

## Mortgage + Care

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Loan # <f2>

### TERMS OF THE LOAN

#### Loan Type:

Interest Only With Balloon Payment: <f216> Partially Amortized With Balloon Payment: <f217>

Fully Amortized: <f215> Accrued all principal and interest to be paid at maturity.

Loan Amount: \$<f20> Interest Rate: <f22>%

Term of Loan: <f23> No. of Prepaid Payments:

Loan Position: <f65>

First Due Date: <f31> Maturity Date: <f27>

Payment Amount: \$<f24>

Estimated Balloon Payment: \$<f25>

1<sup>st</sup> Payment Change Date: <f124>

Prepay Penalty: Yes <f257> No <f256>

Prepayment Penalty Expiration: <f668>

Prepayment Penalty Maximum: \$

Late Charge Days: <f36> Late Charge Percentage: <f131>%

*The undersigned do/does hereby understand that the above terms are just the basic terms of my/our loan. I/We understand that we need to review all loan documentation to understand all of the terms that conditions of my/our loan.*

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<f5> <f6> <f7>- Borrower / Date

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<f10> <f11> <f12> - Borrower / Date

«f80»

«f81»  
«f82», «f83»

## BROKER-LENDER ESCROW INSTRUCTIONS

DATE: «f3»

ESCROW CO.:

«f49»  
«f47»  
«f50», «f51»

TITLE CO.:

«f88»  
«f91»  
«f91»«f92»

Escrow Number: «f48»

Loan Number: «f2»

You have been designated settlement agent in the above-referenced loan transaction. Any and all corrections or modifications to these instructions or the accompanying documents are to be made only with the authorization of an employee of our company by contacting the above phone number. We enclose the following documents for you to have executed in your escrow:

- Certification of Business Purpose of Loan
- Borrower's Estimated Closing Statement –YOU MAY NOT CHARGE THE BORROWER FOR ANY FEES OR COSTS NOT REFLECTED IN THESE INSTRUCTIONS, UNLESS THE FEE OR COST IS FOR SOME SPECIAL SERVICE REQUESTED SOLELY BY THE BORROWER. CONTACT THE LOAN BROKER FOR PERMISSION TO CHARGE LENDER OR BORROWER ANY OTHER FEE OR COST.
- First Payment Letter
- Promissory Note
- Deed of Trust (see Note 1)
- Notice of Right to Cancel (see Note 2)
- Notice of Non-Rescission (see Note 3)
- HOEPA Documents (see Note 2A)
- Agreement to Procure Lender
- Fire Insurance Authorization
- Federal Truth In Lending Disclosure
- Itemization of Prepaid Finance Charges
- Mortgage Loan Disclosure Statement
- Arbitration of Disputes
- Loan Origination Insurance Disclosure
- Declaration of Oral Disclosure
- Consumer Notices
- W-9 Form
- Request for Notice
- Balloon Payment Disclosure
- Notice of Mortgage Loan Servicing
- Hazardous Material Certificate and Indemnity Agreement
- Notice of Borrower's Right to Receive Appraisal
- Source of Repayment
- Consumer Caution and Home Ownership Counseling Notice (see Note 2B)
- Compliance Agreement
- Declaration of Non-Owner Occupancy
- California Residential Mortgage Lending Act Per Diem Interest Disclosure
- Security Agreement
- ADDRESS/PHONE NUMBER CERTIFICATION

You are directed to provide a copy to each borrower of each document they signed immediately after signing. See Notes 2 and 3 on special copy requirements for loans subject to rescission rights under the Truth In Lending Act.

Note 1: **If the deed of trust does not contain a legal description, you are directed to attach a legal description to the deed of trust. If a legal description is already on the face of the deed of trust or attached, you are directed to review it for accuracy prior to recordation.**

Note 2:  **IMPORTANT! This transaction is subject to the Truth In Lending Act and the borrower has rescission rights.** You are directed to do the following in completing the form titled "NOTICE TO CUSTOMERS REQUIRED BY FEDERAL LAW — NOTICE OF RIGHT TO CANCEL":

1. Under Section 1, "Your Right To Cancel," the underlined section must be completed with the date all of the documents are being signed.
2. Under Section 2, "How To Cancel," the underlined section must be completed with the date three business days after the documents have been signed. DO NOT COUNT THE DAY THE DOCUMENTS ARE SIGNED. For Truth In Lending purposes, all days are business days except Sunday and all Federal holidays.
3. **Provide two copies of the Notice of Right To Cancel to each borrower.**
4. It is a violation of the Truth In Lending Act to pre-date or pre-sign any documents in this transaction. Willfully violating the borrower's rights, even at the borrower's request, by pre-dating and/or pre-signing the documents could extend the borrower's right to cancel for a period of three years.
5. If it is unclear on how to complete this document, we recommend you contact us for further instructions.

Note 2A: **X** **IMPORTANT! This transaction is subject to an additional 3 day cooling period due to being a "High Cost Mortgage" under federal guidelines. The HOEPA document will be enclosed. THIS DOCUMENT MUST BE SIGNED 3 BUSINESS DAYS PRIOR TO THE SIGNING OF ALL OTHER LOANS DOCUMENTS (except the AB489 notice).**

Note 2B: **X** **IMPORTANT! This transaction is subject to an additional 3 day cooling period due to being a "High Cost Mortgage under state guidelines. The CONSUMER NOTICE will be enclosed. THIS DOCUMENT MUST BE SIGNED 3 BUSINESS DAYS PRIOR TO THE SIGNING OF ALL OTHER LOANS DOCUMENTS (except the HOEPA notice – they would be signed concurrently).**

Note 3:  **IMPORTANT! This transaction is subject to the Truth In Lending Act and the borrower has rescission rights.** You are directed to do the following in completing the form titled "NOTICE AND ACKNOWLEDGMENT OF NON-RESCISSION":

1. This document is to be signed after the three-day right to cancel has expired and **cannot** be signed the same day as the loan documents are signed.
  2. In the second box, the underlined section must be completed with the date **four** business days after the documents have been signed. DO NOT COUNT THE DAY THE DOCUMENTS ARE SIGNED. For Truth In Lending purposes, all days are business days except Sunday and all Federal holidays.
  3. It is a violation of the Truth In Lending Act to pre-date or pre-sign any documents in this transaction. Willfully violating the borrower's rights, even at the borrower's request, by pre-dating and/or pre-signing the documents could extend the borrower's right to cancel for a period of three years.
1. You may record the deed of trust and any related documents provided you can ensure title is vested in the name of our trustors, with the deed of trust as a valid lien recorded in the **<f65>** position, subject only to the following items: <f612> contained in your preliminary report dated <f611>, provided all of the requirements are met for the issuance of an **ALTA** mortgagee's title policy (IF WE ARE ORDERING AN ALTA POLICY, PLEASE MAKE IT A 1970 ALTA POLICY), with endorsements as follows: 100 and 116, in the amount of <f20>. Items contained in your preliminary report have been eliminated as follows: <f611>.
- If checked, construction documents accompany this package and we request that you provide a "True" Seattle Endorsement and a CLTA 101 Endorsement.
- You are directed to inform us of any material changes in the title since the date of your report and if any Notice of Default is recorded on any deed of trust which will be senior to our deed of trust.
2. **ALL SENIOR LIENS ARE TO BE CURRENT AT THE CLOSE OF ESCROW.** This is to be verified by you prior to the close of escrow. Oral verification is acceptable.
  3. All property taxes, including the current year which are due, are to be current at the close of escrow.
  4.  If checked, an assignment of deed of trust will be issued with the funding check or will follow shortly after the close of escrow. You are directed to ensure said assignment. You are directed to allow any necessary fees for title insurance, recording or any other fees which may be necessary to perfect the assignment.
  5. We require that you obtain and provide evidence of fire and casualty insurance in an amount which provides for guaranteed replacement cost. If the borrower does not have a policy which provides for guaranteed replacement, we require that the amount of insurance be for the replacement cost of the structure or \$<f20>. We require the loss payee clause be a 438 BFU endorsement and read as follows:

Loan No. <f2>

<f200><f201><f202><f203>

C/O <f585>, <f587>, <f588>

6. You are directed to return all completed documents after execution for our review and approval. A certified copy of the executed deed of trust and other recordable documents is satisfactory should you wish to hold them for recording.
7. We require that you obtain a tax service contact if our loan is a first deed of trust or if any senior lien **does not** have an impound account for taxes **ONLY IF THERE IS A TAX SERVICE CHARGE SHOWING IN THESE DOCUMENTS**.
8. We will net fund your escrow based on the estimated funding sheet attached.
9. After recording, you are directed to immediately forward a copy of the closing statement, title policy and recording data.
10. PLEASE NOTE: No other financing, secured or unsecured, except as provided herein (or by other written approval) is permitted in this transaction. You are directed to notify our office immediately if any attempt is made to include additional financing. The following financing is approved.
11. We are concerned about fraudulent activity or persons artificially inflating costs to borrowers in loan transactions. In order to protect consumers, the following procedure must be followed in conducting your escrow:
  - a. It is strictly forbidden for you to accept and pay demands from loan brokers or any other person or persons who do not have recorded interests in the real property without our specific written consent.
  - b. It is strictly forbidden for you to follow the directions of the borrower to direct the net proceeds to someone other than themselves without our specific written consent.
12. We are not to incur any expenses in connection with this escrow. These instructions are subject to amendment, substitution or revocation by the undersigned at any time prior to the close of escrow.
13. If this is a purchase escrow, the down payment must be paid thru escrow. No changes may be made to this instruction unless you receive the instruction in writing and it is approved by «f80» in writing.
14. In addition the naming the lenders as insured, you are instructed to name «f80» as an additional insured.

These instructions and the accompanying loan documents are not a loan commitment to fund the loan and other conditions not contained in these instructions may need to be met prior to closing the loan. These documents expire on «f69» and will have to be redrawn, at additional expense, after that date.

Miscellaneous instructions (if any):

**PLEASE ATTACH LEGAL DESCRIPTION TO DEED OF TRUST**

BE VERY CAREFUL ON THE DISBURSEMENTS. PLEASE REVIEW BORROWERS ESTIMATED CLOSING STATEMENT AS TO WHERE COMMISSIONS, DOCUMENT DRAWING, ODD DAYS INTEREST, ETC. ARE TO GO. WE ARE REQUIRING A CLOSING PROTECTION LETTER FROM THE NAMED TITLE COMPANY. ALSO, WE ARE REQUIRING THAT ANY AND ALL LIENS SHOW ON OUR PRELIM INCLUDING BUT NOT LIMITED TO A FILED LIS PENDIS, NOTICE OF DEFAULT, NOTICE OF TRUSTEE SALE, ETC.

**PLEASE PREPARE, HAVE EXECUTED AND RECORDED A DEED TO OUR BORROWER. THIS LOAN MUST CLOSE PRIOR TO**

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«f76» Date

INSTRUCTIONS AND DOCUMENTS ACKNOWLEDGED AND RECEIVED BY: \_\_\_\_\_  
 «f49» of «f47»  
 \_\_\_\_\_  
 «f89» of «f88»

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«f5» «f6» «f7» - Borrower/Date

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«f10» «f11» «f12» - Borrower/Date

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«f38» - Lender(s)/Date

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«f39» - Lender(s)/Date  
 BK-LNESC.DOC

«f80»  
«f81»  
«f82», «f83»

## FIRST PAYMENT LETTER

«f5» «f6» «f7»  
«f10» «f11» «f12»  
«f13» «f14»  
«f15»

Re: Loan No. «f2»

Dear Borrower:

As you know, you have just closed a loan with «f80». To be sure that your credit remains in its existing condition or in order for it to improve, it is important that you pay all of your payments timely. Please remember that your payments are credited on the day they are received, not the day they were mailed. Your first payment of \$ «f24» is due «f31».

You will be receiving a letter or coupons from your lender named in these documents or from their servicing agent «f585». They will advise you as to where to make your payments. However, in case there is a delay in the relay of this information to you, you are instructed to mail your first payment and all subsequent payments until notified otherwise to:

«f585», «f587», «f588»

From time to time, the payment of your loan may be changed to some other entity. It is important for you to know that you should not mail your payment to any other entity unless you receive a letter from your lender and/or their named servicer informing you as to where to mail your payments.

If you have any questions when this arises, please contact your lender or their servicing agent.

Sincerely,

«f76»

I/We, the undersigned, hereby understand and acknowledge the above.

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«f5» «f6» «f7»

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«f10» «f11» «f12»

«f80»

«f81»

«f82» «f83»

### Borrower's Estimated Closing Statement

Date: «f3»

Loan No. «f2»

Escrow No. «f48»

Borrower: «f5» «f6» «f7» «f8» «f10» «f11» «f12»

Lender: «f200»«f201»«f202»«f203»

Regarding that Note and «f65» Deed of Trust secured by property located at: «f18», «f19»

Description	Debits	Credits
Loan Amount		«f20»
Escrow Fee - «f47»	«f95»«f96»	
Title Insurance Policy - «f47»	«f97»«f98»	
Recording – COUNTY RECORDER’S OFFICE	«f101»«f102»	
Notary - «f47»	«f99»«f100»	
Credit Report – «f80»	«f103»«f104»	
Processing Fee – «f80»	«f105»«f106»	
Document Preparation Fee - «f47»	«f107»«f108»	
Appraisal Fee – «f252»	«f93»«f94»	
Tax Service	«f116»«f117»	
Property Taxes – COUNTY TAX COLLECTOR	«f118»«f119»	
Hazard Insurance Fee - TBD	«f112»«f113»	
Beneficiary and/or Demand Statement Fee/s	«f120»«f121»	
Reconveyance Fee/s	«f122»«f123»	
Administration Fee «f111»	«f109»«f110»	
«f124»	«f125»«f126»	
Prepaid Interest to Lender («f371») Odd Days - «f38»	«f77»«f46»	
Broker's Commission - «f80»	«f34»	
Underwriting Fee – «f80»	«f416»«f417»	
Wire Fee – «f80»	«f418»«f419»	
Origination Fee	«f410»«f411»	
Lender/Broker Inspection Fee – «f80»	«f414»«f415»	
Lender Discount Fee -	«f412»«f413»	
«f469»	«f461»«f462»	
«f470»	«f463»«f464»	
«f471»	«f465»«f466»	
«f472»	«f467»«f468»	
«f143»	0.00«f147»	
«f144»	0.00«f148»	
«f145»	0.00«f149»	
«f430»	«f428»«f429»	
«f433» - «f47»	«f431»«f432»	
Subtotal--	0.0	
Check Herewith to Borrower	0.0	
Total	«f20»	«f20»

I HEREBY APPROVE THE DISBURSEMENT OF THE LOAN PROCEEDS.

«f5» «f6» «f7» - Borrower/Date

«f10» «f11» «f12» - Borrower/Date

**PROMISSORY NOTE SECURED BY DEED OF TRUST**  
**(This Note contains an Acceleration Clause)**  
**INTEREST ONLY BALLOON PAYMENT NOTE**

Loan Number: <f2>

Date: <f3>

\$<f20>

Property Address:

<f18>

<f19>

In installments as herein stated, for value received, <f5> <f6> <f7> <f8>, <f10> <f11> <f12>, <f204> the undersigned Borrower(s), promise to pay to <f80>, the Beneficiary, or order, at a place that may be designated by the Beneficiary, the sum of: \$<f20>, <f206>, with interest from the date of funding on the unpaid principal at the rate of <f22>% percent per annum, payable in <f23> installments of \$<f24> beginning on <f31> and continuing MONTHLY ON THE FIRST DAY OF EACH MONTH thereafter until maturity, <f27>, at which time all sums of principal and interest then remaining unpaid shall be due and payable in full. Interest shall be calculated on a 360 day year and on an ordinary annuity calculation basis. At the option of the Beneficiary, each payment shall be credited first on interest then due, then on late charges, then on advances, then on fees and the remainder on principal; and interest shall thereupon cease upon the principal so credited.

**Default of payment.** Upon default in any payment of any installment, then the balance of this obligation shall become due immediately at the option of the Holder hereof. Principal and interest payable in lawful money of the United States of America. Except where federal law is applicable, this Note shall be construed and enforceable according to the laws of the State of California for all purposes and any terms herein inconsistent therewith are hereby modified to conform to said law at the time of signing of these loan documents. Time is of the essence for each and every obligation under this Note.

**THE FOLLOWING PROVISIONS MAY RESULT IN THE COMPOUNDING OF INTEREST ON YOUR LOAN**

**At the option of the Beneficiary, if any payment should be insufficient to pay the interest then due, the balance of interest remaining shall be added to principal and will bear interest at the Note rate as the principal.**

**At the option of the Beneficiary, if any principal and/or interest installments, late charges, advances and/or costs should be repaid through or by any forbearance, bankruptcy plan or similar repayment plan or foreclosure, the total sum of these amounts will bear interest at the Note rate from the date due or advanced until the date repaid.**

If this Note is not paid when due, the Borrower(s) promise to pay, in addition to the principal and interest due under this Note, all costs of collection and any reasonable attorney's fees incurred by the Beneficiary thereof on account of such collection, whether or not suit is filed hereon. Each Borrower consents to renewals, replacements, and extensions of time for payment hereof before, at, or after maturity; consents to the acceptance of security for this Note and waives demand, protest and any applicable statute of limitations.

