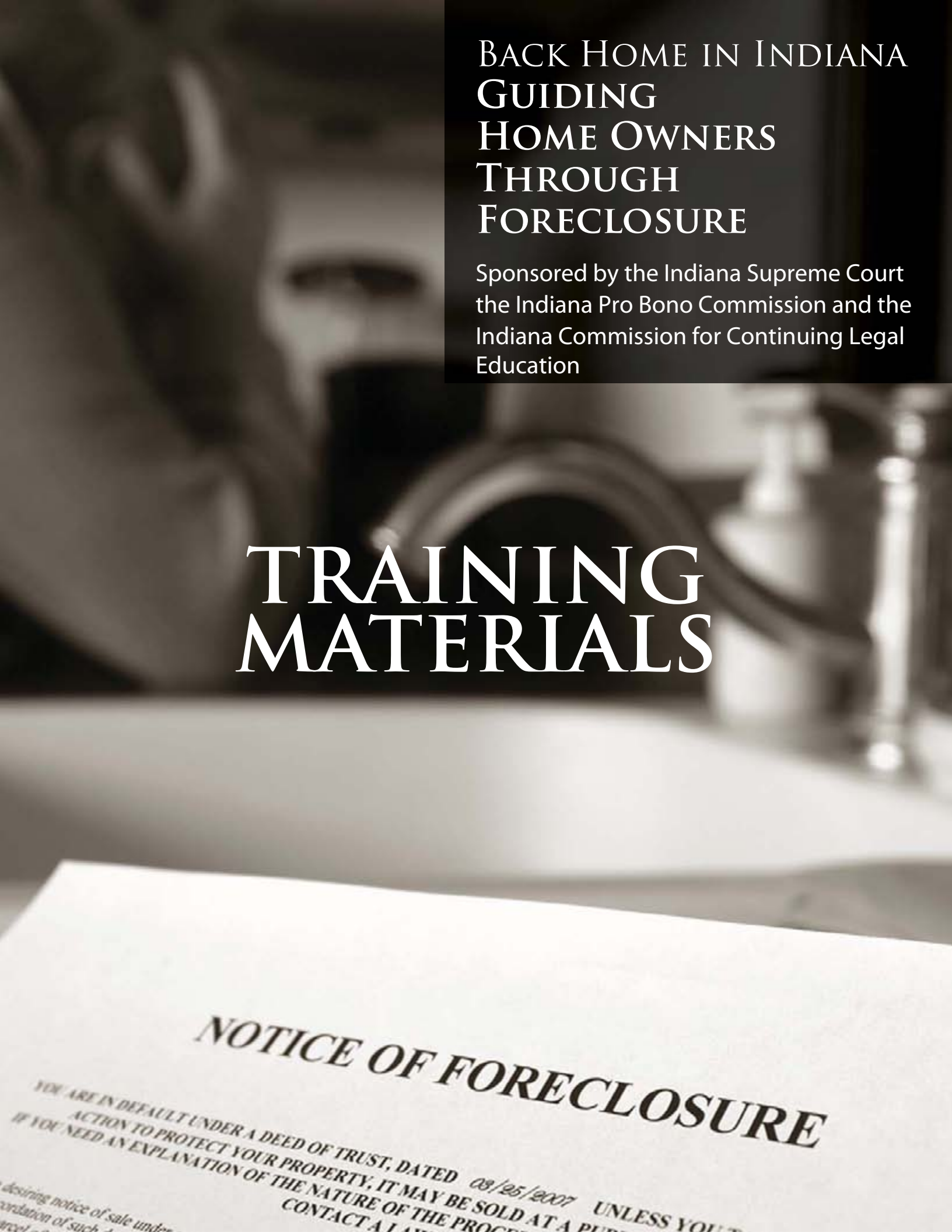
Back Home in Indiana
Guiding Home Owners Through Foreclosure

Sponsored by the Indiana Supreme Court the Indiana Pro Bono Commission and the Indiana Commission for Continuing Legal Education

TRAINING MATERIALS



MORTGAGE FORECLOSURE MATERIALS

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BACK HOME IN INDIANA
GUIDING HOMEOWNERS THROUGH FORECLOSURE

Program Chair: Professor Judith Fox, University of Notre Dame Law School
Panel Members: Christine Jackson, private attorney, Indianapolis
Chris Purnell, Neighborhood Christian Legal Clinic
Professor Alan White, Valparaiso School of Law
Marcy Wenzler, Indiana Legal Services
Gabrielle Owens, Section Chief, Consumer Protection Division, Indiana Attorney General's Office

PROGRAM

PART ONE

Setting Up The Case (75 minutes)
Judith Fox, Moderator
Christine Jackson
Chris Purnell
Gathering the documents – what the relevant documents are, how to get them
Red flags of predatory lending
How to determine if there has been a Truth in Lending (TILA) violation – Truth in Lending analysis
Possible Defenses to foreclosure – modification, deed in lieu of foreclosure, short sales, in rem judgment

PART TWO

Judicial Foreclosure (75 minutes)
Judith Fox, Moderator
Professor Alan White
Marcy Wenzler
Time-line of foreclosure once foreclosure has been filed
New Indiana Statutes regarding foreclosure – importance of settlement conferences
Issues of Securitization – Real party in Interest – Who has the Note and the Mortgage
Modifications – how they work, different possibilities – the Obama and other plans
Bankruptcy

PART THREE

Foreclosure Rescue and other areas of Fraud (30 minutes)
Professor Judith Fox, Moderator
Gabrielle Owens
Foreclosure rescue scams
When and how to file a complaint with the Attorney General's Office
What areas of fraud related to mortgages should you be aware of

JUDITH FOX is an Associate Clinical Professor of Law at the Notre Dame Law School, where she teaches and practices consumer law. Since joining the Notre Dame faculty 1997, she has taught courses in consumer law, alternative dispute resolution, ethics and domestic violence. Prior to joining the law school faculty, Judy was the Deputy Director of Berrien County Legal Services in St. Joseph, Michigan. She graduated from Notre Dame Law School, magna cum laude in 1993, where she was the articles editor of the Notre Dame Law Review. She is a member of the National Association of Consumer Lawyers Advocates, St. Joseph County Bar Association, Indiana State Association, and Seventh Circuit Bar Association. Her community activities reflect her commitment to consumer advocacy and the poor. She is on the governing committee of the CAN network, the board of the St. Joseph County Literacy Counsel, the Advisory Board of the Indiana Foreclosure Legal Assistance Program and co-chairs the predatory lending committee of the Bridges Out of Poverty Initiative. Prior to attending law school, Judy was a loan officer at banks in both Pennsylvania and Indiana.

Ms. Fox has presented numerous continuing legal education seminars on issues relating to consumer law and ethics. Recognized for her expertise in foreclosure law, she has presented at venues throughout the state including the state house, Notre Dame Law School, Valparaiso Law School and the University of Indiana Law School.

CHRISTINE M. JACKSON

Ms. Jackson's practice focuses on consumer law, especially cases involving predatory lending, credit discrimination, and home foreclosure defense due to violations of the Truth in Lending Act or the Real Estate Settlement Procedures Act. She also accepts cases involving employment discrimination and violations of the wage and hour laws.

Ms. Jackson graduated from Indiana School of Law - Indianapolis. Her undergraduate degree was obtained from Georgia State University where she majored in Spanish and minored in Accounting. Ms. Jackson also received specialized financial investigative training as a criminal investigator for the Internal Revenue Service. Ms. Jackson is a member of the Indiana Bar and the Southern and Northern Indiana U.S. District Court Bars.

Ms. Jackson was employed by the Criminal Investigation Division of the Internal Revenue Service for over 17 years in Alaska, Georgia, Florida and Indiana. While a special agent in Florida, she planned and coordinated criminal investigations and search warrants involving white collar crime, federal tax, banking and money laundering violations. She was a member of Vice-President Bush's money laundering task force "Operation Greenback." Ms. Jackson later became an instructor at the Federal Law Enforcement Training Center and a Group Manager in Indiana.

Ms. Jackson is the Indiana state coordinator for the National Association of Consumer Advocates. She regularly volunteers for pro bono work and is a member of the Indianapolis Bar Association, the Indiana Trial Lawyers Association and the National Employment Lawyers Association.

Ms. Jackson enjoys yoga and golf even though is she not very good at either. She is a black belt in Taekwondo and a Taekwondo instructor for IUPUI for many years.

CHRISTOPHER LOUIS PURNELL received a Bachelor of Science in both English and History from Indiana State University in 2005. Immediately after graduating with his undergraduate degree, he attended the Indiana University School of Law—Indianapolis, where he was a Note Development Editor for the Indiana Law Review from 2007-2008. After sitting for the Indiana Bar in July of 2008, he was hired as a staff attorney with the Neighborhood Christian Legal Clinic, a faith-based legal services organization that serves low-income individuals in the Indianapolis area on a pro bono basis. Mr. Purnell focuses on the areas of landlord-tenant relations,

collections, housing, and mortgage foreclosure defense law. Mr. Purnell lives in Indianapolis, Indiana.

GABRIELLE J. OWENS is the Section Chief of the Professional Licensing & Homeowner Protection Unit of the Indiana Office of the Attorney General. The section investigates and brings administrative and civil actions concerning seventeen licensed professions and mortgage fraud. The section also partners with law enforcement in the battle against mortgage fraud in Indiana. Gabrielle has held this position since April 2006. Prior to joining the Office of the Attorney General, Gabrielle worked for over ten years for the Commonwealth of Pennsylvania. The majority of that time was spent with the Pennsylvania Office of Inspector General combating fraud, waste, and abuse in the Commonwealth, including welfare fraud.

MARCY WENZLER: senior attorney with Indiana Legal Services, Director ILS Housing Law Center in Bloomington. Graduate of Indiana University and Texas Tech University School of Law. Member: Monroe County and Indiana State Bar Associations and National Association of Consumer Advocates (NACA). Supervisor, Northern Indiana Foreclosure Legal Assistance Project, Indiana's project funded by the Institute for Foreclosure Legal Assistance (IFLA). IFLA is a project of the Center for Responsible Lending, managed by NACA. Trainer on housing issues, including landlord-tenant, foreclosure, fair housing, consumer law and predatory lending. Member, Monroe County Criminal Justice Coordinating Committee and Guiding Coalition of the Circles Initiative to Eliminate Poverty in Monroe County.

