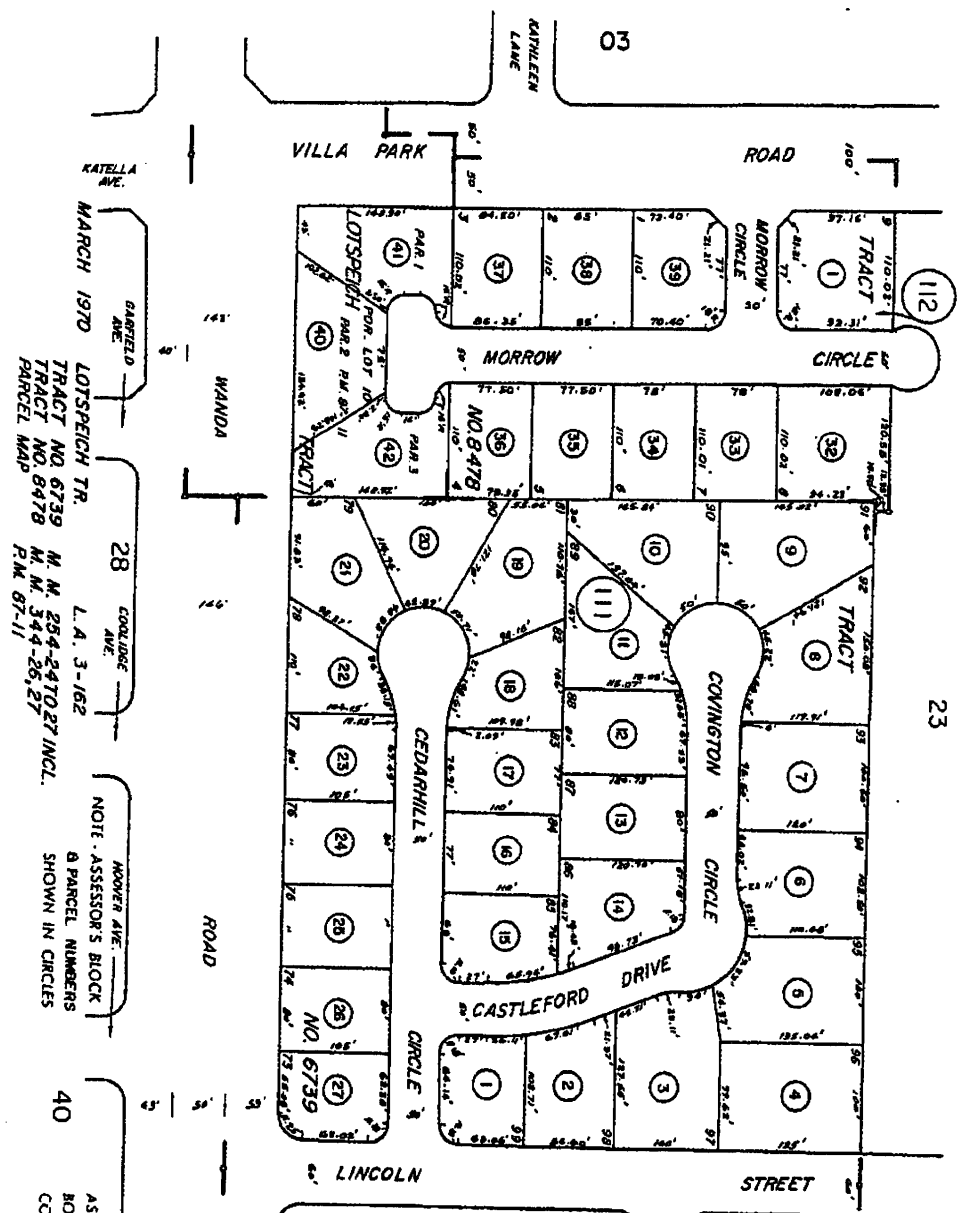


Fidelity National Title  
INSURANCE COMPANY

  
\_\_\_\_\_  
Countersigned

THIS MAP WAS PREPARED FROM ORANGE COUNTY ASSESSOR'S MAP NO. 378-11. THE ASSESSOR HAS MADE NO GUARANTEE AS TO THE ACCURACY OF THE INFORMATION CONTAINED HEREIN. ALL RIGHTS RESERVED. COUNTY OF ORANGE COUNTY ASSESSOR

THIS MAP SHOULD BE USED FOR REFERENCE PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.