**Payment late charge.** If any installment due hereunder is delinquent more than <f36> days, the Borrower to this Note agrees to pay a late charge on each installment of \$<f35> or <f131>% of the delinquent payment, whichever is larger. All late charges are to be paid immediately on demand.

**Balloon late charge.** In addition, if any balloon payment is delinquent more than TEN days, the borrower will be charged two monthly late charges plus an additional monthly late charge for each month the balloon remains late. The Borrower to this Note agrees to pay a late charge equivalent to the maximum late charge, which could be assessed on the largest single regular installment due under this Note. This late charge on the balloon payment is to continue to be assessed for each subsequent period of time equal to the regular installment period under this Note until the balloon payment and all other fees, interest and charges due under this Note are paid in full.

**Return check charge.** Borrower and Beneficiary agree that it would be difficult to determine the actual damages to the Beneficiary or Beneficiary's agent for the return of an unpaid check provided by Borrower. It is hereby agreed that Borrower will pay the sum equal to 5% of the amount returned or \$25.00, whichever is greater. However, in any event the maximum charge for an unpaid check is not to exceed the sum of \$35.00. This amount is in lieu of any statutory monetary penalty, if any; however, Beneficiary does not waive any other rights that may be awarded under any statute. Should Borrower have two or more returned checks, for any reason, during the life of the loan, Beneficiary may demand that Borrower make payments in the form of cash, cashiers check or money order.

**Right to assign.** The holder of this Note shall have the right to sell, assign, or otherwise transfer, either in part or in its entirety, this Note, the Deed of Trust, and other instruments evidencing or securing the indebtedness of this Note to one or more investors without Borrower's consent.

**Prepayment penalty.** The principal and accrued interest on this loan may be prepaid in whole or in part at any time but a prepayment made within 1 year of the date of execution of this Note shall be subject to the following prepayment charge, whether such prepayment is voluntary, involuntary or results from default in any term of this Note or the Deed of Trust by which it is secured: A sum equal to the payment of six (6) months advance interest on the amount prepaid in any twelve (12) month period (non-accumulative) in excess of twenty percent (20%) of the unpaid balance will be charged.

**Advancing Fee.** For any advances made to senior encumbrances and/or obligations to protect the Beneficiary's interest in this Note, there will be an advancing fee equal to three (3%) of the amount so advanced subject with a minimum fee of fifty dollars (\$50) per advance (per lender). Advances will bear interest at the same rate that is charged on the principal of this Note from the date of advancement to such date when all monies are paid in full in the form of cash and/or certified funds. ALL ADVANCES TO BE REPAYED AT NOTE RATE FROM DATE OF ADVANCE UNTIL DATE FUNDS ARE RECEIVED BY BENEFICIARY.

**Binding.** This Note and all of the covenants, promises and agreements contained in it shall be binding on and insure to the benefit of the respective legal and personal representatives, devisees, heirs, successors, and assigns of the Borrower and the Beneficiary.

**Acceleration clause.** This Note is secured by a First Deed of Trust of even date herewith which contains the following provision:

**In the event of sale or transfer, conveyance or alienation of said real property, or any part thereof, or any interest therein, whether voluntary or involuntary (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred), Beneficiary shall have the right of acceleration, at its option, to declare the Note secured by the Deed of Trust, irrespective of the maturity date expressed therein, and without demand or notice, immediately due and payable. No waiver of this right shall be effective unless it is in writing. Consent by the Beneficiary to one such transaction shall not constitute waiver of the right to require such consent to succeeding transactions.**

This Note is secured by a Deed of Trust to «f88», as Trustee.

\_\_\_\_\_  
«f5» «f6» «f7»

\_\_\_\_\_  
Date

\_\_\_\_\_  
«f10» «f11» «f12»

\_\_\_\_\_  
Date

DO NOT DESTROY THIS NOTE: When paid, this Note, with Deed of Trust securing same, must be surrendered to the Trustee for cancellation before reconveyance will be made. This loan was originated by «f80», License No. «f85», a company licensed by the Department of Real Estate.



RECORDING REQUESTED BY  
WHEN RECORDED MAIL TO

«f38»  
«f39»  
«f40»  
«f41»

SPACE ABOVE THIS LINE FOR RECORDERS USE

## DEED OF TRUST AND ASSIGNMENT OF RENTS

### 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 «f29», together with all Riders to this document.

(B) **“Borrower”** is «f5» «f6» «f7» «f8» «f10» «f11» «f12», «f204», «f450» «f8» «f451», Borrower is the trustor under this Security Instrument. Borrower’s mailing address is: «f13», «f15»

(C) **“Lender”** is «f200» «f201» «f202» «f203». Lender is the beneficiary under this Security Instrument.

(D) **“Trustee”** is «f88».

(E) **“Note”** means the promissory note signed by Borrower and dated «f29». The Note states that Borrower owes Lender «f206» Dollars (U.S. \$«f20») plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than «f27».

(F) **“Property”** means the property that is described below under the heading “Transfer of Rights in the Property.”

(G) **“Loan”** means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(H) **“Riders”** means all riders to this Security Instrument that are executed by Borrower. The following riders are to be executed by Borrower: Assignment of Rents and Profits; Security Agreement and Protection of Lenders’ Security Rider.

(I) **“Applicable Law”** means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(J) **“Community Association Dues, Fees and Assessments”** means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(K) **“Electronic Funds Transfer”** means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(L) **“Escrow Items”** mean those items that are described in Section 3.

(M) **“Miscellaneous Proceeds”** means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5 for (1) damage to, or destruction of, the Property, (11) condemnation or other taking of all or any part of the Property, (iii) conveyance in lieu of condemnation or (iv) misrepresentations of,

or omissions as to, the value and/or condition of the Property.

(N) **“Mortgage Insurance”** means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(O) **“Periodic Payment”** means the regularly scheduled amount due for (1) principal and interest under the Note, plus (2) any amounts under Section 3 of this Security Instrument.

(P) **“RESPA”** means the Real Estate Settlement Procedures Act (12 U.S.C. §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.

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

### TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (a) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (b) 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 Recorder's Office of «f63» County, which currently has the address of «f18», «f19». and fully described as:

### **SEE ATTACHED LEGAL DESCRIPTION**

APN #«f59»

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

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

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

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

**1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. 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. Additionally, Lender can require payment due to senior encumbrances, including insurance, in the forms listed above.

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 14. Lender may return any payment(s) or partial payment(s) if the payment(s) or partial payments are insufficient to bring the Loan current. Lender may accept any payment(s) or partial payment(s) insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment(s) 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(s) 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 any amounts under the Note owed by Borrower. Lender shall decide how to apply funds. Should a Notice of Default be of record, funds may be applied and the Notice of Default shall remain valid. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

**2. Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (1) interest due under the Note; (2) principal due under the Note; (3) 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.** Should Lender require, borrower or his successor 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 14 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 (1) sufficient to permit Lender to apply the Funds at the time specified under RESPA and (2) 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. 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, including garbage billings, 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: (1) a one-time charge for flood zone determination, certification and tracking services or (2) 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.

Borrower to provide and deliver evidence of insurance to lender, which is to the satisfaction of Lender.

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 (1) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (2) 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. 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. Additionally, should Borrower be conducting illegal activity on or about the property, this shall constitute a breach under this security agreement.

**7. 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.

**8. Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (1) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (2) 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 (3) 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, (1) paying any sums secured by a lien which has priority over this Security Instrument, (2) appearing in court, and (3) 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 8, 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 8.

Any amounts disbursed by Lender under this Section 8 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.

**9. 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 nonrefundable 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 the 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 9 affects Borrower's obligation to pay interest at the rate provided in the Note.

**10. 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 18, 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.

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

**12. 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 17, 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 19) and benefit the successors and assigns of Lender.

**13. 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, foreclosure 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.

**14. 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 Mailing 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 Mailing 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. Borrower requests that a copy of any Notice of Default and any Notice of Sale hereunder be mailed to Borrower at Mailing Address stated herein, unless Borrower has designated another address by Notice to Lender.

**15. 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: (1) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender, (2) words in the singular shall mean and include the plural and vice versa, and (3) the word “may” gives sole discretion without any obligation to take any action.

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

**17. Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 17, “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 federal law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 10 days from the date the notice is given in accordance with Section 14 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.

**18. 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: (i) five business days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (ii) such other period as Applicable Law might specify for the termination of Borrower’s right to reinstate; or (iii) 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, foreclosure 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 17.

**19. 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(s) 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 14) 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 21 and the notice of acceleration given to Borrower pursuant to Section 17 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 19.

**20. Hazardous Substances.** As used in this Section 20: (1) "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; (2) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (3) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law and (4) 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 (1) that is in violation of any Environmental Law, (2) which creates an Environmental Condition or (3) 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 (1) 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; (2) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (3) 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:

**21. Default.** Upon default by Borrower in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee, Agent of Beneficiary or Agent of Trustee, of written declaration of default and demand for sale and of written Notice of Default and of election to cause to be sold said property, which notice Trustee, Agent of Beneficiary or Agent of Trustee shall cause to be filed for record. Trustee, Agent of Beneficiary or Agent of Trustee shall be entitled to rely upon the correctness of such notice.

After the lapse of such time as then may be required by law following the recordation of said Notice of Default and Notice of Sale having been given as then required by law, Trustee or Trustee's Agent, without demand on Borrower, shall sell said property at the time and place fixed by it in said Notice of Sale, either as a whole or in separate parcels and in such order as it may determine \* but subject to any statutory right of Borrower to direct the order in which sold , property, if consisting of several lots or parcels, shall be sold), at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee, or Trustee's Agent may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchase its deed conveying the property so sold, but without any covenant or warranty, expressed or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness there. Any person including Borrower, Trustee or Beneficiary as herein defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the rate prescribed in the Note; all other sums then secured thereby, and the remainder, if any, to the person or persons legally entitled thereto.

**22. The Agreement is Binding.** This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatee, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the Note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the contract so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. As used herein, "fixtures" includes but is not limited to carpeting, built-in appliances, drapery and drapery rods, landscaping, water tank, plumbing, machinery, air

conditioners, ducts, and the like.

**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, 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. 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.

**25. ( ) Multiple Lender Loans:** Pursuant to Civil Code Section 2941.9, this deed of trust is subject to a signed agreement between all of the Lenders to be governed by the Lenders holding more than 50% of the record beneficial interest.

**26. 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 provide by Section 2943 of the Civil Code of California.

**27. Senior Lien Information.** Lender may require information on any and all senior lien information from Borrower. Said request must be made in writing to Borrower. Borrower must submit information to Lender within 20 days of date of request. Said information can include, but is not limited to: name of senior lien holder, balance due, payment amount, next due date, address of lien holder, phone number of lien holder, loan number and amounts advanced.

**28. Indemnification.** Borrower hereby agrees to indemnify (as the same are incurred or accrued) and hold Lender and its officers, agents, representatives harmless from and against any cost, expense (including, without limitation attorney fees, consulting fees and court costs), demand, claim or lawsuit arising out of or related to the Property or the Loan, including, but not limited to any claims made by contractors, suppliers, mechanics lien claimants, homeowner associations, governmental authorities, stop notice claimants, title companies or persons purporting to be injured on or by the Property or by the acts or conduct of Borrower, its contractors, subcontractors, suppliers and or other persons dealing with Borrower. If Borrower fails to provide such indemnity as the same accrues and as expenses are incurred, the amount not paid shall be added to the principal amount of the Note and bear interest thereon at the same rate then in effect (including any default rate in effect) and shall be secured by the same collateral as securing the Note and Loan Agreement.

**29. Acceptance by Lender of Partial Payment After Notice of Default.** By accepting partial payment (payments which do not satisfy a default or delinquency in full), or any sums secured by this Deed of Trust after a notice of default has been recorded, or by accepting late performance of any obligation secured by this Deed of Trust, or by adding any payments so made to the loans secured by this Deed of Trust, whether or not such payments are made pursuant to a court order, Lender does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure to make any such payment promptly or to perform any such act. No exercise of any right or remedy of the Lender or Trustee under this Deed of Trust shall constitute a waiver of any other right or remedy contained in this Deed of Trust or provided by law.

**30. Unsecured Portion of Indebtedness.** If any part of the secured indebtedness cannot be lawfully secured by this Deed of Trust, or if any part of the Property cannot be lawfully subject to the lien and security interest hereof to the full extent of such indebtedness, then all payments made shall be applied on said indebtedness first in discharge of that portion thereof which is unsecured by this Deed of Trust.

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

Witnesses:

\_\_\_\_\_  
«f5» «f6» «f7» - Borrower/Date

\_\_\_\_\_  
«f10» «f11» «f12» - Borrower/Date

\_\_\_\_\_  
«f450» - Borrower/Date

\_\_\_\_\_  
«f451» - Borrower/Date

State of California

}

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_,

Date

Here insert Name and Title of the Officer

Personally appeared \_\_\_\_\_

Name(s) of signer(s)

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

**WITNESS my hand and official seal.**

Place Notary Seal Above

Signature \_\_\_\_\_

Signature of Notary Public

**«f80»**  
«f81»  
«f82», «f83»

## PROTECTION OF LENDER'S SECURITY RIDER

NOTICE: THIS RIDER ADDS A PROVISION TO THE SECURITY INSTRUMENT ALLOWING THE LENDER TO REQUIRE PAYMENT OF THE LENDER'S ATTORNEY'S FEES IN BANKRUPTCY CASES.

THIS PROTECTION OF LENDER'S SECURITY RIDER is made «f3», 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 (the "Borrower") to secure borrower's note to «f38» «f39» (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at: «f18», «f19» - Property address.

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

### A. PROTECTION OF LENDER'S SECURITY

In addition to the uniform covenant contained in section 8 of the Security Instrument, the following information is added:

8. Protection of Lender's Security. If Lender's interest in the Property is materially affected by any proceeding under the Bankruptcy Laws of the United States, the Lender, at Lender's option, may take such action, including seeking relief under the Bankruptcy Laws, and disburse such sums, including reasonable attorney's fees, as is necessary to protect Lender's interest.

If Lender required mortgage insurance as a condition of making the loan secured by this Deed of Trust, borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with the Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice form Lender to borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

By SIGNING BELOW, Borrower accepts and agrees to the terms and covenant contained in this PROTECTION OF LENDER'S SECURITY RIDER.

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«f5» «f6» «f7» - Borrower/Date

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«f10» «f11» «f12» - Borrower/Date

# **RIDER TO DEED OF TRUST ASSIGNMENT OF RENTS AND PROFITS AND SECURITY AGREEMENT**

**THIS RIDER** is made this «f29» and is incorporate into and shall be deemed to amend and supplement the Deed of Trust of even date given by the undersigned (the "Borrower") to secure Borrower's promissory note to «f80», (a California corporation), as Trustee for the benefit of «f38» «f39» «f363»«f459»«f460», as to an undivided \$«f43» interest; (collectively, "Lender") and covering the Property described in the Deed of Trust and located at «f18», «f19».

## **1. Assignment of Rents, Revenues and Profits**

(a) All of Borrower's interest in any leases, membership contracts, concessions agreements, rental agreements or any other agreements pertaining to the said Property now existing or hereafter entered into, all of the rents, royalties, issues, profits, revenue, income and other benefits of the Property arising from the use or enjoyment of all or any portion thereof or from any lease or agreement pertaining to occupancy of any portion of the Property now existing or hereafter entered into whether now due, past due, or to become due, and including all unpaid rents, security deposits, prepaid membership fees and dues and other charges (the "Rents and Profits"), are hereby absolutely, presently and unconditionally assigned, transferred and conveyed to Lender to be applied by Lender in payment of the principal and interest and all other sums payable on the Note, and of all other sums payable under this Deed of Trust. Prior to the occurrence of any Event of Default Borrower shall have a license to collect and receive all Rents and Profits, which license shall be terminable at the sole option of Lender, without regard to the adequacy of its security hereunder and without notice to or demand upon Borrower, upon the occurrence of any Event of Default. It is understood and agreed that neither the foregoing Assignment of Rents and Profits to Lender nor the exercise by Lender of any of its rights or remedies under this Deed of Trust hereof shall be deemed to make Lender a "mortgagee in-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Lender, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Property by any court at the request of Lender or by agreement with Borrower, or the entering into possession of the Property or any part thereof by such receiver, be deemed to make Lender a mortgagee-in-possession or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation of all or any portion thereof. Upon the occurrence of any Event of Default, this shall constitute a direction to and full authority to each lessee under any lease and each guarantor of any lease to pay all Rents and Profits to Lender without proof of the default relied upon. Borrower hereby irrevocably authorizes each lessee and guarantor to rely upon and comply with any notice or demand by Lender for the payment to Lender of any Rents and Profits due or to become due.

(b) Borrower shall apply the Rents and Profits to the payment of all necessary and reasonable operating cost and expenses of the Property, debt service on the indebtedness secured hereby, and a reasonable reserve for future expenses, repairs and replacements for the Property, before using the Rents and Profits for Borrower's personal use or any other purpose not for the direct benefit of the Property.

