

# TRUTH-IN-LENDING DISCLOSURE STATEMENT

(THIS IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND)

Applicants: CINDY BROWN

Property Address: 17841 LINCOLN STREET  
Villa Park, CA 92861

Application No: CINDY

Prepared By: LOANLEADERS OF AMERICA  
2081 BUSINESS CENTER 150  
IRVINE, CA 92612  
949-655-1515

Date Prepared: 11/18/2005

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	AMOUNT FINANCED	TOTAL OF PAYMENTS
The cost of your credit as a yearly rate	The dollar amount the credit will cost you	The amount of credit provided to you or on your behalf	The amount you will have paid after making all payments as scheduled
7.750 %	\$ 1,389,591.58	\$ 880,000.00	\$ 2,269,591.58

REQUIRED DEPOSIT: The annual percentage rate does not take into account your required deposit

PAYMENTS: Your payment schedule will be:

Number of Payments	Amount of Payments **	When Payments Are Due	Number of Payments	Amount of Payments **	When Payments Are Due	Number of Payments	Amount of Payments **	When Payments Are Due
359	6,304.43	02/01/2006						
1	6,301.21	01/01/2036						

DEMAND FEATURE: This obligation has a demand feature.

VARIABLE RATE FEATURE: This loan contains a variable rate feature. A variable rate disclosure has been provided earlier.

CREDIT LIFE/CREDIT DISABILITY: Credit life insurance and credit disability insurance are not required to obtain credit, and will not be provided unless you sign and agree to pay the additional cost.

Type	Premium	Signature
Credit Life		I want credit life insurance. Signature:
Credit Disability		I want credit disability insurance. Signature:
Credit Life and Disability		I want credit life and disability insurance. Signature:

INSURANCE: The following insurance is required to obtain credit:

Credit life insurance  Credit disability  Property insurance  Flood insurance

You may obtain the insurance from anyone you want that is acceptable to creditor

If you purchase  property  flood insurance from creditor you will pay \$ \_\_\_\_\_ for a one year term.

SECURITY: You are giving a security interest in:

The goods or property being purchased  Real property you already own.

FILING FEES: \$ \_\_\_\_\_

LATE CHARGE: If a payment is more than \_\_\_\_\_ days late, you will be charged \_\_\_\_\_ % of the payment

PREPAYMENT: If you pay off early, you

may  will not have to pay a penalty.

may  will not be entitled to a refund of part of the finance charge.

ASSUMPTION: Someone buying your property

may  may, subject to conditions  may not assume the remainder of your loan on the original terms.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date and prepayment refunds and penalties

\* means an estimate  all dates and numerical disclosures except the late payment disclosures are estimates.

\*\* NOTE: The Payments shown above include reserve deposits for Mortgage Insurance (if applicable), but exclude Property Taxes and Insurance.

THE UNDERSIGNED ACKNOWLEDGES RECEIVING A COMPLETED COPY OF THIS DISCLOSURE.

Cynthia L. Brown \_\_\_\_\_ (Applicant) (Date)

CINDY BROWN \_\_\_\_\_ (Applicant) (Date)

\_\_\_\_\_ (Applicant) (Date)

\_\_\_\_\_ (Lender) (Date)

**FEDERAL TRUTH - IN - LENDING DISCLOSURE STATEMENT**  
(THIS IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND)

**Creditor:**  
HOME LOAN MORTGAGE CORPORATION

**Borrower:**  
CYNTHIA L. BROWN

11776 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345

17841 LINCOLN STREET  
VILLA PARK, CA 92861  
Loan Number: 97042744

Date: DECEMBER 13, 2005  
Check box if applicable:

<b>ANNUAL PERCENTAGE RATE</b> The cost of your credit as a yearly rate.  7.355 %	<b>FINANCE CHARGE</b> The dollar amount the credit will cost you.  \$ 1,258,293.24	<b>Amount Financed</b> The amount of credit provided to you or on your behalf.  \$ 869,815.56	<b>Total of Payments</b> The amount you will have paid after you have made all payments as scheduled.  \$ 2,128,108.80	<b>[ ] Total Sale Price</b> The total cost of your purchase on credit including your down-payment of \$ N/A \$ N/A
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[ ] REQUIRED DEPOSIT: The annual percentage rate does not take into account your required deposit.  
PAYMENTS: Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due	Number of Payments	Amount of Payments	When Payments Are Due	Number of Payments	Amount of Payments	When Payments Are Due
		Monthly Beginning:			Monthly Beginning:			Monthly Beginning:
60	6,304.43	02/01/2006						
300	5,832.81	02/01/2011						

THE PAYMENT SCHEDULE AND ANNUAL PERCENTAGE RATE DISCLOSED HERE ARE ESTIMATED ASSUMING THAT THE CURRENT INDEX RATE WILL NOT INCREASE NOR DECREASE THROUGHOUT THE LOAN TERM.

[ ] DEMAND FEATURE: This obligation has a demand feature.

VARIABLE RATE: Your loan contains variable rate features.

[ ] Information regarding the variable rate features of your loan have been provided to you earlier in a separate document.

Information regarding the variable rate features of your loan are provided hereinafter. The annual percentage rate may increase or decrease during the term of this transaction with increases or decreases in the value of the "Index" (or "Reference Rate"). The rate that you will pay may not be changed more often than every 6th MONTH commencing 01/01/2011.

Rate Change Limits: The rate may not increase by more than 5.000 % or decrease more than 5.000 % on the 1st change date. Then rate cannot increase or decrease more than 1.000 % semi-annually thereafter.

The rate will never be greater than 12.750 %

Any increase in the rate will result in a corresponding increase in the payment.

[ ] Rate increases may occur without immediate and/or corresponding payment increases.

[ ] Unpaid interest will be added to the principal.

The "Index" (or "Reference Rate") is the:

THE AVERAGE OF INTERBANK OFFERED RATES FOR 6 MONTH(S) U.S. DOLLAR DEPOSITS IN THE LONDON MARKET ("LIBOR") BASED ON QUOTATIONS OF MAJOR BANKS, AS PUBLISHED IN THE WALL STREET JOURNAL

INSURANCE: The following insurance is required to obtain credit:

[ ] Credit life insurance and credit disability

Property insurance

[ ] Flood insurance

You may obtain the insurance from anyone you want that is acceptable to creditor.

[ ] If you purchase [ ] property [ ] flood insurance from creditor you will pay \$

for one year term.

SECURITY: You are giving a security interest in:  
17841 LINCOLN STREET, VILLA PARK, CA 92861

[ ] The goods or property being purchased

Real property you already own.

FILING FEES: \$ 80.00

LATE CHARGE: If a payment is more than 15 days late, you will be charged 5.00 % of the Principal & Interest payment.

PREPAYMENT: If you pay off early, you

may [ ] will not have to pay a penalty.

[ ] may  will not be entitled to a refund of part of the finance charge.

ASSUMPTION: Someone buying your property

[ ] may [ ] may, subject to conditions  may not assume the remainder of your loan on the original terms.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date and prepayment refunds and penalties.

[ ] e means an estimate [ ] all dates and numerical disclosures except the late payment disclosures are estimates.

The undersigned acknowledge receiving and reading a completed copy of this disclosure.

Neither you nor the creditor previously has become obligated to make or accept this loan, nor is any such obligation made by the delivery or signing of this disclosure.

I/We have received the Variable Rate Disclosure for the loan program for which I/We have applied.

Cynthia L. Brown 12.13.05  
CYNTHIA L. BROWN Date

12.13.05  
Date

**"FEDERAL TRUTH - IN - LENDING DISCLOSURE STATEMENT" - PAGE 2**  
**"ITEMIZATION OF AMOUNT FINANCED"**

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

**Re:**  
 CYNTHIA L. BROWN

17841 LINCOLN STREET  
 VILLA PARK, CA 92861

**Date:** DECEMBER 13, 2005  
 Initial Interest Rate: 7.750 %  
 BROKER'S LICENSE #: 01219908  
 DEPT. OF REAL ESTATE LICENSE INFO LINE: (916) 227-0931

**Loan Number:** 97042744  
**Loan Amount:** 880,000.00

Ref HUD-1 Statement	** Amount Paid on your Account	*Broker = B	Other = O	
	PAID	FINANCED	*	
		\$		
		\$		
		\$		

**Amount Paid To Others on your Behalf:**

809	APPRAISAL FEE TO LOAN LEADERS OF AMERICA	\$	200.00	B
804	CREDIT REPORT FEE TO LOAN LEADERS OF AMERICA	\$	39.00	B
1001	HAZARD INSURANCE 2 MONTHS @ \$ 70.00 PER MO.	\$	140.00	
1004	COUNTY PROPERTY TAXES 6 MONTHS @ \$ 395.61 PER MO.	\$	2,373.66	
1106	NOTARY FEES TO NOTARY PUBLIC	\$	175.00	O
1108	TITLE INSURANCE FEE TO FIDELITY NATIONAL TITLE CO	\$	1,900.00	O
1201	RECORDING FEE TO FIDELITY NATIONAL TITLE CO	\$	80.00	O
	APPRAISAL REVIEW FEE	\$	205.00	O
	AGGREGATE ADJUSTMENT	\$	(140.00)	
		\$		
		\$		
		\$		
		\$		

**LOAN PROCEEDS PAID TO:** FIDELITY NATIONAL TITLE \$ 864,843.90

**AMOUNT FINANCED** \$ 869,815.56

**Prepaid Finance Charge:**

		PAID	FINANCED	*
801	LOAN ORIGINATION FEE (pd to broker)	\$	1,600.00	B
	PROCESSING FEE TO LOAN LEADERS OF AMERICA	\$	495.00	B
	TAX SERVICE FEE TO FIRST AMERICAN	\$	75.00	O
1101	SETTLEMENT/CLOSING FEE TO FIDELITY NATIONAL TITLE CO	\$	580.00	O
901	INTEREST 19 DAYS @ \$ 189.444 /DAY	\$	3,599.44	
	UNDERWRITING FEE	\$	1,115.00	
	FLOOD CERTIFICATION FEE TO LSI FLOOD SERVICES	\$	20.00	O
	ADMINISTRATION FEE TO LOAN LEADERS OF AMERICA	\$	500.00	B
	DISCOUNT POINTS	\$	2,200.00	
		\$		
		\$		
		\$		
		\$		
		\$		

**Total Prepaid Finance Charge:** \$ 10,184.44

These are FEES NOT paid by the Borrower

\$

\$

\$

**Total Estimated Funds needed to close**

Down Payment	\$	
Estimated Closing Costs	\$	9,183.00
Estimated Prepaid Items/Reserves	\$	5,973.10
Other: TOTAL PAYOFFS	\$	
<b>TOTAL EST. FUNDS NEEDED TO CLOSE</b>	\$	<b>15,156.10</b>

**Total Estimated Monthly Payment**

Principal & Interest	\$	6,304.43
Total Real Estate Taxes	\$	395.61
Flood & Hazard Insurance	\$	70.00
Mortgage Insurance	\$	
Total Other Impounds	\$	
<b>TOTAL MONTHLY PAYMENT</b>	\$	<b>6,770.04</b>

This form does not cover all items you will be required to pay in cash at settlement; for example, deposits in escrow for real estate taxes and insurance may be different. You may wish to inquire as to the amounts of such other items. You may be required to pay other additional amounts at settlement.

Neither you nor the lender previously has become obligated to make or accept this loan, nor is any such obligation made by the delivery or signing of this disclosure. Each of the Undersigned acknowledge receiving and reading a completed copy of this disclosure.

[ ] All disclosures are estimates

Cynthia L. Brown 12.13.05  
 CYNTHIA L. BROWN Date

12.13.05  
 Date

Date

Date

NOTICE OF RIGHT TO CANCEL

Transaction I.D. No.:

Loan Number: 97042744

Borrower: CYNTHIA L. BROWN

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

YOUR RIGHT TO CANCEL:

You are entering into a transaction that will result in a mortgage, lien, or security interest on/in your home. You have a legal right under federal law to cancel this transaction, without cost, within three business days from whichever of the following events occurs last:

- 1. the date of the transaction, which is DECEMBER 13, 2005 ; or
2. the date you receive your Truth in Lending disclosures; or
3. the date you receive this notice of your right to cancel. 12/13/05 CB

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

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

HOW TO CANCEL:

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

Name of Creditor: HOME LOAN MORTGAGE CORPORATION

at 11776 MARIPOSA ROAD, SUITE 103 HESPERIA, CA 92345

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

If you cancel by mail or telegram, you must send a notice no later than midnight of 12/13/05 (or midnight of the third business day following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I WISH TO CANCEL

Date

Borrower's Signature

ACKNOWLEDGEMENT OF RECEIPT

BY SIGNING BELOW, I, THE UNDERSIGNED, HEREBY ACKNOWLEDGE THAT ON THE DATE LISTED ABOVE I RECEIVED TWO (2) COMPLETED COPIES OF THIS NOTICE OF RIGHT TO CANCEL IN THE FORM PRESCRIBED BY LAW ADVISING ME OF MY RIGHT TO CANCEL THIS TRANSACTION.

DATE: 12.13.05

CYNTHIA L. BROWN Borrower's Name

Cynthia L. Brown CYNTHIA L. BROWN

Borrower's Signature

ESCROW INSTRUCTIONS & DEMAND

TO: FIDELITY NATIONAL TITLE COMPANY  
Attn: Christine Fisher

RE: Your Escrow No. 705702 (Cynthia L. Brown)

**Preliminary Recitals**

1. CRAIG R. DIMOND (hereafter referred to as "Beneficiary") is the beneficiary under a deed of trust executed by CYNTHIA L. BROWN for the purpose of securing the repayment of a loan in the original principal amount of \$ 380,000.00 and the payment of certain other obligations, and subsequently recorded in the official records of Orange County on December 9<sup>th</sup> 2005, as Instrument No. 200500982878 (hereafter referred to as the "Deed of Trust"). In response to your Request for Payoff Demand Statement, Beneficiary, reserving the right to amend or revoke these instructions, unilaterally and without prior notice, at any time, hereby authorizes and instructs you as follows:

**Deposit Clause**

2. Beneficiary hereby deposits with you the following:

(a) The original of the promissory note dated December 2, 2005 executed in favor of CRAIG R. DIMOND by CYNTHIA L. BROWN in the amount of \$380,000.00 and evidencing the principal obligation secured by the Deed of Trust (hereafter referred to as the "Promissory Note").

(b) The original of the Deed of Trust.

(c) A full reconveyance of the Deed of Trust, duly executed and in recordable form (hereafter referred to as the "Reconveyance").

**Conditions Precedent to Recording and Delivery of Reconveyance**

3. You are authorized to cancel the Promissory Note and the Deed of Trust, to record the Reconveyance, and to deliver to the parties the Promissory Note, Deed of Trust, Reconveyance, and other documents that Beneficiary has deposited with you when, and only when, you hold for the account of Beneficiary in available funds, and are authorized and prepared to disburse to Beneficiary, the amount necessary to pay off and discharge all of the following outstanding obligations:

(a) The unpaid balance of \$ 367,000.00 on the principal obligation evidenced by the Promissory Note and secured by the Deed of Trust;

(b) Any other obligations, fees, or charges set forth in any amendment to these

2nd TO demand

instructions or in any amended or supplemental demand subsequently deposited with you by Beneficiary.

**Adjustment of Beneficiary's Demand**

4. Beneficiary shall have the right to adjust, amend, or supplement the demand set forth in Paragraph 3, unilaterally and without notice, at any time by amending these instructions or by depositing with you an amended or supplemental demand.

**Disbursements**

5. As soon as you have recorded the Reconveyance, you shall disburse to Beneficiary the full amount demanded in Paragraph 3. This disbursement and any other disbursement made to Beneficiary shall be made in the form of a bank wire to Beneficiary at the following bank and account:

Bank: Bank of America (Santa Ana, California Branch)

Account Holder: Craig R. Dimond

Account No.: 0625808802

Routing No.: 121000358

**Nonresponsibility for Escrow Fees and Charges**

6. Beneficiary shall have no responsibility or liability for any of your escrow fees or charges or for any fees, charges, costs, or expenses incurred by you or any other party to the above-referenced escrow in complying with Beneficiary's instructions or demand, securing the reconveyance of the Deed of Trust, or otherwise processing or closing the above-referenced escrow.

**Amendment or Revocation of Instructions**

7. Beneficiary shall have the right to amend these instructions at any time without prior notice and without the agreement or consent of any other party or parties. Beneficiary shall have the right to revoke and cancel these instructions at any time without prior notice and without the agreement or consent of any other party or parties. If Beneficiary exercises its right to revoke and cancel these instructions, or if the above-referenced escrow is canceled for any reason, you shall return to Beneficiary forthwith, upon demand, any and all instruments, documents, and other items that Beneficiary has deposited with you.

**Request for Acknowledgment of Acceptance**

8. Please acknowledge your receipt and acceptance of these instructions and the items deposited with them, and your agreement to hold and dispose of any instruments, documents, or items that Beneficiary deposits with you in accordance with the terms and conditions of these instructions, by signing the acknowledgment and acceptance set forth below on the enclosed copies and returning one signed copy to Beneficiary.

Dated: 12/9/05

**BENEFICIARY**

*Craig R Dimond*  
CRAIG R. DIMOND

**Acknowledgment and Acceptance by Escrow Holder**

FIDELITY NATIONAL TITLE COMPANY acknowledges receipt of the foregoing instructions and the items listed in Paragraph 2 of those instructions. FIDELITY NATIONAL TITLE COMPANY agrees that any instruments, documents, or other items deposited by CRAIG R. DIMOND shall be held and disposed of in accordance with the terms and conditions of the foregoing instructions and any amendments or additional instructions that may be submitted by CRAIG R. DIMOND.

**ESCROW HOLDER**

FIDELITY NATIONAL TITLE COMPANY

By \_\_\_\_\_  
Christine Fisher  
Escrow Officer

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**ESCROW INSTRUCTIONS & DEMAND**

TO: FIDELITY NATIONAL TITLE COMPANY  
Attn: Christine Fisher

RE: Your Escrow No. 705702 (Cynthia L. Brown)

**Preliminary Recitals**

1. CRAIG R. DIMOND (hereafter referred to as "Beneficiary") is the beneficiary under a deed of trust executed by CYNTHIA L. BROWN for the purpose of securing the repayment of a loan in the original principal amount of \$ 380,000.00 and the payment of certain other obligations, and subsequently recorded in the official records of Orange County on December 9<sup>th</sup> 2005, as Instrument No. 2005-00982878 (hereafter referred to as the "Deed of Trust"). In response to your Request for Payoff Demand Statement, Beneficiary, reserving the right to amend or revoke these instructions, unilaterally and without prior notice, at any time, hereby authorizes and instructs you as follows:

**Deposit Clause**

2. Beneficiary hereby deposits with you the following:

(a) The original of the promissory note dated December 2, 2005 executed in favor of CRAIG R. DIMOND by CYNTHIA L. BROWN in the amount of \$380,000.00 and evidencing the principal obligation secured by the Deed of Trust (hereafter referred to as the "Promissory Note").

(b) The original of the Deed of Trust.

(c) A full reconveyance of the Deed of Trust, duly executed and in recordable form (hereafter referred to as the "Reconveyance").

**Conditions Precedent to Recording and Delivery of Reconveyance**

3. You are authorized to cancel the Promissory Note and the Deed of Trust, to record the Reconveyance, and to deliver to the parties the Promissory Note, Deed of Trust, Reconveyance, and other documents that Beneficiary has deposited with you when, and only when, you hold for the account of Beneficiary in available funds, and are authorized and prepared to disburse to Beneficiary, the amount necessary to pay off and discharge all of the following outstanding obligations:

(a) The unpaid balance of \$ 367,000.00 on the principal obligation evidenced by the Promissory Note and secured by the Deed of Trust;

(b) Any other obligations, fees, or charges set forth in any amendment to these

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instructions or in any amended or supplemental demand subsequently deposited with you by Beneficiary.

**Adjustment of Beneficiary's Demand**

4. Beneficiary shall have the right to adjust, amend, or supplement the demand set forth in Paragraph 3, unilaterally and without notice, at any time by amending these instructions or by depositing with you an amended or supplemental demand.

**Disbursements**

5. As soon as you have recorded the Reconveyance, you shall disburse to Beneficiary the full amount demanded in Paragraph 3. This disbursement and any other disbursement made to Beneficiary shall be made in the form of a bank wire to Beneficiary at the following bank and account:

Bank: Bank of America (Santa Ana, California Branch)

Account Holder: Craig R. Dimond

Account No.: 0625848802

Routing No.: 121001358

**Nonresponsibility for Escrow Fees and Charges**

6. Beneficiary shall have no responsibility or liability for any of your escrow fees or charges or for any fees, charges, costs, or expenses incurred by you or any other party to the above-referenced escrow in complying with Beneficiary's instructions or demand, securing the reconveyance of the Deed of Trust, or otherwise processing or closing the above-referenced escrow.

**Amendment or Revocation of Instructions**

7. Beneficiary shall have the right to amend these instructions at any time without prior notice and without the agreement or consent of any other party or parties. Beneficiary shall have the right to revoke and cancel these instructions at any time without prior notice and without the agreement or consent of any other party or parties. If Beneficiary exercises its right to revoke and cancel these instructions, or if the above-referenced escrow is canceled for any reason, you shall return to Beneficiary forthwith, upon demand, any and all instruments, documents, and other items that Beneficiary has deposited with you.

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**Request for Acknowledgment of Acceptance**

8. Please acknowledge your receipt and acceptance of these instructions and the items deposited with them, and your agreement to hold and dispose of any instruments, documents, or items that Beneficiary deposits with you in accordance with the terms and conditions of these instructions, by signing the acknowledgment and acceptance set forth below on the enclosed copies and returning one signed copy to Beneficiary.

Dated: 12/9/05

**BENEFICIARY**

Craig R Dimond  
CRAIG R. DIMOND

**Acknowledgment and Acceptance by Escrow Holder**

FIDELITY NATIONAL TITLE COMPANY acknowledges receipt of the foregoing instructions and the items listed in Paragraph 2 of those instructions. FIDELITY NATIONAL TITLE COMPANY agrees that any instruments, documents, or other items deposited by CRAIG R. DIMOND shall be held and disposed of in accordance with the terms and conditions of the foregoing instructions and any amendments or additional instructions that may be submitted by CRAIG R. DIMOND.

**ESCROW HOLDER**

FIDELITY NATIONAL TITLE COMPANY

By Christine Fisher  
Escrow Officer



# Fidelity National Title Company

17592 East 17th Street, Suite 100 • Tustin, CA 92780  
(714) 508-4000 • FAX (714) 669-0386

WE CERTIFY THAT THIS IS A TRUE  
AND CORRECT COPY OF THE ORIGINAL

*Christian Fisher*  
FIDELITY NATIONAL TITLE

## LOAN ESCROW INSTRUCTIONS

Date: December 13, 2005  
Escrow No.: 705702-CF  
Escrow Officer: Christian Fisher

Borrower will execute and deliver a new First conventional Deed of Trust  
in the amount of ..... \$ 880,000.00

AND, will deliver to you any instruments which this escrow requires shall be executed by me, all of which you are instructed to use provided that on or before January 2, 2006 you hold an ALTA Loan Policy (10-17-92) w/Form 1 Cov. coverage form Policy of Title Insurance from Fidelity National Title Insurance Company with the usual title company's exceptions with a liability of \$880,000.00, covering the following described property located in the City of Villa Park, County of Orange, State of California:

BORROWER STATES THAT PROPERTY ADDRESS IS:  
17841 Lincoln Street, Villa Park, CA 92861

SHOWING TITLE VESTED IN:  
Cynthia L. Brown, A Single Woman

### FREE FROM ENCUMBRANCES EXCEPT:

1. Current general and special taxes for the fiscal year in which this escrow closes, and taxes for the ensuing year, if any, a lien not yet due and payable;
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. Bonds and Assessments with no delinquent payments, if any;
4. Covenants, conditions restrictions, reservations, easements and rights of way now of record, if any;
5. A First Deed of Trust, to record, securing a note in the amount of \$880,000.00 in favor of Home Loan Mortgage.

### CONSUMMATION of this escrow is CONTINGENT UPON THE FOLLOWING:

1. **NEW LOAN:** Borrower obtaining and property qualifying for a new conventional First trust deed loan securing a note in the amount of \$880,000.00 in favor of Home Loan Mortgage. Said loan shall bear interest at a rate not to exceed 7.7500% initial adjustable rate per annum, balance due 30 years.

Borrower's signature on lender's documents shall be deemed their approval and acceptance of the terms and conditions of said new loan and Escrow Holder's authorization to comply with lender's requirements.

### ADDITIONAL INSTRUCTIONS:

2. **CREDIT CARD PAYMENTS:** As a condition of funding, the new lender requires certain credit card and installment accounts be paid through escrow. Borrower hereby agrees, prior to close of escrow, to provide actual statements of accounts required by lender to be paid.

In the event accounts have been paid in full or the balances reduced outside of this escrow written evidence of payment will be provided to escrow before close.

Fidelity National Title Company shall not be responsible and or liable for any balances paid on the above accounts in excess or less than amounts currently owed or for any late charge accruals. Borrower will hold Fidelity National Title Company harmless and indemnify such against any losses or damages by reason of compliance with these instructions.

**GENERAL INSTRUCTIONS:**

1. Borrower agrees to provide new hazard insurance policy acceptable to lender and to authorize payment of premium through escrow unless a paid receipt is provided to escrow.
2. Borrower agrees to pay all costs and charges in connection with this escrow including but not limited to escrow fee, ALTA Lenders Policy of Title Insurance, recording fees and all charges as stated in lenders instructions to escrow, all encumbrances necessary to place title in condition called for herein, including but not limited to prepayment penalties, to show title as herein provided, without further approval and Escrow Holder is instructed to debit borrower's account and pay same at close of escrow.
3. The undersigned hereby authorize and instruct Escrow Holder to charge each party to the escrow for their respective Federal Express and/or special mail handling/courier fees. Unless specified in writing by the undersigned, Escrow Holder is authorized to select special mail/delivery or courier service to be used.
4. Borrower is aware that interest on the existing loan(s) does not stop accruing at close of escrow, but continues until the actual day of receipt of the payoff by Lender.

Borrower is aware that interest will accrue through weekends or holidays.

Borrower is aware he/she/they are responsible for payment of all of such interest and will indemnify and hold Escrow Holder harmless in connection with the payment of such interest.

5. Checks to be issued at Close of Escrow: I/We the undersigned buyer/borrower/seller hereby acknowledge that we are aware that Fidelity National Title Company will issue a check payable to the undersigned in payment of seller's proceeds/borrower's proceeds or buyer's excess deposit refund. I/We further acknowledge and agree that said check will be presented to the bank for deposit as soon as possible after receipt, and collection and payment of the funds will only be done through the regular banking channels.

In addition, in the event there are liens to be paid on the undersigned's behalf, we hereby also acknowledge that I/We will not use the pay-by-phone electronic system to pay/collect the funds as Fidelity National Title Company will not honor such payments. The parties herein agree to be responsible for any stop payment and reissue charges and/or losses that may be incurred in connection with any and all electronic debits to Fidelity National Title Company's Trust Accounts.

The Undersigned hereby instruct and authorize Escrow Holder to disburse proceeds as follows:

TRANSFER  All Net Proceeds, or  \$ \_\_\_\_\_ to \_\_\_\_\_

ATTN: \_\_\_\_\_

ESCROW NO: \_\_\_\_\_

HOLD check for PICK UP

CALL when check is ready for PICK UP, PHONE NUMBER \_\_\_\_\_

WIRE funds to (Bank Name) Bank America

Address 17863 Santa Ana Blvd, Villa Park, 92861

Routing No. ~~121000358~~ 121000358

Account No. 09434-09514

MAIL  FEDERAL EXPRESS check to \_\_\_\_\_

## GENERAL PROVISIONS

### 1. DEPOSIT OF FUNDS

The law dealing with the disbursement of funds requires that all funds be available for withdrawal as a matter of right by the title entity's escrow and/or sub escrow account prior to disbursement of any funds. Only cash or wire transferred funds can be given immediate availability upon deposit. Cashier's checks, teller's checks and Certified checks may be available one business day after deposit. All other funds such as personal, corporate or partnership checks and drafts are subject to mandatory holding periods which may cause material delays in disbursement of funds in this escrow. In order to avoid delays, all fundings should be wire transfer. Outgoing wire transfers will not be authorized until confirmation of the respective incoming wire transfer or of availability of deposited checks.

All funds received in this escrow shall be deposited with other escrow funds in a general escrow account or accounts of Fidelity National Title Company, with any state or national bank, or savings and loan association (the "depository institution") and may be transferred to any other such general escrow account or accounts. The parties to this escrow acknowledge that the maintenance of such escrow accounts with some depository institutions may result in Escrow Holder's being provided with an array of bank services, accommodations or other benefits by the depository institution. Escrow Holder or its affiliates also may elect to enter into other business transactions with or obtain loans for investment or other purposes from the depository institution. All such services, accommodations and other benefits shall accrue to Escrow Holder and Escrow Holder shall have no obligation to account to the parties to this escrow for the value of such services, accommodations or other benefits.

Said funds will not earn interest unless the instructions otherwise specifically state that funds shall be deposited in an interest-bearing account. All disbursements shall be made by check of Fidelity National Title Company. The principals to this escrow are hereby notified that the funds deposited herein are insured only to the limit provided by the Federal Deposit Insurance Corporation. Any instruction for bank wire will provide reasonable time or notice for Escrow Holder's compliance with such instruction. Escrow Holder's sole duty and responsibility shall be to place said wire transfer instructions with its wiring bank upon confirmation of (1) satisfaction of conditions precedent or (2) document recordation at close of escrow. Escrow Holder will NOT be held responsible for lost interest due to wire delays caused by any bank or the Federal Reserve System, and recommends that all parties make themselves aware of banking regulations with regard to placement of wires.

In the event there is insufficient time to place a wire upon any such confirmation or the wires have closed for the day, the parties agree to provide written instructions for an alternative method of disbursement. WITHOUT AN ALTERNATIVE DISBURSEMENT INSTRUCTION, FUNDS WILL BE HELD IN TRUST IN A NON-INTEREST BEARING ACCOUNT UNTIL THE NEXT OPPORTUNITY FOR WIRE PLACEMENT.

To the extent provided by law, if for any reason funds are retained or remain in escrow following the close of escrow, you are to deduct therefrom a reasonable monthly charge as custodian thereof of not less than \$10.00 per month.

### 2. PRORATIONS AND ADJUSTMENTS

All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. You are to use information contained on last available tax statement, rental statement as provided by the Seller, beneficiary's statement and fire insurance policy delivered into escrow for the prorations provided for herein.

### 3. SUPPLEMENTAL TAXES

The within described property may be subject to supplemental real property taxes due to the change of ownership taking place through this escrow. Any supplemental real property taxes arising as a result of the transfer of the property to Buyer shall be the sole responsibility of Buyer and any supplemental real property taxes arising prior to the closing date shall be the sole responsibility of the Seller. TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER.

### 4. UTILITIES/POSSESSION

Transfer of utilities and possession of the premises are to be settled by the parties directly and outside escrow.

### 5. PREPARATION AND RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to prepare, obtain, record and deliver the necessary instruments to carry out the terms and conditions of this escrow and to order the policy of title insurance to be issued at close of escrow as called for in these instructions. Close of escrow shall mean the date instruments are recorded.

### 6. AUTHORIZATION TO FURNISH COPIES

You are authorized to furnish copies of these instructions, supplements, amendments, notices of cancellation and closing statements, to the Real Estate Broker(s) and Lender(s) named in this escrow.

### 7. RIGHT OF CANCELLATION

Any principal instructing you to cancel this escrow shall file notice of cancellation in your office in writing. You shall, within two (2) working days thereafter, deliver, one copy of such notice to each of the other principals, at the addresses stated in this escrow. UNLESS WRITTEN OBJECTION TO CANCELLATION IS FILED IN YOUR OFFICE BY A PRINCIPAL WITHIN TEN (10) DAYS AFTER DATE OF SUCH MAILING, YOU ARE AUTHORIZED TO COMPLY WITH SUCH NOTICE AND DEMAND PAYMENT OF YOUR CANCELLATION CHARGES. If written objection is filed, you are authorized to hold all money and instruments in this escrow and take no further action until otherwise directed, either by the principals' mutual written instructions, or by final order of a court of competent jurisdiction.

### 8. PERSONAL PROPERTY

No examination or insurance as to the amount or payment of personal property taxes is required unless specifically requested.

By signing these General Provisions, the parties to the escrow hereby acknowledge that they are indemnifying the Escrow Holder against any and all matters relating to any "Bulk Sales" requirements, and instruct Escrow Agent to proceed with the closing of escrow without any consideration of matter of any nature whatsoever regarding "Bulk Sales" being handled through escrow.

### 9. RIGHT OF RESIGNATION

Escrow Holder has the right to resign upon ten (10) days written notice delivered to the principals herein. If such right is exercised, all funds and documents shall be returned to the party who deposited them and Escrow Holder shall have no liability hereunder.

### 10. AUTHORIZATION TO EXECUTE ASSIGNMENT OF HAZARD INSURANCE POLICIES

Either Buyer, Seller and/or Lender may hand you the insurance agent's name and insurance policy information, and you are to execute, on behalf of the principals hereto, form assignments of interest in any insurance policy (other than title insurance) called for in this escrow, forward assignment and policy to the insurance agent, requesting that the insurer consent to such transfer and/or attach a loss payable clause and/or such other endorsements as may be required, and forward such policy(s) to the principals entitled thereto. It is not your responsibility to verify the information handed you or the assignability of said insurance. Your sole duty is to forward said request to insurance agent at close of escrow.

Further, there shall be no responsibility upon the part of Escrow Holder to renew hazard insurance policy(s) upon expiration or otherwise keep it in force either during or subsequent to the close of escrow. Cancellation of any existing hazard insurance policies is to be handled directly by the principals, and outside of escrow.