TRACT NO. 6739  
TRACT NO. 8478  
PARCEL MAP  
P.M. 87-11

L.A. 3-162  
M.M. 254-247027 INCL.  
M.M. 344-26, 27  
P.M. 87-11

NOTE: ASSESSOR'S BLOCK & PARCEL NUMBERS SHOWN IN CIRCLES

ASSESSOR'S MAP  
BOOK 378 PAGE 11  
COUNTY OF ORANGE

**4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE**

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

**5. PROOF OF LOSS OR DAMAGE**

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

**6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY**

In case of a claim under this policy, the Company shall have the following additional options:

(a) **To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.**

(i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

(ii) to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner

of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of either of the options provided for in paragraphs (i) or (ii), all liability and obligations to the insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) **To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.**

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

**7. DETERMINATION AND EXTENT OF LIABILITY**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2 (c) of these Conditions and Stipulations;

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

**8. LIMITATION OF LIABILITY**

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title or to the lien of the insured mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable for: (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the land which at Date of Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy.

**9. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. However, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of the insurance afforded under this policy except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage.

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company except as provided in Section 2(a) of these Conditions and Stipulations.

**10. LIABILITY NONCUMULATIVE**

If the insured acquires title to the estate or interest in satisfaction of the indebtedness secured by the insured mortgage, or any part thereof, it is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy.

**11. PAYMENT OF LOSS**

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

**12. SUBROGATION UPON PAYMENT OR SETTLEMENT**

**(a) The Company's Right of Subrogation.**

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

**(b) The Insured's Rights and Limitations.**

Notwithstanding the foregoing, the owner of the indebtedness secured by the insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness.

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of the insured mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

**(c) The Company's Rights Against Non-Insured Obligors.**

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of the insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

**13. ARBITRATION**

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

**14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

**15. SEVERABILITY**

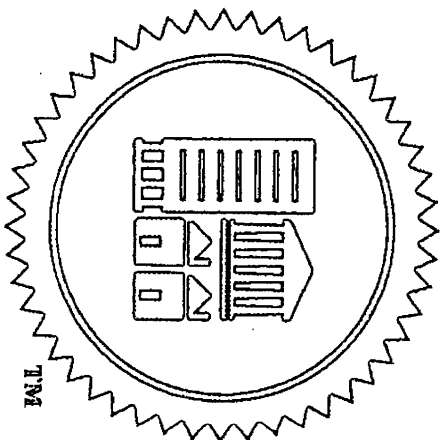
In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

**16. NOTICES, WHERE SENT**

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at:

Fidelity National Title Insurance Company  
National Claims Administration  
P.O. Box 45023  
Jacksonville, Florida 32232-5023

Fidelity National Title Insurance Company  
17911 Von Karman Avenue, Suite 300  
Irvine, CA 92614-6253



FIDELITY  
NATIONAL  
TITLE  
INSURANCE  
COMPANY



Union Federal  
2444 314

Brown 97042744

Loan Policy of Title Insurance

Fidelity National Title Insurance Company  
A Stock Company

12/05

Policy Number  
27-042-92- 3434558

LOAN POLICY OF TITLE INSURANCE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material:
  - (a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
  - (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;
8. Any assessments for street improvements under construction or completed at Date of Policy, which now have gained or hereafter may gain priority over the lien of the insured mortgage;
9. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, FIDELITY NATIONAL TITLE INSURANCE COMPANY has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Fidelity National Title Insurance Company

*[Handwritten Signature]*  
\_\_\_\_\_  
Authorized Signature



By: *[Handwritten Signature]* President  
ATTEST *[Handwritten Signature]* Secretary

## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
2. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material); or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
3. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
4. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
5. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
6. Any claim which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

## CONDITIONS AND STIPULATIONS

### 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "insured": the insured named in Schedule A. The term "insured" also includes:
  - (i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);
  - (ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage, or any part thereof, whether named as an insured herein or not;
  - (iii) the parties designated in Section 2(a) of these Conditions and Stipulations.
- (b) "insured claimant": an insured claiming loss or damage.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.
- (d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.
- (g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

