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8 LINDA C. REED

FILED  
ALAMEDA COUNTY

MAR 18 2016

CLERK OF THE SUPERIOR COURT  
By *D. Oliver*  
D. OLIVER, Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

8 LINDA C. REED, ) CASE NO: *RC 16808201*  
9 Plaintiff, )  
10 v. )  
11 WILMINGTON TRUST, N.A. AS TRUSTEE )  
12 FOR THE CERTIFICATEHOLDERS OF )  
13 THE ARLP SECURITIZATION TRUST )  
14 2014-2; OCWEN LOAN SERVICING LLC; )  
15 WESTERN PROGRESSIVE LLC; )  
16 MORTGAGE ELECTRONIC )  
17 REGISTRATION SYSTEMS, INC.; AND )  
18 DOES 1-100, INCLUSIVE, )  
19 Defendants. )  
20 )  
21 )  
22 )  
23 )  
24 )  
25 )  
26 )

JURY TRIAL DEMANDED  
Unlimited Jurisdiction

20 COMES NOW the Plaintiff, LINDA C. REED, complaining against the Defendants, and  
21 each of them as follows:

INTRODUCTION

22 1. This is an action brought by Plaintiff LINDA C. REED for wrongful foreclosure,  
23 slander of title, and violation of 12 U.S.C. § 2605 and injunctive relief. Plaintiff seeks actual and  
24 punitive damages along with declaratory and injunctive relief.  
25  
26

1       2. Plaintiff owns a property located at 840 Glen Drive, San Leandro, CA 94577,  
2 Assessor's Parcel No. 076-0362-007 ("Subject Property"), and entered into an Adjustable Rate  
3 Note in the amount of \$640,000.00 secured by a Deed of Trust ("DOT") that was recorded  
4 against the Subject Property in Alameda County on June 23, 2006, as Document No.  
5 2006241897 in favor of Metrocities Mortgage, LLC dba No Red Tape Mortgage ("Metcities").  
6 The DOT names Metrocities as Lender, Mortgage Electronic Registration Systems, Inc.  
7 ("MERS") as nominee for Lender and Beneficiary, and Fidelity National Loan Portfolio  
8 Solutions as Trustee. The Subject Property is Plaintiff's primary residence which is under  
9 construction to repair damages caused by a fire on February 1, 2016. Plaintiff is now in  
10 temporary housing as a result of relocation by the insurance company due to smoke damage, but  
11 plans to return to the Subject Property as soon as repairs are completed, which are underway. A  
12 true and correct copy of Plaintiff's alleged Adjustable Rate Note ("Note") is attached hereto as  
13 Exhibit A. A true and correct copy of Plaintiff's DOT is attached hereto as Exhibit B.  
14 Defendants or predecessors-in-interest disclosed and promised a fixed rate note to Plaintiff;  
15 however Plaintiff was unknowingly coerced into submitting two applications in 2006, that were  
16 used against her to create documentation for an Adjustable Rate mortgage to defraud Plaintiff of  
17 increased payments and ownership of the property by an inevitable foreclosure. In so doing  
18 Defendants committed violations of the Truth-in-Lending Act 15 U.S.C. § 1601

19       3. Plaintiff alleges that Defendants initiated unlawful foreclosure proceedings  
20 against the Subject Property because they were not the true holders of beneficial interest in the  
21 Deed of Trust and failed to perfect any claim of title or security interest in the Subject Property  
22 breaching the Deed of Trust and Pooling and Servicing Agreement for the Mortgage Backed  
23 Securities ("MBS") Trust at issue. Additionally, Plaintiff alleges Defendants prepared and  
24 signed false documents purporting to have legal effect upon Plaintiff's title, slandering Plaintiff's  
25 title and initiated a wrongful foreclosure based on these acts. Plaintiff also alleges Defendants  
26 failed to apply partial payments to Plaintiff's mortgage obligation and that Defendants

1 wrongfully demanded payments according to an adjustable rate, and confused and negligently  
2 processed Plaintiff's complaint in this regard by responding to Plaintiff without consistency and  
3 from two different departments in BANA, one located in Texas and the other Southern  
4 California.

5           4. Plaintiff alleges that an actual controversy has arisen and now exists between  
6 Plaintiff and Defendants, and each of them.

7       5. Plaintiff requests a judicial determination and declaration of their rights with  
8 respect to the Subject Property and its underlying Note and Deed of Trust.

9       6. Plaintiff also seeks redress from Defendants and ask this Court for a declaration  
10 of interests and for cancellation of the mortgage instruments based on the following facts.

## **PARTIES**

13       7. Plaintiff Linda C. Reed is the borrower under a Deed of Trust recorded in the  
14 official records of Contra Costa County, California, on June 23, 2006 as Instrument No.  
15 2006241897 (“Deed of Trust” or “DOT”) against a parcel of real property known as 840 Glen  
16 Drive, San Leandro, CA 94577 Assessor’s Parcel No. 076-0362-007 (“Subject Property”). The  
17 Subject Property is Plaintiff’s primary residence.

18       8. Plaintiff Linda C. Reed is the borrower under the Deed of Trust pursuant to a  
19 Promissory Note in the amount of \$640,000 in favor of Metrocities.

20       9. Plaintiff is informed and believes and on that basis alleges that Defendant  
21 WILMINGTON TRUST, N.A. is a National Banking Association organized under the laws of  
22 the United States with its main office in Delaware. Plaintiff is further informed and believes and  
23 on that basis alleges Wilmington Trust, N.A. (hereafter "Wilmington") and is being sued herein  
24 in its capacity as Trustee FOR THE CERTIFICATEHOLDERS OF THE ARLP  
25 SECURITIZATION TRUST 2014-2 (hereafter "ARLP 2014-2 Trust") which claims to be the  
26 beneficiary under Plaintiff's DOT by an Assignment of the Deed of Trust recorded on April 24,

1 2015, even though there were two previously executed assignment(s) recorded in 2011 and 2014,  
2 breaking the chain of title, the first being recored by Mortgage Electronic Registration Systems,  
3 Inc. ("MERS"), and the second recorded by Bank of America, N.A.. (hereafter "BANA").

4 10. Plaintiff is informed and believes and on that basis alleges that Defendant  
5 OCWEN LOAN SERVICING LLC (hereafter "Ocwen") is, and at all times herein mentioned,  
6 was, a Limited Liability Company organized under the laws of the Delaware, registered as  
7 business entity no. 200213810063, with the California Secretary of State..

8 11. Plaintiff is informed and believes and on that basis alleges that Defendant  
9 WESTERN PROGRESSIVE, LLC, ("Western"), is, and at all times herein mentioned, was, a  
10 Limited Liability Company organized under the laws of the Delaware, registered as business  
11 entity no. 200835710284, with the California Secretary of State.

12 12. Plaintiff is informed and believes and on that basis alleges that Defendant MERS  
13 is a business entity of unknown form, there being one such business by that name which has a  
14 suspended license in California, that is formerly registered with the California Secretary of State  
15 as business entity no. 2416221, another which is a Delaware corporation, doing business in  
16 California as Corporation No. C3306164 which registered with the State of California on July  
17 21, 2010, and another Delaware corporation, doing business in California as Corporation No.  
18 C3851652 which registered with the State of California on December 16, 2015.

19 13. Plaintiff is ignorant of the true names and capacities of Defendants sued herein as-  
20 DOES 1 through 100, inclusive, and therefore sues these Defendants by such fictitious names.  
21 Plaintiffs will amend this complaint to allege their true names and capacities when ascertained.

22 **STATEMENT OF FACTS**

23 14. On or around June 23, 2006, Plaintiff recorded a Deed of Trust in favor of  
24 Metrocities against the Subject Property.

25 15. Plaintiff alleges upon on information and belief that BANA, successor-in-interest  
26 to Metrocities attempted to transfer Plaintiff's Deed of Trust to a mortgage-backed securitized

1 trust, the ARLP 2014-2 Trust on or before the Closing Date for the trust on or about November  
2 25, 2014, according to Plaintiff's Property Securitization Report ("Audit"), a true and correct  
3 copy of which is attached hereto as Exhibit C. See Ex. C, p. 5. In doing so, as purported  
4 predecessors-in-interest, to Wilmington, BANA mistakenly recorded an assignment in favor of  
5 the ARLP Trust 3 on May 29, 2014, and not the ARLP 2014-2 Trust. The assignment in favor of  
6 the foreclosing beneficiary ARLP 2014-2 Trust was not executed until March 16, 2015 or  
7 recorded until April 24, 2015, five months after the closing date for the trust. Wilmington  
8 attempted to correct BANA's mistake by recording an untimely, and contradictory and late  
9 assignment to the ARLP 2014-2 Trust to ready the chain of title for foreclosure, where there was  
10 no right to foreclose according to that respective Pooling and Servicing Agreement. Wilmington  
11 and Defendants initiated a foreclosure based on these documents, slandered title to Plaintiff's  
12 Subject Property and violated state and federal laws, as well as the contractual provisions of  
13 Plaintiff's DOT and the Pooling and Servicing Agreement for the MBS Trust.

14 16. Plaintiff alleges on information and belief that Defendants or purported  
15 predecessors in interest attempted to transfer their Note and Deed of Trust pursuant to the  
16 Pooling and Servicing Agreement ("PSA") of the ARLP 2014-2 Trust to Wilmington acting as  
17 Trustee of the Trust Pool on or before the closing date of November 25, 2014, but that this  
18 attempted transfer was mistakenly made to the ARLP Trust 3, and the later transfer to the ARLP  
19 2014-2 was late and not performed in accordance with the terms of the PSA and failed to legally  
20 transfer any interest to Wilmington as Trustee. Plaintiff alleges on information and believe she is  
21 a third party beneficiary of the PSA to the ARLP 2014-2 Trust.

22 17. On May 11, 2011, MERS, on behalf of original Lender Metrocities, assigned all  
23 beneficial interest in the Deed of Trust to BAC Home Loans Servicing LP FKA Countrywide  
24 Home Loans Servicing, LP by recording an Assignment of Deed of Trust (hereafter "First  
25 ADOT"). A true and correct copy of this Assignment of Deed of Trust is attached hereto as  
26 Exhibit D. This assignment was signed by Bud Kamyabi, whom Plaintiff disputes had any legal

1 authority to do so; Plaintiff alleges Mr. Kamyabi is a robo-signer who lacked agency and that  
2 this assignment is void and breaks the chain of title.

3       18. An assignment recorded prior to the closing date for the ARLP 2014-2 Trust, was  
4 in favor of a different trust, and not the foreclosing beneficiary also breaking the chain of title  
5 due to the fact the assignee does not match the assignor of the next recorded assignment as is set  
6 forth below. That is, on May 29, 2014, Indecom Global Services as attorney in fact for Bank of  
7 America, N.A. successor by merger to BAC Home Loans Servicing, LP FKA Countrywide  
8 Home Loans Servicing, LP assigned all beneficial interest in the Deed of Trust to Christiana  
9 Trust, a division of Wilmington, Savings Fund Society, FSB, not in its individual capacity but as  
10 Trustee of ARLP 3 in c/o Altisource Asset Management Corporation, 402 Strand St,  
11 Frederiksted, VI 00820 by recording an Assignment of Deed of Trust (hereafter "Second  
12 ADOT"). A true and correct copy of this Assignment of Deed of Trust is attached hereto as  
13 Exhibit E.

14       19. On February 9, 2012, a Substitution of Trustee ("SOT") was recorded in the  
15 Alameda County Recorder's Office by Bank of America, N.A., Successor by Merger to BAC  
16 Home Loans Seeervicing, LP FKA Countrywide Home Loans Servicing, LP purporting to  
17 substitute Recontrust Company, N.A. whose address is 1800 Tapo Canyon Rd, CA6-914-01-94  
18 Simi Valley, CA 93063 (hereafter "Recontrust") in place of the original Trustee under the DOT.  
19 A true and correct copy of the SOT is attached hereto as Exhibit F.

20       20. Thereafter the ARLP 2014-2 Trust closed on November 25, 2014.

21       21. Then, on April 24, 2015, Ocwen Loan Servicing, LLC as attorney in fact for  
22 Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual  
23 capacity but as Trustee of ARLP Trust 4 assigned all beneficial interest in the Deed of Trust to  
24 Wilmington Trust, National Association, not in its individual capacity but as Trustee of ALRP  
25 Securitization Trust, Series 2014-2 at c/o Ocwen Loan Servicing, LLC., 1661 Worthington Road,  
26 Ste 100, West Palm Beach, FL 33409 by recording an Assignment of Deed of Trust (hereafter

1 "Third ADOT"). A true and correct copy of this Assignment of Deed of Trust is attached hereto  
2 as Exhibit G. Plaintiff alleges the Third ADOT is void due to the fact that the assignments were  
3 made to assignees not in their individual capacities but as trustees, and because the trusts  
4 identified in each assignment are not the same, Defendants broke the chain of title. In the Third  
5 ADOT ARLP Trust 4 attempts to make an assignment of an asset, that is, Plaintiff's DOT, which  
6 it never received. ARLP Trust 3 purports to have received the assignment in 2014 and with no  
7 intervening transfer to ARLP Trust 4, ARLP Trust 4 possessed no legal interest or capacity to  
8 convey any interest in Plaintiff's DOT in the Third ADOT. The ARLP Trust 4 was a stranger to  
9 Plaintiff's DOT and its transfer to the purported foreclosing beneficiary is void.

10       22. Plaintiff alleges that this attempted transfer was in direct contravention of the PSA  
11 governing the Trust Pool and, as such, was *void* and not voidable under the Court of Appeal  
12 ruling in *Glaski v. Bank of America*, (2013) 218 Cal.App.4th 1079, 1097; *see also Yvanova v.*  
13 *New Century Mortgage Corporation, et al.*, (Feb. 1, 2016) S218973 Sup. Ct. Cal..

14       22. Plaintiff is informed and believes and thereupon alleges Defendants never  
15 transferred the beneficial interest in Plaintiff's DOT to the ARLP 2014-2 Trust because this  
16 beneficial interest was never transferred to the ARLP Trust 4, the purported assignor to the  
17 ARLP 2014-2 Trust. In addition, even if this Court were to hold that the ARLP Trust 4 was the  
18 holder of the beneficial interest on April 24, 2015, Plaintiff also alleges the transfer to the ARLP  
19 2014-2 Trust was void and occurred late and in violation of the PSA due to findings set forth in  
20 the Audit documenting the attempted and unsuccessful securitization of Plaintiff's Note and  
21 DOT and robo-signing.

22       23. The servicing of Plaintiff's loan was allegedly transferred from BANA to Ocwen  
23 on October 5, 2012, but Plaintiff did not receive notice of this transfer at or around this time as  
24 required by The Real Estate Settlement Procedures Act ("RESPA") 12 U.S.C. § 2605. Ocwen  
25 claims, in correspondence to Plaintiff dated January 20, 2016, a true and correct copy of which is  
26 attached hereto as Exhibit H, that "the loan was registered on the MERS System, under MIN

1 Number 10003420005720701 so that recorded assignments were not required. The loan  
2 remained registered with MERS until it was assigned to the loan servicer in 2011” purportedly  
3 referring to the 2011 assignment from MERS to BAC Home Loans Servicing, LP FKA  
4 Countrywide Home Loans Servicing, LP. In making these statements to Plaintiff, Ocwen admits  
5 the recorded documents should be required to effectuate the transfer to the ARLP 2014-2 Trust,  
6 and that no other, unrecorded transfer, should suffice. And there was none due to the break in  
7 the chain of title due to the fact that there was never any transfer to the ARLP Trust 4 and also  
8 because its purported transfer to the ARLP 2014-2 Trust was late and after the Closing Date for  
9 the trust.

10       24. On October 1, 2015, Western recorded a Notice of Default in the Alameda  
11 County Recorder’s Office as Trustee under the DOT (“Western NOD”), although Western had  
12 not yet been substituted in as trustee pursuant to a validly executed and recorded Substitution of  
13 Trustee (“SOT”) because only a substitution in favor of Recontrust had been recorded. A true  
14 and correct copy of this NOD is attached hereto as Exhibit I. However, Plaintiff is in possession  
15 of correspondence dated November 17, 2015, referring to an earlier Notice of Default occurring  
16 in or prior to 2013 marking the point at which reinstatement was required. This Notice of  
17 Default was recorded by Recontrust which had been substituted in as trustee on February 9,  
18 2012. A true and correct copy of this correspondence and Notice of Default is attached hereto as  
19 Exhibit H. Thus, as of November 17, 2015, Ocwen knew Recontrust was the trustee of record  
20 and had somehow disavowed the Notice of Default recorded the month prior on October 1, 2015  
21 by Western. Ocwen committed servicing violations in confusing Plaintiff as to who was the  
22 rightful trustee on November 17, 2015 and violated Cal. Civ. Code § 2934a and the Fair Debt  
23 Collection Practices Act 15 U.S.C. § 1692 et seq. (“FDCPA”) by trying to collect a debt that is  
24 not valid and using a vague and ambiguous method to collect a debt and which actions Plaintiff’s  
25 allege fall outside of normal foreclosure activities precluded from the governance of the FDCPA.  
26

1       25. Plaintiff alleges Western did not have any capacity under Plaintiff's DOT to  
2 record a Notice of Default due to the broken chain of title, but also, because there was no  
3 recorded substitution providing any authority to Western to take foreclosure actions having legal  
4 effect upon Plaintiff's Subject Property, but instead, a substitution in favor of Recontrust.  
5 Without recordation of a substitution signed by the beneficial interest holder transferring powers  
6 of a trustee under a DOT to a new entity, there is no legal substitution of trustee conferring  
7 authority to initial a sale. Cal. Civ. Code § 2934a. Recontrust was substituted as the trustee on  
8 February 9, 2012, and Western was not. Thus, the NOD is invalid.

9       26. On or around March 1, 2016, Western recorded a Notice of Trustee's Sale  
10 ("NOTS") setting a trustee's sale of the Subject Property on April 4, 2016. A true and correct  
11 copy of the NOTS is attached hereto as Exhibit J. A void NOD renders all subsequent  
12 proceedings based on said Notice, invalid and void. *See Mabry v. Superior Court*, 185 Cal. App.  
13 4th 208, 236-37 (2010) (Notice of Default which fails to comply with Cal. Civ. Code Section  
14 2923.5 is invalid and a non-judicial foreclosure may only proceed if a new, valid Notice of  
15 Default is recorded). Defendants could not have complied with Section 2923.5 due to the break  
16 in the chain of title and did not. The NOTS is invalid due to the void NOD and principles of  
17 equity and Defendants are attempting to hold an illegal sale.

18       27. Plaintiff alleges that the Notice(s) of Default and Notice(s) of Trustee's Sale are  
19 based on void assignments and that thereupon Defendants purport to exercise authority despite a  
20 broken chain of title to the Deed of Trust, and are also void and invalid.

## **FIRST CAUSE OF ACTION**

## **WRONGFUL FORECLOSURE**

## **By Plaintiff Against All Defendants**

25           28 Plaintiff re-alleges and incorporates by reference all prior paragraphs in this  
26 complaint, as though fully set forth hereafter.

1       29. The foreclosure proceedings Defendants Wilmington, Ocwen, Western and  
2 MERS initiated against Plaintiff when they caused Recontrust and then Western to record a  
3 Notice(s) of Default were invalid and wrongful because no Defendant was the true holder of  
4 beneficial interest under Plaintiff's Deed of Trust at that time, rendering the trustee's sale void ab  
5 initio.

6       30. Plaintiff alleges a wrongful foreclosure due to broken chain of title and on  
7 equitable principles due to the violations alleged in the instant Complaint and incorporated  
8 herein by reference including misrepresentation. Plaintiff bases the allegations of broken chain  
9 of title on several grounds including robo-signing, break in the chain of title visible on the  
10 documents themselves due to the fact that the ARLP Trust 4 never received any interest to  
11 convey, break in the chain of title due to recordation of a late assignment and faulty  
12 securitization, and lack of authority by the purported trustee, Western, as is alleged above and  
13 also incorporated herein.

14      31. Plaintiff alleges Bud Kamyabi who allegedly signed the 2011 ADOT in favor of  
15 BAC Home Loans Servicing, LP as Assistant Secretary for MERS was a robo-signer due to the  
16 fact that upon information and belief, Plaintiff alleges Mr. Kamyabi was not authorized by the  
17 board of directors to take such actions nor was he a legal officer of the corporation and therefore  
18 fraudulently executed the First ADOT. The other recorded documents were similarly executed.

19      32. Plaintiff alleges on information and belief that despite BANA's attempted sale of  
20 Plaintiff's mortgage to the ARLP 2014-2 Trust in 2014, the transfer never actually occurred and  
21 the Assignment of Deed of Trust in favor of Wilmington as Trustee for the securitized trust was  
22 recorded late and in violation of the terms of the PSA for the trust.

23      33. Plaintiff alleges that under the Court of Appeal ruling in *Glaski*, these attempted  
24 transfers were void as acts in contravention of the express terms of the Trust Pool's PSA and the  
25 mandated time limits for transferring assets under Internal Revenue Code provisions governing  
26 tax-exempt REMIC trusts. See I.R.C. § 860G, *Glaski, supra*, 218 Cal.App.4th at 1097.

1       34. Upon information and belief, Plaintiff alleges the PSA for the ARLP 2014-2 Trust  
2 requires that the contributions to the Trust including transfer of Note occurs by the Closing Date  
3 for the trust on November 25, 2014. Plaintiff alleges upon information and belief Defendants  
4 failed to transfer an assignment in recordable form or any other form which was sufficient to  
5 transfer an interest in Plaintiff's DOT to the MBS Trust by the Closing Date for the reasons  
6 stated above. The post-closing date attempted transfer of the Deed of Trust into the securitized  
7 trust rendered the attempted transfer void and not merely voidable.

8       35. Also as in *Glaski*, Plaintiff alleges upon information and belief the ARLP 2014-2  
9 Trust was formed under New York trust law, which provides that any "sale, conveyance or other  
10 act of the trustee in contravention of the trust...is void." *Id.* at 1098, citing New York Estates,  
11 Powers and Trusts Law § 7-2.4.

12       36. Plaintiff alleges that as in *Glaski*, the Christiana Trust's attempts to transfer  
13 beneficial interest in her Deed of Trust to Wilmington as Trustee for the ARLP 2014-2 Trust on  
14 or before the Closing Date of November 25, 2014 failed and Wilmington's purported acceptance  
15 of that transfer – *the following year after* the Trust Pool had closed – was in contravention of the  
16 express terms of the Trust and, as such, was void. *See Glaski, supra*, 218 Cal.App.4th at 1098.  
17 Plaintiff further alleges that each Notice of Default or Notice of Trustee's Sale recorded by  
18 Recontrust at the direction of Wilmington or any purported predecessor-in-interest as purported  
19 holder of beneficial interest in Plaintiff's Deed of Trust, was as void and invalid as the initial  
20 belated and void attempted transfers to BANA and the Christiana Trust and later, the  
21 Wilmington Trust.

22       37. Moreover, aside from the express violations of the Trust Pool's PSA, Plaintiff  
23 alleges that Wilmington violated Internal Revenue Code provisions governing tax-exempt  
24 REMIC trusts. Plaintiff alleges on information and belief that the Trust Pool was subject to  
25 REMIC tax code provisions requiring mortgages to be transferred to a securitized trust within  
26 ninety (90) days from the date the trust was created. *Id.* at 1093, fn. 12. Wilmington as trustee or

1 the initial custodian was required to identify all mortgage files correlating to trust assets  
2 transferred prior to the closing date as being held by or on behalf of the ARLP 2014-2 Trust.  
3 Defendant Wilmington's attempt to fabricate a transfer of beneficial interest in Plaintiff's Deed  
4 of Trust to the Trust Pool the following year after the trust's creation by causing robo-signers to  
5 execute and record the late Assignment of Deed of Trust fell well outside the ninety-day  
6 timeframe for legitimate transfers of assets into REMIC trusts. *See* I.R.C. 860G. Therefore,  
7 Wilmington could not actually be the beneficiary as trustee for the securitized trust as is stated in  
8 the assignment because Wilmington is barred from doing so by the tax code and has no power of  
9 sale under the terms of Plaintiff's Deed of Trust.

10 47. Notwithstanding these facts, Plaintiff alleges that Wilmington or purported  
11 predecessors-in-interest attempted to invoke a power of sale belonging only to the true holder of  
12 beneficial interest in Plaintiff's Deed of Trust when it caused Recontrust to a record Notice of  
13 Default against the Subject Property on February 9, 2012, and Western on October 1, 2015 and  
14 the recent Notice of Trustee's Sale recorded on March 1, 2016. Plaintiff also alleges that when  
15 Wilmington invoked such power, it was unclear who the true holder of the beneficial interest in  
16 Plaintiff's mortgage was given the void assignment of the Deed of Trust that occurred the  
17 following year after the Trust Pool had closed.

18 48. A plaintiff may contest a foreclosure where the plaintiff alleges that an  
19 assignment or substitution of trustee was backdated to cover up the fact that it was assigned after  
20 the notice of default was posted. *Makreas v. First Nat'l Bank of N. Cal.*, 856 F.Supp.2d 1097  
21 (E.D. Cal. 2012). Under the same reasoning, Plaintiff alleges the DOT was recorded late to  
22 establish a power of sale, where none existed. And Plaintiff was never in default because there is  
23 no true beneficial interest holder.

24 49. Plaintiff also complains herein of fraud in the origination of the loan, including  
25 issuance of multiple notes based on multiple applications. Plaintiff was contacted by two  
26 interviewers purporting to be employees of the same company Golden State, who thereafter

1 placed Plaintiff with Metrocities which resulted in issuance of multiple notes. Plaintiff was  
2 misinformed and led to believe she was issued a fixed rate note. But instead, later she was  
3 provided with an Adjustable Rate Note she claims is not hers. True and correct copies of  
4 portions of two application files are attached hereto as Exhibits K and L.

5       50. Recording the assignments and foreclosure documents cannot create a power of  
6 sale where there is none. *Pfeifer v. Countrywide Home Loans, Inc.*, 211 Cal.App.4th 1250  
7 (Cal.App. 1st Dist. 2012). Because MERS's attempted transfer was void, Wilmington lacks the  
8 power to foreclose. *Quach v. Bank of America, N.A.*, Santa Clara Superior Court Case No. 1-13-  
9 cv-238864, Oct. 18, 2013.

10      51. A power of sale may be invoked by the Lender or Trustee pursuant to California  
11 Civil Code § 2924. As set forth in Plaintiff's 2006 Deed of Trust, the "Lender" is Metrocities  
12 and the "Trustee" is Fidelity National Loan Portfolio Solutions. Pursuant to paragraph 22 of the  
13 Deed of Trust, only the Lender is authorized to accelerate the loan, stating: "Lender shall give  
14 notice to Borrower prior to acceleration following Borrower's breach of any covenant or  
15 agreement in this Security Instrument..." See Ex. B, p. 11. "If Lender invokes the power of  
16 sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an  
17 event of default and of Lender's election to cause the Property to be sold..." *Id.*

18      52. Defendants' actions in initiating foreclosure proceedings against Plaintiff were  
19 wrongful because Defendants were not entities authorized to invoke the power of sale under  
20 Plaintiff's Deed of Trust. This is an act prohibited by California's statutory non-judicial  
21 foreclosure scheme, which requires that the entity initiating a non-judicial foreclosure on a deed  
22 of trust have the legal power to do so. See Cal. Civ. Code § 2924(a)(1). California Civil Code  
23 Section 2924 ("Section 2924") provides only "the trustee, mortgagee, or beneficiary, or any of  
24 their authorized agents" may initiate foreclosure proceedings. Cal. Civ. Code § 2924.

25      53. Plaintiff alleges on information and belief that Wilmington and/or predecessors-  
26 in-interest as Trustee for the ARLP 2014-2 Trust was not the correct party to initiate foreclosure,

1 had no beneficial interest in the Subject Property, and did not have standing to authorize  
2 Recontrust or Western to act on its behalf in invoking the power of sale under Plaintiff's Deed of  
3 Trust and that Wilmington and/or predecessors-in-interest employed robo-signers to fabricate  
4 false documents including the assignment(s), NOD(s), SOT, and NOTS in an attempt to carry  
5 out an illegal sale, as is set forth herein. Allowing Defendants to complete a foreclosure sale in  
6 the instant case would result in a clear violation of the statutory scheme governing non-judicial  
7 foreclosures and would cause Plaintiff to wrongfully lose her home. *See* Cal. Civ. Code § 2924  
8 *et seq.*. The foreclosure will also deprive Plaintiff of over \$150,000 in improvements made to  
9 the Subject Property as her primary residence including new windows, a fireplace, granite tile  
10 and stone in the backyard, and an irrigation system.

11 WHEREFORE, Plaintiffs prays for judgment against Defendants and each of them, as set  
12 forth below:

13 **SECOND CAUSE OF ACTION**

14 **SLANDER OF TITLE**

15 **By Plaintiff Against All Defendants**

16 54. Plaintiff re-alleges and incorporates by reference all prior paragraphs in this  
17 complaint, as though fully set forth hereafter.

18 55. Plaintiff alleges that Defendants published false statements that disparaged  
19 Plaintiff's title to the Subject Property when it recorded the DOT, ADOT(s), NOD(s), SOT, and  
20 NOTS.

21 56. Defendants disparaged Plaintiff's title to the Subject Property when, based on this  
22 invalid and void assignment, they recorded these documents with knowledge of their falsity as is  
23 stated above.

24 57. In so doing, Defendants acted with malice and reckless disregard for the truth and  
25 Plaintiff's rights with respect to the Subject Property.

1       58. The recording of the above-referenced documents in each instance was false,  
2 knowingly wrongful, without justification, in violation of statute, unprivileged, and caused doubt  
3 to be placed on Plaintiff's title to the property. The false recordation of the foregoing documents  
4 directly impairs the vendibility of Plaintiff's property on the open market in the amount of a sum  
5 to be proved at trial.