ALAN M. WHITE joined the faculty at Valparaiso University School of Law in the fall of 2007, teaching consumer law, commercial law and contracts. Mr. White is a nationally-recognized expert on credit regulation and the mortgage market. Mr. White is a past member of the Federal Reserve Board's Consumer Advisory Council and was recently elected as a member of the American Law Institute. Professor White is quoted frequently in the national media, including the New York Times, the Wall Street Journal and the Washington Post, in connection with his research on the foreclosure crisis. He has published a number of research papers and articles on housing, credit and consumer law issues, and testified before Congress and at federal agency hearings on the foreclosure crisis, bankruptcy reform and predatory mortgage lending. He is the author of "Borrowing While Black: Applying Fair Lending Laws to Risk-Based Mortgage Pricing" (South Carolina Law Review 2009), "Deleveraging the American Homeowner" (Connecticut Law Review 2009), "The Case for Banning Subprime Mortgages" (Cincinnati Law Review 2009), "Risk-Based Pricing: Present and Future Research", (Housing Policy Debate 2004), and co-author with Prof. Cathy Lesser Mansfield of "Literacy and Contract" (Stanford Law and Policy Review 2002). He was previously a supervising attorney at the North Philadelphia office of Community Legal Services, Inc., and has also been a fellow and consultant with the National Consumer Law Center in Boston and adjunct professor with Temple University Law School and Drake University School of Law. His legal services practice included representation of low-income consumers in mortgage foreclosures, class actions, bankruptcies, student loan disputes, and real estate matters. Mr. White received his B.S. from the Massachusetts Institute of Technology and his J.D. from the New York University School of Law.

NOTE

LENDER:	BORROWER:
LongGone Mortgage Lending	Mr. & Mrs. Skrewd
987 RipOff Drive	123 Main Street
Orange, CA	Anytown, USA

Loan Date:	Principal:	Final Payment Date:
12-31-2006	$ 120,000.00	1-2-2027

"I" "me" and "my" refer to the borrower(s) named above. "You" and "your" refer to the lender named above.

REPAYMENT I promise to pay you, at your office, the address of which is shown above, or at a different place if required by you, the Principal stated above together with interest calculated at the Agreed Rate of interest shown below until fully paid.

I will repay my loan by making the monthly payments set forth in the Payment Schedule below. Payments will be made on the same date of every month beginning with the first payment date until the loan is fully paid. If there is no such date in any month that follows, payment will be made on the last day of that month.

My monthly payments will be applied to interest before principal. If I still owe amounts under this Note on the Final Payment Date, I will pay those amounts in full on that date.

Payment(s) in the amount(s) shown below will be due monthly as shown below:

AMOUNT	DUE DATE
$ 1,177.97	1/02/2007
$ 1,179.97	1/2/2027
$	

All amounts owed will be due and payable on the Final Payment Date shown above.

AGREED RATE The Agreed Rate of Interest on my loan is 10.25 %. I agree to pay interest on the principal balance remaining after the Final Payment Date shown above at the Agreed Rate of Interest in effect on that date, until the loan is paid in full.

DEFAULT: I will be in default if I fail to pay any payment or part of a payment on time or if I fail to comply with any of the terms of the Mortgage on the real estate given as a security for this loan.

If I default, you have the right to declare the entire unpaid amount of my loan immediately due and payable without giving me notice of the default or asking me to pay. If you declare the balance of may loan due and payable, you have the rights and remedies provided for in the Mortgage that secures this loan, including the right to require me pay any deficiency.

ATTORNEY FEES: I agree to pay reasonable attorney's fees if this Note is referred for collection to an attorney who is not your salaried employee.

NOTICE: See additional pages for additional loan terms.

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PREPAYMENT I have the right to make prepayments of principal at any time. When I make a prepayment I will tell you on my payment coupon. All prepayments will be applied to the applicable charges with the remainder to principal. If I make a principal prepayment there will be no changes in the due date or changes to the amount of my monthly payment unless you agree in writing to those delays or changes. If I prepay in full, no part of the loan fee will be refunded

PREPAYMENT PENALTY:

[X] If this box is checked, the following provision applies:

If an amount in excess of twenty percent (20%) of the Principal stated above is prepaid in any 12-month period within ___5___ year(s) from the Loan Date, I agree to y a prepayment penalty in amount equal to ___6___ month(s) interest at the Agreed Rate of Interest on the amount prepaid in excess of twenty percent (20%) of the Principal stated above.

However, this provision shall not apply if I prepay the loan in full with the proceeds of another loan from you or one of your affiliates.

BAD CHECK CHARGE If any check or instrument given as payment on this indebtedness is dishonored, I agree to Pay you a service charge of $20.00.

DELAY IN ENFORCEMENT You can delay enforcing your rights under this Note without losing them. If I default in complying with any of the terms of my loan and you do not declare the loan balance immediately due and payable, this does not mean you cannot do so in the future if I default again.

SECURITY FOR THIS LOAN I give you a Mortgage dated the same date as this Note to assure payment of my loan.

BY SIGNING IN THE SPACE BELOW, I ACKNOWLEDGE THAT I HAVE RECEIVED A FULLY COMPLETED COPY OF THIS NOTE

BORROWER: BORROWER

_____ _____

IN WITNESS WHEREOF :

_____
Kevin Kool, Notary

My Commission expires 1/6/2007.

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A. Settlement Statement

U.S. Department of Housing and Urban Development

OMB Approval No. 2502-0265

B. Type of Loan

1. ☐ FHA 2. ☐ FmHA 3. ☑ Conv. Unins.
4. ☐ VA 5. ☐ Conv. Ins.

6. File Number:	7. Loan Number:	8. Mortgage Insurance Case Number:
0612345	87654123	

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:	E. Name & Address of Seller:	F. Name & Address of Lender:
John & Jane Skrewd 123 Main Street Anytown, USA		LongGone Mortgage Lending 666 Ripoff Drive Orange, CA

G. Property Location:	H. Settlement Agent:	
123 Main Street Anytown, USA	Kneed Kash, LLC	
	Place of Settlement:	I. Settlement Date:
	Our Place, Your Place - No Problem	12/31/2008

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower		**400. Gross Amount Due To Seller**	
101. Contract sales price		401. Contract sales price	
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	14,370.00	403.	
104. Pay Off Good Daze Mtg	105,630.00	404.	
105.		405.	
Adjustments for items paid by seller in advance		**Adjustments for items paid by seller in advance**	
106. City/town taxes to		406. City/town taxes to	
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due From Borrower	120,000.00	**420. Gross Amount Due To Seller**	
200. Amounts Paid By Or In Behalf Of Borrower		**500. Reductions In Amount Due To Seller**	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	120,000.00	502. Settlement charges to seller (line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		**Adjustments for items unpaid by seller**	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower		**520. Total Reduction Amount Due Seller**	
300. Cash At Settlement From/To Borrower		**600. Cash At Settlement To/From Seller**	
301. Gross Amount due from borrower (line 120)	120,000.00	601. Gross amount due to seller (line 420)	
302. Less amounts paid by/for borrower (line 220)	( )	602. Less reductions in amt. due seller (line 520)	( )
303. Cash ☐ From ☐ To Borrower	00.00	**603. Cash** ☐ To ☐ From Seller	

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: • HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; • Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; • Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper.

The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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.

The information requested does not lend itself to confidentiality.

L. Settlement Charges

		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price $ @ % =			
Division of Commission (line 700) as follows:			
701. $ to			
702. $ to			
703. Commission paid at Settlement			
704.			
800. Items Payable in Connection With Loan			
801. Loan Origination Fee %			
802. Loan Discount % POCL: YSP - $2,400.00			
803. Appraisal Fee AnythingUwant to 300.00		300.00	
804. Credit Report Lender to 25.00		25.00	
805. Lender's Inspection Fee			
806. Mortgage Insurance Application Fee to			
807. Assumption Fee			
808. Broker Fee to Gotcha LLC		6,000.00	
809. Processing Fee to Lender		1,200.00	
810. Warehousing Fee to Lender		350.00	
811.			
900. Items Required By Lender To Be Paid In Advance			
901. Interest from to @$ /day			
902. Mortgage Insurance Premium for months to			
903. Hazard Insurance Premium for 1.0 years to MiPrimo Ins		960.00	
904. years to			
905.			
1000. Reserves Deposited With Lender			
1001. Hazard Insurance 2 months@$ 40.00 per month		80.00	
1002. Mortgage Insurance months@$ per month			
1003. City property taxes months@$ per month			
1004. County property taxes 2 months@$ 50.00 per month		100.00	
1005. Annual assessments months@$ per month			
1006. months@$ per month			
1007. months@$ per month			
1008. months@$ per month			
1100. Title Charges			
1101. Settlement or closing fee to Kneed Kash LLC		300.00	
1102. Abstract or title search to			
1103. Title examination to			
1104. Title insurance binder to			
1105. Document preparation to			
1106. Notary fees to			
1107. Attorney's fees to			
(includes above items numbers:)			
1108. Title insurance to Kneed Kash LLC		550.00	
(includes above items numbers:)			
1109. Lender's coverage $ 120,000			
1110. Owner's coverage $			
1111. Courier/Flood Cert/Doc Prep		200.00	
1112.			
1113.			
1200. Government Recording and Transfer Charges			
1201. Recording fees: Deed $; Mortgage $; Releases $		65.00	
1202. City/county tax/stamps: Deed $; Mortgage $			
1203. State tax/stamps: Deed $; Mortgage $			
1204.			
1205.			
1300. Additional Settlement Charges			
1301. Survey to			
1302. Pest inspection to			
1303. Delinquent Taxes - county		300.00	
1304. Pay Off VISA		4,000.00	
1305.			
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)		14,370.00	

Doc rec'd at Closing by Skrewds # 5

TRUTH IN LENDING DISCLOSURE STATEMENT

LENDER:	BORROWER:
LongGone Mortgage Lending	Mr. & Mrs. Skrewd
987 RipOff Drive	123 Main Street
Orange, CA	Anytown, USA
	PRELIMINARY

Loan Date:
10-31-2006

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar mount the credit will cost you.	AMOUNT FINANCED The amount of credit provided to you or on your behalf.	TOTAL OF PAYMENTS The amount you will have paid after you have made all payments as scheduled.
11.032%	$ 168,832.55	$ 113,882.00	$ 282,714.55

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due
239	$ 1,177.97	Monthly, beginning 1/2/2007
1	$ 1,179.72	Monthly, beginning 1/2/2027
	$	Monthly, beginning
	$	Monthly, beginning

SECURITY: You are giving a security interest in your real estate located at:

123 Main Street, Anytown, USA

PREPAYMENT: If you pay off early, you

[X] may [ ] will not

have to pay a penalty. You will not be entitled to a refund of the PrePaid Finance Charge.

See your contract documents for any additional information about non-payment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalites.

The undersigned each acknowledge receipt of two copies of Notice of Right to Cancel and one copy of the Federal Truth In Lending Disclosure Statement.