### 11. ACTION IN INTERPLEADER

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in this escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefor to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations imposed by the terms of this escrow or otherwise.

### 12. TERMINATION OF AGENCY OBLIGATION

If there is no action taken on this escrow within six (6) months after the "time limit date" as set forth in the escrow instructions or written extension thereof, your agency obligation shall terminate at your option and all documents, monies or other items held by you shall be returned to the parties depositing same. In the event of cancellation of this escrow, whether it be at the request of any of the principals or otherwise, the fees and charges due Fidelity National Title Company, including expenditures incurred and/or authorized shall be borne equally by the parties hereto (unless otherwise agreed to specifically).

### 13. CONFLICTING INSTRUCTIONS

Upon receipt of any conflicting instructions, you are to take no action in connection with this escrow until non-conflicting instructions are received from all of the principals to this escrow (subject to sections 7, 9, 11 and 12 above).

### 14. REIMBURSEMENT ATTORNEY FEES/ESCROW HOLDER

In the event that a suit is brought by any party or parties to these escrow instructions to which the Escrow Holder is named as a party which results in a judgment in favor of the Escrow Holder and against a principal or principals herein, the principals or principals' agent agree to pay said Escrow Holder all costs, expenses and reasonable attorney's fees which it may expend or incur in said suit, the amount thereof to be fixed and judgment therefore to be rendered by the court in said suit.

### 15. DELIVERY/RECEIPT

Delivery to principals as used in these instructions unless otherwise stated herein is to be by regular mail, and receipt is

determined to be 72 hours after such mailing. All documents, balances and statements due to the undersigned are to be mailed to the address shown herein.

**16. STATE/FEDERAL CODE NOTIFICATIONS**

According to Federal Law, the Seller, when applicable, will be required to complete a sales activity report that will be utilized to generate a 1099 statement to the Internal Revenue Service.

Pursuant to State Law, prior to the close of escrow, Buyer will provide Escrow Holder with a Preliminary Change of Ownership Report. In the event said report is not handed to Escrow Holder for submission to the County in which subject property is located, upon recording of the Grant Deed, Buyers acknowledge that the applicable fee will be assessed by said County and Escrow Holder shall debit the account of Buyer for same at close of escrow.

Buyer and Seller herein represent and warrant that they will seek and obtain independent legal advice and counsel relative to their obligations under the "Foreign Investors In Real Property Act", and any other applicable federal and/or state laws regarding same, and will take all steps necessary in order to comply with such requirements and hereby hold you harmless relative to their compliance therewith.

**17. ENCUMBRANCES**

Escrow Holder is to act upon any statements furnished by a lienholder or his agent without liability or responsibility for the accuracy of such statements. Any adjustments necessary because of a discrepancy between the information furnished Escrow Holder and any amount later determined to be correct shall be settled between the parties direct and outside of escrow.

**18. ENVIRONMENTAL ISSUES**

Fidelity National Title Company has made no investigation concerning said property as to environmental/toxic waste issues. Any due diligence required or needed to determine environmental impact as to forms of toxification, if applicable, will be done directly and by principals outside of escrow. Fidelity National Title Company is released of any responsibility and/or liability in connection therewith.

**19. USURY**

Escrow Holder is not to be concerned with any questions of usury in any loan or encumbrance involved in the processing of this escrow and is hereby released of any responsibility or liability therefore.

**20. DISCLOSURE**

Escrow Holder's knowledge of matters affecting the property, provided such facts do not prevent compliance with these instructions, does not create any liability or duty in addition to these instructions.

**21. CLARIFICATION OF DUTIES**

Fidelity National Title Company serves ONLY as an Escrow Holder in connection with these instructions and cannot give legal advice to any party hereto.

Escrow Holder is not to be held accountable or liable for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited in this escrow, nor as to the identity, authority or rights of any person executing the same. Escrow Holder's duties hereunder shall be limited to the proper handling of such money and the proper safekeeping of such instruments, or other documents received by Escrow Holder, and for the disposition of same in accordance with the written instructions accepted by Escrow Holder.

The agency and duties of Escrow Holder commence only upon receipt of copies of these Escrow Instructions executed by all parties.

THIS AGREEMENT IN ALL PARTS APPLIES TO, INURES TO THE BENEFIT OF, AND BINDS ALL PARTIES HERETO, THEIR HEIRS, LEGATEES, DEVISEES, ADMINISTRATORS, EXECUTORS, SUCCESSORS AND ASSIGNS, AND WHENEVER THE CONTEXT SO REQUIRES THE MASCULINE GENDER INCLUDES THE FEMININE AND NEUTER, AND THE SINGULAR NUMBER INCLUDES THE PLURAL. THESE INSTRUCTIONS AND ANY OTHER AMENDMENTS MAY BE EXECUTED IN ANY NUMBER OF COUNTERPARTS, EACH OF WHICH SHALL BE CONSIDERED AS AN ORIGINAL AND BE EFFECTIVE AS SUCH.

MY SIGNATURE HERETO CONSTITUTES INSTRUCTION TO ESCROW HOLDER OF ALL TERMS AND CONDITIONS CONTAINED IN THIS AND ALL PRECEDING PAGES AND FURTHER SIGNIFIES THAT I HAVE READ AND UNDERSTAND THESE GENERAL PROVISIONS.

FIDELITY NATIONAL TITLE COMPANY CONDUCTS ESCROW BUSINESS UNDER CERTIFICATE OF AUTHORITY NO. 2597-3 ISSUED BY THE CALIFORNIA DEPARTMENT OF INSURANCE.

  
Cynthia L. Brown

# INSTRUCTIONS TO ESCROW

■ Home Loan Mortgage Corporation  
 ■ 11776 Mariposa Road  
 ■ Hesperia, CA 92345  
 ■ 760-848-2500  
 ■ 760-244-8430

LOAN NO: 97042744  
 ESCROW NO: 705702-CF  
 ORDER NO: 30123785-A  
 LOAN NAME: CYNTHIA L. BROWN

DOCUMENT DATE: DECEMBER 13, 2005  
 FUNDING DATE: TO FOLLOW

**MONTHLY PAYMENT:**  
 P & I 6,304.43 }  
 TAX 395.61 } Impounds  
 INS. To Follow } Sub-Total  
 PMI/MMI }  
 TOTAL To Follow

**TO:**  
 FIDELITY NATIONAL TITLE  
 17592 EAST 17TH STREET, SUITE 300  
 TUSTIN, CA 92750-

ATTN: CHRISTIAN FISHER  
 (714) 838-0300

- FIDELITY NATIONAL TITLE
- 17592 EAST 17TH STREET
- TUSTIN, CA 92780-

ATTN: JIM JEAN  
 (714) 838-0300

THIS LOAN MUST RECORD PRIOR TO: DECEMBER 31, 2005

**ALL DOCUMENTS MUST  
 BE IN OUR OFFICE  
 48 HOURS  
 PRIOR TO DISBURSEMENT  
 OF LOAN FUNDS**

We enclose the following documents necessary to complete the above-captioned loan. Return all documents completed as shown at the time funds are requested. Deliver to Borrower one copy of each document signed by Borrower. Each Borrower must receive 2 copies of Notice of Right to Cancel.

- [ X ] **Deed of Trust or Mortgage:** Conform and Certify copies; Deliver original to Title Company along with other originals to be recorded.
- [ X ] **Note:** Conform and Certify copies

- |                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PREPAYMENT ADDENDUM<br>PREPAYMENT CHARGE DISCLOSURE<br>OCCUPANCY AFFIDAVIT<br>HAZARD INSURANCE AUTHORIZATION<br>BORROWER'S CERTIFICATION<br>NOTICE TO APPLICANT-APPRAISAL<br>IMPOUND AUTH & FIRST PAYMENT NOTIF<br>FAIR LENDING / ECOA NOTICE<br>INITIAL ESC ACCT DISCL STMT<br>DISCLOSURE OF CREDIT SCORE INFO<br>SIGNATURE AFFIDVT AND AKA STMT<br>ADDRESS CERTIFICATION<br>CALIFORNIA INSURANCE DISCLOSURE | ADJUSTABLE RATE RIDER<br>FEDERAL T.I.L. DISC STMT<br>NOTICE OF RIGHT TO CANCEL<br>Form 4506 REQ FOR COPY<br>COMPLIANCE AGREEMENT<br>BORROWER'S CERT. & AUTHORIZATI<br>BORROWER NOTICE<br>HARDSHIP LETTER<br>FAIR LENDING / ECOA NOTICE<br>NOTICE FURNISHING OF NEGATIVE INFO<br>IMPOUND ACCOUNT DISC AGREEMENT<br>BORROWER'S ACK. OF DISCLOSURES<br>CALIFORNIA CREDIT SCORE NOTICE | ARM DISCLOSURE<br>FEDERAL T.I.L. DISC STMT (Page<br>PAYMENT LETTER TO BORROWER<br>Form 4508-T REQ FOR TRANSCRIPT<br>RESPA SERVICING DISCLOSURE<br>IMPORTANT APPLICANT INFORMATION<br>BORROWER CERTIFICATION - NET TANGIBLE BENE<br>W-9(s)<br>CREDIT SCORE NOTICE<br>BORROWER PROPERTY CONDITION<br>FLOOD ZONE NOTIFICATION<br>INTERIM INTEREST PAYMENT DISCLOSURE<br>PROVIDER NOTICE ADDENDUM |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- [ ] FHA 2900 or VA 1876/1820 - Borrower to execute and return all copies. **DO NOT DATE**
- IN ADDITION TO THE ABOVE, FURNISH US THE FOLLOWING WHEN REQUESTING FUNDS:
- [ ] Termite Report and Clearance: *In duplicate. Required FHA/VA statement must be typed on the report/clearance and signed by borrowers.*
- [ ] Certified copy of your original Escrow Instructions, Pre-Closing Statements and/or Amendments.

SEE "ADDENDUM TO ESCROW INSTRUCTIONS" ATTACHED HERETO AND MADE A PART HEREOF.

**PLEASE DO NOT ALTER LEGAL DOCUMENTS.**

PRIOR TO FUNDING WE WILL OBTAIN:

- [ ] Final Compliance Inspection Report. Notify this office when work has been completed.

ALTA POLICY must contain Indorsements 100, 116, 8.1 and 111.9  
 with liability in the amount of our loan on property described herein.  
 LIABILITY SUBJECT ONLY TO: (Gen. & Spec. taxes) Fiscal Year 20 06/06 FIRST HALF PAID  
 Funds may be used for account of the vestees, and you will record all instruments when you comply with  
 the following:  
 1. Issue said form of Policy showing title vested as shown below.  
 2. Issue said form of Policy free from encumbrances except items STANDARD EXCEPTIONS  
 of preliminary Title Report dated 12/02/2005  
 Secondary financing in the amount of \$ NONE has been approved.

**FHA OR VA: BUYER CANNOT BE CHARGED FOR ANY INDORSEMENTS TO ALTA POLICIES**

**TITLE/ESCROW DISBURSEMENT**

Please find enclosed funds to be released in connection with the above referenced order and subject to the following terms and conditions and additional instructions from escrow:

Reference made to the Trust Deed recording of the ALTA Title Policy must show the instrument Number as well as the date of recording. Send ALTA Title Policy in duplicate directly to lender as shown above.

We are to be at no expense in the transaction.

PHONE ESCROW for your instructions upon receipt of this order. If for any reason you cannot comply with our instructions and record the Deed of Trust within 5 days of the date on our check, call the undersigned for further instructions.

If the CC&R's contain a re-entry and/or reversionary clause we will require a 100.12 indorsement.

LOAN NO: 97042744  
LOAN NAME: CYNTHIA L. BROWN

Borrower's Vesting:  
CYNTHIA L. BROWN, A SINGLE WOMAN ✓

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

County: ORANGE ✓ Case No.: First Payment Date: 02/01/2008 ✓  
Interest Rate: 7.750 % ✓ Term: 360 mos. Last Payment Date: 01/01/2036

THE TOTAL CONSIDERATION IN THIS TRANSACTION EXCEPT FOR OUR LOAN AND APPROVED SECONDARY FINANCING IF ANY, MUST PASS IN THE FORM OF CASH, THROUGH YOUR ESCROW. DO NOT RECORD OUR DEED OF TRUST IF YOU HAVE KNOWLEDGE OF A CONCURRENT OR SUBSEQUENT ESCROW TO BE OPENED OR CLOSED UPON COMPLETION OF THIS ESCROW, WHICH WILL TRANSFER SUBJECT PROPERTY.

Loan Rep.:

Branch:

	L/B*	Paid	Seller		
LOAN FEE	B	1,600.00			SALES PRICE
SETTLEMENT/CLOSING FEE	O	580.00			
TAX SERVICE FEE	O	75.00			LOAN AMOUNT
PROCESSING FEE	B	495.00			880,000.00 ✓
UNDERWRITING FEE	L	1,115.00		% DISCOUNT =	
FLOOD CERTIFICATION FEE	O	20.00		\$ 189.44 PER DIEM INTEREST	
ADMINISTRATION FEE	B	500.00		FROM 12/13/2005 TO 01/01/2006 =	3,599.44 ✓
DISCOUNT POINTS	L	2,200.00		IMPOUNDS:	
CREDIT REPORT FEE	B	38.00		6 MOS. COUNTY TAX @ \$ 395.61 = \$ 2,373.66	
APPRAISAL FEE	B	200.00		2 MOS. HAZ. INS. @ \$ 70.00 = \$ To Follow	
RECORDING FEE	O	80.00		AGGREGATE ADJUSTMENT (140.00)	
TITLE INSURANCE FEE	O	1,900.00			
APPRAISAL REVIEW FEE	O	205.00			
NOTARY FEES	O	175.00			
				DEDUCTION SUBTOTAL →	\$

\*L = LENDER / B = BROKER / O = OTHER

These are FEES NOT paid by the Borrower	% = \$
	% = \$
	% = \$
	% = \$

IF YOU HAVE QUESTIONS ON THE ABOVE CHARGES PLEASE NOTIFY THIS OFFICE PRIOR TO FUNDING

Two certified copies of Borrower's and Seller's Settlement Statement must be forwarded within 24 hours after recordation. No fees or charges may be paid by buyer except as accepted by FHA or VA. AN ESCROW FEE CANNOT BE CHARGED TO VETERAN PURCHASER ON VA LOANS. FHA BORROWER MAY NOT BE CHARGED AN ESCROW FEE IN EXCESS OF FHA MAXIMUM. Forward water or stock certificate showing lender as shown above as first Pledgee where applicable.

If for any reason this loan does not close, please, return all documents.

Any monies paid by seller or lender on behalf of the borrower may only be used for FHA ALLOWABLES, CLOSING COSTS, PRE-PAIDS AND POINTS as approved by lender.  
**NO CASH BACK TO BORROWER.**

I have read, understand, and have complied with all requirements listed on these instructions.

By my signature hereon, I acknowledge that I have read, understand, and have complied with all requirements listed on these instructions any Addendums hereto, and with all requirements relating to settlement agent responsibilities under the 1986 Tax Reform Act.

ACKNOWLEDGED AND ACCEPTED:

Cynthia L. Brown 12.13.05  
CYNTHIA L. BROWN Date

Christina Fisher  
Escrow Officer  
Lender's Authorized Signature

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

CHECK TO THE TITLE COMPANY	CHECK NO.		\$
	DRAFT NO.		\$

NOTICE OF ASSIGNMENT, SALE, OR TRANSFER OF SERVICING RIGHTS

Borrower Name & Address: CYNTHIA L. BROWN

Loan Number: 07042744

17841 LINCOLN STREET, VILLA PARK, CA 92861

You are hereby notified\* that the servicing of your mortgage loan, that is, the right to collect payments from you, is being assigned, sold or transferred from HOME LOAN MORTGAGE CORPORATION

to , effective

The assignment, sale or transfer of the servicing of the mortgage loan does not affect any term or condition of the mortgage instruments, other than terms directly related to the servicing of your loan.

Except in limited circumstances, the law requires that your present servicer send you this notice at least 15 days before the effective date of transfer, or at closing. Your new servicer must also send you this notice no later than 15 days after this effective date or at closing. [In this case, all necessary information is combined in this one notice.]

Your present servicer is HOME LOAN MORTGAGE CORPORATION

If you have any questions relating to the transfer of servicing from your present servicer call CUSTOMER SERVICE at (760) 948-2500 between 8:30 a.m. and 5:00 p.m. on the following days MONDAY - FRIDAY . This is a toll-free or collect call number.

Your new servicer will be

The business address for your new servicer is:

The toll-free or collect call telephone number of your new servicer is If you have any questions relating to the transfer of servicing to your new servicer call at between a.m. and p.m. on the following days

The date that your present servicer will stop accepting payments from you is The date that your new servicer will start accepting payments from you is Send all payments due on or after that date to your new servicer.

The transfer of servicing rights may affect the terms of or the continued availability of mortgage life or disability insurance or any other type of optional insurance in the following manner:

and you should take the following action to maintain coverage:

You should also be aware of the following information, which is set out in more detail in Section 6 of the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. Section 2605):

During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

Section 6 of RESPA (12 U.S.C. Section 2605) gives you certain consumer rights. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for the request. If you want to send a "qualified written request" regarding the servicing of your loan, it must be sent to this address:

Not later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, and must provide you with a written clarification regarding any dispute. During this 60-Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. However, this does not prevent the servicer from initiating foreclosure if proper grounds exist under the mortgage documents.

A Business Day is a day on which the offices of the business entity are open to the public for carrying on substantially all of its business functions.

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section. You should seek legal advice if you believe your rights have been violated.

\* This notification is a requirement of Section 6 of the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. Section 2605).

PRESENT SERVICER: HOME LOAN MORTGAGE CORPORATION 11778 MARIPOSA ROAD, SUITE 103 HESPERIA, CA 92345 (760) 948-2500

FUTURE SERVICER:

# COMPLIANCE AGREEMENT

LENDER: HOME LOAN MORTGAGE CORPORATION  
ADDRESS: 11776 MARIPOSA ROAD, SUITE 103, HESPERIA, CA 92346  
BORROWER(S): CYNTHIA L. BROWN  
PROPERTY: 17841 LINCOLN STREET, VILLA PARK, CA 92861  
LOAN NO.: 87042744  
FHA/VA CASE NO.:

DATED effective this 13th day of DECEMBER, 2005

The undersigned borrower(s), in consideration of Lender disbursing loan proceeds for the purchase or refinance of, or construction of improvements on the aforementioned property, agree(s), if requested by the Lender or someone acting on behalf of said Lender, to fully co-operate in adjusting for clerical errors, and all loan closing documentation deemed necessary or desirable, in the reasonable discretion of Lender, to enable Lender to sell, convey its interest in, seek guaranty of, or market said loan to any entity, including but not limited to, a secondary investor, the Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Department of Housing and Urban Development (HUD), the Department of Veterans Affairs (VA), or any Municipal Bonding Authority.

In order to assure that the loan documentation executed this date will conform and be acceptable in the market place in the instance of transfer, sale, or the conveyance by Lender of its interest in and to the above mentioned property evidenced by said loan documentation, the undersigned borrower(s) do hereby so agree and covenant as aforesaid herein.

Cynthia L. Brown 12.13.05 12.13.05  
CYNTHIA L. BROWN Date Date

State of CALIFORNIA  
County of ORANGE )

On 12/13/05, before me, L. Martin, Notary Public  
a Notary Public in and for said County and State, 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]  
Notary Name L. Martin  
Commission Expiration Date 11/16/2008



LENDER: HOME LOAN MORTGAGE CORPORATION

11778 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345

LOAN NO.: 97042744

DATE: DECEMBER 13, 2005

### NOTICE TO BORROWER - IMPOUND / ESCROW ACCOUNT

#### WHAT ARE "IMPOUNDS"?

Funds for the payment of Taxes and Insurance, collected monthly in with the monthly loan payment.

As the Lender receives borrower's monthly loan payments, Lender deposits these funds into borrower's trust account (commonly known as an "Impound" or "Escrow" Account); the funds are then said to be "impounded". The Lender then pays borrower's property taxes and the annual insurance premium from these funds when such become due and payable.

The monthly impound amount is collected at a rate of 1/12th the estimated annual tax and insurance cost, considering the prior year's actual tax bill and current insurance cost.

The amounts required to pay taxes and insurance may vary from year to year. To assure that sufficient funds are available to pay these costs when due, the Lender may find it necessary to adjust your monthly payment from year to year. You will be notified when such adjustments are necessary.

#### IMPORTANT - Please Read Carefully !

You are hereby advised that State law, as it relates to single-family, owner-occupied dwellings only, may prohibit the lender from requiring an impound or escrow account for the payment of taxes, insurance premiums, or other purposes as a condition of the loan except in certain instances. These instances include:

- (1) Where required by a State or Federal regulatory authority; or
- (2) Where a loan is made, guaranteed, or insured by a State or Federal governmental lending or insuring agency; or
- (3) Upon a failure of the borrower to pay two consecutive tax installments on the property prior to the delinquency date for such payments; or
- (4) Where the original principal amount of such a loan is 90% or more of the sale price, if the property involved is sold, or is 90% or more of the appraised value of the property securing the loan; or
- (5) Where the combined principal balances of all loans (first, second, etc.) exceed 80% of the appraised value of the property securing the loan.

The Deed of Trust or Mortgage provides for the establishment of an impound/escrow account if Lender so requests. However, notwithstanding said provisions, Lender will not require an impound/escrow account as a condition of Lender making a loan where such requirement is prohibited by law.

The law does provide for the establishment of an impound/escrow account for any loan if both parties agree. If you desire voluntarily to establish such an account, you may so indicate in the space provided below.

Whether the establishment of an impound/escrow account is required by Lender or is voluntarily requested by you, all funds received by Lender for such an account will only be accepted on the understanding that as and when required or provided for by law, the Lender will:

- (1) Pay interest on any impound/escrow account funds at the rate required by applicable State law (for example, 2% per annum for any loan that was recorded on or after 1-1-80 in the State of California).
- (2) Report said interest earned to the Franchise Tax Board and Internal Revenue Service.
- (3) Have the right to commingle the impound/escrow account funds with other monies.

#### PLEASE COMPLETE THE FOLLOWING:

I/We desire voluntarily to establish an impound/escrow account.

I/We desire not to establish an impound/escrow account.

An impound/escrow account is required on this loan.

In the event an impound/escrow account is established, whether at the request of the undersigned or otherwise, it is agreed that I/we assume the tax liability, if any, for the earned interest on such account. This agreement shall apply to all loans and is not limited to loans on single-family, owner-occupied dwellings.

EXECUTED this 13 day of December 2005

Cynthia A. Brown  
CYNTHIA A. BROWN Borrower

12.13.05  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

TO: Fidelity National Title  
17592 17th Street, STE 100  
Tustin, CA 92780

Re: Escrow No. 705702-CF

Escrow Officer Christian Fisher

Date: 12/13/05

Borrower: Cynthia L. Brown

Escrow Holder is directed to wire transfer funds accruing in the account of the undersigned as follows:

Sum of \$ \_\_\_\_\_

Bank Name Bank of America

Bank Address 17803 Santiago Blvd  
Villa Park, CA 92801

ABA Routing No. 121000358

For credit to Cynthia L. Brown

Account No.: 09434-09514

The undersigned acknowledge that transfer may not be made in the event problems arise beyond the control of Escrow Holder resulting in a delay in the remittance of receipt of the wire transfer. Escrow Holder assumes no liability, direct or indirect for special or consequential damages, expenses or costs resulting from any action or failures by the banks processing the wire transfers. Furthermore, it is understood by the undersigned that Escrow Holder will rely on the validity of the information provided above and the undersigned agrees to indemnify and hold harmless the Escrow Holder from any liability or consequences suffered due to following the wiring instructions completed above.

Cynthia L. Brown <sup>12.13.05</sup>  
SIGN

\_\_\_\_\_  
SIGN

WIRE CANNOT BE AUTHORIZED IF THIS FORM IS RETURNED BLANK

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

Program Name: 5/6 ARM NON-CONFORMING  
 5/6 Month ARM  
 Fixed First 60 Months  
 Six Month LIBOR Index  
 5/1/5% Caps

This disclosure describes the features of the Adjustable Rate Mortgage (ARM) program you are considering. Information on other ARM programs is available upon request.

This loan program has an adjustable rate feature. This means that your interest rate and payment amount can change.

#### HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED

- Your interest rate will be based upon an index plus a margin, rounded to the nearest 0.125%. Ask us for the current value of the index and of our current margin.
- The index upon which your interest rate will be based is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market (LIBOR).
- Information about the index is published weekly in the Wall Street Journal.
- Your interest rate will equal the index rate plus the margin, rounded to the nearest 0.125%, unless your interest rate "Caps" limit the amount of change in the interest rate.
- The initial interest rate is not based on the index used to make later adjustments. Your initial interest rate may be a discounted or premium rate. Ask us for the amount of our current interest rate discount or premium.
- Your payment will be based on the interest rate, loan balance, and remaining loan term.

#### HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate can change after the first sixty months and every six months thereafter.
- Your interest rate cannot increase by more than 5.00 percentage points at the first change date and 1.00 percentage point at each adjustment thereafter ("Periodic Interest Rate Cap").
- Your interest rate cannot increase by more than 5.00 percentage points above the initial interest rate over the term of the loan ("Lifetime Interest Rate Cap"), nor can your interest rate go below the initial start rate. Ask us for our current Lifetime Interest Rate Cap and Lifetime Floor.
- If your initial interest rate is discounted, your interest rate on the first Change Date may increase, even if the index does not increase.
- Your interest rate will not decrease below the margin.

#### HOW YOUR PAYMENT CAN CHANGE

- Your payment can change after the first sixty months and every six months thereafter based on changes in the interest rate and in the principal balance. Your monthly payment can increase substantially on your 61st monthly payment and every 6 months thereafter based on changes in the interest rate.
- You will be notified in writing at least 25 days before the due date of a payment at a new level. This notice will contain information about your interest rates, payment amount, and loan balance.
- For example, on a \$10,000, 30 year loan with an initial interest rate of 4.25% (this is an initial interest rate that was in effect in JANUARY 2005), the maximum amount that the rate can rise under this program is 5.00 percentage points to 9.25%, and the monthly payment can rise from \$49.19 for the first 60 months to a maximum of \$77.77 in the 6th year. To see what your payment would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of \$60,000 would be: \$60,000 divided by \$10,000 = 6; 6 x \$49.19 = \$295.14 per month.)

#### LATE CHARGE

A late charge of 5.00% will be charged if a payment is received later than 15 days after it is due, unless prohibited by law.

#### PREPAYMENT

Some loan programs have a provision which requires that you pay a fee (a prepayment charge) if you make certain payments of principal before they are due (prepayments). Be sure to ask us whether the loan program you are considering has a prepayment charge provision.

If the loan program you are considering does have a prepayment charge provision, you will receive documents during the processing of your loan which explain the prepayment charge in detail.

#### ASSUMPTION

Your loan documents will contain a provision which gives the Note Holder the option to require immediate payment of the full amount of unpaid principal and interest and other amounts owing under your loan in the event that you sell or transfer your home or any interest in it without the prior written consent of the Note Holder. This is called a "due on sale" clause and it means that your loan is not assumable unless the Note Holder makes a separate written agreement with you and with the person or persons to whom the property is to be sold or transferred (the "transferee") to allow an assumption. However, this option to require immediate payment of your loan will not be exercised by the Note Holder if exercise is prohibited by federal law as of the date of the Security Instrument securing your loan. Note Holder also will not exercise this option if: (a) Borrower causes to be submitted to Note Holder information required by Note Holder to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Note Holder reasonably determines that Note Holder's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in the Security Instrument is acceptable to Note Holder.

To the extent permitted by applicable law, Note Holder may charge a reasonable fee as a condition to Note Holder's consent to the loan assumption. Note Holder also may require the transferee to sign an assumption agreement that is acceptable to Note Holder and that obligates the transferee to keep all the promises and agreements made in the Note and in the Security Instrument for your loan. You will continue to be obligated under your Note and the Security Agreement unless the Note Holder releases you in writing.

#### ESCROW PAYMENTS

With each regularly scheduled payment under your loan, you may be required to pay to the Note Holder a portion of the real estate taxes, insurance, and any other charges or fees expected to become due on your home loan each year. The purpose of requiring these payments in advance is to assure the Note Holder that the taxes and insurance will be paid when due. The Note Holder may also require that you obtain private mortgage insurance on your loan. You may be required to pay the premium for this insurance with each regularly scheduled loan payment.

The payments for such taxes, hazard insurance, private mortgage insurance and other charges are commonly called escrow payments. The funds represented by these escrow payments are held by the Note Holder until the taxes, insurance premiums, or other charges are due, at which time the Note Holder will pay them on your behalf. You will be required to make the necessary escrow payments throughout the term of the loan.

You will be provided an initial Escrow Account Statement at, or within 45 days after, loan settlement that (i) itemizes the estimated taxes, insurance premiums, and other charges that are reasonably anticipated to be paid during the first 12 months after settlement and (ii) sets out the anticipated disbursement dates for payment of such charges from the escrow account. The initial required deposit at loan settlement will be an amount sufficient to pay all such estimated charges when due, taking into account the monthly escrow payments that you will make after settlement, and may include a permitted two-months reserve, or "cushion," equal to one-sixth (1/6th) of the total estimated amount of all such charges over the 12-month period.

Note Holder will send you an analysis of your escrow account each year with your Annual Escrow Account Statement. You will be notified in writing if the escrow amount is short or deficient and the extent of the shortage or deficiency. You may be required to correct a shortage or deficiency by making a lump sum payment if the amount thereof is less than one month's required escrow payment or by paying additional escrow amounts with your regular monthly payment over a period of up to 12 months if the amount thereof is more than one month's payment.

You will be notified if the escrow account contains a surplus of funds. The surplus will be refunded to you if the amount thereof is \$50.00, or more. If the surplus is less than \$50.00, we may credit the surplus to your account to cover any future deficiencies; or we may refund the surplus amount to you.

If you fail to make the required escrow payments, Note Holder may apply all or a portion of your monthly payment of principal and interest toward the escrow payment. If your payments are insufficient to cover the required escrow payments, Note Holder may pay any taxes, insurance premiums, and other charges with its own funds to protect its security interest in the property securing your loan. Your failure to make the required escrow payments will give the Note Holder the right to call your loan immediately due and payable, and could result in a forced sale of your home.

In the event that provisions of the Real Estate Settlement Procedures Act of 1974 (RESPA), or other applicable federal or state law or regulation, shall conflict with the provisions of this loan program regarding the maintenance of escrow accounts, the provisions of RESPA or other applicable federal or state law or regulation shall control.

CERTIFICATION

I/We certify that I/we fully understand the terms of this obligation.

Cynthia L. Brown  
CYNTHIA L. BROWN Borrower

12.13.05  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

This is not a commitment to make a loan.  
You hereby acknowledge receipt, as of today's date, of this  
Arm Program Disclosure and a copy of the Consumer  
Handbook on Adjustable Rate Mortgages.

## PREPAYMENT CHARGE DISCLOSURE

You have selected the prepayment charge pricing option. You should carefully read the following information.

A "Prepayment" is the payment of loan principal prior to the scheduled due date. Common examples of Prepayments are: (1) repaying the entire indebtedness by refinancing your loan at a lower interest rate or to obtain additional cash, (2) repaying the entire indebtedness when selling your home or, (3) paying more than the sum of principal, interest, fees and escrow amounts due with your regularly scheduled installment payment and informing the Note Holder that the amount exceeding your regularly scheduled payment is to be applied to reduce your principal balance.

Selecting a Prepayment charge option does not prevent you from making a Prepayment. You may repay your loan in whole or in part at any time. However, if you do make a Prepayment on your loan during the Prepayment charge period, you may be required to pay a Prepayment charge. Depending on which option you choose, the Prepayment charge period may be one (1) to five (5) years.

By selecting the Prepayment charge pricing, you are receiving better pricing either in interest rate, points or fees than would otherwise be available to you on the same type of loan without the Prepayment charge pricing option. However, this pricing option may end up costing you more if you make a Prepayment during the Prepayment charge period.

The Prepayment charge will be due and payable in the event you make a Prepayment that is more than 20% of your original principal balance in any rolling 12-month period during the applicable Prepayment charge period. The penalty will be calculated on the portion of your Prepayment that is excess of 20% of your original principal balance. Your penalty will be equal to six (6) months interest on the amount of the excess Prepayment. For example, if your original loan amount was \$50,000 with an interest rate of 8% and you prepaid the entire balance immediately after obtaining the loan, your Prepayment charge would be calculated as follows:

Prepayment	\$50,000
Less 20% of Original Balance	\$10,000
<u>Excess Prepayment</u>	<u>\$40,000</u>
PrePayment Charge ( $\$40,000 \times .08$ divided by 2 [6 months])	\$ 1,600

The Prepayment charge will be waived if you prepay the loan in connection with the sale of your property to an unrelated third party after your loan has been in place for six (6) months. However, you have the responsibility to tell the Note Holder that the Prepayment is occurring in connection with the sale of your property. You will also be required to provide satisfactory evidence of that sale such as a copy of your HUD-1 showing the closing of the sale.

### IT IS IMPORTANT THAT YOU READ AND UNDERSTAND THIS PREPAYMENT CHARGE DISCLOSURE

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

\_\_\_\_\_ (Date) (Date)

OCCUPANCY AFFIDAVIT AND FINANCIAL STATUS

TO:

Federal Housing Administration  
Fannie Mae  
Freddie Mac  
Department of Veterans Affairs

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

PROPERTY ADDRESS:  
17841 LINCOLN STREET  
VILLA PARK, CA 92881

FHA / Fannie Mae / Freddie Mac /  
VA CASE NO.:

We the undersigned purchaser(s) of the above captioned property understand that one of the conditions of our loan is that we occupy the subject property and we do hereby certify as follows:

- ( ) We will occupy the subject property upon close of escrow; if unable to occupy by close of escrow, we will occupy by the following date
- ( XX ) We now occupy the subject property.