6       59. Defendants acted with malice when they recorded the false and void DOT,  
7 ADOT(s), NOD(s), SOT, and NOTS. "For this purpose, malice is defined as actual malice,  
8 meaning that the publication was motivated by hatred or ill will towards the plaintiffs or by a  
9 showing that the *defendant lacked reasonable grounds for belief in the truth of the publication*  
10 and therefore acted in reckless disregard of the plaintiffs' rights." *Kachlon v. Markowitz*, 168  
11 Cal.App.4th 316, 336 (2008) (citations omitted, emphasis added).

12       60. Defendants acted in "reckless disregard of Plaintiff's rights" when they initiated  
13 foreclosure proceedings against Plaintiff despite lacking "reasonable grounds for belief in the  
14 truth of the[se] publications." See e.g. *Kachlon v. Markowitz*, 168 Cal.App.4th at 336.

15       61. Nonetheless, despite these clear defects in the standing on the part of the  
16 Defendants, they proceeded to record or cause to be recorded invalid ADOT(s), NOD(s), SOT,  
17 and a NOTS in reliance on void and invalid assignments of interest.

18       62. As a result, Plaintiff suffered direct pecuniary damages in the form of losing legal  
19 title to the Subject Property based on a series of proceedings founded on false and void  
20 documents. The exact amount of such damages is not known to Plaintiff at this time, and  
21 Plaintiff will move to amend this complaint to state such amount when the same becomes  
22 known, or on proof at trial.

23       63. Plaintiff also alleges that the tender rule does not apply as "[t]ender is not required  
24 where the foreclosure sale is void, rather than voidable, such as when plaintiffs proves that the  
25 entity *lacked the authority to foreclose.*" *Glaski, supra*, 218 Cal.App.4th at 1101, citing *Lester v.*  
26 *J.P. Morgan Chase Bank*, \_\_ F.Supp.2d\_\_, [2013 WL 633333 p. \*8]; 4 Miller & Starr, Cal. Real

1 Estate (3d ed. 2003) Deeds of Trust, § 10:212, pg. 686 (emphasis added). Though some courts  
2 have held that tender must be alleged to maintain a cause of action for “irregularity in the sale  
3 procedure,” see e.g. *Abdallah v. United Savings Bank*, 43 Cal.App.4th 1101, 1109, Plaintiff here  
4 is not merely alleging an irregularity in the sale procedure but the lack of authority by  
5 Defendants to foreclose on Plaintiff’s property in the first place for the default as is stated which  
6 is incorrect, invalid, and not allowable.

7       64. The wrongfully recorded documents made it necessary for Plaintiff to retain  
8 attorneys and to bring this action to cancel the instruments casting doubt on Plaintiff's title.  
9 Therefore, Plaintiff is entitled to recover attorneys' fees and costs incurred in cancelling the  
10 instrument. The exact amount of such damages is not known to Plaintiff at this time, and Plaintiff  
11 will move to amend this complaint to state such amounts when they become known, or on proof  
12 at the time of trial.

13 WHEREFORE, Plaintiff prays for judgment against Defendants and each of them, as set  
14 forth below:

### **THIRD CAUSE OF ACTION**

## **VIOLATION OF 12 U.S.C. § 2605**

**By Plaintiff Against All Defendants**

18       65. Plaintiff re-alleges and reincorporates by reference the allegations in all  
19 paragraphs above as though fully set forth herein.

20       65. Defendants are liable for violation of RESPA, 12 U.S.C. § 2605, Section 6. See  
21 *also Johnson v. HSBC Bank USA, N.A., as Trustee for the Ellington Trust Series 2007-1*, United  
22 States District Court, Southern District of California, Case No. 3:11-cv-2091-JM-WVG at p. 4  
23 (unpublished) (finding sufficient allegations of improper assignment where “the assignment was  
24 made after the closing date of the trust, as required by Section 2.1 of the PSA.”)

25        66. Here, as in *Johnson v. HSBC*, Defendants maintain a right to the power of sale  
26 and beneficial interest on Plaintiffs' Deed of Trust despite the improperly documented transfer of

1 interest. See also *Vogan v. Wells Fargo Bank, N.A.*, 2011 WL 5826016 (E.D. Cal. 2011)  
2 (allowing § 17200 claim when plaintiffs alleged that assignment was executed after the closing  
3 date of securities pool, “giving rise to a plausible inference that at least some part of the recorded  
4 assignment was fabricated.”)

5       67. Defendants cannot indicate with any accuracy or truthfulness for whom they were  
6 acting in servicing Plaintiff’s Note or taking other action on behalf of or as the purported  
7 Beneficiary and into whose pockets Plaintiff’s mortgage payments should have gone. And in  
8 response to two Qualified Written Requests BANA provided the two different applications  
9 attached hereto as Exhibit I in order to prove on separate occasions the indebtedness for which  
10 the DOT supposedly was security. In doing so, Defendants acted in furtherance of a fraud upon  
11 Plaintiff and the true beneficial interest owner under the Deed of Trust. But for the actions of  
12 Defendants, and their agents in disguising and concealing the true owner of the Note, Plaintiff  
13 would have been credited for payments of principal and interest toward the purchase of the  
14 Subject Property, which they never received from the true beneficial interest holder. And  
15 Plaintiff alleges herein there is no beneficial interest holder of the DOT due to the broken chain  
16 of title and seeks declaratory relief as to the owner and terms of the note.

17       68. Plaintiff has been harmed by the Defendants’ failure to adequately respond to  
18 their qualified written request because they are unsure which of these entities actually holds their  
19 Note and whether their payments have been properly applied, and never received credit for  
20 payments made after the close of business of the original lender and/or the Trust. Defendants  
21 purposefully confused Plaintiff by the production of two application files, and caused Plaintiff  
22 emotional distress.

23       69. Ocwen claimed rights to service Plaintiff’s Note and DOT, BANA claimed to  
24 conduct due diligence efforts under Cal. Civ. Code § 2923.5 in 2012 and Ocwen claimed to  
25 conduct due diligence efforts under Cal. Civ. Code § 2923.55, but Defendants or predecessors in  
26 interest failed to properly or timely inform Plaintiff of a change in servicer to either BANA or

1 Ocwen, and the transfer was not excluded from RESPA's notice requirements. 12 U.S.C. §  
2 2605, Reg. X, 12 C.F.R. §1024.33(b). Wilmington did not provide any notice of this transfer.

3       70. In failing to provide this notice and in providing false and misleading information  
4 as to who is the owner of the Note and beneficial interest holder under the DOT, Defendants  
5 violated RESPA. Due to the misrepresentations and wrongful actions of Defendants, Plaintiff is  
6 entitled to equitable tolling. *Bryant v. Mortgage Capital Resource Corp.*, 197 F. Supp.2d 1357.

7       71. Plaintiff has suffered damages arising out of the numerous violations of RESPA  
8 as alleged herein..

9       72. As a result of Defendants' violations of RESPA, Plaintiff has suffered actual  
10 damages, including but not limited to devastation of their reputation and credit rating, monetary  
11 damages, and the impending foreclosure of their home, in an amount to be proven at trial.

12       73. Plaintiff's general damages also include mental anguish, inconvenience, and  
13 worries that they will lose their home, as well as late fees, all of which have been found to be  
14 recoverable under *Johnstone v. Bank of America, N.A.*, USDC, N.D. Illinois, Case No. 01 C 292  
15 (Nov. 15, 2001).

16       74.     In addition, pursuant to 12 U.S.C. § 2605(f)(3), Plaintiff is entitled to recover their  
17 reasonable attorney's fees and costs incurred in bringing this action.

18 WHEREFORE, Plaintiff prays for judgment against Defendants and each of them, as set  
19 forth below:

## **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiff LINDA C. REED prays for a judgment against Defendants as  
23 follows:

24       1. For a judgment declaring that the Deed of Trust recorded June 23, 2006 and the  
25 Assignment(s) of Deed of Trust are invalid and any subsequent foreclosure proceedings or

1 recorded documents based on these documents including the two Notice(s) of Default are also  
2 invalid;

3       2. For a temporary restraining order, a preliminary injunction, and a permanent  
4 injunction, enjoining Defendants and their respective agents, servants, and employees, and all  
5 persons acting under, in concert with, or for them, from asserting any interest in the Subject  
6 Property or otherwise attempting in any manner to dispossess Plaintiff from possession of the  
7 Subject Property; or taking any action to enforce any other remedy purportedly provided to them  
8 by the Deed of Trust;

9           3.     For a judgment forever enjoining Defendants from claiming any estate, right, title  
10 or interest in the subject property;

11       4. For an order compelling Defendants to transfer legal title and possession of the  
12 subject property to Plaintiffs herein;

13 | 5. For damages according to proof at trial;

14 | 6. For costs of suit and attorneys' fees herein incurred;

15      7. For punitive damages according to proof at trial;

16 || 8. For statutory damages; and

17 || 9. For such other relief as the Court may deem just and proper.

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury of each and every claim so triable.

DATED: March 16, 2016

Respectfully submitted,

Megan Dailey  
Attorney for Plaintiff

## VERIFICATION

I, LINDA C. REED, declare that I am an individual, Plaintiff in this action, that I have read the attached COMPLAINT and know the contents thereof, and that said COMPLAINT is true to the best of my present knowledge and belief.

5 I declare under penalty of perjury under the laws of the State of California that the  
6 foregoing is true and correct and that this Declaration was executed on the date below at San  
7 Leandro, California.

DATED: 3-16, 2016

Dinda C. Bud

**Exhibit A**

MIN: 100034200057202701

Loan Number: 16023507

**ADJUSTABLE RATE NOTE**  
(MTA-Twelve Month Average Index - Payment Caps)

THIS NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MONTHLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO REPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE LIMIT STATED IN THIS NOTE.

JUNE 15, 2006

SHERMAN OAKS

CALIFORNIA

[Date]

[City]

[State]

840 GLEN DRIVE, SAN LEANDRO, CALIFORNIA 94577  
[Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan that I have received, I promise to pay U.S. \$ 640,000.00 (this amount is called "Principal"), plus interest, to the order of Lender. The Principal amount may increase as provided under the terms of this Note but will never exceed ONE HUNDRED TEN AND 000/1000 (110.000 %) of the Principal amount I originally borrowed. This is called the "Maximum Limit." Lender is METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, A LIMITED LIABILITY COMPANY

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**

**(A) Interest Rate**

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.750 %. The interest rate I will pay may change.

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

**(B) Interest Rate Change Dates**

The interest rate I will pay may change on the 1st day of AUGUST, 2006 and on that day every month thereafter. Each date on which my interest rate could change is called an "Interest Rate Change Date." The new rate of interest will become effective on each Interest Rate Change Date. The interest rate may change monthly, but the monthly payment is recalculated in accordance with Section 3.

**(C) Index**

Beginning with the first Interest Rate Change Date, my adjustable interest rate will be based on an Index. The "Index" is the "Twelve-Month Average" of the annual yields on actively traded United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "Selected Interest Rates (H.15)" (the "Monthly Yields"). The Twelve Month Average is determined by adding together the Monthly Yields for the most recently available twelve months and dividing by 12. The most recent Index figure available as of the date 15 days before each Interest Rate Change Date 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.



**(D) Calculation of Interest Rate Changes**

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding THREE AND 450/1000 percentage point(s) ( 3.450 %) ("Margin") to the Current Index. The Note Holder will then round the result of this addition up to the nearest one-eighth of one percentage point (0.125%). The rounded amount will be my new interest rate until the next Interest Rate Change Date. My interest rate will never be greater than 9.950 %. Beginning with the first Interest Rate Change Date, my interest rate will never be lower than the Margin.

**3. PAYMENTS**

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

I will make a payment every month.

I will make my monthly payments on the 1st day of each month beginning on AUGUST 1, 2006. I will make these payments every month until I have paid all of the Principal and Interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on JULY 1, 2046, 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 15301 VENTURA BLVD STE D300, SHERMAN OAKS, CALIFORNIA 91403

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

**(B) Amount of My Initial Minimum Monthly Payments**

Each of my initial minimum monthly payments until the first Payment Change Date will be in the amount of U.S. \$ 1,618.28 as calculated by the Note Holder at an interest rate of 1.000 %, unless adjusted under Section 3(F). This is the Minimum Payment amount the Note Holder will accept as provided by Section 3(C) below.

**(C) Payment Change Dates**

My monthly payment may change as required by Section 3(D) below beginning on the 1st day of AUGUST, 2007, and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My monthly payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different monthly payment. The "Minimum Payment" is the minimum amount the Note Holder will accept for my monthly payment which is determined at the last Payment Change Date or as provided in Section 3(F) or 3(G) below. If the Minimum Payment is not sufficient to cover the amount of the interest due then negative amortization will occur.

I will pay the amount of my new Minimum Payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

**(D) Calculation of Monthly Payment Changes**

At least 30 days before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Payment Change Date in full on the maturity date in substantially equal payments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment." Unless Section 3(F) or 3(G) apply, the amount of my new monthly payment effective on a Payment Change Date, will not increase by more than 7.5% of my prior monthly payment. This 7.5% limitation is called the "Payment Cap." This Payment Cap applies only to the Principal and Interest payment and does not apply to any escrow payments Lender may require under the Security Instrument. The Note Holder will apply the Payment Cap by taking the amount of my Minimum Payment due the month preceding the Payment Change Date and multiplying it by the number 1.075. The result of this calculation is called the "Limited Payment." Unless Section 3(F) or 3(G) below requires me to pay a different amount, my new Minimum Payment will be the lesser of the Limited Payment and the Full Payment. I also have the option to pay the Full Payment for my monthly payment.

**(E) Additions to My Unpaid Principal**

Since my monthly payment amount changes less frequently than the interest rate, and since the monthly payment is subject to the payment limitations described in Section 3(D), my Minimum Payment could be less than or greater



than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. For each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid Principal, and interest will accrue on the amount of this difference at the interest rate required by Section 2. For each month that the monthly payment is greater than the interest portion, the Note Holder will apply the payment as provided in Section 3(A).

**(F) Limit on My Unpaid Principal; Increased Monthly Payment**

My unpaid Principal can never exceed a Maximum Limit equal to ONE HUNDRED TEN AND 000/1000 percent ( 110.000 %) of the Principal amount I originally borrowed. My unpaid Principal could exceed that Maximum Limit due to Minimum Payments and interest rate increases. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment. This means that my monthly payment may change more frequently than annually and such payment changes will not be limited by the 7.5% Payment Cap. The new Minimum Payment will be in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal payments at the current interest rate.

**(G) Required Full Payment**

On the fifth Payment Change Date and on each succeeding fifth Payment Change Date thereafter, I will begin paying the Full Payment as my monthly payment until my Minimum Payment changes again. I also will begin paying the Full Payment as my Minimum Payment on the final Payment Change Date.

**(H) Payment Options**

After the first Interest Rate Change Date, Lender may provide me with up to three (3) additional payment options that are greater than the Minimum Payment, which are called "Payment Options." I may be given the following Payment Options:

- (i) **Interest Only Payment:** the amount that would pay the interest portion of the monthly payment at the current interest rate. The Principal balance will not be decreased by this Payment Option and it is only available if the interest portion exceeds the Minimum Payment.
- (ii) **Fully Amortized Payment:** the amount necessary to pay the loan off (Principal and Interest) at the Maturity Date in substantially equal payments.
- (iii) **15 Year Amortized Payment:** the amount necessary to pay the loan off (Principal and Interest) within a fifteen (15) year term from the first payment due date in substantially equal payments. This monthly payment amount is calculated on the assumption that the current rate will remain in effect for the remaining term.

These Payment Options are only applicable if they are greater than the Minimum Payment.

**4. NOTICE OF CHANGES**

The Note Holder will deliver or mail to me a notice of any changes in 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 \*\* See attached Prepayment Note Addendum.**

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. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments. My partial Prepayment may reduce the amount of my monthly payments after the first Payment Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.



## **6. LOAN CHARGES**

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

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

### **(A) Late Charges for Overdue Payments**

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

### **(B) Default**

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

### **(C) Notice of Default**

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

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

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

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

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

## **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. SECURED NOTE**

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 these conditions are described 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.

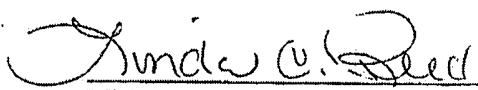
If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this 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 may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

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



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



LINDA C. REED

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower



MIN: 100034200057202701

Loan Number: 16023507

## PREPAYMENT NOTE ADDENDUM (Multi-State)

This Prepayment Note Addendum is made this 15th day of JUNE, 2006 and is incorporated into and shall be deemed to amend and supplement the Note of the same date (the "Note") made by the undersigned (the "Borrower") to evidence indebtedness to METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, A LIMITED LIABILITY COMPANY (the "Lender"), which debt is secured by a Mortgage or Deed of Trust or comparable security instrument (the "Security Instrument") of the same date and covering the property described in the Security Instrument and located at 840 GLEN DRIVE, SAN LEANDRO, CALIFORNIA 94577 (the "Property").

**Additional Covenants.** Notwithstanding anything to the contrary set forth in the Note or Security Instrument, Borrower and Lender covenant, and agree that, the provisions of the section of the Note entitled "BORROWER'S RIGHT TO PREPAY" are amended to read as follows:

Subject to the Prepayment penalty provided below, 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." A "Full Prepayment" is the prepayment of the entire unpaid Principal due under the Note. A payment of only part of the unpaid Principal is known as a "Partial 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.

If, within the 36 month(s) period beginning with the date I execute the Note (the "Penalty Period"), I make a Full Prepayment, or Partial Prepayment in any twelve (12)-month period that exceeds 20% of the original Principal loan amount, I will pay a Prepayment charge as consideration for the Note Holder's acceptance of such Prepayment. The Prepayment charge will equal the amount of interest that would accrue during a six (6)-month period on the amount prepaid that exceeds 20% of the original Principal balance of the Note, calculated at the rate of interest in effect under the terms of the Note at the time of the Prepayment, unless otherwise prohibited by applicable law or regulation. No Prepayment charge will be assessed for any prepayment occurring after the Penalty Period.

Notwithstanding the foregoing, In the event of a Full Prepayment concurrent with a bona fide sale of the Property to an unrelated third party after the first 36 month(s) of the term of the Note, no Prepayment penalty will be assessed. In that event, I agree to provide the Note Holder with evidence acceptable to the Note Holder of such sale.

The Note Holder will apply all Prepayments to reduce the amount of Principal that I owe under the 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 change in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes.

If my Note is an Adjustable Rate Note, Partial Prepayments may reduce the amount of my monthly payment after the first interest rate Change Date following the Partial Prepayment. However, any reduction due to my Partial Prepayment may be offset by an interest rate increase.



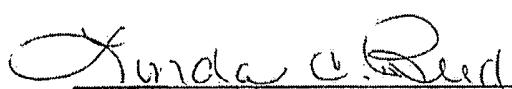
The Note Holder's failure to collect a Prepayment charge at the time a Prepayment is received shall not be deemed a waiver of such charge. Any Prepayment charge not collected at the time the Prepayment is received shall be payable on demand.

All other provisions of the Note are unchanged and remain in full force and effect.

**NOTICE TO BORROWER**

Do not sign this Addendum before you read it. This Addendum provides for the payment of a Prepayment charge if you wish to repay the loan prior to the date provided for repayment in the Note.

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

  
\_\_\_\_\_  
LINDA C. REED  
(Seal)  
-Borrower

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



**Exhibit B**

2006241897

06/23/2006 11:22 AM

OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE:

133.00



21 PG8

United Independent Title

**Recording Requested By:**  
**METROCITIES MORTGAGE LLC DBA NO**  
**REC TAPE MORTGAGE**

**And After Recording Return To:**  
**METROCITIES MORTGAGE LLC DBA NO**  
**REC TAPE MORTGAGE**  
**15301 VENTURA BLVD STE D300**  
**SHERMAN OAKS, CALIFORNIA 91403**  
**Loan Number: 16023507**

P62

21  
CA NS

(Space Above This Line For Recording Date)

800-21562-3

## DEED OF TRUST

MIN: 10C034200057202701

### 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 JUNE 15, 2006 together with all Riders to this document.  
 (B) "Borrower" is LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN

*APN*  
100-0362-0007  
15301 VENTURA BLVD STE D300  
SHERMAN OAKS, CALIFORNIA 91403

Borrower is the trustee under this Security Instrument.

(C) "Lender" is METROCITIES MORTGAGE LLC DBA NO REC TAPE MORTGAGE

Lender is a LIMITED LIABILITY COMPANY organized  
 and existing under the laws of CALIFORNIA  
 Lender's address is 15301 VENTURA BLVD STE D250, SHERMAN OAKS,  
 CALIFORNIA 91403

(D) "Trustee" is FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS, A CALIFORNIA CORPORATION  
 2520 N. REDHILL AVENUE, STE. 120, SANTA ANA, CALIFORNIA 92705

(E) "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 beneficiary 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) 879-MERS.

(F) "Note" means the promissory note signed by Borrower and dated JUNE 15, 2006  
 The Note states that Borrower owes Lender SIX HUNDRED FORTY THOUSAND AND 00/100  
 Dollars (U.S. \$ 640,000.00 ) plus interest.

Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than JULY 1, 2046

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

(H) "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.

(I) "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):

- Adjustable Rate Rider  
 Balloon Rider  
 1-4 Family Rider  
 Condominium Rider

- Planned Unit Development Rider  
 Biweekly Payment Rider  
 Second Home Rider  
 Other(s) (specify)

PREPAYMENT RIDER

(J) "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.

(K) "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.

(L) "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.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "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.

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

(P) "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.

(Q) "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.

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

#### TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's



covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the

COUNTY of ALAMEDA  
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

SPEC. LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A".  
A.P.N.: C76-C362-007

which currently has the address of 840 GLEN DRIVE

[Street]

SAN LEANDRO, California 94577 ("Property Address")  
[City] [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower 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 seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

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

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

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

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



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

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

Any amounts disbursed by Lender under this Section 8 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

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

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

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

Mortgage Insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These



agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

**15. Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender



specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

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

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

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

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

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

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

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

**20. Sale of Note; Change of Loan Servicer; Notice of Grieveance.** 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 hereeto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

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

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

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

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

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



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

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

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

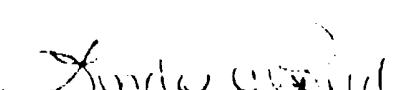
23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without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

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

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



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



LINDA C. REED

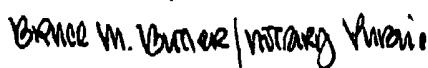
(Seal)  
Borrower

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

Witness:



Bruce M. Butler / Notary Public



Witness:

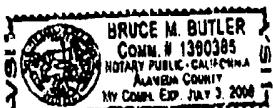
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State of California )  
Alameda ) ss.  
County of ~~CITY OF INDUSTRY~~ )  
On June 17, 2006 before me,  
personally appeared LINDA C. REED

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she they executed the same in his/her their authorized capacity(ies), and that by his/her their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



  
NOTARY SIGNATURE

Bruce M. Butler / Notary Public

(Typed Name of Notary)

NOTARY SEAL

  
Bruce M. Butler / Notary Public



**Loan Number:** 16023507

**Date:** JUNE 15, 2006

**Property Address:** 640 GLEN DRIVE, SAN LEANDRO, CALIFORNIA 94577

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

The land referred to in this Report is situated in the County of ALAMEDA, State of California, and is described as follows:

LOT 49, AS SAID LOT IS SHOWN ON THE MAP OF "ARDOMORE, SAN LEANDRO, ALAMEDA COUNTY, CALIFORNIA," FILED APRIL 6, 1928, IN BOOK 3 OF MAPS, AT PAGE 75 IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY.

A.P.N. # : 076-0362-007

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MIN: 100034200057202701

Loan Number: 16023507

## PREPAYMENT RIDER (Multi-State)

This Prepayment Rider is made this 15th day of JUNE, 2006 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note (the "Note") to METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, A LIMITED LIABILITY COMPANY (the "Lender") of the same date and covering the property described in the Security Instrument and located at 840 GLEN DRIVE, SAN LEANDRO, CALIFORNIA 94577 (the "Property").

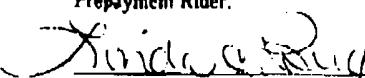
**Additional Covenants.** Notwithstanding anything to the contrary set forth in the Note or Security Instrument, Borrower and Lender further covenant and agree as follows:

Borrower has the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." A "full prepayment" is the prepayment of the entire unpaid principal due under the Note. A payment of only part of the unpaid principal is known as a "partial prepayment."

If, within the 36 month(s) period beginning with the date Borrower executes the Note (the "Penalty Period"), Borrower makes a full prepayment, or partial prepayment in any twelve (12)-month period that exceeds 20% of the original principal loan amount, Borrower will pay a prepayment charge as consideration for the Note Holder's acceptance of such prepayment. The prepayment charge will equal the amount of interest that would accrue during a six (6)-month period on the amount prepaid that exceeds 20% of the original principal balance of the Note, calculated at the rate of interest in effect under the terms of the Note at the time of the prepayment, unless otherwise prohibited by applicable law or regulation. No prepayment charge will be assessed for any prepayment occurring after the Penalty Period.

Notwithstanding the foregoing, in the event of a full prepayment concurrent with a bona fide sale of the Property to an unrelated third party after the first 36 month(s) of the term of the Note, no prepayment penalty will be assessed. In that event, Borrower agrees to provide the Note Holder with evidence acceptable to the Note Holder of such sale.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Prepayment Rider.

  
LINDA C. REED

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower



MIN: 10003420057202701

Loan Number: 16023507

## **ADJUSTABLE RATE RIDER** **(MTA-Twelve Month Average Index - Payment Caps)**

THIS ADJUSTABLE RATE RIDER is made this 15th day of JUNE, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

840 GLEN DRIVE, SAN LEANDRO, CALIFORNIA 94577  
[Property Address]

THE NOTE CONTAINS PROVISIONS THAT WILL CHANGE THE INTEREST RATE AND THE MONTHLY PAYMENT. THERE MAY BE A LIMIT ON THE AMOUNT THAT THE MONTHLY PAYMENT CAN INCREASE OR DECREASE. THE PRINCIPAL AMOUNT TO REPAY COULD BE GREATER THAN THE AMOUNT ORIGINALLY BORROWED, BUT NOT MORE THAN THE LIMIT STATED IN THE NOTE.

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

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

The Note provides for changes in the interest rate and the monthly payments, as follows:

**2. INTEREST**

**(A) Interest Rate**

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.750 %. The interest rate I will pay may change.

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

**(B) Interest Rate Change Dates**

The interest rate I will pay may change on the 1st day of AUGUST

2006, and on that day every month thereafter. Each date on which my interest rate could change is called an "Interest Rate Change Date." The new rate of interest will become effective on each Interest Rate Change Date. The interest rate may change monthly, but the monthly payment is recalculated in accordance with Section 3.

**(C) Index**

Beginning with the first Interest Rate Change Date, my adjustable interest rate will be based on an index. The "Index" is the "Twelve-Month Average" of the annual yields on actively traded United States Treasury Securities adjusted to a constant maturity of one year as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "Selected Interest Rates (H.15)" (the "Monthly Yields"). The Twelve Month Average is determined by adding together the Monthly Yields for the most recently



available twelve months and dividing by 12. The most recent index figure available as of the date 15 days before each Interest Rate Change Date 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.

(D) Calculation of Interest Rate Changes

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding THREE AND 450/1000 percentage point(s) ( 3.450 % ) ("Margin") to the Current Index. The Note Holder will then round the result of this addition up to the nearest one-eighth of one percentage point (0.125%). The rounded amount will be my new interest rate until the next Interest Rate Change Date. My interest rate will never be greater than 9.950 %. Beginning with the first Interest Rate Change Date, my interest rate will never be lower than the Margin.

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 1st day of each month beginning on AUGUST 1, 2006. I will make these payments every month until I have paid all of the Principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on JULY 1, 2046, 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 15301 VENTURA BLVD STE D300,  
SHERMAN OAKS, CALIFORNIA 91403

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

(B) Amount of My Initial Minimum Monthly Payments

Each of my initial minimum monthly payments until the first Payment Change Date will be in the amount of U.S. \$ 1,618.28 as calculated by the Note Holder at an interest rate of 1.000 %, unless adjusted under Section 3(F). This is the Minimum Payment amount the Note Holder will accept as provided by Section 3(C) below.

(C) Payment Change Dates

My monthly payment may change as required by Section 3(D) below beginning on the 1st day of AUGUST, 2007, and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My monthly payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different monthly payment. The "Minimum Payment" is the minimum amount the Note Holder will accept for my monthly payment which is determined at the last Payment Change Date or as provided in Section 3(F) or 3(G) below. If the Minimum Payment is not sufficient to cover the amount of the interest due then negative amortization will occur.

I will pay the amount of my new Minimum Payment each month beginning on each Payment Change Date or as provided in Section 3(F) or 3(G) below.

(D) Calculation of Monthly Payment Changes

At least 30 days before each Payment Change Date, the Note Holder will calculate the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Payment Change Date in full on the maturity date in substantially equal payments at the interest rate effective during the month preceding the Payment Change Date. The result of this calculation is called the "Full Payment." Unless Section 3(F) or 3(G) apply, the amount of my new monthly payment effective on a Payment Change Date, will not increase by more than 7.5% of my prior monthly payment. This 7.5%



limitation is called the "Payment Cap." This Payment Cap applies only to the Principal and Interest payment and does not apply to any escrow payments Lender may require under the Security Instrument. The Note Holder will apply the Payment Cap by taking the amount of my Minimum Payment due the month preceding the Payment Change Date and multiplying it by the number 1.075. The result of this calculation is called the "Limited Payment." Unless Section 3(F) or 3(G) below requires me to pay a different amount, my new Minimum Payment will be the lesser of the Limited Payment and the Full Payment. I also have the option to pay the Full Payment for my monthly payment.