Borrower/Owner Mr. Skrewd Date Borrower/Owner Date

Borrower/Owner Mrs. Skrewd Date Borrower/Owner Date

Doc rec'd at Closing by Skrewds # 6

Uniform Residential Loan Application

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

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower _____ Co-Borrower _____

I. TYPE OF MORTGAGE AND TERMS OF LOAN

Mortgage Applied for:	☐ VA ☐ USDA/Rural Housing Service ☐ FHA ■ Conventional ☐ Other (explain):	Agency Case Number	Lender Case Number

Amount	Interest Rate	No. of Months	Amortization Type:	■ Fixed Rate ☐ GPM	☐ Other (explain): ☐ ARM (type):
$ 120,000	10.25%	360			

II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state & ZIP): 123 Main Street, Anytown, USA — No. of Units:

Legal Description of Subject Property (attach description if necessary): Tract II of Swamp Hill — Year Built:

Purpose of Loan: ☐ Purchase ■ Refinance ☐ Construction ☐ Construction-Permanent ☐ Other (explain):

Property will be: ■ Primary Residence ☐ Secondary Residence ☐ Investment

Complete this line if construction or construction-permanent loan.

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

Complete this line if this is a refinance loan.

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements	☐ made ☐ to be made
1987	$ 30,000	$ 105,630	Pay of VISA		

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in:
John Skrewd & Jane Skrewd	Joint w/survivorship	■ Fee Simple ☐ Leasehold (show expiration date)

Source of Down Payment, Settlement Charges, and/or Subordinate Financing (explain)

III. BORROWER INFORMATION

Borrower				Co-Borrower			
Borrower's Name (include Jr. or Sr. if applicable) John Skrewd				Co-Borrower's Name (include Jr. or Sr. if applicable) Jane Skrewd			
Social Security Number 123-45-6789	Home Phone (incl. Area code) 812-404-6011	DOB (mm/dd/yyyy) 02/01/1935	Yrs. School 8	Social Security Number 987-65-4321	Home Phone (incl. Area code) 812-404-6011	DOB (mm/dd/yyyy) 07/13/1940	Yrs. School 12
■ Married ☐ Separated ☐ Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower) no.	ages		■ Married ☐ Separated ☐ Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower) no.	ages	
Present Address (street, city, state, ZIP) ■ Own ☐ Rent 42 No. Yrs. 123 Main Street, Anytown, USA				Present Address (street, city, state, ZIP) ■ Own ☐ Rent 42 No. Yrs. 123 Main Street, Anytown, USA			
Mailing Address, if different from Present Address				Mailing Address, if different from Present Address			

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

Former Address (street, city, state, ZIP) ☐ Own ☐ Rent __No. Yrs.	Former Address (street, city, state, ZIP) ☐ Own ☐ Rent __No. Yrs.

IV. EMPLOYMENT INFORMATION

Borrower		Co-Borrower	
Name & Address of Employer ☐ Self Employed Retired - Federal Employee	Yrs. on this job 30	Name & Address of Employer ☐ Self Employed Home Health Care LLC P.O. Box 666 Medicaregouge, USA	Yrs. on this job 15
	Yrs. employed in this line of work/profession		Yrs. employed in this line of work/profession 15
Position/Title/Type of Business Maintenance	Business Phone (incl. area code) n/a	Position/Title/Type of Business Care giver	Business Phone (incl. area code) 812-123-9874

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

Name & Address of Employer ☐ Self Employed	Dates (from - to)	Name & Address of Employer ☐ Self Employed	Dates (from - to)
	Monthly Income $		Monthly Income $
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)
Name & Address of Employer ☐ Self Employed	Dates (from - to)	Name & Address of Employer ☐ Self Employed	Dates (from - to)
	Monthly Income $		Monthly Income $
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	$ 1247	$ 1750	$ 2997	Rent	$	
Overtime				First Mortgage (P&I)	$1160	$1070
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/ Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income," below)		$1000	$1000	Homeowner Assn. Dues		
				Other:		
Total	$ 1247	$ 2750	$ 3997	Total	$ 1160	$1070

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

Describe Other Income

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

B/C		Monthly Amount
C	Babysitting	$ 1000

VI. ASSETS AND LIABILITIES

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

Completed ■ Jointly ☐ Not Jointly

ASSETS Description	Cash or Market Value	Liabilities and Pledged Assets. List the creditor's name, address, and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities, which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.		
Cash deposit toward purchase held by:	$	LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
List checking and savings accounts below Name and address of Bank, S&L, or Credit Union Our Credit Union		Name and address of Company Good Daze Mtg. Acct. no.	$ Payment/Months $ 1160	$ 105,630
Acct. no. 48235	$ 250	Name and address of Company VISA	$ Payment/Months $315	$ 4000
Name and address of Bank, S&L, or Credit Union		Acct. no. 4212897536521478		
Acct. no.	$	Name and address of Company	$ Payment/Months	$
Name and address of Bank, S&L, or Credit Union		Acct. no.		
Acct. no.	$	Name and address of Company	$ Payment/Months	$
Name and address of Bank, S&L, or Credit Union		Acct. no.		
Acct. no.	$	Name and address of Company	$ Payment/Months	$
Stocks & Bonds (Company name/number & description)	$	Acct. no.		
Life insurance net cash value Face amount: $	$	Name and address of Company	$ Payment/Months	$
Subtotal Liquid Assets	$ 250	Acct. no.		
Real estate owned (enter market value from schedule of real estate owned)	$ 180,000	Alimony/Child Support/Separate Maintenance Payments Owed to:	$	
Vested interest in retirement fund	$			
Net worth of business(es) owned (attach financial statement)	$	Job-Related Expense (child care, union dues, etc.)	$	
Automobiles owned (make and year) 2005 Chevy	$ 5000			
Other Assets (itemize) House contents	$ 2000			
		Total Monthly Payments	$ 1,475	
Total Assets a.	$187,250	Net Worth (a minus b) $77,620	Total Liabilities b.	$ 109,630

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

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)		Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
			$	$	$	$	$	$
	Totals		$	$	$	$	$	$

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

Alternate Name	Creditor Name	Account Number

VII. DETAILS OF TRANSACTION

a.	Purchase price	$
b.	Alterations, improvements, repairs	
c.	Land (if acquired separately)	
d.	Refinance (incl. debts to be paid off)	
e.	Estimated prepaid items	
f.	Estimated closing costs	
g.	PMI, MIP, Funding Fee	
h.	Discount (if Borrower will pay)	
i.	Total costs (add items a through h)	
j.	Subordinate financing	

VIII. DECLARATIONS

If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.	Borrower Yes	Borrower No	Co-Borrower Yes	Co-Borrower No
a. Are there any outstanding judgments against you?	☐	☐	☐	☐
b. Have you been declared bankrupt within the past 7 years?	☐	☐	☐	☐
c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?	☐	☐	☐	☐
d. Are you a party to a lawsuit?	☐	☐	☐	☐
e. Have you directly or indirectly been obligated on any loan of which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)	☐	☐	☐	☐
f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in the preceding question.	☐	☐	☐	☐
g. Are you obligated to pay alimony, child support, or separate maintenance?	☐	☐	☐	☐
h. Is any part of the down payment borrowed?	☐	☐	☐	☐

VII. DETAILS OF TRANSACTION (cont'd)		VIII. DECLARATIONS (cont'd)				
k. Borrower's closing costs paid by Seller		i. Are you a co-maker or endorser on a note?	■	□	■	□
l. Other Credits (explain)		j. Are you a U.S. citizen?	■	□	■	□
		k. Are you a permanent resident alien?	□	□	□	□
m. Loan amount (exclude PMI, MIP, Funding Fee financed)		l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m below.	■	□	■	□
n. PMI, MIP, Funding Fee financed		m. Have you had an ownership interest in a property in the last three years?	■	□	■	□
o. Loan amount (add m & n)		(1) What type of property did you own–principal residence (PR), second home (SH), or investment property (IP)?	PR	—	PR	—
p. Cash from/to Borrower (subtract j, k, l & o from i)		(2) How did you hold title to the home– by yourself (S), jointly with your spouse or jointly with another person (O)?	JS	—	JS	—

IX. ACKNOWLEDGMENT AND AGREEMENT

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

Acknowledgement. Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature	Date	Co-Borrower's Signature	Date
X	12/31/2006	X	12/31/2006

X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

BORROWER	CO-BORROWER
■ I do not wish to furnish this information	■ I do not wish to furnish this information
Ethnicity: ☐ Hispanic or Latino ☐ Not Hispanic or Latino	Ethnicity: ☐ Hispanic or Latino ☐ Not Hispanic or Latino
Race: ☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ White	Race: ☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ White
Sex: ☐ Female ☐ Male	Sex: ☐ Female ☐ Male

To be Completed by Interviewer	Interviewer's Name (print or type)	Name and Address of Interviewer's Employer
This application was taken by: ■ Face-to-face interview ☐ Mail ☐ Telephone ☐ Internet	Kannot Find	Gotcha LLC 1 Vacant Ln Nowhere, USA
	Interviewer's Signature	Date 12/31/2008
	Interviewer's Phone Number (incl. area code) 666-123-4567	

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GOOD FAITH ESTIMATE

Lender: Gotcha LLC
Address: 1 Vacant Ln, Nowhere, USA
Applicant(s): JOHN + JANE Skrewd
Property Address: 123 Main St, Anytown, USA

Sales Price:
Base Loan Amount: 120,000
Total Loan Amount: 10.25
Interest Rate:
Type of Loan: FIXED
Preparation Date: 10/31/06
Loan Number:

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

800	ITEMS PAYABLE IN CONNECTION WITH LOAN:		
801	Origination Fee #	% + $	$ 1200
802	Discount Fee #	% + $	$
803	Appraisal Fee		$ 400
804	Credit Report		$ 30
805	Lender's Inspection Fee		$
806	Mortgage Insurance Application Fee		$
807	Assumption Fee		$
808	Mortgage Broker Fee		$ 3000
810	Tax Related Service Fee		$
811	Application Fee		$ 300
812	Commitment Fee		$
813	Lender's Rate Lock-In Fee		$
814	Processing Fee		$ 600
815	Underwriting Fee		$ 350
816	Wire Transfer Fee		$ 50
			$

900	ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:		
901	Interest for	days @ $ /day	$
902	Mortgage Insurance Premium		$
903	Hazard Insurance Premium		$
904	County Property Taxes		$
905	Flood Insurance		$
			$
			$

1000	RESERVES DEPOSITED WITH LENDER:			
1001	Hazard Ins.	2 Mo. @ $ 70	Per Mo.	$ 140
1002	Mortgage Ins.	Mo. @ $	Per Mo.	$
1004	Tax & Assmt.	3 Mo. @ $ 50	Per Mo.	$ 150
1006	Flood Insurance			$
				$

"B"/"B" designates these costs to be paid by Seller/Broker.