**2. Security Agreement** This Deed of Trust is intended to be a security agreement pursuant to the California Uniform Commercial Code for:

(a) any and all items of personal property specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the California Uniform Commercial Code and which are not in this Deed of Trust effectively made part of the real property, including, without limitation, Borrower's interest in all building materials, fixtures, equipment and machinery incorporated or to be incorporated into improvements constructed and to be constructed on the Property together with all interest of the Borrower in all personal property, appliances, equipment and cost of goods now or hereafter owned or possessed by Borrower located upon, in, or about or used in connection with said Property, including, without limiting, any and all personal property necessary for the operation and maintenance of a health and racquet club on said Property, together with all increases, substitutes, replacements, proceeds and products thereof and additions and accessions thereto, all rents, issues and profits due or to become due Borrower from or pertaining to said real property, Borrower's interest in any monies deposited by or on behalf of Borrower with any city, county, public body, utility or agency for the installation or as security for the installation of any utility pertaining to the Property, all rights to the use of any trade name, trademark or service mark now or hereafter associated with the business or businesses conducted on said premises (subject, however, to any franchise or license agreements relating thereto) together with all rights of borrower under any policy or policies of insurance covering the foregoing property and all proceeds, loss payments and premium refunds which may be payable with respect to such insurance policies or any other insurance policies insuring said real or personal property and the proceeds of any involuntary disposition, including without limitation any tort judgment proceeds; and

(b) Any and all items of property specified above as part of the Property which, under applicable law, constitute fixtures and may be subject to a security interest under Section 9-313 of the California Uniform Commercial Code.

Borrower hereby grants Lender a security interest in said property, all of which is referred to in this Deed of Trust as "Personal Property," and in all additions thereto, substitutions therefore and proceeds thereof, for the purpose of securing all indebtedness and other obligations of Borrower now or hereafter secured by this Deed of Trust, which shall be a paramount and superior lien on all such Personal Property at all times. Borrower agrees to execute and deliver financing and continuation statements covering the Personal Property from time to time and in such form as Lender may require to perfect and continue the perfection of Lender's lien or security interest with respect to said property. Borrower shall pay all costs of filing such statements and renewals and releases thereof and shall pay all reasonable costs and expenses of any record searches for financing statements Lender may reasonably require. Upon the occurrence of any default of Borrower hereunder, Lender shall have the rights and remedies of a secured party under California Uniform Commercial Code, including, Section 9501 (4) thereof, as well as all other rights and remedies available at law or in equity.

Notwithstanding anything to the contrary contained in this Paragraph 2, Borrower may from time to time replace items of personal property and fixtures constituting a part of the Property, provided that:

(1) The replacements for such items of personal property or fixtures are of equivalent value and quality;

(2) Borrower has good and clear title to such replacement property free and clear of any and all liens, encumbrances, security interests, ownership interests, claims of title (contingents or otherwise), or charges of any kind, or the rights of any conditional sellers, vendors or any third parties in or to such replacement property have been expressly subordinated at no cost to Lender to the lien of the Deed of Trust in a manner satisfactory to Lender; and

(3) at the option of Lender, Borrower provides at no cost to Lender a satisfactory opinion of counsel to the effect that the Deed of Trust constitutes a valid and subsisting first lien on and security interest in such replacement property and is not subject to being subordinated or the priority thereof affected under any applicable law, including, but not limited to, the provisions of Section 9-313 of the California Uniform Commercial Code.

**IN WITNESS WHEREOF**, Borrowers have executed this Rider as of the date first above written.

---

«f5» «f6» «f7» - Borrower Date

---

«f10» «f11» «f12» - Borrower Date

---

«f450» - Borrower Date

# RIDER TO DEED OF TRUST

The following provisions are a part of and incorporated into that certain Deed of Trust with Assignment of Rents dated as of <f29>, by and between <f5> <f6> <f7> <f8> <f10> <f11> <f12> ("Trustor"), <f80>, a California corporation ("Trustee") and <f200> <f201> <f202> <f203> <f207> <f347> <f348> <f344> <f345><f346> ("Beneficiary").

## Assignment of Rent and Profits

**(a) Present Assignment.** All of Trustor's interest in any leases or other occupancy agreements pertaining to the Property now existing or hereafter entered into, and all of the rents, royalties, issues, profits, revenue, income and other benefits of the Property arising from the use or enjoyment of all or any portion thereof or from any lease or agreement pertaining to occupancy of any portion of the Property now existing or hereafter entered into whether now due, past due, or to become due, and including all prepaid rents and security deposits (the "Rents and Profits"), are hereby absolutely, presently and unconditionally assigned, transferred and conveyed to Beneficiary to be applied by Beneficiary in payment of the principal and interest and all other sums payable on the Note and under this Deed of Trust subject to the rights of residential tenants under California Civil Code Section 1950.5(d). Beneficiary waives the right to exercise the rights and powers assigned to Beneficiary herein and agrees not to revoke such waiver until and unless an event of acceleration (as set forth in Section 4 below) occurs. It is understood and agreed that neither the foregoing assignment of Rents and Profits to Beneficiary nor the exercise by Beneficiary of any of its rights or remedies hereunder shall be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Beneficiary, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Property by any court at the request of Beneficiary or by agreement with Trustor, or the entering into possession of the Property or any part thereof by such receiver, be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property. Upon the occurrence of any event of default, this shall constitute a direction to and full authority to each lessee under any lease to pay all Rents and Profits to Beneficiary without proof of the default. Trustor hereby irrevocably authorizes each lessee to rely on and comply with any notice or demand by Beneficiary for the payment to Beneficiary of any Rents and Profits due or to become due.

**(b) Application of Rents.** Trustor shall apply the Rents and Profits to the payment of all necessary and reasonable operating costs and expenses of the Property, and debt service on the indebtedness secured hereby, before using the Rents and Profits for the Trustor's personal use or any other purpose not for the direct benefit of the Property.

**(c) Notice to Tenants.** Trustor shall at all times perform the obligations of lessor under all such leases. Trustor shall at any time or from time to time, upon request of Beneficiary, transfer and assign to Beneficiary in such form as may be satisfactory to Beneficiary, Trustor's interest in any lease, subject to and upon the condition, however, that prior to the occurrence of any event of default hereunder Trustor shall have a license to collect and receive all Rents and Profits under such lease upon accrual, but not prior thereto, as set forth in Paragraph (a) above. Whenever requested by Beneficiary, Trustor shall furnish to Beneficiary a certificate of Trustor setting forth the names of all lessees under any leases, the terms of their respective leases, the space occupied, the rents payable hereunder, and the dates through which any and all rents have been paid.

**(d) Attornment.** Each lease for any part of the Property, shall make provision for the Attornment of the lessee hereunder to any person succeeding to the interest of Trustor as the result of any foreclosure or transfer in lieu of foreclosure hereunder.

**(e) Direct Creditor.** Beneficiary shall be deemed to be the creditor of each lessee in respect of any assignments for the benefit of creditors and any bankruptcy, arrangement, reorganization, insolvency, dissolution, receivership or other debtor-relief proceedings affecting such lessee (without obligation on the part of Beneficiary, however, to file timely claims in such proceedings or otherwise pursue creditor's rights therein). Beneficiary shall have the right to assign Trustor's right, title and interest in any leases to any subsequent holder of this Deed of Trust or any participating interest therein or to any person acquiring title to all or any part of the Property through foreclosure or otherwise. Any subsequent assignee shall have all the rights and powers herein provided to Beneficiary. Beneficiary shall have the authority, as Trustor's attorney-in-fact, such authority being coupled with an interest and irrevocable, to sign the name of Trustor and to bind Trustor on all papers and documents relating to the operation, leasing and maintenance of the Property.

**(f) Miscellaneous.** \_\_\_\_\_

\_\_\_\_\_  
<f5> <f6> <f7>

\_\_\_\_\_  
Date

\_\_\_\_\_  
<f10> <f11> <f12>

\_\_\_\_\_  
Date

# NOTICE TO CUSTOMERS REQUIRED BY FEDERAL LAW

## NOTICE OF RIGHT TO CANCEL — General

Loan No.: <f2>

Creditor: <f38>

### 1. YOUR RIGHT TO CANCEL

You are entering into a transaction that will result in a lien on 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 <f29>; or
- (2) the date you received your Truth in Lending disclosures; or
- (3) the date you received this notice of your right to cancel.

If you cancel the transaction, the lien is also canceled. Within 20 calendar days after we receive your notice, we must take steps necessary to reflect the fact that the lien on your home has been canceled, 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.

### 2. HOW TO CANCEL

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

<f80>  
<f81>  
<f82>, <f83>

You may use any written statement that is signed and dated by you and states your intention to cancel, and/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 the notice no later than midnight of (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

\_\_\_\_\_  
(Consumer's Signature)

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

I/we hereby acknowledge the receipt of two copies of this notice each.

\_\_\_\_\_  
<f5> <f6> <f7> - Borrower/Date

\_\_\_\_\_  
<f10> <f11> <f12> - Borrower/Date



«f80»  
«f81»  
«f82» «f83»

## NOTICE AND ACKNOWLEDGMENT OF NON-RESCISSION

Loan No.: «f2»

When you signed your loan documents, you were given a notice advising you that you had three business days in which to cancel your loan. More than three days have passed and we request that you acknowledge the following:

1. Pursuant to the requirements of Regulation Z of the Federal Truth In Lending Act we, the undersigned, received two copies each of the Notice of Right of Rescission when we signed our loan documents.
2. More than three business days have elapsed from the date of receipt of the Notice of Right of Rescission and the signing of our loan documents.
3. We, the undersigned, have not canceled or rescinded the loan transaction.
4. It is our desire to now proceed with the loan transaction.

We realize that the lender will rely on these statements and will proceed with the transaction. In addition, we realize that if these statements are not true and willfully withhold that fact from the lender, we may not be afforded any protection under the Truth In Lending Act.

**THIS NOTICE MUST BE SIGNED AND DATED ON OR AFTER,  
BUT NOT BEFORE THE FOLLOWING DATE:**

---

«f5» «f6» «f7» - Borrower/Date

---

«f10» «f11» «f12» - Borrower/Date

# ITEMIZATION OF AMOUNT FINANCED

Broker:

Borrower(s):

<f80>  
<f81>  
<f82>, <f83>  
<f85>

<f5> <f6> <f7>  
<f10> <f11> <f12>  
<f13> <f14>  
<f15>

Property Address : <f18>  
<f19>

Present Address : <f13>  
<f14>  
<f15>

Date : <f29>

Loan # : <f2>

Loan Amount \$ <f20>

Sales Price : <f247>

Itemization of Amount Financed of..... <f623>

Amount given to you directly..... <f624>

Amount paid to others on your behalf..... <f626>

Appraisal	<f93><f94>
Escrow	<f95><f96>
Title Insurance	<f97><f94>
Notary	<f99><f94>
Recording	<f101><f102>
Processing Fee	<f105><f106>
<f111>	<f109><f110>
Hazard Insurance	<f112><f113>
Credit Insurance	<f114><f115>
Tax Service	<f116><f117>
Property Taxes	<f118><f119>
Beneficiary Statement	<f120><f121>
Reconveyance	<f122><f123>
<f124>	<f125><f126>

Prepaid Financial Charges..... <f627>

Loan Origination	<f34>
Credit Report	<f103><f104>
Document Preparation	<f107><f108>
Odd Days Interest	<f46><f77>

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<f5> <f6> <f7> - Borrower/Date

---

<f10> <f11> <f12> - Borrower/Date

«f80»  
«f81»  
«f82», «f83»

## THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977 FAIR LENDING NOTICE

TO: ALL APPLICANTS FOR FINANCIAL ASSISTANCE

IT IS ILLEGAL TO DISCRIMINATE IN THE PROVISION OF OR IN THE AVAILABILITY OF FINANCIAL ASSISTANCE BECAUSE OR 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 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 GEOGRAPHICAL 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 QUESTIONS ABOUT YOUR RIGHTS, OR IF YOU WISH TO FILE A COMPLAINT, CONTACT THE MANAGEMENT OF THIS FINANCIAL INSTITUTION OR

Department of Real Estate  
2201 Broadway  
Sacramento, CA. 95818-2500

Department of Real Estate  
320 West 4th Street  
Los Angeles, CA. 90013-1105

### ACKNOWLEDGMENT OF RECEIPT

I/(WE) RECEIVED A COPY OF THIS NOTICE ON:

---

«f5» «f6» «f7» - Borrower/Date

---

«f10» «f11» «f12» - Borrower/Date

I/(WE) CERTIFY DELIVERY ON THIS DATE: \_\_\_\_\_

LOAN NO.:«f2»



# A. Settlement Statement (HUD-1)

OMB Approval No. 2502-0265

## B. Type of Loan

1. <input type="checkbox"/> FHA    2. <input type="checkbox"/> RHS    3. <input type="checkbox"/> Conv. Unins. 4. <input type="checkbox"/> VA    5. <input type="checkbox"/> Conv. Ins.	6. File Number:	7. Loan Number: «f2»	8. Mortgage Insurance Case Number:
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked “(p.o.c.)” were paid outside the closing; they are shown here for informational purposes and are not included in the totals.			
D. Name & Address of Borrower: «f5» «f6» «f7» «f13» «f14» «f15»	E. Name & Address of Seller:   		F. Name & Address of Lender: «f8» «f9» «f10» «f11»
G. Property Location: «f18» «f19»	H. Settlement Agent:  Place of Settlement:		I. Settlement Date:

## J. Summary of Borrower's Transaction

<b>100. Gross Amount Due from Borrower</b>	
101. Contract sales price	0.00
102. Personal property	0.00
103. Settlement charges to borrower (line 1400)	0.00
104.	0.00
105.	0.00
<b>Adjustment for items paid by seller in advance</b>	
106. City/town taxes to	0.00
107. County taxes to	0.00
108. Assessments to	0.00
109.	0.00
110.	0.00
111.	0.00
112.	0.00
<b>120. Gross Amount Due from Borrower</b>	<b>0.00</b>
<b>200. Amounts Paid by or in Behalf of Borrower</b>	<b>0.00</b>
201. Deposit or earnest money	0.00
202. Principal amount of new loan(s)	0.00
203. Existing loan(s) taken subject to	0.00
204.	0.00
205.	0.00
206.	0.00
207.	0.00
208.	0.00
209.	0.00
<b>Adjustments for items unpaid by seller</b>	<b>0.00</b>
210. City/town taxes to	0.00
211. County taxes to	0.00
212. Assessments to	0.00
213.	0.00
214.	0.00
215.	0.00
216.	0.00
217.	0.00
218.	0.00
219.	0.00
<b>220. Total Paid by/for Seller</b>	<b>0.00</b>
<b>300. Cash at Settlement from/to Borrower</b>	<b>0.00</b>
301. Gross amount due from borrower (line 120)	0.00
302. Less amounts paid by/for borrower (line 220)	(0.00)
<b>303. Cash <input type="checkbox"/> From <input type="checkbox"/> To Borrower</b>	

## K. Summary of Seller's Transaction

<b>400. Gross Amount Due to Seller</b>	
401. Contract sales price	0.00
402. Personal property	0.00
403.	0.00
404.	0.00
405.	0.00
<b>Adjustments for items paid by seller in advance</b>	
406. City/town taxes to	0.00
407. County taxes to	0.00
408. Assessments to	0.00
409.	0.00
410.	0.00
411.	0.00
412.	0.00
<b>420. Gross Amount Due to Seller</b>	<b>0.00</b>
<b>500. Reductions In Amount Due to Seller</b>	<b>0.00</b>
501. Excess deposit (see instructions)	0.00
502. Settlement charges to seller (line 1400)	0.00
503. Existing loan(s) taken subject to	0.00
504. Payoff of first mortgage loan	0.00
505. Payoff of second mortgage loan	0.00
506.	0.00
507.	0.00
508.	0.00
509.	0.00
<b>Adjustments for items unpaid by seller</b>	<b>0.00</b>
510. City/town taxes to	0.00
511. County taxes to	0.00
512. Assessments to	0.00
513.	0.00
514.	0.00
515.	0.00
516.	0.00
517.	0.00
518.	0.00
519.	0.00
<b>520. Total Reduction Amount Due Seller</b>	<b>0.00</b>
<b>600. Cash at Settlement to/from Seller</b>	<b>0.00</b>
601. Gross amount due to seller (line 420)	0.00
602. Less reductions in amount due seller (line 520)	(0.00)
<b>603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller</b>	

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

**L. Settlement Charges**

700. Total Real Estate Broker Fees		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of commission (line 700) as follows:			
701.	\$ to		
702.	\$ to		
703.	Commission paid at settlement	0.00	0.00
704.		0.00	0.00

800. Items Payable in Connection with Loan			
801.	Our origination charge	\$ (from GFE #1)	«f410» «f411»
802.	Your credit or charge (points) for the specific interest rate chosen	\$ (from GFE #2)	«f412» «f413»
803.	Your adjusted origination charges	(from GFE A)	0.00 0.00
804.	Appraisal fee to	(from GFE #3)	«f93» «f94»
805.	Credit report to	(from GFE #3)	«f103» «f104»
806.	Tax service to	(from GFE #3)	«f116» «f117»
807.	Flood certification	(from GFE #3)	0.00 0.00
808.			0.00 0.00
809.			0.00 0.00
810.			0.00 0.00
811.			0.00 0.00

900. Items Required by Lender to Be Paid in Advance			
901.	Daily interest charges from to @ \$«f264» /day	(from GFE #10)	«f77» «f46»
902.	Mortgage insurance premium for months to	(from GFE #3)	«f115» «f114»
903.	Homeowner's insurance for years to	(from GFE #11)	«f113» «f112»
904.	«f430»		«f429» 0.00

1000. Reserves Deposited with Lender			
1001.	Initial deposit for your escrow account	(from GFE #9)	«f731» 0.00
1002.	Homeowner's insurance «f438» months @ \$«f439» per month \$		«f423» 0.00
1003.	Mortgage insurance «f440» months @ \$«f441» per month \$		«f424» «f425»
1004.	Property taxes «f442» months @ \$«f443» per month \$		«f426» «f427»
1005.	months @ \$ per month \$		0.00 0.00
1006.	months @ \$ per month \$		0.00 0.00
1007.	Aggregate Adjustment - \$		0.00 0.00

1100. Title Charges			
1101.	Title services and lender's title insurance	(from GFE #4)	0.00 0.00
1102.	Settlement or closing fee \$		«f96» «f97»
1103.	Owner's title insurance	(from GFE #5)	0.00 0.00
1104.	Lender's title insurance \$		0.00 0.00
1105.	Lender's title policy limit \$		0.00 0.00
1106.	Owner's title policy limit \$		0.00 0.00
1107.	Agent's portion of the total title insurance premium to		0.00 0.00
1108.	Underwriter's portion of the total title insurance premium to		«f98» «f97»
1109.			0.00 0.00
1110.			0.00 0.00
1111.			0.00 0.00

1200. Government Recording and Transfer Charges			
1201.	Government recording charges	(from GFE #7)	«f102» «f101»
1202.	Deed \$ Mortgage \$ Releases \$		0.00 0.00
1203.	Transfer taxes	(from GFE #8)	0.00 0.00
1204.	City/County tax/stamps Deed \$ Mortgage \$		«f435» «f434»
1205.	State tax/stamps Deed \$ Mortgage \$		0.00 0.00
1206.			0.00 0.00

1300. Additional Settlement Charges			
1301.	Required services that you can shop for	(from GFE #6)	0.00 0.00
1302.	Pest Inspection \$		«f437» «f436»
1303.	Beneficiary Statement \$		«f121» «f120»
1304.	Reconveyance		«f123» «f122»
1305.	«f124»		«f126» «f125»

1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)		
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# Good Faith Estimate (GFE)

Name of Originator «f80»	Borrower
Originator Address «f81» «f82», «f83»	«f5» «f6» «f7»
Originator Phone Number «f84»	Property Address «f18» «f19»
Originator Email	Date of GFE

**Purpose** This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD’s *Special Information Booklet* on settlement charges, your *Truth-in-Lending Disclosures*, and other consumer information at [www.hud.gov/respa](http://www.hud.gov/respa). If you decide you would like to proceed with this loan, contact us.