(E) Additions to My Unpaid Principal

Since my monthly payment amount changes less frequently than the interest rate, and since the monthly payment is subject to the payment limitations described in Section 3(D), my Minimum Payment could be less than or greater than the amount of the interest portion of the monthly payment that would be sufficient to repay the unpaid Principal I owe at the monthly payment date in full on the Maturity Date in substantially equal payments. For each month that my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid Principal, and interest will accrue on the amount of this difference at the interest rate required by Section 2. For each month that the monthly payment is greater than the interest portion, the Note Holder will apply the payment as provided in Section 3(A).

(F) Limit on My Unpaid Principal; Increased Monthly Payment

My unpaid Principal can never exceed a maximum amount equal to ONE HUNDRED TEN AND 000/1000 percent ( 110.000 % ) of the Principal amount I originally borrowed. My unpaid Principal could exceed that maximum amount due to the Limited Payment and interest rate increases. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment. The new monthly payment will be in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal installments at the current interest rate.

(G) Required Full Payment

On the fifth Payment Change Date and on each succeeding fifth Payment Change Date thereafter, I will begin paying the Full Payment as my monthly payment until my monthly payment changes again. I also will begin paying the Full Payment as my monthly payment on the final Payment Change Date.

(H) Payment Options

After the first Interest Rate Change Date, Lender may provide me with up to three (3) additional payment options that are greater than the Minimum Payment, which are called "Payment Options." I may be given the following Payment Options:

- (I) **Interest Only Payment:** the amount that would pay the interest portion of the monthly payment at the current interest rate. The Principal balance will not be decreased by this Payment Option and it is only available if the interest portion exceeds the Minimum Payment.
- (II) **Fully Amortized Payment:** the amount necessary to pay the loan off (Principal and Interest) at the Maturity Date in substantially equal payments.
- (III) **15 Year Amortized Payment:** the amount necessary to pay the loan off (Principal and Interest) within a fifteen (15) year term from the first payment due date in substantially equal payments. This monthly payment amount is calculated on the assumption that the current rate will remain in effect for the remaining term.

These Payment Options are only applicable if they are greater than the Minimum Payment.



#### **4. NOTICE OF CHANGES**

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

#### **B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

Uniform Covenant 18 of the Security Instrument is amended to read as follows:

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

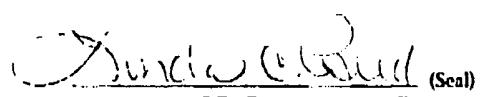
If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this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

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

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



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

  
LINDA C. REED

(Seal)  
-Borrower

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



**Exhibit C**

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)

---

***PROPERTY SECURITIZATION REPORT***  
**"This is a Securitization Analysis Report and not a Forensic Audit Report"**

*Prepared on behalf of:*

***Megan Dailey***

*Prepared for the property owned by:*

***LINDA C. REED***

*And located at:*

***840 Glen Drive  
San Leandro, CA 94577***

*Prepared on:*

*January 6, 2016*

*Prepared by:*

***Robert Ramers***

---

Disclosure: You have retained Robert K. Ramers to examine your real estate documents. This information is not to be construed as legal advice or the practice of law pursuant to Business and Professions Code §6125 et seq. It is my intent not to engage in activities that could be considered the practice of law by conduct exhibiting any of the following practices: "*the doing and/or performing of service in a court of justice in any matter depending therein throughout the various stages and in conformity with the adopted rules of procedure. It includes legal advice and counsel and the preparation of legal instruments and contacts by which the legal rights are secured although such matter may or may not be depending in a court.*"

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
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## SUMMARY OF ISSUES

### **Failed securitization**

The deed of trust shows no recorded transfer to any of the parties in the securitization before the closing date of the trust. Also, the Deed of Trust was transferred to two different trusts. The true holder of the note with the right to foreclose is unknown.

### **Break in chain of title – actual holder of the note is unknown**

Attempted assignment of the deed of trust by MERS from original lender, who did not have ownership or possession of the note at the time of the attempted assignment since it had been sold to the trust. MERS cannot hold or transfer the note. Depositor is the only party that can transfer assets to the trust. There were multiple assignments of the Deed of Trust by parties not authorized to do so.

### **Fraudulent robosigning by servicer and MERS making foreclosure void**

The Assignment of Deed of Trust was signed by persons who represented themselves as officers of MERS. However they were not officers of MERS nor were they authorized these parties board of directors to sign these documents, rendering them void and resulting in a fraudulent foreclose and sale of the property.

### **Conflict of interest by loan servicer; securitization damaged borrower by restricting modification**

The loan servicer can only be reimbursed for advances made to the trust through liquidation or insurance proceeds from foreclosure and has a financial incentive to foreclose rather than modify a loan.

The loan servicer must make up any shortfall from a modification and pay it to the trust from their own funds, and therefore have no incentive to offer a modification despite promises to the contrary.

The tax free status of the trust (REMIC) restricts the type of modification that can be made. Borrower was not a party to this when he entered into the transaction.

### **Multiple parties have the apparent right to foreclose**

Due to an invalid assignment and transfers of the note and Deed of Trust, more than one party can allege the right to foreclose on the property at the same time.

### **The attempt by the servicer to foreclose instead of modifying the loan violates Civil Code 2923.6**

The servicer is required to maximize the net present value of the asset, and if the net present value from a modification exceeds the net present value from a foreclosure, the servicer is obligated to offer the modification.

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## SECTION 1: TRANSACTION DETAILS

### BORROWER & CO-BORROWER:

BORROWER	CO-BORROWER
LINDA C. REED	NONE
CURRENT ADDRESS	SUBJECT ADDRESS
840 GLEN DRIVE SAN LEANDRO, CA 94577	840 GLEN DRIVE SAN LEANDRO, CA 94577

### FIRST MORTGAGE TRANSACTION PARTICIPANTS

MORTGAGE BROKER	MORTGAGE SERVICER	MORTGAGE NOMINEE/BENEFICIARY
METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE	OCWEN LOAN SERVICING	MERS
ORIGINAL MORTGAGE LENDER	MORTGAGE TRUSTEE	TITLE COMPANY
METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE 15301 Ventura Blvd, Ste D250 Sherman Oaks, CA 91403	FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS	NA

The above was for the original loan in the amount of \$640,000 made on JUNE 15, 2006 with a loan number of NA. The MERS number is 100034200057202701. The loan was securitized as loan number NA.

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## **SECTION 2: SECURITIZATION PARTICIPANTS:**

ORIGINATOR/LENDER	SPONSOR/SELLER	DEPOSITOR
METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE	UNKNOWN	UNKNOWN
ISSUING ENTITY	TRUSTEE	MASTER SERVICER/SERVICER
ARLP SECURITIZATION TRUST SERIES 2014-2	WILMINGTON TRUST COMPANY	OCWEN LOAN SERVICING
CUSTODIAN	CUT – OFF DATE	CLOSING DATE
WELLS FARGO BANK	UNKNOWN	ON OR ABOUT PRIOR TO NOVEMBER 25, 2014

During the securitization process, the loan was sold from the Originator to the Sponsor/Seller, then from the Sponsor/Seller to the Depositor, then from the Depositor to the Trustee of the Trust. Each sale must be supported by a delivery and acceptance certificate from the receiving party, an endorsement of the Note and an assignment of the Deed of Trust. Only the Depositor is allowed to make the final transfer to the trust, and all transfers must be made as of the closing date to preserve the tax free status of the trust. Also, no loans in default may be placed into the trust. Once the Trust owns the note, only the Trustee of the trust has the right to foreclose, to appoint an agent to foreclose, to assign the Deed of Trust or to substitute a Trustee to foreclose.

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---

## **SECTION 3: LEVEL 3 ANALYSIS**

A Level 3 Analysis is a report of information obtained by using the Bloomberg special purpose software known as the Bloomberg Terminal. The **Bloomberg Terminal** is a computer system provided by Bloomberg L.P. that enables financial professionals to access the **Bloomberg Professional** service through which users can monitor and analyze real-time financial market data movements and place trades. The system also provides news, price quotes, and messaging across its proprietary secure network.

Use of the Bloomberg terminal makes it possible to enter the characteristics of a mortgage loan and identify the Trust into which it has been securitized and which Classes within the Trust contain a portion of the loan. In many cases, the loans that were placed in these trusts were “fractionalized” or broken into multiple parts and combined with other loans into Classes with varying credit risk profiles and maturities. Each of these classes was assigned a separate CUSIP number and sold as an individual security. Some of these securities may have been completely paid off through payments by the borrower, credit default swaps, mortgage insurance or government programs. The Bloomberg terminal allows us to identify which classes contain a portion of the subject loan.

### **Trust Description Screens**

The following Bloomberg Terminal screens provide a description of the Trust and the Classes or Tranches within the Trust and can be accessed using the DES screen command. Each Class/Tranche is a separate security available for investment. The two screens below describe the details the trust.

DES page one shows the name of the trust, the issuer, the series, the trustee, original balance, payment dates and rates of return for the trust as a whole. Page three shows the notes and collateral support for the trust.

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**TRUST ON BLOOMBERG**

\*\* NO CASHFLOWS \*\*

Bloomberg												Page 1 of 3		
CUSIP: 00190RAA8 Issuer: ARLP SECURITIZATION TRUST												3.625% 1/25/54		
Series 2014-2 Class A1 Exp Mty 11/25/17												PRVT PLACEMENT		
⑨ NPL: ARB, AFC														
CURRENT			<b>SECURITY DESCRIPTION</b> <b>ARLP 2014-2 A1</b>											
Nov15	200,682,211		USD	225,691,000										
" Fact	.889190136		WAL	1.3Yr @ 5CPR										
Jan16 Cpn	3.625%		1st coupon	3.625%										
Next Paymt	1/25/16		1st payment	12/25/14										
Rcd date	1/24/16		1st settle	11/25/14										
Beg accrue	12/25/15		Dated date	11/25/14										
End accrue	1/24/16		px	11/25/14										
Class/Deal	Pct N/A		Class/Deal Pct	44%										
			<b>ORIGINAL ISSUE</b>											
Nov15	200,682,211		USD	225,691,000										
" Fact	.889190136		WAL	1.3Yr @ 5CPR										
Jan16 Cpn	3.625%		1st coupon	3.625%										
Next Paymt	1/25/16		1st payment	12/25/14										
Rcd date	1/24/16		1st settle	11/25/14										
Beg accrue	12/25/15		Dated date	11/25/14										
End accrue	1/24/16		px	11/25/14										
Class/Deal	Pct N/A		Class/Deal Pct	44%										
			<b>Monthly PAYMENT</b> pays 25th day 0 day delay accrues 30/360											
<b>6b) Personal Notes</b> <b>14) Identifiers</b>												<b>NOT COLLATERAL AVAILABLE</b> TRACE Eligible SMMEA: No 144A Eligible DTC Book Entry DTC SameDay		
Nov	15	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	14	
PSA														
CPR														
FACT	89	90	91	91	92	94	96	96	97	98	99	100		
CPN	3.63	3.63	3.63	3.63	3.63	3.63	3.63	3.63	3.63	3.63	3.63	3.63		
<i>See Page 3 for Comments.</i>												MinSize 250000 Incr 1		
Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2972 6000 Japan 91 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2016 Bloomberg Finance L.P. SH 263960 PST GNT-8:00 H444-3669-0 06-Jan-2016 12:40:11														

→ ARLP 2014-2/A1/Mtoe DES Related Functions Menu X Page

Bloomberg												Message		
DEAL DESCRIPTION												Page 2 of 3		
ARLP 2014-2 Group All Collst												17 Docs		
Issuer: ARLP SECURITIZATION TRUST												Aggregate: RESB/C N		
Series 2014-2														
ACTUAL			<b>DEAL - ASSUMED</b> USD 514,960,698									<b>PSA-DEAL-CPR</b> RESB/C N		
COLLATERAL														
NOT AVAILABLE														

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These are the parties to the original trust transaction:

ARLP 2014-2 A1 Mtge SFNS Related Functions Menu Message ?  
95 Documents Structured Finance Notes  
20 Related Parties  
ARLP 2014-2  
Underwriter  
Lead Manager Credit Suisse NA  
  
Servicer Master Ocwen Loan Servicing LLC  
Trustee Wilmington Trust Co  
Paying Agent Wells Fargo Bank  
  
Originator/Seller Deal% Asset Manager  
Swap Counterparty

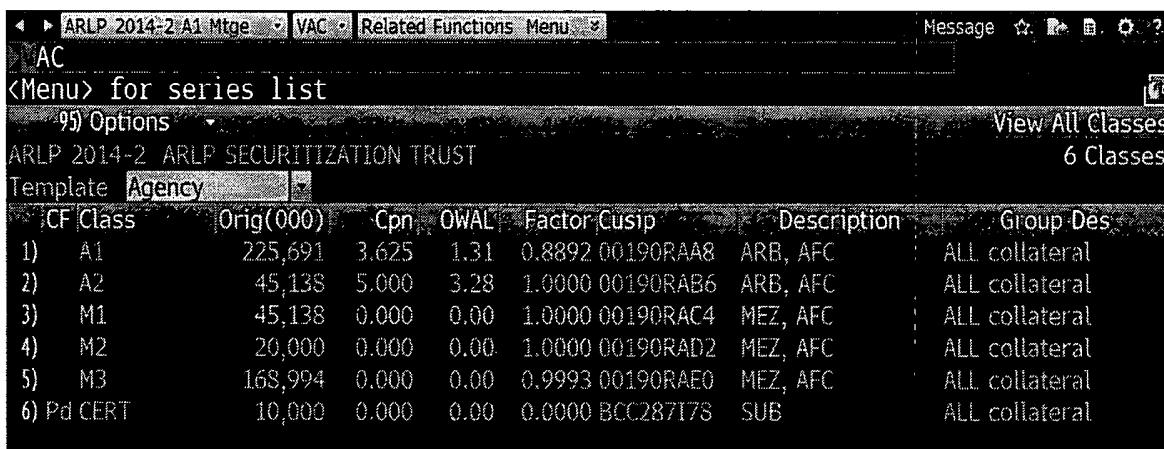
ARLP 2014-2 A1 Mtge DES Related Functions Menu Message ?  
Page  
**Bloomberg** COMMENTS: ARLP 2014-2 Page 3 of 3  
  
CALL FEATURE: Callable on or after Payment date in November 2015.  
ORIGINAL COLLATERAL CHARACTERISTICS:  
TYPE: A Pool of fully-amortizing, balloon and interest only, performing and non-performing, adjustable and fixed rate, residential mortgage loans secured by first liens on one- to fourfamily residential properties.  
**Class: A1**  
RESTRICTIONS: Rule 144A eligible.  
**NOTICE**  
THESE SECURITIES WILL NOT BE AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN APPLICABLE EXEMPTION FROM REGISTRATION REQUIREMENTS.  
CREDIT ENHANCEMENT: Subordination; Reserve Account; Over-Collateralization.

ARLP 2014-2 A1 Mtge LLD Related Functions Menu Message ?  
Loan Level Detail: Security Not Supported  
This function does not support your loaded security: ARLP 2014-2 A1 Mtge

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### **Trust Classes/Tranches with CUSIPS**

The Bloomberg Terminal shows all of the Classes/Tranches within the Trust. Each of the Classes has a separate CUSIP number and each is a traded security. The VAC screen command shows all of the classes and the original balance for each class. It also shows which of the classes have been paid off (gray color). Payments can be made in a number of ways, through credit default swaps, mortgage insurance or government programs, and normal waterfall payments as described in the Trust Prospectus.



CF Class	Orig(000)	Cpn	OWAL	Factor	Cusip	Description	Group Des
1) A1	225,691	3.625	1.31	0.8892	00190RAA8	ARB, AFC	ALL collateral
2) A2	45,138	5.000	3.28	1.0000	00190RAB6	ARB, AFC	ALL collateral
3) M1	45,138	0.000	0.00	1.0000	00190RAC4	MEZ, AFC	ALL collateral
4) M2	20,000	0.000	0.00	1.0000	00190RAD2	MEZ, AFC	ALL collateral
5) M3	168,994	0.000	0.00	0.9993	00190RAE0	MEZ, AFC	ALL collateral
6) Pd CERT	10,000	0.000	0.00	0.0000	BCC287I78	SUB	ALL collateral

The subject loan is shown to be in 6 of the above 6 classes, including 1 of the 1 paid off classes.

### **Trust identification and Prospectus first page**

The Trust agreements that created and govern the trust are the Prospectus, the Prospectus Supplement and the Pooling and Servicing Agreement. These documents are filed under oath with the Securities and Exchange Commission. The Trust documents can be accessed on the Bloomberg Terminal under Company Filings using the CF Screen Command. These documents can also be found through the Edgar database at [www.sec.gov](http://www.sec.gov) or [www.secinfo.com](http://www.secinfo.com).

***NOTE: SINCE THIS WAS A PRIVATE TRUST, THE PROSPECTUS WAS NOT AVAILABLE ON BLOOMBERG OR ON THE SEC EDGAR DATABASE.***

### **Investor Report**

The following screen shows the first page of the Investor Report that is filed by the Trust on a monthly basis. If the loan is in foreclosure, bankruptcy or being modified, it will often appear in this Investor Report. If the loan is in this report, it is further proof that the loan is in the trust and shows the actual status of the loan from the perspective of the trust.

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ARLP SECURITIZATION TRUST  
Asset Backed Notes  
Distribution Date: 28-Dec-2015

28-Dec-2015 10:47:12 PM

ARLP SECURITIZATION TRUST  
Asset Backed Notes  
Series 2014-2

Contact: Customer Service - CTSLink  
Wells Fargo Bank, N.A.  
Securities Administration Services  
3480 Stagecoach Circle  
Frederick, MD 21701-4747  
www.ctslink.com  
Telephone: 1-866-848-4526

**Certificateholder Distribution Summary**

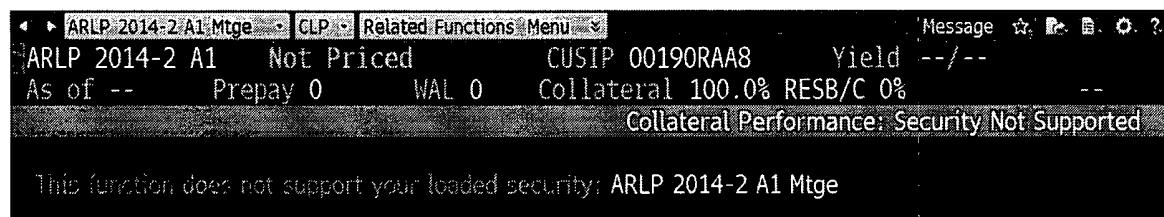
Class	CUSIP	Record Date	Certificate Pass-Through Rate	Beginning Certificate Balance	Interest Distribution	Principal Distribution	Current Realized Loss	Ending Certificate Balance	Total Distribution	Cumulative Realized Losses
A-1	00190RAA8	12/24/2015	3.62500 %	200,682,210.99	604,327.51	0.00	0.00	200,682,210.99	604,327.51	0.00
A-2	00190RAB6	12/24/2015	5.00000 %	45,138,160.00	188,075.00	0.00	0.00	45,138,160.00	188,075.00	0.00
M-1	00190RAC4	12/24/2015	0.00000 %	45,138,160.00	0.00	0.00	0.00	45,138,160.00	0.00	0.00
M-2	00190RAD2	12/24/2015	0.00000 %	30,000,000.00	0.00	0.00	0.00	20,000,000.00	0.00	0.00
M-3	00190RAE9	12/24/2015	0.00000 %	185,871,763.00	0.00	0.00	0.00	168,871,763.00	0.00	0.00
Membership Interest				0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Totals</b>				<b>479,829,915.99</b>	<b>794,302.51</b>	<b>0.00</b>	<b>0.00</b>	<b>479,829,915.99</b>	<b>794,302.51</b>	<b>0.00</b>

This report is compiled by Wells Fargo Bank, N.A. from information provided by third parties. Wells Fargo Bank, N.A. has not independently confirmed the accuracy of the information.

All Record Dates are based upon the governing documents and logic set forth as of closing.

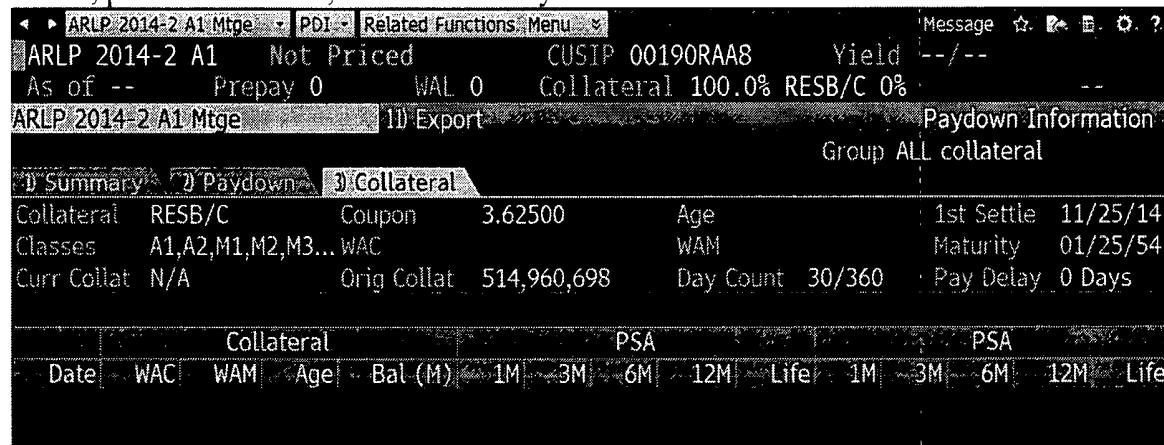
### Collateral performance report

This report shows the status of the collateral in the trust. It shows the percentage of loans that are delinquent, in foreclosure and in bankruptcy. It also shows the number of loans that have been granted modifications each month. This information might be useful in challenging the credibility of the servicer when they indicated that they would consider a loan modification, and also to see how much trouble the trust is in with respect to non-performing loans.



### Loss Severity

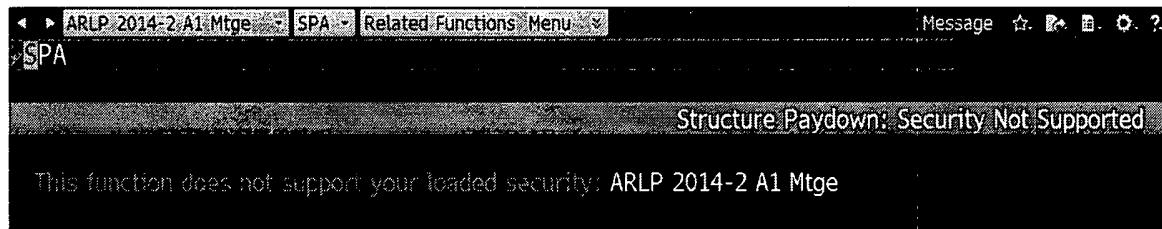
The **loss severity** screen shows the current percent loss on portfolio assets during the past month, past three months, six months and year.



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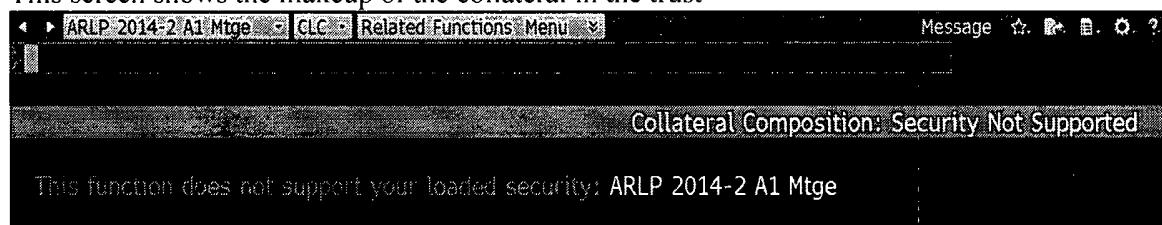
### **Structure paydown**

This screen shows graphically the number of classes that have been fully paid off.



### **Collateral composition**

This screen shows the makeup of the collateral in the trust



### **Ratings Change**

ARLP 2014-2 A1 Mtge		RCHG	Related Functions	Message
No ratings are recorded for this security				
ARLP 2014-2 A1 Mtge				
CUSIP	00190RAA8	Setup Alert		Ratings History
ABS	ARB, AFC			
No history available				
Agency	Rating Type	Rating	Effective Date	

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**Legal actions related to the trust**

< Menu > to Return Content Searches All Legal Content Dockets Bankruptcies Patents Laws Regulations Company Filings Court Opinions  Recent Searches Saved Searches Docket Alerts	1) Search    2) Preferences    3) Save    4) Clear    5) Options    6) Feedback    7) Bloomberg Law Search Search Terms: ARLP Securitization Trust Series 2014-2 Search Operators: Exact Match <input checked="" type="radio"/> All Keywords <input type="radio"/> Any Keywords <input type="radio"/> This Phrase Date Range: All Dates Court: <Enter Source name or ? to Browse> 8) Favorite Sources  Advanced Docket Search Options: 9) Individual Parties    10) Parties by Fickerlist Include: All of the following    Any of the following    Exclude Subsidiaries Role: Any    Party: Selected Parties  Docket Number: _____ Judge: _____ Case Name: _____ Case Status: <input checked="" type="checkbox"/> Include All Attorney/Firm: _____ Documents: <input checked="" type="checkbox"/> PCKTS ONLY  Nature of Suit: <input checked="" type="checkbox"/> Include <input type="checkbox"/> Exclude <input type="checkbox"/> Lookups Selected Sources: _____	Message																																																																																												
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< Menu > to Search Result Title Only, < MENU > to return 11) Narrow Search    12) Save/Alert    13) Edit Search    14) Options    15) Page 1/2    16) 27 Documents Source: Dockets    Type: All Dockets    Date Range: mm/dd/yyyy: 01/06/2016 Keywords: A... X... Documents: 1... X...    Show Keyword In Context		Message																																																																																												
17) Nature of Suit <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Case Name</th> <th>Docket Number</th> <th>Heal</th> </tr> </thead> <tbody> <tr><td>01/12/2015</td><td>WILMINGTON TRUST NATIONAL ASSOCIATION v. HU, DOCKET NO. 2015-016688 (Va. Cir. Ct. Dec. 10, ...)</td><td>2015-016688</td><td>...</td></tr> <tr><td>01/12/2015</td><td>WILMINGTON TRUST, NATIONAL ASSOCIATION vs. STOKES, MELISSA, Docket No. 2015-CV-00914...</td><td>2015-CA-009433</td><td>...</td></tr> <tr><td>01/11/2015</td><td>WILMINGTON TRUST, NATIONAL ASSOCIATION, NOT IN ITS v. RODRIGUEZ, ANILCAR ET AL, Docket...</td><td>NHB-CV-15-60313-</td><td>...</td></tr> <tr><td>01/11/2015</td><td>Schwartz v. Christiana Trust et al, Docket No. 3:15-cv-02075 (D. Or. 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## SECTION 4: FORECLOSURE

### First loan - Chain of Title and Chain of Note

#### Recorded Events on the Loan Including Foreclosure Issues and Securitization

Recorded Chain of Deed Possession		Chain of Note Possession	
Date	Original Deed of Trust	Date	Note Holder
June 23, 2006 Instrument # 2006-241897 Official Records, Alameda County, CA	<u>Borrower</u> LINDA C. REED METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE \$640,000	JUNE 15, 2006	METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE
May 11, 2011 Instrument # 2011-43053 Official Records Alameda County, CA	<u>Assignment</u> To: BAC Home Loans Servicing By: MERS What: All beneficial interest in the Deed of Trust and the note Signed: Bud Kamyabi, Assistant Secretary MERS	MAY 11, 2011	BAC HOME LOANS SERVICING LP
February 9, 2012 Instrument # unknown 2012-047576 Official Records Alameda County, CA	<u>Substitution of Trustee</u> By: Bank of America NA succesor by merger to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing LP New Trustee: Recontrust Company NA	MAY 29, 2014	ARLP SECURITIZATION TRUST SERIES 3
May 29, 2014 Instrument # 2014-130019 Official Records Alameda County, CA	<u>Assignment of Deed of Trust</u> By: Bank of America To: Christiana Trust, a division of Wilmington Savings Fund Society FSB as Trustee of the ARLP Trust 3 What:All beneficial interest in the Deed of Trust Signed: Bao Cindy Fang, VP	APRIL 24, 2015	ARLP SECURITIZATION TRUST SERIES 2014-2

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April 24, 2015 Instrument # 2015-108521 Official Records Alameda County, CA	<u>Assignment</u> To: Wilmington Trust National Association as trustee of aRP Securitization Trust Series 2014-2 By: Christiana Trust, a division of Wilmington Savings Fund Society FSB by its attorney in fact Ocwen Loan Servicing LLC What: All interest under the Deed of Trust Signed: Vicki Posplsli		
October 1, 2015 Instrument # 2015-268277 Official Records Alameda County, CA	<u>Notice of Default</u> <u>By:</u> Western Progressive LLC		

**The following record is from the MERS database and shows the servicer and (sometimes) the investor of the loan**



**The Mortgage Industry's Utility**

1 record matched your search:

*Need help?*

MIN: **1000342-0005720270-1**

Note Date: **06/15/2006**

MIN Status: **Inactive**

Servicer: **Bank of America, N.A.**  
**Simi Valley, CA**

Phone: **(800) 669-6607**

If you are a borrower on this loan, you can [click here](#) to enter additional information and display the Investor name.