### 2. CONTINUATION OF INSURANCE

(a) **After Acquisition of Title.** The coverage of this policy shall continue in force as of Date of Policy in favor of (i) an insured who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of

foreclosure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insured; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) **After Conveyance of Title.** The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

(c) **Amount of Insurance.** The amount of insurance after the acquisition or after the conveyance shall in neither event exceed the least of:

- (i) the Amount of Insurance stated in Schedule A;
- (ii) the amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to prevent the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or
- (iii) the amount paid by any governmental agency or governmental instrumentality, if the agency or instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that the failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

# Borrower's Certification & Authorization

LOAN NO.: 97042744

## Certification

The undersigned certify the following:

1. I/We have applied for a mortgage loan from HOME LOAN MORTGAGE CORPORATION (lender). In applying for the loan, I/we completed a loan application containing various information on the purpose of the loan, the amount and source of the down payment, employment and income information, and assets and liabilities. I/We certify that all of the information is true and complete. I/We made no misrepresentations in the loan application or other documents, nor did I/we omit any pertinent information.
2. I/We understand and agree that HOME LOAN MORTGAGE CORPORATION (lender) reserves the right to change the mortgage loan review process to a full documentation program. This may include verifying the information provided on the application with the employer and/or the financial institution.
3. 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 mortgage, as applicable under the provisions of Title 18, United States Code, Section 1014.

## Authorization to Release Information

To Whom It May Concern:

1. I/We have applied for a mortgage loan from HOME LOAN MORTGAGE CORPORATION (lender). As part of the application process, HOME LOAN MORTGAGE CORPORATION (lender) may verify information contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of its quality control program.
2. I/We authorize you to provide to HOME LOAN MORTGAGE CORPORATION (lender), and to any investor to whom HOME LOAN MORTGAGE CORPORATION (lender) may sell my/our mortgage, any and all information and documentation that they request. Such information includes, but is not limited to, employment history and income; bank, money market, and similar account balances; credit history; and copies of income tax returns.
3. HOME LOAN MORTGAGE CORPORATION (lender) or any investor that purchases the mortgage may address this authorization to any party named in the loan application or disclosed by any consumer credit reporting agency or similar source.
4. A copy of this authorization may be accepted as an original.
5. Your prompt reply to HOME LOAN MORTGAGE CORPORATION (lender) or the investor that purchased the mortgage is appreciated.

**NOTICE TO BORROWERS:** This is notice to you as required by the Right to Financial Privacy Act of 1978 that HUD/FHA has a right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to HUD/FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

Cynthia L. Brown 12-13-05  
CYNTHIA L. BROWN (Date)

\_\_\_\_\_  
(Date)

3/05

# PAYMENT LETTER TO BORROWER

FROM: HOME LOAN MORTGAGE CORPORATION  
 11776 MARIPOSA ROAD, SUITE 103, HESPERIA, CA 92345

TO: CYNTHIA L BROWN

Property Address: 17841 LINCOLN STREET, VILLA PARK, CA 92861

Loan Number: 87042744

Dear Borrower:

Disclosed below is an estimate of the amount of your initial monthly payment for the loan referred to above. Payments are scheduled to begin FEBRUARY 01, 2006, with the final payment due on JANUARY 01, 2038.

- A.  The interest rate and payment amount are scheduled to remain level throughout the loan term.
- B.  This is a Graduated Payment loan which means that even though the interest rate will not change, the payments will increase in the second year and each year thereafter for the next \_\_\_\_\_ years. A schedule of the subsequent monthly payment amounts is provided to you on the Federal Truth In Lending Disclosure Statement.
- C.  This is an Adjustable Rate loan which means that the monthly payment amounts may vary from time to time in conjunction with adjustments in the interest rate. Review the Federal Truth In Lending Disclosure Statement and your Promissory Note for more information concerning future payment amounts.