We the undersigned purchaser(s) also hereby certify that there have been no significant changes in our financial status; i.e., employer, income, available cash, etc., and that our loan application to FHA/VA or conventional lender reflects our current financial position.

We are aware of and understand that if we fail to move into the property by the specified time that we are subject to prosecution under Section 1010, Title 18, United States Code, Federal Housing Administration Transactions, and that we are liable to be fined not more than \$5,000, or imprisoned not more than two years, or both. We are aware of and understand that other Federal Statutes provide severe penalties for any fraud or misrepresentation made for the purpose of influencing the issuance of any guaranty or insurance or the making of any loan by the Secretary of Veterans Affairs.

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

STATE OF *California*

Subscribed and sworn to before me this *13th*

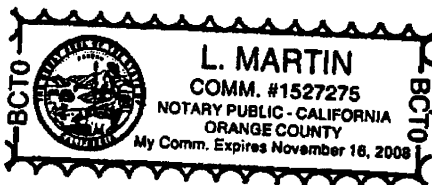
WITNESS my hand and official seal.

County ss: *Orange*

day of *December 2005*

\_\_\_\_\_  
Notary Public  
State/Commonwealth of *California*  
County of *Orange*  
Acting in the County/Parish of *Orange*

My Commission Expires: *11/16/2008*



### Customer Identification Form

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.

Please advise your customer: When they open an account with any financial institution, they will be asked for their name, address, date of birth, and other information that will allow the financial institution to identify them. The financial institution may also ask to see their driver's license or other identifying documents. Your customer's information will be protected by our Privacy Policy and federal law.

Cynthia L. Brown 17841 E Lincoln Villa Park, CA 92361  
Borrower's Name Residential Street Address [For customers who do not have a residential street address, an AFO/FPO (military) or Next of Kin/Contact Individual address is acceptable.]

Loan Number 03/10/05

Date of Birth 5/28/72

Taxpayer Identification Number (SSN/TIN) \_\_\_\_\_

Villa Park, CA 92361  
City, State, ZIP

\*For persons without a SSN/TIN, the ID number must be from one of the following: passport, alien ID card, or any other government issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

At least two forms of identification must be reviewed and documented. For applications taken in person, at least one "Primary" form of ID must be used. For all other applications, any combination of Primary and Secondary IDs may be used. Complete a separate form for each Borrower.

**IMPORTANT** - Information listed below must be exactly as indicated on the document.

#### Primary Forms of Identification - must display Borrower's name

Document	Country/State of Origin	ID Number	Date of Birth	Expiration Date
<input checked="" type="checkbox"/> State Issued Driver License	<u>USA/CA</u>	<u>A9748907</u>	<u>03/10/05</u>	<u>03/10/10</u>
<input type="checkbox"/> State Issued ID Card				
<input type="checkbox"/> Military ID Card				
<input type="checkbox"/> Passport				
<input type="checkbox"/> US Alien Registration Card				
<input type="checkbox"/> Canadian Driver License				

#### Secondary Forms of Identification - must display Borrower's name

Document	Name of Issuer on Form	ID Number	Issuance Date	Expiration Date
<input type="checkbox"/> Social Security Card	<u>U.S. Govt.</u>			
<input type="checkbox"/> Government Issued Visa				
<input type="checkbox"/> Birth Certificate				
<input type="checkbox"/> Non-US/Canadian Driver License				
<input type="checkbox"/> Most Recent Signed Tax Returns*	<input type="checkbox"/> Fed <input type="checkbox"/> State	TIN:		
<input type="checkbox"/> Property Tax Bill		APN:		
<input type="checkbox"/> Voter Registration Card				
<input type="checkbox"/> Organizational Membership Card				
<input type="checkbox"/> Bank/Investment/Loan Statements*				
<input type="checkbox"/> Paycheck stub with name*				
<input type="checkbox"/> Most Recent W-2*				
<input type="checkbox"/> Home/car/renter insurance papers				
<input type="checkbox"/> Recent utility bill				

\*Do not verify identity with documents that illustrate income and/or assets, if the documentation type precludes collection of such documentation.

#### REVIEWER'S ACKNOWLEDGEMENT

I certify that I have personally viewed and accurately recorded the information from the documents identified above, and have responsibly confirmed the identity of the Applicant/Borrower.

Signed L. Martin  
Printed Name

Date 12/13/05

#### BORROWER'S ACKNOWLEDGEMENT

Signed Cynthia L. Brown

Date 12.13.05

# INTERIM INTEREST PAYMENT DISCLOSURE

Borrower Name(s):  
CYNTHIA L. BROWN

Licensee:  
HOME LOAN MORTGAGE CORPORATION

11776 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92346

Date: DECEMBER 13, 2005

Loan Number: 97042744

I request that the loan proceeds be disbursed on a Monday (or on a day immediately following a bank holiday, if applicable). I understand that interest will commence accruing on the business day immediately preceding the closing date.

The amount of additional per diem interest I will be charged is: \$ 189.44

I also understand that I may avoid the additional per diem interest charge by disbursing the loan proceeds on a day immediately following a business day.

An escrow closing is involved for this loan and I will not pay interest on the loan more than one day prior to the date that the loan proceeds are disbursed from escrow.

An escrow closing is not involved for this loan and I have made a request for recording in connection with the disbursement. I will not pay interest on the loan more than one day prior to the date the loan proceeds are disbursed to me, or to a third party on my behalf, or to the lender to satisfy an existing obligation.

An escrow closing is not involved for this loan and I have not made a request for recording in connection with the disbursement, and I will not pay interest on the loan prior to the date funds are disbursed to me, or to a third party on my behalf, or to the lender to satisfy an existing obligation.

By signing below, borrower(s) acknowledges the additional interest charge, if any, as described above.

Cynthia L. Brown 12.13.05      12.13.05  
CYNTHIA L. BROWN      Date      Date

\_\_\_\_\_  
Date      Date

\_\_\_\_\_  
Date      Date

\_\_\_\_\_  
Date      Date

## LICENSEE'S CERTIFICATE OF COMPLIANCE

HOME LOAN MORTGAGE CORPORATION

have reviewed loan number

97042744

made by

CYNTHIA L. BROWN

and I have reviewed information in the loan records, including the date of disbursement of the loan proceeds; and I am authorized by the licensee to sign this form on its behalf; and, I make the following statement:

The borrower(s) of this loan was charged per diem interest, if any, in accordance with Civil Code Section 2948.5 as described above. I, the undersigned, state that I am the person named in this Certificate of Compliance; that I have read and signed this Certificate of Compliance and know the contents of it, including any exhibits attached to this certificate; and that based on my review of the information contained in the loan records, the statements made in this document, including any exhibits attached to it, are true and correct to the best of my knowledge.

I certify under penalty of perjury that the foregoing is true and correct.

Licensee:

[Signature] 12.19.05  
Date

# THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

## FAIR LENDING NOTICE

IT IS ILLEGAL TO DISCRIMINATE IN THE PROVISION OF OR IN THE AVAILABILITY OF FINANCIAL ASSISTANCE BECAUSE OF THE CONSIDERATION OF:

1. TRENDS, CHARACTERISTICS OR CONDITIONS IN THE NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION, UNLESS THE FINANCIAL INSTITUTION CAN DEMONSTRATE IN THE PARTICULAR CASE THAT SUCH CONSIDERATION IS REQUIRED TO AVOID AN UNSAFE AND UNSOUND BUSINESS PRACTICE;  
OR
2. RACE, COLOR, RELIGION, SEX, MARITAL STATUS, NATIONAL ORIGIN OR ANCESTRY.

IT IS ILLEGAL TO CONSIDER THE RACIAL, ETHNIC, RELIGIOUS OR NATIONAL ORIGIN COMPOSITION OF A NEIGHBORHOOD OR GEOGRAPHIC AREA SURROUNDING A HOUSING ACCOMMODATION OR WHETHER OR NOT SUCH COMPOSITION IS UNDERGOING CHANGE, OR IS EXPECTED TO UNDERGO CHANGE, IN APPRAISING A HOUSING ACCOMMODATION OR IN DETERMINING WHETHER OR NOT, OR UNDER WHAT TERMS AND CONDITIONS, TO PROVIDE FINANCIAL ASSISTANCE.

THESE PROVISIONS GOVERN FINANCIAL ASSISTANCE FOR THE PURPOSE OF THE PURCHASE, CONSTRUCTION, REHABILITATION OR REFINANCING OF ONE TO FOUR UNIT FAMILY RESIDENCES OCCUPIED BY THE OWNER AND FOR THE PURPOSE OF THE HOME IMPROVEMENT OF ANY ONE TO FOUR UNIT FAMILY RESIDENCE.

IF YOU HAVE ANY QUESTIONS ABOUT YOUR RIGHTS, OR IF YOU WISH TO FILE A COMPLAINT, CONTACT THE MANAGEMENT OF THIS FINANCIAL INSTITUTION OR:

---

## EQUAL CREDIT OPPORTUNITY ACT

EQUAL CREDIT OPPORTUNITY ACT - The Federal Equal Credit Opportunity Act prohibits discrimination against credit applicants on the basis of sex, marital status, race, color, religion, national origin, age (provided the applicant has the capacity to contract), whether all or part of the applicant's income is derived from any public assistance program, or if the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency which administers compliance with this law concerning this lender is the

MORTGAGE COMPANIES  
FEDERAL TRADE COMMISSION  
EQUAL CREDIT OPPORTUNITY  
ROOM 4037  
WASHINGTON, D.C. 20580

### ACKNOWLEDGMENT OF RECEIPT

I/We have received a copy of this notice.

Cynthia L. Brown 12.13.05  
CYNTHIA L. BROWN (Date)

\_\_\_\_\_ 12.13.05 \_\_\_\_\_ (Date)

\_\_\_\_\_ (Date)

\_\_\_\_\_ (Date)

# THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

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OR
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---

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EQUAL CREDIT OPPORTUNITY ACT - The Federal Equal Credit Opportunity Act prohibits discrimination against credit applicants on the basis of sex, marital status, race, color, religion, national origin, age (provided the applicant has the capacity to contract), whether all or part of the applicant's income is derived from any public assistance program, or if the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency which administers compliance with this law concerning this lender is the

MORTGAGE COMPANIES  
FEDERAL TRADE COMMISSION  
EQUAL CREDIT OPPORTUNITY  
ROOM 4037  
WASHINGTON, D.C. 20580

### ACKNOWLEDGMENT OF RECEIPT

I/We have received a copy of this notice.

Cynthia L. Brown 12.13.05 \_\_\_\_\_ 12.13.05 \_\_\_\_\_  
CYNTHIA L. BROWN (Date) (Date)

\_\_\_\_\_  
(Date) (Date)

**GOOD FAITH ESTIMATE**

Applicants: CINDY BROWN  
 Property Addr: 17841 LINCOLN STREET, Villa Park, CA 92861  
 Prepared By: LOANLEADERS OF AMERICA Ph. 949-655-1515  
 2081 BUSINESS CENTER 150, IRVINE, CA 92612

Application No: CINDY  
 Date Prepared: 11/18/2005  
 Loan Program: 30 YEAR

The information provided below reflects estimates of the charges which you are likely to incur at the settlement of your loan. The fees listed are estimates-actual charges may be more or less. Your transaction may not involve a fee for every item listed. The numbers listed beside the estimates generally correspond to the numbered lines contained in the HUD-1 settlement statement which you will be receiving at settlement. The HUD-1 settlement statement will show you the actual cost for items paid at settlement.

Total Loan Amount \$ 880,000 Interest Rate: 7.750 % Term: 360 mths

800 ITEMS PAYABLE IN CONNECTION WITH LOAN:			
801	Loan Origination Fee	+	\$ 1,600.00
802	Loan Discount	+	\$ 2,200.00
803	Appraisal Fee		18.00
804	Credit Report		
805	Lender's Inspection Fee		
808	Mortgage Broker Fee	+	\$ 500.00
809	Tax Related Service Fee		
810	Processing Fee		495.00
811	Underwriting Fee		
812	Wire Transfer Fee		

1100 TITLE CHARGES:			
1101	Closing or Escrow Fee:	ESCROW	\$ 250.00
1105	Document Preparation Fee		
1108	Notary Fees		
1107	Attorney Fees		
1108	Title Insurance:	TITLE	250.00

1200 GOVERNMENT RECORDING & TRANSFER CHARGES:			
1201	Recording Fees:		\$
1202	City/County Tax/Stamps:		
1203	State Tax/Stamps:		

1300 ADDITIONAL SETTLEMENT CHARGES:			
1302	Pest Inspection		\$

Estimated Closing Costs 5,313.00

900 ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:			
901	Interest for	5 days @ \$	149.4444 per day
902	Mortgage Insurance Premium		\$ 947.22
903	Hazard Insurance Premium		
904			
905	VA Funding Fee		

1000 RESERVES DEPOSITED WITH LENDER:			
1001	Hazard Insurance Premiums	months @ \$	70.00 per month
1002	Mortgage Ins. Premium Reserves	months @ \$	per month
1003	School Tax	months @ \$	per month
1004	Taxes and Assessment Reserves	months @ \$	350.00 per month
1005	Flood Insurance Reserves	months @ \$	per month
		months @ \$	per month

Estimated Prepaid Items/Reserves 947.22  
 6,260.22

TOTAL ESTIMATED SETTLEMENT CHARGES  
 COMPENSATION TO BROKER (Not Paid Out of Loan Proceeds): \$

TOTAL ESTIMATED FUNDS NEEDED TO CLOSE:				TOTAL ESTIMATED MONTHLY PAYMENT:	
Purchase Price/Payoff (+)	500,000.00	New First Mortgage(-)		Principal & Interest	6,304.43
Loan Amount (-)	880,000.00	Sub Financing(-)		Other Financing (P & I)	
Est. Closing Costs (+)	5,313.00	New 2nd Mig Closing Costs(+)		Hazard Insurance	70.00
Est. Prepaid Items/Reserves (+)	947.22			Real Estate Taxes	350.00
Amount Paid by Seller (-)				Mortgage Insurance	
				Homeowner Assn. Dues	
				Other	

Total Est. Funds to you 375,739.78 Total Monthly Payment 6,724.43

This Good Faith Estimate is being provided by LOANLEADERS OF AMERICA, a mortgage broker, and no lender has been obtained. These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). Additional information can be found in the HUD Special Information Booklet, which is to be provided to you by your mortgage broker or lender. If your application is to purchase residential real property and the lender will take a first lien on the property, the undersigned acknowledges receipt of the booklet "Settlement Costs," and if applicable the Consumer Handbook on ARM Mortgages.

*Cynthia L. Brown* 11/18/05  
 Applicant CINDY BROWN Date Applicant Date

DATE: DECEMBER 13, 2005

RESPA SERVICING DISCLOSURE

LOAN NO.: 97042744

LENDER (Name and Address)

APPLICANT (Name and Address)

HOME LOAN MORTGAGE CORPORATION

CYNTHIA L. BROWN

11778 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92346

17841 LINCOLN STREET  
VILLA PARK, CA 92861

NOTICE TO MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED. FEDERAL LAW GIVES YOU CERTAIN RELATED RIGHTS. IF YOUR LOAN IS MADE, SAVE THIS STATEMENT WITH YOUR LOAN DOCUMENTS. SIGN THE ACKNOWLEDGMENT AT THE END OF THIS STATEMENT ONLY IF YOU UNDERSTAND ITS CONTENTS.

Because you are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. Section 2601 et seq.) you have certain rights under that Federal law.

This statement tells you about those rights. It also tells you what the chances are that the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest and escrow account payments, if any. If your loan servicer changes, there are certain procedures that must be followed. This statement generally explains those procedures.

Transfer Practices and Requirements

If the servicing of your loan is assigned, sold, or transferred to a new servicer, you must be given written notice of that transfer. The present loan servicer must send you notice in writing of the assignment, sale or transfer of the servicing not less than 15 days before the effective date of the transfer. The new loan servicer must also send you notice within 15 days after the effective date of the transfer. The present servicer and the new servicer may combine this information in one notice, so long as the notice is sent to you 15 days before the effective date of transfer. The 15 day period is not applicable if a notice of prospective transfer is provided to you at settlement. The law allows a delay in the time (not more than 30 days after a transfer) for servicers to notify you, upon the occurrence of certain business emergencies.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, and the name, address, and toll-free or collect call telephone number of the new servicer, and toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions. During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

Complaint Resolution

Section 6 of RESPA (12 U.S.C. Section 2605) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a "qualified written request" to your servicer, your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and the information regarding your request. Not later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, or must provide you with a written clarification regarding any dispute. During this 60-Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request.

A Business Day is any day in which the offices of the business entity are open to the public for carrying on substantially all of its business functions.

Damages and Costs

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section.

Servicing Transfer Estimates

1. The following is the best estimate of what will happen to the servicing of your mortgage loan:

We may assign, sell or transfer the servicing of your loan while the loan is outstanding.  We are able to service your loan and we  will  will not  haven't decided whether to service your loan.

OR

We do not service mortgage loans,  and we have not serviced mortgage loans in the past three years.

We presently intend to assign, sell or transfer the servicing of your mortgage loan. You will be informed about your servicer.

We assign, sell or transfer the servicing of some of our loans while the loan is outstanding depending on the type of loan and other factors. For the program you have applied for, we expect to:

sell all of the mortgage servicing  retain all of the mortgage servicing

assign, sell or transfer \_\_\_\_\_ % of the mortgage servicing

2. For all the first lien mortgage loans that we make in the 12-month period after your mortgage loan is funded, we estimate that the percentage of mortgage loans for which we will transfer servicing is between:

\_\_\_\_\_ [0 to 25%] or [NONE] \_\_\_\_\_ 26 to 50% \_\_\_\_\_ 51 to 75%  [76 to 100%] or [ALL]

This estimate  does  does not include assignments, sales or transfers to affiliates or subsidiaries.

This is only our best estimate and it is not binding. Business conditions or other circumstances may affect our future transferring decisions.

3.  We have previously assigned, sold or transferred the servicing of first lien mortgage loans.

OR

This is our record of transferring the servicing of the first lien mortgage loans we have made in the past:

Year	Percentage of Loans Transferred	(Rounded to nearest quartile - 0%, 25%, 50%, 75%, or 100%)
2004	100	%
2003	100	%
2002	100	%

This information  does  does not include assignments, sales or transfers to affiliates or subsidiaries.

HOME LOAN MORTGAGE CORPORATION

Date

12.19.05

Present Servicer or Lender

ACKNOWLEDGMENT OF MORTGAGE LOAN APPLICANT

I/We have read this disclosure form and understand its contents, as evidenced by my/our signature(s) below. I/We understand that this acknowledgment is a required part of the mortgage loan application.

Cynthia L. Brown 12.13.05

Applicant CYNTHIA L. BROWN

Date

Applicant

Date

Applicant

Date

Applicant

Date

\* wire proceeds \*  
to B of A

AUTHORIZATION OF BORROWER PROCEEDS

I/We, Cynthia L. Brown instruct  
Fidelity National Title Company to express mail any  
proceeds due to: WIRE B of A

PLEASE CHECK ONE OF THE FOLLOWING:

- Yes, I will be HOME to receive the package
- Yes, I would like you to have the package LEFT AT MY DOOR

\_\_\_\_\_  
Home Street Name & Number

\_\_\_\_\_  
City, State Zip Code

\_\_\_\_\_  
Phone Number

OR

Please deliver the package to my WORK address:

\_\_\_\_\_  
Borrower Name C/O Business Name

\_\_\_\_\_  
Work Street Name & Number

\_\_\_\_\_  
City, State Zip Code

\_\_\_\_\_  
Phone Number

Yes, I/we would like our proceeds WIRE transferred to  
my/our account. Our wire information completed on attached  
wire authorization form.

**\*\*PLEASE NOTE: THIS FORM MUST BE COMPLETED BY  
BORROWER FOR DISBURSEMENT OF PROCEEDS\*\***

Cynthia L. Brown  
Borrower

**V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION**

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$ 18,000.00	\$	\$ 18,000.00	Rent	\$	
Overtime				First Mortgage (P&I)	2,118.00	\$ 6,304.43
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance	INCL	70.00
Dividends/Interest				Real Estate Taxes	INCL	350.00
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice to "describe other income," below)				Homeowner Assn. Dues		
				Other:		
<b>Total</b>	<b>\$ 18,000.00</b>	<b>\$</b>	<b>\$ 18,000.00</b>	<b>Total</b>	<b>\$ 2,118.00</b>	<b>\$ 6,724.43</b>

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income **Notice:** Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a spouse, this Statement and supporting schedules must be completed about that spouse also.

Completed  Jointly  Not Jointly

ASSETS	Cash or Market Value	LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Description		Liabilities and Pledged Assets. List the creditor's name, address and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.		
Cash deposit toward purchase held by:	\$			
<i>List checking and savings accounts below</i>		Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union		<b>APNI COLLECTION</b>		
<b>BANK OF AMERICA</b>		Acct. no.	* 384 (R)	
Acct. no. <b>SAVINGS</b>	\$ 43,723	Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union		<b>GC SERVICES</b>		
Acct. no.		Acct. no.		572
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payment/Months	\$
Acct. no.		<b>GBUSA</b>		
Name and address of Bank, S&L, or Credit Union		Acct. no.		88 (R)
Acct. no.		Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union		<b>CBUSA</b>		
Acct. no.		Acct. no.		4,895
Stocks & Bonds (Company name/number & description)	\$	Name and address of Company	\$ Payment/Months	\$
<b>401K</b>	<b>60,000</b>	<b>CBUSA</b>		
Life Insurance net cash value	\$	Acct. no.		104 (R)
Face amount \$		Name and address of Company	\$ Payment/Months	\$
<b>Subtotal Liquid Assets</b>	<b>\$ 103,723</b>	<b>NEW CENTURY</b>		
Real estate owned (enter market value from schedule of real estate owned)	\$ 1,100,000	Acct. no.	* 3,489	500,000
Vested interest in retirement fund	\$	Name and address of Company	\$ Payment/Months	\$
Net worth of business(es) owned (attach financial statement)	\$	<b>FORD CREDIT</b>		
Automobiles owned (make and year)	\$	Acct. no.		835
Other Assets (Items)	\$	Alimony/Child Support/Separate Maintenance Payments Owed to:	\$	
		Job Related Expense (child care, union dues, etc.)	\$	
<b>Total Assets a.</b>	<b>\$ 1,203,723</b>	<b>Total Monthly Payments</b>	<b>\$ 837</b>	
		<b>Total Liabilities b.</b>	<b>\$ 683,807</b>	

*CLB*

**Continuation Sheet Residential Loan Application**

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark **B** for Borrower or **C** for Co-Borrower.

Borrower:  
**CINDY BROWN**  
 Co-Borrower:

Agency Case Number:  
 Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature	Date	Co-Borrower's Signature	Date
X <i>Cynthia L. Brown</i>	<i>11/11/03</i>	X	

STAR CLOSED LOAN CHECKLIST

avenue 2715  
 SP/Disc 101-208  
 it. Rate 7.750

Name Brown, Cynthia L.  
 Loan # 2441314  
 Exp. Date 12-06

U/W Client / Contract / UFB (3)

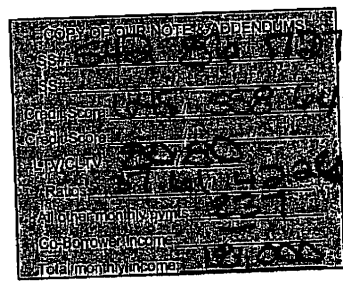
urchase Primary Residence X Red Star Full/Alt  
 /O Refi X Second Home Blue Star Stated X  
 o C/O Investment White Star No Ratio  
Red Stripe X Nina  
Freedom Arm

\*Bolted Items need to be carefully reviewed for NAME, ADDRESS, SIGNATURES & DATES\*\* 17841 Lincoln Street Villa Park, CA 92801

Copy of Guidelines  
Original Note 12-13-05 Loan Amt 800,000 Int. Rate 7.750  
 Note Date 12-13-05 P&I 6284.43 Form: 3520  
 1st Pymt 2-1-06 End. 1-28-10 Int Only: Pre-Pay: Lamon  
Mortgage/Dead of Trust LEGAL DESCRIPTION MOM? Y N  
Riders Condo PUD 2-4 Family \_\_\_\_\_  
2nd Home ARM X  
Assignment (to MERS if MOM is no)  
Initial Escrow \$ 2365.93 130.58  
Escrow Waiver (if LTV is less than 80%) 7000  
Payment Letter 395.61 Haz Amt 6830.62  
HUD-1 4 Tax Amt 395.61 6- Haz Amt 130.58  
 no lump sum MI Amt 6- Disb Date 12-20-05 Pre. Int 2272.33  
 credits allowed MI Amt 30123765-N O/S Liens?: Y N  
Title  
Closing Instructions  
All Endorsements 9 8.1 Armed Other: \_\_\_\_\_  
Flood Cert  
Flood Notice (mandatory)  
Notice of Assignment/Sale/Transfer or Hello/Goodbye Letter  
Transfer of Servicing Disclosure  
Hazard Insurance Premium 500,000 Exp. Date 6/7/00  
Flood Insurance Premium \_\_\_\_\_ Exp. Date \_\_\_\_\_  
Coverage Coverage

URLA missing Pg 4  
Credit Report - check for social security variations  
Appraisal Form 1004 Address 17841 Lincoln Street Villa Park, CA 92801  
 Does Note Address Match? \_\_\_\_\_ Appraiser's Name Alec Manacchio  
 Value 1100,000 Year Built 1972 Type Detch  
Conditions to Appraisal  
Loan Approval  
Uniform Transmittal  
Tax Info Sheet County Orange County Parcel # 378-111-02  
PMI Cert  
Private Mortgage Insurance Disclosure (if not in file print a copy for file and attach copy to hello letter)  
Purchase Agreement Sells Price \_\_\_\_\_ Signed by all parties? \_\_\_\_\_  
Warranty Deed  
Buydown Agreement & Schedule (if applicable)  
Gift Letter (if applicable)  
Copy of Power of Attorney for Borrower (if applicable)  
Notice of Right to Cancel / 3 Day Right of Resission (if refi of primary residence)  
Borrower's Certification  
Initial Truth in Lending  
Final Truth in Lending (Check for Tolerance)  
Good Faith Estimate  
Name Affidavit  
W-9 Form signed by all borrowers  
Form 4506-T signed by all borrowers  
Program Description Disclosure (Stripes)  
Interest Only Disclosure  
Prepayment Disclosure  
Patriot Act  
Permanent/Resident Alien Card (if applicable)  
2nd Mortgage Doc's (if applicable)

2365.93  
 Prelim. Interest 313.70  
 Admin. Fee 300.00  
 YSP / Discount 1134.40  
 U/W Fee \_\_\_\_\_  
 Loss Reserve \_\_\_\_\_  
 Total Wire Amount 809,042.17



Notes: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
 Wire # 817513209



**PURCHASE ADVICE**

2444314

To: Home Loan Mortgage Corporation  
11776 Mariposa Road  
Hesperia, CA 92345

Client Phone#: (760) 948-2500  
Client Fax#: (760) 948-3615  
Client ID#: 5055

Union Federal Bank (UFB) funded the following loan according to the terms presented below.

UFB Loan #: 2444314  
MIN#: \_\_\_\_\_  
Borrower: Cynthia L Brown  
Client Loan #: \_\_\_\_\_

Property Address: 17841 Lincoln St  
Villa Park, CA 92861  
UFB Funding Date: 01/03/06

1st Payment Due Date per Note: 02/01/06  
1st Payment due UFB date: 02/01/06

Product: C W-RED STRIPE 5/6 LBR 6MO  
Rate: 7.750%  
UFB Price: \$0.00  
SRP (if applicable): \$0.00

Loan Term: 360  
Original Loan Balance: \$880,000.00  
Unpaid Principal Balance Purchased: \$880,000.00  
YSP (if applicable): \$11,334.40

**Net Funding Information:**

Yield Spread Premium \$-11,334.40  
Escrow-Closed Loan Purchase \$2,365.93  
Administration Fee \$300.00  
Preliminary Interest \$-373.70

\$889,042.17

NET CHECK  
Funds were wired to: Home Loan Mortgage Corporation

**Notes:**

1. Any monthly mortgage payments received by you not netted in the above calculations must be immediately forwarded to the UFB Wholesale Dept. attention Operations Manager.
2. Please direct all fee questions to: Home Loan Mortgage Corporation
3. Yield Spread Premium (If Applicable) to appear on HUD-1 as POC from UFB to be paid to: Home Loan Mortgage Corporation

**Thank you for your business.**



**CORRESPONDENT LENDING DIVISION, 7500 W. Jefferson Blvd., Fort Wayne, Indiana 46804**

**Loan Purchase Satisfaction Survey**

Please take the time to answer these few questions and rate us on our service. Your opinion is very important to us!

Funder: Monique Sanchez

Client: HOME LOAN MORTGAGE CORPORTATION

Loan #: 2444314

**1 Poor – 5 Excellent**

Customer Service: 1 2 3 4 5

Promptness of initial review of file: 1 2 3 4 5

Promptness in returning phone calls: 1 2 3 4 5

Contacted daily for suspended items: 1 2 3 4 5

Comments \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Please fax to: 260-434-8060**

**Thank you!**



BAILEE LETTER

Union Federal Bank of Indianapolis  
7500 West Jefferson Blvd  
Fort Wayne, IN 46804

December 23, 2005

The enclosed mortgage notes and other documents (the "Mortgage Documents") as more particularly described on the attached schedule, have been (i) sold to GUARANTY BANK ("Guaranty") under the Mortgage Loan Purchase and Sale Agreement (as renewed, extended, amended, or restated, the "Purchase Agreement") dated as of June 04, 2004 between HOME LOAN MORTGAGE CORPORATION (the "Company"), and Guaranty or (ii) assigned and pledged to Guaranty as collateral under the Credit Agreement (as renewed, extended, amended, or restated, the "Credit Agreement") dated as of June 04, 2004 between Company and Guaranty. The Mortgage Documents themselves are being delivered to you for purchase under an existing commitment (the "Takeout Commitment").

Either payment in full for the Mortgage Documents or the Mortgage Documents themselves must be received by Guaranty within Twenty One (21) days after the date of this letter. Until that time, you are deemed to be holding the Mortgage Documents in trust as bailee for Guaranty, subject to the security interest granted Guaranty in accordance with the applicable provisions of the Uniform Commercial Code. No property interest in the Mortgage Documents is transferred to you until Guaranty receives the greater of (i) the agreed purchase price of the Mortgage Documents or (ii) \$ 1,250,798.58. Upon Guaranty's receipt of such amount, Guaranty's security interest in the Mortgage Documents shall be released automatically, and the Mortgage Documents shall be free of any lien or security interest created by, through or under Guaranty.

If you receive conflicting instructions regarding the Mortgage Documents from Company and Guaranty, you agree to act in accordance with Guaranty's instructions. GUARANTY RESERVES THE RIGHT, AT ANY TIME BEFORE IT RECEIVES FULL PAYMENT, TO NOTIFY YOU AND REQUIRE THAT YOU RETURN THE MORTGAGE DOCUMENTS TO GUARANTY.

Payment for the Mortgage documents must be made by wire transfer of immediately available funds to:

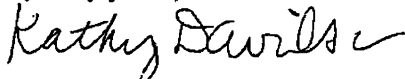
GUARANTY BANK  
ABA Number: 314970664  
Account Number: 3802942635  
REF: HOME LOAN MORTGAGE CORPORATION

**BY ACCEPTING THE MORTGAGE DOCUMENTS DELIVERED TO YOU WITH THIS LETTER, YOU CONSENT TO HOLD THE MORTGAGE DOCUMENTS FOR THE BENEFIT OF GUARANTY AND TO BE GUARANTY'S BAILEE ON THE TERMS DESCRIBED IN THIS LETTER. GUARANTY REQUESTS THAT YOU ACKNOWLEDGE RECEIPT OF THE ENCLOSED MORTGAGE DOCUMENTS AND THIS LETTER BY SIGNING AND RETURNING TO GUARANTY THE ENCLOSED COPY OF THIS LETTER, BUT YOUR FAILURE TO DO SO DOES NOT NULLIFY YOUR CONSENT OR OTHERWISE AFFECT OR IMPAIR ANY TERM OR CONDITION OF THIS LETTER OR THEIR BINDING EFFECTS ON YOU.** If you fail to make full payment to Guaranty for it within Twenty One (21) days after the date of this letter, you are instructed to return all Mortgage Documents to Guaranty.

GUARANTY BANK  
8333 Douglas Avenue  
Dallas, Texas 75225  
Mortgage Warehouse Department  
Telephone: (214) 360-3305

The preceding provision in no way affects or impairs any claim or cause of action against you in respect of the Takeout Commitment. This letter binds you and your successors, assigns, trustees, conservators, and receivers and insures to Guaranty, Lenders, and their respective successors, and assigns.

Very truly yours,



GUARANTY BANK

Acknowledged and Agreed as of \_\_\_\_\_, 200\_\_.