[Return to Search](#)

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## **SECTION 5: SIGNATURE ANALYSIS**

Robosigners are persons who were employed by foreclosure and/or document processing firms such as LPS and Nationwide Title Clearing to sign thousands of documents such as the critical Assignments of Deeds of Trust and Substitutions of Trustee without either examining the documents for accuracy or having the authority to sign these documents. Often these robosigners would pose as officers of companies that they did not work for in signing the documents. The notaries who attested to the validity of these signatures were also often robosigners. In preparation for a challenge to these documents, it is recommended that the following be verified:

1. Check that the person who signed the documents was actually an employee of the organization that he or she indicated (e.g. MERS, Recontrust, Quality Loan Services, etc.) on the date that the documents were signed. *The person signing as an officer of MERS must have been approved by the board of directors and have signed with the knowledge of MERS, or the document is not valid.*
2. Check that the signature of the notary is valid by obtaining a copy of the notary oath from the Secretary of State where the Notary is registered and comparing it to the signature on the notarized document.

**In this case, the following documents should be challenged:**

Assignment of the Deed of Trust signed on May 11, 2011 by Bud Kamyabi. The lender must verify that he was appointed vice president by MERS and was authorized to sign this document by MERS Board of Directors, and that MERS was aware that the document was signed.

There is a strong possibility that the signer was a robo-signer, as indicated by the following report shown below.

<http://4closurefraud.org/2011/06/27/false-statements-bank-of-america-bank-of-new-york-mellon-corelogic-cwabs-cwalt-mers/>

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# FRAUD DIGEST

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## FALSE STATEMENTS

*Bank of America*

*Bank of New York Mellon*

*CoreLogic*

*CWABS*

*CWALT*

*MERS*

Action Date: June 27, 2011

Location: Simi Valley, CA

Who are Bank of America's newest robo-signers? For several years, BOA turned to its subsidiary, BAC Home Loans Servicing, in Collin County, Texas, whenever mortgage assignments were needed in foreclosures. This office, formerly Countrywide Home Loans Servicing, produced hundreds of thousands of assignments, including most all of the assignments to Countrywide CWABS and CWALT trusts. In recent months, however, BOA has turned to its office in Ventura County, California, as the Collin County, TX, signers have become too well known. These assignments are made primarily for CWALT and CWABS trusts that closed in 2005, 2006 and 2007.

These assignments claim to assign both the mortgages and the notes to the trusts.

On each of these assignments, MERS is stated to be the HOLDER of the mortgage.

Who are the newest signers - who use MERS titles to assign mortgages TO BAC while actually working FOR BAC - signing as if they were MERS officers for dozens of different companies? The names appearing most often include:

Ricki Aguilar

Malik Basurto

Youda Crain

Diana DeAvila

Edward Gallegos

Christopher Herrera

Ramyabi

<http://infotofightforeclosure.com/wp-content/uploads/2012/04/EFDS-Sample-Documents.pdf>

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---

1.1 Bud Kamyabi REGARDING DOC # [REDACTED]  
**Investigator Background Report**

**Report Date:** 02/09/2012

**Client Reference:**

**Possible Subject(s) Matching SSN**

**SSN: 071-62-AAAA is valid. Issued in New York in year 1978-1980**

- 1.) BAHADOR KAMYABI DOB: 07/1960 Age: 51
  - 2.) BUD B KAMYABI DOB: 07/1960 Age: 51
  - AKA: BAHADOR KAMYABI
  - AKA: BAHADOR B KAMYABI
  - AKA: BUD B KAMYABI
- 

**Civil Indexes for BUD B KAMYABI**

**County:** SAN DIEGO

**Court:** SAN DIEGO

**Case Number:** U080364

**Filed Date:** 08/17/1999

**Type:** PRIMARY DEFENDANT

**Name:** KAMYABI BUD B

**Filed Date:** 08/17/1999

**Type:** SECONDARY, OTHER PLAINTIFF

**Name:** SCHWARTZ LYNN

**Filed Date:** 08/17/1999

**Type:** SECONDARY, OTHER PLAINTIFF

**Name:** SCHWARTZ ROBERT

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**Professional Licenses for BAHADOR KAMYABI**

**Record Type:** CALIFORNIA REALTORS LICENSES

**Bureau or Agency:** DEPARTMENT OF REAL ESTATE

**Licensee Name:** KAMYABI BUD BAHADOR

**License Number:** 01732567

**Address:** P O BOX 4154, WEST HILLS, CA 91308

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## SECTION 6: REPORT SUMMARY

### Deed of Trust – First loan

On JUNE 15, 2006, LINDA C. REED executed a negotiable promissory note and a security interest in the form of a Deed of Trust in the amount of \$640,000. This document was filed as document number 2006-241897 in the Official Records, Alameda County, CA on June 23, 2006. The original lender on the promissory note is METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE. The trustee was FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS, and MERS was named as the beneficiary and nominee.

### Transfer of the note

This note was apparently securitized into two separate trusts: One on May 29, 2014 when Bank of America transferred the Deed of Trust to the ARLP Trust 3, and again on April 24, 2015 when Wilmington Trust transferred the Deed of Trust to the ARLP Trust 2.

In either case, METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, the original lender, gave up ownership of the note on PRIOR TO NOVEMBER 25, 2014 when it securitized the note into the ARLP SECURITIZATION TRUST SERIES 2014-2 or on May 29, 2014 when it transferred the Deed of Trust to the ARLP Trust 3. If all endorsements on the note were done properly, i.e., from METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, the Originator to the Sponsor, to the Depositor, to the ARLP SECURITIZATION TRUST SERIES 2014-2, *then the trust was the owner of the loan as of the closing date of the trust,* PRIOR TO NOVEMBER 25, 2014. The trustee of the trust was WILMINGTON TRUST COMPANY. If the endorsements were *not* done properly, then the beneficial owner of the note is one of the intermediary parties in the securitization process. The actual owner of the note is uncertain. METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE named MERS as the nominee and beneficial owner of the note in the original Deed of Trust. However, recent court cases have indicated that MERS cannot be the beneficial owner of the note, and therefore any assignments of the note and substitutions of trustee made by MERS are invalid.

### Substitution of trustee and assignments

On February 9, 2012 a substitution of trustee was recorded by Bank of America NA successor by merger to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing LP as record number 2012-047576 naming Recontrust Company NA as the new trustee. As specified in the deed of trust, only the current lender of record can substitute trustees, and if the Bank of America NA successor by merger to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing LP was not the actual holder of the note at this time, this substitution is invalid as are the subsequent acts of the substituted trustee.

On May 11, 2011, an assignment was recorded as record number 2011-43053 transferring the deed of trust and the note to BAC Home Loans Servicing by MERS. The document was signed by Bud Kamyabi, assistant secretary of MERS. It is likely that he was not an employee of MERS nor was he authorized by its board of directors to sign this document, which is therefore void.

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On May 29, 2014, an assignment was recorded as record number 2014-130019 transferring the deed of trust to Wilmington Trust National Association as trustee of aRP Securitization Trust Series 2014-23. The assignment was made by Bank of America .

On April 24, 2015, an assignment was recorded as record number 2015-108521 transferring the deed of trust to 2014-2. The assignment was made by Wilmington Savings Fund Society FSB by its attorney in fact Ocwen Loan Servicing LLC .

**Foreclosure**

A notice of default was filed on October 1, 2015 as instrument number 2015-268277 by Western Progressive LLC. At this time it is possible that Western Progressive LLC had not been properly assigned the deed of trust nor substituted as trustee, and therefore might not have had standing to issue the notice of default.

**Securitization:**

This note was apparently securitized into two separate trusts: One on May 29, 2014 when Bank of America transferred the Deed of Trust to the ARLP Trust 3, and again on April 24, 2015 when Wilmington Trust transferred the Deed of Trust to the ARLP Trust 2.

The loan was securitized by METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE into the ARLP SECURITIZATION TRUST SERIES 2014-2 on or about PRIOR TO NOVEMBER 25, 2014. If the securitization was done properly, the beneficial owners of the note are the shareholders of the trust. The Originator of the Transaction was METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE. The Sponsor/Seller was UNKNOWN. The Depositor of the loan into the trust was UNKNOWN. If the securitization was done properly, each of the above transfers should have been supported by an endorsement of the original note, by a recordation of the Deed of Trust and by a delivery and acceptance of these documents by the next party in the chain. The trustee of the trust was WILMINGTON TRUST COMPANY. The Trustee is responsible for certifying that all of the transfers and recordings have been done properly and for maintaining the original copies of the documents. The Master Servicer was OCWEN LOAN SERVICING.

- The NOTE was purportedly sold, transferred and securitized into the **ARLP SECURITIZATION TRUST SERIES 2014-2 AS OF THE CLOSING DATE OF THE TRUST ON PRIOR TO NOVEMBER 25, 2014.**
- The trustee of the trust is WILMINGTON TRUST COMPANY and the servicer of the trust is OCWEN LOAN SERVICING.
- The subject loan is included in 6 of the 6 securities that are included in the trust, including 1 of the 1 paid off securities.

**MERS:**

- The Deed of Trust shows MIN 100034200057202701 and MERS SERVICER ID website <https://www.mers-servicerid.org/sis> indicates that Bank of America is the Servicer of the loan.
- Although MERS records an assignment in the real property records, the promissory note which creates the legal obligation to repay the debt is not negotiated to MERS. The following is on page 73 of the MERS manual:

## **Transfer of Beneficial Rights**

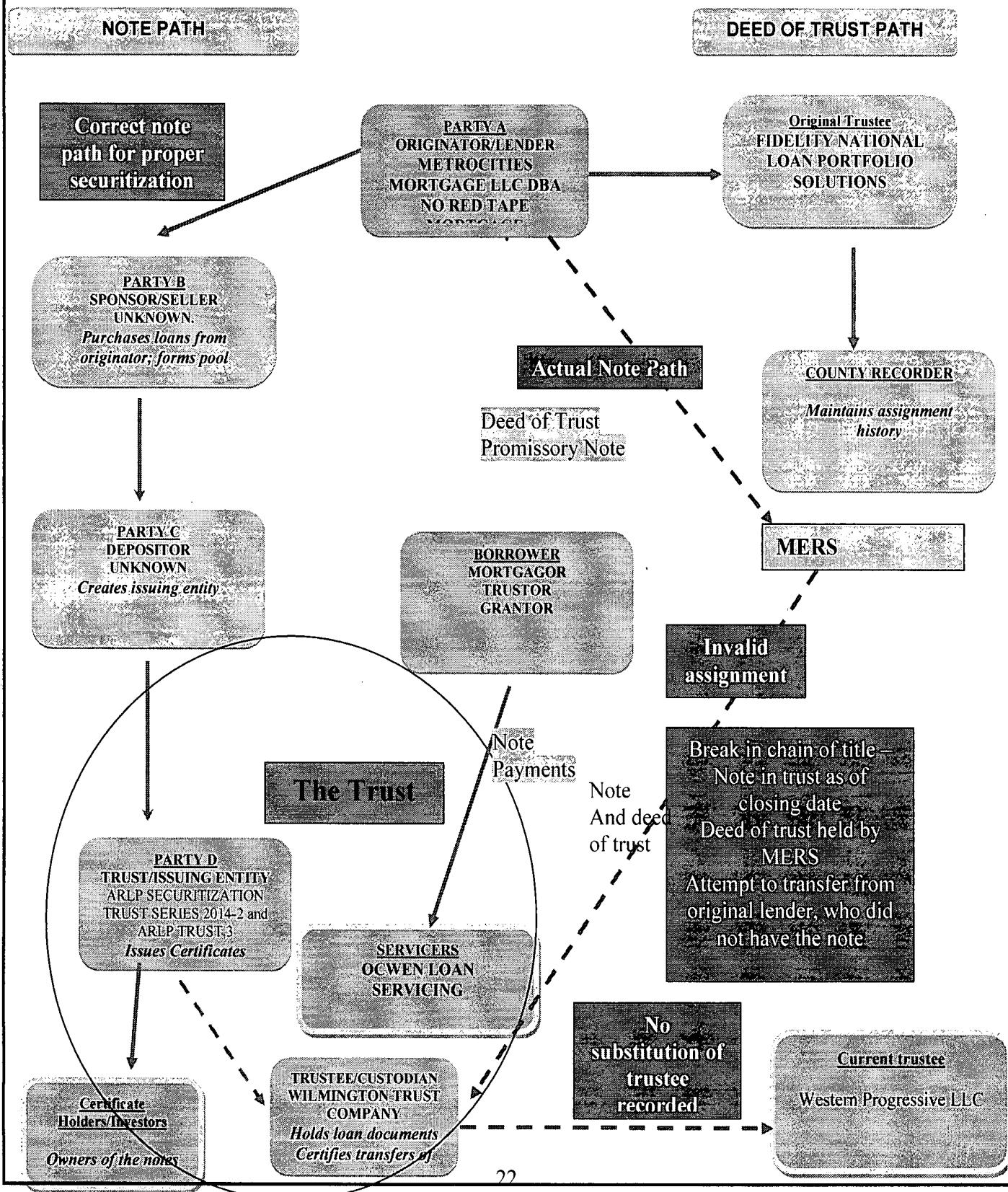
### **Overview**

Although the MERS® System tracks changes in ownership of the beneficial rights for loans registered on the MERS® System, the MERS® System cannot transfer the beneficial rights to the debt. The debt can only be transferred by properly endorsing the promissory note to the transferee.

- MERS is never entitled to receive a borrower's monthly payments, nor is MERS ever entitled to receive the proceeds of a foreclosure or deed of trust sale.
- MERS is never the owner of the promissory note and cannot foreclose on it.
- MERS has no legal or beneficial interest in the loan instrument underlying the security instrument for which it serves as "nominee"
- MERS has no legal or beneficial interest in the mortgage indebtedness underlying the security instrument for which it serves as "nominee".
- MERS has no interest at all in the promissory note evidencing the mortgage indebtedness.
- MERS is not a party to the alleged mortgage indebtedness underlying the security instrument for which it serves as "nominee".
- MERS has no financial or other interest in whether or not a mortgage loan is repaid.

## SECTION 7: SUMMARY AND CONCLUSION

### FIRST LOAN CHAIN OF TITLE



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## **POTENTIAL ISSUES AND POTENTIAL DAMAGES TO BORROWER**

The key issues to be investigated with respect to the note and Deed of Trust are as follows:

*Who owns the note, how and when did they obtain ownership, and what are the consequences?*

*Who holds the security instrument (Deed of Trust), when and how did they get the right to it and what are the consequences?*

*Who has a right to issue a notice of default and foreclose on the property?*

### **Issue: Securitization of the loan damaged borrower by not allowing modification**

Because the loan was securitized, the borrower was restricted in his ability to modify the loan. Furthermore, the loan servicer has a conflict of interest caused by the securitization, since the servicer must make up any shortfall in payments to the trust that were caused by the modification.

*This shortfall, and any advances made due to borrower non-payments can only be recovered through foreclosure.* In this case, the advances made by the trust as of the date of this report were \$74,939.26 as reported in the ABSNET Loan database. Thus, the servicer has a strong financial incentive to NOT offer a modification and to foreclose on the property to recover its fees.

The Federal Reserve Bank of Chicago, in its document entitled "The Role of Securitization in Mortgage Negotiation" states the following:

### **ABSTRACT**

We study the effects of securitization on renegotiation of distressed residential mortgages over the current financial crisis. Unlike prior studies, we employ unique data that *directly observe* lender renegotiation actions and cover more than 60% of the U.S. mortgage market. Exploiting within-servicer variation in these data, we find that bank-held loans are 26% to 36% more likely to be renegotiated than comparable securitized mortgages (4.2 to 5.7% in absolute terms). Also, modifications of bank-held loans are more efficient: conditional on a modification, bank-held loans have lower post-modification default rates by 9% (3.5% in absolute terms). Our findings support the view that frictions introduced by securitization create a significant challenge to effective renegotiation of residential loans.

In the current situation, the trust agreement states:

#### **Modifications**

In instances in which a Mortgage Loan is in default or if default is reasonably foreseeable, and if determined by the servicer to be in the best interest of the certificateholders, the servicer may permit servicing modifications of the Mortgage Loan rather than proceeding with foreclosure. However, the servicer's ability to perform servicing modifications will be subject to some limitations, including but not limited to the following: any amounts added to the principal balance of the Mortgage Loan, or capitalized amounts added to the Mortgage Loan, will be required to be fully amortized over the remaining term, or the extended term, of the Mortgage Loan; all capitalizations are to be implemented in accordance with the servicer's standards and may be implemented only by the servicer for that purpose; the final maturity of any Mortgage Loan will not be extended beyond the assumed final Distribution Date; and no servicing modification with respect to a Mortgage Loan will have the effect of reducing the mortgage rate below one half of the mortgage rate as in effect on the Cut-Off Date, but not less than the Servicing Fee Rate. Further, the aggregate current principal balance of all Mortgage Loans subject to modifications can be no more than five percent (5%) of the aggregate principal balance of the Mortgage Loans as of the Cut-Off Date, but this limit may increase from time to time with the consent of the rating agencies.

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Any Advances made on any Mortgage Loan will be reduced to reflect any related servicing modifications previously made. The mortgage rate and net mortgage rate as to any Mortgage Loan will be deemed not reduced by any servicing modification, so that the calculation of the Interest Distribution Amount (as defined in this prospectus supplement) payable on the Offered Certificates will not be affected by the servicing modification.

**Issue: Identification of the owner of the note is required to determine who has standing to foreclose**

Even before a party can initiate a non-judicial foreclosure in California, that party must have standing to do so. California Civil Code 2924 (1) identifies who has standing to foreclose:

The **trustee, mortgagee, or beneficiary, or any of their authorized agents** shall first file for record, in the office of the recorder of each county wherein the mortgaged or trust property or some part or parcel thereof is situated, a notice of default

There is confusion regarding the true owner of the note. The Deed of Trust specifies METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE as the lender and MERS as the beneficiary. There is no recorded endorsement to the Sponsor, or to the Depositor. There is confusion regarding which trust, if any, actually owns the loan, since the Deed of Trust was assigned to two separate trusts. It is not possible at this time to identify the true owner of the note who has authority to foreclose or assign the deed of trust to an agent to foreclose.

**Issue: Invalid substitution of trustee and assignment of loan and deed of trust**

According to the deed of trust, the only party who can substitute trustees is the current holder of the note, "to the exclusion of all other provisions for substitution".

Likewise, the holder of the deed of trust must have obtained it through a valid assignment by the lender, and a lender can only assign the deed of trust when they actually had ownership of the note, NOT after they had sold it to another party.

In an attempt to correct the flaws created during the securitization process and to rejoin the note and the deed of trust in the same party, many lenders resorted to rob-signing, i.e., having persons who were not employees of the proper parties signing substitutions of trustee and assignments of the deed of trust. In many cases, the signatures on these documents, were not even those of the persons named in the documents, resulting in notary fraud.

To further complicate the matter, in many cases the party attempting to substitute trustees and assign both notes and deeds of trust stated that they were an employee of MERS, when in fact they were employees of the foreclosing trustee and were not authorized by MERS board of directors to sign the documents. So, even if it could be argued that MERS did have authority as a nominee of the lender to substitute trustees and assign notes (which, by their own bylaws, they cannot do), the party signing on behalf of MERS was not an employee, and the documents that they sign are void,

That this is a common practice is supported by a recent report in February of 2012 by Aequitas prepared for the San Francisco Office of the Assessor- Recorder entitled ***Foreclosure in California; A Crisis of Compliance*** further documents these issues. The full report is available at:

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[http://www.aequitasaudit.com/images/aequitas\\_sf\\_report.pdf](http://www.aequitasaudit.com/images/aequitas_sf_report.pdf)

The report found the following flaws in recorded documents among others:

**Assignments**

Recordation of conflicting assignments	6%
Assignments executed by the trustee or servicer	27%
Assignees Signing for Assignors	11%
Assignments filed after notice of default	59%

**Substitutions of Trustee**

**Overall, 85% of loans contained one or more exceptions relating to:**

Invalid substitutions after notice of default	18%
Substitution recorded after Notice of Trustee Sale	3%
Substitution executed by an entity other than beneficiary	85%
Other suspicious executions of substitution	28%

In the current situation the attempted assignment of note and deed of trust to a new trustee is void for the reasons stated above; a possible substitution of trustee should be checked for the same reasons. ( See *Johnson v HSBC*).

**Issue: Neither the servicer of the loan or its agent may have standing to foreclose**

The foreclosing trustee must have both the deed of trust and the note, or be an agent of the holder of both the deed of trust and the note in order to foreclose. If the servicer of the loan or its agent attempts to foreclose, they must provide proof that they hold these documents or proof that they are the agent of whomever holds both documents.

Often attempts are made during the foreclosure process to transfer the Deed of Trust to the foreclosing party. However, the transferor must be the legal holder of the note at the time of transfer. If the loan has been sold to a trust in a securitization, the original lender has no interest in the note and no ability to transfer the Deed of Trust. If the securitization has failed, the trustee of the trust has no authority to transfer the Deed of Trust. If the original trustee on the loan has the Deed of Trust, but the note has been transferred, they do not have the right to foreclose.

*Based on the recorded documents, it is not possible to determine who has the right to foreclose on the property.*

**Issue: Missing assignments during the securitization process**

The chain of title to real property must be recorded and maintained intact at all times. A break in this chain invalidates the security interest. In the securitization process of the subject loan, the following transfers by assignment were required by the governing documents:

1. Originator to Seller/Sponsor
  - a. Originator: METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE
  - b Seller/Sponsor: UNKNOWN.

*There was no recorded assignment of the Deed of Trust.*

2. Seller/Sponsor to Depositor
  - a. Seller/Sponsor: UNKNOWN
  - b. Depositor: UNKNOWN

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***There was no recorded assignment of the Deed of Trust.***

2. Depositor to the Trustee of the Trust

- a. Depositor: UNKNOWN
- b. Trustee and trust: WILMINGTON TRUST COMPANY

***There was no recorded assignment of the Deed of Trust prior to the closing date of the trust***

If the note is in the trust and the Deed of Trust is held by MERS, there has been a break in the chain of title. If the note is not in the trust, the current owner of the note is unknown.

The Deed of Trust and the Note should have been held together according to the delivery notices with the Trust Prospectus and the Pooling and Servicing Agreement and held by the Trustee of the Trust as of the closing date. However, they took different paths which resulted not only in bifurcation of the Deed of Trust from the Note, but the missing or unrecorded assignments to the parties in the securitization, as has been outlined above.

**Issue: There can only be one party at a time that has the right to foreclose**

A related issue to the separation of the note and the deed of trust is that ***it is not possible for more than one organization to have the right to foreclose at the same time.***

In the current situation, the following parties have the ability to claim the right to foreclose:

- a. FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS, who was the original trustee
- b. MERS, who held the Deed of Trust
- c. WILMINGTON TRUST COMPANY trustee for the ARLP SECURITIZATION TRUST SERIES 2014-2, who was assigned the note and deed of trust or the ARLP SECURITIZATION TRUST SERIES 2014-23, who was also assigned the Deed of Trust
- d. Western Progressive LLC, who was substituted as trustee

**Issue: MERS cannot transfer the note or assign the Deed of Trust**

There is an issue regarding the validity of assignments made by MERS. There is dispute regarding the authority of MERS to transfer any interest in the note to another party<sup>1</sup>. The following is on page 73 of the MERS manual:

## **Transfer of Beneficial Rights**

### **Overview**

Although the MERS® System tracks changes in ownership of the beneficial rights for loans registered on the MERS® System, the MERS® System cannot transfer the beneficial rights to the debt. The debt can only be transferred by properly endorsing the promissory note to the transferee

<sup>1</sup> The lender might contend that the Assignment of the Deed of Trust by MERS was the appropriate method by which the Deed of Trust was conveyed to the Trust. However, doing so violates MERS own written procedures as set forth in the MERS procedure manual (available at <http://www.mersinc.org/MersProducts?manuals.aspx?mpid=1>) which states at page 73: "MERS cannot transfer the beneficial right to the debt." MERS is listed as the Beneficiary under the Deed of Trust. However, according to MERS own procedures, MERS cannot transfer the beneficial rights to the debt.

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Another issue to consider is that the use of MERS to act as beneficiary and nominee could cause the Deed of Trust to be inherently flawed and bifurcated from the note, making it null and void. The original recorded Deed of Trust specifies the lender as Residential Mortgage Capital. MERS is listed as both the beneficiary and the nominee.

The two sentences describing MERS function are in conflict. On one hand, MERS is acting solely as a nominee. On the other hand MERS is listed as the Beneficiary itself, which must be a role in addition to that as nominee for the lender (who would normally and naturally be considered the actual beneficiary of a standard trust deed). This conflict creates ambiguity and casts doubt as to the viability of the document as a security instrument. The party actually benefitting from the loan as a lender (i.e. MERS) cannot actually become the beneficiary of a trust deed. The trust deed instrument, as a construct of its parties apparently fails under these flawed and conflicted circumstances.

MERS clearly is not the lender in the subject transaction. MERS also was never the servicer for the loan and never received payments from the borrower. MERS did not lend or lose any money involved in the transaction. MERS does not hold or service the note as a matter of its own policy. It therefore seems that naming MERS as the beneficiary of the Deed of Trust has caused the Deed of Trust to be inherently bifurcated from the note ownership, since MERS was never the holder of the note. Since the Deed of Trust was thus separated from the note it may have been intended to secure, it becomes a nullity. A deed of trust by its nature is a three party instrument. The trustee holds "legal title" to the real property; the beneficiary holds the "beneficial interest", and the homeowner in possession holder "equitable title". There can be no more than one "legal title" to a single piece of real property. The language in the Deed of Trust stating that MERS holds only legal title to the interest granted creates confusion and ambiguity because the interests granted in the Deed of Trust are limited to: (1) The grant of legal title to the trustee; and (2) the grant of beneficial interest to the creditor (by virtue of the trustee holding the legal title "for the benefit" of the creditor). There can be no further and additional conveyance of any "legal title" in the interests to MERS under the Deed of Trust. Since the grant to the original trustee of the legal title to be held in trust is not disputed, there is simply no legal title available to be held by MERS. Therefore, the statement in the Deed of Trust regarding the role of MERS places MERS in another conflicting and unintelligible role under the Deed of Trust, which makes it further subject to inherent doubt as to its viability as a security instrument from the outset, as opposed to being a mere ineffectual cloud of title which fails to accomplish its apparent intended purpose. Therefore, it seems that MERS holds absolutely no interest, legal, beneficial or otherwise under this Deed of Trust from its origination.

The lender for which MERS is acting as a nominee is also key to determining the validity of the assignment of the deed of trust and substitution of trustee. Civil code §2936 holds that the transferee of the note will prevail over the transferee of the mortgage, and is the only party entitled to foreclose (*Adler v. Sargent* (1895) 109 C 42, 48):

***2936. The assignment of a debt secured by mortgage carries with it the security.***

Clearly, MERS can never be the lender or the holder of the note, and therefore cannot assign it to trustee of the trust or the foreclosing trustee.

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**Issue: The trust cannot obtain ownership of the note after the closing date of the trust**

The Trust agreement, trust law and the IRS code require that the trust obtain ownership of the loan before its closing date, and that non-performing assets cannot be transferred to the trust.

Attempts to assign the Deed of Trust and note of defaulted loans to the trust years after the closing date are invalid. They violate the Trust agreement, trust law and would jeopardize the tax free status of the trust.

Any attempt to reunite the note with the Deed of Trust to provide standing to foreclose by transferring them to the trust after the closing date is invalid.

Even though the note is shown as being owned by the trust, it may not have ever been validly transferred to the trust. During the transfers of the notes to the parties in the securitization process, the Deed of Trust should have been transferred to each party along with the note. These transfers should have been supported by delivery acceptance receipts and recorded in the public record, as specified in the Pooling and Servicing agreement.

If the note and deed of trust were not transferred to the trust as of the closing date of the trust, they cannot be transferred at this point without violating the provisions of the trust and violating the tax free status of the REMIC, causing disastrous tax consequences for investors in the trust.

The trust agreement and PSA agreements require several things related to the transfer:

1. Only the Depositor can transfer loans into the trust.
2. All loans must be transferred by the closing date of the trust
3. No non-performing loans (i.e. loans in default) may be transferred into the trust.

Violation of these terms would cause the Pool to lose its tax-favored status as a passive Real Estate Mortgage Investment Conduit (REMIC) under IRC Section 860 et seq and subject the mortgage pool to taxation at the entity level in addition to taxable pass-through income to the Certificate holders of the trust (i.e., would result in double taxation, and which would at this time likely carry substantial penalties and interest for non-payment in the event of such findings.)

Any attempt to assign the Deed of Trust after the closing date of the Trust, is invalid. The mortgage loan was never conveyed to the trust as required by IRC 860 for REMIC status and as required by New York law governing such trusts.<sup>2</sup> New York law expressly requires for property to be validly delivered to a Trust, the property must pass completely out of control of the donor and its agents. The trust must be bankruptcy remote. Delivery of a promissory note endorsed in blank (bearer paper) as in the present case to the Trustee's vault is not "delivery beyond the authority and control

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<sup>2</sup> Under New York law there are four essential elements of a valid trust of personal property: (1) a designated beneficiary, (2) a designated trustee, who must not be the beneficiary, (3) a fund or other property sufficiently designated or identified to enable title thereto to pass to the trustee; and (4) the actual delivery of the fund or other property, or of a legal assignment thereof to the trustee, with the intention of passing legal title as trustee. New York Statutes governing Trusts, Estates Powers and Trust Law (EPTL) section 7-2-1 (c) authorizes investment trusts to acquire real or personal property "in the name of the Trust as such name is designated in the instrument creating said Trust. "For transfers to a Trustee to be effective, the property must be registered in the name of the Trustee for the particular Trust. Trust property cannot be held with incomplete endorsements and assignments that do not indicate the property is held in Trust by a Trustee for a specific Beneficiary Trust. An attempt to transfer property to a trust with specifying both a Trustee and a Beneficiary is ineffective as a conveyance to the Trust under New York law.