Your initial monthly payment amount will consist of the following:

|  |                    |
|--|--------------------|
| PRINCIPAL AND INTEREST.....            | \$ <u>6,304.43</u> |
| MMI/PMI MONTHLY PREMIUM.....           | \$ <u>-0- *</u>    |
| RESERVE FOR COUNTY PROPERTY TAXES..... | \$ <u>395.61 *</u> |
| HAZARD INSURANCE RESERVE.....          | \$ <u>70.00 *</u>  |
| FLOOD INSURANCE RESERVE.....           | \$ <u>-0- *</u>    |
| CITY PROPERTY TAXES.....               | \$ <u>-0- *</u>    |
| ANNUAL ASSESSMENTS.....                | \$ <u>-0- *</u>    |
| OTHER: _____                           | \$ _____ *         |
| OTHER: _____                           | \$ _____ *         |
| OTHER: _____                           | \$ _____ *         |
| TOTAL INITIAL MONTHLY PAYMENT.....     | \$ <u>6,770.04</u> |

\* These items are estimates at this time; you will be given notice of the actual amount of your monthly payment upon closing of this transaction. Also, understand that these amounts may vary slightly from year to year requiring adjustments in the amount of your payment.

IT IS POSSIBLE THAT YOU WILL NOT RECEIVE YOUR FIRST "NOTICE OF PAYMENT DUE" BEFORE THE DUE DATE OF YOUR FIRST PAYMENT. Unless notified otherwise, please remit your first payment and all future payments to the following address:

HOME LOAN MORTGAGE CORPORATION  
 11776 MARIPOSA ROAD, SUITE 103  
 HESPERIA, CA 92345

During any correspondence or phone calls in connection with this loan, please give the loan number shown above for the lender's reference.

BY SIGNING BELOW, Borrower acknowledges reading this Payment Letter and receiving a copy of same.

Cynthia L. Brown <sup>12.13.05</sup> \_\_\_\_\_ <sup>12.13.05</sup>  
CYNTHIA L BROWN Date Date

\_\_\_\_\_  
 Date Date

# Home Loan Mortgage Corporation

11776 Mariposa Road  
Hesperia, CA 92345  
(800) 868-5456 □ FAX (760) 948-3447

12/22/2005

CINDY BROWN  
17841 LINCOLN STREET  
VILLA PARK, CA 92861

## RE: TRANSFER SALE OF LOAN NO. 97042744

We thank you for the recent opportunity of assisting you in securing your real estate loan and look forward to serving your needs again in the future.

As a regular practice, most loans are sold in the secondary market place. This, however, is no reflection on you nor your property and has no effect on your mortgage payments. Usually, when a loan is sold, the servicing of your loan is also transferred. Your loan has been sold to Union Federal Bank Of Indianapolis and will be serviced by Union Federal Bank Of Indianapolis. Please send all future payments beginning with your \_\_\_\_\_ payment to:

**UNION FEDERAL BANK OF INDIANAPOLIS  
C/O WATERFIELD MORTGAGE CO., P.O. BOX 6056  
INDIANAPOLIS, IN 46206-6056**

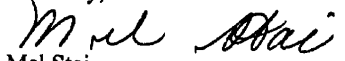
Any payment due prior to \_\_\_\_\_ should be made to Home Loan Mortgage Corporation. Your monthly payment amount has not changed and consists of:

|                          |            |
|--------------------------|------------|
| Principal and Interest:  | \$6,304.43 |
| Total Impounds:          | \$526.19   |
| MMI/PMI Monthly Premium: | \$0.00     |
| Buydown Amount:          | \$0.00     |
| Total Monthly Payment:   | \$6,830.62 |

Union Federal Bank Of Indianapolis will forward payment information and/or coupons to you soon. In the event these coupons are delayed, please send your payment with the temporary payment coupon below directly to Union Federal Bank Of Indianapolis. In January we will send an annual statement which reflects the tax and interest information for the portion of the year that we serviced your loan. You may also receive another annual statement from Union Federal Bank Of Indianapolis corresponding to the period they serviced your loan. You will need to combine these two statements for income tax purposes. If a payment is in transit to us, we will forward your payment on to Union Federal Bank Of Indianapolis immediately.

Should you have further questions, please call Union Federal Bank Of Indianapolis, at (800) 444-9847. We thank you for your cooperation.