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

Name:

Title:

# Shipping Schedule

To Location: UFB01 - UNION FEDERAL BANK  
Lender: GB - GUARANTY BANK  
Customer: HLMC - HOME LOAN MORTGAGE CORPORATION

Ship Reference Number: 1z19x78x0195455086

<u>Collateral ID</u>	<u>Short Name</u>	<u>Orig. Face Amt.</u>	<u>Loan Balance</u>	<u>Product</u>	<u>Release ID</u>	<u>Release Date</u>	<u>Commitment No.</u>
97042744	BROWN	880,000.00	867,436.42	SJUM	77296	12/23/2005	
97042764	FLORES	152,000.00	148,222.80	PRIME	77297	12/23/2005	
97042765	FLORES	38,000.00	37,384.88	2ND	77298	12/23/2005	
97042784	GILKEY	162,400.00	157,560.48	PRIME	77299	12/23/2005	
97042785	GILKEY	40,600.00	40,194.00	2ND	77300	12/23/2005	
Total Items: 5							
Shipping Totals:		1,273,000.00	1,250,798.58				

# Pre-Funding Checklist

Loan # 2444314 Date 1.3.06 Checked by CW

Property address matches 9/5

Borrower name matches 9/5



FHA & ARM Products

Check Arm change date

Compare system note to Original Note

FHA Check for ADP Code

MI Cert

Rate

Company

Coverage

Payment type

PP/IO Addendums & P&I

Has note date

Pre-payment term matches Solutions

6 Mo Prepay override?

IO term & amount matches Solutions

Signed & dated by borrower (if applicable)

Change date (if addendum specific)

P&I amount matches Solutions

Endorsement

Endorsed to Union Federal Bank of Indianapolis

Title of Lending Officer

Assignment

Assigned to MERS

Assigned to MERS in system?

Legal Description

MIN# & MERS PH # present

Notary Seal

Date signed

Title of Lending Officer

Date signed by Notary

Client name matches

1st page of note

Endorsement

Assignment

Addendums

MERS Mortgage

MIN # in funding screen?

Pg 1 & 2 of Mortgage

MIN# on note?

MERS Phone # on Mtg.

MOM:? - Yes

Suspense Items Cleared??

Servicing 1st Payment Date

2.06  
mm/yy

*Sydney*

# ADJUSTABLE RATE NOTE

2444314

(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.**

MIN# 100066400001351940

December 13, 2005  
[Date]

Hesperia [City]

CA [State]

17841 Lincoln St, 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

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 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 January 1, 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 Waterfield Mortgage Company, Incorporated, 7500 West Jefferson Blvd., Fort Wayne, IN 46804 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.

67083118

MULTISTATE ADJUSTABLE RATE NOTE - LIBOR SIX-MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL) - Single Family - Fannie Mae UNIFORM INSTRUMENT

LMP-838N (0210)

Form 3520 1/01

VMP MORTGAGE FORMS - (800)521-7291

Page 1 of 4

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



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

2444314

##### (A) Change Dates

The interest rate I will pay may change on the first day of January, 2011, and on that day every 6 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 250/1000 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 000/1000 percentage point(s) ( 1.000 %) from the rate of interest I have been paying for the preceding Six 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

2444314

### (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.

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

\_\_\_\_\_  
(Seal)  
Cynthia L Brown  
-Borrower

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

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

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

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

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

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

*[Sign Original Only]*



Correspondent Lending  
**SUSPENSE NOTICE**

Home Loan Mortgage Corp

Date: 12/28/2005

Client Fax #: (760) 948-6610

Funder: Monique Sanchez

Phone #: 888-668-9779

Ext: 8026 Fax #: 260-434-8042

Borrower: BROWN, CYNTHIA L

Loan # 2444314

In reference to the subject loan the following items are missing or need corrected. When the additional information is provided, the conditions will be reviewed within 24 hours of receipt.

The following items are the reason for suspense and are required for purchase:

~~1) NEED ORIGINAL NOTE~~

~~2) NEED ORIGINAL PREPAY ADDENDUM TO NOTE~~

~~3) MISSING FINAL HUD-1~~

~~4) NEED LETTER OF INTENT FOR THE ALTA 6 (ARM) ENDORSEMENT~~

~~5) THE FINAL URLA IS MISSING PAGE 4~~

~~6) APPRAISAL IS MISSING YEAR BUILT ON PAGE 1~~

~~7.) need new pymt letter showing correct ins.  
Amt.~~

Lock Exp:

01/12/06



Correspondent Lending  
**SUSPENSE NOTICE**

Home Loan Mortgage Corp

Date: 12/28/2005

Client Fax #: (760) 948-6610

Funder: Monique Sanchez  
Phone #: 888-668-9779

Ext: 8026 Fax #: 260-434-8042

Borrower: BROWN, CYNTHIA L

Loan # 2444314

In reference to the subject loan the following items are missing or need corrected. When the additional information is provided, the conditions will be reviewed within 24 hours of receipt.

The following items are the reason for suspense and are required for purchase:

- 1) NEED ORIGINAL NOTE 12-22
- 2) NEED ORIGINAL PREPAY ADDENDUM TO NOTE 12-22
- 3) MISSING FINAL HUD-1 12-28
- 4) NEED LETTER OF INTENT FOR THE ALTA 6 (ARM) ENDORSEMENT 12-28
- 5) THE FINAL URLA IS MISSING PAGE 4 12-28
- 6) APPRAISAL IS MISSING YEAR BUILT ON PAGE 1
- 7) need New p4 letter.

Lock Exp:

01/12/06

**UNION FEDERAL BANK  
WHOLESALE PRODUCT HIGHLIGHTS**

Date: 6/18/03  
Revised: 8/31/05

**PROGRAM: Union Stripe Series**

This program offers conforming and jumbo 6 month LIBOR indexed ARM loans that fall outside of standard underwriting guidelines. Loan Documentation may be reduced. Borrowers and/or properties require alternative underwriting. The initial interest rate is fixed for 3 years, 5 years or 7 years. Interest rate and payments adjust every 6 months following the initial fixed period. This program also offers an optional interest only feature. Margin and interest rate adjustment limitations (caps) per product are:

ARM	Margin	1 <sup>st</sup> Adjustment Cap	Per Adjustment	Life Cap
3/6 ARM	2.25%	2%	1%	6%
5/6 ARM	2.25%	5%	1%	5%
7/6 ARM	2.25%	5%	1%	5%

All Closing documents must be drawn by Union Federal Bank (Table Funded Only).

\*\*\*\*\*  
**NOTE: No exceptions for LTV, Ratio, Loan Amounts, Cash-Outs and Credit Scores will be made on loans with LTVs > 80% due to Mortgage Insurance Approval Guidelines.**  
 \*\*\*\*\*

**Product:**

Description	PGM Code	Prepayment Penalty
C W-REDSTRIPE 3/6 LBR 6MO	RDB	Hard
C W-RED STRIPE 5/6 LBR 6MO	RBD	Hard
C W-RED STRIPE 7/6 LBR 6MO	BRD	Hard
C W-REDSTRIPE-3/6LIBOR-PP	RDP	Soft
C W RED STRIPE 5/6 LBR PREPAY	RBP	Soft
C W RED STRIPE 7/6 LBR PREPAY	BRP	Soft

Term: 360 Months

Interest Rate/Prices: See Daily Price Sheets

**Geographic Restrictions:**

- Not available for Guam, Puerto Rico, Virgin Islands, West Virginia, or the City of New York (including any properties in the following Zip Codes beginning with: 100, 101, 102, 103, 104, 110, 111, 112, 113, 114, 116, and Zip Code 10803)
- Cash-Outs not allowed in Texas.

**Soft Prepayment Penalty:**

- Prepayment charge period is for 3 years from the date of closing
- Pre-pay penalty is equal to 6 months interest at the then current note rate on the amount of prepayment in excess of 20% of the original principal balance
- Soft pre-pay penalty (no penalty for sale of property to an unrelated third party if sale occurs at least 6 months from the date of closing.) Proof of sale evidenced by the HUD-1 is required
- 20% curtailment is allowed in any given 12 month period without penalty

**Hard Prepayment Penalty:**

Any loan that the borrower does not elect the soft prepayment penalty will be required to have a 6-month hard prepayment penalty.

- Prepayment charge is for 6 months from the date of closing.
- Prepayment penalty is equal to 3% of the unpaid balance at the time of payoff, if the loan is paid off within the first 6 months from the date of closing.
- This is a hard prepayment penalty, meaning the mortgaged property can not be sold or refinanced during the set no-prepayment timeframe; without the borrower becoming liable for a prepayment penalty that will be included in the amount of the payoff to the servicer of the mortgage.
- Curtailments are allowed at any time without penalty. The penalty will only be assessed if the loan is paid off within the hard prepayment period.

**Interest Only:**

This program offers an optional interest only period during either:

- the initial fixed period (3, 5, or 7 years depending on the product) or
- for the initial 10 years (120 months) of the loan .

When choosing this feature, payments of only interest are made during the interest only period. During the interest only period, the borrower is not required to make any principal payments. At the end of the interest only period, the loan will be re-amortized over the remaining term of the loan and the borrower will begin making payments of principal and interest at that time. Borrowers are qualified based on the Interest, Taxes and Homeowners payment when using the 5 or 7 Year Term option, Full PITI on the 3 Year Term option.

**Minimum Loan Amount: \$40,000**

DOCUMENTATION: FULL/ALT				
PRINCIPAL RESIDENCE FULLY AMORTIZING LIBOR/ARM MORTGAGES				
Purchase Money and Limited Cash-Out Refinance Transactions				
Units	Max Loan Amount	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios
1	\$375,000	97%/97%/97%	640	45%/45%
1-4	\$500,000	95%/100%/100%	620	45%/45%
1-4	\$650,000	90%/100%/100%	620	45%/45%
1-4	\$750,000	75%/100%/100%	620	45%/45%
1-4	\$1,000,000	80%/100%/100%	620	50%/50%
1-4	\$2,000,000	75%/80%/80%	620	50%/50%
1-4	\$2,000,000	70%/100%/100%	620	55%/55%

DOCUMENTATION: FULL/ALT					
PRINCIPAL RESIDENCE FULLY AMORTIZING LIBOR/ARM MORTGAGES					
Cash-Out Refinance Transactions					
Units	Max Loan Amount	Max Cash Out	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios
1-2	\$500,000	\$200,000	95%/100%/100%	620	45%/45%
1-4	\$500,000	\$200,000	90%/100%/100%	620	45%/45%
1-4	\$1,000,000	Unlimited	80%/100%/100%	620	50%/50%
1-4	\$1,500,000	Unlimited	75%/100%/100%	620	50%/50%
1-4	\$2,000,000	Unlimited	75%/80%/80%	620	50%/50%
1-4	\$2,000,000	Unlimited	70%/100%/100%	620	50%/50%

DOCUMENTATION: FULL/ALT				
SECOND/VACATION/HOME FULLY AMORTIZING LIBOR/ARM MORTGAGES				
Purchase Money and Limited Cash-Out (Refinance) Transactions				
Units	Max Loan Amount	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios
1	\$500,000	90%/100%/100%	620	45%/45%
1	\$1,500,000	75%/100%/100%	620	50%/50%
1	\$2,000,000	75%/80%/80%	620	50%/50%
1	\$2,000,000	70%/100%/100%	620	55%/55%

DOCUMENTATION: FULL/ALT					
SECOND/VACATION/HOME FULLY AMORTIZING LIBOR/ARM MORTGAGES					
Cash-Out (Refinance) Transactions					
Units	Max Loan Amount	Max Cash Out	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios
1	\$500,000	\$200,000	90%/100%/100%	620	45%/45%
1	\$1,000,000	Unlimited	80%/100%/100%	620	50%/50%
1	\$1,500,000	Unlimited	75%/100%/100%	620	50%/50%
1	\$2,000,000	Unlimited	75%/80%/80%	620	50%/50%

DOCUMENTATION: STATED INCOME/VERIFIED ASSETS OR NO RATIO/VERIFIED ASSETS				
PRINCIPAL RESIDENCE FULLY AMORTIZING LIBOR/ARM MORTGAGES				
Purchase Money and Limited Cash-Out (Refinance) Transactions				
Units	Max Loan Amount	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios (Stated Income only)
1-2	\$400,000	95%/100%/100%	620	45%/45%
3-4	\$400,000	90%/100%/100%	620	45%/45%
1-4	\$500,000	85%/100%/100%	620	45%/45%
1-4	\$1,000,000	80%/100%/100%	620	50%/50%
1-4	\$2,000,000	70%/80%/80%	620	55%/55%

DOCUMENTATION: STATED INCOME/VERIFIED ASSETS OR NO RATIO/VERIFIED ASSETS					
PRINCIPAL RESIDENCE FULLY AMORTIZING LIBOR/ARM MORTGAGES					
Cash-Out (Refinance) Transactions					
Units	Max Loan Amount	Max Cash Out	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios (Stated Income only)
1-2	\$400,000	\$200,000	95%/100%/100%	700	45%/45%
3-4	\$400,000	\$200,000	90%/100%/100%	700	45%/45%
1-4	\$1,000,000	Unlimited	80%/100%/100%	620	50%/50%
1-4	\$2,000,000	Unlimited	70%/80%/80%	620	50%/50%

DOCUMENTATION: STATED INCOME/VERIFIED ASSETS OR NO RATIO/VERIFIED ASSETS				
SECOND/VACATION/HOME FULLY AMORTIZING LIBOR/ARM MORTGAGES				
Purchase Money and Limited Cash-Out (Refinance) Transactions				
Units	Max Loan Amount	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios (Stated Income only)
1	\$350,000	95%/100%/100%	620	45%/45%
1	\$400,000	90%/100%/100%	620	45%/45%
1	\$1,000,000	80%/100%/100%	620	50%/50%
1	\$2,000,000	70%/80%/80%	620	55%/55%

DOCUMENTATION: STATED INCOME/VERIFIED ASSETS/NO RATIO/VERIFIED ASSETS					
SECOND/VACATION/HOME FULLY AMORTIZING LIBOR/ARM MORTGAGES					
Cash-Out/Refinance Transactions					
Units	Max Loan Amount	Max Cash Out	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	Ratios (Stated Income Only)
1	\$400,000	\$200,000	90%/100%/100%	700	45%/45%
1	\$1,000,000	Unlimited	80%/100%/100%	620	50%/50%
1	\$2,000,000	Unlimited	70%/80%/80%	620	50%/50%

DOCUMENTATION: NO INCOME/NO ASSET (NINA)			
PRINCIPAL RESIDENCE FULLY AMORTIZING LIBOR/ARM MORTGAGES			
Purchase/Money and Limited Cash-Out/Refinance Transactions			
Units	Max Loan Amount	Maximum LTV/CLTV/HCLTV	Minimum FICO Score
1-2	\$400,000	95%/100%/100%	660
3-4	\$400,000	90%/100%/100%	660
1-4	\$650,000	80%/100%/100%	660
1-4	\$650,000	80%/95%/95%	620
1-4	\$1,000,000	70%/100%/100%	660
1-4	\$1,000,000	70%/80%/80%	620
1-4	\$2,000,000	65%/80%/80%	620
1-4	\$2,000,000	60%/100%/100%	660

DOCUMENTATION: NO INCOME/NO ASSET (NINA)				
PRINCIPAL RESIDENCE FULLY AMORTIZING LIBOR/ARM MORTGAGES				
Cash-Out/Refinance Transactions				
Units	Max Loan Amount	Max Cash Out	Maximum LTV/CLTV/HCLTV	Minimum FICO Score
1-4	\$400,000	\$200,000	90%/100%/100%	700
1-4	\$650,000	Unlimited	80%/100%/100%	660
1-4	\$650,000	Unlimited	80%/95%/95%	620
1-4	\$1,000,000	Unlimited	70%/100%/100%	660
1-4	\$1,000,000	Unlimited	70%/80%/80%	620
1-4	\$2,000,000	Unlimited	65%/80%/80%	620
1-4	\$2,000,000	Unlimited	60%/100%/100%	660

DOCUMENTATION: NO INCOME/NO ASSET (NINA)				
SECOND/VACATION/HOME FULLY AMORTIZING LIBOR/ARM MORTGAGES				
Purchase/Money and Limited Cash-Out/Refinance Transactions				
Units	Max Loan Amount	Maximum LTV/CLTV/HCLTV	Minimum FICO Score	
1	\$400,000	90%/100%/100%	660	
1	\$650,000	80%/95%/95%	620	
1	\$1,000,000	70%/100%/100%	660	
1	\$1,000,000	70%/80%/80%	620	

DOCUMENTATION: NO INCOME/NO ASSET (NINA)				
SECOND/VACATION/HOME FULLY AMORTIZING LIBOR/ARM MORTGAGES				
Cash-Out/Refinance Transactions				
Units	Max Loan Amount	Max Cash Out	Max LTV/CLTV/HCLTV	Minimum FICO Score
1	\$400,000	\$200,000	90%/100%/100%	700
1	\$650,000	Unlimited	80%/95%/95%	620
1	\$1,000,000	Unlimited	70%/100%/100%	660
1	\$1,000,000	Unlimited	70%/80%/80%	620

**Exception Matrix**

Category	Max LTV/CLTV/HCLTV		
	Full/ALT	Stated/No Ratio	NINA
Foreign Nationals		75%	75%
Non-Permanent Resident Alien	90%	80%	80%
Condo Hotels	80%	80%	80%
Gift of Equity: If refinancing a free & clear property that was gifted within the most recent 12 mos	60%	60%	60%
	<b>FICO</b>		
All cash-out refs will have sub-prime MI premiums	<660	<660	<660

- A "Limited Cash-Out can include closing costs, prepaids, and the lesser of 2% of the mortgage amount or \$2,000. Cash back not allowed on primary residences in Texas.
- Refer to FNMA Selling Guide for additional information on the meanings of the above.

**"Flipping" Loans**

Application may only be changed from another product to a Union Star Product if all of the following applies:

- The loan was originally taken at the same documentation level (Full/Alt, NINA, Stated).
- The loan contains no unacceptable documentation for applicable Doc types (asset or income documents, as applicable).
- Approval to "flip" the loan must be received from UFB.

**Eligible Properties:**

- ❖ Single Family Attached and detached
- ❖ 2-4 family detached
- ❖ PUDS
- ❖ FNMA/FHLMC Warrantable Condos
- ❖ Non-Warrantable Condos (High rise condos will be reviewed on a case-by-case basis)
- ❖ Condo Hotels (Max 80% LTV/CLTV/HCLTV)
- ❖ Town Houses
- ❖ Modular Homes
- ❖ Leasehold Estate (If common for area) Must comply with FNMA Guidelines

**Ineligible Properties:**

- ❖ Log Homes
- ❖ Mobile Homes
- ❖ Manufactured Homes
- ❖ Kiddy Condos
- ❖ Unique Properties
- ❖ Timeshare Units
- ❖ Multi-Family dwellings containing more than 4 units
- ❖ Cooperatives
- ❖ Mixed-Use Properties
- ❖ Working Farms, Ranches & Orchards
- ❖ Refinance properties listed for sale in the last 6 months prior to loan application
- ❖ Residential Properties zoned Commercial
- ❖ Studio/Efficiencies Condos
- ❖ Any property < 600 Square Feet
- ❖ Tax-sheltered Syndications
- ❖ Rehab Properties

**Underwriting: For Guidelines not stated below, follow FNMA Guidelines.**

<b>Alimony and Child Support Income</b>	Documentation must be provided to show income has been received on a regular basis for the last 6 months. <ul style="list-style-type: none"> <li>• Must continue for 3 years</li> <li>• Provide divorce decree or any other type of written legal agreement or court decree showing payment continuance.</li> </ul>
<b>Amortization</b>	Normal amortization
<b>Appraisal Requirements</b>	<ul style="list-style-type: none"> <li>• Reduced appraisal not allowed.</li> <li>• Full walk-through appraisals on the FNMA - <ul style="list-style-type: none"> <li>• Form #1004 the Uniform Residential Report,</li> <li>• Form #1073 the Individual Condominium Units Appraisal Report, or</li> <li>• form #1025 The Small Residential Income Property Appraisal Report for 2-4 Units with Operating Income Statement Form #216.</li> </ul> </li> <li>• Form #216 required if using rental income to qualify.</li> <li>• Form # 442 the Completion Certificate (with photos) required if the estimate of value is "subject to repairs, alterations or conditions" or "Subject to completion per specs &amp; plans". <ul style="list-style-type: none"> <li>• Two appraisals, each performed by a separate appraiser, are required for loan amounts greater than \$1,000,000.</li> </ul> </li> </ul>
<b>Assumable</b>	Not allowed
<b>Borrowed Funds</b>	Borrowed funds secured using the borrower's assets may be used as a source of down payment. Acceptable sources of secured assets are certificates of deposit, stocks, bonds, real estate, life insurance policies, and 401(k) savings. The term of the loan and collateral must be verified. Loans secured by the borrower's financial assets are not included as debt in qualification.
<b>Borrower Eligibility &amp; Residency Status (Foreign Nationals Only Stated, No Ratio and NINA Doc Codes allowed)</b>	<p><b>Permanent Resident Aliens:</b>  Allowed under the same terms as a U.S. citizen under the following criteria:</p> <ul style="list-style-type: none"> <li>• Must hold acceptable evidence of permanent residency issued by the U.S. Immigration and Naturalization Service (I.N.S.)</li> <li>• Must have a minimum 2 year employment history with a United States based employer. Income for qualifying purposes must be from the United States.</li> <li>• Must have a minimum 2 year United States credit history.</li> <li>• Must have an established asset base in the United States.</li> <li>• Funds from outside the United States are not acceptable.</li> <li>• Must provide documented evidence of permanent residency. Documents acceptable: <ul style="list-style-type: none"> <li>• Alien Registration Receipt Card I-151 (referred to as "Green card").</li> <li>• Alien Registration Receipt (Resident Alien Card) I-551 that does not have an expiration date on the back (also referred to as a "Green Card").</li> <li>• Alien Registration Receipt Card (Conditional Resident Alien Card) I-551 that has an expiration date on the back, as long as it's accompanied by a copy of a filed INS form I-751.</li> <li>• An unexpired foreign passport that contains an unexpired stamp reading "Processed for I-551. Temporary Evidence of Lawful Admission for Permanent Residence. Valid until (mm-dd-yy). Employment authorized.</li> </ul> </li> </ul> <p><b>Non-Permanent Resident Aliens:</b></p> <ul style="list-style-type: none"> <li>• Max LTV/CLTV/HCLTV for Full/ALT Doc is 90%. All other Doc Codes is 80%.</li> <li>• Must have valid Social Security number</li> <li>• Allowed on primary residences only</li> <li>• Must provide documented evidence of residency, a current H-1, L-1, E-1, E-2 or G-Series Visa. <ul style="list-style-type: none"> <li>• Must have a minimum of 2 years of employment history with a United States based employer. Income for qualifying purposes must be from the United States.</li> <li>• Must be able to verify probability of maintaining employment where currently employed in the United States for 3 years.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• The property must be a principle residence. Available on single-family detached properties only.</li> <li>• Must have a minimum of 2 years United States credit history.</li> <li>• Must have an established asset base in the United States. Funds from outside the United States are not acceptable.</li> <li>• A non-resident alien borrower who is the primary wage earner is eligible provided the minimum FICO is met.</li> </ul> <p><b>Foreign Nationals:</b> Foreign Nationals are citizens of another country who periodically visit the U.S. and who are buying a home in which to reside during these visits.</p> <ul style="list-style-type: none"> <li>• Allowed on <b>second homes and investment properties only</b></li> <li>• Maximum LTV/CLTV/HCLTV 75% for Stated Income, No Ratio &amp; NINA</li> <li>• Foreign Nationals with diplomatic immunity are not eligible for financing.</li> <li>• Foreign Nationals are limited to a maximum of 1 loan or property financed with UFB.</li> </ul> <ul style="list-style-type: none"> <li>• If the borrower does not have a Tax Identification Number or Social Security Number, a copy of the completed Certificate of Foreign Status (IRS Form W-8BEN) must be retained in the file.</li> <li>• Taxes and insurance must be escrowed, unless prohibited by law.</li> <li>• A credit report must be obtained even though a credit score is not required.</li> <li>• If the credit report does not provide for a minimum of 3 credit references that are at least 2 years old, then 3 original credit letters from a lending institution located in the country of origin must be obtained. All documents must be translated into English and all currency converted to US Dollars.</li> <li>• A copy of the borrower's Passport and Visa must be obtained to verify eligibility.</li> </ul> <p><b>No Exceptions.</b></p>
<b>Co-Signers</b>	Not Allowed
<b>Completion/Escrow Holdbacks</b>	Typically only allowed on weather related items. Incomplete items may not affect health, safety, livability & marketability of property. 1 1/2 times cost of repairs, or \$500, whichever is greater, must be escrowed.
<b>Condominiums (Minimum 600 Square Feet)</b>	<p><b>Studios/Efficiencies</b> Not allowed</p> <p><b>Warrantable Condos:</b></p> <ul style="list-style-type: none"> <li>• Must be FNMA/FHLMC warrantable. Compliance with FNMA Announcement 05-03 for Limited Review and FHA Approved Projects (Expedited Review is not offered by UFB at this time).</li> <li>• High rise condos &gt;8 stories must be typical for area and will be reviewed on a case-by-case basis.</li> <li>• Must indicate on the underwriting approval form or 1008, the warrantable agency (FNMA/FHLMC) and the project classification. (Class III, Type A, etc.)</li> <li>• UFB will not purchase more than 20% of the total project.</li> </ul> <p><b>Non-Warrantable Condos</b></p> <ul style="list-style-type: none"> <li>• A total of 50% or more of the total available units must have been sold or under contract for sale. For projects subject to additional phasing that are more than 40% complete, pre-sale requirements will be applied to individual phases.</li> <li>• A maximum 50% investor concentration is allowed based upon the total number of units sold or under contract for sale.</li> <li>• The units within the project must have separate and individual gas and water meters.</li> <li>• The control of the condominium association must be transferred to the unit owners and operate in a prudent and professional manner, insurance coverage must meet or exceed FNMA/FHLMC requirements. The bylaws must contain a binding arbitration agreement and must not be involved in pending litigation. A letter from the condominium association must verify this.</li> <li>• No one entity may own more than 10% of the project.</li> <li>• 50% of all units, common areas and facilities within the project must be completed.</li> </ul>

- Cash-Out not allowed.
  - For 2-unit properties completed <6 mos., the presale requirement is waived.
  - Exception to the above restrictions may be granted on a case-by-case basis and require prior Mortgage Insurance approval.
  - High Rise condos will be reviewed on a case-by-case basis.
  - High rise condos >8 stories must be typical for area and will be reviewed on a case-by-case basis.
  - Project is limited to 10 units or more. Properties with fewer than 10 units must meet the following additional requirements:
    - 1-unit in projects with  $\leq 8$  units
    - 2-units in projects with >8 units
  - Investor concentration is limited to:
    - 1-unit in projects with >5 units
    - None if project has  $\leq 4$  units
  - New projects or conversions within last 3 years.
    - 100% of the project must be sold or under contract.
- UFB will not purchase more than 20% of the total project.

#### Site Condos

- A project that consists only of detached one-unit dwellings and does not include manufactured or mobile housing units.
- Subject property must be Owner-Occupied Primary Residence or Second Home.
- The mortgage must be covered by a Title Insurance Policy that includes an Alta 4, Condominium Endorsement, and complies with all other title insurance requirements.
- Subject property must be covered by all hazard, liability and flood insurance, as applicable, in acceptable form.

#### Condo Hotels

- A Condo Hotel is a fee simple or leasehold real estate which may include one or all of the following: front desk or resident manager, maid service, food and telephone services, commercial space, short term occupancy. It is operated as a commercial hotel even though the units are individually owned.
- All condo hotels, regardless of intended occupancy status will be priced and underwritten to Red Star Investment guidelines.
  - Max LTV/CLTV/HCLTV 80%
  - All Occupancy types are available.
  - Voluntary rentals are acceptable.
  - Mandatory rental pools are acceptable on a case-by-case basis.
  - Rental pools are not eligible for primary residence.
  - Income from the rental of the property will NOT be used to qualify the borrower.
  - Commercial space is not to exceed 25% of the total area (square footage).
  - Minimum of 20 units, finished and established, may not be subject to additional phasing.
    - Construction quality above average.
    - Area considered as a resort area.
    - 60% of the units must be sold and closed.
    - HOA must maintain a minimum of \$1 Million liability insurance coverage.
    - Condominium project budget must reflect minimum reserves of 10% of total project budget.
      - The condo hotel should have been operating for a minimum of 2 years.
      - The Appraiser must specifically comment in the appraisal that condo hotels are common to the area, that resale –marketing time is strong (i.e. not over 6 months) and that the market supports strong rental activity.
        - Units located in a high rise require a statement from the appraiser that high rise condos are common to the area.
        - Minimum square footage of the unit is 600 square feet.
- No single entity may purchase more than 10% or 10 units from one borrower in

	<p>the same project, whichever is less.</p> <p><b>Condominium Conversions</b></p> <ul style="list-style-type: none"> <li>• All units, common elements and facilities within the project must be fully completed.</li> <li>• At least 70% of the total units in the project must have been conveyed (or under contract to be sold) to owner-occupant primary residences or second home purchasers.</li> <li>• No single entity (individual, corporation, investor group, etc.) may own more than 10% of the total units in the project.</li> <li>• The units must be owned free &amp; clear (clear title) in fee simple (leaseholds are not acceptable).</li> <li>• Unit owners must have the sole ownership, interest in &amp; rights to use all project facilities and common elements.</li> <li>• The project must be covered by all applicable insurance coverage – hazard, flood liability and fidelity- that is generally required for condominium projects.</li> <li>• All rehab work involved in the conversion must have been completed in a workmanlike manner.</li> <li>• The project must be well managed. The management contract must be of a reasonable term and its termination provision must not require the payment of any penalty or an advance notice of more than 90 days.</li> <li>• The project's operating budget must be consistent with the nature of the project and must provide for adequate replacement reserves based on the project's age and remaining life.</li> </ul>
<p><b>Construction-to-Perm</b></p>	<p>Follow guidelines per the <i>Star/Stripe Construction-to-Perm Guidelines</i> grid.</p>
<p><b>Credit Standards</b></p>	<p><b>Credit History</b></p> <ul style="list-style-type: none"> <li>• A verification of mortgage/rental history is required on all loans. Current balance, current status and payment amount must be verified. Exceptions are not allowed to the mortgage/rental history and verifications requirements.</li> <li>• Borrowers able to provide a complete 12 month mortgage/rental history <ul style="list-style-type: none"> <li>• Primary Residence-2 months reserves required</li> <li>• Second Home-2 months reserves required</li> </ul> </li> <li>• Borrowers unable to provide a <u>complete</u> 12 month mortgage/rental history are limited to: <ul style="list-style-type: none"> <li>• Owner occupied residence only.</li> <li>• Verified asset documentation types</li> <li>• Verified reserves must be provided as follows: <ul style="list-style-type: none"> <li>• CLTV &gt;90% 6 Months PITI</li> <li>• CLTV ≤90% 2 Months PITI</li> </ul> </li> </ul> </li> <li>• Verified assets must be reasonable with respect to the stated income for all stated income programs.</li> <li>• Minimum of 3 traditional credit references that have been open for at least 24 months and are/were active during that time period must be met by each borrower unless they are married.</li> <li>• If insufficient traditional tradelines are available, alternative non-traditional sources should be verified. Preferred sources are housing payments, utility payments and telephone payments. Only if these sources cannot be developed should other sources be developed (for example, insurance, local stores, childcare, etc.). Payroll deducted obligations are not acceptable.</li> <li>• For borrower's who do not use traditional credit, alternative non-traditional credit should be verified. A minimum of 3 alternative sources should be verified directly with the creditors with a minimum of 24 months activity showing no late payments over the past 24 mos.</li> </ul> <p><b>Mortgage History</b></p> <ul style="list-style-type: none"> <li>• In the case of a recent refinance or account transfer, a combination of payment performance from multiple lenders for the same collateral may be used to complete the 12 month history requirement.</li> <li>• For a recent purchase, a combination of payment performance from a prior property</li> </ul>

or rental payments may be used to complete the 12 month history. A gap in mortgage/rental payment history of up to 6 months is allowed by obtaining the most recent 18 month history.

**Rental History**

- If the landlord is a management company, the management company must be listed in the local telephone directory and the file must contain a copy of the listing. If the listing is not available, 12 months canceled checks must be provided.
- If the landlord is a non-related individual, a direct verification is allowed provided proof of landlord ownership is established.
- All direct verifications must include the rental amount, payment history, and length of payment history.
- If the landlord is related to the borrower, 12 months consecutive rental payment canceled checks are required.

**Mortgage/Rental History**

- 0 X 30 in last 12 months
- Rolling lates are not allowed

**Public Record History**

- Borrower must pay off all delinquent credit-including delinquent taxes, judgments, charged-off accounts, tax liens, and mechanics' liens- that have the potential to affect lien position or diminish the borrower's equity.
- Any open judgments, liens, collections or charge-offs must be paid prior to or at closing. However, collections or charge-off accounts do not need to be paid off if the balance of an individual account is < \$250 or if total balance of such accounts ≤ \$1,000 or less. **Items must be fully explained**
- Borrowers who have a strong credit profile an meaningful financial reserves who also have collection or charged-off accounts with balances in excess of \$1,000 would not be required to pay these off if the lender is able to substantiate that the accounts pose no threat to the first mortgage and are not likely to affect the borrower's equity position.

**Bankruptcies and Foreclosures**

- Bankruptcies must be discharged 2 years with no late payments or derogatory credit over prior 24 mos and minimum 3 active tradelines (non-traditional acceptable) that have been opened at least 24 mos. Borrower's with prior bankruptcy that do not meet the re-established criteria are not eligible. **No Exceptions.**
- No Foreclosures/Deed-in-Lieu/Forbearance Agreements in the past 3 years with no late payments or derogatory credit over prior 24 mos. Borrower's with prior foreclosure that do not meet the re-established criteria are not eligible. **No Exceptions.**

**Documentation Levels**

**Full/ALT Doc**

**Salaried Borrowers**

- 1003 Application with verified income
- Written Verification of Employment, or
- Most recent full month paystub(s), 30 day period with YTD earnings.
- W-2's from all employers for the past two years
- Verbal VOE required for salaried/wage earner.
- Written Verification of Deposit (VOD) with 2 months average balance or most recent bank statements covering a 2 month period.
- Non-Permanent Resident Aliens- Max LTV/CLTV/HCLTV for Full/ALT Doc is 90%. All other Doc Codes is 80%.