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of the donor", when the vault is managed by an agent of the donor. Therefore, it is questionable whether the inadvertently unsecured note, even if endorsed in blank, made it into the trust. If not, then the subject loan is just an upstream liability under the representations and warranties of the parties to the securitization, but this stream likely ends with the first bankrupt or defunct player who has discharged or been indemnified against such liability. Who actually holds the note interest is a matter that must be worked out by the parties to the securitization, but it does not appear to be the foreclosing trustee or the original lender on the note.

**NOTE: The failure to deliver the loan documents and the failure to record the assignments may cause a sale to the Trust to be ineffective, leading to a failed securitization.**

**Issue: If a lender enforces a foreclosure, any such foreclosure may result in a violation of Civil Code 2923.6**

Assuming that the party attempting to foreclose meets the requirements of *Cal. Comm. Code § 3301* and has an enforceable right to foreclosure, it still owes duties to all other members to maximize the value of the property. Effective July 8, 2008, *California Civil Code Section 2923.6* states:

*(A) The Legislature finds and declares that any duty servicers may have to maximize net present value under their pooling and servicing agreements is owed to all parties in a loan pool, not to any, particular parties, and that a servicer acts in the best interests of all parties if it agrees to or implements a loan modification or workout plan for which both of the following apply:*

*a net present value basis.*

- 1. The loan is in payment default, or payment default is reasonably foreseeable.*
- 2. Anticipated recovery under the loan modification or workout plan exceeds the anticipated recovery through foreclosure on*

In enacting this code section, the Legislature sought to prevent the current market trends in selling homes for great losses when reasonable modifications and work-out plans would increase profits over time and keep families in their homes instead of on the streets. There is no doubt that there will be a significant loss to all parties if the property is foreclosed.

The Joint Economic Committee of Congress estimated in June, 2007, that the average foreclosure results in \$77,935.00 in costs to the homeowner, lender, local government, and neighbors. Of the \$77,935.00 in foreclosure costs, the Joint Economic Committee of Congress estimates that the lender will suffer \$50,000.00 in costs in conducting a non-judicial foreclosure on the property to a third party. Freddie Mac places this loss higher at \$58,759.

Furthermore, the ARLP SECURITIZATION TRUST SERIES 2014-2 which purportedly owns the loan currently has suffered an average loss of , or a loss severity of on loans that it has liquidated.

Given the above, before any foreclosure action can be initiated, the parties involved are required to offer a loan modification that would mitigate the above losses and result in a greater net present value than would result from a foreclosure.

Since there was no meeting of the minds, common law takes over. The terms of the loan have yet to be resolved and the obligation to the lender has not been secured.

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**DISCLAIMER**

This report was based exclusively on the documentation provided. It also required that we make reasonable assumptions respecting disclosures and certain loan terms that, if erroneous, may result in material differences between our findings and the loan's actual compliance with applicable regulatory requirements. While we believe that our assumptions provide a reasonable basis for the review results, we make no representations or warranties respecting the appropriateness of our assumptions, the completeness of the information considered, or the accuracy of the findings. The contents of this report are being provided with the understanding that we are not providing legal advice, nor do we have any relationship, contractual or otherwise, with anyone other than the recipient. We do not, in providing this report, accept or assume responsibility for any other purpose.

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## EXHIBIT 1: EXCERPTS FROM THE DEED OF TRUST

(E) "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 beneficiary 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) 870-MERS.

(F) "Note" means the promissory note signed by Borrower and dated JUNE 15, 2006. The Note states that Borrower owes Lender SIX HUNDRED FORTY THOUSAND AND 00/100 Dollars (U.S. \$ 640,000.00 ) plus interest.

- Paragraph 22 of the Deed of Trust – only lender can invoke power of sale

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell

- Paragraph 24 of the Deed of Trust: Substitution of Trustee – only lender can substitute

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

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## EXHIBIT 2: SEC SEARCH RESULTS

### 424b5- full text of prospectus supplement and pooling and servicing agreement

NO RECORDS AVAILABLE FROM SECURITIES AND EXCHANGE COMMISSION

U.S. Securities and Exchange Commission

SEARCH SEC DOCUMENTS

ABOUT DIVISIONS ENFORCEMENT REGULATION EDUCATION FILINGS NEWS

EDGAR Company Filings

Free access to more than 20 million filings

Advanced Filter Company Filings Market Filings Variable Insurance Products Product Types Filing Types Business Address Search CIN Codes

Company Name  Fast Search

Starts with  Contains

File Number

To search by file number, company name must be in file.

State

Company Filing Search Tips

If your search is "John Smith" and you didn't get the results you expected, please try "Smith John".

### EDGAR Search Results

SEC Home » Search the Next-Generation EDGAR System » Company Search » Current Page

No matching companies.

<http://www.sec.gov/cgi-bin/browse-edgar>

[Home](#) | [Search the Next-Generation EDGAR System](#) | [Previous Page](#)

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## **EXHIBIT 3: TRANSACTION SUMMARY AND PUBLIC RECORDS**

Official Public Records																																																																																			
Search Results		<a href="#">Menu</a> · <a href="#">New Search</a> · <a href="#">Forms</a> · <a href="#">Prefs</a> · <a href="#">Help</a>																																																																																	
<p>Criteria: Name or Associated Name Begins with REED LINDA C. File Date: 07-01-2008, 01/03/2015</p> <p><a href="#">Search Results - 35 matches</a></p> <p><a href="#">Displaying Records 1 to 10</a>  <a href="#">Jump to Page:</a> <a href="#">1</a> <a href="#">2</a> <a href="#">3</a></p> <table border="1"> <thead> <tr> <th>Instrument Number</th> <th>Date Filed</th> <th>Document Type</th> <th>Name [View Record Details]</th> <th>Associated Name [View Record Details]</th> <th>Book/Page</th> <th>Entered Status</th> </tr> </thead> <tbody> <tr> <td>2956241837</td> <td>06/23/2008</td> <td>DEED OF TRUST</td> <td>REED LINDA C.</td> <td>MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC</td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241838</td> <td>06/23/2008</td> <td>DEED OF TRUST</td> <td>REED LINDA C.</td> <td>MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC</td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241839</td> <td>06/23/2008</td> <td>ASSIGNMENT OF RENTS</td> <td>REED LINDA C.</td> <td>MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC</td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241840</td> <td>07/06/2008</td> <td>SUBSTITUTION OF TRUSTEE</td> <td>REED LINDA C.</td> <td>MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC</td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241841</td> <td>07/06/2008</td> <td>REORGANIZABLE</td> <td>REED LINDA C.</td> <td></td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241842</td> <td>07/12/2008</td> <td>SUBSTITUTION OF TRUSTEE</td> <td>REED LINDA C.</td> <td>MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC</td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241843</td> <td>07/12/2008</td> <td>REORGANIZABLE</td> <td>REED LINDA C.</td> <td></td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241844</td> <td>06/23/2008</td> <td>ASSIGNMENT (DEED OF TRUST)</td> <td>REED LINDA C.</td> <td>BAD HOME LOANS SPINNING LTD</td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241845</td> <td>06/23/2008</td> <td>SUBSTITUTION OF TRUSTEE</td> <td>REED LINDA C.</td> <td>RECDUTCH CO</td> <td></td> <td>Pens</td> </tr> <tr> <td>2956241846</td> <td>02/05/2012</td> <td>NOTICE OF SALE</td> <td>REED LINDA C.</td> <td></td> <td></td> <td>Pens</td> </tr> </tbody> </table>							Instrument Number	Date Filed	Document Type	Name [View Record Details]	Associated Name [View Record Details]	Book/Page	Entered Status	2956241837	06/23/2008	DEED OF TRUST	REED LINDA C.	MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC		Pens	2956241838	06/23/2008	DEED OF TRUST	REED LINDA C.	MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC		Pens	2956241839	06/23/2008	ASSIGNMENT OF RENTS	REED LINDA C.	MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC		Pens	2956241840	07/06/2008	SUBSTITUTION OF TRUSTEE	REED LINDA C.	MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC		Pens	2956241841	07/06/2008	REORGANIZABLE	REED LINDA C.			Pens	2956241842	07/12/2008	SUBSTITUTION OF TRUSTEE	REED LINDA C.	MORTGAGE ELECTRONIC REGISTRATION SYSTEMS INC		Pens	2956241843	07/12/2008	REORGANIZABLE	REED LINDA C.			Pens	2956241844	06/23/2008	ASSIGNMENT (DEED OF TRUST)	REED LINDA C.	BAD HOME LOANS SPINNING LTD		Pens	2956241845	06/23/2008	SUBSTITUTION OF TRUSTEE	REED LINDA C.	RECDUTCH CO		Pens	2956241846	02/05/2012	NOTICE OF SALE	REED LINDA C.			Pens
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**Robert K. Ramers**  
**Certified Mortgage Securitization Auditor**  
**Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)**

**SUBJECT PROPERTY**

OWNER NAME	REED LINDA C	VESTING	UNMARRIED WOMAN
MAILING ADDRESS	840 GLEN DR, SAN LEANDRO, CA 94577	APN#	076-0362-007

DATES	SALES	MORTGAGES	ASSIGNMENTS	RELEASES	FORECLOSURES
START DATE	01/04/1988	01/04/1988	01/01/2005	01/01/2005	01/01/2005
THROUGH DATE	12/18/2015	12/18/2015	12/18/2015	12/18/2015	12/18/2015

**SUMMARY OF TRANSACTIONS**

					PURCHASE	RELEASE	ASSIGNMENT
	DATE	DOC TYPE	DOC #	ORIG DOC#	BUYER/BORROWER	SELLER	LENDER
▼	06/23/2006	TRUST DEED/MOR...	2006.241898		REED LINDA C		NO RED TAPE MO...
▶	01/14/2014	RELEASE	2014.8266	2006.241898			
▼	06/23/2006	TRUST DEED/MOR...	2006.241897		REED LINDA C		NO RED TAPE MO...
▶	05/11/2011	ASSIGNMENT	2011.443053	2006.241897			
▶	02/08/2012	NOTICE OF DEFAL...	2012.47577	2006.241897			
▶	03/13/2014	NOTICE OF SALE	2014.7535	2006.241897			
▶	05/29/2014	ASSIGNMENT	2014.130019	2006.241897	REED LINDA C		CHRISTIANA TRU...
▶	09/02/2014	ASSIGNMENT	2014.214379	2006.241897	REED LINDA C		CHRISTIANA TRU...
▶	04/24/2015	ASSIGNMENT	2015.108521	2006.241897	REED LINDA C		WILMINGTON TRU...
▶	10/01/2015	NOTICE OF DEFAL...	2015.268277	2006.241897			
▼	12/06/2005	TRUST DEED/MOR...	2005.518774		REED LINDA C		MORTGAGE INVES...
▶	07/12/2006	RELEASE	2006.271432	2005.518774			
▼	12/06/2005	TRUST DEED/MOR...	2005.518773		REED LINDA C		MORTGAGE INVES...
▶	07/06/2006	RELEASE	2006.359116	2005.518773			
P	09/24/2004	DEED TRANSFER	2004.433533		REED,LINDA C	SHIMIZU FAMILY..	
▼	09/24/2004	TRUST DEED/MOR...	2004.433534		REED LINDA C		LONG BEACH MOR...
▶	01/03/2006	RELEASE	2006.1168	2004.433534			

**Robert K. Ramers**  
**Certified Mortgage Securitization Auditor**  
**Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)**

---

**EVENT #1 : FORECLOSURE**

RECORDING DATE	10/01/2015	ORIG. RECORDING DATE	06/23/2006
TRUSTEE	Western Progressive Li		
TITLE COMPANY			
DEFENDANT	Reed Linda C		
FILING DATE	09/25/2015		
NOTICE OF DEFAULT		TRUST DEED/MORTGAGE	
2015.268277		2006.241897	

**EVENT #2 : FORECLOSURE**

RECORDING DATE	09/16/2015	ORIG. RECORDING DATE	02/09/2012
TRUSTEE	Western Progressive Li		
TITLE COMPANY			
DEFENDANT	Reed Linda C		
FILING DATE			
RESCISSON OF LIS PENDENS/NOTICE OF DEFAULT/NOTICE OF SALE		2012.47577	
2015.254523			

**EVENT #3 : ASSIGNMENT**

RECORDING DATE	04/24/2015	ORIG. RECORDING DATE	06/23/2006
NEW LENDER	Wilmington Trust Na 2014-2 (Ce		
PREVIOUS LENDER	Arlp Trust 4		
BORROWER	Reed Linda C		
ASSIGNMENT		ASSIGNMENT	
2015.108521		2006.241897	

**EVENT #4 : ASSIGNMENT**

RECORDING DATE	09/02/2014	ORIG. RECORDING DATE	06/23/2006
NEW LENDER	Christiana Trust 4 (Ct)		
PREVIOUS LENDER	Indecomm Global Services		
BORROWER	Reed Linda C		
ASSIGNMENT		ASSIGNMENT	
2014.214379		2006.241897	

**EVENT #5 : ASSIGNMENT**

RECORDING DATE	05/29/2014	ORIG. RECORDING DATE	06/23/2006
NEW LENDER	Christiana Trust 3 (Ct)		
PREVIOUS LENDER	Bank Of America		
BORROWER	Reed Linda C		
ASSIGNMENT		ASSIGNMENT	
2014.130019		2006.241897	

**Robert K. Ramers**  
**Certified Mortgage Securitization Auditor**  
**Tel: 415-730-4514 email: ramers@ix.netcom.com**

RELEASE 2014.8266	TRUST DEED/MORTGAGE 2006.241898
<b>EVENT #7 : FORECLOSURE</b>	
RECORDING DATE 01/13/2014	ORIG. RECORDING DATE 05/15/2006
TRUSTEE Recontrust Co Na	
TITLE COMPANY	
DEFENDANT Reed Linda C	
FILING DATE 01/09/2014	
NOTICE OF SALE 2014.7535	TRUST DEED/MORTGAGE 2006.241897
<b>EVENT #8 : FORECLOSURE</b>	
RECORDING DATE 02/09/2012	ORIG. RECORDING DATE 06/23/2006
TRUSTEE	
TITLE COMPANY	
DEFENDANT	
FILING DATE	
NOTICE OF DEFAULT 2012.47577	TRUST DEED/MORTGAGE 2006.241897
<b>EVENT #9 : ASSIGNMENT</b>	
RECORDING DATE 05/11/2011	ORIG. RECORDING DATE 06/23/2006
NEW LENDER	
PREVIOUS LENDER	
BORROWER	
ASSIGNMENT 2011.143053	ASSIGNMENT 2006.241897
<b>EVENT #10 : RELEASE</b>	
RECORDING DATE 07/12/2006	ORIG. RECORDING DATE 12/06/2005
RELEASE 2006.271432	TRUST DEED/MORTGAGE 2005.518774
<b>EVENT #11 : RELEASE</b>	
RECORDING DATE 07/06/2006	ORIG. RECORDING DATE 12/06/2005
RELEASE 2006.259116	TRUST DEED/MORTGAGE 2005.518773
<b>EVENT #12 : FINANCE</b>	
FINANCE TYPE REFINANCE	RECORDING DATE 06/23/2006
BORROWER REED LINDA C	LOAN AMOUNT \$80,000
LENDER NO RED TAPE MORTGAGE	
MORTGAGE LOAN TYPE CONVENTIONAL	MORTGAGE RATE MORTGAGE TERM
MORTGAGE RATE TYPE VAR	
TRUST DEED/MORTGAGE 2006.241898	
<b>EVENT #13 : FINANCE</b>	
FINANCE TYPE REFINANCE	RECORDING DATE 06/23/2006
BORROWER REED LINDA C	LOAN AMOUNT \$640,000



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PAGE 3 OF 5

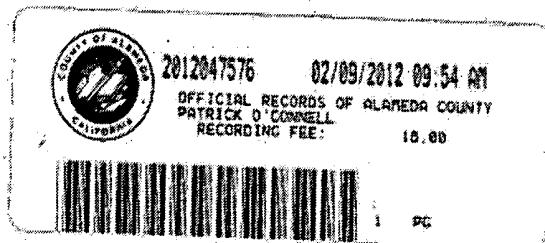
LENDER NO RED TAPE MORTGAGE	CONVENTIONAL	MORTGAGE RATE	MORTGAGE RATE TYPE	VAR
MORTGAGE LOAN TYPE		MORTGAGE TERM		
TRUST DEED/MORTGAGE 2006.241897				

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)

## EXHIBIT 4: SUBSTITUTION OF TRUSTEE

### LANDSAFE TITLE

RECORDING REQUESTED BY:  
RECONTRUST COMPANY  
  
AND WHEN RECORDED MAIL DOCUMENT  
AND TAX STATEMENTS TO:  
RECONTRUST COMPANY  
1800 Tapo Canyon Rd., CA6-914-01-94  
SIMI VALLEY, CA 93063



ATTN: Jeffrey Giles  
TS No. 12-0009366

12-0015809

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### SUBSTITUTION OF TRUSTEE

WHEREAS, LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN was the original Trustor, FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS, A CALIFORNIA CORPORATION was the original Trustee, and MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. was the original Beneficiary under that certain Deed of Trust dated 06/15/2006 recorded on 06/23/2006 as Instrument No. 2006241897 in Book: Page: of Official Records of Alameda County, California;

WHEREAS, the undersigned is the present Beneficiary under said Deed of Trust, and WHEREAS, the undersigned desires to substitute a new Trustee under said Deed of Trust in place and instead of said original Trustee, or Successor Trustee, thereunder, in the manner in said Deed of Trust provided,

NOW THEREFORE, the undersigned hereby substitutes RECONTRUST COMPANY, N.A., WHOSE ADDRESS IS: 1800 Tapo Canyon Rd., CA6-914-01-94 SIMI VALLEY, CA 93063, as Trustee under said Deed of Trust.

Whenever the context hereof so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

DATED: February 07, 2012

BANK OF AMERICA, N.A., SUCCESSOR BY  
MERGER TO BAC HOME LOANS SERVICING, LP  
FKA COUNTRYWIDE HOME LOANS SERVICING LP

BY  FEB 07 2012  
LORYN STONE, ASSISTANT VICE PRESIDENT

State of: California

County of: Ventura

On: FEB - 7 2012 before me,

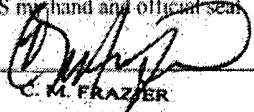
Loryn Stone

C. M. FRAZIER

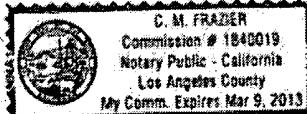
notary public, personally appeared  
who proved to me on the basis of satisfactory evidence to be the person(s)  
whose name(s) is/are subscribed to within instrument and acknowledged to me that he/she/they executed the  
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature 

(Seal)



Form sub 2011.11.0\_11/2011

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)

## EXHIBIT 5: ASSIGNMENT OF MORTGAGE 5-11-2011

Recording Requested By:

Bank of America

Prepared By: Cecilia Rodriguez

450 E. Boundary St.

Chapin, SC 29036

888-603-9011

When recorded mail to:

CoreLogic

450 E. Boundary St.

Attn: Release Dept.

Chapin, SC 29036



DocID# 53114461740178851

Property Address:

840 Glen Dr

San Leandro, CA 94577-3864

CAD-ADT 13999586

4/28/2011



2011143053

05/11/2011 02:25 PM

OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE: 21.00



2 PCS

This space for Recorder's use

MIN #: 100034200057202701

MERS Phone #: 888-679-6377

### ASSIGNMENT OF DEED OF TRUST

For Value Received, the undersigned holder of a Deed of Trust (herein "Assignor") whose address is 3300 S.W. 34TH AVENUE, SUITE 101 OCALA, FL 34474 does hereby grant, sell, assign, transfer and convey unto BAC HOME LOANS SERVICING, LP FKA COUNTRYWIDE HOME LOANS SERVICING, LP whose address is BAC CORP OWNED ASSET, SIMI VALLEY, CA 93065 all beneficial interest under that certain Deed of Trust described below together with the note(s) and obligations therein described and the money due and to become due thereon with interest and all rights accrued or to accrue under said Deed of Trust.

Original Lender: METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE

Original Borrower(s): LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN

Original Trustee: FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS, A CALIFORNIA CORPORATION

Date of Deed of Trust: 6/15/2006

Original Loan Amount: \$640,000.00

Recorded in Alameda County, CA on: 6/23/2006, book N/A, page N/A and instrument number 2006241897

IN WITNESS WHEREOF, the undersigned has caused this Assignment of Deed of Trust to be executed on

4/29/11

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,  
INC.

By: Bud Kamyabi  
Bud Kamyabi, Assistant Secretary

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)

State of California  
County of Ventura

On April 29, 2011 before me, **Dee Ann Westfall Cortes**, Notary Public, personally appeared **Bud Kamyabi**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Dee Ann Westfall Cortes  
Notary Public: **Dee Ann Westfall Cortes**  
My Commission Expires: 7/1/2012

(Seal)



attached to: assignment of Deed of Trust: Linda C. Reed

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)

## EXHIBIT 6: ASSIGNMENT OF MORTGAGE 5-29-14

Recording Requested By and When Recorded  
Return To:  
Indecomm Global Services  
2925 Country Drive  
St. Paul, MN 55117



2014130019 05/29/2014 10:40 AM  
OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE: 25.00



1 PG

b7c

79155133

### Assignment of Deed of Trust

Dated: May 21, 2014

Loan: 7130839298

For value received Bank of America, N.A. successor by merger to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing, LP, by Indecomm Global Services its attorney in fact, 7105 Corporate Drive, Plano, TX 75024, the undersigned hereby grants, assigns and transfers to Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 3, In c/o Altisource Asset Management Corporation, 402 Strand St, Frederiksted, VI 00820, all beneficial interest under a certain Deed of Trust dated June 15, 2006 executed by LINDA C REED, AN UNMARRIED WOMAN and recorded in Book XX on Page(s) XX as Document Number 2006241897 on June 23, 2006 in the office of the County Recorder of Alameda County, California.

Bank of America, N.A. successor by merger to BAC Home  
Loans Servicing, LP FKA Countrywide Home Loans  
Servicing, LP, by Indecomm Global Services its attorney in  
fact

By: Bao Cindy Fang

Bao Cindy Fang,  
Vice President

STATE OF Minnesota )

COUNTY Ramsey ) SS



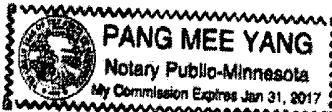
\*U04683732\*

On this, the 21st day of May , 2014 , before me the undersigned officer, personally appeared Bao Cindy Fang who acknowledged himself or herself to be the Vice President of Bank of America, N.A. successor by merger to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing, LP, by Indecomm Global Services its attorney in fact , and that he or she as such Vice President , being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself or herself as Vice President .

In witness whereof, I here unto set my hand and official seal.

Prepared By:  
LeeAnn Samuelson  
Indecomm Global Services  
2925 Country Drive  
St. Paul, MN 55117

Pang Mee Yang, Notary Public  
My Commission expires: January 31, 2017



Robert K. Ramers  
Certified Mortgage Securitization Auditor  
Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)

## EXHIBIT 7: ASSIGNMENT OF MORTGAGE 4-24-15

Recording Requested By:  
OCWEN LOAN SERVICING, LLC



2015108521 04/24/2015 02:25 PM  
OFFICIAL RECORDS OF ALAMEDA COUNTY  
STEVE MANNING  
RECORDING FEE: 28.00

WHEN RECORDED RETURN TO:  
SECURITY CONNECTIONS, INC.  
240 TECHNOLOGY DRIVE  
IDAHO FALLS, ID 83401



2 PGS

### CORPORATE ASSIGNMENT OF DEED OF TRUST

Alameda, California  
SELLER'S SERVICING #: 7130839298 "REED"  
SELLER'S LENDER ID#: DW SCI  
OLD SERVICING #: 144617401

Prepared By: Karen Smith, OCWEN LOAN SERVICING, LLC 5720 PREMIER PARK DRIVE, WEST PALM BEACH, FL 33407  
800-746-2936

For Value Received, Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 4 by its attorney in fact Ocwen Loan Servicing, LLC hereby grants, assigns and transfers to WILMINGTON TRUST, NATIONAL ASSOCIATION, NOT IN ITS INDIVIDUAL CAPACITY BUT AS TRUSTEE OF ARLP SECURITIZATION TRUST, SERIES 2014-2 at C/O OCWEN LOAN SERVICING, LLC., 1661 WORTHINGTON ROAD, STE 100, WEST PALM BEACH, FL 33409 all its interest under that certain Deed of Trust dated 06/15/2006, in the amount of \$640,000.00, executed by LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), SOLELY AS NOMINEE FOR METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, ITS SUCCESSORS AND/OR ASSIGNS and Recorded: 06/23/2006 as Instrument No.: 2006241897 in the County of Alameda, State of California.

Property Address: 840 GLEN DRIVE, SAN LEANDRO, CA 94577

In witness whereof this instrument is executed.

Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 4 by its attorney in fact Ocwen Loan Servicing, LLC  
On MAR 16 2015

Vicki Peplish Authorized

Signer

## EXHIBIT 8: USEFUL LEGAL REFERENCES

The following references might be useful:

### Invalid assignments

Supreme Court of California, February 24, 1954, Cockerall v. Title Ins. & Trust Co. (42 Cal. 2d 284; 267 P.2d 16; 1954 Cal. LEXIS 172)

"The court ruled that plaintiffs failed to establish that they were owners of a third deed of trust by assignment because they failed to present evidence that the person who signed the assignment was authorized to do so by the company that purportedly assigned its rights"

### Standing

Standing is a requirement based in Article III of the United States Constitution, and a defect in standing cannot be waived by the parties. Chapman v. Pier I Imports (U.S.) Inc., 631 F.3d 939, 954 (9<sup>th</sup> Cir 2011). Further, there is a general prohibition on a litigant's raising another person's legal rights. Oregon v. Legal Servs. Corp., 552 F.3d 965, 971 (9<sup>th</sup> Cir. 2009).

### Deed of trust and note

**"The Deed of Trust is a mere incident of the debt it secures and an assignment of the debt carries with it the security instrument. Therefore, a Deed of Trust is inseparable from the debt and always abides with the debt. It has no market or ascertainable value apart from the obligation it secures."**

**A Deed of Trust has no assignable quality independent of the debt, it may not be assigned or transferred apart from the debt, and an attempt to assign the Deed of Trust without a transfer of the debt is without effect."**

This very "simple" statement poses major issues. *To easily understand, if the Deed of Trust and the Note are not together with the same entity, then there can be no enforcement of the Note. The Deed of Trust enforces the Note. It provides the capability for the lender to foreclose on a property. If the Deed is separate from the Note, then enforcement, i.e. foreclosure cannot occur.* The following ruling summarizes this nicely.

In Demucha v. Wells Fargo, on July 5, 2011 the California appeals court in the fifth appellate district (CV-267074) ruled that Wells Fargo had no right to foreclose on a property because it had no beneficial interest in the underlying promissory note and had not been given any rights by the owner of the note.

In Saxon vs Hillery, CA, Dec 2008, Marin County Superior Court, an action by Saxon to foreclose on a property by lawsuit was dismissed due to lack of legal standing. This was because the Note and the Deed of Trust were "owned" by separate entities. The Court ruled that when the Note and Deed of Trust were separated, the enforceability of the Note was negated until rejoined.

**Robert K. Ramers**  
**Certified Mortgage Securitization Auditor**  
**Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)**

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In **US Bank v Ibanez, the Massachusetts Supreme Court** stated that the lender of a securitized loan had no right to foreclose due to a faulty chain of assignments. The Ibanez case is attached, and oral arguments can be viewed at :

[http://www.suffolk.edu/sjc/archive/2010/SJC\\_10694.html](http://www.suffolk.edu/sjc/archive/2010/SJC_10694.html)

The briefs are also available at this site.

In **Bevilaqua v Rodriguez, the Massachusetts Supreme Court** relied on the Ibanez case to prevent a person who had purchased a property from a lender in a foreclosure sale from obtaining title to the property because the foreclosure was conducted by a lender who did not have standing to foreclose, much like what has taken place in the present case. The main point in the case, as made in the Amicus Curiae Brief of Professor Adam Levitin was “nemo dat quod non habet” – you can’t give what you don’t have, and the lender did not have title. Oral arguments can be viewed at:

[http://www.suffolk.edu/sjc/archive/2011/SJC\\_10880.html](http://www.suffolk.edu/sjc/archive/2011/SJC_10880.html)

The briefs are also available at this site.