**Shopping for Your loan** Only you can shop for the best loan for you. Compare this GFE with other loan offers, so you can find the best loan. Use the shopping chart on page 3 to compare all the offers you receive.

- Important dates**
- The interest rate for this GFE is available through . After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
  - This estimate for all other settlement charges is available through .
  - After you lock your interest rate, you must go to settlement within  days (your rate lock period) to receive the locked interest rate.
  - You must lock the interest rate at least  days before settlement.

**Summary of your loan**

Your initial loan amount is	\$ «f20»
Your loan term is	Years
Your initial interest rate is	«f22» %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ «f24» per month
Can your interest rate rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of ___ % The first change will be in
Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of \$
Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be in and the monthly amount owed can rise to \$ _____. The maximum it can ever rise to is \$ _____.
Does your loan have a prepayment penalty?	«f257» No <input type="checkbox"/> Yes, your maximum prepayment penalty is \$ «f256»
Does your loan have a balloon payment?	«f225» No <input type="checkbox"/> Yes, you have a balloon payment of \$ «f224» due in years. «f25»

**Escrow account information** Some lenders require an escrow account to hold funds for paying property taxes or other property-related charges in addition to you monthly amount owed of \$ .

Do we require you to have an escrow account for your loan?

No, you do not have an escrow account. You must pay these charges directly when due.

Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.

**Summary of your Settlement charges**

<b>A</b>	Your Adjusted Origination Charges (see page 2.)	<input type="text"/>		
<b>B</b>	Your Adjusted Origination Charges (see page 2.)	<input type="text"/>		
<b>A</b>	<b>+</b>	<b>B</b>	<b>Total Estimated Settlement Charges</b>	\$ <input type="text"/>

Understanding  
Your estimated  
Settlement Charges

Your Adjusted Origination Charges	
<b>1. Our origination charge</b> This charge is for getting this loan for you.	«f410»
<b>2. Your credit or charge (points) for the specific interest rate chosen</b> <input checked="" type="checkbox"/> The credit or charge for the interest rate of «f22»% is included in “Our origination charge.” (See item 1 above.) <input type="checkbox"/> You receive a credit of \$ _____ for this interest rate of _____ %. This credit <b>reduces</b> your settlement charges. <input type="checkbox"/> You pay a charge of \$ _____ for this interest rate of _____ %. This charge (points) <b>increases</b> your total settlement charges. The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan.	

<b>A</b>	<b>Your Adjusted Origination Charges</b>	\$ «f410»
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**Your Charges for All Other Settlement Services**

<b>3. Required services that we select</b> These charges are for services we require to complete your settlement. We will choose the providers of these services.											
<table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>Appraisal Fee</td> <td>«f93» «f94»</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Service	Charge	Appraisal Fee	«f93» «f94»							
Service	Charge										
Appraisal Fee	«f93» «f94»										
<b>4. Title services and lender’s title insurance</b> This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required.	«f97» «f98»										
<b>5. Owner’s title insurance</b> You may purchase an owner’s title insurance policy to protect your interest in the property.											
<b>6. Required services that you can shop for</b> These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below.											
<table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>Tax Service Fee</td> <td>«f116» «f117»</td> </tr> <tr> <td>Escrow Fee</td> <td>«f95» «f96»</td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Service	Charge	Tax Service Fee	«f116» «f117»	Escrow Fee	«f95» «f96»					
Service	Charge										
Tax Service Fee	«f116» «f117»										
Escrow Fee	«f95» «f96»										
<b>7. Government recording charges</b> These charges are for state and local fees to record your loan and title documents.	«f101» «f102»										
<b>8. Transfer taxes</b> These charges are for state and local fees on mortgages and home sales.											
<b>9. Initial deposit for your escrow account</b> This charge is held in an escrow account to pay future recurring charges on your property and includes all property taxes, all insurance, and other .											
<b>10. Daily interest charges</b> This charge is for the daily interest on your loan from the day of your settlement until the first day of the month or the first day of your normal mortgage payment cycle. This amount is \$ «f264» per day for «f371» days (if your settlement is «f30»).	«f77»										
<b>11. Homeowner’s insurance</b> This charge is for the insurance you must buy for the property to protect from a loss, such as fire.											
<table border="1"> <thead> <tr> <th>Policy</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Policy	Charge									
Policy	Charge										

<b>B</b>	<b>Your Charges for All Other Settlement Services</b>	\$ _____
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<b>A</b>	<b>+</b>	<b>B</b>	<b>Total Estimated Settlement Charges</b>	\$ «f127»
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Some of these charges can change at settlement. See the top of page 3 for more information.





# Instructions

## Understanding Which charges can change at settlement

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

These charges cannot increase at settlement:

- Our original charge
- Your credit or charge (points) for the specific interest rate chosen (after you lock in your interest rate)
- Your adjusted origination charges (after you lock in your interest rate)
- Transfer taxes

The total of these charges can increase up to 10% at settlement:

- Required services that we select
- Title services and lender's title insurance (if we select them or you use companies we identify)
- Owner's title insurance (if you use companies we identify)
- Required services that you can shop for (if you use companies we identify)
- Government recording charges

These charges can change at settlement:

- Required services that you can shop for (if you do not use companies we identify)
- Title services and lender's title insurance (if you do not use companies we identify)
- Owner's title insurance (if you do not use companies we identify)
- Initial deposit for your escrow account
- Daily interest charges
- Homeowner's insurance

## Using the tradeoff table

In this GFE, we offered you this loan with a particular interest rate and estimated settlement charges. However:

- If you want to choose this same loan with **lower settlement charges**, then you will have a **higher interest rate**.
- If you want to choose this same loan with a **lower interest rate**, then you will have **higher settlement charges**.

If you would like to choose an available option, you must ask us for a new GFE.

*Loan originators have the option to complete this table. Please ask for additional information if the table is not completed.*

	The loan in this GFE	The same loan with lower settlement charges	The same loan with a lower interest rate
Your initial loan amount	\$	\$	\$
Your initial interest rate	%	%	%
Your initial monthly amount owed	\$	\$	\$
Change in the monthly amount owed from this GFE	No change	You will pay \$ <b>more</b> every month	You will pay \$ <b>less</b> every month
Change in the amount you will pay at settlement with this interest rate	No change	Your settlement charges will be <b>reduced</b> by \$	Your settlement charges will <b>increase</b> by \$
How much your total estimated settlement charges will be	\$	\$	\$

<sup>1</sup>For an adjustable rate loan, the comparisons above are for the initial interest rate before adjustments are made.

## Using the Shopping chart

Use this chart to compare GFEs from different loan originators. Fill in the information by using a different column for each GFE your receive. By comparing loan offers, you can shop for the best loan.

	This loan	Loan 2	Loan 3	Loan 4
Loan originator name	<<f80>>			
Initial loan amount	<<f20>>			
Loan term	<<f23>>			
Initial interest rate	<<f22>>			
Initial monthly amount owed	<<f24>>			
Rate lock period				
Can interest rate rise?				
Can loan balance rise?				
Can monthly amount owed rise?				
Prepayment penalty?	<<f257>> <<f256>>			
Balloon Payment?	<<f225>> <<f224>>			
Total Estimated Settlement Charges				

## If your loan is sold in the future

some lenders may sell your loan after settlement. Any fees lenders receive in the future cannot change the loan you receive or the charges you paid at settlement.



STATE OF CALIFORNIA



DEPARTMENT OF REAL ESTATE  
Providing Service, Protecting You

**MORTGAGE LOAN DISCLOSURE STATEMENT (TRADITIONAL)**

RE 882 (Rev. 10/10)

BORROWER'S NAME(S)

«f5» «f6» «f7» «f8» «f10» «f11» «f12»

REAL PROPERTY COLLATERAL: THE INTENDED SECURITY FOR THIS PROPOSED LOAN WILL BE A DEED OF TRUST OR MORTGAGE ON (STREET ADDRESS OR LEGAL DESCRIPTION)

«f18» «f19»

THIS MORTGAGE LOAN DISCLOSURE STATEMENT IS BEING PROVIDED BY THE FOLLOWING CALIFORNIA REAL ESTATE BROKER ACTING AS A MORTGAGE BROKER

«f80»

INTENDED LENDER TO WHOM YOUR LOAN APPLICATION WILL BE DELIVERED (IF KNOWN)

«f38»

Unknown

- ❖ For any federally regulated loans, HUD/RESPA laws require that a Good Faith Estimate (GFE) be provided. A RE 882 Mortgage Loan Disclosure Statement (MLDS) is required by California law and must also be provided.
- ❖ The information provided below reflects estimates of the charges you are likely to incur at the settlement of your loan. The fees, commissions, costs and expenses listed are estimates; the actual charges may be more or less. Your transaction may not involve a charge for every item listed and any additional items charged will be listed.

Item	Paid to Others	Paid to Broker
<b><u>Items Payable in Connection with Loan</u></b>		
Mortgage Broker Commission/Fee	\$	«f34»
Lender's Loan Origination Fee	\$ «f411»	
Lender's Loan Discount Fee	\$ «f413»	
Appraisal Fee	\$ «f94»	\$ «f93»
Credit Report	\$ «f104»	\$ «f103»
Lender's Inspection Fee	\$ «f415»	\$ «f414»
Tax Service Fee	\$ «f117»	\$ «f116»
Processing Fee	\$ «f106»	\$ «f105»
Underwriting Fee	\$ «f417»	\$ «f416»
Wire Transfer Fee	\$ «f419»	\$ «f418»
<b><u>Items Required by Lender to be Paid in Advance</u></b>		
Interest for «f371» days at \$«f264» per day	\$ «f77»	\$ «f46»
Hazard Insurance Premiums	\$ «f113»	\$ «f112»
County Property Taxes	\$ «f119»	\$ «f118»
Mortgage Insurance Premiums	\$ «f115»	\$ «f114»
VA Funding Fee	\$ «f421»	\$ «f420»
Other : «f111»	\$ «f110»	\$ «f109»
<b><u>Reserves Deposited with Lender</u></b>		
Hazard Insurance: «f438» months at \$ «f439» /mo.	\$ «f423»	\$ «f422»
Co. Property Taxes: «f442» months at \$ «f443» /mo.	\$ «f427»	\$ «f426»
Mortgage Insurance: «f440» months at \$ «f441» /mo.	\$ «f425»	\$ «f424»
Other : «f430»	\$ «f429»	\$ «f428»
<b><u>Title Charges</u></b>		
Settlement or Closing/Escrow Fee	\$ «f96»	\$ «f95»
Document Preparation Fee	\$ «f108»	\$ «f107»
Notary Fee	\$ «f100»	\$ «f99»
Title Insurance	\$ «f98»	\$ «f97»
Other : «f433»	\$ «f432»	\$ «f431»
<b><u>Government Recording and Transfer Charges</u></b>		
Recording Fees	\$ «f102»	\$ «f101»
City/County Tax/Stamps	\$ «f435»	\$ «f434»
Other :	\$	\$
<b><u>Additional Settlement Charges</u></b>		
Pest Inspection	\$ «f437»	\$ «f436»
Credit Life, and/or Disability Insurance (See Note below) *	\$ «f481»	\$
Beneficiary Statement	\$ «f121»	\$ «f120»
Reconveyance	\$ «f123»	\$ «f122»
«f124»	\$ «f126»	\$ «f125»
«f469»	\$ «f462»	\$ «f461»
<b>Subtotals of Initial Fees, Commissions, Costs and Expenses</b>	<b>\$ «f448»</b>	<b>\$ «f447»</b>
<b>Total of Initial Fees, Commissions, Costs and Expenses</b>		<b>\$ «f129»</b>
<b>Compensation to Broker (Not Paid Out of Loan Proceeds):</b>		
Yield Spread Premium, Service Release Premium or Other Rebate Received from Lender	\$	
Yield Spread Premium, Service Release Premium or Other Rebate Credited to Borrower	\$	
Total Amount of Compensation Retained by Broker	\$	

\* Note: The purchase of Credit Life and/or Disability Insurance is NOT required as a condition of making this proposed loan.

**ADDITIONAL REQUIRED CALIFORNIA DISCLOSURES**

Proposed Loan Amount	\$ <u>«f20»</u>
Initial Commissions, Fees, Costs, and Expenses Summarized on Page 1	\$ <u>«f129»</u>
Down Payment or Payoffs Liens/Creditors (list)	\$ <u>«f260»</u>
<u>«f469»</u>	\$ <u>«f462»</u> <u>«f461»</u>
<u>«f470»</u>	\$ <u>«f464»</u> <u>«f463»</u>
<u>«f471»</u>	\$ <u>«f466»</u> <u>«f465»</u>
Subtotal of All Deductions	\$ <u>«f484»</u>
<b>Estimated Cash at Closing <u>«f258»</u> To You <u>«f259»</u> That You Must Pay</b>	<b>\$ <u>«f130»</u></b>

**GENERAL INFORMATION ABOUT LOAN**

PROPOSED INTEREST RATE: <u>«f22»</u> %	Proposed Monthly Loan Payments: \$ <u>«f24»</u> Principal & Interest (P&I) If the loan is a variable interest rate loan, the payment will vary. See loan documents for details.
FIXED RATE <u>«f222»</u> INITIAL VARIABLE RATE <u>«f223»</u>	Total Number of Installments: <u>«f23»</u> Loan Term: ___ Years <u>«f23»</u> Months

**BALLOON PAYMENT INFORMATION**

IS THIS LOAN SUBJECT TO A BALLOON PAYMENT? <u>«f224»</u> Yes <u>«f225»</u> No	DUE DATE OF FINAL BALLOON PAYMENT (ESTIMATED MONTH/DAY/YEAR)	BALANCE DUE AT MATURITY \$ <u>«f25»</u>
----------------------------------------------------------------------------------	--------------------------------------------------------------	--------------------------------------------

IF YES, THE FOLLOWING PARAGRAPH APPLIES:  
**NOTICE TO BORROWER: IF YOU DO NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.**

**PREPAYMENT INFORMATION**

PREPAYMENT PENALTY? <u>«f257»</u> YES <u>«f256»</u> NO	# OF YEARS THAT PREPAYMENT PENALTY IS IN EFFECT	MAXIMUM DOLLAR AMOUNT OF PENALTY
IS THERE A PREPAYMENT PENALTY FOR PAYING IN EXCESS OF 20% OF THE ORIGINAL OR UNPAID LOAN BALANCE? ___ YES ___ NO If Yes, see loan documents for details		