1100	TITLE CHARGES:	
1101	Closing or Escrow Fee	$ 400
1102	Abstract or Title Search	$
1103	Title Examination	$ 600
1105	Document Preparation Fee	$
1106	Notary Fee	$
1107	Attorney's Fee	$
1108	Title Insurance	$ 500
		$
		$
		$
		$
		$
		$

1200	GOVERNMENT RECORDING AND TRANSFER CHARGES:	
1201	Recording Fee	$ 105
1202	City/County Tax/Stamps	$
1203	State Tax/Stamps	$
1204	Intangible Tax	$
		$
		$
		$
		$

1300	ADDITIONAL SETTLEMENT CHARGES:	
1301	Survey	$
1302	Pest Inspection	$
		$
		$
		$
		$
	TOTAL ESTIMATED SETTLEMENT CHARGES:	$ 7735

"A" designates these costs affecting APR.

TOTAL ESTIMATED MONTHLY PAYMENT:	
Principal & Interest	$ 1070
Real Estate Taxes	$ 50
Hazard Insurance	$ 70
Flood Insurance	$
Mortgage Insurance	$
Other	$
TOTAL MONTHLY PAYMENT	$ 1190

TOTAL ESTIMATED FUNDS NEEDED TO CLOSE:	
Down Payment	$
Estimated Closing Costs (Not Financed)	$
Estimated Prepaid Items / Reserves	$
Total Paid Items (Subtract)	$
Other	$
CASH FROM BORROWER	$ 0

THIS SECTION IS COMPLETED ONLY IF A PARTICULAR PROVIDER OF SERVICE IS REQUIRED. Listed below are providers of service which we required you to use. The charges indicated in the Good Faith Estimate above are based upon the corresponding charge of the below designated providers.

ITEM NO.	NAME & ADDRESS OF PROVIDER	TELEPHONE NO.	NATURE OF RELATIONSHIP

These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). Additional information can be found in the HUD Special Information Booklet, which is to be provided to you by your mortgage broker or lender, if your application is to purchase residential property and the Lender will take a first lien on the property.

Applicant _____ Date _____ Applicant _____ Date _____

Applicant _____ Date _____ Applicant _____ Date _____

[redacted] This Good Faith Estimate is being provided by a mortgage broker, and no lender has yet been obtained.

FROM ATTORNEY

SENT VIA CERTIFIED MAIL DATE

LOAN SERVICER
In re: Qualified Written Request
ADDRESS **(Must be the address designated by the loan servicer! Usually on the monthly statement, if not, look on website or call loan servicer for correct mailing address)**

Re: Qualified Written Request
LOAN SERVICER's Loan number:
Borrowers: NAME SSN:
NAME SSN:
ADDRESS

Dear Sir;

Please treat this letter as a "**qualified written request**" under the Real Estate Settlement Procedures Act, 12 U.S.C. Section 2605(e). We are making this request, based on our dispute of the amounts alleged to be due and owing stated on/by **(source of dispute, ie phone conversation with loan servicer representative, letter received from loan servicer, etc.)**. This letter was drafted by our attorney at our(my)request.

Specifically, we are (I am) requesting an itemization of the following

1. The name, address and contact information for the current owner of NAME's Promissory Note and Mortgage.

2. The monthly principal, interest, suspense account and escrow balances as of TODAY'S DATE along with a breakdown of the monthly principal, interest and escrow payment.

3. The status of NAME's loan account at the time of LOAN SERVICER's acquisition on DATE **(DATE = DATE OF YOUR LOAN CLOSING)** : in default of agreement, current with payments, in repayment plan, etc.

4. A complete payment history from DATE to present, including the amount of the payment, the date received, the date posted to the account, how the payment was applied or credited (indicating the portion, if any, applied or credited to principal, interest, escrow or suspense), and the month to which the payment was applied, along with an explanation of each transaction code used.

5. The amount, payment date, purpose, and recipient of all foreclosure expenses, late charges, NSF check charges, appraisal, property inspection/preservation, legal fees, and other expenses or costs that have been charged and/or assessed to the NAME's mortgage account from DATE to present.

6. The amount, payment date, purpose, and recipient of all escrow items, including but not limited to taxes, water and sewer charges, and forced placed or other insurance premiums, charged and/or assessed to the NAME's mortgage account from DATE to present.

7. The monthly balance in any suspense account and the reason why such funds were deposited into this account from DATE to present.

8. The history of the interest rate changes to the NAME's loan account and explanation of how each interest rate was calculated. If interest is calculated using a daily accrual accounting method, indicate for each payment the number of days that lapsed from the prior payment application date current interest rate on the Principal Balance.

9. A copy of any annual escrow statements and notices of a shortage, deficiency or surplus sent to the NAMEs from DATE to present.

10. A copy of any loan modifications, workouts or other Loss Mitigation alternatives sent, offered to, and/or completed by the NAMEs from DATE to present.

11. A listing of all contacts via telephone or email between SERVICER OF LOAN and the NAME, along with an explanation of the purpose of any contacts from DATE to present.

Please send your response and direct all questions to our attorney:

Attorney Contact Information

Thank you for taking the time to acknowledge and answer this request as required by the Real Estate Settlement Procedures Act, Section 2605(e).

_____ _____
CLIENT NAME CLIENT NAME

_____
Date

SENT VIA CERTIFIED U.S. POSTAL Date

Owner of Loan
Address

NOTICE OF RECISSION

Re: Client
Address
Loan No.

Dear Sir/Madam;

I am writing to advise that I represent CLIENT. On or about DATE OF LOAN, CLIENT entered into a consumer credit transaction (hereinafter "the transaction") with ORIGINAL LENDER whereby ORIGINAL LENDER took a security interest in CLIENT's residence.

Pursuant to the federal Truth in Lending Act (TILA), CLIENT has the right to rescind the transaction within three (3) days of receipt of his notice of right of rescission and all other material disclosures required by TILA and the regulations thereunder. 15 U.S.C. § 1635(a).

By this letter, CLIENT rescinds the transaction.

As further explanation, CLIENT contends that material disclosures were omitted or made erroneously in the course of the transaction. These include but are not limited to:

1. CLIENT did not receive an accurate disclosure of the amount financed, finance charge and annual percentage rate due to the inclusion of finance charges in the amount financed;

2. CLIENT received an inaccurate Notice of Right to Cancel.

As a consequence of this rescission, OWNER OF LOAN is required to do the following within twenty (20) days of receipt of this notice: (1) desist from making any claims for finance charges in this transaction; (2) return all money paid in the transaction (or credit such sum against the amount financed); and (3) satisfy all security interests, including mortgages, which were acquired in the transaction.

CLIENT is prepared to discuss a tender obligation, should it arise, and satisfactory ways in which HE/SHE may meet this obligation. Please be advised that if OWNER OF LOAN does not cancel its security interest and return all consideration paid by CLIENT within twenty (20) days of receipt of this letter, OWNER OF LOAN will be responsible for actual and statutory damages pursuant to 15 U.S.C. § 1640(a).

Please provide me a copy of CLIENT payment history and documents showing the loan disbursements, loan charges, payments made, and current principal balance due. Feel free to phone me at PHONE NUMBER with any questions or concerns.

Sincerely,

ME
Attorney for CLIENT

cc: CLIENT

NOTICE OF RIGHT TO CANCEL

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

(1) The date of the transaction, which is
or
(2) The date you receive your Truth in Lending Disclosures.
or
(3) The date you receive this notice of your right to cancel

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

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

HOW TO CANCEL

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

LongGone Mortgage Lending
987 RipOff Drive
Orange, CA 12345

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

If you cancel by mail or telegram, you must send 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

SIGNATURE _____ DATE _____

The undersigned each acknowledge receipt of two copies of Notice of Right to Cancel and one copy of the Federal Truth in Lending Disclosure Statement.

Each borrower/owner in this transaction has the right to cancel. The exercise of this right by one borrower/owner shall be effective to all borrowers/owners.

Borrower/Owner Mr. Skrewd Date _____ Borrower/Owner Date _____

Borrower/Owner Mrs. Skrewd Date _____ Borrower/Owner Date _____

NOTICE OF RIGHT TO CANCEL

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

(1) The date of the transaction, which is **December 31, 2006**
or
(2) The date you receive your Truth in Lending Disclosures.
or
(3) The date you receive this notice of your right to cancel

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

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

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Orange, CA 12345

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

If you cancel by mail or telegram, you must send the notice no later than MIDNIGHT of **January 3, 2007** (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

SIGNATURE DATE

The undersigned each acknowledge receipt of two copies of Notice of Right to Cancel and one copy of the Federal Truth in Lending Disclosure Statement.

Each borrower/owner in this transaction has the right to cancel. The exercise of this right by one borrower/owner shall be effective to all borrowers/owners.

Borrower/Owner Mr. Skrewd 12/31/06 Date Borrower/Owner Date

Borrower/Owner Mrs. Skrewd 12-31-06 Date Borrower/Owner Date

NOTICE OF RIGHT TO CANCEL

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

(1) The date of the transaction, which is **December 31, 2006**
or
(2) The date you receive your Truth in Lending Disclosures.
or
(3) The date you receive this notice of your right to cancel

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

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

HOW TO CANCEL

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

LongGone Mortgage Lending
987 RipOff Drive
Orange, CA 12345

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

If you cancel by mail or telegram, you must send the notice no later than MIDNIGHT of **January 3, 2007** (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

SIGNATURE DATE

The undersigned each acknowledge receipt of two copies of Notice of Right to Cancel and one copy of the Federal Truth in Lending Disclosure Statement.

Each borrower/owner in this transaction has the right to cancel. The exercise of this right by one borrower/owner shall be effective to all borrowers/owners.