In *Carpenter v. Longan* 16 Wall. 271, 83 U.S. 271, 274, 21 L.Ed. 313 (1872), ***the U.S. Supreme Court stated “The note and mortgage are inseparable; the former as essential, the latter as an incident. An assignment of the note carries the mortgage with it, while assignment of the latter alone is a nullity.”***

- An obligation can exist with or without security. With no security, the obligation is unsecured but still valid. A security interest, however, cannot exist without an underlying existing obligation. It is impossible to define security apart from its relationship to the promise or obligation it secures. (Civil Code §§ 2872, 2909, 2920; California Mortgages and Deeds of Trust, and Foreclosure Litigation, by Roger Bernhardt, Fourth Edition, § 1.11) The obligation and the security are commonly drafted as separate documents – typically a promissory note and a deed of trust. If the creditor transfers the note but not the deed of trust, the transferee receives a secured note; the security follows the note, legally if not physically. If the transferee is given the deed of trust without the note accompanying it, the transferee has no meaningful rights except the possibility of legal action to compel the transferor to transfer the note as well, if such was the agreement. (*Kelley v. Upshaw* 91952) 39 C.2d 179, 246 P.2d 23; *Polhemus v. Trainer* (1866) 30C 685)
- “Where the mortgagee has “transferred” only the mortgage, the transaction is a nullity and his “assignee” having received no interest in the underlying debt or obligation, has a worthless piece of paper (4 Richard R. Powell), Powell on Real Property, § 37.27 [2] (2000)
- By statute, assignment of the mortgage carries with it the assignment of the debt. . . Indeed, in the event that a mortgage loan somehow separates interests of the note and the deed of trust, with the deed of trust lying with some independent entity, the mortgage may become unenforceable. *The practical effect of splitting the deed of trust from the promissory note is to make it impossible for the*

**Robert K. Ramers**  
**Certified Mortgage Securitization Auditor**  
**Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)**

*holder of the note to foreclose, unless the holder of the deed of trust is the agent of the holder of the note. Without the agency relationship, the person holding only the note lacks the power to foreclose in the event of default. The person holding only the deed of trust will never experience default because only the holder of the note is entitled to payment of the underlying obligation. The mortgage loan becomes ineffectual when the note holder did not also hold the deed of trust."*

**ANY ATTEMPT TO TRANSFER THE BENEFICIAL INTEREST OF A  
TRUST DEED WITHOUT OWNERSHIP OF THE UNDERLYING NOTE IS  
VOID UNDER CALIFORNIA LAW**

**Multiple parties with right to foreclose**

In *Dimock v. Emerald Properties* (81 Cal.App.4th 868), two separate parties attempted to act as trustee at the same time. The court reversed a trustee sale by one of the trustees because the trustee had previously been substituted for a different trustee. In the case of a securitized loan or one that has been sold to an investor, it is possible that multiple parties could claim to be the trustee with the right of sale or multiple beneficial owners of the note could claim the right to appoint and substitute trustees. This situation could create a cloud on the title and void foreclosure actions by one of the purported trustees. As the court said in the above case:

*"Our reading of the statute is also consistent with practical necessity: there simply cannot be at any given time more than one person with the power to conduct a sale under a deed of trust. We would create inestimable levels of confusion, chaos and litigation were we to permit a beneficiary to appoint multiple trustees, each one retaining the power to sell a borrower's property."*

**Transfer of the asset to a trust**

There are several cases that support this conclusion. The United States District Court, S.D. California recently came down with a decision which held that a borrower cannot be denied **declaratory relief** where there exists a controversy as to whether the assignment of a deed was fraudulent. *Johnson v. HSBC Bank USA, et al.* 3:11-cv-2091-JM-WVG decided on **March 19, 2012**. See also, *Vogan v. Wells Fargo Bank, N.A.*, 2011 WL5826016 (E.D. Cal 2011) (holding it was improper to dismiss claims challenging defendants' standing to foreclose based on allegations that an assignment executed after the closing date of the securities pool created a plausible inference that at least some part of the recorded assignment was fabricated or otherwise invalid). The *Johnson* court held:

*"[T]he threshold issue of whether Plaintiff can make any claim related to the loan's securitization affects the viability of many of the individual claims discussed below. BOA cites *Rodenhurst v. Bank of America*, 773 F.Supp.2d 886, 899 (D. Haw. 2011) for its statement that '[t]he overwhelming authority does not support a cause of action based upon improper securitization.' However, the discussion cited in that case centers on plaintiffs who claim that securitization itself violates the agreement between the mortgagor and mortgagee. Here, Plaintiff does not dispute the right to securitize the mortgage, but alleges that as a result of improper procedures, the true owner of his mortgage is unclear. As a*

**Robert K. Ramers**  
**Certified Mortgage Securitization Auditor**  
**Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)**

*result, he has allegedly been paying improper entities an excess amount.”* Id. at 5-6.  
(Attached to RJN as Exhibit A).

In *Johnson*, plaintiff obtained a residential loan from a bank with **MERS as the nominee and beneficiary** of the Deed of Trust. The complaint alleged that the loan was securitized and sold to various entities but not defendant. Consequently, defendant was merely a “third-party stranger” to the loan transaction. Specifically, plaintiff alleged in the complaint that the document purporting to assign the Deed of Trust from MERS to defendant HSBC bank was fraudulent, in part because the assignment was executed after the closing date of the trust, which violates Pooling and Servicing Agreement (“PSA”). This case is virtually identical.

Another published case is that of *Naranjo v. SBNC Mortgage, et al.* (No. 11-cv-2229-L (WVG) United States District Court, S.D. California **July 24, 2012**). The court in that case held that a late assignment of the loan into a trust “gives rise to a plausible inference that the subsequent assignment, substitution, and notice of default and election to sell may also be improper.” According to the court, “[T]his reason alone is sufficient to deny Defendants’ motion with respect to this issue.” (decided July 24, 2012).

### **MERS**

There is a question as to whether the current version of MERS Board of Directors has passed a resolution authorizing it to assign bank employees as signatories.

1. In addition and examination of the Hultman Deposition will reveal that the MERS CORPORATE RESOLUTION has not been authorized by the Board for the MERS that was formed in 1999, which is the MERS in which Assigned Plaintiff is dealing with. Such Resolution was signed on behalf of MERS predecessor on April of 1998. See **Hultman deposition herein attached**, stating, “**Page 25 MERS. Line 3 Q. When was that resolution passed? Line 4 A. April 9<sup>th</sup> , of 1998.**”
2. The new MERS was incorporated with an effective date of January 1, 1999?
3. When Hultman was asked about a new Corporation, he responded. “**Page 32: Q. So if I follow you correctly, Line 33: Electronic Registration, Inc., the company that came 2 into existence on January 1, 1999, is a separate and distinct legal entity than the prior company, is that correct? 5 A. That's correct. That's correct.**”
4. Mr. Hultman was asked the following questions: **Page 43: Q. And did that entity, the entity that line10 was formed on June 30, 1998, go out of existence at Line11 some point? Line12 A. No.13 Q. Was a new entity with the same name,Line14 Mortgage Electronic Registration Systems, Inc.,Line15 created effective January 1, 1999?Line16 A. Yes. Mr. Hultman further stated as to additional questions as follows, “Page 44: Q. You**

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
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told us the first company went out Line8 of existence at some point. What happened to the Line9 second company around the time the third company was Line10 formed? Line11 A. It changed its name and gave us consent Line12 that the new corporation take that name. Line13 Q. Okay. And when did this name change Line14 take place? Line15 A. January 1st, 1999. Page 61, Q. Your testimony, Mr. Hultman, is back in April 9 of 1998 the Board of a predecessor company authorized Line 10 you to appoint non-members of MERS as assistant Line11 secretaries and vice-presidents of a successor 12 corporation? Line 16 A No. What they authorized me to do was they Line 21 delegated me the authority to elect persons requested by Line 22 members to be officers of Mortgage Electronic Line 23 Registration Systems, Inc. Line 24 Q What kind of officers? Line 25 A Assistant secretary and vice-president. Page 62 Q. And your testimony is that is what the Board Line 2 did in April of 1998? Line 3 A Yes. Line 4 Q And that resolution that was passed back in Line 5 April of 1998 was by a company that as I understand it Line 6 went out of existence in June of 1998, is that correct? Line 7 A Yes. Q. How does a resolution of a company that went Line 9 out of existence in June of 1998 become effective Line 10 October 23, 2007? Page 64. Q. Was the resolution of April 9, 1998 granting Line 18 the secretary the power to appoint certifying officers Line 19 adopted by the new MERS corporation on or after January Line 20 1, 1999? Line 21 A I don't know. Page 66. Q. As corporate secretary would you tell us, Line 18 please, what the significance is for MERS three if MERS Line 19 three did not adopt as one of the resolutions the April 20 9, 1998 resolution by MERS one? Page67. Q. I don't know the answer to that question. Page 70. Does MERS have any employees? Line 6 A. No. In the last five years has MERS had any Line 8 employees?9 A No.

5. Mr. Hultman knows everything the board does when they meet because he is required to set up their meetings and is required to attend all meetings (*emphasis added*). See section 9 of the attached bylaws.
6. According to the Hultman deposition, the resolution that empowers Hultman to approve certifying officers was originally adopted by an earlier corporate incarnation of MERS, and it has not been ratified by the current one. Whatever power Hultman had ended no later than Jan. 1, 1999, when the current MERS came into existence. Hultman states that he has the authority to designate Officers and Assistant Secretaries of MERS, however, this would con-

**Robert K. Ramers**  
**Certified Mortgage Securitization Auditor**  
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tradict MERS' own bylaws as only the Directors can do so. See **MERS bylaws herein attached/ ARTICLE VI OFFICERS at Sections 1 and 2 and Section 10 for Assistant Secretary**

7. This creates the most alarming and deadliest economic crime in history, as Trillions of Dollars, has and continues to be taken from the American People, through the use of fraudulent foreclosures.
8. Cleary, there is no CORPORATE RESOLUTION BY THE NEW MERS IN WHICH ANYONE COULD SIGN ON BEHALF OF MERS AS AN EMPLOYEE.
9. THE SUM TOTAL OF THIS MATH IN (THIS) EQUATION, IS THAT ALL ASSIGNMENTS DONE ON BEHALF OF MERS BY AND THROUGH THE ATTACHED CORPORATE RESOLUTION, BY THE DEFENDANT BANKS AND OTHER DEFENDANTS, COULD NOT BE PERFORMED UNDER THE MERS CORPORATE BYLAWS.
10. IN ADDITION, THE ASSIGNMENTS COULD NOT BE EXECUTED, AS THEY WERE, BECAUSE THEY WERE NOT PERFORMED WITHIN THE STATED RULES OF SUCH CORPORATE RESOLUTION, NAMELY THAT THE TRUSTS OWNED THE NOTES, BUT WERE NOT MEMBERS.
11. In addition pursuant to a court's decision, it was found that MERS did not have authority to operate within this state (California) until July 21, 2010 MERS. Accordingly, how could it designate the Defendant Banks or other Defendants the authority to sign as employees on its behalf.

**Exhibit D**

Recording Requested By:  
**Bank of America**  
Prepared By: **Cecilia Rodriguez**  
**450 E. Boundary St.**  
**Chapin, SC 29036**  
**888-603-9011**  
When recorded mail to:  
**CoreLogic**  
**450 E. Boundary St.**  
**Attn: Release Dept.**  
**Chapin, SC 29036**



DocID# **53114461740178851**

Property Address:  
**840 Glen Dr**  
**San Leandro, CA 94577-3864**

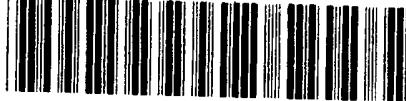
CA0-ADT 13909586 4/28/2011



**2011143053**

**05/11/2011 02:25 PM**

OFFICIAL RECORDS OF ALAMEDA COUNTY  
**PATRICK O'CONNELL**  
RECORDING FEE: **21.00**



**2 PGS**

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MIN #: 100034200057202701

MERS Phone #: 888-679-6377

## **ASSIGNMENT OF DEED OF TRUST**

For Value Received, the undersigned holder of a Deed of Trust (herein "Assignor") whose address is **3300 S.W. 34TH AVENUE, SUITE 101 OCALA, FL 34474** does hereby grant, sell, assign, transfer and convey unto **BAC HOME LOANS SERVICING, LP FKA COUNTRYWIDE HOME LOANS SERVICING, LP** whose address is **BAC CORP OWNED ASSET, SIMI VALLEY, CA 93065** all beneficial interest under that certain Deed of Trust described below together with the note(s) and obligations therein described and the money due and to become due thereon with interest and all rights accrued or to accrue under said Deed of Trust.

Original Lender: **METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE**  
Original Borrower(s): **LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN**  
Original Trustee: **FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS, A CALIFORNIA CORPORATION**  
Date of Deed of Trust: **6/15/2006**  
Original Loan Amount: **\$640,000.00**

Recorded in Alameda County, CA on: **6/23/2006**, book **N/A**, page **N/A** and instrument number **2006241897**

IN WITNESS WHEREOF, the undersigned has caused this Assignment of Deed of Trust to be executed on

4/29/11

**MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,  
INC.**

By:   
**Bud Kamyabi, Assistant Secretary**

State of California  
County of Ventura

On April 29, 2011 before me, **Dee Ann Westfall Cortes**, Notary Public, personally appeared **Bud Kamyabi**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

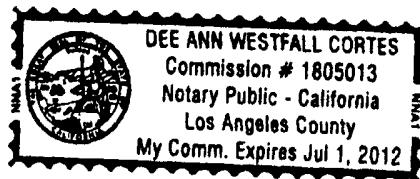
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Deeannwestfallcortes

Notary Public: **Dee Ann Westfall Cortes**  
My Commission Expires: **7/1/2012**

(Seal)



attached to: assignment of Deed of Trust: Linda C. Reed

**Exhibit E**

Recording Requested By and When Recorded  
Return To:  
Indecom Global Services  
2925 Country Drive  
St. Paul, MN 55117

2014130019

05/29/2014 10:40 AM

OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE: 25.00



1 PG

bao

79155733

## Assignment of Deed of Trust

Loan: 7130839298

Dated: May 21, 2014  
For value received **Bank of America, N.A. successor by merger to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing, LP**, by Indecom Global Services its attorney in fact, 7105 Corporate Drive, Plano, TX 75024, the undersigned hereby grants, assigns and transfers to **Christiana Trust, a division of Wilmington Savings Fund Society, FSB**, not in its individual capacity but as Trustee of ARLP Trust 3, In c/o Altisource Asset Management Corporation, 402 Strand St, Frederiksted, VI 00820, all beneficial interest under a certain Deed of Trust dated June 15, 2006 executed by **LINDA C REED, AN UNMARRIED WOMAN** and recorded in Book XX on Page(s) XX as Document Number **2006241897** on June 23, 2006 in the office of the **County Recorder of Alameda County, California**.

Bank of America, N.A. successor by merger to BAC Home  
Loans Servicing, LP FKA Countrywide Home Loans  
Servicing, LP, by Indecom Global Services its attorney in  
fact

By: Bao Cindy Fang

Bao Cindy Fang,  
Vice President

STATE OF Minnesota

)



COUNTY Ramsey

) SS

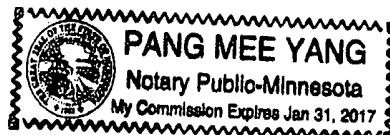
\*U04683732\*

On this, the **21st day of May , 2014** , before me the undersigned officer, personally appeared **Bao Cindy Fang** who acknowledged himself or herself to be the **Vice President of Bank of America, N.A. successor by merger to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing, LP**, by Indecom Global Services its attorney in fact , and that he or she as such **Vice President** , being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself or herself as **Vice President** .

In witness whereof, I here unto set my hand and official seal.

Prepared By:  
LeeAnn Samuelson  
Indecom Global Services  
2925 Country Drive  
St. Paul, MN 55117

Pang Mee Yang, Notary Public  
My Commission expires: January 31, 2017



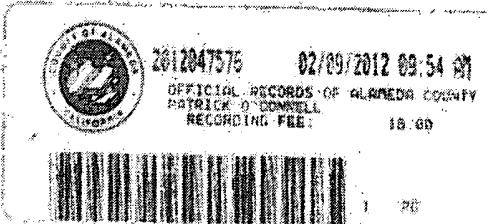
**Exhibit F**

Robert K. Ramers  
Certified Mortgage Securitization Auditor  
Tel: 415-730-4514 email: [ramers@ix.netcom.com](mailto:ramers@ix.netcom.com)

## EXHIBIT 4: SUBSTITUTION OF TRUSTEE

### LANDSAFE TITLE

RECOGNITION REQUESTED BY:  
RECONTRUST COMPANY  
AND WHEN RECORDED MAIL DOCUMENT  
AND TAX STATEMENTS TO:  
RECONTRUST COMPANY  
1800 Tapo Canyon Rd., CA 91344-0144  
SIMI VALLEY, CA 93063



ATTN: Jeffrey Giles  
TS No. 12-00092948

120015809

(Space above this line for Recorder's use)

### SUBSTITUTION OF TRUSTEE

WHEREAS, LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN was the original Trustee, FIDELITY NATIONAL LOAN PORTFOLIO SOLUTIONS, A CALIFORNIA CORPORATION was the original Trustee, and MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. was the original Beneficiary under that certain Deed of Trust dated 06/15/2006, recorded on 06/23/2006 as Instrument No. 2006241893 in Book Page of Official Records of Alameda County, California;

WHEREAS, the undersigned is the present Beneficiary under said Deed of Trust; and

WHEREAS, the undersigned desires to substitute a new Trustee under said Deed of Trust in place and instead of said original Trustee, or Successor Trustee, hereunder, in the manner in said Deed of Trust provided.

NOW THEREFORE, the undersigned hereby substitutes RECONTRUST COMPANY, N.A., WHOSE ADDRESS IS: 1800 Tapo Canyon Rd., CA 91344-0144 SIMI VALLEY, CA 93063, as Trustee under said Deed of Trust.

Whenever the context hereof so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

DATED February 07, 2012

BANK OF AMERICA, N.A., SUCCESSOR BY  
MERGER TO BAC HOME LOANS SERVICING, LP  
FKA COUNTRYWIDE HOME LOANS SERVICING LP

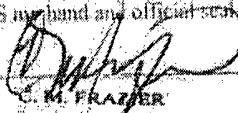
State of: California

County of: Ventura

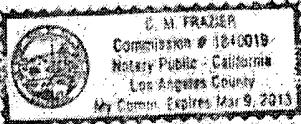
On FEB - 7 2012 before me, Notary Public, personally appeared Loryn Stone, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies); and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: 

(Seal)



Form 300-2011, 11-0-11/2011

**Exhibit G**

Recording Requested By:  
OCWEN LOAN SERVICING, LLC



2015108521

04/24/2015 02:25 PM

OFFICIAL RECORDS OF ALAMEDA COUNTY  
STEVE MANNING  
RECORDING FEE: 28.00

WHEN RECORDED RETURN TO:  
SECURITY CONNECTIONS, INC.  
240 TECHNOLOGY DRIVE  
IDAHO FALLS, ID 83401



2 PCS

CORPORATE ASSIGNMENT OF DEED OF TRUST

Alameda, California  
SELLER'S SERVICING #:7130839298 "REED"  
SELLER'S LENDER ID#: DW SCI  
OLD SERVICING #: 144617401

Prepared By: Karen Smith, OCWEN LOAN SERVICING, LLC 5720 PREMIER PARK DRIVE, WEST PALM BEACH, FL 33407  
800-746-2936

For Value Received, Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 4 by it's attorney in fact Ocwen Loan Servicing, LLC hereby grants, assigns and transfers to WILMINGTON TRUST, NATIONAL ASSOCIATION, NOT IN ITS INDIVIDUAL CAPACITY BUT AS TRUSTEE OF ARLP SECURITIZATION TRUST, SERIES 2014-2 at C/O OCWEN LOAN SERVICING, LLC., 1661 WORTHINGTON ROAD, STE 100, WEST PALM BEACH, FL 33409 all its interest under that certain Deed of Trust dated 06/15/2006 , in the amount of \$640,000.00, executed by LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS"), SOLELY AS NOMINEE FOR METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, ITS SUCCESSORS AND/OR ASSIGNS and Recorded: 06/23/2006 as Instrument No.: 2006241897 in the County of Alameda, State of California.

Property Address: 840 GLEN DRIVE, SAN LEANDRO, CA 94577

In witness whereof this instrument is executed.

Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 4 by it's attorney in fact Ocwen Loan Servicing, LLC

On MAR 16 2015

Vicki Pospisil, Authorized  
Signer

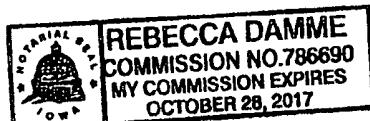
CORPORATE ASSIGNMENT OF DEED OF TRUST Page 2 of 2

STATE OF Iowa  
COUNTY OF Black Hawk

On MAR 16 2015, before me, REBECCA DAMME, a Notary Public in and for Black Hawk in the State of Iowa, personally appeared Vicki Pospisil, Authorized Signer, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal,

  
REBECCA DAMME  
Notary Expires: 10 28 17



(This area for notarial seal)

**Exhibit H**



O C W E N

Ocwen Loan Servicing, LLC

PO Box 785061

Orlando FL 32878-5061

HELPING HOMEOWNERS IS WHAT WE DO!™

January 20, 2016

Linda C Reed  
C/O Megan Dailey  
805 Maine Ave  
Richmond CA 94804

RE: Ocwen Account Number: 7130839298  
CFPB Case Number: 160113-002167  
Property Address: 840 Glen Dr  
San Leandro CA 94577

Dear Linda C Reed:

On behalf of Ocwen Loan Servicing, LLC (Ocwen), the Office of the Consumer Ombudsman would like to thank you for your correspondence received from the Consumer Financial Protection Bureau (CFPB) on January 15, 2016. Specifically, this letter is in response to your concerns with the owner of the loan and the right to foreclose on the above-referenced property. The Consumer Ombudsman's office was created to provide a resource to assist with unresolved concerns and issues.

Ocwen has received and responded to similar correspondence from you on November 17, 2015, December 31, 2015, and on January 16, 2016 copies of each of these responses were mailed to your attorney's office at the mailing address listed above. Copies of these letters are enclosed for your response. As the enclosures were previously provided, they are not enclosed again. Should you need additional copies of the enclosures with the prior responses, please contact me directly and I am more than happy to provide you with additional copies.

While the most recent correspondence is similar in nature to past inquiries, in an attempt to be responsive to your inquiry, the following information is being provided. As previously advised, the above-referenced account originated on June 15, 2006 with Metrocities Mortgage, LLC DBA Red Tape Mortgage. The loan was originated with Mortgage Electronic Registration Systems (MERS) as nominee for the original lender, its successors and assigns as beneficiary of record. The loan was registered on the MERS System, under MIN Number 10003420005720701 so that recorded assignments were not required. The loan remained registered with MERS until it was assigned to the loan servicer in 2011. Assignments have been recorded in Alameda County for the above-referenced property as follows:

- May 11, 2011 – Loan assigned from MERS to BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing, LP,

January 20, 2016  
Ocwen Account Number 7130839298  
CFPB Case Number 160113-002167  
Page Two

- May 29, 2014 – Loan assigned from Bank of America, N.A. successor by merger to BAC Home Loans Servicing LP FKA Countrywide Home Loans Servicing, LP to Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 3, In c/o Altisource Asset Management Corporation.
- September 2, 2014 – Corrective Assignment of Deed of Trust for the May 29, 2014 recorded document. The following is the correction of where the loan was assigned: Loan assigned from Bank of America, N.A. successor by merger to BAC Home Loans Servicing LP FKA Countrywide Home Loans Servicing, LP to Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 4, In c/o Altisource Asset Management Corporation.
- April 24, 2015 – Loan assigned from Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 4, In c/o Altisource Asset Management Corporation to Wilmington Trust, National Association, not in its individual capacity but Trustee of ARLP Securitization Trust Series 2014-2.

Copies of each of the above-referenced recorded assignments are enclosed for your reference.

As advised in the November 17, 2015 response, the entity that currently owns the loan is Wilmington Trust, National Association, not in its individual capacity but Trustee of ARLP Securitization Trust Series 2014-2, 1100 North Market Street, Wilmington, DE 19890. The ownership of your loan is based upon Ocwen's review of its records as of the date of this letter. The ownership status may change from time to time. However, Ocwen is currently servicing the account and all inquiries should be directed to our office.

As of the date of this letter, the account is past due for the August 1, 2008 through January 1, 2016 payments and is in foreclosure. The foreclosure proceedings are in compliance with state and federal regulations as well as the terms of the enclosed Deed of Trust.

As previously advised, Ocwen did not originate this loan. As such, any concerns with the loan origination must be addressed with the loan originator. Ocwen provided a letter dated October 5, 2012 which advised you had 30 days to dispute the debt.. As Ocwen received no dispute from you within 30 days of the notice dated October 5, 2012, the debt was assumed to be valid. A copy of this notice was included with the November 17, 2015 response. As indicated above, if you require copies of any of the prior documentation included with the previous responses, please let me know so we may provide you with an additional copy.

This account has been assigned an Ocwen Relationship Manager as a single point of contact. If you have any questions regarding the account or options that we may have available, please contact 1-800-746-2936, option 2, then option 4 to speak with or to schedule an appointment with the Ocwen Relationship Manager, Mr. Sebastian Rao.

January 20, 2016  
Ocwen Account Number 7130839298  
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Page Three

Mr. Rao is your designated contact for inquiries and the submission of documents as needed.

Thank you for bringing your concerns to our attention. Ocwen has investigated your allegation that Ocwen does not have the right to proceed with foreclosure action and found no error. I have enclosed the documentation we relied upon to review your concern. If you believe there is additional documentation relevant to your issue, which was not provided, you may request such documents by contacting me directly at:

Office of the Consumer Ombudsman  
Attention: Tammy Versluis  
3451 Hammond Ave  
Waterloo, IA 50702  
Fax: 1-866-472-3254

The Office of the Consumer Ombudsman is here to ensure that Ocwen's servicing remains fair, reasonable, and proper. Should you have any further concerns relating to this response, you may contact me at 1-800-390-4656 or direct at 1-319-236-5844.

Sincerely,



Tammy Versluis  
Consumer Account Analyst  
Office of the Consumer Ombudsman  
Ocwen Loan Servicing, LLC  
NMLS #1852

Enclosures

cc: CFPB  
Submitted Electronically

Megan Ann Dailey  
805 Maine Ave  
Richmond CA 94804

Notice to Mortgagor: This communication is from a debt collector attempting to collect a debt; any information obtained will be used for that purpose. However, if the debt is in an active bankruptcy or has been discharged through bankruptcy, this communication is purely provided to you for informational purposes only with regard to our secured lien

At the time of this communication, it was not intended as an attempt to collect a debt from someone who did not owe the debt.



[www.ocwen.com](http://www.ocwen.com)

October 5, 2012

Linda C Reed  
840 Glen Dr  
San Leandro, CA 94577

#### NOTICE OF ASSIGNMENT, SALE OR TRANSFER OF SERVICING RIGHTS

OCWEN LOAN #: 7130839298  
PROPERTY ADDRESS: 840Glen Dr  
San Leandro, CA 94577

Dear Borrower(s):

Ocwen Loan Servicing, LLC ("Ocwen") would like to welcome you as a new customer. In accordance with Section 6 of the Real Estate Settlement Procedures Act ("RESPA") (12 U.S.C. Section 2605), we are informing you that effective October 1, 2012, the servicing of your mortgage loan, that is the right to collect payments from you, will be assigned, sold and/or transferred from Bank of America, N.A. to Ocwen. Except in limited circumstances, the law requires that your new Servicer must send you notice no later than 15 days after this effective date. The assignment, sale, or transfer of the servicing of the mortgage loan does not affect any term or condition of the mortgage instruments, other than terms directly related to the servicing of your loan.

Your Prior Servicer is Bank of America, N.A.. If you have questions relating to the transfer of servicing from your Prior Servicer, please call Bank of America, N.A. Customer Care Center, Monday through Friday, between 7:00 am and 7:00 pm PST at 1-800-669-6607. This is a toll-free telephone number.

Your new Servicer will be Ocwen. The business address for your new Servicer is set forth in the paragraph below. The toll-free telephone number for your new Servicer is (800)748-2936. If you have any questions, please contact Ocwen's Customer Care Center, Monday through Friday between 8:00 am ET to 9:00 pm ET, Saturday 8:00 am ET to 6:00 pm ET or Sunday Noon ET till 9:00 pm ET. Information concerning Ocwen and your mortgage loan may also be found online at [www.ocwen.com](http://www.ocwen.com).

Effective October 1, 2012 please direct your monthly mortgage payments to your new Servicer, Ocwen. Bank of America, N.A. will stop accepting payments from you on September 30, 2012. Please send all payments due on or after that date to Ocwen at the payment address indicated below: **If you use a Bill Pay Service, you will also need to inform them of this new payment address.**

For Western Union Quick Collect users, you can find the location nearest to you by calling (800) 238-5772 or visiting [www.westernunion.com](http://www.westernunion.com) and clicking on "Find a Location". At the location, please pay to name "OCWEN" and provide the loan number.

##### PAYMENTS

Ocwen Loan Servicing, LLC  
P.O. Box 6440  
Carol Stream, IL 60197-6440

##### CORRESPONDENCE

Ocwen Loan servicing, LLC  
Attn: Customer Care Center  
P.O. Box 24738  
West Palm Beach, FL 33416-4738

Please note that payments sent to any other location will cause a delay in posting. Payments and correspondence sent to Ocwen should include your new Ocwen Loan Number, as shown above. For your convenience, we have included a temporary payment coupon on the other side of this letter.

Additionally, it is important to contact your insurance agency to ensure that (i) Ocwen receives proof of hazard insurance (with flood and/or windstorm coverage, as applicable) on your property and (ii) Ocwen is named as the beneficiary in the Mortgagor Clause of your policy. If your mortgage payment includes escrow for taxes or insurance, please take the necessary steps to have all future bills forwarded to:

##### INSURANCE

Ocwen Loan Servicing, LLC  
ISAOA  
P. O. Box 6723  
Springfield, OH 45501-6723

##### PROPERTY TAXES

Ocwen Loan Servicing, LLC  
Attn: Tax Department  
P.O. Box 24665  
West Palm Beach, FL 33416-4665  
Phone: (800)748-2936

You may also forward evidence of insurance or insurance bills via fax or e-mail to Ocwen:

Toll Free Fax: (888)882-1816

E-mail: [updateinsuranceinfo@ocwen.com](mailto:updateinsuranceinfo@ocwen.com)

Should you have questions about your insurance, please feel free to call our Insurance Center toll-free at (866) 825-9265.

Ocwen Loan Servicing, LLC is a debt collector attempting to collect a debt: any information obtained will be used for that purpose. However, if the debt is in active bankruptcy or has been discharged through bankruptcy, this communication is not intended as and does not constitute an attempt to collect a debt.