Sincerely,

  
Mel Stai  
Shipping Department  
Home Loan Mortgage Corporation

tear or cut here

### TEMPORARY PAYMENT COUPON

**Send To:** UNION FEDERAL BANK OF INDIANAPOLIS  
C/O WATERFIELD MORTGAGE CO., P.O. BOX 6056  
INDIANAPOLIS, IN 46206-6056  
(800) 444-9847

Loan No. \_\_\_\_\_

**From:** CINDY BROWN  
17841 LINCOLN STREET  
VILLA PARK, CA 92861

\$ Enclosed: \_\_\_\_\_

## IMPOUND AUTHORIZATION AND FIRST PAYMENT NOTIFICATION

Lender:  
HOME LOAN MORTGAGE CORPORATION

Borrower(s):  
CYNTHIA L. BROWN

11776 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345

Loan Amount: \$ 880,000.00  
Preparation Date: DECEMBER 13, 2005

Property Address:  
17841 LINCOLN STREET  
VILLA PARK, CA 92861

We are fully aware of our obligation to the above lender as evidenced by a Note, secured by a Deed of Trust on real property commonly known by the above address, and executed on the above date.

We understand that:

**CHECK BOX IF APPLICABLE**

- Regulations require the lender to establish an impound account for taxes, insurance premiums, assessments, or other items relating to the property.
- The lender requires, as a condition of the loan being made to us, an impound account for taxes, insurance premiums, assessments, or other items relating to the property.
- An impound account is not required by the lender as a condition of the loan being made to us. We want the lender to establish an impound account for taxes, insurance premiums, assessments, or other items relating to the property.
- An impound account is not required by the lender. We do not want the lender to establish an impound account. We agree to make timely payments to the appropriate agents when bills for taxes, insurance premiums, assessments, or other items relating to the property become due.

We authorize the lender to collect monthly impounds, if applicable, in the manner detailed below to pay for taxes, insurance premiums, assessments, or other items relating to the property on our behalf. We understand that funds so impounded are subject to all provisions of the Note and Deed of Trust securing this loan. Our failure to pay these monthly impounds constitutes a default under the obligation to the lender as evidenced by said Note and Deed of Trust. We understand this authorization is being executed under the provisions of Section 2954 of the California Civil Code, as amended.

We are fully aware that the First Monthly Payment on the Note is due and payable on **FEBRUARY 01, 2006** and must be paid on or before this date to avoid a late charge.

We understand the ESTIMATED monthly payment consists of the following:

|                           |    |                                    |
|---------------------------|----|------------------------------------|
| Principal and Interest    | \$ | <u>8,304.43</u>                    |
| Property Taxes            | \$ | <u>995.61</u>                      |
| Hazard Insurance          | \$ | <u><del>78.00</del> 130.58</u>     |
| Flood Insurance           | \$ | <u>0-</u>                          |
| PMI / MMI Monthly Premium | \$ | <u>0-</u>                          |
| City Property Taxes       | \$ | <u>0-</u>                          |
| Annual Assessments        | \$ | <u>0-</u>                          |
| Other _____               | \$ | _____                              |
| Other _____               | \$ | _____                              |
| Other _____               | \$ | _____                              |
| <b>Total Payment</b>      | \$ | <u><del>9,270.04</del> 6830.62</u> |

The amount of each monthly impound to be collected is determined by the lender. The amounts are subject to adjustment from time to time. We agree to promptly pay these modified impounded amounts along with each monthly payment of principal and interest.

Cynthia L. Brown 12.13.05 \_\_\_\_\_  
CYNTHIA L. BROWN (Date) (Date)

\_\_\_\_\_  
(Date) (Date)

# Home Loan Mortgage Corporation

11776 Mariposa Road  
Hesperia, CA 92345  
(800) 868-5456 □ FAX (760) 948-3447

12/30/2005

CINDY BROWN  
17841 LINCOLN STREET  
VILLA PARK, CA 92861

## RE: TRANSFER SALE OF LOAN NO. 97042744

We thank you for the recent opportunity of assisting you in securing your real estate loan and look forward to serving your needs again in the future.