**TAXES AND INSURANCE**

IMPOUND ACCOUNT? <u>«f730»</u> Yes <u>«f735»</u> No	IMPOUND ACCOUNT WILL INCLUDE
APPROXIMATE ACCOUNT THAT WILL BE COLLECTED MONTHLY \$ <u>«f731»</u>	County Property Taxes <u>«f732»</u> Yes ___ No ___ No Mortgage Insurance <u>«f734»</u> Yes ___ No ___ No Hazard Insurance <u>«f733»</u> Yes ___ No ___ No Flood Insurance <u>«f738»</u> Yes ___ No ___ No Other: <u>«f430»</u> <u>«f737»</u> Yes ___ No ___ No
IF NO, PLAN FOR THESE PAYMENTS ACCORDINGLY  →	BORROWER MUST PLAN FOR PAYMENTS OF THE FOLLOWING ITEMS County Property Taxes <u>«f732»</u> Yes ___ No ___ No Mortgage Insurance <u>«f734»</u> Yes ___ No ___ No Hazard Insurance <u>«f733»</u> Yes ___ No ___ No Flood Insurance <u>«f738»</u> Yes ___ No ___ No Other: <u>«f430»</u> <u>«f737»</u> Yes ___ No ___ No

**Note: In a purchase transaction, county property taxes are calculated based on the sales price of the property and may require the payment of an additional (supplemental) tax bill issued by the county tax authority. The payment of county property taxes (including supplemental bills) may be paid by your lender if an impound/escrow account has been established. If an impound/escrow account has not been established, the payment of all tax bills including any and all supplemental tax bills will be the responsibility of the borrower(s).**

**OTHER LIENS**

LIENS CURRENTLY ON THIS PROPERTY FOR WHICH THE BORROWER IS OBLIGATED

<i>Lienholder's Name</i>	<i>Amount Owing</i>	<i>Priority</i>
<u>«f143»</u>	\$ <u>«f147»</u>	<u>«f139»</u>
<u>«f144»</u>	\$ <u>«f148»</u>	<u>«f140»</u>
<u>«f145»</u>	\$ <u>«f149»</u>	<u>«f141»</u>
<u>«f146»</u>	\$ <u>«f150»</u>	<u>«f142»</u>

LIST LIENS THAT WILL REMAIN OR ARE ANTICIPATED TO REMAIN ON THIS PROPERTY AFTER THE PROPOSED LOAN FOR WHICH YOU ARE APPLYING IS MADE OR ARRANGED (INCLUDING THE PROPOSED LOAN FOR WHICH YOU ARE APPLYING):

<i>Lienholder's Name</i>	<i>Amount Owing</i>	<i>Priority</i>
This Loan	\$ <u>«f20»</u>	<u>«f65»</u>
<u>«f181»</u>	\$ <u>«f185»</u>	<u>«f177»</u>
<u>«f182»</u>	\$ <u>«f186»</u>	<u>«f178»</u>
<u>«f183»</u>	\$ <u>«f187»</u>	<u>«f179»</u>

**NOTICE TO BORROWER: BE SURE THAT YOU STATE THE AMOUNT OF ALL LIENS AS ACCURATELY AS POSSIBLE. IF YOU CONTRACT WITH THE BROKER TO ARRANGE THIS LOAN, BUT THE LOAN CANNOT BE ARRANGED BECAUSE YOU DID NOT STATE THESE LIENS CORRECTLY, YOU MAY BE LIABLE TO PAY COMMISSIONS, COSTS, FEES, AND EXPENSES EVEN THOUGH YOU DO NOT OBTAIN THE LOAN.**

**ARTICLE 7 COMPLIANCE**

If this proposed loan is secured by a first deed of trust in a principal amount of less than \$30,000 or secured by a junior lien in a principal amount of less than \$20,000, the undersigned broker certifies that the loan will be made in compliance with Article 7 of Chapter 3 of the Real Estate Law.

WILL THIS LOAN BE MADE WHOLLY OR IN PART FROM BROKER CONTROLLED FUNDS AS DEFINED IN SECTION 10241(J) OF THE BUSINESS AND PROFESSIONS CODE?  
 <f214> MAY \_\_\_ WILL <f213> WILL NOT

Note: If the broker indicates in the above statement that the loan “may” be made out of broker-controlled funds, the broker must inform the borrower prior to the close of escrow if the funds to be received by the borrower are in fact broker-controlled funds.

**STATED INCOME**

IS THIS LOAN BASED ON LIMITED OR NO DOCUMENTATION OF YOUR INCOME AND/OR ASSETS?  
 \_\_\_ Yes \_\_\_ No If Yes, be aware that this loan may have a higher interest rate or more points or fees than other products requiring documentation.

**NOTICE TO BORROWER: THIS IS NOT A LOAN COMMITMENT**

Do not sign this statement until you have read and understood all of the information in it. All parts of this form must be completed before you sign it. Borrower hereby acknowledges the receipt of a copy of this statement.

NAME OF BROKER <f80>	LICENSE ID NUMBER <f85>	BROKER'S REPRESENTATIVE <f75>	LICENSE ID NUMBER <f76>
	NMLS ID NUMBER		NMLS ID NUMBER
BROKER'S ADDRESS <f81> <f82> <f83>			
BROKER'S SIGNATURE	DATE	OR SIGNEE OF REPRESENTATIVE	DATE
BORROWER'S SIGNATURE	DATE	BORROWER'S SIGNATURE	DATE

Department of Real Estate license information telephone number: 877-373-4542, or check license status at [www.dre.ca.gov](http://www.dre.ca.gov)

NMLS - <http://mortgage.nationwidelicencingsystem.org/about/pages/nmlsconsumeraccess.aspx>

The Real Estate Broker negotiating the loan shall retain on file for a period of three years a true and correct copy of this disclosure signed and dated by the borrower(s).

**THE RE 855 MORTGAGE LOAN DISCLOSURE STATEMENT, NON-TRADITIONAL MORTGAGE MUST BE USED FOR NON-TRADITIONAL MORTGAGE LOANS OF RESIDENTIAL PROPERTY (1-4 UNITS).**

Non-Traditional Mortgage Loans are loan products that allow the borrower to defer payments of principal or interest. If any of the payments are not full principal and interest payments, then it is considered a Non-Traditional Mortgage Loan.

STATE OF CALIFORNIA



**MORTGAGE LOAN DISCLOSURE STATEMENT**

RE 883 (Rev. 10/10)

- ❖ For any federally regulated loan, HUD/RESPA laws require that a Good Faith Estimate (GFE) be provided in addition to this disclosure form.
- ❖ This disclosure statement meets the requirement described in Business and Professions Code (B&P) Section 10240 for loan products offered to the consumer that DO NOT allow the borrower to defer payment of principal and interest (P&I). Each payment will include the full amount of P&I due.
- ❖ For a non-traditional mortgage loan for a 1-4 Unit Residential Property – THIS IS THE WRONG FORM. See RE 885.

This Mortgage Loan Disclosure Statement does not constitute a loan commitment.

BORROWER'S NAME(S)

«f5» «f6» «f7» «f8» «f10» «f11» «f12»

REAL PROPERTY COLLATERAL: THE INTENDED SECURITY FOR THIS PROPOSED LOAN WILL BE A DEED OF TRUST OR MORTGAGE ON (STREET ADDRESS OR LEGAL DESCRIPTION)

«f18» «f19»

THIS MORTGAGE LOAN DISCLOSURE STATEMENT IS BEING PROVIDED BY THE FOLLOWING CALIFORNIA REAL ESTATE BROKER ACTING AS A MORTGAGE BROKER

«f80»

INTENDED LENDER TO WHOM YOUR LOAN APPLICATION WILL BE DELIVERED (IF KNOWN)

«f38»

- ❖ B&P Section 10241 requires the disclosure of all costs and expenses incurred with origination of real estate mortgage loans. The required fee disclosures must include, but are not limited to, the following fees and expenses:

BROKER COMMISSION «f34»	ORIGINATION FEE «f411» «f410»	DISCOUNT POINTS «f413» «f412»	APPRAISAL FEE «f94» «f93»	CREDIT REPORTING FEE «f104» «f103»	TAX SERVICE FEE «f117» «f116»
PROCESSING FEE «f106» «f105»	UNDERWRITING FEE «f417» «f416»	WIRE TRANSFER FEE «f419» «f418»	FIRE INSURANCE PREMIUM	ESCROW FEE «f96» «f95»	TITLE INSURANCE FEE «f98» «f97»
NOTARY FEE «f100» «f99»	RECORDING FEE «f102» «f101»	ASSUMPTION FEE	FORWARDING FEE	TRANSFER FEES	TOTAL «f448»
BENEFICIARY STATEMENT FEE «f121» «f120»	FLOOD INSURANCE «f113» «f112»	OTHER	OTHER	OTHER	

**ADDITIONAL REQUIRED CALIFORNIA DISCLOSURES**

Proposed Loan Amount	\$	«f20»	\$	_____
Total Fees, Costs, and Expenses from Above	\$	«f129»		
Down Payment or Payoffs Liens/Creditors (list)	\$	«f260»		
«f469»	\$	«f462» «f461»		
«f470»	\$	«f464» «f463»		
«f471»	\$	«f466» «f465»		
<b>Subtotal</b>	\$	«f484»	\$	_____
<b>Estimated Cash at Closing «f258» To You «f259» That You Must Pay</b>			\$	«f130»

**GENERAL INFORMATION ABOUT LOAN**

PROPOSED INTEREST RATE: «f22» %	Proposed Monthly Loan Payments: \$ «f24»	Principal & Interest (P&I)
FIXED RATE INITIAL VARIABLE RATE «f222» «f223»	If the loan is a variable interest rate loan, the payment will vary. See loan documents for details.	
	Total Number of Installments: «f23»	
	Loan Term: ___ Years «f23» Months	

**PREPAYMENT PENALTY**

IS THERE A PREPAYMENT PENALTY? «f257» YES «f256» NO	TERMS OF PREPAYMENT
--------------------------------------------------------	---------------------

**Compensation to Broker**

Yield Spread Premium, Service Release Premium or Other Rebate Received from Lender	\$	_____
Yield Spread Premium, Service Release Premium or Other Rebate Credited to Borrower	\$	_____
Total Amount of Compensation Retained by Broker	\$	_____

\* Note: The purchase of Credit Life and/or Disability Insurance is NOT required as a condition of making this proposed loan.

**OTHER LIENS**

LIENS CURRENTLY ON THIS PROPERTY FOR WHICH THE BORROWER IS OBLIGATED

<i>Lienholder's Name</i>	<i>Amount Owning</i>	<i>Priority</i>
<f143>	\$ <f147>	<f139>
<f144>	\$ <f148>	<f140>
<f145>	\$ <f149>	<f141>
<f146>	\$ <f150>	<f142>

LIST LIENS THAT WILL REMAIN OR ARE ANTICIPATED TO REMAIN ON THIS PROPERTY AFTER THE PROPOSED LOAN FOR WHICH YOU ARE APPLYING IS MADE OR ARRANGED (IN-CLUDING THE PROPOSED LOAN FOR WHICH YOU ARE APPLYING):

<i>Lienholder's Name</i>	<i>Amount Owning</i>	<i>Priority</i>
This Loan	\$ <f20>	<f65>
<f181>	\$ <f185>	<f177>
<f182>	\$ <f186>	<f178>
<f183>	\$ <f187>	<f179>

Notice to Borrower: Be sure that you state the amount of all liens as accurately as possible. If you contract with the broker to arrange this loan, but the loan cannot be arranged because you did not state these liens correctly, you may be liable to pay commissions, costs, fees, and expenses even though you do not obtain the loan.

<b>BALLOON PAYMENT INFORMATION</b>		
IS THIS LOAN SUBJECT TO A BALLOON PAYMENT? <f224> Yes <f225> No	DUE DATE OF FINAL BALLOON PAYMENT (ESTIMATED MONTH/DAY/YEAR)	BALANCE DUE AT MATURITY \$ <f25>

IF YES, THE FOLLOWING PARAGRAPH APPLIES:

**NOTICE TO BORROWER: IF YOU DO NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.**

**ARTICLE 7 COMPLIANCE**

If this proposed loan is secured by a first deed of trust in a principal amount of less than \$30,000 or secured by a junior lien in a principal amount of less than \$20,000, the undersigned broker certifies that the loan will be made in compliance with Article 7 of Chapter 3 of the Real Estate Law.

WILL THIS LOAN BE MADE WHOLLY OR IN PART FROM BROKER CONTROLLED FUNDS AS DEFINED IN SECTION 10241(J) OF THE BUSINESS AND PROFESSIONS CODE?  
<f214> MAY \_\_\_ WILL <f213> WILL NOT

Note: If the broker indicates in the above statement that the loan "may" be made out of broker-controlled funds, the broker must inform the borrower prior to the close of escrow if the funds to be received by the borrower are in fact broker-controlled funds.

**NOTICE TO BORROWER: THIS IS NOT A LOAN COMMITMENT**

Do not sign this statement until you have read and understood all of the information in it. All parts of this form must be completed before you sign it. Borrower hereby acknowledges the receipt of a copy of this statement.

NAME OF BROKER <f80>	LICENSE ID NUMBER <f85>	BROKER'S REPRESENTATIVE <f75>	LICENSE ID NUMBER <f76>
	NMLS ID NUMBER		NMLS ID NUMBER
BROKER'S ADDRESS <f81> <f82> <f83>			
BROKER'S SIGNATURE	DATE	OR SIGNED BY REPRESENTATIVE	DATE
BORROWER'S SIGNATURE	DATE	BORROWER'S SIGNATURE	DATE

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National Mortgage Licensing System:

<http://mortgage.nationwidelicensingsystem.org/about/pages/nmlsconsumeraccess.aspx>

**The Real Estate Broker negotiating the loan shall retain on file for a period of three years a true and correct copy of this disclosure signed and dated by the borrower(s).**

**MORTGAGE LOAN DISCLOSURE STATEMENT – GOOD FAITH ESTIMATE NONTRADITIONAL  
MORTGAGE LOAN PRODUCT (ONE TO FOUR RESIDENTIAL UNITS (RE885) INFORMATIONAL  
SHEET**

**WHEN TO USE THIS FORM**

**NONTRADITIONAL LOAN PRODUCTS- THIS FORM MUST BE USED WHEN THE LOAN PRODUCT BEING OFFERED TO THE CONSUMER ALLOWS THE BORROWER TO DEFER REPAYMENT OF PRINCIPAL OR INTEREST AND IS SECURED BY A 1 TO 4 UNIT RESIDENTIAL PROPERTY WHETHER OWNER OR NON-OWNER OCCUPIED.**

Commissioner’s Regulation 2842 defines a nontraditional loan product as “a loan that allows borrowers to defer repayment of principal or interest. Such products include, but are not limited to, interest only loans where the borrower pays no loan principal for a period of time and payment option loans where one or more of the payment options may result in negative amortization. A “nontraditional loan product” does not include reverse mortgages or home equity lines of credit (other than simultaneous second lien loans).”

If the loan product is **NOT** a nontraditional loan product the RE882 or RE883 form may be used.

**PROPERTY SECURING THE LOAN** – This form is used only when the real property securing the nontraditional loan is a 1 to 4 unit residential property whether owner or non-owner occupied. When the property securing the loan is **NOT** a 1 to 4 unit residential property the RE882 or RE883 may be used.

**TIPS ON COMPLETING THIS FORM**

Page 1 – Compensation to Broker (Not Paid Out of Loan Proceeds) – This section is completed to disclose any compensation received by the broker from a lender in the form of a yield/spread premium, service release premium or any other rebate or compensation.

Page 2 – Section III – If the “Initial Adjustable Rate” box is checked, complete sections IV through XI. If the “Fixed Rate” box is checked and the loan has an interest only or negative amortization payment feature skip sections IV through IX and complete section X and XI as appropriate.

Page 3 – Certification – If any or all of the columns on page 4, section XIX, with the exception of the last column “Proposed Loan”, in the Typical Mortgage Transactions portion of the form are not completed, the broker **MUST** read and complete the Certification on page 3.

Page 4 – Section XIX – Comparison of Sample Mortgage Features (One to Four Residential Units) – Use the “Instructional Guide for Nontraditional Loan Disclosure (Page 4)” found on the DRE Web site at [www/dre.ca.gov/frm\\_forms.html](http://www/dre.ca.gov/frm_forms.html) and go to Mortgage Lending Brokers. If the broker does not offer one or more comparison loan products, the box “not offered” should be checked for that particular loan product. However, the broker must provide the required information in all columns except those for which the broker has executed the CERTIFICATION on page 3 of the RE885.

DO NOT LEAVE ANY LINES OR SPACES BLANK.

After completion, the form must be signed by the broker or broker’s representative and provided to the borrower within THREE (3) DAYS OF RECEIVING THE BORROWER’S COMPLETED WRITTEN LOAN APPLICATION.

A COPY OF THE FORM SIGNED BY THE BORROWER MUST BE RETAINED BY THE BROKER FOR A PERIOD OF THREE (3) YEARS.



**MORTGAGE LOAN DISCLOSURE STATEMENT/GOOD FAITH ESTIMATE**  
**NONTRADITIONAL MORTGAGE PRODUCT (ONE TO FOUR RESIDENTIAL UNITS)**

RE 885 (Rev. 6/09)

Borrower's Name(s): <f5> <f6> <f7> <f8> <f10> <f11> <f12>

Real Property Collateral: The intended security for this proposed loan will be a Deed of Trust on (street address or legal description) <f18>, <f19>

This joint Mortgage Loan Disclosure Statement/Good Faith Estimate is being provided by <f80>, a real estate broker acting as a mortgage broker, pursuant to the Federal Real Estate Settlement Procedures Act (RESPA) if applicable and similar California law. In a transaction subject to RESPA, a lender will provide you with an additional Good Faith Estimate within three business days of the receipt of your loan application. You will also be informed of material changes before settlement/close of escrow. The name of the intended lender to whom your loan application will be delivered is:

<f261> Unknown <f38> (Name of lender, if known)

**GOOD FAITH ESTIMATE OF CLOSING COSTS**

The information provided below reflects estimates of the charges you are likely to incur at the settlement of your loan. The fees, commissions, costs and expenses listed are estimates; the actual charges may be more or less. Your transaction may not involve a charge for every item listed and any additional items charged will be listed. The numbers listed beside the estimated items generally correspond to the numbered lines contained in the HUD-1 Settlement Statement which you will receive at settlement if this transaction is subject to RESPA. The HUD-1 Settlement Statement contains the actual costs for the items paid at settlement. When this transaction is subject to RESPA, by signing page four of this form you are also acknowledging receipt of the HUD Guide to Settlement Costs.