**Non-Salaried Borrowers**

- 1003 Application with verified income
- Must be self-employed a minimum of 2 years.
- Most recent 2 years tax returns, including all schedules. If tax returns not received for prior year, Profit & Loss required.
- IRS form 4506, signed
- Verbal VOE required for salaried/wage earner.
- Written Verification of Deposit with 2 months average balance, or 2 months most

recent bank statements.

- It should be noted that assets should always be verified on loans processed under the Full/ALT documentation type even if the loan is a cash-out refinance. Funds received from a cash-out transaction are not to be considered as part of the borrower's assets.

**Stated Income with Asset Verification (Stated)**

**All Borrowers**

- Foreign Nationals limited to 75% LTV/CLTV/HCLTV
- Borrower must have a valid credit score. (Except Foreign Nationals.)
- Non-Permanent Resident Aliens- Max LTV/CLTV/HCLTV for Full/ALT Doc is 90%. All other Doc Codes are 80%.
- 1003 Application with employment stated and income stated
- Income must be reasonable for employment stated
- Manufactured Homes not allowed
- Ratios are calculated using stated income
- Self-Employed to be verified with valid Business License, CPA, Enrolled Agent Certification or 3<sup>rd</sup> party licensed tax preparer. (Must be self-employed for a minimum of 2 years)
- Borrowers employed by a family member must provide a CPA, Enrolled Agent Certification or 3<sup>rd</sup> party licensed tax preparer.
- Proposed Rental Income on an applicant's current residence only requires applicant to state rental income to be received, since there will be no prior rental history on the property.
- Other income types may be verified with a CPA, Enrolled Agent Certification or 3<sup>rd</sup> party licensed tax preparer.
- (CPA or Enrolled Agent Cert is from a licensed individual stating the length of time the borrower has been receiving the subject income.)
- Verbal VOE required for salaried/wage earner.
- Written VOD with 2 months average balance or 2 months most recent bank statements
- It should be noted assets should always be verified on loans processed under the Stated documentation type even if the loan is a cash-out refinance. Funds received from a cash-out transaction are not to be considered as part of the borrower's assets. If no assets are verified, the loan will be priced as a NINA and will be subject to all guidelines under the NINA program (i.e.; LTV/CLTV/HCLTV, credit scores, mortgage/rental history verification, payment shock, etc.)

**No Ratio with Asset Verification (No Ratio)**

**All Borrowers**

- Foreign Nationals limited to 75% LTV/CLTV/HCLTV
- Borrower must have a valid credit score. (Except Foreign Nationals.)
- Non-Permanent Resident Aliens- Max LTV/CLTV/HCLTV for Full/ALT Doc is 90%. All other Doc Codes is 80%.
- Manufactured Homes not allowed
- 1003 Application with employment reflected but no income stated...only assets.
- No Ratios are calculated.
- Verbal VOE required for salaried/wage earner.
- Written VOD with 2 months average balance or 2 months most recent bank statements.
- Self-Employed to be verified with valid Business License, CPA, Enrolled Agent Certification or 3<sup>rd</sup> party licensed tax preparer. (Must be self-employed for a minimum of 2 years)
- Borrowers employed by a family member must provide a CPA, Enrolled Agent Certification or 3<sup>rd</sup> party licensed tax preparer.
- Other income types may be verified with a CPA, Enrolled Agent Certification or 3<sup>rd</sup> party licensed tax preparer.
- CPA or Enrolled Agent Cert is from a licensed individual stating the length of time

	<p>the borrower has been receiving the subject income.</p> <ul style="list-style-type: none"> <li>It should be noted assets should always be verified on loans processed under the No Ratio documentation type even if the loan is a cash-out refinance. Funds received from a cash-out transaction are not to be considered as part of the borrower's assets. If no assets are verified, the loan will be priced as a NINA and will be subject to all guidelines under the NINA program (i.e.; LTV/CLTV/HCLTV, credit scores, mortgage/rental history verification, payment shock, etc.)</li> </ul> <p><b>No Income/No Asset (NINA)</b></p> <p><b>All Borrowers</b></p> <ul style="list-style-type: none"> <li>Foreign Nationals limited to 75% LTV/CLTV/HCLTV</li> <li>Borrower must have a valid credit score. (Except Foreign Nationals.)</li> <li>Non-Permanent Resident Aliens- Max LTV/CLTV/HCLTV for Full/ALT Doc is 90%. All other Doc Codes is 80%.</li> <li>Manufactured Homes not allowed</li> <li>1003 Application with no income or assets stated</li> <li>No Ratios are calculated</li> <li>Home &amp; Work telephone numbers are required for all borrowers.</li> <li>Must have most recent 12 months rent or prior mortgage history verification, as applicable. If borrowers do not have a prior mortgage or rental history in the last 12 months or any substantial monthly payment commensurate with the projected monthly PITI payment on the subject property that will no longer be in existence at the time of closing, borrowers will not be eligible for a NINA loan.</li> <li>On NINA program, payment shock does not apply provided the loan meets both of the following conditions: <ul style="list-style-type: none"> <li>CLTV &lt;80% and</li> <li>FICO &gt;680</li> </ul> </li> <li>If the loan cannot meet both conditions, payment shock restrictions of 2x the borrower's current monthly payment will be imposed. (Proposed housing divided by current housing = payment shock)</li> </ul>
<p><b>Down Payment (Source of Funds and Seasoning)</b></p>	<ul style="list-style-type: none"> <li>When the borrower is required to make a down payment, the source of assets must be seasoned for at least 60 days before the date of the loan application.</li> <li>Funds needed for closing must be verified as required by documentation type.</li> <li>Source of substantial increases in account balances or funds on deposit less than 90 days must be verified.</li> <li>For loans with verified assets and a required down payment, the borrower must contribute a minimum of 5% of the purchase price. (See "Gift Funds" for the remaining down payment).</li> </ul>
<p><b>Employment (Part Time/Second Job)</b></p>	<p>Must evidence a minimum of two year work history of working part time or second job.</p>
<p><b>Escrow/Buydowns</b></p>	<p>Not Allowed</p>
<p><b>Escrow Waiver</b></p>	<p>Allowed on LTVs <math>\leq</math> 80%</p> <ul style="list-style-type: none"> <li>Except, not allowed on Foreign Nationals unless prohibited by law.</li> </ul>
<p><b>Gift of Equity</b></p>	<ul style="list-style-type: none"> <li>Allowed.</li> <li>Property must be an owner-occupied primary residence.</li> <li>LTV &gt;80% borrower's 5% investment required.</li> <li>Must come from an immediate family member.</li> </ul> <p>Gift equity donor must complete gift letter (See Gift Letter requirements below).</p> <ul style="list-style-type: none"> <li>HUD-1/Settlement Statement must reflect gift equity. Purchase agreement must reflect the gift of equity.</li> <li>On purchase transactions, the contract of sale must also indicate the gift of equity.</li> <li>If refinancing a free &amp; clear property that was gifted within the most recent 12 month period, the max LTV/CLTV/HCLTV is 60%.</li> </ul>
<p><b>Gift Funds</b></p>	<p>Allowed on primary residence and second home properties only. Allowed for down payment requirements and must be from a family member or an unrelated person who can demonstrate an established personal relationship with the borrower.</p>

	<ul style="list-style-type: none"> <li>• A letter that is signed by or on behalf of the donor and stating the following must evidence the gift: <ul style="list-style-type: none"> <li>• Amount of gift</li> <li>• Date the funds were transferred to the borrower</li> <li>• No repayment of the gift is required</li> <li>• Donor's relationship to the borrower</li> <li>• Donor's name, address, telephone number</li> <li>• (Nehemiah, Ameridream, Partners in Charity, OWN, Genesis Foundation and Hart funds are not allowed).</li> </ul> </li> <li>• Funds for gifts must be verified in the donor's account and the transfer of funds from the donor's account to the borrower's account must be documented. Minimum of 5% must come from borrower's own funds.</li> <li>• For primary residences, as long as the LTV does not exceed 80% (or the maximum LTV available, depending on the specifics of the file), the remaining funds may come from gift funds (or gift of equity), a second lien, or the combination of both, such as an 80/10/10 or 80/15/5 (or the maximum CLTV available, depending on the specifics of the file). Therefore, as long as the LTV is 80% or below, borrowers are not required to have the 5% minimum cash investment of their own funds as they would should the LTV exceed 80%. This applies to all documentation types.</li> <li>• There are exceptions to this rule: Certain loan types will still require the borrower's to invest 5% of their own funds regardless of the LTV, such as manufactured Homes.</li> <li>• Gifts from a family member who has resided with the borrower for at least 12 months, and who intends to continue to do so, can be considered the same as the borrower's funds. Documentation should be obtained to verify that the family member has resided with the borrower for at least 12 months. <ul style="list-style-type: none"> <li>• Gift funds may not be used to satisfy reserve requirements.</li> </ul> </li> </ul>
<p><b>IRS 1031 Exchange</b></p>	<ul style="list-style-type: none"> <li>• An IRS 1031 Exchange allows a borrower to place proceeds from the sale of a property into an escrow account until they are ready to purchase a like-kind property with the proceeds. The following documentation must be provided: <ul style="list-style-type: none"> <li>• New property must be of greater or equal value to the relinquished property.</li> <li>• HUD-1 from the relinquished property.</li> <li>• Copy of the exchange agreement.</li> </ul> </li> </ul>
<p><b>In-Law Units</b></p>	<p>Improvements must generally conform to the neighborhood in terms of age, type, design and materials used for construction. Factory-built home require special attention to determine the marketability of this type of housing in the subject area and to establish its price range. As a general rule, a well-maintained property will have an effective age of less than the actual age.</p> <p>Examples of such properties include a house with a unit above a detached garage and a house with a guest apartment or basement unit.</p> <ul style="list-style-type: none"> <li>• A single-family property that includes an additional unit is acceptable provided it conforms to the subject neighborhood and to the market.</li> <li>• Comparables must include second units</li> <li>• Second unit must be incidental to the overall value and to appearance of the property.</li> <li>• No income from the in-law unit may be used to qualify the borrower</li> <li>• Comments regarding the improvements should be carefully analyzed. The appraiser must describe repairs required on the property or the impact of any sales concession. Seller's concessions, whether cash or assets may have a negative effect on the subject property value. Personal property cannot be appraised as if was real property and the value of the property will be reduced by the amount of any excessive concessions.</li> </ul>
<p><b>Interest Only</b></p>	<ul style="list-style-type: none"> <li>• This program offers an optional interest only feature. The borrower can choose an interest only period during either: the initial fixed period (3, 5 or 7 years depending on the product)</li> <li>• When choosing this feature, payments of only interest are made during the interest</li> </ul>

	<p>only period. During the interest only period, the borrower is not required to make any principal payments. Beginning the first month after the end of the interest only period, the loan will be re-amortized over the remaining term of the loan and the borrower will begin making payments of principal and interest at that time.</p> <ul style="list-style-type: none"> <li>• Borrowers are qualified based on the Interest, Taxes and Homeowners payment when using the 5 or 7 Year Term option, Full PITI on the 3 Year Term option.</li> <li>• When choosing this feature, payments of only interest are made during the interest only period. During the interest only period, the borrower is not required to make any principal payments. At the end of the interest only period, the loan will be re-amortized over the remaining term of the loan and the borrower will begin making payments of principal and interest at that time. <ul style="list-style-type: none"> <li>• During the interest-only period, borrowers may make principal curtailments of any amount. After the curtailment, the new principal balance will be adjusted, and the next scheduled monthly payment will be reduced accordingly.</li> </ul> </li> </ul>
<p><b>Interest Only Payment Shock</b></p>	<ul style="list-style-type: none"> <li>• IO payment shock restrictions do not apply to Full/ALT, STA or NOR doc types</li> <li>• On NINA program, payment shock does not apply provided the loan meets both of the following conditions: <ul style="list-style-type: none"> <li>• CLTV &lt;80% and</li> <li>• FICO &gt;680</li> </ul> </li> <li>❖ If the loan cannot meet both conditions, payment shock restrictions of 2x the borrower's current monthly payment will be imposed. (Proposed housing divided by current housing = payment shock)</li> </ul> <p>Interest Only term <math>\geq</math> 5 Yrs-DTI ratio and payment shock may be determined by using the interest payment + escrow payment</p> <ul style="list-style-type: none"> <li>• Interest Only term &lt; 5 Yrs-DTI and payment shock is determined by using the principal + interest payment + escrow payment.</li> <li>• Escrow payment and subordinate liens must be included in calculation for qualifying purposes; regardless of whether escrows are waived or not.</li> </ul>
<p><b>Land Value</b></p>	<p>Land value should not exceed 40% of property value. If land value exceeds 40%, the appraiser must include reasons and state land value is consistent for the area and include evidence in the comps.</p>
<p><b>Leaseholds</b></p>	<p>Allowed in areas where they are common to the market, provided the mortgage loan not only covers the property improvements, but also the mortgagor's interest in the land. The leasehold estate and improvements must constitute real property, be subject to the mortgage loan, and be insured by the title policy.</p> <ul style="list-style-type: none"> <li>• The term of the leasehold must be equal to or greater than the maturity date of the mortgage.</li> <li>• The least must be valid, in good standing, assignable or transferable, and in full force and effect.</li> <li>• Must comply with Leasehold requirements per Leasehold Checklist.</li> </ul>
<p><b>Manufactured Homes</b></p>	<p>Not Allowed</p>
<p><b>Maximum # of Financed Properties</b></p>	<ul style="list-style-type: none"> <li>• Primary Residence: Borrower may own subject property plus 19 other 1-4 properties that are financed.</li> <li>• Second Home: Borrower may own subject property plus 9 other 1-4 properties that are financed.</li> </ul> <p>Call UFB underwriting if borrower has more than 5 loans with LTVs &gt;80%. (Does not apply to Commercial Properties).</p>
<p><b>Maximum # of Star/Stripe Loans Per Borrower</b></p>	<ul style="list-style-type: none"> <li>• Aggregate total of Star/Stripe loans to a single borrower is limited to \$2,000,000</li> <li>• If both the 1<sup>st</sup> and 2<sup>nd</sup> lien is a Star/Stripe, the maximum combined loan amount may not exceed \$1,500,000.</li> <li>• Maximum 1 loan for Foreign Nationals</li> </ul> <p>Star/Stripe Investor reserves the right to limit the number of properties purchased within one building, within one neighborhood and /or to one borrower. The borrower must reflect the ability to manage the properties owned.</p> <ul style="list-style-type: none"> <li>• If multiple Star/Stripe loans are being closed for a borrower, loans must be arms-length transaction.</li> </ul>

	<ul style="list-style-type: none"> <li>• If more than 1 Star/Stripe loan is obtained when a borrower is financing multiple properties, he or she may not be affiliated with the originator, builder, developer or property seller of the property that secures any of the mortgages that are delivered under Star/Stripe product.</li> </ul>
<b>Minimum Required Investment for Primary Residences</b>	<p>Minimum of 5% cash down payment from borrower's own funds, except</p> <ul style="list-style-type: none"> <li>• No borrower down payment contribution is required when secondary financing is allowed and CLTV is 100%, CLTVs &gt; 95% - 3% Seller/Builder/Interested Party Contributions allowed.</li> </ul>
<b>Model Home Leaseback</b>	<p>A model home purchased in a new development and then leased back to the builder for continued use as a model home is acceptable provided the lease to purchase contract contains the following provisions:</p> <ul style="list-style-type: none"> <li>• Single-family units in new developments only.</li> <li>• Builder required to convert any part of the structure which has been modified for use as a sales office or model home advertising back to the original intent of the floor plan.</li> </ul> <p>The appraiser must describe the converted areas and determine a cost-to-convert back.</p> <ul style="list-style-type: none"> <li>• Appraised value must be determined on a "to be converted" floor plan.</li> <li>• Confirm the use of the home as a model-home.</li> <li>• Non-owner occupied transactions are allowed provided: <ul style="list-style-type: none"> <li>• Lease term ≤ 24 months</li> <li>• Rent used to qualify the borrower will be the lesser of the current market rents or the rent established by the lease.</li> </ul> </li> <li>• Owner-occupied are allowed provided: <ul style="list-style-type: none"> <li>• Lease term ≤ 12 months</li> <li>• Borrower qualifies with both their current housing expenses, plus the proposed housing expense.</li> </ul> </li> </ul>
<b>Non-Arms Length Transactions</b>	<ul style="list-style-type: none"> <li>➤ A non-arms length transaction occurs when there is a direct relationship between the borrower and any party to the transaction, including, but not limited to: <ul style="list-style-type: none"> <li>• Property Seller</li> <li>• Builder</li> <li>• Developer</li> <li>• Originating Lender (owner, employees or family members)</li> <li>• Real Estate Broker</li> <li>• Closing Agent</li> <li>• Appraiser</li> <li>• Renters buying from landlord.</li> <li>• Property trades with seller</li> </ul> </li> <li>• Not allowed on NINA Doc loans, all other doc types allowed</li> <li>➤ The following restrictions apply to all other doc codes: <ul style="list-style-type: none"> <li>• Relationships are disclosed on the initial loan submission.</li> <li>• Loans made to Principals or Employees of the Seller or Servicer (Appraiser, Settlement Agent, Title Co., etc.) cannot directly or indirectly provide these services on their own property.</li> <li>• Allowed if additional risk factors are not present. Examples include, but are not limited to distressed sales, high amount of seller contributions and selling assets for down payment.</li> <li>• In the case of a family transfer, a 12-month history of mortgage payments are required to ensure the loan is not foreclosure bailout.</li> <li>• <b>Exception may be made for realtors who are both the selling agent and the borrower. In documentation types where funds must be verified, realtor must have sufficient funds verified with out the use of the commission income to be received from the transaction.</b></li> </ul> </li> </ul>
<b>Non-Occupant Co-Borrower</b>	<p>A non-occupant co-borrower may be used to qualify if the following are met:</p> <ul style="list-style-type: none"> <li>• The non-occupant co-borrower must be an immediate family member (parent, child, brother, or sister). Letter from borrower/co-borrower verifying the relationship is required.</li> </ul>

	<ul style="list-style-type: none"> <li>• Non-occupant co-borrower must have sufficient liquidity to assist the owner-occupant borrower should the need arise.</li> <li>• Non-occupant co-borrower should add strength to the transaction by exhibiting stability, good credit history and strong asset base.</li> <li>• For LTV/CLTV/HCLTV &gt;80%, the occupying borrower must have a minimum of 5% of his/her own funds as a down payment.</li> <li>• The Note &amp; Deed of Trust must be signed by both occupant and non-occupant borrowers.</li> <li>• Co-signers or guarantor not allowed.</li> </ul>
<b>Non-Purchasing Spouse</b>	<p>It is allowable for a married individual to purchase a property without his/her spouse and without considering the credit history or debts of the non-purchasing spouse. Borrower should be aware of any subsequent transfer of any interest in the property to the non-purchasing spouse <u>without prior written consent</u> may be deemed to be default under the Due on Sale provision of the Security Instrument. Documents must comply with state requirements for properties located in community property states.</p>
<b>Payment Shock</b>	<p>Full/ALT, NOR &amp; Stated Doc</p> <ul style="list-style-type: none"> <li>• No restrictions</li> </ul> <p>NINA Doc</p> <ul style="list-style-type: none"> <li>• No restrictions provided the loan meets both conditions: <ul style="list-style-type: none"> <li>• CLTV &lt;80% and</li> <li>• FICO &gt;680</li> </ul> </li> <li>• If the loan cannot meet both conditions, payment shock restrictions of 2x the borrower's current monthly payment will be imposed. (Proposed housing divided by current housing = payment shock)</li> </ul> <p>Second Homes</p> <ul style="list-style-type: none"> <li>• No restrictions</li> <li>• See Interest Only Payment Shock section</li> </ul>
<b>Property Eligibility</b>	<p>Minimum footage is 600 square feet.</p>
<b>Re-Amortization of Loan-Due to Principal Curtailment/Refinance</b>	<p>Not Allowed</p>
<b>Qualifying Rate</b>	<p>Initial Note Rate</p>
<b>Refinance Limited Cash-Out</b>	<p><b>Limited Cash-Out Guidelines for paying off subordinate liens on <u>Conforming Loan Amounts</u>:</b></p> <ul style="list-style-type: none"> <li>▪ Refinance may include pay off of a subordinate lien used in whole to acquire the subject property.</li> <li>▪ Refinance may include the pay off a Home Equity Line of Credit (HELOC) if a portion or all of an existing HELOC was used to acquire the subject property (not allowed in Texas-see below). Only the amount of the HELOC drawn at the time of purchase may be included in the new refinance loan. If the HELOC has been paid down and redrawn, we may still include in the refinance loan the amount of the original balance of the HELOC used at time of purchase or the current balance, whichever is less. If there is an additional amount owing on the HELOC that was not drawn to acquire the subject property, this amount may not be included in the limited cash-out refinance transaction. In order to pay off any portion not drawn for the purchase, the loan must be considered a cash-out refinance. If there will be an amount remaining on the HELOC or the HELOC is paid-in-full but not closed, the HELOC must be subordinated to our refinance loan and will be subject to CLTV/HCLTV product requirements.</li> <li>▪ Refinance may include the pay off of a borrower's ex-spouse interest in the subject property. Loan must comply with guidelines and documentation requirements, as shown in MRI Section 602.01.</li> </ul>

**Cash-Out**  
 For CLTVs  $\leq$  75%,  
 the current appraised  
 value may be used  
 regardless of the length  
 of ownership.  
 For CLTVs  $>$  75%  
 and property owned  
 $\leq$  12 months, the lesser  
 of the current appraised  
 value or original sales  
 price plus documented  
 costs of improvements  
 may be used.  
 Properties listed for  
 sale in the last 6  
 months are ineligible.

**Reserve  
 Requirements**

**Texas Refinance Loans**-Pay off of HELOCs, or any subordinate lien where the borrower has received cash-out not allowed in Texas for primary residences. Lien may not have been filed as a Texas Section 50(a)(6) mortgage. If lien filed as a cash-out, the subordinate lien may be subordinated to our first lien and will be subject to CLTV/HCLTV guidelines.

- Any subordinate lien not being satisfied with the refinance mortgage must be subordinated to the new refinance mortgage and the refinance mortgage must meet CLTV/HCLTV requirements.

**Limited Cash-Out Guidelines for paying off subordinate liens on Non-Conforming Loan Amounts:**

- Refinance may include pay off of a subordinate lien used in whole to acquire the subject property.
- Refinance may include the pay off of any subordinate lien that are more than one year old as of the date of the new refinance mortgage (see below Texas Refinance Loans).
- Refinance may include HELOCs with the one-year seasoning requirement being measured from the date of the most recent draw. Minimal draws of an aggregate amount not to exceed \$2,000 within the last 12 months will be exempt if we are able to obtain documentation from the borrower or equity lender to support the date and amount of the last larger draw against the line (not allowed in Texas).
- Refinance may include subordinate liens in existence one year or less when all of the proceeds from the subordinate lien can be documented as being used to make home improvements. Provide copy of HUD-1 or receipts to document actual costs of home improvement. The appraisal must certify any improvements were completed and no dollar-for-dollar adjustments were applied to the value of the renovations (See below Texas Refinance Loans).
- Refinance may include the pay off of a borrower's ex-spouse interest in the subject property. Loan must comply with guidelines and documentation requirements, as shown in MRI Section 602.01.

**Cash-Out Guidelines for paying off subordinate liens on Conforming Loan and Non-Conforming Loan Amounts:**

- Refinance may include pay off of any subordinate lien (including any subordinate lien used for home improvement), regardless of seasoning (see below for Texas Refinance Loans).

**Texas Refinance Loans**-Pay off of HELOCs, or any subordinate lien where the borrower has received cash-out not allowed in Texas for primary residences. Lien may not have been filed as a Texas Section 50(a)(6) mortgage. If lien filed as a cash-out, the subordinate lien may be subordinated to our first lien and will be subject to CLTV/HCLTV guidelines.

- Any subordinate lien not being satisfied with the refinance mortgage must be subordinated to the new refinance mortgage and the refinance mortgage must meet CLTV/HCLTV requirements.

Reserves are required on Purchase and Cash-out Refinance Transactions and are not required on limited cash-out transactions.

- Primary Residence-2 months reserves required
  - Second Home-2 months reserves required
  - Gift funds may not be used to satisfy reserve requirements
  - 5/6, 7/6: If loan is an Interest Only, reserves will be calculated on the IO payment. 3/6: Reserves will be calculated on full PITI.
- NOTE: see Cash-Flow section

<b>Rural Properties</b>	<p>Rural properties can pose valuation problems since, by their very nature, comparable sales are hard to find. Properties classified as rural must:</p> <ul style="list-style-type: none"> <li>• Have a high degree of marketability</li> <li>• Must be customary and common for area, supported by comparable sales</li> <li>• May not be agricultural in nature</li> <li>• Land Value is limited to 40% (See Land Value section)</li> <li>• Be accessible from a publicly maintained road</li> <li>• Have adequate sewage, water and utilities</li> </ul> <p><b>Acreage</b></p> <ul style="list-style-type: none"> <li>• Up to 10 acres</li> <li>• More than 10 acres of land must be typical to the area with no agricultural income use.</li> </ul>
<b>Seasoning</b>	<p>For cash-out refis:</p> <ul style="list-style-type: none"> <li>• For CLTVs <math>\leq 75\%</math>, the current appraised value may be used regardless of the length of ownership.</li> <li>• For CLTVs <math>&gt; 75\%</math> and property owned <math>&lt; 12</math> months, the lesser of the current appraised value or original sales price plus documented costs of improvements may be used.</li> </ul>
<b>Seller Contributions</b>	<p>Percentage of allowable contributions based on LTV/CLTV and occupancy. Contributions such as temporary/permanent interest rate buydowns or closing costs (including prepaids) or other mortgage financing costs are included in these limitations (See Seller Contribution Chart).</p>
<b>Subordinate Financing</b>	<ul style="list-style-type: none"> <li>• Allowed. See Grids for maximum LTV/CLTV/HCLTV guidelines. Also, see Maximum Seller Contributions based on applicable LTV/CLTV.</li> <li>• Loans with seller-held or privately held subordinate financing are not eligible. A financial or government institution must hold subordinate financing.</li> <li>• If both the 1<sup>st</sup> and 2<sup>nd</sup> lien is a Star/Stripe, the maximum combined loan amount may not exceed \$1,500,000.</li> <li>• When paying off a 2<sup>nd</sup> lien in a refinance loan: If the second lien involves a home equity line of credit, the previous 12-month history must be reviewed and if the total draws exceed \$2,000 during this 12-month period, it is to be considered cash-out.</li> <li>• See Second Mortgage highlights for guidelines and credit score requirements.</li> </ul>

**Ratios: No Exceptions**

LTV	Housing/Debt Ratios
$> 75.01\%$	45%
$> 70.01-75\%$	50%
$\leq 70\%$	55%

A Price Adjustment will be applied to Ratios  $> 50\%$

**Seller/Builder/Interested Party Contribution: Must be typical for area.**

Occupancy	LTV/CLTV	Maximum Contribution
Principal Residence	$> 90\%$	3% of Sales Price
Principal Residence	75.01%- 90%	6% of Sales Price
Principal Residence	75% and below	9% of Sales Price
Second Home	$> 80\%$	3% of Sales Price
Second Home	$< 80\%$	6% of Sales Price

**Mortgage Insurance:** (One Time Financed MI is not allowed on any Doc Code and Single Premium MI is not allowed on Reduced Doc Codes)

Term	LTV/Range	MI Coverage Required
30 Year	>95%	35%
	90.01 - 95%	30%
	85.01 - 90%	25%
	80.01 - 85%	12%

- STA, NOR and NIA Doc Codes with FICO < 660 will have sub-prime MI premiums
- All cash-out refis with FICO < 660 will have sub-prime MI premiums

**Well and/or Septic Inspection Required if:**

1. Environmental problem as disclosed on the Acknowledgment of Property Owner or any other documentation which could affect either well/septic;
2. Appraisal requires a well/septic inspection or appraiser provides any adverse comments regarding same;
3. Any knowledge of well/septic problems by personnel

**Infestation Inspection Required if:**

1. Recommended/required by appraiser
2. Any knowledge by personnel of infestation problems

**Required Closing Documents:**

Document	Description	FNMA/FHLMC	Document #	Misc
Note	ARM Note (Use Multistate or State Tailored Document.)	FNMA/FHLMC	3/6-3520 5/6-3520 7/6-3520	
Mortgage/Deed of Trust	Standard Mortgage/Deed of Trust for your state	FNMA		
Addendums	Pre-Payment Addendum			If applicable
	Interest-Only Addendum to Adjustable Rate Note			If applicable
	Interest-Only Addendum/Prepayment Charge Addendum to Adjustable Rate Note			If applicable
Riders	ARM Rider to Mortgage		3/6-3138 5/6-3138 7/6-3138	
	Condo Rider	FNMA	3140	If applicable
	PUD Rider	FNMA	3150	If applicable
	Second Home	FHLMC	3890	If applicable
	Family Rider	FNMA	3170	If applicable
	Mortgage Insurance Rider			If applicable
Disclosures	Pre-Payment Charge Disclosure			If applicable
	Interest-Only Option Disclosure			If applicable

**White-Out:** NO. Strike-out (///) allowed with borrower(s) initials.

**Interest Credit:** Yes. Maximum 15 days interest credit

**Hazard Insurance:**

Waterfield Mortgage Company, Inc.  
It's Successors and/or Assigns  
P.O. Box 232  
Fort Wayne, Indiana 46801-0232

**Required Coverage:**

Must be equal to, or greater than the lesser of:

1. 100% of the insurable value of improvements (replacement cost) as established by property insurer and is documented, or
2. The unpaid principal balance of the mortgage.

**Title Policy Requirements:**

**Insured Clause:**

Lender's Name "and/or, its successors or assigns, as their interest may appear."

**Coverage:** Loan Amount

**Special Endorsements:**

1. Condo Endorsement, if applicable
2. PUD Endorsement, if applicable
3. Environmental Protection Lien Endorsement, ALTA 8.0 or 8.1
4. ALTA 9, Survey Endorsement
5. ALTA 7, Manufactured Home Endorsement
6. ALTA 6, ARM Endorsement

**Effective Date of Policy:** Must be no earlier than the date of mortgage recordation.

**Title Exceptions:**

1. No General Exceptions Allowed
2. Language pertaining to Covenants and Restrictions must have Non-Forfeiture and Reversion Clause
3. No Encroachments over one foot—any moveable object that encroaches onto an easement, building line, or right of way is okay (i.e. steps, patios, open porches, or small sheds without foundations that can be moved at little expense or do not substantially affect the value of the property)
4. Tile, Ditch, and Drainage Easements must either be insured over or specify no encroachments
5. Title Policies and Title Commitments must not contain exceptions to matters that an accurate survey would typically address.

**UNION FEDERAL BANK**  
**Closed Loan Purchase - CONVENTIONAL**

**Correspondent:** HOME LOAN MORTGAGE CORPORATION  
 11776 Mariposa Road, Hesperia, CA 92345

**Contact:** Wendy Murray, Post Closing Manager  
 760-948-2500 ext. 226 \* 760-948-6610 (fax) \* wmurray@hlmc.com

**Date:** 12/22/05 **UFB Loan Number:** 2444314

**Borrower:** BROWN, CYNTHIA **HLMC Loan Number:** 97042744

- Copy of Note (Original will be sent from warehouse bank)
- Copy of Deed of Trust / Mortgage
- Hotel & Transient Certification (HUD form 2561)
- Copy of Assignment - MERS LENDER
- Initial Escrow Account Statement
- Escrow / Impound Waiver
- First Payment Letter
- HUD-1 and Addendum to HUD-1
- Preliminary Title Report / Title Commitment
- Escrow Instructions
- HLMC Instructions to Escrow (2 pages) \*\*  
 \*\* Alta 9 (100) and Alta 8.1 (see page 1, ALTA POLICY SECTION)\*\*
- Flood Cert (basic)
- Flood Zone Notification
- Notice of Assignment/Sale/Transfer
- Goodbye Letter
- RESPA Servicing Disclosure
- Hazard Insurance Authorization and Requirements
- Hazard Insurance
- Hazard Insurance Change Letter
- Flood Insurance
- Flood Insurance Change Letter
- 1003 / URLA - Initial and final
- Credit Report
- Appraisal and Appraisal Conditions
- HLMC Underwriter's Approval  
1008
- DU or LP Findings (all pages including credit report)
- Tax Information Sheet
- PMI Cert.
- PMI Disclosure
- Purchase Agreement / Sales Contract
- Buydown Agreement
- Program Disclosure (ARM Loans, etc.)
- Power of Attorney (if stated on Deed for Buyer signature)
- Right of Recession / Right to Cancel
- Borrowers Certification and Authorization
- Truth in Lending - Initial and Final
- Good Faith Estimate
- Occupancy Affidavit
- Name Affidavit / AKA / Signature Cert
- W-9 and 4506 for each borrower
- U.S. Patriot Act Disclosure / Customer Identification Notice
- Social Security Card / Drivers License
- Mortgage / Rent Verification
- VOE, Tax Returns, w-2 all sources used to verify income
- VOD, Bank Statements, all sources for closing funds
- Gift Letter and Doner's Information
- Bankruptcy / Divorce papers
- Note and Deed for 1<sup>st</sup> Loan (if this loan is a second) or for 2<sup>nd</sup> Loan (if this loans is a first)
- California Disclosures (Per Diem Interest, Insurance, Credit, etc.)
- Credit Scores Disclosure (FACT ACT)
- Misc. Forms (Right to Receive Appraisal, Fair Lending, ECOA, Compliance Agreement)



~~CONFIDENTIAL~~

UNION FEDERAL BANK OF INDIANAPOLIS

STARS & STRIPES PROGRAM CORRESPONDENT LOCK SHEET ALT "A" & "A-" PROGRAMS

Revised 12/03/05

THIS FORM MUST BE FAXED TO THE LOCK DESK @ 260/434-8861 TO BE A VALID LOCK REQUEST STAR LOANS CANNOT BE LOCKED FROM UFB'S WEB SITE. CLIENT MUST NOTIFY UFB WITHIN 48 HRS IF LOCK CONFIRM IS NOT RECEIVED OR BEAR THE MARKET MOVEMENT COST.