Borrower/Owner Mr. Skrewd 12/31/06 Date Borrower/Owner Date

Borrower/Owner Mrs. Skrewd 12-31-06 Date Borrower/Owner Date

Doc rec'd Loan Broker file #40

		Information found in Note						
		Information found in HUD-1						
		Information found on Lender TILA		**DETERMINING IF TILA DISCLOSURE ACCURATE**				
		ALLOCATE THE CLOSING CHARGES						
	HUD-1			**Lender Finance**	**Lender**	**Bor**	**FC per**	
	Line item	**Item**	**Cost**	**Charge (FC)**	**FC?**	**FC?**	**Borrower**	**Funds to:**
	803	Appraisal Fee	$300.00	$0.00	U	N	$0.00	Appraiser
	804	Credit Report	$25.00	$0.00	U	Y	$25.00	Lender
	808	Broker Fee	$6,000.00	$0.00	U	Y	$6,000.00	Broker
	809	Processing Fee	$1,200.00	$0.00	U	Y	$1,200.00	Lender
	810	Warehousing Fee	$350.00	$0.00	U	Y	$350.00	Lender
	903	Hazard Ins Premium	$840.00	$0.00	U	N	$0.00	Ins. Co.
	1001	Hazard Ins Escrow	$140.00	$0.00	U	N	$0.00	Lender
	1004	County Tax Escrow	$100.00	$0.00	U	N	$0.00	Lender
	1101	Settlement Fee	$300.00	$0.00	U	Y	$300.00	Settlement Co.
	1105	Doc Prep /Courier / Flood Cert	$200.00	$0.00	U	Y	$200.00	Settlement Co.
	1108	Title Insurance	$550.00	$0.00	U	N	$0.00	Settlement Co.
	1201	Recording Fees	$65.00	$0.00	U	N	$0.00	County
	1303	Delinquent Taxes	$300.00	$0.00	U	N	$0.00	County
	1304	Pay off VISA	$4,000.00	$0.00	U	N	$0.00	VISA
	POC	YSP: $2,000.00		$0.00	Y	N	$0.00	Broker
				$0.00	Y	N	$0.00	
				$0.00			$0.00	
				$0.00			$0.00	
				$0.00			$0.00	
				$0.00			$0.00	
				$0.00			$0.00	
				$0.00			$0.00	
				$0.00			$0.00	
		Totals:	**$14,370.00**	**$0.00**	**$0.00**		**$8,075.00**	
			Unknown how lender determined FCs.					
		POC = Paid Outside of Closing						

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		CALCULATE THE AMOUNT FINANCED,TOTAL PAYMENTS, FINANCE CHARGE & APR						
1		**AMOUNT FINANCED: (Subtract "Finance Charges" from total loan amount)**						
				Per Lender:			**TILA AF & FC Per Borrower:**	
		Note Principal:		$120,000.00			Note Principal:	$120,000.00
		less HUD-1 "Finance Charges"		$6,118.00			less "Finance Charges"	$8,075.00
		TILA "Amount Financed" per Lender:		**$113,882.00**			equals "Amount Financed" :	**$111,925.00**
2		**TOTAL PAYMENTS: (Add all monthly payments over life of loan)**						
	# Mos	**Payment Amount**				**# Mos**	**Payment Amount**	
	239	$1,177.97	$281,534.83			239	$1,177.97	$281,534.83
	1	$1,179.72	$1,179.72			1	$1,179.72	$1,179.72
			$0.00					$0.00
			$0.00					$0.00
			$0.00					$0.00
	240	Total Payments over 30 years:	**$282,714.55**			240	Total Payments over 30 years:	**$282,714.55**
3		**FINANCE CHARGE: (Subtract "Amount Financed" from "Total Payments")**						
		Per Lender:					**Per Borrower:**	
		Total Payments	$282,714.55				Total Payments	$282,714.55
		less "Amount Financed"	$113,882.00				less "Amount Financed"	-$111,925.00
		"Finance Charge" per Lender:	**$168,832.55**				"Finance Charge" per Borrower:	**$170,789.55**
4		**APR: (Calculate APR - I used the program from the Office of the Comptroller of Currency (OCC)**						
		http://www.occ.treas.gov/aprwin.htm						
		Lender APR:	**11.032%**		**11.032%**		**Borrower APR:**	**11.297%**
					-11.297%			
		If Variable Rate Loan			**-0.265%**			
		Closing Date					Initial Rate at Closing	
		Index					Lowest/Highest Rate on 1st Change Date	
		Look Back Period					Max % point change thereafter	
date	date	Highest Rate Look back		date			Max Interest RateCap	
		Plus Margin						
		Result	0.00000%					
		Rounding to nearest .125		Actual Rate at Closing per Note				

APRWIN - Version 6.1.0

APR Disclosure Documentation

Prepared By: Jackson
Date: 4/12/2009
Borrower's Name:
Account Number:
Name of Lender: Borrower
Original Creditor: Practice Problem

Loan Information - Original Input

Amount Financed: $111,925.00
Disclosed (Estimated) APR: 11.0322 %
Disclosed Finance Charge: $168,832.55
Loan Secured by Real Estate or Dwelling: Yes
Loan Date Earlier than 9/30/95: No

Payment Frequency: Monthly (Installment Loan)

Disclosure Information - Output

Amount Financed: $111,925.00
FINANCE CHARGE: $170,789.55
Total of Payments: $282,714.55
ANNUAL PERCENTAGE RATE: 11.2968 %

** VIOLATION ** APR is understated by: 0.2646 %

** VIOLATION ** Finance Charge is understated by: $1,957.00

Payment Stream	Payment Amount	Number of Payments	Whole Unit Periods	Odd Days
1	$1,177.97	239	1	0
2	$1,179.72	1	240	0

STATE OF INDIANA
COUNTY OF ST. JOSEPH

IN THE ST. JOSEPH CIRCUIT/~~SUPERIOR CO~~URT
CAUSE NO. 71C01 0901 MF 00001

DEUTSCHE BANK NATIONAL TRUST COMPANY, AS TRUSTEE FOR FIRST FRANKLIN MORTGAGE LOAN TRUST 2006-FF9, MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2006-FF9
Plaintiff

Vs.

[redacted], MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR FIRST FRANKLIN A DIVISION OF NATIONAL CITY BANK OF INDIANA
Defendants

-FILED-
DEC 29 2008
St. Joseph Circuit Court
Clerk

COMPLAINT ON NOTE AND TO FORECLOSE MORTGAGE ON REAL ESTATE

Comes now the Plaintiff, Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9, and for its cause of action against the Defendants, alleges and says:

1. The real estate at issue in this cause of action is located in St. Joseph County, Indiana.

2. On or about March 16, 2006, Defendant, [redacted] executed and delivered to First Franklin a Division of National City Bank of Indiana a promissory note in the original principal sum of $71,920.00, wherein First Franklin a Division of National City Bank of Indiana is named as the payee. A copy of the promissory note is attached hereto and made a part hereof as Exhibit "A".

3. On or about March 16, 2006, in order to secure repayment of the sums due and owing pursuant to the terms of the promissory note, [redacted] executed a mortgage, wherein he granted Mortgage Electronic Registration Systems, Inc. as nominee for First Franklin a Division of National City Bank of Indiana, a security interest in the real estate more particularly described in Exhibit "B" and commonly known as 1034 Ebeling Drive, South Bend, IN 46615, (hereinafter referred to as "the mortgaged property"), and said mortgage was recorded on March 20, 2006 as Instrument No. 0609930 in the Office of the Recorder of St. Joseph County, Indiana. A copy of the

mortgage is attached hereto and made a part hereof as Exhibit "C".

4. Said mortgage was assigned to Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 and a copy of the assignment is attached hereto and made a part hereof as Exhibit "D".

5. Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 is the current holder and owner of said note and mortgage.

6. [redacted] is the present owner of the mortgaged property.

7. [redacted] defaulted pursuant to the terms of the promissory note and mortgage by failing to tender to Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 the monthly mortgage payment as promised.

8. The last payment received by Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 was for the payment due August 1, 2008, and since receipt of that payment, no additional payments have been received by Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9.

9. Pursuant to the promissory note and mortgage, Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 has accelerated the indebtedness due and owing under the promissory note and mortgage.

10. There is currently due and owing to Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 the unpaid principal balance of $70,388.83; Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 is further owed interest at the rate set forth in the promissory note from August 1, 2008 to the date of judgment.

11. The mortgage provides that lender shall be entitled to collect all expenses incurred in pursuing foreclosure, including but not limited to, reasonable attorney fees and costs. Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 has incurred attorney fees and costs, and may incur additional attorney's fees and costs relating to this case.

12. Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9 is entitled to a Decree of Foreclosure pursuant to Indiana Code §32-30-10-3 and the terms of the mortgage.

13. In addition to the Mortgagor(s) and Owner(s) as set forth above, the following are made parties defendant by virtue of their interests as set forth below:

Mortgage Electronic Registration Systems, Inc. as nominee for First Franklin a Division of National City Bank of Indiana by reason of a mortgage executed by Darwin J. Woods to Mortgage Electronic Registration Systems, Inc. as nominee for First Franklin a Division of National City Bank of Indiana in the amount of $17,980.00, dated March 16, 2006 and recorded March 20, 2006 as Instrument Number 0609931 in the Office of the Recorder of St. Joseph County, Indiana.

14. The liens and interests of all parties Defendant are alleged to be subordinate and inferior to the interest of the plaintiff and subject to said interest.

Wherefore, Plaintiff sues and demands judgment as follows:

a. A personal judgment against [redacted] and an in rem judgment against the mortgaged property in the sum of $70,388.83, together with interest from and after the date of default at the rate set forth in the promissory note, with reasonable attorneys fees and costs of this action, and other expenses incurred in connection with this cause;

b. A judgment declaring Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9's mortgage to be a valid and enforceable first priority lien against the mortgaged property;

c. A judgment ruling that any interest which the Defendants may have in the Mortgaged property be extinguished, and that the equity of redemption of said

Defendants be foreclosed and barred;

d. A judgment ordering that the mortgaged property be sold, with the proceeds of sale to be disbursed pursuant to Indiana Code §32-30-10-14; and

e. For all other relief just and proper in the premises.

JOHNSON, BLUMBERG & ASSOCIATES, LLC

By_____
ERIK E. BLUMBERG
Attorney No. 17867-49

Erik E. Blumberg
Johnson, Blumberg and Associates, LLC
39 South LaSalle Street, Suite 400
Chicago, IL 60603
(312)541-9710

NOTICE

JOHNSON, BLUMBERG & ASSOCIATES, LLC IS A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED MAY BE USED FOR THAT PURPOSE.

"NOTICE REQUIRED BY STATE LAW

Mortgage foreclosure is a complex process. People may approach you about "saving" your home. You should be careful about any such promises. There are government agencies and nonprofit organizations you may contact for helpful information about the foreclosure process. For the name and telephone number of an organization near you, please call the Indiana housing and community development authority."

ADJUSTABLE RATE NOTE

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

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

March 16, 2006 [Date] | SOUTH BEND [City] | Indiana [State]

1034 EBELING DR
SOUTH BEND, IN 46615

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $71,920.00 (this amount is called "Principal"), plus interest, to the order of Lender. Lender is FIRST FRANKLIN A DIVISION OF NAT. CITY BANK OF IN

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

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

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.7500%. The interest rate I will pay may change in accordance with Section 4 of this Note.