OCWEN

[www.ocwen.com](http://www.ocwen.com)

The transfer of servicing rights may affect the terms of, or the continued availability of mortgage life, disability insurance, or any other type of optional insurance. Not everyone has this type of insurance, but if you do, please be advised that it may not transfer to Ocwen Loan Servicing, LLC. However, to verify if Ocwen is able to offer any of these services, please call our Customer Care Center at (800)746-2936, during the business hours indicated above or contact an independent insurance agent for alternative coverage options.

Mortgage escrow accounts ensure that homeowners' property taxes, fire and hazard insurance premiums; mortgage insurance premiums and other escrow items are paid in a timely fashion. They are a guarantee that there is always enough money to pay these bills when they are due so that the homeowner avoids the risk of lapsed insurance coverage or delinquent taxes. If you would like to establish an escrow account with Ocwen, please call our office at (800)746-2936.

You should also be aware of the following information which is set out in more detail in Section 6 of the Real Estate Settlement Procedures Act ("RESPA") (12 U.S.C. Section 2605). During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old Servicer before its due date may not be treated by the new loan Servicer as late, and a late fee may not be imposed on you.

Section 6 of RESPA also gives you certain consumer rights. If you send a "qualified written request" to Ocwen concerning the servicing of your loan, Ocwen must provide you with a written acknowledgement within 20 business days of receipt of your request. A "qualified written request" is defined as a written correspondence, other than notice on a payment coupon or other payment medium supplied by the Servicer, which includes your name and account number and your reasons for the request. A "business day" is a day on which the offices of the business entity are open to the public for carrying on substantially all of its business functions. Not later than 60 business days after receiving your request, Ocwen must make the appropriate corrections to your account, and must provide you with a written clarification regarding any dispute. During this 60-business-day period, Ocwen may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. However, this does not prevent Ocwen from initiating foreclosure if proper grounds exist under the mortgage documents. In addition, except as otherwise provided herein, we may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

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

Upon receipt of this letter, please call our office at (800)746-2936 between Monday through Friday between 8:00 am to 9:00 pm ET, Saturday, 8:00 am ET to 5:00 pm ET or Sunday Noon ET till 9:00 pm ET or visit our website at [www.ocwen.com](http://www.ocwen.com), which is available 24 hours a day, so that we may verify the information we received. We look forward to servicing your loan.

Sincerely,

Ocwen Loan Servicing, LLC  
NMLS # 1852

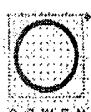
*Please Detach below and include with your monthly payment.*

00004816286 444444881 000007130839298 50 004816286

Linda C Reed

Account Number: 7130839298

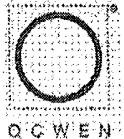
Check box if your contact information has changed, update on the back



Note: If your loan is current, any excess funds will first be applied to outstanding amounts due and then additional principal.  
If this payment is made via automatic drafting, this statement is for informational purposes only.

AMOUNT DUE \$   
Additional Principal: \$   
Additional Escrow: \$   
Other: (Please Specify) \$   
  
Total Enclosed: \$

OCWEN  
PO BOX 6440  
CAROL STREAM IL 60197-6440



Ocwen Loan Servicing, LLC  
HELPING HOMEOWNERS IS WHAT WE DO!™  
[WWW.OCWEN.COM](http://WWW.OCWEN.COM)

## Welcome to Ocwen! Important Information

Welcome to Ocwen Loan Servicing, LLC (Ocwen). We have attached a few frequently asked questions as it is natural that you may have a few questions about this change and what it will mean. Please rest assured that we value your business and look forward to assisting you in the future as HELPING HOMEOWNERS IS WHAT WE DO!™

### Frequently Asked Questions:

#### **What if I made a payment to my Prior Servicer, but it has not posted yet?**

Your previous Servicer will forward your payment to us within 15 business days. It may take a few days for us to receive and apply the payments, but this will not negatively impact your account or your credit report. To check on the status of your account, you may go to [www.ocwen.com](http://www.ocwen.com).

#### **How can I get information about my account?**

You can access Ocwen's website and/or automated telephone system which will provide you with information regarding your account 24-hours a day. These systems have been designed to provide you with the most frequently requested services or information. They may include, but are not limited to, options to obtain payment histories, a payoff or reinstatement quote, status of your credit reporting, payment options, status of tax and insurance payments, financial hardship options and frequently asked questions (FAQ). Website: [www.ocwen.com](http://www.ocwen.com). Telephone Number: (800)746-2936.

#### **If my account is past due and I have not made a payment arrangement with my Prior Servicer, how can I make payment arrangements or get assistance due to financial difficulties?**

We offer a number of specialized programs designed to fit your unique financial situation. Please go to [www.ocwen.com](http://www.ocwen.com), click on Mortgage Customers and then log in with your User ID and Password. If you need to create a User ID and Password select the New Customers icon. Once you log in, select the 'Financial Difficulties' icon. This will allow you to download an application package.

#### **If I cannot resolve my issue online, what number do I call and what are the hours?**

Ocwen's toll free number is (800)746-2936. In order to accommodate borrowers' busy schedules, we are open late at night and very early in the morning. Our hours are:

Monday through Friday - 8:00am to 9:00pm

Saturday- 8:00am to 5:00pm

Sunday - Noon to 9:00 pm

All Eastern Standard Time

#### **If my account is current, where do I send my payments?**

Our payment processing address is:

Ocwen Loan Servicing, LLC

PO Box 6440

Carol Stream, IL 60197-6440

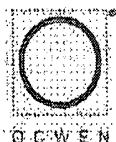
#### **I am currently on a trial modification plan and still have payments remaining before it becomes a final/permanent modification, what do I do?**

You should continue making your monthly payments as required in the modification plan. Your Prior Servicer will be providing Ocwen the status of your modification. Please allow us 30 days to review and process your information. It is not necessary to call for a status prior to 30 days as the agent will not have any additional information to provide to you.

Ocwen Loan Servicing, LLC is a debt collector attempting to collect a debt; any information obtained will be used for that purpose. However, if the debt is in active bankruptcy or has been discharged through bankruptcy, this communication is not intended as and does not constitute an attempt to collect a debt.



Ocwen Loan Servicing, LLC  
HELPING HOMEOWNERS IS WHAT WE DO!™  
[WWW.OCWEN.COM](http://WWW.OCWEN.COM)



**I am currently on a trial plan for my mortgage modification, and I have made all of my trial payments. When can I expect my final/permanent modification?**

Your Prior Servicer will be providing Ocwen with the status of your modification. You should continue to make your payment each month. Our goal is to review your loan as soon as possible and provide your final modification agreement to you. Please allow up to 30 days from the date of the transfer for Ocwen to obtain and process your application documentation.

**I just submitted my modification application to the Prior Servicer, should I send this to Ocwen again?**

Your Prior Servicer will be providing Ocwen with the status of your modification application and copies of your documentation. It is not necessary to re-send the documents to Ocwen at this time. Please allow up to 30 days from the date of the account transfer for Ocwen to process your application documentation and determine your eligibility. It is not necessary to call prior to 30 days as the agent will not have any additional information to provide to you.

**I received a notice from my Prior Servicer that I was denied for the Making Home Affordable Program. I am still having financial difficulty, what can I do?**

We may still be able to help you. We offer a number of specialized programs designed to fit your situation. Please go to [www.ocwen.com](http://www.ocwen.com) for more information and download an application for assistance.

**I received a notice from my Prior Servicer that they were missing documents for my modification but I have not sent them yet; do I send these documents to Ocwen now?**

Yes, please send the documents to Ocwen via e-mail at [mod@ocwen.com](mailto:mod@ocwen.com) or fax the documents to (407)737-6174. Your Prior Servicer will be providing Ocwen with the status of your modification (trial plan or initial application), copies of your initial application and information identifying the missing documentation. Please allow up to 30 days from the date you send the documentation for Ocwen to process your documentation.

**I have a Short Sale or Deed in Lieu application pending with my Prior Servicer, do I have to resend all the documentation to Ocwen now and re-apply?**

Your Prior Servicer will be providing Ocwen with the status of your pending resolution. If you have a pending foreclosure sale date or closing scheduled in the next 60 days, to expedite processing, please resend the documentation by fax to (407)737-5071. If you do not have a foreclosure sale or scheduled closing in the next 60 days, your Prior Servicer will be providing Ocwen the status of your pending resolution. Ocwen will be contacting you with a final approval or denial. Please allow Ocwen up to 30 days to process your Short Sale or Deed in Lieu application.

**I received approval from my Prior Servicer for a Short Sale or Deed in Lieu; will this approval be honored by Ocwen?**

Yes, it will be honored as long as you meet the original requirements or contingencies for approval provided by your Prior Servicer. With respect to Short Sales, please note that the original expiration date of your Prior Servicer's approval (the "good through" date) still applies and if it has expired, the approval is no longer valid. Your Prior Servicer will be providing these approval requirements to Ocwen.

**I received approval from my Prior Servicer for a Short Sale or Deed in Lieu, but the approval is going to expire shortly (or just expired) and my closing is after this day, what do I do?**

You should fax your original approval documents and an updated net sheet or HUD1 with the new projected closing date to (407)737-5071. With respect to Short Sales, please note that the original expiration date of your Prior Servicer's approval (the "good through" date) still applies. Please note, if there is a Foreclosure Sale scheduled on your account, we will not postpone the foreclosure sale.

Hopefully, we have answered some of your questions. Thank you once again for your business. We are excited to have the opportunity to work with you.

Sincerely,

Ocwen Loan Servicing, LLC  
NMLS #1852



O C W E N

WWW.OCWEN.COM

October 5, 2012

Linda C Reed  
840 Glen Dr  
San Leandro, CA 94577

Loan Number: 7130839298  
Property Address: 840 Glen Dr, San Leandro, CA 94577

Dear Borrower(s):

Ocwen Loan Servicing, LLC ("Ocwen") is the servicer of the above-referenced loan (hereinafter referred to as "the Debt") for ("Creditor") BANK OF AMERICA DOJ NON-DSI II.

As of October 5, 2012, our records reflect that the current unpaid debt is:

Principal	\$708,684.28
Interest	\$158,329.10
Late Charges	\$ 0.00
Collection Costs	\$1,643.40
Escrow Advances	\$25,700.05
Suspense Balance	\$ 0.00
NSF Fees	\$ 0.00
Securitized Interest Balance	\$ 0.00
Deferred Interest Balance	\$ 0.00
Total Due	\$894,356.83

Please be advised that accrued interest, fees, corporate and escrow advances, and other charges (including prepayment charges if applicable) may be assessed to your account during the period prior to receipt of your payment. Therefore, the total amount due on the day your payment is received by Ocwen may have increased. This letter is in no way intended as a payoff statement for your mortgage. It merely states the amount of the debt as of the date of this letter. In the event you wish to payoff your debt please contact us at (800) 746-2936 to request a payoff statement. Ocwen prefers that all payments be made in certified funds, cashier's check or money order(s) payable to Ocwen Loan Servicing, LLC. Please always include the "Loan Number" with your payment.

Unless, within thirty (30) days after receipt of this notice, you dispute the validity of this debt or any portion thereof, we will assume the debt to be valid. If, within thirty (30) days of your receipt of this notice, you notify us in writing that the debt, or any portion thereof, is disputed, we will:

1. Obtain verification of the debt or, if the debt is founded upon a judgment, we will mail to you a copy of such verification or judgment.
2. If the original creditor is different from the creditor named above, then upon your written request within thirty (30) days of the receipt of this notice we will provide you with the name and address of the original creditor.

If you are experiencing a financial hardship, please contact our Customer Care Center immediately. Our Customer Care Coordinators can assist you or help you set up an appointment with an Ocwen Relationship Manager to discuss mortgage assistance options and explore options to avoid foreclosure. If you have been previously denied a modification, short sale or other resolution by your prior servicer, we may still be able to help you.

For your convenience, you can set up an appointment with a Relationship Manager at any time. To set up an appointment with a Relationship Manager, simply call our Customer Care Center at (800) 746-2936, Monday to Thursday 24 hours a day, Friday 12:00 am to 11:00 pm ET, Saturday 8:00 am to 4:00 pm ET or Sunday 3:00 pm to Midnight ET. Once a Relationship Manager is assigned to you, she/he will be responsible for monitoring your account, making sure that we have all of your critical information and carefully reviewing your situation.

Yours truly,

CORRESPONDENCE ADDRESS:

Ocwen Loan Servicing, LLC  
ATTN: Customer Care Center  
P.O. Box 24738  
West Palm Beach, FL 33416-4738

NMLS # 1852

DRAFT/ALTR 001

This communication is from a debt collector attempting to collect a debt; any information obtained will be used for that purpose. However, if the debt is in active bankruptcy or has been discharged through bankruptcy, this communication is not intended as and does not constitute an attempt to collect a debt.



WWW  
.OCWEN.COM

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DERVALTR.001

*This communication is from a debt collector attempting to collect a debt; any information obtained will be used for that purpose. However, if the debt is in active bankruptcy or has been discharged through bankruptcy, this communication is not intended as and does not constitute an attempt to collect a debt.*

**Exhibit I**

RECORDING REQUESTED BY:  
Premium Title of California

WHEN RECORDED MAIL TO:  
Western Progressive, LLC  
Northpark Town Center  
1000 Abernathy Rd NE; Bldg 400, Suite 200  
Atlanta, GA 30328



2015268277      10/01/2015 11:29 AM  
OFFICIAL RECORDS OF ALAMEDA COUNTY  
STEVE MANNING  
RECORDING FEE:      37.00



5 PGS

AII  
S  
pq

TS No.: 2014-01447-CA

APN No.: 76-362-7

## NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST

PURSUANT TO CIVIL CODE 2923.3(a), THE SUMMARY OF INFORMATION REFERRED TO  
BELOW IS NOT ATTACHED TO THE RECORDED COPY OF THIS DOCUMENT BUT ONLY  
TO THE COPIES PROVIDED TO THE TRUSTOR.

NOTE: THERE IS A SUMMARY OF THE INFORMATION IN THIS DOCUMENT ATTACHED  
注：本文件包含一个信息摘要

참고사항 본 첨부 문서에 정보 요약서가 있습니다

NOTA: SE ADJUNTA UN RESUMEN DE LA INFORMACION DE ESTE DOCUMENTO  
TALA: MAYROONG BUOD NG IMPORMASYON SA DOKUMENTONG ITO NA NAKALAKIP  
LUU Y: KEM THEO ĐÂY LA BAN TRINH BAY TOM LUQC VÉ THÔNG TIN TRONG TAI LIU NAY

### IMPORTANT NOTICE

**IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN  
YOUR PAYMENTS IT MAY BE SOLD WITHOUT ANY COURT ACTION,** and you  
may have the legal right to bring your account in good standing by paying all of your past due payments  
plus permitted costs and expenses within the time permitted by law for reinstatement of your account,  
which is normally five business days prior to the date set for the sale of your property. No sale date may be  
set until approximately 90 days from the date this notice of default may be recorded (which date of  
recordation appears on this notice).

This amount is \$ 349,937.72 as of 09/15/2015, and will increase until your account becomes current. While  
your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required  
by your note and deed of trust or mortgage. If you fail to make future payments on the loan, pay taxes on  
the property, provide insurance on the property, or pay other obligations as required in the note and deed of  
trust or mortgage, the beneficiary or mortgagee may insist that you do so in order to reinstate your account  
in good standing. In addition, the beneficiary or mortgagee may require as a condition of reinstatement that  
you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance  
premiums.

## **NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST**

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing prior to the time the notice of sale is posted (which may not be earlier than three months after this notice of default is recorded) to, among other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the first paragraph of this notice, unless the obligation being foreclosed upon or a separate written agreement between you and your creditor permits a longer period, you have only the legal right to stop the sale of your property by paying the entire amount demanded by your creditor.

**To find out the amount you must pay, or to arrange for payment to stop the foreclosure, or if your property is in foreclosure for any other reason, contact:**

**Wilmington Trust, National Association, not in its individual capacity but as Trustee of ARLP Securitization Trust, Series 2014-2, By Ocwen Loan Servicing, LLC, its attorney in-fact**

**C/O Western Progressive, LLC**  
Northpark Town Center  
1000 Abernathy Rd NE; Bldg 400, Suite 200  
Atlanta, GA 30328  
Servicer Phone: 877-596-8580

If you have any questions, you should contact a lawyer or the governmental agency which may have insured your loan. Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale provided the sale is concluded prior to the conclusion of the foreclosure. **Remember, YOU MAY LOSE LEGAL RIGHTS IF YOU DO NOT TAKE PROMPT ACTION.**

**NOTICE IS HEREBY GIVEN:** That Western Progressive, LLC is either the original trustee, the duly appointed substituted trustee, or acting as agent for the trustee or beneficiary under a Deed of Trust dated 06/15/2006, executed by, **LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN**, as Trustor, to secure certain obligations in favor of METROCITIES MORTGAGE LLC DBA NO RED TAPE MORTGAGE, A LIMITED LIABILITY COMPANY, as Lender, Mortgage Electronic Registration Systems, Inc., as Beneficiary., recorded 06/23/2006 , as Instrument No. **2006241897** , in Book ---, Page --- , of Official Records in the Office of the Recorder of Alameda County, California describing land therein as: **As more particularly described on said Deed of Trust.**

## **NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST**

Street Address or other common designation of real property:

**840 Glen Drive, San Leandro, CA 94577**

The subject obligation includes **ONE NOTE(S) FOR THE ORIGINAL** sum of \$ 640,000.00. A breach of, and default in, the obligations for which such Deed of Trust is security has occurred in that payment has not been made of the following:

**Installment of Principal and Interest plus impounds and/or advances which became due on 08/01/2008 plus late charges, and all subsequent installments of principal, interest, balloon payments, plus impounds and/or advances and late charges that become payable.**

**You are responsible to pay all payments and charges due under the terms and conditions of the loan documents which come due subsequent to the date of this notice, including, but not limited to, foreclosure trustee fees and costs, advances and late charges.**

**Furthermore, as a condition to bring your account in good standing, you must provide the undersigned with written proof that you are not in default on any senior encumbrance and provide proof of insurance.**

**Nothing in this notice of default should be construed as a waiver of any fees owing to the beneficiary under the deed of trust, pursuant to the terms and provisions of the loan documents.**

That by reason thereof, the present beneficiary under such deed of trust, has delivered to said duly appointed Trustee, a written request to commence foreclosure, and has deposited with said duly appointed Trustee, a copy of the deed of trust and other documents evidencing the obligations secured thereby, and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

"See Attached Declaration"

**YOU MAY DISPUTE THE DEBT OR A PORTION THEREOF WITHIN THIRTY (30) DAYS. THEREAFTER WE WILL OBTAIN AND FORWARD TO YOU WRITTEN VERIFICATION THEREOF. SHOULD YOU NOT DO SO, THE DEBT WILL BE CONSIDERED VALID. IN ADDITION, YOU MAY REQUEST THE NAME AND ADDRESS OF THE ORIGINAL CREDITOR IF DIFFERENT FROM THE CURRENT ONE.**

**2. The mortgage servicer has exercised due diligence to contact the borrower pursuant to California Civil Code 2923.55(f) to "assess the borrower's financial situation and explore options for the borrower to avoid foreclosure." Thirty (30) days, or more, have passed since these due diligence requirements were satisfied.**

TS No.: 2014-01447-CA

Dated: September 25, 2015

Western Progressive, LLC, as Trustee for beneficiary

Keisha Lyons  
Keisha Lyons, Trustee Sale Assistant

**WESTERN PROGRESSIVE, LLC MAY BE ACTING AS A DEBT COLLECTOR ATTEMPTING TO  
COLLECT A DEBT. ANY INFORMATION OBTAINED MAY BE USED FOR THAT PURPOSE.**

**California Declaration of Compliance**  
(Civ. Code § 2923.55(c))

Borrower(s): Linda C Reed  
Loan No.: 7130839298

The undersigned declares as follows:

I am employed by the undersigned mortgage servicer, and I have reviewed its business records for the borrower's loan, including the borrower's loan status and loan information, to substantiate the borrower's present loan default and the right to foreclose. The information set forth herein is accurate, complete and supported by competent and reliable evidence that I have reviewed in the mortgage servicer's business records. Those records reflect *one* of the following.

- The mortgage servicer contacted the borrower to assess the borrower's financial situation and to explore options for the borrower to avoid foreclosure as required by California Civil Code § 2923.55. Thirty days, or more, have passed since the initial contact was made.
- The mortgage servicer has exercised due diligence to contact the borrower pursuant to California Civil Code § 2923.55(f) to "assess the borrower's financial situation and explore options for the borrower to avoid foreclosure." Thirty (30) days, or more, have passed since these due diligence requirements were satisfied.
- The mortgage servicer was not required to comply with California Civil Code § 2923.55 because the individual does not meet the definition of a "borrower" under Civil Code § 2920.5(c).
- The mortgage servicer was not required to comply with California Civil Code § 2923.55 because the above-referenced loan is not secured by a first lien mortgage or deed of trust that secures a loan on "owner-occupied" residential real property as defined by California Civil Code § 2924.15(a)

Signed and Dated:

By: Ocwen Loan Servicing, LLC, as Servicer for Christiana Trust, a division of Wilmington Savings Fund Society, FSB, not in its individual capacity but as Trustee of ARLP Trust 4

Matthew Owens      Contract Management Coordinator  
Print Name

  
Signature

4/30/14

Date

**Exhibit J**

TS No.: 2014-01447-CA

RECORDING REQUESTED BY  
**Western Progressive, LLC**

AND WHEN RECORDED MAIL TO:  
**Western Progressive, LLC**  
**Northpark Town Center**  
**1000 Abernathy Rd NE; Bldg 400, Suite 200**  
**Atlanta, GA 30328**

SPACE ABOVE THIS LINE FOR RECORDER'S USE

T.S. No.: 2014-01447-CA

A.P.N.: 76-362-7

Property Address: 840 Glen Drive, San Leandro, CA 94577

**NOTICE OF TRUSTEE'S SALE**

NOTE: THERE IS A SUMMARY OF THE INFORMATION IN THIS DOCUMENT ATTACHED

注：本文件包含一个信息摘要

참고사항: 본 첨부 문서에 정보 요약서가 있습니다.

NOTA SE ADJUNTA UN RESUMEN DE LA INFORMACION DE ESTE DOCUMENTO

TALA: MAYROONG BUOD NG INFORMASYON SA DOKUMENTONG ITO NA NAKALAKIP  
LƯU Y: KÈM THEO ĐÂY LÀ BẢN TRÌNH BÁY TÓM LUÔC VỀ THÔNG TIN TRONG TAI LIỆU NÀY

**IMPORTANT NOTICE TO PROPERTY OWNER:**

YOU ARE IN DEFAULT UNDER A DEED OF TRUST DATED 06/15/2006. UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE NATURE OF THE PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A LAWYER.

Trustor: **LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN**

Duly Appointed Trustee: **Western Progressive, LLC**

Recorded **06/23/2006** as Instrument No. **2006241897** in book **---**, page **---** and of Official Records in the office of the Recorder of Alameda County, California,

Date of Sale: **04/04/2016 at 12:00 PM**

Place of Sale: **AT THE FALLON STREET EMERGENCY EXIT OF THE ALAMEDA**

**COUNTY COURTHOUSE, 1225 FALLON STREET, OAKLAND, CA  
94612**

Estimated amount of unpaid balance and other charges: **\$ 990,284.22**

## NOTICE OF TRUSTEE'S SALE

WILL SELL AT PUBLIC AUCTION TO HIGHEST BIDDER FOR CASH, CASHIER'S CHECK DRAWN ON A STATE OR NATIONAL BANK, A CHECK DRAWN BY A STATE OR FEDERAL CREDIT UNION, OR A CHECK DRAWN BY A STATE OR FEDERAL SAVINGS AND LOAN ASSOCIATION, A SAVINGS ASSOCIATION OR SAVINGS BANK SPECIFIED IN SECTION 5102 OF THE FINANCIAL CODE AND AUTHORIZED TO DO BUSINESS IN THIS STATE.

All right, title, and interest conveyed to and now held by the trustee in the hereinafter described property under and pursuant to a Deed of Trust described as:

More fully described in said Deed of Trust.

Street Address or other common designation of real property: **840 Glen Drive, San Leandro, CA 94577**  
A.P.N.: **76-362-7**

The undersigned Trustee disclaims any liability for any incorrectness of the street address or other common designation, if any, shown above.

The sale will be made, but without covenant or warranty, expressed or implied, regarding title, possession, or encumbrances, to pay the remaining principal sum of the note(s) secured by the Deed of Trust. The total amount of the unpaid balance of the obligation secured by the property to be sold and reasonable estimated costs, expenses and advances at the time of the initial publication of the Notice of Sale is: **\$ 990,284.22**.

**If the Trustee is unable to convey title for any reason, the successful bidder's sole and exclusive remedy shall be the return of monies paid to the Trustee; and the successful bidder shall have no further recourse.**

The beneficiary of the Deed of Trust has executed and delivered to the undersigned a written request to commence foreclosure, and the undersigned caused a Notice of Default and Election to Sell to be recorded in the county where the real property is located.

**NOTICE TO POTENTIAL BIDDERS:** If you are considering bidding on this property lien, you should understand that there are risks involved in bidding at a trustee auction. You will be bidding on a lien, not on the property itself. Placing the highest bid at a trustee auction does not automatically entitle you to free and clear ownership of the property. You should also be aware that the lien being auctioned off may be a junior lien. If you are the highest bidder at the auction, you are or may be responsible for paying off all liens senior to the lien being auctioned off, before you can receive clear title to the property. You are encouraged to investigate the existence, priority, and size of outstanding liens that may exist on this property by contacting the county recorder's office or a title insurance company, either of which may charge you a fee for this information. If you consult either of these resources, you should be aware that the same lender may hold more than one mortgage or deed of trust on this property.

## NOTICE OF TRUSTEE'S SALE

**Note:** Because the Beneficiary reserves the right to bid less than the total debt owed, it is possible that at the time of the sale the opening bid may be less than the total debt.

**NOTICE TO PROPERTY OWNER:** The sale date shown on this notice of sale may be postponed one or more times by the mortgagee, beneficiary, trustee, or a court, pursuant to Section 2924g of the California Civil Code. The law requires that information about trustee sale postponements be made available to you and to the public, as a courtesy to those not present at the sale. If you wish to learn whether your sale date has been postponed, and, if applicable, the rescheduled time and date for the sale of this property, you may call (866)-960-8299 or visit this Internet Web site <http://www.altisource.com/MortgageServices/DefaultManagement/TrusteeServices.aspx> using the file number assigned to this case 2014-01447-CA. Information about postponements that are very short in duration or that occur close in time to the scheduled sale may not immediately be reflected in the telephone information or on the Internet Web site. The best way to verify postponement information is to attend the scheduled sale.

**Western Progressive, LLC, as Trustee for beneficiary**  
C/o 30 Corporate Park, Suite 450  
Irvine, CA 92606  
**Automated Sale Information Line: (866) 960-8299**  
<http://www.altisource.com/MortgageServices/DefaultManagement/TrusteeServices.aspx>  
**For Non-Automated Sale Information, call: (866) 240-3530**

Date: February 23, 2016

**WESTERN PROGRESSIVE, LLC MAY BE ACTING AS A DEBT COLLECTOR  
ATTEMPTING TO COLLECT A DEBT. ANY INFORMATION OBTAINED MAY BE USED  
FOR THAT PURPOSE.**

### **Summary of Notice of Sale**

### **NOTICE OF SALE SUMMARY OF KEY INFORMATION**

The attached notice of sale was sent to LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN, in relation to 840 Glen Drive, San Leandro, CA 94577

YOU ARE IN DEFAULT UNDER A DEED OF TRUST OR MORTGAGE DATED 06/15/2006, UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE.

IF YOU NEED AN EXPLANATION OF THE NATURE OF THE PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A LAWYER.

The total amount due in the notice of sale is \$ 990,284.22

Your property is scheduled to be sold on 04/04/2016 at 12:00 PM at AT THE FALLON STREET EMERGENCY EXIT OF THE ALAMEDA COUNTY COURTHOUSE, 1225 FALLON STREET, OAKLAND, CA 94612

However, the sale date shown on the attached notice of sale may be postponed one or more times by the mortgagee, beneficiary, trustee, or a court, pursuant to Section 2924g of the California Civil Code. The law requires that information about trustee sale postponements be made available to you and to the public, as a courtesy to those not present at the sale. If you wish to learn whether your sale date has been postponed, and, if applicable, the rescheduled time and date for the sale of this property, you may call (866) 960-8299 or visit this Internet Web site address <http://www.altisource.com/MortgageServices/DefaultManagement/TrusteeServices.aspx>, using the file number assigned to this case 2014-01447-CA. Information about postponements that are very short in duration or that occur close in time to the scheduled sale may not immediately be reflected in the telephone information or on the Internet Web site. The best way to verify postponement information is to attend the scheduled sale.

If you would like additional copies of this summary, you may obtain them by calling (866) 960-8299.

出售通知  
關鍵信息摘要

本文中包含的有關 840 Glen Drive, San Leandro, CA 94577 的出售通知發送給 LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN。你的 DEED OF TRUST OR MORTGAGE 於 06/15/2006 已經逾期違約。

除非你採取行動保護你的房產，否則該房產將被公開出售。

如果你需要了解對你的訴訟程序的性質，應該聯系一名律師。

法拍書面通知的總金額是 \$ 990,284.22。

你的房產預計出售的時間 04/04/2016。你的房產預計出售的時間 12:00 PM

出售地點 AT THE FALON STREET EMERGENCY EXIT OF THE ALAMEDA COUNTY COURTHOUSE, 1225 FALON STREET, OAKLAND, CA 94612.