Table with columns: RED STAR, BLUE STAR, WHITE STAR, RED STRIPE. Rows include 30yr w/6mo Prepay, 30yr w/3yr Prepay, 15yr w/6mo Prepay, 15yr w/3yr Prepay for each category.

PLEASE MARK ONLY ONE PRODUCT

SECTION 1

Form fields for SECTION 1: LOCK PERIOD (10, 30, 45, 60), BORROWER NAME (CINDY BRIDON), SOCIAL SECURITY # (542-86-1727), PROPERTY ADDRESS (17841 LINCOLN ST), CITY (VILLA PARK), STATE (CA), ZIP (92861), COUNTY (ORANGE), NO. OF UNITS (1), SALES PRICE (\$645), LOAN AMOUNT (\$820,000), LTV (90), CLTV, FICO (645), INTEREST RATE (7.75), TERM (240), CLIENTS (5055), COMPANY NAME (HOME LOAN MORTGAGE CORP), CLIENT CONTACT (MARCY WEAVER), CLIENT PHONES (860) 948-2500, CLIENT FAX (760) 948-3615, PRICE SHEET DATE (12-7-05).

Handwritten circled number: 2444314

SECTION 2

Table for SECTION 2: LTV ADJ. with columns for LTV ranges (0-65% to 85.01-97.00%) and rows for loan amounts (\$40,000 to \$1,500,000).

SECTION 3

Table for SECTION 3: LTV ADJ. with columns for LTV ranges and rows for purchase rates and terms (CASHOUT REFINANCE, 2ND HOME, INVESTOR, 2 UNIT, 3-4 UNITS, CONDO, FOREIGN NATIONAL, CONDO HOTEL, ARM Loans, Escrow Waiver, Interest Only Adjustments).

Handwritten notes: 103.588, -70 CAR, -75 FICO, -70 STAR, 1-25, 101.288

SECTION 4 -- FICO ADJUSTMENT

Table for SECTION 4: FICO ADJUSTMENT with columns for FICO ranges (645-720, 720-749, 750-779, 780-809, 810-839, 840-869, 870-899, 900-929, 930-959, 960-989, 990-1019) and rows for FICO scores (645-720).

DTM=50(MAX55)\*\*

\*\* Applies ONLY for Stated & Full/Alt Doc

SECTION 5 -- Adjustment for Stated, No Ratio & NINA Programs

Table for SECTION 5: Adjustment for Stated, No Ratio & NINA Programs with columns for DOC TYPE (FULL/ALT DOC, STATED INCOME/VERIFIED ASSETS, NO RATIO/VERIFIED ASSETS, NINA) and rows for FICO ranges (645-720, 720-749, 750-779, 780-809, 810-839, 840-869, 870-899, 900-929, 930-959, 960-989, 990-1019).

SECTION 6

Form fields for SECTION 6: CLIENT, UP, UNDERWRITER, FINAL UP LOCK DESK CALCULATION, BASE PRICE (NOT RATE) (103.588), TOTAL ADJUSTMENTS (2.750), FINAL PRICE (NOT RATE) (100.838), IO PERIOD ON STRIPES (Fixed Period, 120 Months).

**A. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
SETTLEMENT STATEMENT**  
**Fidelity National Title Company**

**FINAL**

**B. TYPE OF LOAN** OMB No. 2502-0266

1.  FHA      2.  FmHA      3.  Conv. Units  
 4.  VA      5.  Conv. Ins

6. ESCROW NUMBER: 705702-CF      7. LOAN NUMBER: 97042744

8. MORTGAGE INSURANCE NUMBER:

NOTE: THIS FORM IS FURNISHED TO GIVE YOU A STATEMENT OF THE ACTUAL SETTLEMENT COSTS. AMOUNTS PAID TO AND BY THE SETTLEMENT AGENT ARE SHOWN. ITEMS MARKED "(P.O.C.)" WERE PAID OUTSIDE OF THE CLOSING; THEY ARE SHOWN HERE FOR INFORMATIONAL PURPOSES AND ARE NOT INCLUDED IN THE TOTALS.

D. NAME OF BORROWER:  
Cynthia L. Brown  
17841 Lincoln Street  
Villa Park, CA 92881

E. NAME OF SELLER:

F. NAME OF LENDER:  
Home Loan Mortgage  
17776 Mariposa Rd Ste 103  
Hesperia, CA 92345

G. PROPERTY LOCATION:  
17841 Lincoln Street  
Villa Park, CA 92881

H. SETTLEMENT AGENT:  
Fidelity National Title Company

I. SETTLEMENT DATE:  
12/20/06

PLACE OF SETTLEMENT:  
17592 East 17th Street, Suite 100  
Tustin, CA 92780

**J. SUMMARY OF BORROWER'S TRANSACTIONS**

101. Contract Sales Price	
102. Personal Property	
103. Settlement charges to borrower (line 1400)	14,370.75
104. Payoff To New Century Mortgage Corp	502,304.04
105. Payoff To Craig R Demend	364,000.00
Adjustments: Items Paid by Seller in Advance	
106. City/Town Taxes	
107. County Taxes	
108. Assessments	
109.	
110.	
111.	
112.	
113.	
114.	
115.	
116.	
117.	
118.	
120. GROSS AMOUNT DUE FROM BORROWER	880,874.79
Adjustments: Items Unpaid by Seller	
201. Deposit or earnest money	2,700.00
202. Principal Amount of New Loan(s)	880,000.00
203. Existing loan(s) taken subject to	20.00
204. Settlement Escrow Fee Credit	
205.	
206.	
207.	
208.	
209.	
Adjustments: Items Unpaid by Seller	
210. City/Town taxes	
211. County Taxes	
212.	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. TOTAL PAID BY/FOR BORROWER	882,720.00
301. Gross amount due from borrower (line 120)	880,874.79
302. Less amounts paid by/for borrower (line 220)	882,720.00
303. CASH ( FROM) ( TO) BORROWER	2,045.21

**K. SUMMARY OF SELLER'S TRANSACTIONS**

401. Contract Sales Price	
402. Personal Property	
403.	
404.	
405.	
Adjustments: Items Paid by Seller in Advance	
406. City/Town Taxes	
407. County Taxes	
408. Assessments	
409.	
410.	
411.	
412.	
413.	
414.	
415.	
416.	
417.	
418.	
420. GROSS AMOUNT DUE TO SELLER	
Adjustments: Items Unpaid by Seller	
501. Excess deposit (see line 201)	
502. Settlement charges to seller (line 1400)	
503. Existing loan(s) taken subject to	
504.	
505.	
506.	
507.	
508.	
509.	
Adjustments: Items Unpaid by Seller	
510. City/Town Taxes	
511. County Taxes	
512. Assessments	
513.	
514.	
515.	
516.	
517.	
518.	
519.	
520. TOTAL REDUCTIONS IN AMOUNT DUE SELLER	
601. Gross amount due to seller (line 420)	
602. Less reduction in amount due seller (line 520)	
603. CASH ( FROM) ( TO) SELLER	

**WE CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL**  
*[Signature]*  
**FIDELITY NATIONAL TITLE**

L. SETTLEMENT STATEMENT		Escrow 705702-CF	
Division of Commission (line 700) as follows:		PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
701.			
702.			
703.			
704.			
801. Loan Origination Fee Loanleaders of America, Inc.		1,600.00	
802. Loan Discount Home Loan Mortgage		2,200.00	
803. Appraisal Fee Loanleaders of America, Inc.		200.00	
804. Credit Report Loanleaders of America, Inc.		38.00	
805. Lender's Inspection Fee			
806. Mortgage Insurance Application Fee			
807. Tax Service Fee Home Loan Mortgage		75.00	
808. Loan Processing Fee Loanleaders of America, Inc.		495.00	
809. Underwriting Fee Home Loan Mortgage		1,115.00	
810. Appraisal Review Home Loan Mortgage		205.00	
811. Flood Certification Fee Home Loan Mortgage		20.00	
812. Administration Fee Loanleaders of America, Inc.		500.00	
813.			
814.			
901. Int @ 188.44 /day 12/20/05 to 01/01/06		2,273.33	
902. Mortgage Insurance Premium			
903.			
904.			
905.			
1001. Insurance impounds for 6 months @ \$130.58 per month to Home Loan Mortgage		783.48	
1002. Mortgage insurance months @ \$ per month			
1003. City property taxes months @ \$ per month			
1004. Tax impounds for 4 months @ \$395.61 per month to Home Loan Mortgage		1,582.44	
1005. Annual assessments months @ \$ per month			
1006.			
1007.			
1008.			
1101. Settlement or closing fee to Fidelity National Title Company		550.00	
1102. Abstract or Title Search			
1103. Title Examination			
1104. Title insurance Binder			
1105. Document preparation			
1106. Notary fees			
1107. Endorsement Fee(s)		25.00	
1108. Title insurance Fidelity National Title Company		1,250.00	
1109. Lender's coverage - ALTA Loan Policy (10-17-92) w/Form 1 Cov, \$880,000.00 @ \$1,250.00			
1110. Owner's coverage \$0.00 @ \$0.00			
1111. Express Mail		21.00	
1112. Courier Fees		10.50	
1113.			
1114.			
1115.			
1116.			
1201. Recording Fees: Deed \$ 0.00 Mortgage \$58.00 Releases \$0.00		58.00	
1202. City/County tax/stamps \$ 0.00 Mortgage \$			
1203. State Tax/stamps: Deed \$ 0.00 Mortgage \$			
1204. Electronic Recording Fee		10.00	
1205. Recording Reconveyance		12.00	
1301. Survey			
1302. Pest inspection to			
1303. Lindsay Martin, Notary Public		150.00	
1304. GS SVCS		572.00	
1305. AFNI COLL		384.00	
1306. State Farm Insurance		238.00	
1307.			
1308.			
1309.			
1310.			
1311.			
1400. TOTAL SETTLEMENT CHARGES (enter on lines 103, Section J and 502, Section K)		14,370.76	

12/29/05 14:47 FAX 7148693847

003

FIDELITY

Wednesday, December 28, 2005, 10:08  
Escrow: 705702-CF

ATTACHMENT TO RESPA

BUYER      SELLER

2,700.00

800,000.00

2,278.04

22.00

6.00

384,000.00

DEPOSITS TO ESCROW  
Cynthia L. Brown

PAYOFF CHARGES FOR New Century Mortgage Corp  
Principal Balance  
Interest Fr. 12/01/05 To 12/21/05  
Reconveyance Fee  
Recording Fee

PAYOFF CHARGES FOR Craig R Dimond  
Principal Balance

Wednesday, December 28, 2003, 10:08

Escrow: 705702-CF

ATTACHMENT TO RESPA

	<u>BUYER</u>	<u>SELLER</u>
<b>DEPOSITS TO ESCROW</b>		
Cynthia L. Brown	2,700.00	
<b>PAYOFF CHARGES FOR New Century Mortgage Corp</b>		
Principal Balance	500,000.00	
Interest Fr. 12/01/05 To 12/21/05	2,278.04	
Reconveyance Fee	22.00	
Recording Fee	8.00	
<b>PAYOFF CHARGES FOR Craig R Dimond</b>		
Principal Balance	384,000.00	



**Fidelity National Title Company**  
17682 East 17th Street, Suite 100 • Tustin, CA 92780  
(714) 608-4000 • FAX (714) 608-0888

ATTN: PAUL  
4 Pages  
(Final & Estimated)

DATE: November 15, 2005  
ESCROW NO: 704001-CF  
ESCROW OFFICER: Christian Fisher

TIME: 03:55:43

CLOSING DATE: November 15, 2005

**BORROWER FINAL CLOSING STATEMENT**

LENDER(S): New Century Mortgage Company  
BORROWER(S): Cynthia L. Brown  
PROPERTY: 17641 Lincoln Street, Villa Park, CA 92861

DEBITS      CREDITS

**FINANCIAL:**

New 1st Trust Deed to New Century Mortgage Company 500,000.00

**TITLE CHARGES:**

ALTA Loan Policy (10-17-82) w/Form 1 Cov. for 500,000.00	900.00
Endorsement Fee(s)	25.00
Sub Escrow Fee	48.00
Recording Trust Deed(s)	78.00
Electronic Recording Fee	10.00
Recording Abandonment	24.00

**ESCROW CHARGES**

Escrow Fee	480.00	
Doc Prep Fees	65.00	
Express Mail	10.50	
Courier Fees	5.00	
Settlement Escrow Fee Credit		20.00

**NEW LOAN CHARGES - NEW CENTURY MORTGAGE COMPANY**

Total Loan Charges: \$8,487.68	
Loan Origination Fee America's Lending Group	5,000.00
Appraisal Fee America's Lending Group	225.00
Brokerage Fee America's Lending Group	50.00
Tax Service Fee New Century Mortgage Company	78.00
Document Fees New Century Mortgage Company	200.00
Loan Processing Fee New Century Mortgage Company	350.00
Underwriting Fee New Century Mortgage Company	300.00
Broker Processing Fee America's Lending Group	625.00
Yield Spread Premium POC \$6000.00 to Broker	
Flood Certification Fee New Century Mortgage Company	11.20
Interest at \$97.60 per day from 11/14/05 to 12/01/05	1,659.20
Insurance Impounds at 62.60 per month for 1 months	62.60
Tax Impounds at 395.61 per month for 9 months	3,560.49
Aggregate Adjustment	2,623.70

**PAYOFFS - IndyMac Bank c/o Home Loan Servicing**

Total Payoff \$388,096.04	
Principal Balance	377,978.42
Interest to 11/15/05	2,485.13
Forwarding/Demand Fee	90.00
Reconveyance Fee	12.00
Prepayment Penalty	7,549.48
Wire Fee	10.00

} Proof Indymac paid in full

**MISCELLANEOUS CHARGES:**

Orange County Tax Collector for 1st 1/2 06-08	2,273.85
Action Mobile Notary	125.00

Final hud-1 from recent resub - proof Indymac paid off

FROM : ROYAL LIMOUSINES  
11/21/05 14:21 FAX 7146693947

FAX NO. : 714 639 4253  
FIDELITY

Dec. 16 2005 11:16AM P2  
@002

Date: November 15, 2005  
Escrow No: 704001-C

Page 2

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DUE BORROWER	\$	88,817.12		
TOTALS	\$	502,843.70	\$	502,843.70

SAVE THIS STATEMENT FOR INCOME TAX PURPOSES



# Fidelity National Title Company

17592 East 17th Street, Suite 100 • Tustin, CA 92780  
(714) 608-4000 • FAX (714) 669-0386

DATE: December 19, 2005  
ESCROW NO: 705702-CF  
ESCROW OFFICER: Christian Fisher

TIME: 07:58:00

CLOSING DATE: January 2, 2006

## BORROWER ESTIMATED CLOSING STATEMENT

LENDER(S): Home Loan Mortgage  
BORROWER(S): Cynthia L. Brown  
PROPERTY: 17841 Lincoln Street, Villa Park, CA 92861

	\$ DEBITS	\$ CREDITS
<b>FINANCIAL:</b>		
Deposit - Cynthia L. Brown		2,700.00
New 1st Trust Deed to Home Loan Mortgage		880,000.00
<b>TITLE CHARGES:</b>		
ALTA Loan Policy (10-17-92) w/Form 1 Cov. for 880,000.00	1,250.00	
Endorsement Fee(s)	150.00	
Recording Trust Deed(s)	80.00	
<b>ESCROW CHARGES</b>		
Escrow Fee	550.00	
Doc Prep Fees	65.00	
Express Mail	30.00	
<b>NEW LOAN CHARGES - HOME LOAN MORTGAGE</b>		
Total Loan Charges: \$12,416.10		
Loan Origination Fee Loan Lenders	1,600.00	
Loan Discount Home Loan Mortgage	2,200.00	
Appraisal Fee Home Loan Mortgage	200.00	
Credit Report Loan Lenders	38.00	
Tax Service Fee Home Loan Mortgage	75.00	
Loan Processing Fee Loan Lenders	495.00	
Underwriting Fee Home Loan Mortgage	1,115.00	
Appraisal Review Home Loan Mortgage	200.00	
Flood Certification Fee Home Loan Mortgage	20.00	
Administration Fee Loan Lenders	500.00	
Interest at \$189.44 per day from 12/13/05 to 01/01/06	3,599.44	
Insurance Impounds at 70.00 per month for 2 months	140.00	
Tax Impounds at 395.81 per month for 6 months	2,373.66	
Aggregate Adjustment		140.00
<b>PAYOFFS - New Century Mortgage Corp</b>		
Total Payoff \$502,077.66		
Principal Balance	500,000.00	
Interest to 12/31/05	2,928.08	
Interest Fr. 12/31/05 To 12/22/05		878.42
Reconveyance Fee	28.00	
<b>PAYOFFS - Craig R Diamond</b>		
Total Payoff \$364,202.22		
Principal Balance	364,000.00	
Interest Fr. 12/20/05 To 12/22/05	202.22	
<b>MISCELLANEOUS CHARGES:</b>		
Lindsay Martin, Notary Public	150.00	
PAD	300.00	
GS SVCS	572.00	
AFNI COLL	384.00	
State Farm Insurance	233.00	

WE CERTIFY THAT THIS IS A TRUE  
 AND CORRECT COPY OF THE ORIGINAL  
 FIDELITY NATIONAL TITLE

Date: December 19, 2005  
Escrow No: 705702-CF

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ESTIMATED DUE BORROWER	\$	240.02	
ESTIMATED TOTALS	\$	883,718.42	\$ 883,718.42

WE CERTIFY THAT THIS IS A TRUE  
AND CORRECT COPY OF THE ORIGINAL  
*[Signature]*  
FIDELITY NATIONAL TITLE



# Fidelity National Title Company

17592 East 17th Street, Suite 100 • Tustin, CA 92780  
(714) 508-4000 • FAX (714) 669-0386

DATE: December 13, 2005  
ESCROW NO: 705702-CF  
ESCROW OFFICER: Christian Fisher

WE CERTIFY THAT THIS IS A TRUE  
AND CORRECT COPY OF THE ORIGINAL

*Christian Fisher*  
FIDELITY NATIONAL TITLE

TIME: 04:41:07

CLOSING DATE: January 2, 2006

## BORROWER ESTIMATED CLOSING STATEMENT

LENDER(S): Home Loan Mortgage  
BORROWER(S): Cynthia L. Brown  
PROPERTY: 17841 Lincoln Street, Villa Park, CA 92861

	\$ DEBITS	\$ CREDITS
<b>FINANCIAL:</b>		
New 1st Trust Deed to Home Loan Mortgage		880,000.00 ✓
<b>TITLE CHARGES:</b>		
ALTA Loan Policy (10-17-92) w/Form 1 Cov. for 880,000.00	1,250.00 ✓	
Endorsement Fee(s)	150.00 ✓	
Recording Trust Deed(s)	80.00 ✓	
<b>ESCROW CHARGES</b>		
Escrow Fee	550.00 ✓	
Doc Prep Fees	65.00 ✓	
Express Mail	30.00 ✓	
<b>NEW LOAN CHARGES - HOME LOAN MORTGAGE</b>		
Total Loan Charges: \$12,416.10		
Loan Origination Fee Loan Lenders	1,600.00 ✓	
Loan Discount Home Loan Mortgage	2,200.00 ✓	
Appraisal Fee Home Loan Mortgage	200.00 ✓	
Credit Report Loan Lenders	38.00 ✓	
Tax Service Fee Home Loan Mortgage	75.00 ✓	
Loan Processing Fee Loan Lenders	495.00 ✓	
Underwriting Fee Home Loan Mortgage	1,115.00 ✓	
Appraisal Review Home Loan Mortgage	200.00 ✓	
Flood Certification Fee Home Loan Mortgage	20.00 ✓	
Administration Fee Loan Lenders	500.00 ✓	
Interest at \$189.44 per day from 12/13/05 to 01/01/06	3,599.44 ✓	
Insurance Impounds at 70.00 per month for 2 months	140.00 ✓	
Tax Impounds at 395.61 per month for 6 months	2,373.66 ✓	
Aggregate Adjustment		140.00
<b>PAYOFFS - New Century Mortgage Corp</b>		
Total Payoff \$502,956.08		
Principal Balance	500,000.00 ✓	
Interest to 12/31/05	2,928.08 ✓	
Reconveyance Fee	28.00 ✓	
<b>PAYOFFS - Craig R Diamond</b>		
Total Payoff \$364,000.00		
Principal Balance	364,000.00 ✓	
<b>MISCELLANEOUS CHARGES:</b>		
Notary	175.00 ✓	
PAD	300.00 ✓	
GS SVCS	572.00 ✓	
AFNI COLL	384.00 ✓	

ESTIMATED BALANCE DUE ESCROW

\$ 2,928.18

ESTIMATED TOTALS

\$ 883,068.18

\$ 883,068.18

*Cynthia L. Brown*  
Cynthia L. Brown



# Fidelity National Title Company

17682 East 17th Street, Suite 100 • Turin, CA 92780  
(714) 806-4000 • FAX (714) 889-0386

Handwritten initials: #4,

DATE: December 9, 2005  
ESCROW NO: 705702-CF  
ESCROW OFFICER: Christian Fisher

TIME: 18:38:43  
CLOSING DATE: January 2, 2006

### BORROWER ESTIMATED CLOSING STATEMENT

LENDER(S):  
BORROWER(S): Cindy L. Brown  
PROPERTY: 17841 Lincoln Street, Villa Park, CA 92861

	\$ DEBITS	\$ CREDITS
<b>FINANCIAL:</b>		
New 1st Trust Deed to		880,000.00
<b>TITLE CHARGES:</b>		
ALTA Loan Policy (10-17-92) w/Form 1 Cov. for 880,000.00	1,750.00	
Endorsement Fee(s)	150.00	
Recording Trust Deed(s)	80.00	
<b>ESCROW CHARGES</b>		
Escrow Fee	550.00	
Express Mail	30.00	
<b>NEW LOAN CHARGES -</b>		
Total Loan Charges: \$9,259.44		
Loan Origination Fee	1,600.00	
Loan Discount	2,200.00	
Appraisal Fee	18.00	
Brokerage Fee	500.00	
Tax Service Fee	75.00	
Loan Processing Fee	495.00	
Home Loan Fee	985.00	
Appraisal Review	200.00	
Interest @ 7.7500% from 12/15/05 to 01/01/06	3,176.44	
<b>PAYOFFS - New Century Mortgage Corp****ESTIMATE, NEED DEMAND*****</b>		
Total Payoff \$502,956.08		
Principal Balance	500,000.00	
Interest to 12/31/05	2,928.08	
Reconveyance Fee	28.00	
<b>PAYOFFS - Craig R Diamond ****NEED DEMAND***</b>		
Total Payoff \$367,000.00		
ESTIMATE ONLY	367,000.00	
<b>MISCELLANEOUS CHARGES:</b>		
Notary	175.00	
PAD	300.00	
<hr/>		
ESTIMATED BALANCE DUE ESCROW		\$ 2,250.52
ESTIMATED TOTALS	\$ 882,250.52	\$ 882,260.82

I CERTIFY THAT THIS IS A TRUE & CORRECT COPY OF THE ORIGINAL FIDELITY NATIONAL TITLE

Cindy L. Brown

# Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when  the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or  the income or assets of the Borrower's spouse will not be used as a basis for loan qualification, but his or her liabilities must be considered because the Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

I. TYPE OF MORTGAGE AND TERMS OF LOAN			
Mortgage Applied for:	<input type="checkbox"/> VA <input type="checkbox"/> FHA	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> USDA/Rural Housing Service	<input type="checkbox"/> Other (explain):
Agency Case Number	Lender Case Number		

Amount \$	Interest Rate %	No. of Months	Amortization Type:	Fixed Rate <input type="checkbox"/>	Other (explain):
880,000	7.750	360		GPM <input type="checkbox"/>	<input checked="" type="checkbox"/> ARM (type): 6/6

II. PROPERTY INFORMATION AND PURPOSE OF LOAN	
Subject Property Address (street, city, state, ZIP)	No. of Units
17841 LINCOLN STREET, Villa Park, CA 92861 County: Orange	
Legal Description of Subject Property (attach description if necessary)	Year Built
SEE TITLE	

Purpose of Loan	<input type="checkbox"/> Purchase <input checked="" type="checkbox"/> Refinance	<input type="checkbox"/> Construction <input type="checkbox"/> Construction-Permanent	<input type="checkbox"/> Other (explain):	Property will be:
			ND	<input checked="" type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment

Complete this line if construction or construction-permanent loan.				
Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements
	\$	\$	\$	\$

Complete this line if this is a refinance loan.				
Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements <input type="checkbox"/> made <input type="checkbox"/> to be made
1991	\$ 375,000	\$ 377,979	Cash-Out/Home Improvement	Cost: \$

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in:
CINDY BROWN	Single woman	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)		

Borrower		III. BORROWER INFORMATION		Co-Borrower	
Borrower's Name (include Jr. or Sr. if applicable)		Co-Borrower's Name (include Jr. or Sr. if applicable)			
CINDY BROWN					
Social Security Number	Home Phone (incl. area code)	DOB (MM/DD/YYYY)	Yrs. School	Social Security Number	Home Phone (incl. area code)
542-88-1727	714-926-8938	03/16/1966	14		
<input type="checkbox"/> Married <input type="checkbox"/> Separated	<input checked="" type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower) no. ages	<input type="checkbox"/> Married <input type="checkbox"/> Separated	<input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower) no. ages
Present Address (street, city, state, ZIP)		<input checked="" type="checkbox"/> Own <input type="checkbox"/> Rent <u>14</u> No. Yrs.	Present Address (street, city, state, ZIP)		
17841 LINCOLN STREET VILLA PARK, CA 92861					
Mailing Address, if different from Present Address		Mailing Address, if different from Present Address			

If residing at present address for less than two years, complete the following:

Former Address (street, city, state, ZIP)	<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.	Former Address (street, city, state, ZIP)	<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.
-------------------------------------------	---------------------------------------------------------------------------	-------------------------------------------	---------------------------------------------------------------------------

Borrower		IV. EMPLOYMENT INFORMATION		Co-Borrower	
Name & Address of Employer		<input checked="" type="checkbox"/> Self Employed	Yrs. on this job	Name & Address of Employer	
ROYALE LIMOUSINES ROYAL LIMOS 17841 LINCOLN STREET VILLA PARK, CA 92861			3 yr(s)		
Position/Title/Type of Business		Business Phone (incl. area code)	Yrs. employed in this line of work/profession	Position/Title/Type of Business	
OWNER		714-926-8938	3		

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

Name & Address of Employer		<input type="checkbox"/> Self Employed	Dates (from-to)	Name & Address of Employer	
PROFESSIONAL WOMANS BASKETBALL			1987 - 2002		
Position/Title/Type of Business		Business Phone (incl. area code)	Monthly Income	Position/Title/Type of Business	
BASKETBALL PLAYER			\$ 10,000.00		

Name & Address of Employer		<input type="checkbox"/> Self Employed	Dates (from-to)	Name & Address of Employer	
Position/Title/Type of Business		Business Phone (incl. area code)	Monthly Income	Position/Title/Type of Business	

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION						
Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$ 18,000.00	\$	\$ 18,000.00	Rent	\$	\$
Overline				First Mortgage (P&I)	2,118.00	\$ 6,304.43
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance	INCL	70.00
Dividends/Interest				Real Estate Taxes	INCL	350.00
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice to "describe other income," below)				Homeowner Assn. Dues		
				Other:		
<b>Total</b>	<b>\$ 18,000.00</b>	<b>\$</b>	<b>\$ 18,000.00</b>	<b>Total</b>	<b>\$ 2,118.00</b>	<b>\$ 6,724.43</b>

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a spouse, this Statement and supporting schedules must be completed about that spouse also.

Completed  Jointly  Not Jointly

ASSETS		Cash or Market Value	LIABILITIES		
Description			Name and address of Company	Monthly Payment & Months Left to Pay	Unpaid Balance
Cash deposit toward purchase held by:	\$				
<i>List checking and savings accounts below</i>					
Name and address of Bank, S&L, or Credit Union			<b>APNI COLLECTION</b>	\$ Payment/Months	\$
<b>BANK OF AMERICA</b>					
Acct. no. SAVINGS	\$ 43,723		Acct. no.	384 (R)	
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
			<b>GC SERVICES</b>		
Acct. no.			Acct. no.		572
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
			<b>CBUSA</b>		
Acct. no.			Acct. no.	98 (R)	4,895
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
			<b>CBUSA</b>		
Acct. no.			Acct. no.	104 (R)	6,124
Stocks & Bonds (Company name/number & description)	\$ 60,000		Name and address of Company	\$ Payment/Months	\$
<b>401K</b>			<b>NEW CENTURY</b>		
Life Insurance net cash value	\$		Acct. no.	3,409	500,000
Face amount: \$			Name and address of Company	\$ Payment/Months	\$
Subtotal Liquid Assets	\$ 183,723		<b>FORD CREDIT</b>		
Real estate owned (enter market value from schedule of real estate owned)	\$ 1,100,000		Acct. no.	635	23,216
Vested interest in retirement fund	\$		Alimony/Child Support/Separate Maintenance Payments Owed to:	\$	
Net worth of business(es) owned (attach financial statement)	\$		Job Related Expense (child care, union dues, etc.)	\$	
Automobiles owned (make and year)	\$		Total Monthly Payments	\$ 837	
Other Assets (itemize)	\$				
<b>Total Assets a.</b>	<b>\$ 1,283,723</b>		<b>Net Worth (a minus b)</b>	<b>\$ 689,916</b>	<b>Total Liabilities b. \$ 633,807</b>

VI. ASSETS AND LIABILITIES (cont.)

Schedule of Real Estate Owned (if additional properties are owned, use continuation sheet)

Table with columns: Property Address, Type of Property, Present Market Value, Amount of Mortgages & Liens, Gross Rental Income, Mortgage Payments, Insurance, Maintenance, Taxes & Misc., Net Rental Income. Row 1: 117841 LINCOLN STREET VILLA PARK, SFR, \$ 1,100,000, \$ 500,000, \$, \$ 3,020, \$ 420, \$.

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Table with columns: Alternate Name, Creditor Name, Account Number.

VII. DETAILS OF TRANSACTION VII. DECLARATIONS

Form with multiple sections: a. Purchase price, b. Alterations, improvements, repairs, c. Land, d. Refinance, e. Estimated prepaid items, f. Estimated closing costs, g. PMI, MIP, Funding Fee, h. Discount, i. Total costs, j. Subordinate financing, k. Borrower's closing costs paid by Seller, l. Other Credits, m. Loan amount, n. PMI, MIP, Funding Fee financed, o. Loan amount, p. Cash from/to Borrower.

IX. ACKNOWLEDGMENT AND AGREEMENT

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described herein; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated herein; (6) any owner or servicer of the Loan may verify or reverify any information contained in the application from any source named in this application, and Lender, its successors or assigns may retain the original and/or an electronic record of this application, even if the Loan is not approved; (7) the Lender and its agents, brokers, insurers, servicers, successors and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the owner or servicer of the Loan may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature" as those terms are defined in applicable federal and/or state laws (including audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Borrower's Signature: Cynthia L. Brown 12.13.05, Co-Borrower's Signature: [Blank]

X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may discriminate neither on the basis of this information, nor on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation or surname. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

Form with sections: BORROWER, CO-BORROWER, Ethnicity, Race, Sex. Includes checkboxes for 'I do not wish to furnish this information'.

Form with sections: To be Completed by Interviewer, Interviewer's Name (print or type), Interviewer's Signature, Interviewer's Phone Number, Name and Address of Interviewer's Employer.

# Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when  the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or  the income or assets of the Borrower's spouse will not be used as a basis for loan qualification, but his or her liabilities must be considered because the Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

I. TYPE OF MORTGAGE AND TERMS OF LOAN				
Mortgage Applied for:	<input type="checkbox"/> VA <input type="checkbox"/> FHA	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> USDA/Rural Housing Service	<input type="checkbox"/> Other (explain):	Agency Case Number _____ Lender Case Number _____

Amount \$	880,000	Interest Rate %	7.750	No. of Months	360	Amortization Type:	<input checked="" type="checkbox"/> Fixed Rate <input type="checkbox"/> GPM	<input type="checkbox"/> Other (explain): <input type="checkbox"/> ARM (type):
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II. PROPERTY INFORMATION AND PURPOSE OF LOAN	
Subject Property Address (street, city, state, ZIP)	No. of Units
17841 LINCOLN STREET, Villa Park, CA 92861 County: Orange	
Legal Description of Subject Property (attach description if necessary)	Year Built
SEE TITLE	

Purpose of Loan	Property will be:
<input type="checkbox"/> Purchase <input checked="" type="checkbox"/> Refinance	<input checked="" type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment
<input type="checkbox"/> Construction <input type="checkbox"/> Construction-Permanent	<input type="checkbox"/> Other (explain): ND

*Complete this line if construction or construction-permanent loan.*

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a+b)
	\$	\$	\$	\$	\$

*Complete this line if this is a refinance loan.*

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements
1991	\$ 375,000	\$ 377,979	Cash-Out/Home Improvement	Cost: \$

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in:
CINDY BROWN	Single woman	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)		

III. BORROWER INFORMATION							
Borrower	Co-Borrower						
Borrower's Name (include Jr. or Sr. if applicable)	Co-Borrower's Name (include Jr. or Sr. if applicable)						
CINDY BROWN							
Social Security Number	Home Phone (incl. area code)	DOB (MM/DD/YYYY)	Yrs. School	Social Security Number	Home Phone (incl. area code)	DOB (MM/DD/YYYY)	Yrs. School
542-86-1727	714-926-8938	03/16/1965	14				
<input type="checkbox"/> Married <input type="checkbox"/> Separated	<input checked="" type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower)	<input type="checkbox"/> Married <input type="checkbox"/> Separated	<input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower)		
Present Address (street, city, state, ZIP)		<input checked="" type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.	Present Address (street, city, state, ZIP)		<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.		
17841 LINCOLN STREET VILLA PARK, CA 92861							
Mailing Address, if different from Present Address			Mailing Address, if different from Present Address				

*If residing at present address for less than two years, complete the following:*

Former Address (street, city, state, ZIP)	Former Address (street, city, state, ZIP)
<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.	<input type="checkbox"/> Own <input type="checkbox"/> Rent _____ No. Yrs.