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

3. PAYMENTS

(A) Time and Place of Payments

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

I will make my monthly payments on the first day of each month beginning on May 01, 2006 I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on April 01, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 150 ALLEGHENY CENTER MALL, PITTSBURGH, PA 15212 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. $515.24. This amount may change.

(C) Monthly Payment Changes

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

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of April 2008, and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

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

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

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Five and Three Eighths percentage points (5.3750%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits on Interest Rate Change

The interest rate I am required to pay at the first Change Date will not be greater than 10.7500% or less than 7.7500 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One percentage points (1.0000 %) from the rate of interest I have been paying for the proceeding 6 months. My interest rate will never be greater than 13.7500 % nor less than 7.7500 %.

(E) Effective Date of Changes

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

(F) Notice of Changes

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

5. BORROWER'S RIGHT TO PREPAY

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

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

6. LOAN CHARGES

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

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of Fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.0000% of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

(C) Notice of Default

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

(D) No Waiver By Note Holder

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

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

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

8. GIVING OF NOTICES

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

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

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

10. WAIVERS

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

11. UNIFORM SECURED NOTE

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

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

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

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

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

Borrower has executed and acknowledges receipt of pages 1 through 4 of this Note.

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

[redacted] _____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

[Sign Original Only]

**

THE PREPAYMENT NOTE ADDENDUM ATTACHED HERETO AND MADE A PART HEREOF AMENDS THE PREPAYMENT PROVISIONS OF THIS NOTE

Initials Initials Initials Initials Initials Initials

Form 3520 1/01

NOTE

MIN: [redacted] Loan Number: [redacted]

March 30, 2005 (Date) | SOUTH BEND (City) | Indiana (State)

[redacted]
South Bend, Indiana 46614
(Property Address)

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $ 63,500.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is LIBERTY MORTGAGE, INC.

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

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

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 8.5000%.

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

3. PAYMENTS

(A) Time and Place of Payments

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

I will make my monthly payment on the 1st day of each month beginning on May 01, 2005. I will make those payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on April 01, 2035, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at LIBERTY MORTGAGE, INC., 509 W. McKinley Avenue, Mishawaka, IN 46545

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

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. $401.38

4. BORROWER'S RIGHT TO PREPAY

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

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

Exhibit A

Loan Number: [redacted]

5. LOAN CHARGES

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

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of Fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.0000% of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

(C) Notice of Default

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

(D) No Waiver By Note Holder

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

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

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

7. GIVING OF NOTICES

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

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

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

9. WAIVERS

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

10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in

Loan Number [redacted]

this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

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

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

YOU ARE NOT OBLIGATED TO PAY ANY MONEY UNLESS YOU SIGN THIS CONTRACT AND RETURN IT TO THE SELLER/LENDER.

Borrower has executed and acknowledges receipt of pages 1 through 3 of this Note.

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

[redacted] (Seal) -Borrower

[redacted] (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

[Sign Original Only]

Pay to the order of: GMAC BANK
without recourse. This 30th day of March 2005.

By: Andrew J. Griffith IV
PRESIDENT
LIBERTY MORTGAGE, INC.,509 W. McKinley Avenue, Mishawaka, IN, 46545

Riverhead

0609930

RECORDED AS PRESENTED ON

03/20/2006 10:23:47AM

TERRI J. RETHLAKE
ST. JOSEPH COUNTY
RECORDER

REC FEE: $46.00
PAGES: 18

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MORTGAGE

MIN: 100425240007129098

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 March 16, 2006, together with all Riders to this document.

(B) **"Borrower"** is [redacted]

Borrower is the mortgagor under this Security Instrument.

(C) **"MERS"** is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the mortgagee under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(D) **"Lender"** is FIRST FRANKLIN A DIVISION OF NAT. CITY BANK OF IN
Lender is a National Association organized and existing under the laws of United States of America. Lender's address is 2150 NORTH FIRST STREET, SAN JOSE, California 95131

(E) **"Note"** means the promissory note signed by Borrower and dated March 16, 2006. The Note states that Borrower owes Lender Seventy One Thousand Nine Hundred Twenty and no/100 Dollars (U.S. $71,920.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than April 01, 2036.

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

EXHIBIT C

(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 [check box as applicable]:

[X] Adjustable Rate Rider	[ ] Condominium Rider	[ ] Second Home Rider
[ ] Balloon Rider	[ ] Planned Unit Development Rider	[X] Other(s) [specify] Prepay Rider
[ ] 1-4 Family Rider	[ ] Biweekly Payment 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"** means 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: (i) damage to, or destruction of, the Property; (ii) 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 (i) principal and interest under the Note, plus (ii) 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: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS the following described property located in the

COUNTY [Type of Recording Jurisdiction] of ST JOSEPH [Name of Recording Jurisdiction]

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

which currently has the address of 1034 EBELING DR [Street]

SOUTH BEND [City], Indiana 46615 [Zip Code] ("Property Address"):

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

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

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

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

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

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or

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

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

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

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

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

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

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

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

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

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

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

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. 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.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly.

Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

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

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or

cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

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

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

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

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

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not

cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Waiver of Valuation and Appraisement. Borrower waives all right of valuation and appraisement.

YOU ARE NOT OBLIGATED TO PAY ANY MONEY UNLESS YOU SIGN THIS CONTRACT AND RETURN IT TO THE SELLER/LENDER.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 12 of this Security Instrument and in any Rider executed by Borrower and recorded with it.

[redacted] _____ (Seal) -Borrower _____ (Seal) -Borrower

_____ (Seal) -Borrower _____ (Seal) -Borrower

_____ (Seal) -Borrower _____ (Seal) -Borrower

Witness: _____ Witness: _____

State of Indiana

SS:

County of St. Joseph

Before me, DEBORAH J. BARBKNECHT, DARWIN J. WOODS (a Notary Public) this 16th day of March, 2006

(name[s] of signer[s])

acknowledged the execution of the annexed mortgage.

Deborah J. Barbknecht
Notary Public

My commission expires:
County of residence:

DEBORAH J. BARBKNECHT
Notary Public, State of Indiana
County of St. Joseph
My Commission Expires Dec. 13, 200

This instrument was prepared by: Carol Little
First Franklin Financial [Name]

After Recording Return To:

FIRST FRANKLIN
c/o SECURITY CONNECTIONS
1935 INTERNATIONAL WAY
IDAHO FALLS, ID 83402

INDIANA

COUNTY OF *ST. JOSEPH*
POOL NO.
LOAN NO. *(4000712909) 1044657291 [FC0015]*

PREPARED BY SECURITY CONNECTIONS, INC.
WHEN RECORDED MAIL TO:
JOHNSON BLUMBERG & ASSOCIATES
39 S. LASALLE, # 400
CHICAGO, IL 60603
PH: (312) 541-9710
ATT: KEN JOHNSON

ASSIGNMENT OF MORTGAGE

ALL MEN BY THESE PRESENTS:

That *MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. (MERS) AS NOMINEE FOR FIRST FRANKLIN A DIVISION OF NAT. CITY BANK OF IN, 2150 NORTH FIRST STREET, SAN JOSE, CA 95131,*

located at *2150 NORTH 1ST STREET, SAN JOSE CA 95131*, party of the first part, for value received has granted, bargained, sold, assigned, transferred and set over unto *Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9*

located at *150 ALLEGHENY CENTER PITTSBURGH, PA 15212* party of the second part, its successors and assigns, a certain indenture of mortgage dated *MARCH 16, 2006* made by *DARWIN J WOODS AN UNMARRIED PERSON*

) to *MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. (MERS) AS NOMINEE FOR FIRST FRANKLIN A DIVISION OF NAT. CITY BANK OF IN, 2150 NORTH FIRST STREET, SAN JOSE, CA 95131* as Beneficiary securing the payment of one promissory note therein described for the sum of *SEVENTY-ONE THOUSAND NINE HUNDRED TWENTY and NO/100-----* dollars ($*71,920.00*) and all its right, title and interest in and to the premises situated in county of *ST. JOSEPH*, State of Indiana, and described in said mortgage as follows, to wit:

AS DESCRIBED ON SAID MORTGAGE REFERRED TO HEREIN.

Assignment-Interv.-Recorded

which said mortgage is recorded in the office of the recorder of *ST. JOSEPH* County, in the State of Indiana in Book/Drawer _____ at Page/Card _____, Document# or Instrument # *0609930* *and Microfilm#* _____ together with the said note therein described and the money due or to grow due thereon, with the interest:

Loan No. *J=HL8110108AI.s.05153 P=S.002.00336.20*

EXHIBIT D

Loan No. *(4000712909) 1044657291 [FC0015]*

TO HAVE AND TO HOLD the same unto the said party of the second part, its successors and assigns, forever, subject only to the provisions in the said indenture of mortgage contained.
IN WITNESS WHEREOF, the party of the first part has caused this instrument to be executed in its name by *KRYSTAL HALL* and attested by _____. This *16th* day of *DECEMBER 2008*, but effective the *16th* day of *MARCH 2006*.
ATTEST:

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. (MERS) AS NOMINEE FOR FIRST FRANKLIN A DIVISION OF NAT. CITY BANK OF IN, 2150 NORTH FIRST STREET, SAN JOSE, CA 95131

BY _____ BY _____
KRYSTAL HALL
ASST SECRETARY FOR ASSIGNMENTS

STATE OF *IDAHO*)
)
COUNTY OF *BONNEVILLE*)

On *DECEMBER 16, 2008*, before me, *MELISSA HIVELY* personally appeared *KRYSTAL HALL* and _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) who executed the within instrument as *ASST SECRETARY FOR ASSIGNMENTS* and _____ on behalf of the corporation therein named and acknowledged to me that the corporation executed it.

MELISSA HIVELY (COMMISSION EXP. 07-28-14)
Notary Public

MELISSA HIVELY
NOTARY PUBLIC
STATE OF IDAHO

PREPARED BY:
KARLEEN MAUGHAN
595 UNIVERSITY BLVD.
IDAHO FALLS, ID 83401

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each social security number in this document, unless required by law.

P=S.002.00336.20 *J=HL8110108AI.s.05153* Page 2 of 2

MAKING HOME AFFORDABLE

BORROWER FREQUENTLY ASKED QUESTIONS

UPDATED MARCH 18, 2009

What is "Making Home Affordable" all about?

Making Home Affordable is part of President Obama's comprehensive strategy to get the housing market back on track. Through the Making Home Affordable Program, up to 9 million American families may be eligible to refinance or modify their loans to a payment that is affordable now and into the future.

HOME AFFORDABLE REFINANCE

1. I'm current on my mortgage. Will the Home Affordable Refinance help me?

Eligible borrowers who are current on their mortgages but have been unable to take advantage of today's lower interest rates because their homes have decreased in value, may now have the opportunity to refinance. Through the Home Affordable Refinance Program, Fannie Mae and Freddie Mac will allow the refinancing of mortgage loans that they own or that they placed in mortgage backed securities.