然而，根據加州民法第2924g，本文中包含的法拍書面通知上顯示的出售日期可能會被抵押權人，受益人，受託人，或法院一次或多次推遲。該法規定，作為對不在法拍現場人士的一種寬限，有關受托人推遲出售的信函要提供給你和公眾。如果你想了解你的房屋出售日期是否已被推遲，以及（如適用）重新安排的法拍時間和日期，可致電(866) 960-8299。

關於推遲法拍的信息，持續時間會很短，或僅在預定法拍時間前不久發布，可能不會立即反映在電話信息或互聯網的網址上。最好確認推遲信息的方法是，出席預定的拍賣。

如果你想獲得更多的本摘要副本，請撥打下列電話(866) 960-8299。

매각 공고

주요 정보 요약

첨부된 매각 공고는 LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED

WOMAN에게 발송되는 것이며, 이는

840 Glen Drive, San Leandro, CA 94577에 관한 것입니다.

귀하는 06/15/2006 현재 날짜로 DEED OF TRUST OR MORTGAGE 하에서

채무를 이행 상태입니다. 귀하의 부동산을 보호하기 위해 조치를 취하시지 않는 한, 귀하의 부동산은 공매로 매각 처분될 수 있습니다. 귀하에게 취해지는 이러한 법적 절차에 대한 설명이 필요하신 경우, 변호사와 상담하십시오.

매각 공고에서 지불되어야 할 총액은 \$ 990,284.22입니다.

귀하의 부동산은 04/04/2016 12:00 PM에

AT THE FALON STREET EMERGENCY EXIT OF THE ALAMEDA COUNTY COURTHOUSE,  
1225 FALON STREET, OAKLAND, CA 94612

에서 매각되기로 일정이 잡혀 있습니다.

그러나 캘리포니아주 민법 2924g항에 준하여, 첨부된 매각 공고에 나타난 매각 일자는 저당권자, 신탁수익자, 수탁자, 또는 법정에 의해 한 번 이상 연기될 수 있습니다. 법에 따라, 수탁자 매각 연기에 관한 정보는 매각에 참석하지 않는 사람들에 대한 호의로서 귀하 및 일반 대중에게 제공되어야 합니다. 매각 일자가 연기되었는지, 그리고 해당되는 경우 이 부동산의 연기된 매각 일자 및 시간에 대해 알기 원하시는 경우, (866) 960-8299

매우 짧은 기간의 연기 또는 매각 일정과 가까운 시간에 발생하는 연기는 정보 안내 전화나 인터넷 웹사이트에 즉각적으로 나타나지 않을 수 있습니다. 연기 정보를 확인하는 최선의 방법은 매각 예정일에 참석하는 것입니다.

본 요약서외 추가적인 사본을 원하시는 경우, (866) 960-8299 (으)로 전화하시면 보내드립니다.

AVISO DE VENTA

RESUMEN DE LA INFORMACIÓN CLAVE

El aviso de venta adjunto se envió a LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN, en relación con 840 Glen Drive, San Leandro, CA 94577

USTED HA INCUMPLIDO LOS TÉRMINOS DE UNA DEED OF TRUST OR MORTGAGE DE FECHA 06/15/2006. SI NO TOMA MEDIDAS PARA PROTEGER SU PROPIEDAD, PODRÁ SER VENDIDO EN UNA SUBASTA PÚBLICA.

SI USTED NECESITA QUE LE EXPLIQUEN LA NATURALEZA DEL PROCEDIMIENTO EN SU CONTRA, DEBE CONSULTAR A UN ABOGADO.

El importe total adeudado correspondiente al aviso de venta es \$ 990,284.22.

La subasta de la propiedad se ha programado para el día 04/04/2016 12:00 PM en AT THE FALON STREET EMERGENCY EXIT OF THE ALAMEDA COUNTY COURTHOUSE, 1225 FALON STREET, OAKLAND, CA 94612.

No obstante, conforme al Artículo 2924g del Código Civil de California, la fecha de la subasta que figura en el aviso adjunto podrá ser postergada una o más veces por el acreedor hipotecario, el beneficiario, el fideicomisario o un tribunal. La ley exige que como cortesía para quienes no hayan asistido a la subasta, la información sobre las postergaciones solicitadas por el fideicomisario se ponga a disposición suya y del público en general. Si desea saber si la subasta de su propiedad se ha postergado y, en tal caso, la nueva fecha propuesta para la subasta de esta propiedad, puede llamar al teléfono (866) 960-8299.

Es posible que la información sobre las postergaciones por plazos muy breves o decididas muy próximo a la fecha programada para la subasta no figuren en la información que se ofrece por teléfono o en el sitio web. La mejor forma de verificar la información sobre las postergaciones es asistir a la subasta que se ha programado.

Si desea recibir copias adicionales de este resumen, puede llamar al teléfono (866) 960-8299.

TS No.: 2014-01442-CA

**PABATID NG PAGBEBENTA  
BUOD NG PANGUNAHING IMPORMASYON**

Ang nakakalip na notice of sale (pabatid ng pagbebenta) ay ipinadala kay LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN, bilang kaugnayan sa 840 Glen Drive, San Leandro, CA 94577.

**IKAW AY HINDI NAKABAYAD SA ILALIM NG DEED OF TRUST OR MORTGAGE NA MAY PETSA NA 06/15/2006. MALIBAN KUNG KAYO AY KUMILOS UPANG MAPROTEKTAHAN ANG INYONG ARI-ARIAN, MAAARI ITONG IBENTA SA ISANG PAMPUBLIKONG PAGBEBENTA.**

**KUNG KINAKAILANGAN NINYO NG PAGPAPALIWANAG SA KALIKASAN NG PAGLILITIS LABAN SA INYO, KAILANGAN NINYONG MAKIPAG-UGNAYAN SA ISANG ABOGADO.**

Ang kabuuang halaga na dapat bayaran sa notice of sale (pabatid ng pagbebenta) ay

**\$ 990,284.22.**

Ang inyong ari-arian ay nakatakdang ibenta sa 04/04/2016 12:00 PM sa **AT THE FALLON STREET EMERGENCY EXIT OF THE ALAMEDA COUNTY COURTHOUSE, 1225 FALLON STREET, OAKLAND, CA 94612.**

Gayuman, ang petsa ng pagbebenta na ipinapakita sa nakalakip na notice of sale (pabatid ng pagbebenta) ay maaaring maantala ng isa o mas-marami pang beses ng nagkaloob ng isinangla, benepisyaryo, pinagkatiwalaan, o ng korte, alinsunod sa Seksyon 2924g ng Kodigong Sibil ng California. Hinihiling ng batas na ang impormasyon tungkol sa mga pagpaaantala sa pagbebenta ng pinagkatiwalaan ay handang maibigay sa inyo at sa publiko, bilang isang kagandahan-loob doon sa mga hindi makakadaló sa bentahan. Kung nais ninyong malaman kung naantala ang inyong petsa ng pagbebenta, at kung naaangkop, ang natakda muli na oras at petsa sa bentahan ng ari-arian, maaari kayong tumawag sa (866) 960-8299 o bumisita dito sa Internet Web site address <http://www.altisource.com/MortgageServices/DefaultManagement/TrusteeServices.aspx> gamit ang numero ng file na itinalaga sa kasong ito 2014-01447-CA. Impormasyon tungkol sa mga pagpaaantala sa loob ng maikling panahon o maaaring maganap kalapit ng itinakdang pagbebenta ay maaaring hindi kaagad masaad sa impormasyon mula sa telepono o sa Internet Web site. Ang pinakamainam na paraan upang mapatotohanan ang impormasyon sa pagpaaantala ng petsa ay ang pagdalo sa nakatakdang petsa ng bentahan.

Kung nais ninyo ng karagdagang mga kopya ng buod na ito, maaari ninyong makuha ang mga ito sa pamamagitna ng pagtawag sa (866) 960-8299.

THÔNG BÁO BÁN  
BẢN TRÌNH BÀY TÓM LƯỢC VỀ THÔNG TIN CHÍNH

Thông báo rao bán kèm theo được gửi tới cho LINDA C. REED, AN UNMARRIED WOMAN UNMARRIED WOMAN, trong mối quan hệ với 840 Glen Drive, San Leandro, CA 94577

QUÝ VI VI PHẠM QUI ĐỊNH GHI THEO 06/15/2006 NGÀY

**\$ 990,284.22.** TRỪ KHI QUÝ VI CÓ HÀNH ĐỘNG BẢO VỆ CĂN NHÀ CỦA QUÝ VI, CĂN NHÀ CÓ THỂ BỊ BÁN CÔNG KHAI.

NẾU QUÝ VI CẦN MỘT PHẦN GIẢI THÍCH VỀ TÍNH CHẤT CỦA THỦ TỤC CHỐNG LẠI QUÝ VI, QUÝ VI NÊN LIÊN LẠC VỚI LUẬT SƯ.

Toàn bộ số tiền phải trả trong thông báo bán là **04/04/2016**. Căn nhà của quý vị được dự kiến sẽ bán vào **12:00 PM** tại AT THE FALLON STREET EMERGENCY EXIT OF THE ALAMEDA COUNTY COURTHOUSE, 1225 FALLON STREET, OAKLAND, CA 94612

Tuy nhiên, ngày bán ghi trong thông báo bán kèm theo có thể bị trì hoãn một hoặc nhiều lần bởi bên cho vay thế chấp, người thụ hưởng, người được ủy quyền, hoặc tòa án, chiếu theo Mục 2924g của Bộ Luật Dân Sự California. Luật pháp qui định thông tin về các trường hợp trì hoãn bán nhà của bên được ủy quyền phải được cung cấp cho quý vị và công chúng, để cập nhật cho những người không có mặt tại buổi rao bán. Nếu quý vị muốn biết ngày rao bán của quý vị có bị hoãn hay không, và, nếu thích hợp ngày giờ mới cho việc rao bán căn nhà này, quý vị có thể gọi (866) 960-8299.

Thông tin về các trường hợp trì hoãn rất ngắn hoặc xảy ra ngay rao bán dự kiến có thể không được phản ánh ngay trong thông tin cung cấp qua điện thoại hoặc trên Internet. Cách tốt nhất để xác định thông tin trì hoãn là tham dự buổi rao bán đã định.

Nếu quý vị muốn có thêm bản sao của tài liệu trình bày tóm lược này, vui lòng gọi số (866) 960-8299.

TS No.: 2014-01407-CA

## California Civil Code section 2924.8 Notice of Foreclosure Sale

Dear resident of property subject to foreclosure sale:

Foreclosure process has begun on this property, which may affect your right to continue to live in this property. Twenty days or more after the date of this notice, this property may be sold at foreclosure. If you are renting this property, the new property owner may either give you a new lease or rental agreement or provide you with a 90-day eviction notice. You may have a right to stay in your home for longer than 90 days. If you have a fixed-term lease, the new owner must honor the lease unless the new owner will occupy the property as a primary residence or in other limited circumstances. Also, in some cases and in some cities with a "just cause for eviction" law, you may not have to move at all. All rights and obligations under your lease or tenancy, including your obligation to pay rent, will continue after the foreclosure sale. You may wish to contact a lawyer or your local legal aid office or housing counseling agency to discuss any rights you may have.

### Spanish Translation

Estimado residente de la propiedad sujeta a la venta por ejecución hipotecaria:

Ha comenzado el proceso de ejecución hipotecaria sobre esta propiedad, lo que podría afectar su derecho a seguir viviendo en ella. Dentro de un plazo de veinte días o más posteriores a la fecha de este aviso, es posible que esta propiedad se venda por ejecución hipotecaria. Si usted alquila esta propiedad, el nuevo propietario de la misma podría ofrecerle un nuevo acuerdo de alquiler o arrendamiento o enviarle un aviso de desalojo con 90 días de anticipación. Usted tendría derecho a permanecer en su hogar durante un período superior a 90 días. Si tiene un arrendamiento a plazo fijo, el nuevo propietario debe cumplir el arrendamiento a menos que esta persona ocupe la propiedad en carácter de residencia principal o en otras circunstancias limitadas. Asimismo, en algunos casos y en algunas ciudades que tengan una ley de "motivo Justo para el desalojo", es posible que no tenga que mudarse en absoluto. Continuarán todos los derechos y obligaciones en virtud del arrendamiento o tenencia, inclusive su obligación de pagar el alquiler.

### Chinese Translation

親愛的而臨法拍物業持有人：

此物業的法拍程序已經開始，這可能會影響到您繼續在此物業居住的權利。自本通知發出的第二十天起，此物業可以法拍方式出售。如果您正在租住此物業，新的業主會給您一份新的租約，或向您發出90天的搬遷通知。您有權在您的房屋內居住90天以上。如果您持有固定期限的租約，新的業主必須遵守該租約，除非新業主欲將該房屋作為zhuyao住處，或處於其他限制條件。而且，在某些個案和實踐上正當理由房產法規的某些城市，您可能根本就不需要搬出。您租約或租期內的所有權利和義務，包括您支付租金的義務，在法拍後也仍將繼續。您可聯絡律師、您當地的法律援助辦公室或防霸凌機構，以討論您可擁有的權利。

### Tagalog Translation

Minamahal na residente ng ari-ariang sekop ng pagbebenta dahil sa pagkarema:

Ang proseso ng pagreremata ay nagsimula na para sa ari-ariang ito, na maaaring makaapektu sa inyong karapatan na patuloy na manirahan sa ari-ariang. Dalawampung araw o higit pa makalipas ang petsa ng abisong ito, ang ari-ariang na ito ay maaaring maibenta sa pagkaremata. Kung kaya ay nangungupahan sa ari-ariang na ito, ang bagong magmamay-ari ng ari-ariang ay maaaring bigyan kayo ng bagong kasunduan sa pag-arkila o pangungupahan o maaaring magbigay sa inyo ng 90-araw na abiso ng pagpapatayas. Maaaring may karapatan kayong manalili sa inyong tahanan nang mahigit sa 90 araw. Kung kaya ay may kasunduan sa pag-arkila na may takdang panahon, ang bagong may-ari ay dapat kilalanin ang kasunduan maliban kung gagamitin ng bagong may-ari ang ari-ariang bilang pangunahing tirahan, o sa ibang ngā limitadong kalagayan. Dagdag pa, sa ilang mga kaso at sa ilang mga siyudad na may batas sa "makatangkang dahilan para sa pagpapatayas", maaaring hindi mo kinakailangang umalis. Lahat ng mga karapatan at pananagutan sa ilalim ng inyong kasunduan sa pag-arkila o pangungupahan, kabilang na ang inyong pananagutan na magbated ng upa, ay magpapatuloy matapos ang pagbebenta dahil sa pagkaremata. Maaari mong naisin na makipagugnayan sa iyong abogado o sa iyong lokal na opisina ng tulungan na pang-legal o ahensiya ng tagapagpayo sa pabahay upang latikayin ang anumang mga karapatan na maaaring mayroon ka.

### Vietnamese Translation

Gửi người sống tại cơ ngơi bị phát mại:

Quá trình phát mại cơ ngơi này đã bắt đầu và có thể ảnh hưởng đến quyền tiếp tục sống tại cơ ngơi này của quý vị. Sau hai mươi ngày trở lên của thông báo này, cơ ngơi này có thể bị phát mại. Nếu quý vị đang thuê cơ ngơi này, chủ sở hữu mới của cơ ngơi này có thể cung cấp cho quý vị một thỏa thuận thuê mới hoặc một thông báo ra khỏi nhà trong 90 ngày. Quý vị có thể có quyền ở lại lâu hơn 90 ngày. Nếu quý vị có một hợp đồng thuê nhà định hạn, chủ sở hữu mới phải tôn trọng hợp đồng thuê nhà này trừ khi chủ sở hữu mới sẽ sử dụng cơ ngơi này như là nơi cư trú chính hoặc trong các trường hợp han chế khác. Ngoài ra, trong một số trường hợp và tại một số thành phố có luật "lý do ra khỏi nhà chính đáng", quý vị có thể không phải chuyển nhà. Tất cả các quyền và nghĩa vụ theo hợp đồng thuê nhà của quý vị, bao gồm nghĩa vụ trả tiền thuê nhà của quý vị, sẽ tiếp tục có hiệu lực sau khi phát mại. Quý vị có thể liên hệ với một luật sư hoặc văn phòng trợ giúp pháp lý địa phương của quý vị hoặc cơ quan tư vấn về nhà ở để thảo luận về các quyền quý vị có thể có.

### Korean Translation

경매처분에 직면한 주택 소유주 여러분께,

이 주택에 계속 거주할 수 있는 권리에 영향을 줄 수 있는 경매 절차가 시작되었습니다. 이 통지서 날짜로부터 20일 정도가 지난 후, 이 주택은 경매로 매각될 수 있습니다. 이 주택을 임차하고 계시다면, 새로운 주택 소유주가 임차에게 새 리스 또는 임차 계약서를 제공하거나, 아니면 90일 이내로 퇴거 통지서를 드릴 것입니다. 임차에게는 90일 이상 차액에 주거하실 권리가 있습니다. 만약 고정기간 리스 계약을 체결하셨다면, 새로운 소유주가 해당 주택을 주된 주거지로 점유하거나 제한된 상황이 아닌 한, 새로운 소유주는 해당 리스 계약을 존중해야 합니다. 또한, "정당한 사유에 의한 퇴거(just cause for eviction)"법에 따른 일부 경우와 일부 도시에 있는 경우, 전혀 이사하지 않아도 될 가능성도 있습니다. 임차고를 사용해야 하는 의무를 포함하여 임차의 리스 또는 임차계약 하의 모든 권리와 의무는 경매 전에 이후에도 계속됩니다. 임차의 면호사 또는 지역 법률 지원 사무소 또는 주택 상담 기관에 연락하여 권리에 대해 상담하실 수도 있습니다.

**Exhibit K**

# 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 rights pursuant to 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 has community property rights pursuant to applicable law and 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):

*Linda C Reed*

Borrower

Co-Borrower

## I. TYPE OF MORTGAGE AND TERMS OF LOAN

Mortgage Applied for:	<input type="checkbox"/> VA <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> Other:	Agency Case Number	Lender Case Number
Amount	Interest Rate	No. of Months	Amortization Type:
\$ 640000.00	7.750 %	480/480	<input type="checkbox"/> Fixed Rate <input type="checkbox"/> Other (explain): <input type="checkbox"/> GPM <input checked="" type="checkbox"/> ARM (type):

16023507

## II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state & ZIP)	No. of Units
840 GLEN DRIVE, San Leandro, Alameda CA 94577	1
Legal Description of Subject Property (attach description if necessary)	Year Built
See Preliminary Title Report	1957

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

Complete this line if construction or construction-permanent loan.					
Year Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
2004	\$ 605000.00	\$ 650685.00	\$	\$	\$

Complete this line if this is a refinance loan.				
Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements <input type="checkbox"/> made <input type="checkbox"/> to be made
2004	\$ 605000.00	\$ 650685.00	NO CASH OUT/TERM \$100 MAX	

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

## Borrower

## III. BORROWER INFORMATION

## Co-Borrower

Borrower's Name (include Jr. or Sr. if applicable)

Linda C. Reed

Co-Borrower's Name (include Jr. or Sr. if applicable)

Social Security Number	Home Phone (incl. area code)	DOB (MM/DD/YYYY)	Yrs. School	Social Security Number	Home Phone (incl. area code)	DOB (MM/DD/YYYY)	Yrs. School
444-58-1916	(510)430-3277	12/19/1954	20				
<input type="checkbox"/> Married <input checked="" type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower) no. 0 ages			<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower) no. ages		
<input type="checkbox"/> Separated							

Present Address (street, city, state, ZIP)  Own  Rent No. Yrs:  
840 GLEN DRIVE  
San Leandro, CA 94577Present Address (street, city, state, ZIP)  Own  Rent No. Yrs:Mailing Address, if different from Present Address  
840 GLEN DRIVE  
San Leandro, CA 94577

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:  
000Former Address (street, city, state, ZIP)  Own  Rent No. Yrs:

## Borrower

## IV. EMPLOYMENT INFORMATION

## Co-Borrower

Name & Address of Employer  Self Employed

A+ MAID SERVICE

2615 57TH AVE  
OAKLAND, CA 94605

Yrs. in this job

3Y5M

Yrs. employed in this line of work/profession

Name & Address of Employer  Self Employed

Yrs. in this job

Yrs. employed in this line of work/profession

Position/Title/Type of Business  
OWNER

Business Phone (incl. area code)

Position/Title/Type of Business

Business Phone (incl. area code)

If employed in current position for less than two years, complete the following:

# Golden State Financing

## V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expenses	Present	Proposed
Base Empl. Income *	\$ 15750.00	\$	\$ 15750.00	Rent	\$	
Overtime				First Mortgage (P&I)	2181.00	\$ 4330.37
Bonuses				Other Financing (P&I)	351.00	725.00
Commissions				Hazard Insurance	160.00	186.67
Dividends/Interest				Real Estate Taxes	628.76	570.84
Net Rental Income				Mortgage Insurance		
Other (before completing see the notice in "describe other income," below)				Homeowner Assn. Dues	60.00	
Total	\$ 15750.00	\$	\$ 15750.00	Other:		
				Total	\$ 3380.76	\$ 5812.88

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

B/C	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.	Monthly Amount
		\$

## VI. ASSETS AND LIABILITIES

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

Description	ASSETS	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.	Monthly Payment & Months Left to Pay	Unpaid Balance
Cash deposit toward purchase held by:		\$			
List checking and savings accounts below			LIABILITIES		
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
WELLS FARGO BANK			WASH MUTUAL/PROVIDIAN	105.00	4198.00
			Acct. no. 9385077064	40	
Acct. no. 014-2417179		\$ 12365.00	Name and address of Company	\$ Payment/Months	\$
Name and address of Bank, S&L, or Credit Union			GEMB/MERVYN'S	12.00	223.00
WELLS FARGO BANK			Acct. no. 6045891127124496	19	
			Name and address of Company	\$ Payment/Months	\$
Acct. no. 614-2336652		\$ 2484.00	SHELL/CITI	10.00	168.00
Name and address of Bank, S&L, or Credit Union			Acct. no. 631604816	17	
STOCKS			Name and address of Company	\$ Payment/Months	\$
			CITI/CPU	10.00	91.00
Acct. no.		\$ 18500.00	Acct. no. 812377952	9	
Name and address of Bank, S&L, or Credit Union			Name and address of Company	\$ Payment/Months	\$
			UNVL/CITI	20.00	42.00
Acct. no.		\$	Acct. no. 549113038163	2	
Stocks & Bonds (Company name/number & description)		\$	Name and address of Company	\$ Payment/Months	\$
			GEMB/WALMART	10.00	31.00
Life Insurance net cash value		\$	Acct. no. 6032207451131767	3	
Face amount: \$			Name and address of Company	\$ Payment/Months	\$
Subtotal Liquid Assets		\$ 33349.00	See Sch Of Liabilities		
Real estate owned (enter market value from schedule of real estate owned)		\$ 800000.00			

**Golden State Financing**

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

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

**Property Address** (enter S if sold, PS if pending sale  
or R if rental being held for income)

**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

TRANSACTION	
a. Purchase price	\$
b. Alterations, improvements, repairs	
c. Land (if acquired separately)	
d. Refinance (incl. debts to be paid off)	650755.00
e. Estimated prepaid items	2066.67
f. Estimated closing costs	5015.51
g. PMI, MIP, Funding Fee	
h. Discount (if Borrower will pay)	
i. Total costs (add items a through h)	657837.18
j. Subordinate financing	80000.00
k. Borrower's closing costs paid by Seller	
l. Other Credits (explain)	
pp 2nd	-362.55
cc 2nd	-1850.00
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	640000.00
n. PMI, MIP, Funding Fee financed	
o. Loan amount (add m & n)	640000.00
p. Cash from / to Borrower (subtract j, k, l & o from i)	-59950.27

### VIII. DECLARATIONS

**VIII. DECLARATIONS**  
If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.

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

#### **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 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 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 credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

**Borrower's Signature**

Date

Co-Bonpover's Signature

1

**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.]

# Continuation Sheet/Residential Loan Application

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

Borrower: <b>Linda C. Reed</b> Co-Borrower:	Agency Case Number:  Lender Case Number: <b>16023507</b>
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## LIABILITIES ADDENDUM

Creditor's Name Address/City/State/Zipcode	Account Number	Payment Months Left To Pay	Balance
CHEVRON CREDIT BANK NA	7310507228	10.00	3 30.00
*R.E. Loan: HOME COMING FUNDING NE	440687069	*2181.00	0 *632755.00
*R.E. Loan: Home Coming Funding		*76.00	0 *18000.00
	<b>TOTAL:</b>	<b>2267.00</b>	<b>650785.00</b>

## RESIDENCE ADDENDUM

Borrower 5701 MORSE DR OAKLAND, CA 94605	Own (Y/N) : N Number of Years: 3
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MIN: 100034200057202701

Loan Number: 16023507

## PREPAYMENT PENALTY DISCLOSURE (Multi-State)

Loan Applicant(s): LINDA C. REED

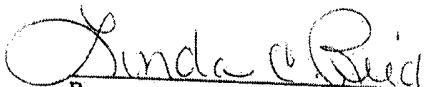
Property Address: 840 GLEN DRIVE, SAN LEANDRO, CALIFORNIA 94577

You are entering into a residential mortgage loan that will be secured by the property referenced above. The terms of your loan provide for the payment of a prepayment charge in the event that you prepay the loan in full during the first 36 month(s) of the term of the Note.

If, within the 36 month(s) period beginning with the date you execute the Note (the "Penalty Period"), you make a full prepayment, or partial prepayment in any twelve (12)-month period that exceeds 20% of the original principal loan amount, you will pay a prepayment charge as consideration for the Note Holder's acceptance of such prepayment. The prepayment charge will equal the amount of interest that would accrue during a six (6)-month period on the amount prepaid that exceeds 20% of the original principal balance of the Note, calculated at the rate of interest in effect under the terms of the Note at the time of prepayment, unless otherwise prohibited by applicable law or regulation. No prepayment charge will be assessed for any prepayment made after the Penalty Period.

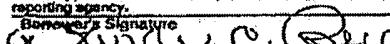
Notwithstanding the foregoing, in the event of a full prepayment concurrent with a bona fide sale of the Property to an unrelated third party after the first 36 month(s) of the term of the Note, no prepayment penalty will be assessed. In that event, you must provide the Note Holder with evidence acceptable to the Note Holder of such sale. For purposes of this exception to the prepayment charge, a sale of the property to a person or entity with whom you have a personal or business relationship (such as a family member, builder, developer or employer) will be presumed NOT to be a bona fide sale of the Property to an unrelated third party.

ACKNOWLEDGMENT: I/We hereby acknowledge receiving this disclosure at the time of loan approval/commitment.

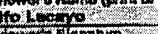
  
Borrower LINDA C. REED      6/17/06  
Date

Borrower \_\_\_\_\_ Date \_\_\_\_\_

**Exhibit L**

<b>1. INDIVIDUALS FAILING TO ANSWER QUESTIONS</b>		<b>2. INDIVIDUALS FAILING TO ANSWER QUESTIONS</b>	
a. Purchase price	\$	If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.	
b. Alterations, improvements, repairs		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
c. Land (if acquired separately)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
d. Refinance (incl. debts to be paid off)	672,681.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
e. Estimated prepaid items	266.67	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
f. Estimated closing costs	5,068.61	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
g. PMI, MIP, Funding Fee		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
h. Discount (if Borrower will pay)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
i. Total costs (add items a through h)	678,016.18	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
j. Subordinate financing	80,000.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
k. Borrower's closing costs paid by Seller		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
l. Other Credits (explain)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	640,000.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
n. PMI, MIP, Funding Fee financed		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
o. Loan amount (add m & n)	640,000.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
p. Cash from/to Borrower (subtract j, k, l & o from i)	-41,983.82	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>3. INFORMATION FOR CONVENTIONAL MORTGAGE REPORTING</b> 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 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.			
<b>4. INFORMATION FOR CONVENTIONAL MORTGAGE REPORTING</b> Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or review any information contained in this application or obtain any information or data relating to the Loan, for any legitimate purpose through any source, including a source named in this application or a consumer reporting agency.			
Borrower's Signature 		Date <input type="text" value="6/17/06"/>	Co-Borrower's Signature <input type="text" value="X"/>
Date <input type="text" value="6/17/06"/>			

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 summary 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 ensure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<b>BORROWER</b> <input checked="" type="checkbox"/> I do not wish to furnish this information		<b>CO-BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information	
Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input checked="" type="checkbox"/> Not Hispanic or Latino	Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race:	<input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American	Race:	<input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American
	<input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White		<input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex:	<input checked="" type="checkbox"/> Female <input type="checkbox"/> Male	Sex:	<input type="checkbox"/> Female <input type="checkbox"/> Male
To be Completed by Interviewer This application was taken by:	Interviewer's Name (print or type) <b>Adolfo Lescay</b> Interviewer's Signature  Date <input type="text" value="6/17/06"/>		
<input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Internet	Name and Address of Interviewer's Employer <b>Golden State Financial</b> 23022 La Cadenza Drive Ste 202 Laguna Hills, CA 92683 (P) 949-918-7300 (F) 949-918-7302		
	Interviewer's Phone Number (incl. area code) <b>949-918-7300</b>		

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<b>CONTINUATION SHEET</b>		
Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.	Borrower: <b>LINDA C. REED</b> Co-Borrower:	Agency Case Number:
		Lender Case Number:

ASSETS	Cash or Market Value	LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Name and address of Bank, S&L, or Credit Union		Name and address of Company <b>HOMECOMINGS FINANCIAL</b>	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		(2,837)	654,751
Name and address of Bank, S&L, or Credit Union		Name and address of Company <b>HOMECOMINGS FINANCIAL</b>	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		(351)	17,930
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		\$ Payt./Mos.	\$
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		\$ Payt./Mos.	\$
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		\$ Payt./Mos.	\$
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		\$ Payt./Mos.	\$
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		\$ Payt./Mos.	\$
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no. \$	Acct. No.		\$ Payt./Mos.	\$
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$

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

Borrower's Signature: <i>Linda C. Reed</i>	Date 6/17/06	Co-Borrower's Signature: <i>X</i>	Date
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