IV. EMPLOYMENT INFORMATION	
Borrower	Co-Borrower
Name & Address of Employer	Name & Address of Employer
ROYAL LIMOS 178141 LINCOLN STREET VILLA PARK, CA 92861	
<input checked="" type="checkbox"/> Self Employed	<input type="checkbox"/> Self Employed
Yrs. on this job	Yrs. on this job
3 yr(s)	
Yrs. employed in this line of work/profession	Yrs. employed in this line of work/profession
3	
Position/Title/Type of Business	Position/Title/Type of Business
OWNER	
Business Phone (incl. area code)	Business Phone (incl. area code)
714-926-8938	

*If employed in current position for less than two years or if currently employed in more than one position, complete the following:*

Name & Address of Employer	Dates (from-to)	Monthly Income	Name & Address of Employer	Dates (from-to)	Monthly Income
PROFESSIONAL WOMANS BASKETBALL	1987 - 2002	\$ 10,000.00			
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)		
BASKETBALL PLAYER					

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION						
Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$ 18,000.00		\$ 18,000.00	Rent	\$	
Overtime				First Mortgage (P&I)	2,118.00	\$ 6,304.43
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance	INCL	70.00
Dividends/Interest				Real Estate Taxes	INCL	360.00
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income" below)				Homeowner Assn. Dues		
				Other:		
<b>Total</b>	<b>\$ 18,000.00</b>	<b>\$</b>	<b>\$ 18,000.00</b>	<b>Total</b>	<b>\$ 2,118.00</b>	<b>\$ 6,724.43</b>

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.  
 Describe Other Income Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a spouse, this Statement and supporting schedules must be completed about that spouse also.

Completed  Jointly  Not Jointly

ASSETS	Cash or Market Value	LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Cash deposit toward purchase held by:	\$	Name and address of Company	\$ Payment/Months	\$
<i>List checking and savings accounts below</i>		Acct. no.		
Name and address of Bank, S&L, or Credit Union <b>WELLS FARGO</b>		Name and address of Company <b>NEW CENTURY</b>	\$ Payment/Months	\$
Acct. no.	\$ 58,000	Acct. no.	3,021	500,000
Name and address of Bank, S&L, or Credit Union <b>BANK OF AMERICA</b>		Name and address of Company <b>FORD CREDIT</b>	\$ Payment/Months	\$
Acct. no. SAVINGS	\$ 119,000	Acct. no.	635	23,216
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$	Acct. no.		
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payment/Months	\$
Acct. no.	\$	Acct. no.		
Stocks & Bonds (Company name/ number & description) <b>401K</b>	\$ 60,000	Name and address of Company	\$ Payment/Months	\$
Acct. no.		Acct. no.		
Life insurance net cash value	\$	Name and address of Company	\$ Payment/Months	\$
Face amount: \$		Acct. no.		
Subtotal Liquid Assets	\$ 237,000	Name and address of Company	\$ Payment/Months	\$
Real estate owned (enter market value from schedule of real estate owned)	\$ 1,100,000	Acct. no.		
Vested interest in retirement fund	\$	Name and address of Company	\$ Payment/Months	\$
Net worth of business(es) owned (attach financial statement)	\$	Acct. no.		
Automobiles owned (make and year)	\$	Alimony/Child Support/Separate Maintenance Payments Owed to:	\$	
Other Assets (itemize)	\$	Job Related Expense (child care, union dues, etc.)	\$	
		<b>Total Monthly Payments</b>	<b>\$ 635</b>	
<b>Total Assets a.</b>	<b>\$ 1,337,000</b>	<b>Net Worth (a minus b) =&gt;</b>	<b>\$ 813,784</b>	<b>Total Liabilities b. \$ 523,216</b>

**VI. ASSETS AND LIABILITIES (cont.)**

Schedule of Real Estate Owned (if additional properties are owned, use continuation sheet)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
117841 LINCOLN STREET VILLA PARK	SFR	\$ 1,100,000	\$ 500,000	\$	\$ 3,020	\$ 420	\$
		Totals	\$ 1,100,000	\$ 500,000	\$ 3,020	\$ 420	\$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

**VII. DETAILS OF TRANSACTION**

**VIII. DECLARATIONS**

VII. DETAILS OF TRANSACTION		VIII. DECLARATIONS	
		If you answer "yes" to any questions a through l, please use continuation sheet for explanation.	
	\$	Borrower	Co-Borrower
		Yes	No
a. Purchase price		<input type="checkbox"/>	<input type="checkbox"/>
b. Alterations, improvements, repairs		<input type="checkbox"/>	<input type="checkbox"/>
c. Land (if acquired separately)		<input type="checkbox"/>	<input type="checkbox"/>
d. Refinance (incl. debts to be paid off)	500,572.00	<input type="checkbox"/>	<input type="checkbox"/>
e. Estimated prepaid items	947.22	<input type="checkbox"/>	<input type="checkbox"/>
f. Estimated closing costs	3,113.00	<input type="checkbox"/>	<input type="checkbox"/>
g. PMI, MIP, Funding Fee		<input type="checkbox"/>	<input type="checkbox"/>
h. Discount (if Borrower will pay)	2,200.00	<input type="checkbox"/>	<input type="checkbox"/>
i. Total costs (add items a through h)	506,832.22	<input type="checkbox"/>	<input type="checkbox"/>
j. Subordinate financing		<input type="checkbox"/>	<input type="checkbox"/>
k. Borrower's closing costs paid by Seller		<input type="checkbox"/>	<input type="checkbox"/>
l. Other Credits(explain)		<input type="checkbox"/>	<input type="checkbox"/>
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	880,000.00	<input type="checkbox"/>	<input type="checkbox"/>
n. PMI, MIP, Funding Fee financed		<input type="checkbox"/>	<input type="checkbox"/>
o. Loan amount (add m & n)	880,000.00	<input type="checkbox"/>	<input type="checkbox"/>
p. Cash from/to Borrower (subtract j, k, l & o from i)	(373,167.78)	<input type="checkbox"/>	<input type="checkbox"/>

VIII. DECLARATIONS	
If you answer "yes" to any questions a through l, please use continuation sheet for explanation.	
a. Are there any outstanding judgments against you?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b. Have you been declared bankrupt within the past 7 years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
d. Are you a party to a lawsuit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details including date, name and address of Lender, FHA or VA case number, if any, and reasons for the action.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in the preceding question.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
g. Are you obligated to pay alimony, child support, or separate maintenance?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
h. Is any part of the down payment borrowed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
i. Are you a co-maker or endorser on a note?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
j. Are you a U. S. citizen?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
k. Are you a permanent resident alien?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m below.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
m. Have you had an ownership interest in a property in the last three years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(1) What type of property did you own-principal residence (PR), second home (SH), or investment property (IP)?	PR
(2) How did you hold title to the home-solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?	SP

**IX. ACKNOWLEDGMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described herein; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated herein; (6) any owner or servicer of the Loan may verify or reverify any information contained in the application from any source named in this application, and Lender, its successors or assigns may retain the original and/or an electronic record of this application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (7) the Lender and its agents, brokers, insurers, servicers, successors or assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the owner or servicer of the Loan may report my delinquency to one or more consumer credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application 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 my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Borrower's Signature: *Cynthia L. Brown* Date: *11/18/2005* Co-Borrower's Signature: *X* Date:

**X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may discriminate neither on the basis of this information, nor on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not wish to furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation or surname. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

BORROWER	CO-BORROWER
<input checked="" type="checkbox"/> I do not wish to furnish this information	<input type="checkbox"/> I do not wish to furnish this information
Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input checked="" type="checkbox"/> White	Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex: <input checked="" type="checkbox"/> Female <input type="checkbox"/> Male	Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male

To be Completed by Interviewer	Interviewer's Name (print or type)	Interviewer's Signature	Date	Name and Address of Interviewer's Employer
This application was taken by:	MARTIN FOIGELMAN	<i>Martin Foigelman</i>	<i>11/18/2005</i>	LOANLEADERS OF AMERICA 2081 BUSINESS CENTER 150 IRVINE, CA 92612 (P) 949-655-1515 (F) 949-655-1525
<input checked="" type="checkbox"/> Face-to-face interview	Interviewer's Phone Number (incl. area code)			
<input type="checkbox"/> Mail	949-655-1515			
<input type="checkbox"/> Telephone				
<input type="checkbox"/> Internet				

# Home Loan Mortgage Corporation

## LOAN APPROVAL

**BROKER INFO...**

Broker: Loanleaders Of America, Inc.  
Contact: Denise  
Phone: (888) 834-1988 Fax: (888) 386-3146

**UNDERWRITING INFO...**

Approved: 12/06/2005  
Expires: 03/18/2006  
Underwriter: Terry Killion  
Prepay? YES Mos: 6  
DocType: STATED/VERIF  
CreditGrade:

**PRICING INFO...**

Loan #: 97042744  
Rate: 7.750%  
Price: 0.250000  
Margin: 2.250%  
Rep: Mike Daniels

**BORROWER INFO...**

Borrower: Brown, Cynthia L.  
Co-Borr:

**PROPERTY INFO...**

Property: 17841 Lincoln Street  
Villa Park, CA 92861  
PropType: SFR AppraiseVal: \$1,100,000

**PROGRAM INFO...**

LoanAmt: \$880,000 Program: AUF 5/6  
LTV/CLTV: 80.000% / N/A ProgDesc: ALT A 5/6 MO  
Term: 360 Type: ARM  
CashOut? YES O/O?: YES Purpose: REFINANCE  
PurchAmt:

**PRIOR TO DOC CONDITIONS**

	Signed Off	Und
1. (INTERNAL) (LK) QC TO CLEAR; ( ) CHARGE BROKER \$205 FOR APPRAISAL REVIEW FEE	12/19/2005	S M
2. BROKER APPROVAL	12/16/2005	T K
3. APPRAISAL WITH COLOR PHOTOS	12/06/2005	T K
4. ESCROW INSTRUCTIONS	12/13/2005	T K
5. ESTIMATED HUD-1	12/13/2005	T K
6. PRELIM	12/13/2005	T K
7. CPA LETTER **NEEDS MODIFICATIONS**	12/13/2005	T K
8. CREDIT SUPPLEMENT FOR MORTGAGE RATING FROM INDYMAC PAID THRU 11/05 (FOR DECEMBER CLOSING)	12/13/2005	T K
9. COPY OF NOTE & DEED ON EXISTING 1ST TD AND 2ND TD	12/13/2005	T K
10. SATISFACTORY DESK REVIEW	12/13/2005	T K

**PRIOR TO CLOSING CONDITIONS**

11. (TK)SIGNED/DATED UPFRONT ORIGINAL 1003 AND ALL DISCLOSURES IN BROKER'S NAME **INCLUDE (SM)PATRIOT ACT/CUSTOMER ID, ( )MLDS**		
12. VOD VERIFYING 2 MONTHS PITI RESERVES **NEED ORIGINAL**	12/20/2005	S M
13. SIGNED CERTIFIED ESCROW INSTRUCTIONS & ALL AMENDMENTS	12/19/2005	S M
14. PAY OFF THRU CLOSING: GC SVCS COLL \$572, AFNI COLL \$384, NEW CENTURY, 2ND LIENHOLDER	12/19/2005	S M
15. HAZARD INSURANCE - CORRECT ( ) MORTGAGEE "ITS SUCESSORS AND/OR ASSIGNS" AND (SM)NEED MIN. COVERAGE \$597200		
16. (INTERNAL) FLOOD CERT	12/19/2005	S M
17. SIGNED CASH OUT REFI PURPOSE LETTER (MUST BE CONSISTENT WITH REASON ON 1003)	12/19/2005	T K
18. FINAL HUD-1 FOR REFI WITH NEW CENTURY (WITH PROOF INDYMAC #6681003450671 WAS PAID OFF IN FULL) **UTR**	12/19/2005	T K
19. CURRENT PAY OFF DEMANDS FROM 2ND TD LIENHOLDER & COPY OF NOTE VERIFYING NO PAYMENTS DUE (STRAIGHT NOTE) - UTR	12/19/2005	T K
20. REMOVE 'EAST' FROM PRELIM ADDRESS	12/19/2005	S M
21. FINAL 1003 - CORRECT PAGE 2 -		
22. COPY OF CHECK AND RECEIPT \$2928	12/19/2005	S M
23. HAZARD INSURANCE PREMIUM TO MATCH EST. HUD-1 OR PAID RECEIPT	12/20/2005	S M
24. REMOVE EXTRA LEGAL FROM ORIGINAL DEED OF TRUST	12/19/2005	S M
25. SIGNED/DATED PG. 4 OF 4 OF UPFRONT 1003		

**If you have any questions please contact us at (760) 948-2500 Ext. 283, FAX: (760) 948-4349**

Signature of Underwriter

Date

Signature of Underwriter

Date

## Uniform Underwriting and Transmittal Summary

**I. Borrower and Property Information**

Borrower Name Cindy Gordon SSN 512-86-1727  
 Co-Borrower Name \_\_\_\_\_ SSN \_\_\_\_\_  
 Property Address 1784 Lincoln Street Villa Park CA 92801  
 Property Type Project Classification Occupancy Status Primary Residence  
 1 unit  Freddie Mac  Fannie Mae  E PUD  1 Co-op  Second Home  
 2-4 units  III Condo  P Limited Review New  F PUD  2 Co-op  Investment Property  
 Condominium  II Condo  Q Limited Review Est.  R Expedited New  S Expedited Est.  
 PUD  Co-op  I Condo  R Expedited New  S Expedited Est.  
 Manufactured Housing  T Fannie Mae Review  U FHA-approved  
 Single Wide  Multifamily  
 Project Name \_\_\_\_\_  
 Additional Property Information  
 Number of Units 1  
 Sales Price \_\_\_\_\_  
 Appraised Value \$ 1,100,000  
 Property Rights  
 Fee Simple  
 Leasehold

**II. Mortgage Information**

Loan Type  Conventional  FHA  VA  USDARHS  
 Amortization Type  Fixed-Rate-Monthly Payments  Fixed-Rate-Biweekly Payments  
 Loan Purpose  Purchase  Cash-Out Refinance  Limited Cash-Out Refinance (Fannie)  No Cash-Out Refinance (Freddie)  Home Improvement  Construction to Permanent  
 Loan Position  First Mortgage  Second Mortgage  
 Amount of Subordinate Financing \$ \_\_\_\_\_  
 (If HELOC, include balance and credit limit)  
 If Second Mortgage  
 Owner of First Mortgage  Fannie Mae  Freddie Mac  
 Seller/Other  
 Original Loan Amount of First Mortgage \$ \_\_\_\_\_  
 Note Information  
 Original Loan Amount 880,000  
 Initial P&I Payment 6304.43  
 Initial Note Rate 7.75  
 Loan Term (in months) 360  
 Mortgage Originator  Seller  Broker  Correspondent  
 Broker/Correspondent Name and Company Name: \_\_\_\_\_  
 Bypass  Yes  No  
 Terms \_\_\_\_\_

**III. Underwriting Information**

Underwriter Name Terry Killian Appraiser Name/License # Alec Manacchini # AU030403  
 Appraisal Company Name \_\_\_\_\_  
 Stable Monthly Income  
 Borrower \$18,000 Co-Borrower \_\_\_\_\_ Total \$18,000  
 Base Income \_\_\_\_\_  
 Other Income \_\_\_\_\_  
 Positive Cash Flow (subject property) \_\_\_\_\_  
 Total Income \$18,000  
 Present Housing Payment \$720  
 Proposed Monthly Payments 6304.43  
 Borrower's Primary Residence 6304.43  
 First Mortgage P&I \_\_\_\_\_  
 Second Mortgage P&I \_\_\_\_\_  
 Hazard Insurance \_\_\_\_\_  
 Taxes 395.61  
 Mortgage Insurance \_\_\_\_\_  
 HOA Fees \_\_\_\_\_  
 Lease/Ground Rent \_\_\_\_\_  
 Other \_\_\_\_\_  
 Total Primary Housing Expense 6770.04  
 Other Obligations \_\_\_\_\_  
 Negative Cash Flow (subject property) \_\_\_\_\_  
 All Other Monthly Payments \$237  
 Total All Monthly Payments 7007.04  
 Qualifying Ratios  
 Primary Housing Expense/Income 37.61 %  
 Total Obligations/in come 42.26 %  
 Debt-to-Housing Gap Ratio (Freddie) \_\_\_\_\_ %  
 Loan-to-Value Ratios  
 LTV 80 %  
 CLTV/TLTV 80 %  
 HCLTV/HTLTV \_\_\_\_\_ %  
 Qualifying Rate  Note Rate 7.75 %  
 % Above Note Rate \_\_\_\_\_ %  
 % Below Note Rate \_\_\_\_\_ %  
 Bought-Down Rate \_\_\_\_\_ %  
 Other \_\_\_\_\_ %  
 Level of Property Review  Exterior/Interior  Exterior Only  No Appraisal  
 Form Number: \_\_\_\_\_  
 Risk Assessment  Manual Underwriting  AUS  DU  LP  Other \_\_\_\_\_  
 AUS Recommendation \_\_\_\_\_  
 DU Case ID/LP AUS Key# \_\_\_\_\_  
 LP Doc Class (Freddie) \_\_\_\_\_  
 Representative Credit/Indicator Score 685  
 Underwriter Comments \_\_\_\_\_  
 Escrow (P&I)  Yes  No  
 Borrower Funds to Close Required \$4523  
 Verified Assets \_\_\_\_\_  
 Source of Funds \_\_\_\_\_  
 No. of Months Reserves \_\_\_\_\_  
 Interested Party Contributions \_\_\_\_\_ %  
 Community Lending/Affordable Housing Initiative  Yes  No  
 Home Buyers/Homeownership Education Certificate in file  Yes  No  
 Credit 3/18/06  
 Prelim 4-2-06  
 App. 6/2/06

**IV. Seller, Contract, and Contact Information**

Seller Name \_\_\_\_\_  
 Seller Address \_\_\_\_\_  
 Seller No. \_\_\_\_\_ Investor Loan No. \_\_\_\_\_  
 Seller Loan No. \_\_\_\_\_  
 Master Commitment No. \_\_\_\_\_  
 Contract No. \_\_\_\_\_  
 Contact Name \_\_\_\_\_  
 Contact Title \_\_\_\_\_  
 Contact Phone Number \_\_\_\_\_ ext. \_\_\_\_\_  
 Contact Signature \_\_\_\_\_  
 Date \_\_\_\_\_

# Initial Escrow Account Disclosure Statement

Date: DECEMBER 13, 2005      Loan Number: 97042744      Case Number: \_\_\_\_\_  
 Servicer's Name and Address:  
 HOME LOAN MORTGAGE CORPORATION  
 11776 MARIPOSA ROAD, SUITE 103, HESPERIA, CA 92345

Toll Free Number: (760) 948-2600

Borrowers: CYNTHIA L. BROWN      Property Address: 17841 LINCOLN STREET, VILLA PARK, CA 92881

Mailing Address:  
 17841 LINCOLN STREET, VILLA PARK, CA 92881

This is an estimate of activity in your escrow account during the coming year based on payments anticipated to be made from your account.

Month (or Period)	Payments to Escrow Account	Payments from Escrow Account	Description	Escrow Account Balance
Initial Deposit:				\$ 2,373.66
FEBRUARY	465.81	0.00		2,839.27
MARCH	465.81	2,373.66	COUNTY PROPERTY TAX	931.22
APRIL	465.81	0.00		1,396.83
MAY	465.81	0.00		1,862.44
JUNE	465.81	0.00		2,328.05
JULY	465.81	0.00		2,793.66
AUGUST	465.81	0.00		3,259.27
SEPTEMBER	465.81	0.00		3,724.88
OCTOBER	465.81	0.00		4,190.49
NOVEMBER	465.81	2,373.66	COUNTY PROPERTY TAX	2,282.44
DECEMBER	465.81	840.00	HAZARD INSURANCE	1,808.05
JANUARY	465.81	0.00		2,373.66

(PLEASE KEEP THIS STATEMENT FOR COMPARISON WITH THE ACTUAL ACTIVITY IN YOUR ACCOUNT AT THE END OF THE ESCROW ACCOUNTING COMPUTATION YEAR.)

Cushion selected by servicer: \$ 931.22

Your mortgage payment for the coming year will be \$ \_\_\_\_\_ of which \$ \_\_\_\_\_ will go into your escrow account and \$ \_\_\_\_\_ will be for principal and interest.

Your first MONTHLY mortgage payment for the coming year will be \$ 6,770.04 of which \$ 465.81 will go into your escrow account and \$ 6,304.43 will be for principal and interest. The terms of your loan may result in changes to the monthly principal and interest payments during the year.

Cynthia L. Brown 12.13.05  
 CYNTHIA L. BROWN      Date

Date

Date  
 2/95

# ESCROW ACCOUNT DISCLOSURE

**Servicer's Name:** HOME LOAN MORTGAGE CORPORATION  
 11776 MARIPOSA ROAD  
 HESPERIA, CA 92345

**Loan #:** 97042744  
**Borrower:** BROWN, CYNTHIA  
**Property Address:** 17841 LINCOLN STREET  
 VILLA PARK, CA 92861

Your Monthly Mortgage Payment for the coming year will be \$6,830.62 of which \$6,304.43 will be for principal and interest and \$526.19 will go into your escrow account.

Below is an estimate of activity in your escrow account during the coming year based on payments anticipated to be made from your account.

Month	Payments	Disbursements	Description	Balance
			<b>Starting:</b>	<b>2,365.92</b>
FEBRUARY	526.19	0.00		2,892.11
MARCH	526.19	2,373.66	COUNTY PROPERTY TAXES	1,044.64
APRIL	526.19	0.00		1,570.83
MAY	526.19	0.00		2,097.02
JUNE	526.19	1,567.00	HAZARD INSURANCE	1,056.21
JULY	526.19	0.00		1,582.40
AUGUST	526.19	0.00		2,108.59
SEPTEMBER	526.19	0.00		2,634.78
OCTOBER	526.19	0.00		3,160.97
NOVEMBER	526.19	2,373.66	COUNTY PROPERTY TAXES	1,313.50
DECEMBER	526.19	0.00		1,839.69
JANUARY	526.19	0.00		2,365.88

***Please keep this statement for comparison with the actual activity in your account at the end of escrow accounting computation year.***

Cushion selected by servicer:

2

Dec 20 05 05:48a

Jeff Droessler

714 520 5223

P.2



**DECLARATIONS**

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

Coverage afforded by this policy is provided by:

STATE FARM GENERAL INSURANCE COMPANY  
900 OLD RIVER ROAD  
BAKERSFIELD CA 93311-0001

75-S4-9862-6 Policy Number

Named Insured and Mailing Address

BROWN, CYNTHIA L, A SINGLE WOMAN  
17841 LINCOLN STREET  
VILLA PARK, CA 92861-6370

A Stock Company with Home Offices in Bloomington, Illinois.

The policy Period begins and ends at 12:01 a.m. Standard Time at the residence premises.

06-07-2005 Effective Date  
12 months-Policy Period  
06-07-2006 Expiration of Policy Period

Automatic Renewal - If the Policy Period is shown as 12 months, this policy will be renewed automatically subject to the premiums, rules and forms in effect each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Limit of Liability - Section 1  
\$ 500,000 Coverage A. Dwelling

Deductibles - Section 1 \$1000  
ALL LOSSES In case of loss under this policy, the deductible will be applied per occurrence and will be deducted from the amount of the loss. Other deductibles may apply - refer to your policy.

Policy Type  
Homeowners Policy  
Dwell Repl Cost - Similar Construction  
Option ID - Increase Dwlg Up to \$100,000

Location of Premises  
Same as mailing address

Policy Premium \$1567.0

Forms & Endorsements  
438-BFU.NS LINDR LOSS PAY  
FP-7955.CA HOMEOWNERS POL  
LSP A1 SMLR CONST-A  
LSP B1 LMT REPLC COST-B  
OPT ID COV A-INCR DWLG

Mortgagee  
HOME LOAN MORTGAGE CORPORATION  
11776 MARIPOSAROAD  
HESPERIA, CA 92861

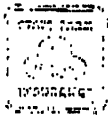
Agent Name & Address  
JEFF DROESSLER INS AGENCY  
LIC # 0692011  
1598 W KATELLA AVE  
ANAHEIM, CA  
92802 (714) 772-9824

Loan Number: 97042744

Countersigned: December 19, 2005 By *Jeff Droessler*

559-916 CA Eff. 3-97

Agent 3538  
Agent's Code  
MORTGAGEE COPY



PREMIUM NOTICE  
STATE FARM INSURANCE COMPANIES  
AGENT ISSUED DECLARATIONS

559-916 CA.1

POLICY NUMBER	BILLING PERIOD	AGENT CODE
75-S4-9862-6	FROM 06-07-2005   TO 06-07-2006	3538

LOCATION (If other than Named Insured's mailing address)

- INSURED

BROWN, CYNTHIA L. A SINGLE  
WOMAN  
17841 LINCOLN STREET  
VILLA PARK, CA 92861-6370

PREMIUM \$ 1567.00  
AMOUNT PAID \$ 1,334.00  
AMOUNT DUE \$ 233.00

DATE DUE

12/20/05

MORTGAGEE

HOME LOAN MORTGAGE CORPORATION  
11776 MARIPOSAROAD  
HESPERIA, CA 92861

AGENT NAME & ADDRESS  
JEFF DROESSLER INS AGENCY  
LIC # 0692011  
1598 W KATELLA AVE  
ANAHEIM, CA  
92802 (714)772-9824

Loan Number: 97042744

STATE FARM INSURANCE COMPANIES

SOUTH COAST REGIONAL OFFICE  
900 OLD RIVER ROAD  
BAKERSFIELD CA 93311-0001

559-916 CA.1

**Home Loan Mortgage Corporation**

11776 Mariposa Road  
Hesperia, CA 92345  
(800) 868-5456 FAX (760) 948-3447

**PLEASE MAKE THE FOLLOWING CHANGE(S)  
ON THIS INSURANCE POLICY**

DATE: 12/22/2005

TO: STATE FARM - JEFF DROESSLER  
1598 W. KATELLA AVE  
ANAHEIM, CA 92802-

RE:

Loan Num: 97042744  
Policy #: 75-S4-9862-6  
Name(s): CYNTHIA BROWN  
Address: 17841 LINCOLN STREET  
VILLA PARK, CA 92861

Mortgagee Clause (to read as follows):

UNION FEDERAL BANK OF INDIANAPOLIS  
ITS SUCCESSORS AND/OR ASSIGNS  
P.O. BOX 232  
FORT WAYNE, IN 46801-0232  
(800) 444-9847

Loan Number:

Please issue your general change endorsement to this policy and send the original endorsement as soon as possible to mortgagee at the address shown above.

Thank you,



Mel Stai  
Shipping Department  
Home Loan Mortgage Corporation

# HAZARD INSURANCE AUTHORIZATION & REQUIREMENTS

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

Date: DECEMBER 13, 2005

Loan No.: 97042744

Escrow Co.: FIDELITY NATIONAL TITLE  
17582 EAST 17TH STREET, SUITE 300  
TUSTIN, CA 92750-

Escrow No.: 705702-CF

Borrower's Name(s): CYNTHIA L BROWN  
CYNTHIA L BROWN, A SINGLE WOMAN

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

Listed below are your Lender's policies and procedures, and minimum requirements, for the Hazard Insurance which must be provided covering the subject property.

1. Coverage must be in an amount at least equal to the replacement value of improvements on the property. If your loan program allows for potential negative amortization, your Lender may require that the amount of coverage be increased to protect the amount of potential negative amortization.
2. The insurance company providing coverage must have an "A" rating or better in the latest edition of "Best's Insurance Guide", must be licensed in the State in which the property described above is located, and must be licensed to transact the lines of insurance required in the transaction.
3. Policy shall provide at least "Broad Form" coverage on properties of one to four units, and at least "Vandalism & Malicious Mischief" on properties with over four units, WITH NO DEVIATION. Homeowners policies must provide coverage equal to "HO 2" form.
4. Policies must contain deductibles on any peril of NOT MORE THAN: \$100.00 for loans of \$50,000.00 or less; \$250.00 for loans between \$50,001.00 and \$100,000.00; \$500.00 for loans in excess of \$100,000.00, and \$1,000.00 for loans of \$1,000,000.00 or more.
5. Policy must provide coverage for a term of at least one year. Premiums may be paid on an annual installment basis only if the policy provides that the Lender will be notified in writing of cancellation 30 days prior to expiration of coverage, for any cause. Binders are not acceptable.
6. If any existing policy is provided which will expire within six months from the date of the recording of this loan, said policy must be renewed for the required term as noted in #5 above.
7. All forms and endorsements pertaining to the Lender's requirements must appear on the "Declaration Page" of the policy.
8. New policies must be accompanied by a signed "Broker of Record Authorization" if borrower(s) have changed Insurance Agents.
9. Verification of renewal of insurance policies must be in the Lender's office at least thirty days prior to the expiration date of the existing policy. If this requirement is not met, the LENDER OR ITS SUCCESSORS OR ASSIGNS MAY AT THEIR OPTION, BUT WITHOUT OBLIGATION TO DO SO, PROVIDE COVERAGE TO REPLACE ANY EXPIRING POLICIES WHICH HAVE NOT BEEN PROPERLY RENEWED. The premium for such coverage will be remitted promptly by the undersigned, or Lender may charge borrower's account for the cost thereof.
10. Lender's Loss Payable Endorsement 438 BFU to be affixed to policy in favor of:

HOME LOAN MORTGAGE CORPORATION  
ITS SUCCESSORS AND/OR ASSIGNS  
11778 MARIPOSA ROAD, SUITE 103  
HESPERIA, CA 92345  
RE: Loan No.: 97042744

WITH FIRST MORTGAGEE ENDORSEMENT

11. Property address and insured's names must be designated on the policy exactly as on the ALTA Title Policy.
12. The Lender's loan number must appear on the policy and any subsequent endorsements.
13. Effective date of new policies, endorsements, and/or assignments shall be as of, or prior to, the date of recording this loan.
14. Please notify your agent to forward future premium notices directly to you.
15. If the security property is a Condominium, the master insurance policy must contain a minimum of \$1,000,000.00 coverage for "Directors & Officers" liability. A copy of the master policy must be submitted to the Lender prior to funding.

AN ACCEPTABLE POLICY, WITH THE ENDORSEMENTS AND/OR ASSIGNMENTS, MUST BE FORWARDED TO AND RECEIVED BY LENDER BEFORE THIS LOAN CAN BE FUNDED: OTHERWISE, LENDER MAY BE FORCED TO PLACE INTERIM COVERAGE ON THE PROPERTY AT AN ADDITIONAL COST TO THE BORROWER(S).

Each of the undersigned acknowledges that he or she has read and understands the foregoing provisions and insurance requirements. This authorization will remain irrevocable for the undersigned as owner(s) of the subject property, and for any assignee(s), for as long as this loan remains on the subject property.

*Cynthia L. Brown* 12-13-05  
CYNTHIA L BROWN

**CALIFORNIA**  
Insurance Disclosure

Loan Number 97042744

Borrower  
CYNTHIA L. BROWN

Property Address  
17841 LINCOLN STREET, VILLA PARK, CA 92861

California Civil Code Section 2955.5(a) states:

"No lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property."

Your acknowledgment below signifies that this written notice was provided to you pursuant to the state statute.

<u>Cynthia L. Brown</u> CYNTHIA L. BROWN	<u>12.13.05</u> Date	<u>12.13.05</u> Date
_____	Date	_____
_____	Date	_____
_____	Date	_____

# Home Loan Mortgage Corporation

11776 Mariposa Road  
Hesperia, CA 92345  
(800) 868-5456 □ FAX (760) 948-3447

## TAX AND INSURANCE INFORMATION

DATE: 12/22/2005  
FHA/VA #: \_\_\_\_\_  
Loan Num: 97042744  
Borrower: CYNTHIA BROWN  
Property: (Legal Description Attached)  
17841 LINCOLN STREET  
VILLA PARK, CA 92861  
Previous Owner: REFINANCE

### TAX INFORMATION:

- ⇒ Copy of front and back of cancelled check
- ⇒ Paid receipt
- ⇒ Payment and tax bill

### TAXING AUTHORITY - STATE AND COUNTY:

STATE OF CALIFORNIA  
ORANGE COUNTY

### MAILING ADDRESS:

ORANGE COUNTY ASSESSOR  
630 N BROADWAY RM 142  
SANTA ANA, CA 92701

Monthly Reserve: \_\_\_\_\_

Account #: 378-111-01 Code: FIRST HALF PAID

Tax Lot/Block: (SEE PRELIMINARY TITLE REPORT)

Sequence: \_\_\_\_\_

Date Last Paid: \_\_\_\_\_ Amount: 2,373.65

For Tax Year: 2005-2006

- Taxes are paid on Annual basis. Next Delinquency Date: \_\_\_\_\_
- Taxes are paid on Semi-Annual basis. Next Delinquency Date: 12/10/06
- Taxes are paid on Quarterly basis. Next Delinquency Date: \_\_\_\_\_

Mel Stai  
Shipping Department  
Home Loan Mortgage Corporation

*Pat St. James*

I HEREBY CERTIFY THAT THIS IS A TRUE  
AND CORRECT COPY OF THE ORIGINAL

*[Signature]*  
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: 1-888-679-6377

### 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 together with all Riders to this document.

DECEMBER 13, 2005

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

Borrower's address is 17841 LINCOLN STREET, VILLA PARK, CA 92861  
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

Initials: CB

Form 3005 1/01

CALIFORNIA-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS  
VMP-6A(CA) (0207)



(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 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.