2. How do I know if I am eligible?

You may be eligible if:

- You are the owner occupant of a one to four unit home,
- The loan on your property is owned or securitized by Fannie Mae or Freddie Mac (Don't know? See below),
- At the time you apply, you are current on your mortgage payments (current means that you haven't been more than 30-days late on your mortgage payment in the last 12 months or, if you have had the loan for less than 12 months, you have never missed a payment),
- You believe that the amount you owe on your first mortgage is about the same or slightly less than the current value of your house,
- You have income sufficient to support the new mortgage payments, and
- The refinance improves the long term affordability or stability of your loan.

3. How do I know if the refinance will improve the long term affordability or stability of my loan?

Your lender will give you a "Good Faith Estimate" that includes your new interest rate, mortgage payment and the amount you will pay over the life of the loan. Compare this to your current loan terms. If it is not an improvement, refinancing may not be right for

you. Also consider that refinancing from an adjustable rate to a fixed rate loan or eliminating higher risk loan terms such as interest only payments or balloon payments may also provide long term stability.

4. How do I know if my loan is owned or has been securitized by Fannie Mae or Freddie Mac?

You should call your mortgage lender or servicer (the organization to whom you make your monthly mortgage payments) and ask about the program.

Both Fannie Mae and Freddie Mac have established toll-free telephone numbers and web submission processes to make this data available. Borrowers will provide or enter information to determine if either agency owns or securitized the loan. This information is not a guarantee of eligibility for the refinance program, as other qualifying criteria must also be met.

- For Fannie Mae,
  - 1-800-7FANNIE (8am to 8pm EST).
  - www.fanniemae.com/loanlookup
- Freddie Mac
  - 1-800-FREDDIE (8am to 8pm EST)
  - www.freddiemac.com/mymortgage

5. I owe more than my property is worth. Do I still qualify to refinance under the Making Home Affordable Program?

Eligible loans will include those where the first mortgage will not exceed 105% of the current market value of the property. For example, if your property is worth $200,000 but you owe $210,000 or less on your first mortgage you may qualify. The current value of your property will be determined after you apply to refinance.

6. I have both a first and a second mortgage. Do I still qualify to refinance under Making Home Affordable?

As long as the amount due on the first mortgage is less than 105% of the value of the property, borrowers with more than one mortgage may be eligible for a Home Affordable Refinance. Your eligibility will depend, in part, on agreement by the lender that has your second mortgage remain in a second position, and on your ability to meet the new payment terms on the first mortgage.

7. Will refinancing lower my payments?

The objective of the Home Affordable Refinance is to provide creditworthy borrowers who have shown a commitment to paying their mortgage, the opportunity to get into a mortgage with payments that are affordable today and sustainable for the life of the loan. Borrowers whose mortgage interest rates are much higher than the

current market rate should see an immediate reduction in their payments.

Borrowers who are paying interest only, or who have a low introductory rate that will increase in the future, may not see their current payment go down if they refinance to a fixed rate and payment. These borrowers, however, could save a great deal over the life of the loan by avoiding future mortgage payment increases. When you submit a loan application, your lender will give you a "Good Faith Estimate" that includes your new interest rate, mortgage payment and the amount that you will pay over the life of the loan. Compare this to your current loan terms. If it is not an improvement, a refinancing may not be right for you.

8. What are the interest rate and other terms of this refinance offer?

The rate will be based on market rates in effect at the time of the refinance and any associated points and fees quoted by the lender. Interest rates may vary across lenders and over time as market rates adjust. The refinanced loans will have no prepayment penalties or balloon payments.

9. Will refinancing reduce the amount that I owe on my loan?

No. The objective of the Home Affordable Refinance is to help borrowers get into more affordable loans. Refinancing will not reduce the principal amount you owe to the first mortgage holder or any other debt you owe. However, refinancing should save you money by reducing the amount of interest that you pay over the life of the loan.

10. Can I get cash out to pay other debts?

No. However, borrowers whose loans are owned or securitized by Fannie Mae may be eligible to finance all closing costs and obtain a small amount of cash (2% of the mortgage amount not to exceed $2,000) through the refinance if there is sufficient equity. For borrowers whose loans are owned or securitized by Freddie Mac, transaction costs (not to exceed $2,500) such as the cost of an appraisal or title report, may be included in the refinanced amount.

11. How do I apply for a Home Affordable Refinance?

You should call your mortgage servicer or lender and ask about the Home Affordable Refinance application process. The number is on your monthly mortgage bill or coupon book. Please be patient. Lenders and servicers are implementing the program now and it may take time before they are ready to process all applications. In the meantime, it will help your lender and speed up the application process if you gather some information and documents before you call.

Additionally, beginning April 4, 2009, borrowers whose loans are owned or securitized by Fannie Mae may also apply through any Fannie Mae approved lender.

Nearly all major banks and mortgage brokers are approved to work with Fannie Me. Ask the lender you choose if it is authorized to provide a Home Affordable Refinance.

12. What documentation will I need?

It will help your lender if you gather some information and documents before you call. You will need:

- Information about the monthly gross (before tax) income of all the borrowers on your loan, including recent pay stubs if you receive them or documentation of income you receive from other sources.
- Your most recent income tax return.
- Information about any second mortgage on the house.
- Account balances and minimum monthly payments due on all of your credit cards.
- Account balances and monthly payments on all your other debts such as student loans and car loans.

13. I am delinquent on my mortgage. Will I qualify for a Home Affordable Refinance?

No. Borrowers who are currently delinquent or have been 30 days overdue more than once during the past 12 months will not qualify. You should contact your servicer to see if a Home Affordable Modification is an option for you.

14. Will I need mortgage insurance?

If your existing loan has private mortgage insurance, you will need the same amount of insurance coverage for the refinanced loan. If your existing loan does not have private mortgage insurance it will not be required as part of the Home Affordable Refinance.

15. How long will the Home Affordable Refinance be available?

The program expires on June 10, 2010. Your refinance transaction must be closed and funded on or before that date.

HOME AFFORDABLE MODIFICATIONS

1. Can Making Home Affordable help me if my loan is not owned or securitized by Fannie Mae or Freddie Mac?

Yes. Making Home Affordable offers help to borrowers who are struggling to keep their loans current or who are already behind on their mortgage payments. By providing mortgage servicers with financial incentives to modify existing first mortgages, the Treasury hopes to help as many as 3 to 4 million homeowners avoid foreclosure regardless of who owns or services the mortgage.

2. How do I know if I qualify for a Home Affordable Modification?

To apply for a Home Affordable Modification, you must:

- Be an owner-occupant in a one to four unit property,
- Have an unpaid principal balance that is equal to or less than $729,750 for one unit properties (there is a higher limit for two to four unit properties - consult your servicer),
- Have a loan that was originated on or before January 1, 2009,
- Have a mortgage payment (including taxes, insurance, and home owners association dues) that is more than 31% of your gross (pre-tax) monthly income, and
- Have a mortgage payment that is not affordable, perhaps because of a significant change in income or expenses.

If you answered YES to all of these questions, you may be eligible to apply for a Home Affordable Modification. Only your servicer will be able to tell you if you qualify.

3. Do I need to be behind on my mortgage payments to be eligible for a Home Affordable Modification?

No. Responsible borrowers who are struggling to remain current on their mortgage payments are eligible if they are at risk of imminent default, for example, because their mortgage payment has recently increased to a level that is not affordable. If you have had or anticipate a significant increase in your mortgage payment or you have had a significant reduction in income or have experienced some other hardship that makes you unable to pay your mortgage, contact your servicer. You will be required to document your income and expenses and provide evidence of the hardship or change in your circumstances.

4. I have a second mortgage. Am I still eligible?

Yes, but only the first mortgage is eligible for a modification.

5. How do I know if my servicer is participating? Are all servicers required to participate?

Servicer participation in the program is voluntary. However, the government is offering substantial incentives to servicers and investors, and it is expected that most major servicers will participate. Participating servicers will sign a contract with Treasury's financial agent, through which they agree to review every potentially eligible borrower who calls or writes asking to be considered for the program.

As contracts are signed, a list of participating servicers will be available on the Internet at www.makinghomeaffordable.gov.

6. What will my servicer do to determine if I qualify?

If you report a hardship, your servicer will:

- Determine whether your loan meets the minimum eligibility criteria (owner occupied, originated on or before January 1, 2009, unpaid principal balance equal to or less than $729,750). If yes
- Ask about current income, assets and expenses as well as the specific circumstances relating to the hardship to determine if you will be unable to make your mortgage payment. (Your servicer may initially accept verbal information about your income and expenses, but eventually you will need to provide proof in the form of tax returns, pay stubs and other evidence).
- Determine if your monthly first lien mortgage payment is more than 31% (approximately 1/3) of your gross or pre-tax monthly income. If yes:
- Add past due charges (interest, taxes, insurance and costs that your lender paid to other parties on your behalf – but not late fees, those must be waived) to the loan balance.
- Determine how much of an interest rate reduction will be required to get your first mortgage payment down to a point where it is no more than 31% of your gross monthly income.
- Apply a value test to determine if the cost of the modification (including the government's incentive payments) is less costly for the investor than not modifying the loan (loans held by borrowers who have a lot of equity or whose incomes are very low in relation to the value of their homes probably will not pass this value test). If yes:
- Put you on a trial modification for three months at the new interest rate and payment level.
- If you successfully make the payments and are current at the end of the trial period, your servicer will execute a permanent modification agreement that will lower your interest rate to a fixed rate for five years, and then capped at a low rate for the remaining life of the loan.

NOTE: You will be required to sign the modification agreement and other documents

and attest that all of the information you provided to your servicer was true and accurate. Misrepresenting any information required for the Home Affordable Modification is a violation of Federal Law and has serious consequences.

7. What happens after five years?

If the modified interest rate is below the market rate, the modified rate will be fixed for a minimum of five years as specified in your modification agreement. Beginning in year six, the rate may increase no more than one percentage point per year until it reaches the rate cap indicated in your modification agreement. The cap is equal to the prevailing market interest rate on the date the modification is finalized as published by Freddie Mac based on a survey of its customers. This cap means that your rate can never be higher than the market rate on the day your loan was modified. If the modified rate is at or above the prevailing market rate, as defined above, the modified rate will be fixed for the life of the loan.

8. Will the modified loan include property taxes and homeowners insurance?

Yes. The modification payment will include a monthly amount to be set aside (escrowed) to pay taxes and insurance when they become due. This escrow is required even if your prior loan did not include an escrow.