As a regular practice, most loans are sold in the secondary market place. This, however, is no reflection on you nor your property and has no effect on your mortgage payments. Usually, when a loan is sold, the servicing of your loan is also transferred. Your loan has been sold to Union Federal Bank Of Indianapolis and will be serviced by Union Federal Bank Of Indianapolis. Please send all future payments beginning with your \_\_\_\_\_ payment to:

**UNION FEDERAL BANK OF INDIANAPOLIS  
C/O WATERFIELD MORTGAGE CO., P.O. BOX 6056  
INDIANAPOLIS, IN 46206-6056**

Any payment due prior to \_\_\_\_\_ should be made to Home Loan Mortgage Corporation. Your monthly payment amount has not changed and consists of:

|                               |                   |
|-------------------------------|-------------------|
| Principal and Interest:       | \$6,304.43        |
| Total Impounds:               | \$526.19          |
| MMI/PMI Monthly Premium:      | \$0.00            |
| Buydown Amount:               | \$0.00            |
| <b>Total Monthly Payment:</b> | <b>\$6,830.62</b> |

*130.58 - Ins*  
*+ 395.61 - tax*  
\$526.19

Union Federal Bank Of Indianapolis will forward payment information and/or coupons to you soon. In the event these coupons are delayed, please send your payment with the temporary payment coupon below directly to Union Federal Bank Of Indianapolis. In January we will send an annual statement which reflects the tax and interest information for the portion of the year that we serviced your loan. You may also receive another annual statement from Union Federal Bank Of Indianapolis corresponding to the period they serviced your loan. You will need to combine these two statements for income tax purposes. If a payment is in transit to us, we will forward your payment on to Union Federal Bank Of Indianapolis immediately.

Should you have further questions, please call Union Federal Bank Of Indianapolis, at (800) 444-9847. We thank you for your cooperation.

Sincerely,

Wendy Murray  
Shipping Department  
Home Loan Mortgage Corporation

tear or cut here

|                                 |   |
|---------------------------------|---|
| <b>TEMPORARY PAYMENT COUPON</b> |   |
| <b>Send To:</b>                 | UNION FEDERAL BANK OF INDIANAPOLIS<br>C/O WATERFIELD MORTGAGE CO., P.O. BOX 6056<br>INDIANAPOLIS, IN 46206-6056<br>(800) 444-9847 |
| <b>From:</b>                    | CINDY BROWN<br>17841 LINCOLN STREET<br>VILLA PARK, CA 92861   |
|                                 | Loan No. 2444314  |
|                                 | \$ Enclosed: _____  |

January 3, 2006  
3:49 pm  
Page 1

Vader Wholesale  
W I R E C O N F I R M A T I O N

wireconf

Loan#: 2444314  
Name: Brown, C.

Wire Number: 8175173290  
Date: 01/03/2006  
Amount: 889,042.17

Wire To: Guaranty Bank

ABA: 314970664

Further Credit:

ABA#:

Upon Receipt Contact:  
Phone:

Final Credit: Home loan mortgage  
Account#: 3802942635

Reference: Cynthia L. Brown, 2444314,  
Home Loan Mortgage Corporation, 30123765-A

\*\*\* END OF REPORT \*\*\*

EIGHT HUNDRED EIGHTY-NINE THOUSAND FORTY-TWO AND 17/100 DOLLARS

2444314 Brown, C. 17841 Lincoln St

Home Loan Mortgage Corp  
11776 Mariposa Rd, STE 103  
Hesperia, CA 92345

01/03/06

2444314  
215

Brown, C.  
17841 Lincoln St  
Villa Park, CA 92861

\$880,000.00

|           |             |
|-----------|-------------|
| Disc      | (11,334.40) |
| Escrows   | 2,365.93    |
| Admin Fee | 300.00      |
| Interest  | (373.70)    |
|           | -----       |
|           | (9,042.17)  |

889,042.17

# CONVENTIONAL STACKING ORDER - WHOLESALE

BORROWER: Brown

STACKER: Matt Gates

LOAN # 2444314

DATE: 01/11/06

X - INDICATES ITEMS REQUIRING STACKING SHEETS

### IMAGING PICK DOCUMENTS

- NOTE & ADDENDUMS
- MORTGAGE/ DOT & RIDERS
- MI-APPROVAL, MI CERT & MI DISCLOSURES
- HAZARD INSURANCE & FLOOD INSURANCE
- TAX INFO SHEET
- INITIAL ESCROW
- PAYMENT LETTER
- HUD -1 SETTLEMENT STATEMENT & ADDENDUMS
- TITLE COMMITMENT
- FLOOD DETERMINATION & FLOOD NOTICE
- SURVEY
- BUYDOWN AGREEMENT & SCHEDULE
- W-9
- PROGRAM DESCRIPTION DISCLOSURE
- LOAN APPROVAL & AU FINDINGS
- ESCROW AGREEMENT
- FINAL URLA / INITIAL URLA
- APPRAISAL - NOT ON STREAMLINE REFINANCES
- BORROWERS CERT. OF AUTHORIZATION
- PROPERTY TAX DISCLOSURE
- IRS 4506
- IRS 8821
- CREDIT REPORT - NOT ON STREAMLINE REFINANCES
- GIFT LETTER W/GIFT CHECK
- BANK STATEMENTS
- VERIFICATION OF DEPOSIT
- VERIFICATION OF EMPLOYMENT/EMPLOYEE PHONE CERT.
- PURCHASE AGREEMENT
- PROCEEDS CHECK