HUD-1	Item	Paid to Others	Paid to Broker
<b>800</b>	<b>Items Payable in Connection with Loan</b>		
801	Lender's Loan Origination Fee	\$ <f411>	\$ <f410>
802	Lender's Loan Discount Fee	\$ <f413>	\$ <f412>
803	Appraisal Fee	\$ <f94>	\$ <f93>
804	Credit Report	\$ <f104>	\$ <f103>
805	Lender's Inspection Fee	\$ <f415>	\$ <f414>
808	Mortgage Broker Commission/Fee	\$	\$ <f34>
809	Tax Service Fee	\$ <f117>	\$ <f116>
810	Processing Fee	\$ <f106>	\$ <f105>
811	Underwriting Fee	\$ <f417>	\$ <f416>
812	Wire Transfer Fee	\$ <f419>	\$ <f418>
		\$	\$
<b>900</b>	<b>Items Required by Lender to be Paid in Advance</b>		
901	Interest for <f371> days at \$<f264> per day	\$ <f77>	\$ <f46>
902	Mortgage Insurance Premiums	\$ <f115>	\$ <f114>
903	Hazard Insurance Premiums	\$ <f113>	\$ <f112>
904	County Property Taxes	\$ <f119>	\$ <f118>
905	VA Funding Fee	\$ <f421>	\$ <f420>
	<f111>	\$ <f110>	\$ <f109>
<b>1000</b>	<b>Reserves Deposited with Lender</b>		
1001	Hazard Insurance: <f438> months at \$<f439>/mo.	\$ <f423>	\$ <f422>
1002	Mortgage Insurance: <f440> months at \$ <f441> /mo.	\$ <f425>	\$ <f424>
1004	Co. Property Taxes: <f442> months at \$ <f443> /mo.	\$ <f427>	\$ <f426>
	<f430>	\$ <f429>	\$ <f428>
<b>1100</b>	<b>Title Charges</b>		
1101	Settlement or Closing/Escrow Fee	\$ <f96>	\$ <f95>
1105	Document Preparation Fee	\$ <f108>	\$ <f107>
1106	Notary Fee	\$ <f100>	\$ <f99>
1108	Title Insurance	\$ <f98>	\$ <f97>
	<f433>	\$ <f432>	\$ <f431>
<b>1200</b>	<b>Government Recording and Transfer Charges</b>		
1201	Recording Fees	\$ <f102>	\$ <f101>
1202	City/County Tax/Stamps	\$ <f435>	\$ <f434>
<b>1300</b>	<b>Additional Settlement Charges</b>		
1302	Pest Inspection	\$ <f437>	\$ <f436>
	Beneficiary Statement	\$ <f121>	\$ <f120>
	Reconveyance	\$ <f123>	\$ <f122>
	<f124>	\$ <f126>	\$ <f125>
	<f469>	\$ <f462>	\$ <f461>
	<f470>	\$ <f464>	\$ <f463>
	<f471>	\$ <f466>	\$ <f465>
	<f472>	\$ <f468>	\$ <f467>
		\$ <f448>	\$ <f447>
<b>Subtotals of Initial Fees, Commissions, Costs and Expenses</b>			
<b>Total of Initial Fees, Commissions, Costs and Expenses</b>			\$ <f129>
<b>Compensation to Broker (Not Paid Out of Loan Proceeds):</b>			
Mortgage Broker Commission/Fee		\$	
Any Additional Compensation From Lender <f444> NO <f445> YES		\$	
(Approximate Yield Spread Premium or Other Rebate)		\$ <f448>	(if known)



## ADDITIONAL REQUIRED CALIFORNIA DISCLOSURES

I. Proposed Loan Amount:		\$ <u>«f20»</u>
Initial Commissions, Fees, Costs and Expenses Summarized on Page 1:	\$ «f129»	
Payment of Other Obligations (List): Credit Life and/or Disability Insurance (see XV below)	\$ «f481»	
Payoff of Existing Loans	\$ «f260»	
<u>«f482»</u>	<u>\$ «f483»</u>	

**Subtotal of All Deductions:** \$ «f484»  
**Estimated Cash at Closing** «f258» To You «f259» That you must pay \$ «f130»

- II. Proposed Loan Term: «f23» Years XX Months  
 III. Proposed Interest Rate: «f22» % «f223» Fixed Rate «f718» Initial Adjustable Rate

**If the Fixed Rate Box is checked in Section III immediately above, proceed to section X. Do not complete sections IV through IX .**

- IV. Initial Adjustable Rate in effect for «f719» Months  
 V. Fully Indexed Interest Rate «f701»  
 VI. Maximum Interest Rate «f703»  
 VII. Proposed Initial (Minimum) Loan Payment «f710» Monthly  
 VIII. Interest Rate can Increase «f713» each «f714» Months  
 IX. Payments Options end after «f709» Months or \_\_\_\_\_ % of Original Balance, whichever comes first

- X. After \_\_\_\_\_ months you will not have the option to make minimum or interest only payments and negative amortization (increases in your principal balance), if any, will no longer be allowed. Assuming you have made minimum payments, you may then have to make principal and interest payments of \$ \_\_\_\_\_ at the maximum interest rate in effect for the remaining \_\_\_\_\_ months of the loan. ***These payments will be significantly higher than the minimum or interest only payments.***
- XI. If your loan contains negative amortization, at the time no additional negative amortization will accrue, your loan balance will be \$ \_\_\_\_\_ assuming minimum payments are made.
- XII. The loan is subject to a balloon payment: «f225» No «f224» Yes. If Yes, the following paragraph applies and a final balloon payment of \$ «f25» will be due on «f27» [estimated date (month/day/year)].

**NOTICE TO BORROWER: IF YOU DO NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES, AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.**

- XIII. Prepayments: The proposed loan has the following prepayment provisions.
- «f256» No prepayment penalty (you will not be charged a penalty to pay off or refinance the loan before maturity)
- «f257» You will have to pay a prepayment penalty if the loan is paid off or refinanced in the first \_\_\_\_\_ years. The prepayment penalty could be as much as \$ \_\_\_\_\_. Any prepayment of principal in excess of 20% of the XX original balance or \_\_\_\_\_ unpaid balance for the first \_\_\_\_\_ years will include a penalty not to exceed Three months interest at the note interest rate but not more than the interest you would be charged if the loan were paid to maturity.
- Other – you will have to pay a prepayment penalty if the loan is paid off or refinanced in the first \_\_\_\_\_ years as follows:
- \_\_\_\_\_
- \_\_\_\_\_

- XIV. Taxes and Insurance:
- «f730» There will be an impound (escrow) account which will collect approximately «f731» a month in addition to your principal and interest payments for the payment of «f732» county property taxes\* «f733» hazard insurance «f734» mortgage insurance «f738» flood insurance «f737» other «f430».
- «f735» If there is no impound (escrow) account you will have to plan for the payment of «f732» county property taxes\* «f733» hazard insurance «f734» mortgage insurance «f738» flood insurance «f737» other «f430» of approximately «f736» per year.

\* In a purchase transaction, county property taxes are calculated based on the sales price of the property and may require the payment of an additional (supplemental) tax bill from the county tax authority by your lender (if escrowed) or you if not escrowed.

XV. Credit Life and/or Disability Insurance: The purchase of credit life and/or disability insurance by a borrower is NOT required as a condition of making this proposed loan.

XVI. Other Liens: Are there liens currently on this property for which the borrower is obligated? <f313> No <f312> Yes  
If Yes, describe below:

<i>Lienholder's Name</i>		<i>Amount Owning</i>	<i>Priority</i>
This Loan		<f20>	<f65>
<f143>	\$	<f147>	<f139>
<f144>	\$	<f148>	<f140>
<f145>	\$	<f149>	<f141>
<f146>	\$	<f150>	<f142>

Liens that will remain or are anticipated on this property after the proposed loan for which you are applying is made or arranged (including the proposed loan for which you are applying):

<i>Lienholder's Name</i>		<i>Amount Owning</i>	<i>Priority</i>
<f181>	\$	<f185>	<f177>
<f182>	\$	<f186>	<f178>
<f183>	\$	<f187>	<f179>

NOTICE TO BORROWER: Be sure that you state the amount of all liens as accurately as possible. If you contract with the broker to arrange this loan, but it cannot be arranged because you did not state these liens correctly, you may be liable to pay commissions, costs, fees, and expenses even though you do not obtain the loan.

XVII. Article 7 Compliance: If this proposed loan is secured by a first deed of trust in a principal amount of less than \$30,000 or secured by a junior lien in a principal amount of less than \$20,000, the undersigned broker certifies that the loan will be made in compliance with Article 7 of Chapter 3 of the Real Estate Law.

- B. This loan <f214> may \_\_\_ will <f213> will not be made wholly or in part from broker controlled funds as defined in Section 10241(j) of the Business and Professions Code.
- C. If the broker indicates in the above statement that the loan "may" be made out of broker-controlled funds, the broker must inform the borrower prior to the close of escrow if the funds to be received by the borrower are in fact broker-controlled funds.

XVIII. This loan is based on limited or no documentation of your income and/or assets and may have a higher interest rate, or more points or fees than other products requiring documentation: <f728> NO <f729> YES.

#### **NOTICE TO BROKER**

If any of the columns in section XIX, Comparison of Sample Mortgage Features, on page 4 of this RE885 form, are not completed, you must certify to the following:

#### **CERTIFICATION**

I, <f86>, hereby certify (or declare) that the failure to complete the information in any or all of the columns (with exception of the last column "Proposed Loan" in the Typical Mortgage Transactions portion of this RE885) is either because (1) after a diligent search, I have determined that the product specified in that column is not available to consumers from mortgage lenders, or (2) the borrower to whom this form applies does not qualify for that particular product.

I certify, (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

\_\_\_\_\_  
*Signature of Broker*

\_\_\_\_\_  
*Date*

*Intentionally Blank*

**TYPICAL MORTGAGE TRANSACTIONS**

	<b>Principal and Interest</b>	<b>Interest Only</b>	<b>5/1 ARM</b>	<b>Interest Only</b>	<b>Option Payment</b>	<b>Proposed Loan Type of Loan: &lt;f801&gt;</b>
	Fully Amortizing ___ Not Offered*	Fully Amortizing ___ Not Offered*	Fully Amortizing ___ Not Offered*	Fully Amortizing ___ Not Offered*	Fully Amortizing ___ Not Offered*	Type of Amortization: <f802>
<b>PROPOSED LOAN AMOUNT \$ &lt;f20&gt;</b>	<b>Fixed Rate &lt;f739&gt;</b>	<b>Fixed Rate &lt;f746&gt;</b>	<b>Fixed Rate for First 5 Years; Adjustable Each Year After First 5 Years (Initial rate for 1 to 5 is &lt;f756&gt;; Maximum Rate is &lt;f757&gt;)</b>	<b>Interest Only and Fixed Rate for First 5 years; Adjustable Rate Each Year After First 5 Years (Initial rate for 1 to 5 is &lt;f771&gt;; Maximum Rate is &lt;f772&gt;)</b>	<b>Adjustable Rate for Entire Term of the Mortgage (Rate in month 1 is &lt;f786&gt;; Rate in month 2 through year 5 is &lt;f787&gt;; Maximum Rate is &lt;f788&gt;)</b>	<b>Explanation of Type of Proposed Loan Product: &lt;f803&gt;</b>

*Payment Scenarios*

Minimum Monthly Payment Years 1-5 except as noted	<f740> **	<f747>	<f758>	<f773>	<f789>**** (1st year only)	<f804>
Monthly Payment in Year 6 with no change in rates	<f740>	<f748> ***	<f759>	<f774>	<f790>	<f805>
Monthly Payment in Year 6 with a 2% rise in rates	<f740>	<f749>	<f760>	<f775>	<f791>	<f806>
Minimum Monthly Payment	<f740>	<f750>	<f761>	<f776>	<f792>	<f807>
Your Gross Income	<f289>	<f289>	<f289>	<f289>	<f289>	<f289>
Difference	<f741>	<f751>	<f762>	<f777>	<f793>	<f808>
Maximum Monthly Payment in Year 6 with a 5% rise in	<f740>	<f752>	<f763>	<f778>	<f794>	<f809>
Your Gross Income	<f289>	<f289>	<f289>	<f289>	<f289>	<f289>
Difference	<f741>	<f753>	<f764>	<f779>	<f795>	<f810>

*Loan Balance Scenarios*

How much will be owed after 5 years?	<f742>	<f754>	<f765>	<f780>	<f796>	<f742> <f811>
Has the loan balance been reduced after 5 years of payments?	Yes The loan balance was reduced by <f743>	No The loan balance was not reduced	Yes The loan balance was reduced by <f766>	No The loan balance was not reduced	No The loan balance increased by <f797>	<f812> The loan balance: <f813> increased/decreased by <f814>

- \* "Not Offered" indicates the broker does not offer the comparison loan product.
- The information provided for the products not offered was obtained from sources deemed reliable. \_\_\_ Yes \_\_\_ No
- \*\* This illustrates an interest rate and payments that are fixed for life of the loan.
- \*\*\* This illustrates payments that are fixed after the first five years of the loan at a higher amount because they include both principal and interest.
- \*\*\*\* This illustrates minimum monthly payments that are based on an interest rate that is in effect during the first month only. The payments required during the first year will not be sufficient to cover all of the interest that is due when the rate increases in the second month of the loan. Any unpaid interest amount will be added to the loan balance. Minimum payments for years 2-5 are based on the higher interest rate in effect at the time, subject to any contract limits on payment increases. Minimum payments will be recast (recalculated) after 5 years, or when the loan balance reaches a certain limit, to cover both principal and interest at the applicable rate.

**IMPORTANT NOTE: Please use this chart to discuss possible loans with your broker or lender**

If a mortgage loan broker licensed by the California Department of Real Estate is acting as your agent in connection with your home loan/mortgage, the agent owes you certain fiduciary duties, and California statutory law imposes other duties.

XX. NOTICE TO BORROWER: THIS IS NOT A LOAN COMMITMENT. Do not sign this statement until you have read and understood all of the Information in it. All parts of this form must be completed before you sign. Borrower hereby acknowledges the receipt of a copy of this statement.

_____ <f80> Name of Broker	_____ <f85> License #	_____ <f75> Broker's Representative	_____ <f76> License #
_____ <f81>, <f82>, <f83> Broker's Address			
_____ Signature of Broker	_____ Date	<b>OR</b>	_____ Signature of Representative
_____ <f5> <f6> <f7>-Borrower Date		_____ <f10> <f11> <f12>-Borrower Date	

Department of Real Estate license information telephone number: (877) 373-4542, or check license status at [www.dre.ca.gov](http://www.dre.ca.gov)

Additional Broker Notes for the RE885 – «f80» may or may not offer some or all of the above “Typical Mortgage Transactions”. When «f80» has the program, that rate is shown. If «f80» does not offer that type of program, rates from a national lender are shown. You may or may not qualify for that type of loan. Unless specified otherwise, rates are based on a 30 year term. Your proposed loan terms with «f80» are reflected in the furthest right column.

---

«f5» «f6» «f7»

*Date*

---

«f10» «f11» «f12»

*Date*

RECORDING REQUESTED BY

WHEN RECORDED MAIL TO

<f80>  
<f81>  
<f82>, <f83>

SPACE ABOVE THIS LINE FOR RECORDERS USE

## REQUEST FOR NOTICE

Under Section 2924b CIVIL CODE

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust recorded as Instrument No. <f473> on <f477>, Official Records of <f63> County, California, and executed by <f5> <f6> <f7> <f8> <f10> <f11> <f12>, as Trustor, in which <f143> is named as Beneficiary, and <f396>, as Trustee be mailed to:

<f80>  
<f81>  
<f82>, <f83>

<f75>/Date

State of California

County of \_\_\_\_\_

}

On \_\_\_\_\_ before me, \_\_\_\_\_,

Date

Here insert Name and Title of the Officer

Personally appeared \_\_\_\_\_

Name(s) of signer(s)

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

**WITNESS my hand and official seal.**

Signature

Signature of Notary Public

Place Notary Seal Above

RECORDING REQUESTED BY

WHEN RECORDED MAIL TO

<f80>  
<f81>  
<f82>, <f83>

SPACE ABOVE THIS LINE FOR RECORDERS USE

# REQUEST FOR NOTICE

Under Section 2924b CIVIL CODE

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust recorded as Instrument No. <f474> on <f478> Official Records of <f63> County, California, and executed by <f5> <f6> <f7> <f8> <f10> <f11> <f12>, as Trustor, in which <f144>, is named as Beneficiary, and <f397>, as Trustee be mailed to:

<f80>  
<f81>  
<f82>, <f83>

\_\_\_\_\_  
<f75>/Date

State of California

County of \_\_\_\_\_

}

On \_\_\_\_\_ before me, \_\_\_\_\_

Date

Here insert Name and Title of the Officer

Personally appeared \_\_\_\_\_

Name(s) of signer(s)

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

**WITNESS my hand and official seal.**

Signature

Signature of Notary Public

Place Notary Seal Above

**REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION**

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, 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, you must apply for it with the IRS.