Parcel ID Number: 378-111-01

17841 LINCOLN STREET

which currently has the address of

VILLA PARK

[City], California

92861

[Street]

[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

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 agreement 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 default 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)  
CYNTHIA L. BROWN -Borrower

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

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

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(Seal)  
-Borrower

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-Borrower

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(Seal)  
-Borrower

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(Seal)  
-Borrower

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

State of CALIFORNIA  
County of *Orange*

On *12/13/05*

before me, *L. Martin*, } ss. *Notary Public*  
personally appeared

CYNTHIA L. BROWN

~~(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.

personally known to me

WITNESS my hand and official seal.

*J. Martin* (Seal)



## ADJUSTABLE RATE RIDER

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

LOAN NO.: 97042744

MIN: 1C0066400001351940  
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: OB

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)

Page 1 of 4

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

January 1, 2006

Waterfield Financial Corporation

Cynthia L Brown  
17841 LINCOLN STREET  
Villa Park, CA 92861

RE: 17841 Lincoln St  
Villa Park, CA 92861

MORTGAGE LOAN#: 2444314

Dear Customer:

We are pleased to announce that Waterfield Financial Corporation has made arrangements with Quantum Settlement Services to provide ongoing flood zone determinations. Quantum Settlement Services is noted for their accuracy and customer service. Please note that Quantum Settlement Services is not an insurance carrier; they are a flood zone determination company.

Quantum Settlement Services warrants their determinations. If their determination indicates that flood insurance is required and it is later discovered that it was not, then Quantum Settlement Services will refund all Flood insurance premiums paid due to its error. If they determine that the property is not in a flood zone, Quantum Settlement Services will pay a portion of the loss. The amount of any payment would be the damage to such structure that would have been covered under the NFIP Flood Insurance Policy less any insurance or recovery from another source.

We have life of loan coverage, and our servicing department will be notified every time the flood maps change. If necessary, our Insurance Servicing Department will contact you to notify you to obtain flood insurance or that you can drop your coverage.

The attached determination and notice are being sent for your review. The notice will be signed at settlement. Please note that only properties located in flood zones A or V require flood insurance. If you have any questions concerning the determination, please call Quantum Settlement Services at 1-888-806-7886 or your loan processor.

Sincerely,

Andrea Hanson  
Client Coordinator

Enclosure

67081924

W171QNTM 3/05

**SECTION I - LOAN INFORMATION**

1. LENDER NAME AND ADDRESS:  LSI Acct #: 100-0041-869 Address: HOME LOAN MORTGAGE CORP 11776 MARIPOSA RD STE 103 HESPERIA, CA 92345  Phone: (760) 948-2500 Fax: (760) 948-2663  Loan Officer/Processor: SUSAN Delivery Method: FDR-COM - WEB		2. COLLATERAL (Building/Mobile Home/Personal Property) PROPERTY ADDRESS (Legal description may be attached):  Borrower: BROWN, CYNTHIA L. Determination Address: 17841 LINCOLN ST VILLA PARK, CA 92861-6370 ORANGE COUNTY  APN/Tax ID: 378-111-01 Lot: _____ Block: _____ Phase: _____ Subdivision: _____ Section: _____ Township: _____ Range: _____  Requested Address: 17841 LINCOLN STREET VILLA PARK, CA 92861-6370 ORANGE	
3. LENDER I.D. NUMBER:	4. LOAN IDENTIFIER: 97042744	5. AMOUNT OF FLOOD INSURANCE REQUIRED (optional):	

**SECTION II**

**A. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION**

1. NFIP Community Name VILLA PARK, CITY OF	2. County(ies) ORANGE COUNTY	3. State CA	4. NFIP Community Number 060236
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**B. NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING / MOBILE HOME**

1. NFIP Map Number or Community-Panel Number (Community Name, if not the same as "A") 06059C0162H	2. NFIP Map Panel Effective / Revised Date February 18, 2004	3. LOMA / LOMR Yes _____ Date _____	4. Flood Zone X	5. No NFIP Map
------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------	----------------------------------------	--------------------	----------------

**C. FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)**

1.  Federal flood insurance is available (community participates in NFIP).  Regular Program  Emergency Program of NFIP  
 2.  Federal flood insurance is not available because community is not participating in the NFIP.  
 3.  Building / Mobile Home is in a Coastal Barrier Resources Area (CBRA) or Otherwise Protected Area (OPA). Federal flood insurance may not be available.  
 CBRA/OPA designation date: \_\_\_\_\_

**D. DETERMINATION**


**IS BUILDING / MOBILE HOME IN A SPECIAL FLOOD HAZARD AREA (ZONES CONTAINING THE LETTERS "A" OR "V")?**  YES  NO  
 If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.  
 If no, flood insurance is not required by the Flood Disaster Protection Act of 1973.

E. COMMENTS (Optional)	HMDA Information	Compliance Quick Check
	State: 06 County: 059 MSA: 5945 MSA/MD: 42044 CT: 0758.10 BNA:	Is Flood Insurance Required? <u>NO</u> Is NFIP Insurance Available? <u>YES</u>

**BASIC DETERMINATION**

This flood determination is provided solely for the use and benefit of the entity named in Section 1, Box 1 in order to comply with the 1994 Reform Act and may not be used or relied upon by any other entity or individual for any purpose, including, but not limited to deciding whether to purchase a property or determining the value of a property.

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building / mobile home on the NFIP map.

<b>F. PREPARER'S INFORMATION (If other than Lender):</b>		LSI ORDER NUMBER:
NAME, ADDRESS, TELEPHONE NUMBER:   LSI Flood Services 1521 N Cooper St Fourth Floor Arlington, TX 76011-5942 Phone: 1.800.833.6347 Fax: 1.800.662.6347		204-7172-129
		DATE OF DETERMINATION: December 13, 2005

**NOTICE IS GIVEN TO: BROWN, CYNTHIA L.**

The Flood Disaster Protection Act of 1973, as amended, requires that Federally regulated lending institutions shall not make, increase, extend, or renew any loan secured by improved real estate, or a mobile home located or to be located, in an area that has been identified by the Director of the Federal Emergency Management Agency (FEMA) as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, through the National Flood Insurance Program (NFIP), unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in an amount at least equal to the outstanding principal balance of the loan or the maximum limit of coverage made available under the Act with respect to the particular type of property, whichever is less.

**NOTICE TO BORROWER ABOUT SPECIAL FLOOD HAZARD AREA STATUS**

**Notice of Property in Special Flood Hazard Area (SFHA)**

The building or mobile home securing the loan for which you have applied is or will be located in an area with special flood hazards. The area has been identified by the Director of FEMA as an SFHA using FEMA's Flood Insurance Rate Map or the Flood Hazard Boundary Map for the following community: VILLA PARK, CITY OF.

This area has at least a one percent (1%) chance of a flood equal to or exceeding the base flood elevation (a 100-year flood) in any given year. During the life of a 30-year mortgage loan, the risk of a 100-year flood in a SFHA is 26 percent (26%). Federal law allows a lender and borrower jointly to request the Director of FEMA to review the determination of whether the property securing the loan is located in an SFHA. If you would like to make such a request, please contact us for further information.

**Notice of Property Not in Special Flood Hazard Area (SFHA)**

The building or mobile home described in the attached instrument is not currently located in an area designated by the Director of FEMA as a SFHA. NFIP flood insurance is not required, but may be available. If, during the term of this loan, the subject property is identified as being in a SFHA, as designated by FEMA, you may be required to purchase and maintain flood insurance at your expense.

**NOTICE TO BORROWER ABOUT FEDERAL FLOOD DISASTER ASSISTANCE**

**Notice in Participating Communities**

The community in which the property securing the loan is located participates in the NFIP. The Flood Disaster Protection Act of 1973, as amended, mandates federally insured or regulated lenders to require the purchase of flood insurance on all buildings being financed that are located in SFHAs of communities participating in the NFIP. The flood insurance must be maintained for the term of the loan. If you fail to purchase or renew flood insurance on the property, Federal law authorizes and requires us to purchase the flood insurance at your expense.

\* Flood insurance coverage under the NFIP may be purchased through an insurance agent who will obtain the policy either directly through the NFIP or through an insurance company that participates in the NFIP. Flood insurance also may be available from private insurers that do not participate in the NFIP.

\* At a minimum, flood insurance purchased must cover the lesser of:

- (1) the outstanding principal balance of the loan; or
- (2) the maximum amount of coverage allowed for the type of property under the NFIP.

Flood insurance coverage under the NFIP is limited to the overall value of the property securing the loan minus the value of the land on which the property is located.

\* Federal disaster relief assistance (usually in the form of a low-interest loan) may be available for damages incurred in excess of your flood insurance if your community's participation in the NFIP is in accordance with NFIP requirements.

**Notice in Nonparticipating Communities**

Flood insurance coverage under the NFIP is not available for the property securing the loan because the community in which the property is located does not participate in the NFIP. In addition, if the nonparticipating community has been identified for at least one year as containing an SFHA, properties located in the community will not be eligible for Federal disaster relief assistance in the event of a Federally-declared flood disaster.

Cynthia L. Brown 12.13.05  
Borrower's Signature / Date

\_\_\_\_\_  
Co-Borrower's Signature / Date

HOME LOAN MORTGAGE CORP  
\_\_\_\_\_  
Lending Institution

\_\_\_\_\_  
Lending Institution Authorized Signature / Date

# FLOOD ZONE NOTIFICATION

LENDER : HOME LOAN MORTGAGE CORPORATION  
ADDRESS: 11778 MARIPOSA ROAD, SUITE 103, HESPERIA, CA 92345  
BORROWER: CYNTHIA L. BROWN  
PROPERTY: 17841 LINCOLN STREET, VILLA PARK, CA 92861  
LOAN NUMBER: 97042744  
FHA/VA CASE NO.:

In accordance with the Federal Flood Disaster Protection Act of 1973, this is to certify that we are aware that the subject property, which we are mortgaging, may be in a Special Hazard Area as designated by the Federal Insurance Administration (FIA), or the Director of the Federal Emergency Management Agency (FEMA), and as such will require Flood Insurance Coverage; but that due to the procedures established by the FIA and FEMA, the lender may not be able to obtain information needed for the exact area identification prior to the closing of the loan. Furthermore, we understand that the lender is required, for the life of this loan, to monitor the Flood Insurance Rate Map (FIRM) and/or Flood Hazard Boundary Map (FHBM) to establish if our property has been deemed a flood hazard.

Therefore, we hereby understand and agree that if, any time prior to, or after the closing of our loan, the lender is able to determine that on or prior to the date of closing or recording depending on local lending practices, the above property was located in a designated Special Hazard Area and flood insurance is required; we hereby authorize the Lender to secure flood insurance of the required amount and type to be placed upon said property. Furthermore, we hereby agree to pay the first year's premium for such insurance either by cash or through escrow/impound advance and authorize the lender to increase our monthly escrow/impound payments to replenish the advancement and provide sufficient funds for subsequent annual insurance premiums.

We also understand that this policy cannot be cancelled, as it is a regulation of the Federal Government, and in the event it is cancelled by us, it will be a default under the terms of the Note, the Department of Veterans Affairs, and the Federal Housing Administration regulations, and the Note will become due and payable in full upon notice from the lender.

<u>Cynthia L. Brown</u> CYNTHIA L. BROWN	<u>12.13.05</u> Date	<u>12.13.05</u> Date	
_____	Date	_____	Date
_____	Date	_____	Date
_____	Date	_____	Date



# Fidelity National Title Company

17592 East 17th Street, Suite 200 Tustin, CA 92780  
(714) 838-0300 FAX

## SUPPLEMENTAL REPORT

ESCROW OFFICER: Christian

ORDER NO.: 30123765

TO: Fidelity National

ATTN: Patricia

EFFECTIVE DATE: December 2, 2005, 07:30 A.M.

Jim Jean  
Title Officer

Prepared By: mr 12/16/2005

The above numbered report (including any supplements or amendments thereto) is hereby modified and or supplemented in order to reflect the following:

1. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.
2. The Company is not aware of any matters which would cause it to decline to attach the CLTA Endorsement Form 116 indicating that there is located on said land single family residence known as 17841 Lincoln Street, Villa Park, CA to an Extended Coverage Loan Policy.

F N T

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# Fidelity National Title Company

17592 East 17th Street, Suite 200 • Tustin, CA 92780  
(714) 838-0300 • FAX

## PRELIMINARY REPORT

ESCROW OFFICER: Christian  
TITLE OFFICER: Jim Jean

ORDER NO.: 30123765- A  
Amendment  
LOAN NO.:

TO: Fidelity National Title  
17592 East 17th Street, Suite 100  
Tustin, CA 92780

ATTN: Christian  
YOUR REFERENCE.: 01084931

SHORT TERM RATE:

PROPERTY ADDRESS: 17841 Lincoln Street, Villa Park, California

EFFECTIVE DATE: December 2, 2005, 07:30 A.M.

The form of Policy or Policies of title insurance contemplated by this report is:

American Land Title Association Loan (10-17-92) with A.L.T.A.

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:  
A Fee
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:  
Cynthia L. Brown, a single woman
3. THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE CITY OF VILLA PARK, IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:  
SEE EXHIBIT "ONE" ATTACHED HERETO AND MADE A PART HEREOF

sw\SW 12/08/2005

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## NOTICE

IF YOU BOUGHT, SOLD OR REFINANCED A HOME (RESIDENTIAL REAL PROPERTY) IN CALIFORNIA BETWEEN JULY 1, 1989 AND FEBRUARY 28, 1997, PLEASE READ THE FOLLOWING:

Pursuant to a Settlement Agreement in a class action lawsuit filed in the Superior Court for Los Angeles County, a settlement agreement has been entered into that provides persons who bought, sold or refinanced residential real property in the State of California between July 1, 1989 and February 28, 1997, with certain rights. If you are such a person and you are now engaged in an escrow transaction with Chicago Title Company, Gateway Title Company, Benefit Land Title Company or Fidelity National Title Insurance Company, you have the following rights:

If one of these companies previously handled a residential escrow transaction for you that involved residential real property in which a mortgage, promissory note, or similar debt instrument, repayment of which was secured by a duly recorded deed of trust, was fully paid, satisfied or discharged and a reconveyance of that deed of trust was executed and was delivered to one of those title companies for recording but was inadvertently not recorded, you have the right to request that a release of obligation or reconveyance be recorded in accordance with the terms of the Settlement Agreement.

To obtain this right you must:

(1) Establish to the satisfaction of the title company that you actually closed an escrow between July 1, 1989 and February 27, 1997, which was handled by one of the above listed title insurance companies, in which a mortgage, promissory note, or similar debt instrument secured by a duly recorded deed of trust was fully paid, satisfied or discharged and a reconveyance of that deed of trust was executed and was delivered for recording to the title company that handled the prior transaction. Proof of said transaction shall be made by presenting a closing statement, preliminary title report, title insurance policy or a paid escrow invoice which identifies you and the prior deed of trust; and

(2) Request in writing the recording of a reconveyance or release or obligation in the event that one inadvertently had not been previously recorded in the escrow transaction previously handled by one of the above-named title companies.

If you believe that you are entitled to benefits as a class member, please send your written requests or any questions concerning the foregoing to Janet Borack, Legal Department, Fidelity National Title Insurance Company, 17911 Von Karman Avenue, Suite 300, Irvine, California 92614.

*Alan  
Denise*

### PRELIMINARY REPORT

*In response to the application for a policy of title insurance referenced herein, Fidelity National Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.*

*The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth in Exhibit A attached. Copies of the Policy forms should be read. They are available from the office which issued this report.*

*This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.*

*The Policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a California Corporation.*

*Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.*

*It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.*

Fidelity National Title Company



BY *[Signature]* President

ATTEST *[Signature]* Secretary

*[Signature]*  
\_\_\_\_\_  
Countersigned

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**AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:**

- 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

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- 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.

ITEMS: (Continued)

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*alt*

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

Amount: \$500,000.00  
Dated: November 8, 2005  
Trustor: Cynthia L. Brown, a single woman  
Trustee: Fidelity National Title  
Beneficiary: New Century Mortgage Corporation, a California Corporation  
Loan No.:  
Recorded: November 15, 2005, Instrument No. 2005-916666, of Official Records

*alt*

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

Amount: \$380,000.00  
Dated: December 2005  
Trustor: Cynthia L. Brown  
Trustee: Chicago title Company  
Beneficiary: Craig R. Dimond  
Loan No.:  
Recorded: December 9, 2005, Instrument No. 2005982878, of Official Records

*alt*

We find various Liens and Judgments, that are of record against persons with similar or the same name as that of our vestee(s) shown herein. In order to complete this report, this Company requires a Statement of Information to be provided for the following vestee(s), which may allow and assist elimination of some or all of said Liens and Judgments. After review of the requested Statement(s) of Information, the Company reserves the right to add additional items or make further requirements prior to the issuance of any Policy of Title Insurance.

Vestee(s): Cynthia L. Brown

9. Your application for title insurance was placed by reference to a street address only. Based on our records, we believe that the description in this report covers the parcel that you requested.

To prevent errors and to be certain that the proper parcel of land will appear on the documents and on the policy of title insurance, we require written approval of the legal description in this report be sent to this Company, signed by the parties to the transaction.

END OF ITEMS

Note 1. Fax transmissions may be directed to Jim Jean's office at (714) 573-8066

Note 2. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.

Note 3. The Company is not aware of any matters which would cause it to decline to attach the CLTA Endorsement Form 116 indicating that there is located on said land single family residence known as 17841 East Lincoln Street, Villa Park, CA to an Extended Coverage Loan Policy.

*H*  
*Remove East*

## ITEMS: (Continued)

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- Note 10.** The charge where an order is cancelled after the issuance of the report of title, will be that amount which in the opinion of the Company is proper compensation for the services rendered or the purpose for which the report is used, but in no event shall said charge be less than the minimum amount required under Section 12404.1 of the Insurance Code of the State of California. If the report cannot be cancelled "no fee" pursuant to the provisions of said Insurance Code, then the minimum cancellation fee shall be that permitted by law.
- Note 11.** California Revenue and Taxation Code Section 18682, effective January 1, 1994 and by amendment effective January 1, 2003, provides that the buyer in all sales of California Real Estate may be required to withhold 3 and 1/3% of the total sales price as California State Income Tax, subject to the various provisions of the law as therein contained.

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## ITEMS: (Continued)

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- Note 4.** There are NO deeds effecting said land, recorded within twenty-four (24) months of the date of this report.
- Note 5.** The charge for a policy of title insurance, when issued through this title order, will be based on the Short Term Rate.
- Note 6.** Wiring instructions for Fidelity National Title Company, Orange County, California are as follows:

## Receiving Bank:

COMERICA BANK CALIFORNIA  
FINANCIAL SERVICES GROUP  
El Segundo, California 90245  
ABA ROUTING NO.: 121137522  
CREDIT ACCOUNT NO.: 188-1608-588  
CREDIT ACCOUNT NAME: FIDELITY NATIONAL TITLE COMPANY - TRUST

Order Numbers must be referenced on all wiring.

These wiring instructions are for this specific transaction involving the Title Department of the Orange County office of Fidelity National Title. These instructions therefore should not be used in other transactions without first verifying the information with our accounting department. It is imperative that the wire text be exactly as indicated. Any extraneous information may cause unnecessary delays in confirming the receipt of funds.

- Note 7.** NOTE: Amended Civil Code Section 2941, which becomes effective on January 1, 2002, sets the fee for the processing and recordation of the reconveyance of each Deed of Trust being paid off through this transaction at \$45.00. The reconveyance fee MUST be clearly set forth in the Beneficiary's Payoff Demand Statement ("Demand"). In addition, an assignment or authorized release of that fee, from the Beneficiary to the Trustee of record, must be included. An example of the required language is as follows:

"The Beneficiary identified above hereby assigns, releases or transfers to the Trustee of record, the sum of \$45.00, included herein as "Reconveyance Fees", for the processing and recordation of the Reconveyance of the Deed of Trust securing the indebtedness covered hereby, and the Escrow Company or Title Company processing this pay-off is authorized to deduct the Reconveyance Fee from this Demand and forward said fee to the Trustee of record or the successor Trustee under the Deed of Trust to be paid in full."

- Note 8.** The current owner does NOT qualify for the \$20.00 discount pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs for the herein described property.
- Note 9.** Section 12413.1, California Insurance Code became effective January 1, 1990. This legislation deals with the disbursement of funds deposited with any title entity acting in an escrow or subescrow capacity. The law requires that all funds be deposited and collected by the title entity's escrow and/or subescrow account prior to disbursement of any funds. Some methods of funding may subject funds to a holding period which must expire before any funds may be disbursed. In order to avoid any such delays, all fundings should be done through wire transfer, certified check or checks drawn on California financial institutions.

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**EXHIBIT "ONE"**

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.

Assessors Parcel No: 378-111-01

**Notice**

You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between May 19, 1995 and November 1, 2002. If you had more than one qualifying transaction, you may be entitled to multiple discounts.

If your previous transaction involved the same property that is the subject of your current transaction, you do not have to do anything; the Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is subject of your current transaction, you must inform the Company of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount.

Unless you inform the Company of the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount.

Effective through November 1, 2014

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ITEMS: (Continued)

Order No.: 30123765

**ENDORSEMENT**  
Attached to Policy No.  
Issued by  
Fidelity National Title Insurance Company

The Company insures the owner of the indebtedness secured by the insured mortgage against loss or damage sustained by reason of:

1. The invalidity or unenforceability of the lien of the insured mortgage resulting from the provisions therein which provide for changes in the rate of interest.
2. Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, together with interest as changed in accordance with the provisions of the insured mortgage, which loss of priority is caused by the changes in the rate of interest.

"Changes in the rate of interest", as used in this endorsement, shall mean only those changes in the rate of interest calculated pursuant to the formula provided in the insured mortgage at 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.

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 that the insurance afforded by this endorsement is not subject to Section 3(d) of the Exclusions from Coverage. 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 28, 2005



**Fidelity National Title**  
INSURANCE COMPANY

  
Countersigned

**Request for Taxpayer  
Identification Number and Certification**

Give form to the requester.  
Do not send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) CYNTHIA L. BROWN	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other <input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.) 17841 LINCOLN STREET	Requester's name and address (optional)
	City, state, and ZIP code VILLA PARK, CA 92861	
List account number(s) here (optional)		

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

*Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.*

Social security number 542-86-1727	OR
Employer identification number	

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

<b>Sign Here</b>	Signature of U.S. person <i>Cynthia L. Brown</i>	Date <i>12.13.05</i>
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**Purpose of Form**

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
- The type and amount of income that qualifies for the exemption from tax.
- Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate instructions for the Requester of Form W-9.

### Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

**Other entities.** Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

**Note.** You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

### Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

**Exempt payees.** Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

- 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
- 10. A real estate investment trust,
- 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
- 12. A common trust fund operated by a bank under section 584(a),
- 13. A financial institution,
- 14. A middleman known in the investment community as a nominee or custodian, or
- 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt recipients 1 through 7 <sup>2</sup>

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at [www.socialsecurity.gov/online/ss-5.pdf](http://www.socialsecurity.gov/online/ss-5.pdf). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses/](http://www.irs.gov/businesses/) and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

**Signature requirements.** Complete the certification as indicated in 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship or single-owner LLC	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner <sup>3</sup>
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Form **4506**  
(Rev. July 2005)

Department of the Treasury  
Internal Revenue Service

### Request for Copy of Tax Return

OMB No. 1545-0429

Do not sign this form unless all applicable lines have been completed.  
Read the instructions on page 2.  
Request may be rejected if the form is incomplete, illegible, or any required line was blank at the time of signature.

Tip: You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a Tax Return Transcript for many returns free of charge. The transcript provides most of the line entries from the tax return and usually contains the information that a third party (such as a mortgage company) requires. See Form 4506-T, Request for Transcript of Tax Return, or you can call 1-800-829-1040 to order a transcript.

1a Name shown on tax return. If a joint return, enter the name shown first.  CYNTHIA L. BROWN	1b First social security number on tax return or employer identification number (see instructions) 542-86-1727
-----------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------

2a If a joint return, enter spouse's name shown on tax return	2b Second social security number if joint tax return
---------------------------------------------------------------	------------------------------------------------------

3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code  
CYNTHIA L. BROWN  
17841 LINCOLN STREET, VILLA PARK, CA 92861

4 Previous address shown on the last return filed if different from line 3

5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax return.

Caution: If a third party requires you to complete Form 4506, do not sign Form 4506 if lines 6 and 7 are blank.

6 Tax return requested (Form 1040, 1120, 941, etc.) and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506.

Note. If the copies must be certified for court or administrative proceedings, check here

7 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than eight years or periods, you must attach another Form 4506.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8 Fee. There is a \$39 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN or EIN and "Form 4506 request" on your check or money order.

a Cost for each return .....	\$ 39.00
b Number of returns requested on line 7 .....	
c Total cost. Multiply line 8a by line 8b .....	\$

9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, either husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer.

Cynthia L. Brown  
Signature (see instructions) CYNTHIA L. BROWN

12.13.05  
Date

Telephone number of taxpayer on line 1a or 2a  
714.926.8938

Sign Here

Title (if line 1a above is a corporation, partnership, estate, or trust)

Spouse's signature

Date

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 41721E

Form **4506** (Rev. 7-2005)

**General Instructions**

Section references are to the Internal Revenue Code.

**Purpose of form.** Use Form 4506 to request a copy of your tax return. You can also designate a third party to receive the tax return. See line 5.

**How long will it take?** It may take up to 60 calendar days for us to process your request.

**Tip.** Use Form 4506-T, Request for Transcript of Tax Return, to request tax return transcripts, tax account information, W-2 information, 1099 information, verification of non-filing, and record of account.

**Where to file.** Attach payment and mail Form 4506 to the address below for the state you lived in when that return was filed. There are two address charts: one for individual returns (Form 1040 series) and one for all other returns.

**Note:** If you are requesting more than one return and the chart below shows two different service centers, mail your request to the service center based on the address of your most recent return.

**Chart for individual returns (Form 1040 series)**

If you filed an individual return and lived in:	Mail to the Internal Revenue Service at:
District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New York, Vermont	RAIVS Team 310 Lowell St. Stop 679 Andover, MA 01810
Alabama, Delaware, Florida, Georgia, North Carolina, Rhode Island, South Carolina, Virginia	RAIVS Team 4800 Buford Hwy. Stop 91 Chamblee, GA 30341
Arkansas, Kansas, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas, West Virginia	RAIVS Team 3651 South Interregional Hwy. Stop 6716 Austin, TX 78741
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nebraska, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, Wyoming	RAIVS Team Stop 38101 Fresno, CA 93888
Connecticut, Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, North Dakota, Ohio, Wisconsin	RAIVS Team Stop B41-6700 Kansas City, MO 64999
New Jersey, Pennsylvania, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team DP SE 135 Philadelphia, PA 19255-0695

**Chart for all other returns**

If you lived in or your business was in:	Mail to the Internal Revenue Service at:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming	RAIVS Team Mail Stop 6734 Ogden, UT 84409
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	RAIVS Team P.O. Box 145500 Stop 2800F Cincinnati, OH 45250

**Line 1b.** Enter your employer identification number (EIN) if you are requesting a copy of a business return. Otherwise, enter the first social security number (SSN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

**Signature and date.** Form 4506 must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the return be sent to a third party, the IRS must receive Form 4506 within 60 days of the date signed by the taxpayer or it will be rejected.

**Individuals.** Copies of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506 exactly as your name appeared on the original return. If you changed your name, also sign your current name.

**Corporations.** Generally, Form 4506 can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

**Partnerships.** Generally, Form 4506 can be signed by any person who was a member of the partnership during any part of the tax period requested on line 7.

All others. See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

**Documentation.** For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the Letters Testamentary authorizing an individual to act for an estate.

**Signature by a representative.** A representative can sign Form 4506 for a taxpayer only if this authority has been specifically delegated to the representative on Form 2848, line 5. Form 2848 showing the delegation must be attached to Form 4506.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to establish your right to gain access to the requested return(s) under the Internal Revenue Code. We need this information to properly identify the return(s) and respond to your request. Sections 6103 and 6109 require you to provide this information, including your SSN or EIN, to process your request. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506 will vary depending on individual circumstances. The estimated average time is: Learning about the law or the form, 10 min.; Preparing the form, 16 min.; and Copying, assembling, and sending the form to the IRS, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506 simpler, we would be happy to hear from you. You can write to Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6406, Washington, DC 20224. Do not send the form to this address. Instead, see *Where to file* on this page.

# Request for Transcript of Tax Return

Department of the Treasury  
Internal Revenue Service

- ▶ Do not sign this form unless all applicable lines have been completed. Read the instructions on page 2.
- ▶ Request may be rejected if the form is incomplete, illegible, or any required line was blank at the time of signature.

OMB No. 1545-1872

TIP: Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can also call 1-800-829-1040 to order a transcript. If you need a copy of your return, use Form 4506, Request for Copy of Tax Return. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first. CYNTHIA L. BROWN		1b First social security number on tax return or employer identification number (see instructions) 642-86-1727
2a If a joint return, enter spouse's name shown on tax return		2b Second social security number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code CYNTHIA L. BROWN 17841 LINCOLN STREET, VILLA PARK, CA 92861		
4 Previous address shown on the last return filed if different from line 3		
5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax information.		

Caution: If a third party requires you to complete Form 4506-T, do not sign Form 4506-T if lines 6 and 9 are blank.

6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶

8 Return Transcript, which includes most of the line items of a tax return as filed with the IRS. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days

b Account Transcript, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 20 business days

c Record of Account, which is a combination of line item information and later adjustments to the account. Available for current year and 3 prior tax years. Most requests will be processed within 20 business days

7 Verification of Nonfiling, which is proof from the IRS that you did not file a return for the year. Most requests will be processed within 10 business days

8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2003, filed in 2004, will not be available from the IRS until 2005. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 45 days

Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, either husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer.

Cynthia L. Brown  
Signature (see instructions) CYNTHIA L. BROWN

11.2.13.05  
Date

Telephone number of taxpayer on line 1a or 2a  
714.926.8938

Sign Here

Title (if line 1a above is a corporation, partnership, estate, or trust)

Spouse's signature

Date

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 37667N

Form 4506-T (Rev. 7-2005)

## General Instructions

**Purpose of form.** Use Form 4506-T to request tax return information. You can also designate a third party to receive the information. See line 5.

**Tip.** Use Form 4506, Request for Copy of Tax Return, to request copies of tax returns.

**Where to file.** Mail or fax Form 4506-T to the address below for the state you lived in when that return was filed. There are two address charts: one for individual transcripts (Form 1040 series and Form W-2) and one for all other transcripts.

**Note:** If you are requesting more than one transcript or other product and the chart below shows two different service centers, mail your request to the service center based on the address of your most recent return.

### Chart for individual transcripts (Form 1040 series and Form W-2)

If you filed an individual return and lived in:	Mail or fax to the Internal Revenue Service at:
District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New York, Vermont	RAIVS Team 310 Lowell St. Stop 679 Andover, MA 01810 978-691-6859
Alabama, Delaware, Florida, Georgia, North Carolina, Rhode Island, South Carolina, Virginia	RAIVS Team 4800 Buford Hwy. Stop 91 Chamblee, GA 30341 678-530-5326
Arkansas, Kansas, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas, West Virginia	RAIVS Team 3651 South Interregional Hwy. Stop 6716 Austin, TX 78741 512-460-2272
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nebraska, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, Wyoming	RAIVS Team Stop 38101 Fresno, CA 93888 559-253-4992
Connecticut, Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, North Dakota, Ohio, Wisconsin	RAIVS Team Stop B41-6700 Kansas City, MO 64999 816-823-7667
New Jersey, Pennsylvania, a foreign country, or A.P.O. or F.P.O. address	RAIVS Team DP SE 135 Philadelphia, PA 19255-0695 215-516-2931

### Chart for all other transcripts

If you lived in or your business was in:	Mail or fax to the Internal Revenue Service at:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming	RAIVS Team Mail Stop 6734 Ogden, UT 84409 801-620-6922
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	RAIVS Team P.O. Box 145500 Stop 2800F Cincinnati, OH 45250 859-669-3592

**Line 1b.** Enter your employer identification number (EIN) if your request relates to a business return. Otherwise, enter the first social security number (SSN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

**Line 6.** Enter only one tax form number per request.

**Signature and date.** Form 4506-T must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the information be sent to a third party, the IRS must receive Form 4506-T within 60 days of the date signed by the taxpayer or it will be rejected.

**Individuals.** Transcripts of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506-T exactly as your name appeared on the original return. If you changed your name, also sign your current name.

**Corporations.** Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

**Partnerships.** Generally, Form 4506-T can be signed by any person who was a member of the partnership during any part of the tax period requested on line 9.

**All others.** See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

**Documentation.** For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the Letters Testamentary authorizing an individual to act for an estate.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. Sections 6103 and 6109 require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-T will vary depending on individual circumstances. The estimated average time is: Learning about the law or the form, 10 min.; Preparing the form, 11 min.; and Copying, assembling, and sending the form to the IRS, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-T simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6406, Washington, DC 20224. Do not send the form to this address. Instead, see *Where to file* on this page.