9. How low can my interest rate go?

Treasury is providing incentives to your investor to write the interest down to as low as 2%, if necessary to get to a payment that you can afford based on your income.

10. What happens if that is not enough to get to an affordable payment?

If a 2% interest rate does not result in a payment that is affordable (no more than 31% of your gross monthly income), your servicer will:

- First try to extend your payment term. At the servicer's option your payments could be extended out to 40 years.
- If that is still not sufficient your servicer may defer repayment on a portion of the amount you owe until a later time. This is called a principal forbearance.
- A portion of the debt could be also be forgiven. This is optional on the part of the investor. There is no requirement for principal forgiveness.

11. Could I end up with a balloon payment?

Yes. If your servicer determines that a principal forbearance is required to get your monthly payment to an affordable level, the amount of the forbearance, say for example this was $20,000, would be subtracted from the amount used to calculate your monthly mortgage payment, but you would still owe the money. You would have a $20,000 balloon payment that had no interest and was not due until you paid off your loan,

refinanced or sold your house.

12. What happens if I am unable to make payments during the trial period?

Borrowers who are unable to make three payments by the end of the trial period are not eligible for a Home Affordable Modification. However, you may be eligible for other foreclosure prevention options offered by your servicer.

13. How much will a modification cost me?

Borrowers who are behind on payments or at risk of imminent default often do not have cash to pay for the expenses of a loan modification. Borrowers who qualify for a Home Affordable Modification will never be required to pay a modification fee or pay past due late fees. If there are costs associated with the modification, such as payment of back taxes, your servicer will give you the option of adding them to the amount you owe on your mortgage or paying some or all of the expenses in advance. Paying these expenses in advance will reduce your new monthly payment and save interest costs over the life of your loan.

If you would like assistance from a HUD-approved housing counseling agency or are referred to a counselor as a condition of the modification, you will not be charged a counseling fee. Borrowers should beware of any organization that attempts to charge an upfront fee for housing counseling or modification of a delinquent loan, or any organization that claims to guarantee success.

14. Is housing counseling required under this program?

Borrowers, especially delinquent borrowers, are strongly encouraged to contact a HUD-approved housing counselor to help them understand all of their financial options and to create a workable budget plan. These services are free. However, housing counseling is only required for borrowers whose total monthly debts are very high in relation their incomes. It is voluntary for other applicants.

When you apply for a Home Affordable Modification, your servicer will analyze your monthly debts, including the amount you will owe on the new mortgage payment after it is modified, as well as payments on a second mortgage, car loans, credit cards or child support. If the sum of all of these recurring monthly expenses is equal to or more than 55% of your gross monthly income, you must agree to participate in housing counseling provided by a HUD-approved housing counselor as a condition of getting the modification.

15. I heard the government was providing a financial incentive to borrowers. Is that true?

Yes. Borrowers who make timely payments on their modified loans will receive success incentives. For every month you make a payment on time, Treasury will pay an incentive

that reduces the principal balance on your loan. The incentive will be applied directly to your loan balance annually and over five years the total principal reduction could add up to $5,000. This contribution by the Treasury will help you build equity faster.

16. I do not live in the house that secures the mortgage I'd like to modify. Is this mortgage eligible for a Home Affordable Modification?

No. For example, if you own a house that you use as a vacation home or that you rent out to tenants, the mortgage on that house is not eligible. If you used to live in the home but you moved out, the mortgage is not eligible. Only the mortgage on your primary residence is eligible. The mortgage servicer will check to see if the dwelling is your primary residence. Misrepresenting your occupancy in order to qualify for this program is a violation of Federal law and may have serious consequences.

17. I have a mortgage on a duplex. I live in one unit and rent the other. Will I still be eligible?

Yes. Mortgages on two, three and four unit properties are eligible as long as you live in one unit as your primary residence.

18. I owe more than my house is worth. Will a Home Affordable Modification reduce what I owe?

The primary objective of the Making Home Affordable Program is to help borrowers avoid foreclosure by modifying troubled loans to achieve a payment the borrower can afford. Investors may, but are not required to, offer principal reductions. It is more likely that your servicer will use interest rate reductions in order to make your payment affordable.

19. I have an FHA loan. Can it be modified under the making Home Affordable Program? Are all loans eligible?

Most conventional loans including prime, subprime and adjustable loans, loans owned by Fannie Mae, Freddie Mac and private lenders and most loans in mortgage backed securities are eligible for a Home Affordable Modification. The Administration is working with the Congress to enact legislation that will allow FHA and VA to offer modifications consistent with Making Home Affordable in the near future. Currently loans insured or guaranteed by these agencies are being modified under other programs that also enable borrowers to retain homeownership.

20. How do I apply for a modification under the Making Home Affordable Plan?

If you meet the general eligibility criteria for the program, you should gather the financial documentation that your servicer will need to determine if you qualify. Once you have this information, you should call your mortgage servicer and ask to be considered for a

Home Affordable Modification. The number is on your monthly mortgage bill or coupon book.

If your loan is current, please be patient as it may take some time before servicers are able to process all applications. However, servicers immediately can begin reviewing the eligibility of borrowers.

If you would like to speak to a housing counselor you can call **1-888-995-HOPE (4673).** HUD-approved housing counselors can help you evaluate your income and expenses and understand your options. This counseling is FREE.

If you have already missed one or more mortgage payments and have not yet spoken to your servicer call them immediately.

21. What information and documents will I need?

It will help your servicer and speed processing of your application if you gather some information and documents before you call. For all borrowers on your loan, you will need:

- Information about monthly gross income, including recent pay stubs if the borrowers are salaried and receive them and documentation of any income received from other sources.
- Most recent income tax return.
- Information about assets.
- Information about any second mortgage on the house.
- Account balances and minimum monthly payments due on all credit cards.
- Account balances and monthly payments on all other debts such as student loans and car loans.
- A letter describing why your mortgage is unaffordable (i.e. what caused your income(s) to be reduced or expenses to be increased).

22. How long will the Home Affordable Modification Program be available?

The program expires on December 31, 2012. Your trial modification must be in place by that date.

23. My loan is scheduled for foreclosure soon. What should I do?

Many servicers have made a commitment to postpone foreclosure sales on all mortgages that meet the minimum eligibility criteria for a Home Affordable Modification until those loans can be fully evaluated.

However, borrowers whose loans have been scheduled for foreclosure or any borrower that has missed one or more mortgage payments and has not yet spoken to their servicer should contact the servicer immediately. Borrowers may also contact a HUD-approved housing counselor by calling **1-888-995-HOPE (4673).**

WHAT ELSE DO I NEED TO KNOW?

1. Who is my "loan servicer? Is that the same as my lender or investor?

Your loan servicer is the financial institution that collects your monthly mortgage payments and has responsibility for the management and accounting of your loan. Your servicer may also be your lender, which means they own your loan, however, many loans are owned by groups of investors.

Traditionally, banks used money deposited in customers' savings accounts to make loans. They held the loans, earning the interest as borrowers repaid over time. Banks were thus limited in the number of loans they could make because they had to wait to make new ones until savings deposits grew or existing borrowers repaid their loans. Many families who wanted to own a home were unable to do so because there was not a steady supply of money to lend.

Over time, banks started to turn loans into cash by pooling large groups of loans together to create mortgage backed securities that could be sold to investors such as pension funds and hedge funds. The investors get the right to collect future payments and the bank gets cash that it can use to make more loans. Investors hire loan servicers to collect payments and interact with customers.

If you have questions about your loan or you are behind on your payments you should call your loan servicer at the number on your payment coupon or monthly mortgage statement.

2. Why does my loan servicer have to ask the investor if they can do a loan modification?

If the organization that services your loan does not own it, your servicer may need to get permission from the owner or investor before they can change any of the terms of your loan. Generally, there is a contract between the servicer and the investor that states what kind of actions the servicer is allowed to take. Most of these contracts, called pooling and servicing agreements (PSAs), give the servicer a lot of leeway to make modification decisions, so long as the modification provides a better financial outcome for the investor than not modifying the loan.

3. What should I do if my servicer tells me that the investor is not participating in Making Home Affordable?

As contracts with servicers and investors are signed, the list of participants will be posted at http://www.makinghomeaffordable.gov/. Borrowers should check first to see if their servicer is listed. If so, you should call your servicer back and ask to speak to a supervisor or you may contact a HUD-approved housing counselor for assistance. If your servicer or investor is not participating in the program, you should ask your servicer or a housing counselor about other workout options that may be available.

BEWARE OF FORECLOSURE RESCUE SCAMS – HELP IS FREE!

- There should never be a fee for assistance with or information about the Making Home Affordable Program.
- Beware of any person or organization that asks you to pay an upfront fee in exchange for a counseling service or modification of a delinquent loan. Do not pay – walk away!
- Beware of anyone who says they can "save" your home if you sign or transfer over the deed to your house. Do not sign over the deed to your property to any organization or individual unless you are working directly with your mortgage company to forgive your debt.
- Never make your mortgage payments to anyone other than your mortgage company without their approval.

Red Flags of Mortgage Fraud
Professional Licensing & Homeowner Protection Unit
Indiana Office of the Attorney General

- The borrower does not occupy the home (non-owner occupied).
- The borrower has never viewed the property.
- The borrower purchased several properties within a short time period.
- The borrower declares numerous properties as his/her primary residence.
- The borrower received cash or other compensation to purchase the property.
- The borrower owns numerous properties that greatly exceed his/her financial means.
- The borrower never took occupancy of the property
- The source of the down payments funds or the amount of cash received from the borrower is suspect. This is especially suspect if this money comes from the seller.
- Money is disbursed that is not reported on the HUD-1.
- The same loan brokers, appraisers, and closing agents appear in numerous transactions.
- Extraordinarily high loan broker fees
- Altered loan documents including W-4s, bank statements, and purchase agreements.
- The borrower signed blank loan documents.
- The property is held in a trust
- The borrower is asked to sign a Power of Attorney.
- The borrower holds a subprime loan when the borrower would have qualified for a conventional loan.
- Material misstatements on the loan application (i.e. – inflated income, inflated assets, unreported liabilities, false bank accounts, false second mortgages, etc.)
- Large seller concessions for home improvements when the work is not completed at the time of closing (i.e – basement finishing).
- No real estate commissions were paid or commissions outside the industry norm were paid.
- No mortgage payments or very few payments were made on the property.
- Appraisal appears inflated.
- Amount of loan principal is not supported by the value of the neighborhood.
- The appraisal is dated prior to the loan application.
- Multiple appraisals with the same effective date for the same property with the different values.
- A short period of time between a sale of the property and a much higher subsequent sale of property without a justifiable reason for the increase in price.