### MISCELLANEOUS DOCUMENTS

- TAX RETURNS, W-2, PAYSTUBS, 401K & INVESTMENTS
- BANKRUPTCY, DIVORCE PAPERS, VOR & EXPLANATION LETTERS
- ASSIGNMENTS
- CERTIFICATE OF ORIGIN / ORIGINAL TITLE - MANUFACTURED HOMES ONLY
- NAME AFFIDAVIT, SIGNATURE AFFIDAVIT, IDENTITY AFFIDAVIT
- POWER OF ATTORNEY (BORROWER IS HAVING SOMEONE SIGN FOR THEM)
- PRE-TRUTH-IN-LENDING
- FINAL TRUTH-IN-LENDING
- NOTICE OF RIGHT TO CANCEL - REFINANCE ONLY- NOT ON 2ND'S OR INVESTMENTS
- CLOSING INSTRUCTIONS
- LIMITED CORRECTIONS POWER OF ATTORNEY (WHERE UFB CAN SIGN FOR ERRORS)
- WARRANTY DEED
- NOTICE OF ASSIGNMENT, SALE, AND TRANSFER
- RELEASE AND HOLD HARMLESS AGREEMENT
- FIRST-LIEN LETTER
- E&O COMPLIANCE AGREEMENT, COMPLIANCE AGREEMENT, CORRECTION AGREEMENT
- OTHER MISC. CLOSING DOCS (DOCS NOT IN STACKING ORDER DATED THE DATE OF CLOSING)
- GOOD FAITH ESTIMATE
- TRANSFER OF SERVICING DISCLOSURE
- INITIAL APPLICATION DISCLOSURES (DOCS NOT IN STACKING ORDER DATED INITIAL APP. DATE)
- OTHER DOCUMENTS NOT DESCRIBED ABOVE (FAX SHEET, PROCESSORS CERT., FUNDERS CHECK LIST)

TO WHOM IT MAY CONCERN,

I HAVE SOME PROBLEMS ON MY CREDIT DUE TO SOME OF MY CREDIT CARDS WERE STOLEN AND AS WELL AS OTHER PERSONAL INFO. I'M DEALING WITH THE POLICE AND THE CREDIT COMPANIES NOW. THEY FOUND OUT WHO DID IT AND THEY ARE IN THE PROCESS OF IT NOW....

THANK YOU



CINDY BROWN

THE PURPOSE FOR MY LOANS IS TO TAKE SOME  
CASH OUT AND DO SOME HOME IMPROVEMENTS.  
I WILL BE DOING A WHOLE RE-MODEL

*Cynthia L. Brown*

THANK YOU

*[Faint handwritten notes and signatures]*

SIGNATURE AFFIDAVIT AND AKA STATEMENT

SIGNATURE STATEMENT

I CYNTHIA L. BROWN

certify that this my true and correct signature

CYNTHIA L. BROWN  
Borrower

Cynthia L. Brown  
Sample Signature

AKA STATEMENT

I CYNTHIA L. BROWN

further certify that I am also known as:

CYNTHIA BROWN  
Name Variation (Print)

Cynthia Brown  
Sample Signature (Variation)

CINDY BROWN  
Name Variation (Print)

Cindy Brown  
Sample Signature (Variation)

Name Variation (Print)

Sample Signature (Variation)

Name Variation (Print)

Sample Signature (Variation)

Name Variation (Print)

Sample Signature (Variation)

State of CALIFORNIA  
County of ORANGE

On 12/13/05, before me, L. Martin, Notary Public  
personally appeared CYNTHIA L. BROWN

~~personally known to me (or 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.~~

WITNESS my hand and official seal.

Signature

[Signature]