SSN: \_\_\_\_\_ Employer Identification Number: \_\_\_\_\_

Your name exactly as it appears under the number above: \_\_\_\_\_

**Certification:**

Under penalties of perjury, I certify that:

1. 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
2. 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 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
3. I am a U.S. person (including a U.S. resident alien).

Sign Here: Signature of U.S. Person: \_\_\_\_\_

## FIRE INSURANCE AUTHORIZATION

Escrow No. : <<f48>>

To: <<f53>>  
<<f52>>  
<<f54>>, <<f55>>

You are hereby authorized to order Contingent Dual Interest Policy in favor of me/us with loss payable clause in favor of Lender. It is understood that this additional insurance is only for loss due to insufficient or lack of other fire and extended coverage insurance or commission of renewal, for any reason. I understand that I may choose the agent from whom this insurance is to be obtained and this premium represents the total premium for the entire loan.

I understand that if the loan is paid off prematurely, this insurance will continue for the remainder of the scheduled loan term and there will be no rebate.

Amount of Insurance \$ <<f56>>      Premium \$ <<f79>>      Term

I will obtain and hand you fire insurance, with loss payable clause in favor of Lender, in an amount equal to the full replacement cost of all structures located on the property herein described with extended coverage endorsement. In the event that I fail to provide adequate insurance prior to the close of this loan, I authorize you to provide adequate insurance through any agent or broker you may select and to pay the premiums therefore and deduct the same from loan funds accruing to me.

Name of Agent . . . . . <<f53>>

Phone Number . . . . . <<f369>>

You are hereby authorized to order fire insurance, with loss payable clause in favor of Lender, in an amount equal to the full replacement cost of all structures located on the property herein described with extended coverage endorsement, and to pay the premiums therefore and deduct the same from funds accruing to me. I understand that I may choose the agent from whom fire insurance is to be obtained. If I have not designated an agent by such time as you are ready to place the order for insurance, you may select the agent.

I hereby acknowledge receipt of a copy of this insurance authorization.

---

<<f5>> <<f6>> <<f7>> - Borrower/Date

---

<<f10>> <<f11>> <<f12>> - Borrower/Date



«f80»  
«f81»  
«f82», «f83»

## LOAN ORIGINATION INSURANCE DISCLOSURE

Loan No. «f2»

I/We understand that I/We must have fire insurance in order for my/our loan to fund. I/we authorize the lender to arrange for Limited Excess Coverage on a DWELLING FORM policy so that my/our loan can fund in the event I/we do not provide fire and hazard insurance prior to the close of escrow.

In the event I/we allow our insurance to lapse/expire at any time during the term of the loan, I/we authorize «f585» to arrange for Limited Excess Coverage on a dwelling form.

I/we understand that if Limited Excess Coverage is arranged I/we may cancel this Limited Excess Coverage at any time and receive a refund for the unearned premium once I/we are able to provide the lender with my/our own fire insurance policy. I/we understand that the limited excess coverage is for the property located at «f18», «f19». The amount of the limited excess coverage is in accordance with the insurance company's rates and the cost of the limited excess coverage is in accordance with the insurance company's rates.

I/we understand that the LIMITED EXCESS INSURANCE PROVIDED IS PROVIDED ON A DWELLING FORM WHICH COVERS ONLY STRUCTURES. THE INSURANCE MAY NOT BE ADEQUATE AND, AMONG OTHER THINGS DOES NOT PROVIDE PERSONAL PROPERTY, LIABILITY, WORKERS' COMPENSATION, EARTHQUAKE, FLOOD OR LANDSLIDE COVERAGE. PLEASE NOTE THAT THIS IS EXCESS COVERAGE OVER ANY OTHER VALID AND/OR COLLECTIBLE INSURANCE ON THIS BUILDING. I/we understand that the cost of this coverage ordered by me/us may be HIGHER than that which is available to me/us in the standard insurance market. I/WE UNDERSTAND THAT I/WE AM ENCOURAGED TO PROVIDE THE LENDER WITH MY/OUR OWN FIRE INSURANCE POLICY AS SOON AS POSSIBLE.

---

«f5» «f6» «f7» Borrower/Date

---

«f10» «f11» «f12» Borrower/Date

# DECLARATION OF ORAL DISCLOSURE

Escrow No. <f48>

Date : <f29>008

Each item checked below has been explained to <f5> <f6> <f7> <f8> <f10> <f11> <f12> and the Borrower(s) have been asked to initial each such item, only if they fully understand the item explained.

- \_\_\_\_\_ INTEREST RATE
- \_\_\_\_\_ MONTHLY PAYMENT
- \_\_\_\_\_ ANNUAL PERCENTAGE RATE (APR)
- \_\_\_\_\_ EXPLANATION OF MONTHLY PAYMENT  
(Interest only, amortized, partially amortized)
- \_\_\_\_\_ TERM OF LOAN
- \_\_\_\_\_ BALLOON PAYMENT
- \_\_\_\_\_ LATE CHARGES AND WHEN ASSESSED
- \_\_\_\_\_ PREPAYMENT PENALTY AND PRIVILEGE
- \_\_\_\_\_ TOTAL INTEREST FOR THE TERM OF THE LOAN
- \_\_\_\_\_ COMMISSION OR LOAN ORIGINATION FEES
- \_\_\_\_\_ ESCROW AND LOAN PROCESSING CHARGES
- \_\_\_\_\_ DUE ON SALE CLAUSE
- \_\_\_\_\_ ACCRUED INTEREST, IF ANY, ON FIRST PAYMENT
- \_\_\_\_\_ RIGHT TO CANCEL PURSUANT TO REGULATION Z
- \_\_\_\_\_ ARBITRATION AGREEMENT
- \_\_\_\_\_ OTHER

THE UNDERSIGNED AGREES TO PAY COMPANY THE SUM OF \$7,500.00 AS BROKERAGE COMMISSION FOR OBTAINING A LENDER FOR THIS LOAN AND IS AWARE THAT STATE LAW REGULATES SUCH COMMISSION AS FOLLOWS: ON LOANS UNDER \$30,000.00, SECURED BY FIRST TRUST DEEDS, 5% OF THE PRINCIPAL AMOUNT OF THE LOAN IF THE LOAN TERM IS LESS THAN 3 YEARS AND 10% IF THE LOAN TERM IS MORE THAN 3 YEARS: ON LOANS UNDER \$20,000.00 SECURED BY JUNIOR LIENS, 5% OF THE PRINCIPAL AMOUNT OF THE LOAN IF THE LOAN TERM IS LESS THAN 2 YEARS, 10% IF MORE THAN 2 YEARS BUT LESS THAN 3 YEARS, AND 15% IF 3 YEARS OR MORE. COMMISSIONS AND COSTS ARE NOT REGULATED ON LOANS SECURED BY FIRST TRUST DEED WHERE THE PRINCIPAL AMOUNT OF THE LOAN IS \$30,000.00 OR MORE, OR ON LOANS SECURED BY OTHER THAN FIRST TRUST DEEDS, WHERE THE PRINCIPAL AMOUNT OF THE LOAN IS \$20,000.00 OR MORE, OR ON ANY LOAN REGARDLESS OF AMOUNT WHICH IS NOT SECURED BY A DEED OF TRUST ON A SINGLE FAMILY HOME OR 1-4 UNITS.

I, the undersigned signing agent, hereby declare, under penalty of perjury, that I have orally called to the attention of and explained the items checked above to:

\_\_\_\_\_  
<f5> <f6> <f7> - Borrower Date

\_\_\_\_\_  
<f10> <f11> <f12> - Borrower Date

Executed at \_\_\_\_\_  
City and State

\_\_\_\_\_  
Signing Agent Signature/Please print name after signature  
**SIGNING AGENT – PLEASE READ PARAGRAPH ONE AND BE SURE THAT BORROWER HAS BEEN EXPLAINED ALL ITEMS AND THEY INITIAL WHERE INDICATED.**

«f80»  
«f81»  
«f82», «f83»

## BALLOON PAYMENT DISCLOSURE

Date: «f3»

Borrower: «f5» «f6» «f7» «f8» «f10» «f11» «f12»

Loan Number: «f2»

BECAUSE YOU HAVE APPLIED FOR AN "INTEREST ONLY" LOAN, IN ADDITION TO THE REQUIRED MONTHLY PAYMENTS OF \$ «f24» IN «f23» MONTHS THE ENTIRE OUTSTANDING PRINCIPAL SUM AND ACCRUED INTEREST (estimated to be) \$ «f25» WILL BE DUE AND PAYABLE. IF YOU DO NOT HAVE PAYMENT WHEN IT COMES DUE, YOU MAY HAVE TO OBTAIN A NEW LOAN AGAINST YOUR PROPERTY TO MAKE THE BALLOON PAYMENT. IN THAT CASE, YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF YOU ARE UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, YOU MAY LOSE THE PROPERTY AND ALL OF YOUR EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING UPON THE AMOUNT AND TERMS OF THIS LOAN.

I/WE ACKNOWLEDGE RECEIPT OF THE ABOVE ON «f3» AND

AM AWARE I HAVE A BALLOON PAYMENT DUE ON «f27»

---

«f5» «f6» «f7» - Borrower

Date

---

«f10» «f11» «f12» - Borrower

Date

«f80»  
«f81»  
«f82», «f83»

## NOTICE OF MORTGAGE LOAN SERVICING DISCLOSURE STATEMENT

NOTICE TO MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED. FEDERAL LAW GIVES YOU CERTAIN RIGHTS. READ THIS STATEMENT AND SIGN IT 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. '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 of this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest and escrow account payments. 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 date of the transfer. The new loan servicer must also send you notice within 15 days after the date of the transfer. Also, a notice of prospective transfer may be provided to you at settlement (when title to your new property is transferred to you) to satisfy these requirements. The law allows a delay in the time (not more than 30 days after a transfer) for servicers to notify you under certain limited circumstances, when your servicer is changed abruptly. This exception applies only if your servicer is fired for cause, is in bankruptcy proceedings, or is involved in a conservatorship or receivership initiated by a Federal agency.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, 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 about the transfer of servicing. 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. '2605) gives you certain consumer rights, whether or not your loan servicing is transferred. 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 a 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. 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 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.

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 Estimate by Original Lender

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

1.  We do not service mortgage loans. The following person/entity shall be servicing the loan:  
«f585», «f587», «f588»

OR

2.  We are able to service this loan and presently intend to do so. However, that may change in the future. For all of the loans that we made in the 12 month period after your loan is funded, we estimate that the chances that we will transfer the servicing of those loans is between:

- 0% to 25%
- 26% to 50%
- 51% to 75%
- 76% to 100%

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

3. This is our record of transferring the servicing of the loans we have made in the past:

<u>Year</u>	<u>Percentage of Loans Transferred</u>	(Rounded to nearest quartile)
-------------	----------------------------------------	-------------------------------

20\_\_\_\_                    \_\_\_\_\_ %

20\_\_\_\_                    \_\_\_\_\_ %

20\_\_\_\_                    \_\_\_\_\_ %

20\_\_\_\_                    \_\_\_\_\_ %

The estimates in 2 and 3 above, do not include transfers to affiliates or subsidiaries. If the servicing of your loan is transferred to an affiliate or subsidiary in the future, you will be notified in accordance with RESPA.

Acknowledgement of Mortgage Loan Applicant

I/We have read this disclosure form, and understand its contents, as evidenced by my/our signature(s) below.

\_\_\_\_\_  
«f5» «f6» «f7» - Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
«f10» «f11» «f12» - Borrower

\_\_\_\_\_  
Date

«f80»  
«f81»  
«f82», «f83»

LOAN NUMBER: «f2»

## LOAN ESCROW ADDENDUM SOURCE OF REPAYMENT

Dear Borrower:

In order to grant your loan request, we require that you tell us your source for repayment of your loan:

Regular Monthly Payments

---

---

---

Balloon Payment

---

---

---

I hereby certify that the above information is correct and I understand that the lender will rely on these representations when making the loan.

---

«f5» «f6» «f7» / DATE

---

«f10» «f11» «f12» / DATE

**SIGNING AGENT: THIS DOCUMENT MUST BE COMPLETED BY THE BORROWER AT TIME OF SIGNING**

DATE: <f3>

ESCROW #: <f48>

## **NOTICE OF BORROWER'S RIGHT TO RECEIVE APPRAISAL**

Per Business & Professions Code, you as a borrower have a right to receive a copy of the appraisal report, provided you have paid for it.

Please sign below, acknowledging your receipt of a copy of this notice.

---

<f5> <f6> <f7> / DATE

---

<f10> <f11> <f12> / DATE

# HAZARDOUS MATERIAL CERTIFICATE AND INDEMNITY AGREEMENT

THIS HAZARDOUS MATERIALS CERTIFICATE AND INDEMNITY AGREEMENT is made this day of <f29> by <f5> <f6> <f7> <f8> <f10> <f11> <f12> <f450> <f451> ("Borrower") in favor of <f38> <f39> ("Lender").

## RECITALS

A. Borrower is the owner of the real property located at: <f18> <f19>, in the county of <f63>, more particularly described as <f190> <f191> <f192> <f193> <f194> (said real property, together with any real property hereafter encumbered by the lien of the "Trust Deed" (as defined below), being herein collectively called the "Land"; the Land, together with all improvements now or hereafter located on the Land, being herein collectively called the "Property).

B. Lender is prepared to make and Borrower will accept a loan in the amount of <f206>, (\$<f20>) (the "Loan") secured by a Trust Deed from Borrower to Lender, which will encumber the property.

C. As a condition to making the Loan, Lender requires Borrower to provide certain warranties and indemnities concerning existing and future "Hazardous Materials" (as defined in Paragraph 17 below).

D. To induce Lender to consummate the above-described transaction and to lend the indicated amount to Borrower, Borrower has agreed to enter into this Agreement.

**NOW, THEREFORE**, in consideration of the premises and other good and valuable consideration, the receipt sufficiency of which are hereby acknowledged, Borrower hereby agrees as follows:

1. Borrower represents, warrants and covenants that Borrower has not used Hazardous Materials on, or affecting the Property in any manner which violates federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage or disposal of Hazardous Materials and, to the best of Borrower's knowledge after having conducted an inquiry into the previous uses and ownerships of the Property, no prior owner of the Property or any existing or prior tenant, subtenant or occupant of the Property has used Hazardous Materials on, from or affecting the Property in any manner which violates federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials.

2. Borrower represents, warrants and covenants that Borrower has never received any notice of any violation (and is not aware of any existing violations) of federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials at the Property and, to the best of Borrower's knowledge, there have been no actions commenced or threatened by any party for noncompliance which affects the Property.

3. Borrower represents and warrants that the Property is not shown on the list of contaminated properties maintained by any public or government agency of competent jurisdiction.

4. Borrower shall keep or cause the Property to be kept free of Hazardous Materials except to the extent that such Hazardous Materials are approved by all applicable governmental agencies of competent jurisdiction for bulk general consumer retail distribution and which are stored, distributed, disposed of and/or used in compliance with federal, state or local laws, ordinances, rules, regulations or policies governing said storage, distribution, disposal or use. Borrower shall not cause or permit the Property to be used to generate, manufacture, refine, transport, and treat, dispose of, transfer, produce or process Hazardous Materials. In addition, Borrower shall not cause or permit, as a result of an intentional or unintentional act or omission on the part of Borrower, any tenant, subtenant or occupant to release any Hazardous Materials onto the Property or onto adjacent property.

5. Borrower shall immediately notify Lender in writing upon the occurrence of any of the following:

- (i) the release of any Hazardous Material(s) on or about the Property;
- (ii) receipt by Borrower or any tenant, subtenant or occupant of the Property of any notice concerning the Property of any, violation of federal, state or local laws, ordinances, rules, regulations or policies relating to any Hazardous Material(s); and
- (iii) any violation affecting the Property of any federal, state or local laws, ordinances, rules regulations or policies relating to any Hazardous Material(s).

6. Borrowers shall conduct and complete all investigations, studies, sampling and testing, and all removal and other actions necessary to clean up and remove all Hazardous Materials on, under, from or affecting the Property if required by and in accordance with all applicable federal, state and local laws, ordinances, rules, regulations and policies to the satisfaction of Lender, in accordance with the orders and directives of all federal, state and local governmental authorities.

7. Borrower shall indemnify, defend and hold harmless Lender, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind of nature, including attorney fees, fees of environmental consultants and laboratory fees, known or unknown, contingent or otherwise, arising out of or in any way related to

- (i) the presence, disposal, release or threatened release of any Hazardous Materials on, over, under, from or affecting the Property or the soil, water, vegetation, buildings, personal property, persons or animals therein;



- (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials;
- (iii) any lawsuit brought or threatened, settlement reached or governmental order relating to such Hazardous Materials with respect to Property;
- (iv) any violation of laws, orders regulations, requirements or demands of government authorities or any policies or requirements of Lender, which are based upon or in any way related to such Hazardous Materials; and/or
- (v) the breach of any warranty, representation or covenant of Borrower contained in this Agreement.

The provisions of this Paragraph 7 shall remain in full force and effect notwithstanding the transfer of the Property or Lender's security interest herein to any wholly-owned subsidiary of Lender, any transferee pursuant to a power of sale or any transfer of Lender or its wholly-owned subsidiary.

8. Borrower agrees that in the event that the Trust Deed is foreclosed (whether judicially or by power of sale) or Borrower tenders a deed in lieu of foreclosure, Borrower shall deliver the Property to (or shall cause all tenants of the Property to deliver, to the extent required by applicable law) free of any and all Hazardous Materials, so that the condition of the Property shall conform with all applicable federal, state and local laws, ordinances, rules or regulations affecting the Property. Borrower's obligation as set forth in this Paragraph 8 is made strictly for the benefit of Lender and shall not in any way impair or affect Lender's right to foreclosure against the Property.

9. Lender's rights under this Agreement shall be in addition to all rights to Lender under the Trust Deed, the note secured by the Trust Deed (the "Note") and any guaranty or guaranties (whether of payment and/or performance) given to Lender in connection with the Loan and under any other documents or instruments evidencing or securing the Loan (the Trust Deed, the Note any such guaranty or guaranties and such other documents or instruments, as amended or modified from time to time, being herein called the "Loan Documents"), and payments by Borrower under this Agreement shall not reduce Borrower's obligations and liabilities under any of the Loan Documents. Borrower's obligations under this Agreement are not secured by the Trust Deed or any other Loan Documents, but any default by Borrower under this Agreement (including without limitation, any breach of any of Borrower's representations and warranties herein) shall, at Lender's option, constitute a default under the Note, the Trust Deed or any of the other Loan Documents.

10. The liability of Borrower under this Agreement shall in no way be limited or impaired by, and Borrower hereby consents to and agrees to be bound by, any amendment or modification of the provisions of the Loan Documents to or with Lender by Borrower or any person who succeeds Borrower as owner of the Property. In addition, the liability under this Agreement shall in no way be limited or impaired by

- (i) any extensions or time for performance required by any of the Loan Documents;
- (ii) any sale, assignment or foreclosure of the Note or Trust Deed or any sale or transfer of all or part of the Property;
- (iii) the discharge of the Note and/or the reconveyance of the Trust Deed;
- (iv) any exculpatory provisions in any of the Loan Documents limiting Lender's recourse to property encumbered by the Trust Deed or to any other security, or limiting Lender's rights to a deficiency judgment against Borrower;
- (v) the accuracy or inaccuracy of the representations and warranties made by Borrower under any of the Loan Documents;
- (vi) the release of Borrower or any other person from performance or observance of any of the Loan Documents by operations of Law, Lender's voluntary act or otherwise;
- (vii) Lender's failure to record the Trust Deed or file any UCC financing statements (or Lender's improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Note; and, in any such case, whether with or without notice to Borrower and with or without consideration.

11. No delay on Lender's part in exercising any right, power or privilege under this Agreement shall operate as a waiver of any such privilege, power or right.

12. The obligations hereunder of the persons and/or entities constituting Borrower and/or executing below are joint and several. Any one or more of Borrower's shareholders, or any other party liable upon or in respect of this Agreement or the Loan, may be released without affecting the liability of any party not so released.

13. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when sent by registered or certified mail, to the addresses set forth below, or such other address of which a party shall have notified the other party by giving such notice in writing in accordance with the foregoing requirements.

14. No provision of this Agreement may be changed, waived, discharged or terminated orally, by telephone or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

15. Except as herein provided, this Agreement shall be binding upon and inure to the benefit of Borrower and Lender and their respective heirs, personal representatives, successors and assigns. Notwithstanding the foregoing, Borrower, without the prior written consent of Lender in each instance, may not assign, transfer or set over to another, in whole or in part, all or any including, but not limited to, performance of and compliance with conditions hereof.

16. No party to this Agreement shall seek a jury trial in any lawsuit, proceeding, counterclaim or any other litigation procedure based upon or arising out of this Agreement, or the dealings or the relationship between or among the parties, or any of them. No party shall seek to consolidate any such action, in which a jury trial has been waived, with any other action in which a jury trial

cannot or has been waived. The provisions of this paragraph have been dully discussed by the parties hereto. No party has in any way agreed with or represented to any other party that the provisions of this paragraph will not be fully enforced in all instances.

17. For purposes of this Agreement, "Hazardous Materials" include, without limitation, urea-formaldehyde, radon asbestos, polychlorinated biphenyls, petroleum products, any flammable explosives, radioactive materials, hazardous materials, hazardous waste, hazardous or toxic substance or related materials defined in the comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC S9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 USC S1801, et seq.), the Resource Conservation and Recovery Act, as amended ("RCRA"), (42 USC S6901, et seq.), and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local governmental law, ordinance, rule or regulation.

**IN WITNESS WHEREOF**, the undersigned have executed this Agreement as of the day and year first above written.

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«f5» «f6» «f7» - Borrower/Date

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«f10» «f11» «f12» - Borrower/Date

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«f450» - Borrower/Date

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«f451» - Borrower/Date

«f13», «f15» - Borrower's Address

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«f38» - Lender/Date

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«f39» - Lender/Date

«f40», «f41» - Lender's Address

HAZ\_AGRE.DOC

«f80»  
«f81»  
«f82», «f83»

## HOEPA Loan Information I

Creditor: «f38»  
«f39»

Borrower: «f5» «f6» «f7» «f8»«f8» «f10» «f11» «f12», «f204»

Important Notice to Loan Applicants:

**You are not required to complete this agreement merely because you have received these disclosures or have signed a loan application. If you obtain this loan, the lender will have a mortgage on your home.**

**YOU COULD LOSE YOUR HOME, AND ANY MONEY YOU HAVE PUT INTO IT, IF YOU DO NOT MEET YOUR OBLIGATIONS UNDER THE LOAN.**

You are borrowing \$«f20»

The ANNUAL PERCENTAGE RATE on your loan will be «f132»%  
Your regular monthly payment will be in this order:

Amount of Monthly Payment	Number of Monthly Payments
\$«f24»	«f23»

At the end of your loan, you will still owe us \$«f25»

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«f5» «f6» «f7» - Borrower/Date

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«f10» «f11» «f12» - Borrower/Date

**«f80»**  
«f81»  
«f82», «f83»

***ARBITRATION OF DISPUTES (Borrower Binding Arbitration)***

Loan No. «f2»

Property Address: «f18» «f19»

**MUTUAL AGREEMENT TO ARBITRATE DISPUTES:** «f80» (the “COMPANY”) has been requested by the undersigned (“BORROWER”) to make or arrange a mortgage loan secured directly or collaterally, in whole or in part, by real property (“Loan”). BORROWER and COMPANY agree that any and all disputes involving the Loan including, but not limited to, claims arising from the making, arranging, origination, documentation, disclosures, servicing, collection or any other aspect of the Loan transaction or the coverage or enforceability of this Agreement, shall be resolved exclusively by binding arbitration under the terms of this Agreement. This Agreement shall also be binding on the agents, spouses, executors, administrators, successors and assigns of the parties and the Loan. “Dispute” shall include, but not be limited, to: (1) Any claimed wrongdoing including, but not limited to, misrepresentation, negligence, breach of contract, breach of fiduciary duty, unconscionability, fraud in the inducement, rescission, breach of the covenant of good faith and fair dealing and unfair business practices; and, (2) Any claimed violation of local, state or federal laws, including, but not limited to consumer credit, truth-in-lending, civil rights, equal opportunity, real estate settlement laws, housing discrimination laws, fair lending acts, licensing, loan regulation and unfair business practice acts.

“Dispute” shall not include: (1) Actions by the holder of the Note and Deed of Trust (“Lender”) to judicially or non-judicially foreclose deed of trust (or mortgage) securing the Loan, to enjoin waste, to collect rents, interpleader actions or actions for a receiver, to recover possession, ejectment or relief from the automatic stay in bankruptcy, or to obtain relief through governmental agencies; and (2) Actions for provisional remedies such as set forth a temporary restraining order or preliminary injunction or for a permanent injunction based upon an arbitration award.

No party to this agreement shall be precluded from seeking remedies in small claims court for disputes or claims within the scope of its jurisdiction. Each party shall be entitled to all unwaivable rights and remedies provided by statute or by common law and to affirmative defenses to the same extent as if the dispute were tried in court.

**ARBITRATION OF DISPUTES:** Binding Arbitration shall be conducted under the rules of American Arbitration Association (“AAA”). Arbitration shall be filed at the office of the AAA nearest to at least one parcel of real property securing the Loan. The arbitrator’s award shall be reasoned decision in accordance with applicable law. The award shall be in writing and provide a concise statement of the essential findings and conclusions on which the award is based. The remedy awarded by the arbitrator shall not be different from that which could be awarded by a court. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute, or other matter(s) in question would be barred by the applicable statute of limitations, and the arbitrator shall reject any claim that is not based upon a timely filed demand. Discovery may be conducted pursuant to the provisions of section 1283.05 of the California Code of Civil Procedure.

BORROWER shall pay an arbitration filing fee as established by AAA and which is approximately equivalent to the current court filing fees. BORROWER shall be liable for other arbitration fees and costs up to the amount they would have had to pay if the matter were tried in court without a jury. Each party shall bear his/her/its own attorneys fees, except to the extent provided by applicable law if the dispute were tried in court. The COMPANY   X   shall \_\_\_\_\_ shall not pay all other arbitrator fees and hearing fees to the extent they exceed what Borrower would have had to pay if the matter were tried in court. The arbitrator(s) shall render a statement of the reasons for the award. Judgment on the award may be entered in any court of competent jurisdiction.

We have read, fully understand and agree to the above:

\_\_\_\_\_  
«f5» «f6» «f7» - Borrower/Date

\_\_\_\_\_  
«f10» «f11» «f12» - Borrower/Date

«f80»  
«f81»  
«f82», «f83»

Loan No. «f2»  
Property Address: «f18», «f19»

## **LIMITED POWER OF ATTORNEY AND COMPLIANCE AGREEMENT AND RELEASE OF INFORMATION**

TO ALL PERSONS, be it known, that «f5» «f6» «f7» «f8» «f10» «f11» «f12», the undersigned Grantor, do hereby make and grant a limited power of attorney to «f76» and do thereupon constitute and appoint said individual as my attorney-in-fact.

My attorney-in-fact shall have full powers and authority to do and undertake the following tasks regarding the above referenced property address:

Re-sign the Deed of Trust should there be an error on said Deed of Trust (i.e. legal description omitted or incorrect, lender name omitted or incorrect, trustee name omitted or incorrect, loan amount incorrect, etc.)

My attorney-in-fact hereby accepts this appointment subject to its terms and agrees to act and perform in said fiduciary capacity consistent with my best interest as he in his best discretion deems advisable, and I affirm and ratify all acts so undertaken.

This power of attorney shall become null and void 90 days after «f27».

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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 or successor lender, to fully co-operate in adjusting for clerical errors, loss of or missing documentation, any and all loan closing documentation deemed necessary or desirable, in the reasonable discretion of lender, to enable lender to show compliance, sell, convey, seek guaranty or market said loan to any lending/buying entity.

The undersigned borrower(s) do hereby so agree and covenant as foresaid in order. Borrower would have thirty days from date of sending of documents to borrower(s) to execute new documents to correct clerical errors, or replace lost or missing documents and have back in to requesting party's office. Should borrower not comply with request, such conduct will considered a breach under the terms of the deed of trust and foreclosure could be commenced for non-compliance.

Additionally, should Borrower have any future documentation which may assist lender in making future decisions on this loan, Borrower agrees to turn over any and all information. Said information may include but is not limited to: appraisals, permits, building plans, financials, etc.

RELEASE INFORMATION: The undersigned borrower(s) do hereby authorize and instruct Broker to release all credit, property and personal information to all potential lenders to this loan. The documentation includes but is not limited to my loan application, financial statements, tax returns, credit report(s), appraisal documentation, etc. Any information which has been released prior to this authorization is deemed approved by the undersigned.

Dated effective <f29>

\_\_\_\_\_  
<f5> <f6> <f7>- Borrower/Date

\_\_\_\_\_  
<f10> <f11> <f12> - Borrower/Date

\_\_\_\_\_  
Attorney-in-Fact

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

(FOR BORROWER NOTARIZATION)

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_ SS.

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_ who 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 acknowledge 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.

*I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.*

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary's Signature

## CONSUMER CAUTION AND HOMEOWNERSHIP COUNSELING NOTICE

Originator: <f80>

Borrower: <f5> <f6> <f7> <f8> <f10> <f11> <f12>

If you obtain this loan, the lender will have a mortgage on your home. You could lose your home, and any money you have put into it, if you do not meet your obligations under the loan.

Mortgage loan rates and closing costs and fees vary based on many other factors, including your particular credit and financial circumstances, your earnings history, the loan-to-value requested, and the type of property that will secure your loan. Higher rates and fees may be justified depending on the individual circumstances of a particular consumer's application. You should shop around and compare loan rates and fees.

This particular loan may have a higher rate and total points and fees than other mortgage loans and is, or may be, subject to the additional disclosure and substantive protections under Division 1.6 (commencing with Section 4970 of the Financial Code. You should consider consulting a qualified independent credit counselor or other experienced financial adviser regarding the rate, fees, and provisions of this mortgage loan before you proceed. For information on contacting a qualified credit counselor, ask your lender or call the United States Department of Housing and Urban Development's counseling hotline at 1-888-466-3487 or go to [www.hud.gov/fha/sfh/hcc](http://www.hud.gov/fha/sfh/hcc) for a list of counselors.

You are not required to complete any loan agreement merely because you have received these disclosures or have signed a loan application.

If you proceed with this mortgage loan, you should also remember that you may face serious financial risks if you use this loan to pay off credit card debts and other debts in connection with this transaction and then subsequently incur significant new credit card charges or other debts. If you continue to accumulate debt after this loan is closed and then experience financial difficulties, you could lose your home and any equity you have in it if you do not meet your mortgage loan obligations.

Property taxes and homeowner's insurance are your responsibility. Not all lenders provide escrow services for these payments. You should ask your lender about these services.

Your payments on existing debts contribute to your credit ratings. You should not accept any advice to ignore your regular payments to your existing creditors.

We each acknowledge receipt of a copy of this Notice on the dates indicated beside our signatures.

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<f5> <f6> <f7> - Borrower/Date

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<f10> <f11> <f12> - Borrower/Date

# CALIFORNIA RESIDENTIAL MORTGAGE LENDING ACT PER DIEM INTEREST DISCLOSURE

Loan No. <f2>

California Civil Code, Section 2948.5 provides that lenders shall not require borrowers to pay interest on a mortgage loan for a period in excess of one day prior to the disbursement of loan proceeds from the escrow/title company, unless the following disclosure is made in writing to the borrower:

1. The amount of additional per diem (per day) interest charged to accommodate disbursement on Monday or the day following a holiday, as the case may be, and
2. That it may be possible to avoid the additional per diem interest charge by disbursing the loan proceeds on a day immediately following a business day.

If your loan proceeds are disbursed on a Monday or a day following a holiday, you will be charged interest beginning on the preceding business day.

The per diem (per day) interest amount on your loan is \$ <f264>.

You may avoid the additional per diem interest charge if the date for loan-proceeds disbursement is changed to a day immediately following a business day as defined in the Government Code.

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I/We, the undersigned, acknowledge that I/we have read and understand the above, and have received a copy of this Disclosure.

---

<f5> <f6> <f7>- Borrower/Date

---

<f10> <f11> <f12> - Borrower/Date



Loan No. <f2>

Date: <f3>

**ADDRESS/PHONE NUMBER CERTIFICATION**  
ALL INFORMATION MUST BE COMPLETED ON THIS FORM WITHOUT  
EXCEPTION

TRUSTOR: <f5> <f6> <f7> <f8> <f10> <f11> <f12>

I hereby certify that the subject property is located at the address indicated below, and that the correct mailing address of the Trustor is also indicated below:

The complete PROPERTY address is as follows: <f18> <f19>

The complete MAILING address is as follows: <f13>, <f15>

If the MAILING ADDRESS or PROPERTY ADDRESS is different than noted above, please indicate changes.

**PLEASE PROVIDE THE FOLLOWING CONTACT INFORMATION FOR EACH BORROWER:**

**Borrower:** <f5> <f6> <f7>

Home Phone No. \_\_\_\_\_

Work Phone No. \_\_\_\_\_

Cell Phone No.\* \_\_\_\_\_

**Borrower:** <f10> <f11> <f12>

Home Phone No. \_\_\_\_\_

Work Phone No. \_\_\_\_\_

Cell Phone No.\* \_\_\_\_\_

**\*By including your cell phone number you are giving authorization to contact you at that number.**

**PLEASE PROVIDE THE FOLLOWING INFORMATION  
ON EACH BORROWER'S CLOSEST RELATIVE NOT LIVING WITH YOU:**

**Borrower: <f5> <f6> <f7>**

**Closest Relative:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Home Phone No.** \_\_\_\_\_

**Work Phone No.** \_\_\_\_\_

**Borrower: <f10> <f11> <f12>**

**Closest Relative:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Home Phone No.** \_\_\_\_\_

**Work Phone No.** \_\_\_\_\_

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**<f5> <f6> <f7>- Borrower/Date**

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**<f10> <f11> <f12> - Borrower/Date**